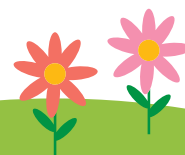
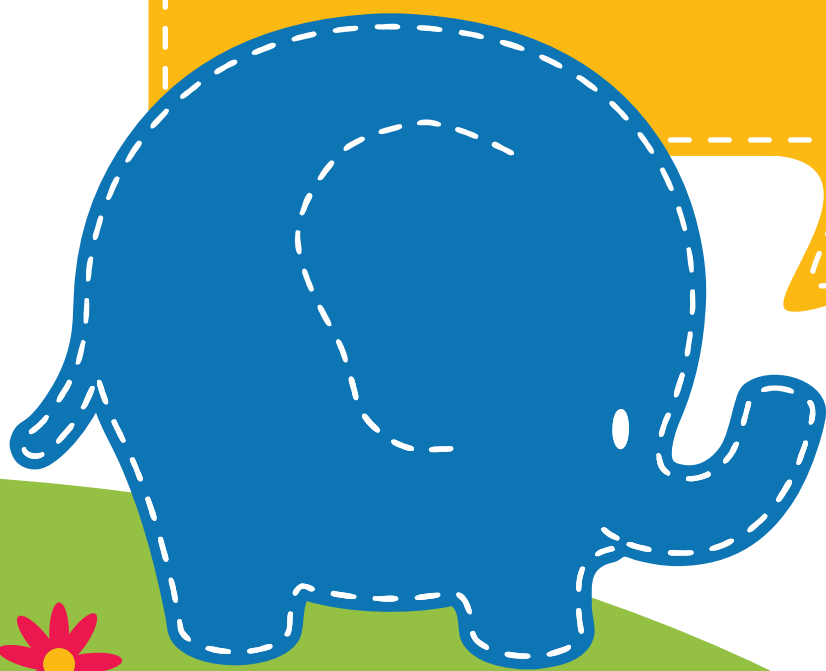


Annual Report & Accounts 2012/13

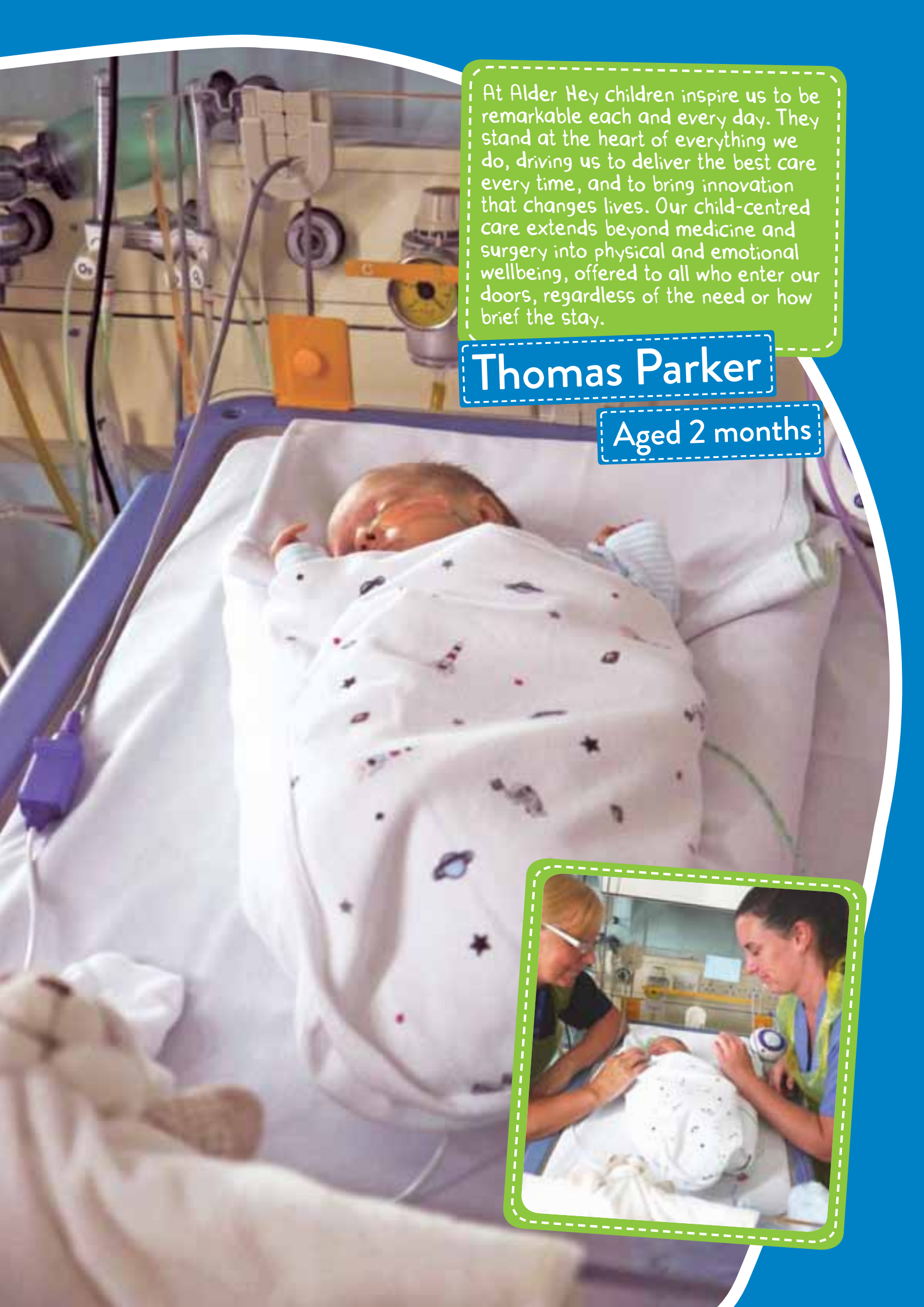


Annual Report & Accounts 2012/13

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

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At Alder Hey children inspire us to be remarkable each and every day. They stand at the heart of everything we do, driving us to deliver the best care every time, and to bring innovation that changes lives. Our child-centred care extends beyond medicine and surgery into physical and emotional wellbeing, offered to all who enter our doors, regardless of the need or how brief the stay.

Thomas Parker

Aged 2 months



Chair and Chief Executive's Welcome

2012/13 was a landmark year for Alder Hey which culminated in March with the groundbreaking ceremony for our new Alder Hey in the Park, a £240m development. This was a significant moment in the Trust's long history of successes; the new hospital provides a wonderful opportunity for us to build on the clinical excellence and care that has been the foundation of Alder Hey for over a century of caring for children and young people. We both feel personally privileged to have been a part of the celebrations that took place on the day, which brought together our patients, their families, our extraordinary staff and our friends and partners from across the local community. Some moving reminiscences and experiences of Alder Hey were shared among our guests and we recognise that it is important to capture the essence of that rich heritage as we move into the next phase of our journey.

As ever, our Annual Report gives us the opportunity to pause and reflect on all that we have achieved during the year, as well as the many challenges we have faced both as an organisation and as part of a wider health system that has experienced seismic changes in the last 12 months. In the midst of this we have made significant progress towards the vision that we set out 18 months ago, 2012/13 being the first full year of implementing the strategic pillars that will help us to deliver it. We took major steps in terms of quality, research and improving how patients move through our system via our transformation programmes, as well as delivering our new hospital. At the same time we achieved all of our performance targets, again, in the face of significant challenges.

As we look back at recent events in healthcare (the new Health and Social Care Act, the Francis report into failures in care at Mid Staffordshire NHS Foundation Trust, the reconfiguration of provider and commissioning organisations and the challenges that are inherent in meeting the NHS £20billion efficiency savings), it is clear that the consequences of these major changes will have a far-reaching impact on all parts of the system, including here at Alder Hey.

We recognise that each and every one of these major challenges and changes is felt by our staff both personally, within clinical teams and as members of the

wider Alder Hey workforce. We have seen the impact of external pressures across all key aspects of our work and as staff experience local organisational change. We have listened to what our staff are telling us and we know what is important to them. We need to ensure that in our collective endeavours to make Alder Hey one of the recognised world leaders in paediatric healthcare and research, we continue to value the individual contributions of all of our staff, that we support them to do the best possible job for patients, we develop our clinical leaders to ensure we remain on the right path and we hold one another to account for ensuring patients and families' needs remain first and foremost in the delivery of care.

In our drive toward this ambition we have refocused our commitment to providing the highest quality care for our children in a way that is measurable and clearly understood by all. Our Quality Aims are the essence of our promise to our patients and their families, developed and agreed collectively by our senior clinical leaders with the support of our governors. The report that follows illustrates the steps we have taken in the last year to anchor this commitment at the heart of our enterprise and it only remains for us to thank our dedicated teams for all that they have done to make this achievement possible.



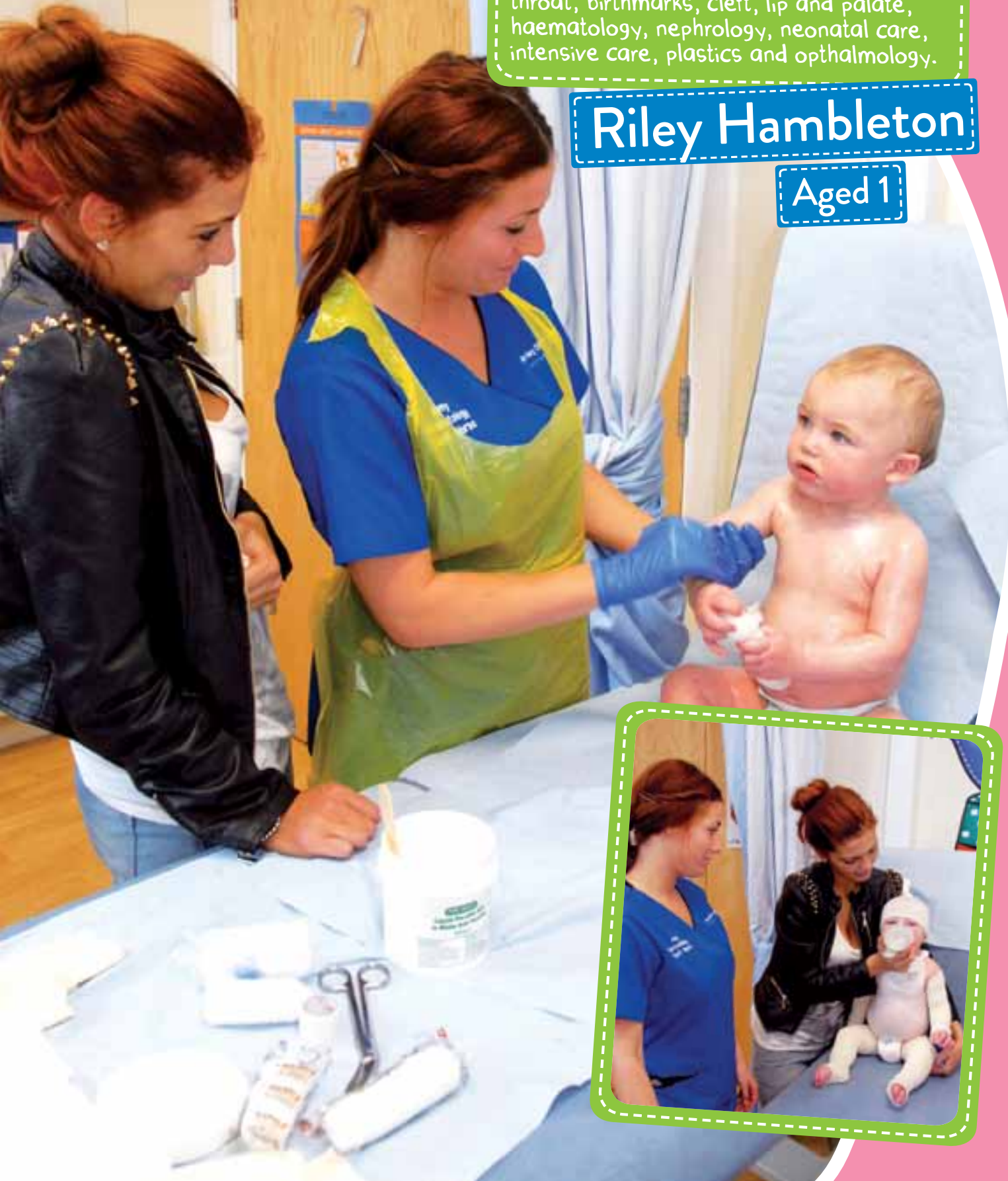
David Henshaw

Louise Shepherd

Alder Hey delivers clinical excellence for all children, for routine illnesses as well as very complex and rare conditions. These conditions include; allergies, physiotherapy, radiology, rheumatology, dermatology, urology, general paediatrics, endocrinology, gastroenterology, diabetes, dental, daycase surgery, ear, nose and throat, birthmarks, cleft, lip and palate, haematology, nephrology, neonatal care, intensive care, plastics and ophthalmology.

Riley Hambleton

Aged 1



Directors' Report

About the Trust

Alder Hey Children's NHS Foundation Trust continues to provide care for over 275,000 children and young people each year. In addition to the hospital site at West Derby, Alder Hey has a presence at a number of community outreach sites and in collaboration with other providers, our consultants help deliver care closer to patients' homes by holding local clinics at locations from Cumbria to Shropshire, in Wales and the Isle of Man. We also provide inpatient care for children with complex mental health needs at our Alder Park building in the borough of Sefton.

The Trust employs a workforce of 2,660 staff who work across our community and hospital sites and as a teaching and training hospital we provide education and training to around 540 medical and over 500 nursing and allied health professional students each year.

Our operating turnover is £188m of which £167m directly relates to the clinical services we provide; 30% of our clinical income is non-specialised and 70% is specialised. Our principal contract is with the Wirral and Cheshire Area Team on behalf of the National Commissioning Board (NCB) for tertiary and quaternary care, we also serve a wide population base for secondary care which spans 33 local Clinical Commissioning Groups (CCGs) of which Liverpool CCG is the largest with a contract of £26m of non specialised services. In total ten CCGs have a contract of under £1m. A further two CCG's have contracts of less than £0.5m. In addition to this we have a significant contract with commissioners for North Wales.

Alder Hey offers a number of specialist services and we are one of only two providers in the North West designated to receive the specialist children's top up to the national tariff for this work. In 2012/13 we were re-designated as one of the two accredited major trauma units for children in the North West and were also nationally commissioned as one of four epilepsy surgical centres, a service we provide in partnership with Manchester Children's Hospital. As the regional cardiac surgical centre we continue to lead on developing the cardiac network across the region in order to provide seamless pathways of care for children with congenital heart problems.

Alder Hey is a top performing Trust. We remain an NHSLA Level 3 organisation – the highest possible rating for clinical risk management and are registered with the Care Quality Commission (CQC) without conditions. Our ratings from the foundation trust regulator, Monitor, have been generally among the highest available ('green' for governance and 5 for financial performance) since authorisation in 2008. Our services are managed through five Clinical Business Units (CBU) each led by a Clinical Director and General Manager who, along with lead nurses, service groups leads and service line managers are responsible and accountable for the overall clinical, workforce and financial performance of their area.

As we move towards our centenary year in 2014, we remain on track with our plans to build a new, state-of-the-art hospital in the adjacent Springfield Park. We have made significant progress this year with Monitor, HM Treasury and Department of Health approval of our plans. This has culminated in the Trust reaching financial close on the PFI scheme in March 2013 and the commencement of a 127 week build programme which will result in the Trust opening the doors to the new hospital in 2015.

The Trust has a thriving research portfolio and hosts the UK Medicines for Children Research Network (MCRN) with a Department of Health grant worth £22m; it is also the lead centre for the Cheshire, Merseyside and North Wales MCRN. It leads the field in paediatric pharmacovigilance, being recently awarded the only paediatric NHS programme grant (£2m) for work in this area. We continue to be an active member of the Liverpool Academic Health Science System – Liverpool Health Partners Limited - which will enable us to continue to build our research reputation and portfolio whilst ensuring that benefits are brought to patient care.

The Trust is supported by two main registered charities and through the work that they do to support the hospital, we can ensure that Alder Hey's pioneering work continues to make a difference to the lives of children. In addition to the Alder Hey Children's Charity, the Ronald McDonald House charity continues to support 84 families in 'home away from home' accommodation on site whilst their children are being treated in the hospital. We continue to work closely and strengthen our relationship with our charitable partners.

Alder Hey is England's first public health promoting paediatric hospital accredited by the World Health Organisation. With concern for our patients, their parents and carers and our staff in one of the country's most deprived areas, we believe we have a duty of care to provide health awareness, education and support to the communities we serve.

We were authorised as a foundation trust in August 2008 and have an active Council of Governors representing patients, parents, carers, staff, the general public and partner organisations. The Council represents our membership which currently totals over 13,500 people across the regions we serve. We have also established our Children and Young Peoples' Forum which meets regularly with Trust staff and has had input into the design of the new hospital, as well as supporting the recruitment of key Board level posts this year.

Our Services

The Trust remains committed to its model of managing services through Clinical Business Units (CBU's), which aims to move decision making about services much closer to patients and put clinicians in the driving seat. During 2012/13 we moved from six CBUs to five, following a review undertaken with the Surgical Specialties.

The Clinical Business Units are comprised as follows:

Medical Specialties	District Services
Respiratory Medicine	Accident and Emergency Department
Infectious Diseases	General Paediatrics
Immunology	Diabetes
Metabolic Diseases	Dermatology
Nephrology	Cystic Fibrosis
Rheumatology	Myalgic Encephalomyelitis
Gastroenterology	Community Child Health
Endocrinology	Safeguarding Services
Dietetics	Neurodisability
Oncology	Fostering and Adoption
Haematology	Audiology
Palliative Care	Child and Adolescent Mental Health Services

Surgery, Anaesthetics, Critical Care and Cardiac Services	Neurosciences, Musculo-skeletal and Specialist Surgery
Cardiology	Ear Nose and Throat
Cardiac Surgery	Cleft Lip and Palate
Paediatric Intensive Care	Ophthalmology
High Dependency Unit	Maxillofacial Surgery
Burns Unit	Dentistry and Orthodontics
General Surgery	Neurology
Urology	Neurosurgery
Gynaecology	Craniofacial Surgery
Neonatal Surgery	Long Term Ventilation
Theatres	Orthopaedics
Anaesthesia	Plastic Surgery
Pain Control	

Clinical Support Services
Radiology
Pathology
Pharmacy
Therapies
EBME
Central Admissions
Bed Management
Medical Records
Outpatients
Theatres

Key Drivers – our External Environment

The Health and Social Care Act 2012

The Health and Social Care Act gained Royal Assent in March 2012. The structural changes and transition to the new NHS landscape progressed throughout 2012/13 in readiness for implementation on 1st April 2013:

- Creation of an independent NHS Commissioning Board (NHS CB) supported by local teams.
- GPs leading local commissioning on behalf of their patient population through authorised Clinical Commissioning Groups.
- New roles for regulators, with Monitor taking on the mantle of sector regulator and introducing a new licencing system for providers to replace the terms of authorisation.

For Alder Hey, a key issue remains the strategic positioning of the children's health agenda within the new framework. The commissioning of our services is potentially complex and we must ensure that as a specialist provider we work with national, regional and local commissioning bodies to ensure children's needs are met.

Mid Staffordshire NHS Foundation Trust Public Inquiry

In February 2013, Mr Robert Francis QC published the second report from the public inquiry into the failings in care that took place at Mid Staffordshire between 2005 and 2008. The report contains lessons and recommendations for every part of the NHS system, the specific implications of which are not yet fully understood. However, all organisations impacted by the Francis report have been asked to consider the findings and recommendations from the inquiry and to decide how to apply them. We are then asked to announce the extent to which we accept them and going forward to provide an Annual Report on progress towards actions agreed.

As a starting point, the Board of Directors at Alder Hey has undertaken a high level gap analysis against the recommendations which apply directly to providers and agreed a number of actions, whilst also acknowledging that the organisation is already very focused upon delivering its patient-centred service strategy. There are many touchstones within this plan that will enable the Trust to demonstrate this commitment in the coming year and respond positively to the spirit of the Francis report.

National and Local Commissioning

2012/13 was a year of transition and the Trust has needed to adapt to the changing environment in which we are operating. The introduction of the NHS Commissioning Board (NHS CB) and Local Area Teams (LATS), along with transfer of services from PCTs to GP led Clinical Commissioning Groups (CCGs) has challenged the Trust to develop new relationships with these emerging organisations and commissioners. With the expectation that there will be more stability in 2013/14, it will be essential to build on the work already done to develop and strengthen relationships with commissioners. The particular challenge for Alder Hey is the large number of CCGs that we need to engage with – due to providing secondary care services across such a large geographical area. This will be managed through actively engaging with all CCGs, but also looking to work with their Networks to ensure

consistency and equality of care is provided for all Alder Hey patients.

Our relationship with the Welsh commissioners remains strong and we continue to build on this, focusing on our shared responsibility to provide care locally where possible whilst ensuring that timely access to specialist care and treatment is undertaken at Alder Hey.

Continuing pressure on commissioners' budgets means that affordability becomes a potential barrier to business growth. However it is imperative that the specialist services Alder Hey provides remain both clinically and financially safe and sustainable, whilst meeting the requirements set out in the newly published national service specifications.

Planning Framework

This year's planning framework *Everyone Counts: Planning for Patient 2013/14* outlines levers that will be used nationally to improve services from April 2013, the first year of the new NHS where improvement is intended to be driven by clinical commissioning.

The document lays out five 'offers' to help commissioners deliver for the public: support for routine NHS care seven days a week; greater transparency on outcomes; mechanisms to enhance patient feedback; better data collection to drive evidence-based medicine; and for high professional standards. Nationally, work will be led by the NCB Medical Director to review access to services seven days a week. This will commence with access to diagnostics and emergency care and the publication of consultant level data in key specialities. There will be continued focus on the QIPP agenda but with more local ownership and emphasis on clinical changes needed in respect of service redesign, along with re-stating the need to deliver on the NHS mandate and clinical outcomes framework, described on page 12.

At Alder Hey we have undertaken a great deal of work that supports the delivery of these offers to patients. However, as work is undertaken nationally on the publication of outcomes, seven day care and the finalisation of national service specifications, we will need to continuously review how we comply and address any gaps which to ensure we are in a strong place as a leading provider of paediatric care, as clinical commissioning develops and gains pace.

The key operational requirements set out in the 2013/14 planning framework are:

- An efficiency requirement of 4% (-1.3% to tariff prices and inflation of 2.7%).

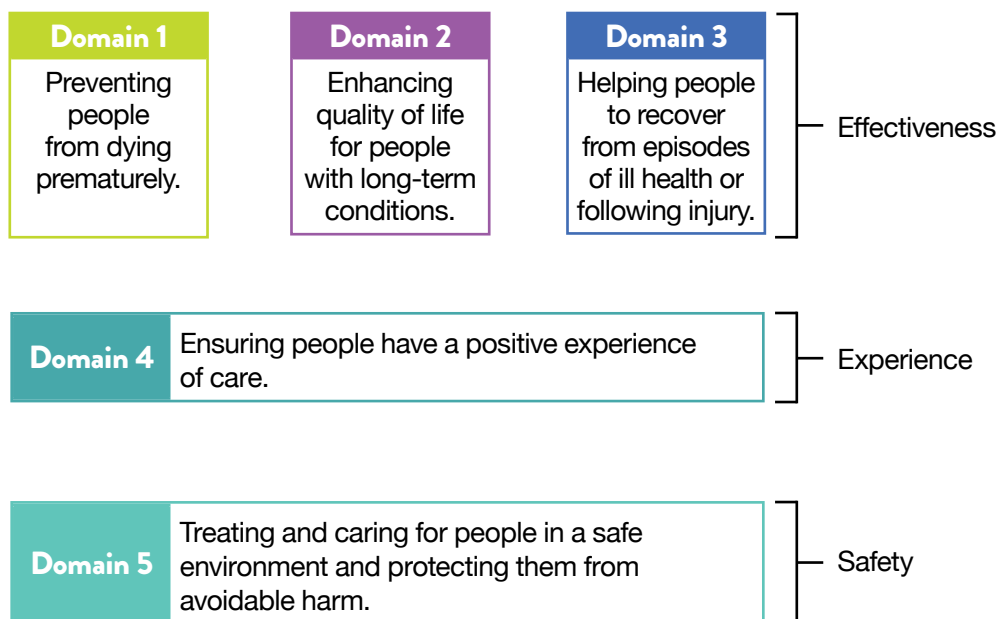
- A mandate that all Trust efficiency savings require sign off from the Medical and Nursing Directors to ensure that they remain clinically safe.
- Continuation of the 30% marginal rate for emergency care. However it is reinforced that savings from the marginal rate are to be re-invested in demand management schemes that are jointly owned by both commissioners and providers.
- CQINN (Commissioning for Quality and Innovation) payments set at 2.5% with 0.5% to support national initiatives; payments locally will be focused on quality improvements and linked to minimum requirement concerning high impact innovations.

- Waiting times remains a focus with the introduction of 'zero tolerance' for patients waiting over 52 weeks.
- The introduction of new measures for ambulance handovers.

Outcomes Framework

The Children's and Young People's (CYP) Health Outcomes Forum, which was co-chaired by Alder Hey's Medical Director, Professor Ian Lewis, made recommendations to the Secretary of State in July 2012 and the government provided a formal response in February 2013. In formulating the response the government led a wide range of stakeholders to join its pledge 'We are committed to improving the health outcomes of our children and young people so that they become amongst the best in the world', Alder Hey will demonstrate support by signing this pledge. The Chief Medical Officer will lead the CYP Health Outcomes Board to provide the necessary focus and scrutiny.

The government response includes a range of key commitments for the system, which include the Strategic Clinical Networks described above, the development of a CYP patient safety strategy, a focus on developing a children's healthcare workforce through Health Education England and a CYP Health Intelligence Network. These to a large extent are already reflected in Alder Hey's strategic pillars and we are committed to supporting these important initiatives.



Our Purpose and Vision

Our Purpose

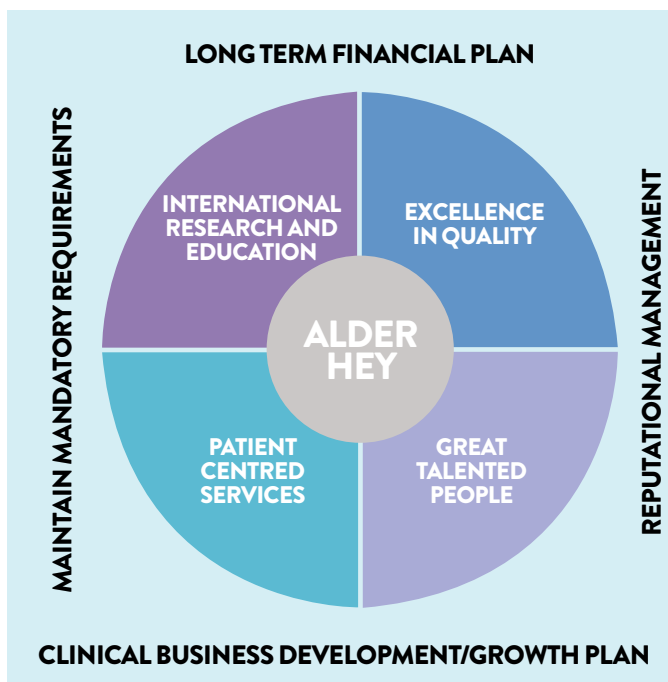
We are here for children and young people, to improve their health and wellbeing by providing the highest quality, innovative care.

Our Vision

Alder Hey: building a healthier future for children and young people, as one of the recognised world leaders in research and healthcare.

Our Strategic Approach

In order to achieve our vision we have in place four key enabling strategies that will ensure our continued success in a time of unprecedented change in the National Health Service. These strategies build on organisational strengths and successful achievements to date but also set out the blueprint for change to ensure Alder Hey meets the quality and productivity challenges outlined in *Everyone Counts: Planning for Patient 2013/14*. The strategies are framed by our continued focus on achieving our long term financial plan and growth as well as maintaining mandatory requirements and continually enhancing the reputation of Alder Hey as an NHS provider.



Patient-Centred Services

The aim of our Transformation Strategy for the delivery of patient-centred services is to maximise the opportunities presented by the new hospital and information technology investments, in order to redesign patient journeys throughout Alder Hey and ensure we get it 'right first time' at every step and radically improve patient flow. We will modernise support systems for front-line care and reduce bureaucracy whilst safely reduce running costs by £33m over four years, such that by 2015 we can deliver exceptional care to match the exceptional design of Alder Hey in the Park.

Key areas of work in 2012/13

Surgical Decision Unit (SDU)

We introduced a Surgical Decision Unit to facilitate efficient and effective assessment of children potentially requiring surgery and their urgent follow up, admission and treatment. This is a consultant-led service and currently focuses on patients presenting for input from the General Surgical and Urology clinical teams, however there is potential to expand this scope. The service gives advice regarding acute management, investigation and treatment plans for some specified conditions. Rapid Review and Assessment is facilitated, with clear information given to parents and patients.

What do our patients and their families tell us?

"Excellent, I could not have asked for better care for my little boy."

"...you felt part of what was happening..."

"We didn't feel like a number, [they] treated [my] daughter like a person."

What do the numbers tell us?

- 70% of patients stay less than 24 hours and the Surgeon of the Week attends first thing every morning.
- The average time from arrival in A&E to the SDU is 1 hour 13 minutes.
- Average length of stay (LOS) is 0.9 days.
- Average length of stay for 'overnight stayers' is 1.8 days.
- Average length of stay for 'same dayers' is 0.2 days.
- Nurse-led discharges account for 50%.

Ambulatory Minor Surgery Pathway – the “Walkabout” Pathway

A bespoke pathway for high volume, minor plastic trauma emergency patients to experience an ultra-quick hospital episode, maintaining a high quality of specialist delivered care. Patients are referred from 12 catchment centres into Early Bird Clinic, arriving fasted for theatre at 7.30am and assessed by the Plastic Surgery Team, where their treatment pathway is planned at this first point of contact. If the child meets the inclusion criteria, the pathway starts. Before the child has left clinic their preparation for theatre commences including clerking, consent, take-home medication and booking of follow-up appointments.

They walk to the Direct Admission Inpatient Unit (DAIU) for their anaesthetic review and baseline observations. Then they walk to the Emergency Theatre and post-operatively, are cared for by a dedicated Walkabout Recovery Practitioner in the recovery area and return to a chair (not a bed) in DAIU for rapid discharge.

This pathway optimises service delivery, reduces waiting and fasting times and expedites the patient’s journey. It has been proven to improve patient experience. It allows emergency patients to receive the right care in the right place, first time. This pathway is cost-effective, reducing length of stay and alleviating demand on inpatient beds and ensures efficiency of theatre utilisation.

What do our patients and their families tell us?

“Everyone was brilliant, made my first hospital experience with my son less nerve racking.”

What do the numbers tell us?

Procedure	Expected LOS (Days)	Walkabout LOS (Days)
Repair of Nail Bed	1.4	0.2
Suture of Lip	0.8	0.4
Suture of Eyebrow	1.0	0.1
	Before	After
Average Fasting Time (hours)	9.7	3.5

Medical Decision Unit (MDU)

We introduced a Medical Decision Unit to improve patient experience, the quality and safety of the service we provide and patient flow through A&E. Much like the Surgical Decision Unit approach, the MDU model is based on early senior decision making, the introduction of pathway working to reduce variation and early referral for obvious conditions. The model ensures that patients are seen by the right person at the right time, in the right place with the team in A&E providing urgent care and our General Paediatricians providing ongoing care. The aims of the MDU are to facilitate early discharge, reduce the number of medical patients in non-medical beds, reduce admissions by two patients per day and reduce the average length of stay of general paediatric patients by half a bed day.

What do our patients and their families tell us?

“Brilliant couldn’t ask for better.”

“Caring and helpful staff.”

“The doctors and nurses were kind and helpful.”

What do the numbers tell us?

- 80% of GP patients arrived on the Unit within 30 minutes.
- 67% of patients seen within 30 minutes.
- 86% of patients had a management plan documented.
- 82% of patient questionnaires rated service as excellent.

Challenges in 2013/14

Achieving truly transformational change will be reliant on a strong staff engagement and delivery strategy, ensuring that, when workforce numbers are reducing, we maintain this collaboration and our changes are clinically led – this will be critical to success.

We must look not only inwards at what we can achieve ourselves, but outwards to external partners and organisations; those with expertise in improvement work and IM&T from whom we can learn and that can support our efforts.

Ensuring we continue to move ahead with our plans to build a new Alder Hey in the Park in order to optimise our efficiency savings will be essential to sustaining our future. In addition, we have a requirement to also invest cost effectively in critical infrastructure that will support our current ageing estate to ensure it remains safe and compliant:

- Developing and investing in internal capacity and capability to deliver healthcare improvements through our Transformation Team and clinical leaders. Ensuring that our programme boards support delivery across our four clinical pathways to reduce costs by £6.5m while meeting the delivery and quality standards. Strengthening leadership and ownership by individual clinicians and their teams and embedding robust governance and programme management arrangements that track our progress against project plans.
- Complete the procurement process for the IM&T strategic partner.
- Progress with the implementation of the new Electronic Patient Record solution.
- Achieve the next stage of delivery of Alder Hey in the Park as detailed in the “Pathway to the Park” plan for 2013/14.
- Finalise the retained estate strategy. Continue to invest in current estate infrastructure to ensure compliance with legislation and support the care environment.

Information Management and Technology Developments in 2012/13

Clinical Systems

During 2012/13, the IM&T team continued work on the development and implementation of clinical systems with Dr Nik Barnes as Clinical Lead for IM&T. Key achievements in this area include:

- Establishment of a Clinical Advisory Group to allow any interested clinician to engage with and have an influence on the development and implementation of IM&T solutions across the Trust.
- Due to the imminent expiry of the previous PACS contract, we have participated with the Cheshire and Merseyside consortium to procure a new Radiology Information system, which went live in January 2013 and PACS system (due to go live April 2013) for Radiology with a plan to roll it out for all other clinical images during 2013/14.
- Continue the procurement for an Electronic Patient Record with the approval of the business case in December 2012 and contract award to Filetek / MEDITECH in March 2013.
- Migration from the previous end of life solution, to the use of ImageNow for the storage of electronic

documentation. Award of contract for the bulk scanning of records in January 2013, with a plan that all active records will be scanned by December 2013.

Patient Experience

To support improvement to the experience of patients and their families, we have rolled out free wireless internet access across the main hospital site.

Non Clinical Systems

Solutions have been implemented to improve the efficiency of support services including digital dictation, electronic transmission of clinical correspondence and outsourcing posting of letters to deliver cost savings on printing and postage.

IM&T Infrastructure

Work on the infrastructure has continued, achieving 90% server virtualisation and development of improved solutions for remote access.

Excellence in Quality

Key areas of work in 2012/13

The Trust’s Quality Strategy developed in 2011 is now firmly embedded and this year has seen considerable progress against the milestone achievements set out in the strategy. The Board has worked with the Governors and Senior Leadership Team to agree overall Quality Aims that are driving quality improvement work and are integral to all change and development work across our services, whether Trust wide or local. The Quality Aims are real stretch targets and do not reflect the typical approach of setting achievable annual targets. They represent the ambition of the staff within the Trust to deliver children’s healthcare as a recognised world leader; they change the mind set of quality improvement and underpin a burning desire to push beyond the traditional boundaries and enable radical improvement which is truly patient-centred.

We have agreed that it isn’t enough for Alder Hey to reduce harm events; our aim is that patients will not suffer harm in our care. Our ambition is not to improve patient experience but rather strive to ensure that all patients will receive the best possible experience. We will strive to ensure that all our patients will be provided with care that is the most effective and evidence based.

In order to achieve our Quality Aims we have an ambitious plan to challenge our own boundaries and

engage our staff in truly understanding the impact of their work and what patients and their families can tell us that will help shape our actions. The Patient Experience Strategy sets out how we will undertake this engagement and how we will build on our experience of learning from patients in order to ensure that our service improvements are driven by their needs and deliver improved outcomes for them.

This year has seen the formation of Clinical Commissioning Groups and the Trust has already benefited from a closer engagement with clinical commissioners who share our ambition to have Alder Hey positioned as a world leader in children's healthcare, as well as working with them to improve services locally and supporting our clinical partners to deliver excellent local care for the children of Merseyside and bordering areas.

Challenges in 2013/14

Identifying and developing the clinical leaders who will take the Quality Strategy forward and ensuring that our Quality Aims and indicators are embedded throughout the organisation and that we have a means of providing performance information at departmental level are our biggest challenges in 2013/14. Working in partnership with the Transformation Team to deliver the quality aims and fully implementing the quality assessment process that will safeguard quality of care in an ongoing climate of financial savings is essential to continue to deliver high standards of safety, effectiveness and experience.

International Research and Education

The Trust's Research Strategy aims to place Alder Hey in the best possible position to achieve its vision of being 'one of the recognised world leaders in children's research and healthcare'. The strategy is ultimately designed to lead to improvements in the care for and health of children and young people. The strategy has been developed with the input of our key partners, including the University of Liverpool.

The Trust has seen its research performance, quality and reputation improve significantly over the past five years and has demonstrated it can successfully respond to an ever changing research environment. Areas of research excellence have emerged and it is clear that with support and investment these can flourish and become internationally important. The intention now is to build on these areas of expertise and success while nurturing themes that have the potential for research excellence.

The context of Alder Hey's research activity is compelling: put simply, it is the need to improve children's health. Children and young people aged 0-18 years comprise 20% to 25% of the UK total population and are more frequent users of health services than adults. All children access health services for health checks, immunisations and assessment when acutely ill. Typically, pre-school children see their general practitioner six times each year, up to half of infants attend A&E and about 16% of children attend hospital in any one year. Two per cent of children have a chronic, life threatening condition. One in ten children has a recognised behavioural or mental health disorder. Outcomes for children and young people remain poor in the UK in comparison to elsewhere in the developed world and outcomes in the North West tend to be worse than elsewhere in England. Mortality from Cancer in children and young people and measures of Diabetes control are poorer in the UK than in most of Western and Northern Europe. Suicide rates in young people are higher than other countries. Acute asthma admissions are highest in the North West. The need for greater understanding of childhood diseases and the requirement for new treatments are paramount. Alder Hey provides a wide range of healthcare services for children and young people and offers an unparalleled opportunity to deliver the highest quality research.

The focus is on how we can accelerate our research growth working in partnership with our academic collaborators and charitable funders. It will only be possible if we support, encourage and engage with the children and families without whose participation advances and discoveries could not be achieved.

Key Areas of Work in 2012/13

- Alder Hey became a founding member of the local Academic Health Science Systems, Liverpool Health Partners (LHP) Limited. Further development work has taken place to operationalise both LHP and the Joint Research Office which supports it.
- The Trust's Research Strategy Steering Group was formed to consider and make high level decisions in relation to the integrated research strategy which was implemented in 2012.
- The Alder Hey National Institute of Health Research (NIHR) Clinical Research Facility was officially opened during the year. With funding won in open competition from the NIHR, the Trust has secured £2m for infrastructure to run the facility and further support high quality clinical research including experimental medicine.
- The Unit entered the first patient "globally" on two commercially sponsored clinical trials.

- We developed national guidance for healthcare professionals to support improvement in practice of the manipulations of drug formulations required in paediatric pharmacy and nursing practice.
- The Research Business Unit facilitated the participation of over 7,600 children and infants in research studies and clinical trials within the Trust: the largest number recruited in a single year by a children's NHS Trust since inception of the NIHR Clinical Research Network.
- Staff from the NIHR Primary Care Research Network (PCRN) moved into the Research Business Unit in January 2013. This is the second NIHR Clinical Research Network to be based here at Alder Hey.
- We complied with national quality initiatives around running research: NIHR Operational Capability Statement and Research Support Services Framework.
- Two key members of staff trained as GCP facilitators to deliver nationally accredited high quality clinical trials training.

Challenges in 2013/14

- The development and appointment of academic posts when resources are finite will require careful collaboration between partners and articulation of clear deliverables. The internal role of the Alder Hey Charity in supporting our planned research efforts financially, having a plan robust enough to ensure anticipated growth, along with engagement from clinical leaders in releasing time for research activities are emerging challenges to the delivery of a successful research strategy. Continued improvement in the delivery of applied research requires expansion of research support infrastructure in addition to protected research time for healthcare professional investigators. Development of commercial partnerships to sustain research infrastructure is fundamental for research growth.
- The changing landscape around the funding and commissioning of training and education and the changing workforce, requires the Trust to ensure we have a clear education and training strategy internally, that we have the leadership to deliver on this and that it remains linked to operational requirements and potential business opportunities.

Great Talented People

Our Workforce Strategy sets out the need for strong human resources management at every level of the organisation. This will be supported by our approach to staff education and training, leadership development, staff welfare and wellbeing, employee engagement

and effective performance management to ensure organisational delivery and success.

Key Areas of Work in 2012/13

Trade Union Partnerships

The year has seen some significant progress in the development of the partnership arrangements with our Trade Unions via the Trust Staff Side. The terms of reference of the principal forums for discussion have been reviewed and reinforced. A reviewed Partnership and Recognition agreement has been consulted upon, ready for implementation.

A fast track policy development group has been established to ensure key employment policies are relevant, up to date and understood by all members of the partnership.

In general the Trust believe that its relationship with its Trade Union partners has significantly improved towards the end of the financial year. The Trust has undergone several re-organisations and restructures across the scope of its operation and is pleased to report that, in general, the consultation attached to those business changes has been conducted in a constructive and professional manner.

Service Transformation

The Human Resources and Organisational Development (HR & OD) Team has continued to work closely with the Transformation Team and with CBU colleagues. The Interim Head of Workforce Transformation was part of both the Transformation and HR Teams and formed an effective bridge between Transformation and Operational HR. The implanted HR Managers in CBU's continued to work well and high quality HR support was provided to a number of significant change projects which were achieved within the boundaries of the legal requirements and the maintenance of good industrial relations.

The HR & OD Team worked closely with the Transformation Team on an HR risk analysis process which has provided the transformation leads and Transformation Committee with an advanced audit of the HR implications of each project and has allowed for necessary control measures to be put in place.

The Transformation agenda has been supported by the developments in the Staff-Side relationships detailed above and the agreement and publication of key workforce policies.

Communication with our staff

Communications has remained a Trust priority in the last year and the Trust has continued to develop its communication channels. The focus has been to ensure both employees on the hospital site and those housed in the community are fully aware of all Trust matters that impact upon them and that they have the means to be involved in key decisions.

The principal channels of communication are the Trust Brief and the Alder Hey Hub, (the Staff Intranet).

The Trust Brief is a monthly cascade briefing led by the Chief Executive. The briefing is supported by a summary which is made available immediately after the briefing. Sample questionnaires following the briefings have shown that the key themes delivered in the briefings are understood by the majority of employees.

Alder Hey Hub has been further developed and a comprehensive review of appearance, content and functionality has been undertaken.

Challenges in 2013/14

Delivery of the Workforce Strategy in the context of the current economic environment is a significant challenge, as is the development of an OD strategy that facilitates the changes required for the 'Pathway to the Park'.

The Trust recognises the need to improve staff engagement in the context of the recent research with staff undertaken as part of the 'Values' project and the 2012 Staff Survey results. Work this year will be focused on improving engagement, communications and preparing for the transition to Alder Hey in the Park. Real staff engagement will require the human resources team to support and provide visionary leadership, excellent communication and strong partnership working.

The development of a performance management system with leadership development will support the transformation of the workforce and delivery of savings plans whilst continuously developing talent, staff knowledge and skills.

As part of the redesign of corporate functions, both the transactional and transformational elements of the Human Resources Team will be subject to change in 2013/14. The focus of this initiative will be on the education of managers in local teams, increased automation of transactional HR and ensuring that managers and staff can access HR information as

effectively (via electronic means) and efficiently as possible.

Supporting the development of the medical workforce, including revalidation, appraisal, job planning, clinical leadership and engagement is a priority for the Trust over the next 12 months. Facilitating the necessary changes derived from the "Safe at All Times" (SAAT) project in relation to ensuring a fit for purpose service which delivers a patient centred, clinically safe and cost effective service.

The Year in Review

Delivering Our Strategic Aims

Alder Hey has seven strategic aims against which our plans and objectives in 2012/13 were aligned and then subsequently monitored, managed and internally reported throughout the year. The seven strategic aims underpin the delivery of the Trust's vision and key strategies.

Strategic Aim 1

To deliver **clinical excellence** in all of our services.

Strategic Aim 2

To ensure all of our patients and their families have a **positive experience** while in our care.

Strategic Aim 3

To be the **provider of 1st choice** for children, young people and their families.

Strategic Aim 4

To be a world class centre for **children's research and development**.

Strategic Aim 5

To further improve our **financial strength** in order to continuously invest in services and provide funding for a new hospital.

Strategic Aim 6

To ensure our staff have the right **skills, competence, motivation and leadership** to deliver our Vision.

Strategic Aim 7

To deliver our **Hospital in the Park** Vision.

2012/13 was another successful year for Alder Hey. Highlights of progress against each of the aims during the year include the following:

To deliver clinical excellence in all of our services, we...

- Had no hospital acquired MRSA bacteraemias or Clostridium Difficile infections and we developed a paediatric infection prevention dashboard to help us maintain this performance.
- Implemented a surgical site surveillance programme in cardiac and spinal services.
- Established a medicines safety collaborative with the Children's Alliance to ensure year on year reduction in medication errors.
- Implemented a paediatric early warning scoring system to detect clinical deterioration in children.
- Introduced ward level nursing indicators, achieving six of the eight indicators (75%) with a green rating at the end of the first year.
- Developed a more robust and timely mortality review process within specialty and independent review by the Hospital Mortality Review Group (HMRG).
- Achieved all of our Commissioning for Quality and Innovation Framework (CQINN) targets.
- Implemented a new database for incident reporting with a demonstrable increase in reporting rates.
- Completed the action plan we put in place following an invited review of paediatric surgery by the Royal College of Surgeons in 2011 including:
 - Implementation of 'Surgeon of the Week'
 - Strengthening of consent policy and procedures
 - Implementation of the central venous line pathway in September 2012 with a number of others nearing completion
 - Re-launch of the Clinical Ethics Committee with lay involvement
 - HMRG reviewing all cases within agreed timescale and informing Medical Director's Quarterly Report to the Board
 - Revised Whistleblowing Policy approved by the Board in April 2012 with Senior Independent Director established as key contact
- Received two successful unannounced inspections by CQC, demonstrating compliance with all standards assessed.
- Developed the Alder Hey Quality Aims.
- Embedded safety walkabouts and actions for improvement across CBUs.
- Participated in 20 national clinical audits.
- Contributed to the national Children and Young People's Health Outcomes Forum reporting to the Secretary of State, via the Trust's Medical Director as

co-chair of the Forum.

- Rated green by Monitor for governance at Quarter 4.
- Maintained level 2 information governance toolkit standards.
- Maintained NHSLA level 3, the highest possible rating for clinical risk management.
- Embedded quality governance infrastructure and processes across CBUs and reporting against CQC and NHSLA standards.

To ensure all of our patients and their families have a positive experience whilst in our care, we...

- Developed our patient experience strategy which aims to put patients and families at the centre of what we do by involving them in their care.
- Saw a further 12 wards/departments being accredited with Investing in Children and nine re-accreditations.
- Won a national patient experience award sponsored by the Patient Experience Network.
- Redesigned our emergency surgical abdominal pathway using a patient and family centred approach, in collaboration with the King's Fund.
- Reviewed our complaints systems and process.
- Achieved a patient and carer satisfaction rate of more than 95%.
- Were re-accredited as a paediatric health promoting hospital by the World Health Organisation.
- Embedded patient feedback across the hospital with the use of 'Fabio the Frog' tablet computers and software to assist in building a library of patient/family stories to drive continuous improvement.
- Appointed OCS Ltd to partner and support the management and improvement of our hotel services.
- Refurbished seven operating theatres and an operating department procedure room.
- Improved compliance across our top five critical estates risk areas.

To be the provider of 1st choice for children, young people and their families, we...

- Achieved all national patient access and compliance targets set by our regulator.
- Were re-designated as a centre for children's major trauma and as an epilepsy surgical centre.
- Contributed to the significant and externally recognised development of the North West cardiac network.

- Opened a Direct Admissions Unit for patient undergoing planned inpatient care.
- Reduced our cumulative Average Length of Stay by 4% on the 2010/11 baseline, a saving of 2013 bed-days.
- Piloted the Surgical Assessment Unit and introduced the surgeon of the week model to support emergency surgical care pathways.
- Piloted an acute assessment model in the acute paediatric service.
- Developed outline proposals to improve whole hospital scheduling.

To further improve our financial strength in order to continuously invest in services and provide funding for a new hospital, we...

- Implemented phase 1 of our data warehouse initiative.
- Procured our Electronic Patient Record (EPR) provider.
- Procured a new CT scanner and other medical equipment to the value of £2m.
- Introduced digital dictation and established a hospital wide transcription team to streamline the production of clinical letters.
- Achieved a Monitor Financial risk rating of 5 at Quarter 4, cash releasing efficiency savings of £7.4m and the agreed forecast target of £20.7m EBITDA.
- Achieved our elective activity plan and over performed on non-elective activity by 5%.
- Appointed a new energy broker.

To ensure our staff have the right skills, competence, motivation and leadership to deliver our vision, we...

- Refreshed the Alder Hey values and behavioural framework based on the 'appreciative enquiry' model.
- Agreed a workforce and organisational development strategy.
- Secured a grant from the North West Leadership Academy for clinical leadership development and undertook a review of medical leadership roles.
- Introduced a Trust succession management process.
- Established a structured approach to consultation and workforce change.
- Introduced a fast track employment policy review group.
- Revised the Trust's business change policy.
- Revised our corporate induction led by subject experts.

- Concluded discussions on a revised partnership agreement with our Trade Unions.
- Introduced mandatory training subject access.
- Undertook a board effectiveness review with support from an independent organisation.

To be a world class centre for children's Research and Development, we...

- Performed above or equal to national standards in all National Institute for Healthcare Research (NIHR) High Level Objectives and Contract Benchmarks.
- Had over 40 new studies approved in the year.
- Facilitated the participation of over 7,000 children and infants in research studies and clinical trials within the Trust: the largest number recruited in a single year by a children's NHS Trust since inception of NIHR Clinical Research.
- Awarded £2m funding from NIHR for a clinical research facility in experimental medicine.
- Awarded £2m funding from NIHR Health Technology Assessment for a national multicentre trial of antibiotic and silver impregnated catheters for ventriculoperitoneal shunts: the 'BASICS trial'.
- Developed a new instrument for the assessment of causality of adverse drug reactions in children and an e-learning package to train healthcare professionals in its use.
- Developed national guidance for healthcare professionals to support improvement in practice of the manipulations of drug formulations required in paediatric pharmacy and nursing practice.

To deliver our hospital in the park vision, we...

- Secured HM Treasury, Department of Health and Monitor approval to go ahead with the building of Alder Hey in the Park and reached financial close in March 2013.
- Commenced the 1:50 scale plans for the new hospital with input from our clinical teams.
- Set up a Children and Young People's Design Group to ensure that the new building is fully child centred.
- Commenced construction of the new hospital in Springfield Park.

Patient Care

Delivering a Strong Performance

Alder Hey continued to deliver our promises to patients in terms of access to services and infection rates during 2012/13 in spite of an increasingly challenging environment. The table below shows the Trust's performance against key national targets as set out by Monitor within the *Compliance Framework*.

Trust objective	RAG*	Threshold	Trend
C.Difficile	■	3	➔
MRSA Bacteraemia	■	1	➔
18 Week RTT Target- Admitted Patients	■	90%	⬇
18 Week RTT Target Non-Admitted Patients	■	95%	⬆
All Cancers: Two Week GP Referrals	■	100%	➔
All Cancers: One Month Diagnosis (Decision to Treat) to Treatment	■	100%	➔
All Cancers: 31 Day Wait Until Subsequent Treatments	■	100%	➔
A&E - Total Time in A&E (95th Percentile)	■	< 4hours	⬇
Compliance with the Terms of Authorisation	■		
Financial and Service Performance Ratings	■		

*RAG = Red, Amber or Green

In the third quarter of the year we were unable to meet the 18 weeks from referral to treatment target for admitted patients due to urgent operating theatre works; we did however deliver on the 4 hour A&E standard and all cancer waiting times. The prolonged winter of 2012 was a significant challenge to the achievement of targets, however our dedicated staff worked tirelessly to ensure that children received the best possible care in the right place and at the right time.

A more detailed look at our performance in relation to national and locally agreed targets is set out in the Quality Report section on pages 48 to 81.

External awards and endorsements achieved by Alder Hey in 2012/13

- This year has seen the annual PEAT inspection replaced by PLACE (Patient Led Assessments of the Care Environment) achieving a very positive outcome.
- A further nine wards and departments have received accreditation for the Investing in Children Partnership Award. To date, 21 wards and departments currently hold the award with a steady stream of new areas preparing for application.
- Alder Hey was recognised as a Paediatric Centre of Clinical Excellence by the Muscular Dystrophy Campaign.
- Consultant Ophthalmologist Mr Bill Newman was appointed as Secretary to the Royal College of Ophthalmologists.
- Our Specialist Nurse for Craniofacial Services, Joan Grogan has been invited to the Queen's Garden Party at Buckingham Palace in acknowledgment of her exceptional contribution in support, counselling, advising and educating parents and carers in paediatric cardiovascular setting.
- The IV team leader, Sara Melville achieved third place in the British Journal of Nursing Awards IV therapy Nurse category.
- Life Time Achievement Award for Anticoagulation in Practice presented to Mary Murray, our Cardiac Liaison Nurse Specialist, at the Department of Health.
- The Paediatric Intensive Care (PICU) team have shared their experience nationally and internationally on providing a multi-disciplinary cardiac and surge ECMO service.
- In collaboration with UCLAN we developed a new and improved PICU course.
- Our Patient Experience teams entered four projects into the Patient Experience Network National Awards and achieved finalists places in all categories receiving overall winner of the 2012 Patient Experience Network Award for Everton Disability Workshops and Soccer Spa.
- Our Neonatal Unit has supported the work of *Small Wonders*, a national change programme that aims to support families of sick children and premature babies in ways that are known to improve health outcomes.
- We successfully achieved reaccreditation by the World Health Organisation as England's First Health Promoting Paediatric Hospital engaging over 8,000 families.
- We became the host organisation for North West Innovation and Education in Urology Services engaging

with other trusts, support groups and professionals. Our Urology Nurse Consultant, Caroline Sanders won 3rd place in Nurse of the Year for Continence in BJN.

- Our Stoma Clinical Nurse Specialist, Brenda Hill achieved 2nd place for the Stoma Nurse of the Year in the 2012 Nursing Awards.

Infection Control

During the course of the year the Infection Control Team has developed a range of quality aims to support the Trust's quality aim that patients will not suffer harm in our care. Given that hospital acquired infections are classed as harms, the team has implemented the following aims.

Overall Aim: - No child will acquire a preventable infection due to care delivered at Alder Hey.

Sub Aims: - No child should acquire a viral illness in hospital due to care delivered at Alder Hey.

- No child will get a hospital acquired CVC (Central Venous Catheter) associated bacteraemia.
- No child will acquire a multi-drug resistant organism due to treatment provided.
- No child will acquire an infection from the hospital environment.
- No child will acquire an infection following surgery.

Reporting has been developed to give clear information against each of the aims and ensure that staff are able to identify improvement actions that will enable reduction of acquired infections.

The main Alder Hey hospital is a Victorian building not fit for purpose as a modern day healthcare facility. The Infection Prevention Team is heavily involved in the design and planning of the new hospital and is using expertise gained in the specialist arena of infection prevention and treatment in children to provide the best possible facility utilising available technology. In the intervening years the challenges posed by the existing environment are being addressed with creative solutions. During the winter months there is always a significant rise in respiratory illness often associated with infections. The existing hospital facility does not have the number of single rooms that will be available in the new hospital but in order to improve existing facilities the Trust has invested in additional isolation cubicles in the High Dependency Unit to provide additional cubicles and provide greater opportunity for the prevention of infection.

The Trust provides a team of nurses dedicated to the specialist technique of inserting and managing central venous lines and peripheral intravenous lines. The number of lines required and the occasions they

are needed continue to rise as drug treatments are improved in response to the needs of sick children. As the techniques involve a break in the protective skin barrier to insert cannulas and lines there is a very high chance of introducing infection and infections associated with line insertions have become a common problem in healthcare. The IV team at Alder Hey has achieved a further reduction in line associated infections by 30% during this year, building further on the previous year's significant improvement. As a result of this the team leader, Sara Melville, was shortlisted in the British Journal of Nursing Awards 2013 and achieved third place in the Intravenous Therapy Nurse of the Year category, it should be noted that Sara was the only nurse shortlisted in a paediatric role.

Detailed infection control performance is provided in the Trust's Quality Report on page 48.

Partnerships and Joint Ventures with other Healthcare Providers

Developing Partnerships and Network Development

In light of the NHS reforms new Strategic Clinical Networks are emerging across the North West to provide a whole system integrated approach to care; the Maternity and Children's Network is one of the five national groupings to be established.

Operationally the existing North West tertiary clinical networks will be reclassified to become Operational Delivery Networks (ODNs). These networks incorporate patient flows which go beyond the identified geographical areas of the NHS England Area Teams with the delivery of prescribed services being commissioned with Alder Hey and/or Central Manchester University Hospitals NHS Foundation Trust (CMFT). During 2013/14 the ODNs will transition from the management of the North West Specialist Commissioning Group to the North West Children's Partnership Board enabled through the concordat agreement that was signed between AHFT and CMFT in 2011. These changes will require the Partnership Board to put in place clear governance arrangements that encompass roles, responsibilities, host assurance systems and agreed work programmes for networks which are performance managed and reviewed.

Locally across Merseyside our challenge is to ensure that as budget constraints are felt across all parts of the health and social care system we work collaboratively with both the City Council and primary care providers to identify key areas of transformational change. It will

be incumbent on us all to ensure that we establish a framework that enables us to work together as one co-ordinated system, identifying potential areas where resources may be pooled, services co-located and pathways redesigned to ensure best care for children. As Health and Wellbeing Boards begin to consider local Joint Strategic Needs Assessments that will inform future commissioning and priorities, we need to ensure the mechanisms are in place for Alder Hey to be recognised as a principal partner in services for children.

During this year we will also undertake a procurement exercise to appoint an Information Technology (IT) partner. 'Soft' market testing will commence in April with the appointment of a partner by the end of September. This will enable the Trust to develop a strategy for IT and an implementation plan that will help us to deliver on our vision of a 'living hospital'.

Over the course of last year, there have been significant changes in the research and education landscape nationally and locally. Liverpool Health Partners Ltd, a collaboration of NHS trusts in Liverpool with the University, was incorporated to become the vehicle through which partners aim to work together to drive world class research and development. Alder Hey is a key partner in this collaboration, which has put children's research as one of its principal themes for development going forward. We have aligned our own research strategy with that of LHP and look forward to working closely together to develop this strategy over the coming years.

At the same time, Academic Health Science Networks have formed across the country, which represent an opportunity to spread leading edge practice over a wide geographical footprint. Locally we have worked with colleagues over Cheshire, Merseyside and Lancashire to help establish the North West Coast AHSN which we hope ultimately will form the basis for establishment of stronger networks of children's services across the North West.

Partnership with Voluntary Organisations and the Private Sector

The Trust has strong relationships with many voluntary organisations and recognises the value and importance of working with stakeholders to secure high quality services for children, young people and their parents and carers. We have an active Children and Young People's Forum which the Trust continues to work with and engage in the development of services, plan for the new hospital and involve in the appointment of key members of staff. We are also actively engaged with many charitable organisations through our fundraising

work which has played a major role in the development of Alder Hey.

In December 2012 the Trust signed a formal Memorandum of Understanding with Kanti Children's Hospital in Nepal. An informal link between clinicians from Alder Hey and Kanti has been in place for 15 years, with a number of individuals from each organisation participating in visits and projects. The initiative has also been supported by an independent charity 'So the Child May Live' and activities funded through grants. The relationship under the memorandum operates as a 'health link' between both organisations, with the aim of fostering co-operation and the exchange of knowledge and skills in the areas of paediatric medicine and surgery, including education, clinical practice, training, working practices, the use of technologies and research. The specific goals of the link are to:

- Reduce child morbidity and mortality from preventable causes in Nepal.
- Support education and training programmes to improve knowledge and skills for health care workers in both Nepal and the United Kingdom.
- Facilitate Kanti staff in delivering educational support and training in other areas of Nepal, with support from Alder Hey.
- Improve the experience of children and young people and their families when receiving care at Kanti.

Educational Partnerships

We continue to fulfill our corporate citizenship role with our partnerships with local schools and the Liverpool Education Authority by the delivery of vocational education programmes for school students aged 16-18. We are in the last year of delivering the Society Health and Development Diploma (SHD) and many of the students have gone onto higher education towards careers in health and social care and primary school teaching. The Diploma has been replaced by the BTEC Health and Social Care Advanced Level 3, which we are now delivering on site. We have also supported a large number of sixth form students undertaking formal extended projects and all of these students have progressed onto higher education towards careers in medicine, pharmacy and veterinary practice.

In January 2013 the Trust became a corporate partner of the Fiveways Trust, a charitable trust comprising Broadgreen International School, Broadgreen Primary School, Liverpool Hope University and Liverpool John Moore's University. The aim of the Fiveways Trust is to raise standards at the two schools using the experience, networks and expertise of the partner organisations. There is a significant shared agenda

with Alder Hey in particular, in relation to key public health and wellbeing issues such as alcohol awareness and smoking. The Trust's governors will become more closely involved in the development of the partnership in the coming year to complement the work already undertaken by the Trust's Health Promotion Practitioner.

The Alder Hey Children's Charity

During 2012/13 the Alder Hey Children's Charity underwent significant change in preparation for meeting the demands of the major fundraising operation required to support the delivery of Alder Hey in the Park.

In April 2011 the Charity's status changed from having a Corporate Trustee, i.e. the hospital, to having independently appointed Trustees. This gave the Charity an element of flexibility in determining its own future development, whilst working closely with the Trust to deliver key benefits for patients. In support of this, the boards of the Charity and the Trust made a strategic decision to maximise the potential of the Alder Hey brand through a joint marketing vision for both organisations.

The Charity re-branded in October 2012 with a new logo, mascot, website, marketing material and merchandise being developed, in preparation for the public launch of the appeal for the new hospital. While the Charity Trustees remain aware that there will be challenges to secure donations on the scale required in a difficult economic climate, the Charity is committed to raising significant funds to assist with the redevelopment of Alder Hey.

A new capital fundraising appeal will be launched in September 2013, supported by firstly regional and then national advertising, to raise significant funds towards the new hospital and an Education and Research Centre. It is envisaged that charitable funding will assist with state of the art technology in operating theatres; education and research facilities; medical equipment; play areas; creating interactive environments for patients and to support the Trust's Research Strategy. A detailed fundraising operational plan was developed during the latter part of 2012 with assistance from external advisors, in order to meet the capital appeal target. The plans are wide reaching and formulated to raise donations from individuals, corporate bodies and trusts and foundations.

During 2012/13 the Charity supported a number of initiatives within the hospital including further replacement of ward-based bedside TVs; a pilot scheme for new diversionary therapy technology to

be used in our Pain and Sedation Service; support towards the improvement of the provision of toys, games and patient activities across the Trust; specialist medical cardiac equipment; and a number of research projects in line with the Trust's research strategy. In total approximately £1.2m has been spent through the year on charitable activities.

Financial Performance

The Board of Directors is pleased to report excellent financial performance for 2012/13. The metrics shown demonstrate continuous improvement in financial performance in line with the Trust's strategy to generate sufficient surplus to fund the new Alder Hey in the Park when it becomes operational in 2015/16. Details of achievement against the key financial metrics against which we are measured are set out below and full financial statements are contained in pages 106 to 136 of the report.

	2012/13	2011/12
EBITDA	£18.01m	£22.3m
EBITDA Margin	9.7%	11.8%
EBITDA Achievement of Plan	108.6%	140.0%
I&E Surplus/(Deficit)	(£29.46m)	£17.0m
I&E Margin	6.8%	8.8%
Return on Assets	14.7%	18.4%
Liquidity	96.6 days	62 days
Risk Rating	5	5

The Trust's excellent EBITDA performance has been maintained in 2012/13, this has been supplemented by some one-off income from commissioners including Liverpool PCT and NHS North. Costs have been controlled through a rigorous approach to the savings programme. The cost improvement programme achieved in the year was £7.6m.

The Trust significantly improved its cash balance during the year as part of its strategy to build sufficient cash to make a significant contribution to the Alder Hey in the Park project and reduce the PFI loan.

During the year the Trust's commissioners provided £2m for the implementation of a Mutually Agreed Severance Scheme to support its savings programme.

The Trust received support from the NHS Bank for the additional costs associated with the planning and implementation of the project. Now financial close has been achieved and the Trust is committed to some expenditure a provision of £2.9m is included in the 2012/13 accounts, with £5.5m of income deferred.

Key Risks

• The Economic and Political Environment

Significant changes to commissioners have been outlined in the Health and Social Care Act 2012. The Trust is working hard to ensure that new relationships are established and the positive working relationships with outgoing Primary Care Trusts continue with the new commissioning organisations.

• Tariff

As a result of close co-operation between the Department of Health and the Children's Alliance, including a number of in-depth reviews, a two-tiered paediatric specialist top-up has been introduced for 2013/14. The single top-up of 50% on eligible HPG's has been replaced with two rates of 44% and 64%, thereby rewarding highly specialised activity more accurately. A combination of the above and services transferred from non-tariff (including a year of care tariff for Cystic Fibrosis) resulted in an improvement on tariff position compared to previous years for the Trust. For 2014/15 the responsibility for setting tariffs transfers to Monitor, however there will be not be any significant changes to tariff next year.

• Alder Hey in the Park

Plans for the development of the new Alder Hey continue to progress and the Trust is on track with the financial performance planned to provide the required funding. During 2012/13 the Trust finalised the contract with the Acorn consortium. This followed a very successful funding competition for the PFI funding in the scheme. The European Investment Bank and M&G investments were appointed funders and contracts finalised in March 2013. Meanwhile the Trust continues to manage the risks associated with a hospital building that is almost 100 years old and not fit to provide modern services.

Better Payments Practice Code – Measure of Compliance

In line with other public sector bodies, NHS organisations are required to pay invoices within 30 days or within the agreed payment terms, whichever is the sooner. This is known as the Better Payment Practice Code. NHS trusts are required to ensure that at least 95% of invoices are dealt with in line with this code.

The Trust was above the target and achieved 98% for Non NHS invoices and 97% for NHS invoices.

Accounting Policies

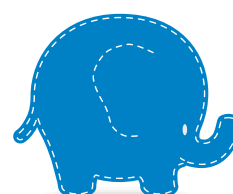
There have been no significant changes to our accounting policies since authorisation as a Foundation Trust.

We have complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance and followed the NHS costing manual. The Finance Department works with all financially significant departments to use the activity information available within the Trust and an established NHS costing package to appropriately allocate expenditure to services and patients. This is being overseen by a group comprising senior clinicians and managers from throughout the Trust, reporting to a sub-committee of the Board.

The Trust had one off payroll engagement at a cost of over £58,200 per annum in place as at 31st January 2012. This arrangement ended on 31st January 2013. There were no new off payroll engagements costing more than £220 per day and for more than six months, between 23rd August 2012 and 31st March 2013.

Prudential Borrowing Limit

We have a prudential borrowing limit of £36.5m which relates to long term borrowing.



Continued
overleaf

Capital Investment

In March 2013 the Trust achieved financial close on its new hospital development which is due for completion in 2015. The new hospital, which has been designed with full involvement of children and young people, will have 270 beds, including 48 critical care beds for patients in ICU, HDU and Burns. The unique design will also ensure that almost all bedrooms have park views and patients will have easy access to play areas on and outside their ward. There will also be 16 operating theatres, four for day-case surgery and 12 inpatient theatres. The new development will also include a multi-storey car park with 1200 spaces. Once the new hospital is built, the old one will be demolished and the site landscaped and developed to create a new park for the local community.

During 2012/13 the Board has ensured that our existing buildings provide a clean, safe and welcoming environment for children, young people and their families; that our clinical staff continue to have access to the most up to date equipment and our information management and technology infrastructure (IM&T) continues to be developed. Key elements of the year's capital programme were:

- Expenditure of £1.6m on medical equipment including £0.5m on a new CT scanner.
- Refurbishment of operating theatres, an investment of £1.1m.
- Improvements to technical IT infrastructure costing £0.9m.
- Upgrades and refurbishment of various clinical areas, a £0.9m investment.

In total we invested £5.6m in capital developments of which £0.2m was funded by charitable contributions. This is summarised below.

Medical Equipment	£1.6m
Refurbishment of Theatres	£1.1m
IM&T Infrastructure	£0.9m
Buildings: Upgrades & Refurbishment	£0.9m
Buildings: Electrical Infrastructure & Maintenance	£1.1m

Statement as to Disclosure of Information to Auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they 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 it has been communicated to the auditor.



A Forward Look

Our plans for the coming year will focus on the implementation of our strategies that underpin the delivery of the Alder Hey 2015 vision and maintain performance across all areas of mandatory compliance, thus ensuring we remain one of the top performing foundation trusts in the country. Focusing on the external environment, we will continue to strengthen our partnerships and networks and cement our position as a provider of specialist care to grow our business and ensure safe and sustainable services.

2012/13 - 2015/16 Strategic Plan: Summary of Strategic Milestones for 2013/14

Quality	<ul style="list-style-type: none"> • Real time reporting of the bundle of safety indicators and set stretch targets, approved through annual business plan. • Increase the bundle of indicators to include key measures from National Outcomes Framework recommendations. • Work with HR and OD to embed and demonstrate personal contribution to deliver quality, measured through National Staff Survey results. • Establish patient and carer involvement in departmental quality and governance meetings • Deliver consultant level information for revalidation.
Patient Centred Services	<ul style="list-style-type: none"> • Cumulative Length of Stay reduction of 12% on 2011/12 baseline, DNA reduction of 3% on 2012/13 baseline and theatre productivity at 85% x 85%. • Redesigned emergency medical pathway to meet Alder Hey standards. • Integrated business services function and redesigned Hotel Services. • CIP release of £6.5m. • Construction of the new hospital continues in accordance with plans. • Approval of proposed plans for Trust estate including Mulberry House, Alder Centre and Nursery. • Commence the decant of Mulberry House. • Delivery of the next generation e-mail system with full remote access and mobility. • Clinical Medical Device integration directly into the EPR with real-time vital signs data capture.
Research and Education	<ul style="list-style-type: none"> • Prioritisation of investment for research in conjunction with The Alder Hey Children's Charity. • National Institute for Health Research (NIHR) Awards in all Clinical Business Units.
Workforce	<ul style="list-style-type: none"> • Achieve staff reduction figures in plan. • Refresh of workforce plan aligned to transformation agenda. • Embed behavioural framework aligned to the Trust values. • Improve results of Staff Attitude Survey 2012 and partnership working with Trade Unions. • Implementation of HR transformational structure. • Review feasibility of local pay aligned to Agenda for Change. • Complete implementation of the education strategy.
Financial Resources	<ul style="list-style-type: none"> • Normalised EBITDA £21m. • Cash Surplus £26m. • Net surplus of £14m. • Monitor FRR 5 on current calculations.

Alder Hey in the Park

2012/13 was a landmark year for the development of the new Alder Hey, culminating in securing all of the necessary government and regulatory approvals to enable the scheme to go ahead and achieving financial close on the Private Finance Initiative contract. The contract was signed by the Trust and the Acorn consortium, comprising John Laing, Laing O'Rourke and Interserve in March 2013, following which the Trust held an official groundbreaking ceremony for all of its key stakeholders to mark the occasion of the Trust taking possession of Springfield Park and starting to build. The scheme is scheduled to complete in 2015.

The new hospital will have a floor area of 60,000m² and will have 270 beds, including 48 critical care beds for patients in ICU, HDU and Burns. There will be six standard wards with 32 beds. Each ward will have two four bed bays and 24 (75%) single rooms on each ward with ensuite bathrooms, improving patient and family privacy and dignity. The unique design will also ensure that the majority of bedrooms have park views and patients will have easy access to play areas on and outside their ward. There will also be 16 operating theatres, four for day-case surgery and 12 inpatient theatres. The new development will also include a multi-storey car park with 1200 spaces, 200 more than the current site.



The design concept captured the imagination of children, parents and staff but also demonstrated itself as a flexible and effective approach, which has evolved through a significant number of user engagement meetings.

The hospital has been designed in consultation with patients and their families, the Prince's Foundation and the National Arts for Health. The unique, iconic design by architects BDP will integrate the hospital with Springfield Park, ensuring that the majority of bedrooms have natural views and easy access to the park. Wards have access to play decks so that children who cannot leave the ward can benefit from outdoor space.

The official opening of the new hospital is planned for Autumn 2015.

Our Service Development Priorities for 2013/14

Over the last two years the Trust has taken a much more deliberate and planned approach to its business development agenda, which has been important to ensuring a more strategic plan to support the Long Term Financial Model for the new hospital and the vision for the organisation as it moves towards the realisation of Alder Hey in the Park. This led to the production of the Clinical Business Strategy in early 2012, which has been the foundation for the development of our plans for the coming year.

The Clinical Business Strategy identified the need to ensure that a balanced portfolio of services is developed, recognising the need to both increase revenue and enhance reputation. This also reflects the fact that different commissioners – i.e. the NHS Commissioning Board nationally and Clinical Commissioning Groups locally – have different priorities and that our offerings need to be responsive to their objectives in terms of their populations' needs.

In this context, for 2013/14 we will focus on the following areas:

- To retain designation for surge ECMO capacity and work with national commissioners towards full and permanent designation for 2014/15.
- In partnership with Central Manchester NHS Foundation Trust, to provide Epilepsy Surgery for the North of England and develop the associated Neurosciences network, embedding standards to optimise other growth opportunities.
- To build on the Selective Dorsal Rhizotomy surgical development in 2012/13, increasing the number of cases to 12 per annum.
- To increase spinal, ENT and sleep studies capacity as per agreed business cases to meet demand and waiting times.
- To actively market our inpatient Child and Adolescent Mental Health Service (CAMHS) to commissioners outside the local area in order to utilise additional beds available within the Dewi Jones Unit.
- To repatriate patients requiring Percutaneous Pulmonary Valve Implants.
- To deliver increased Diabetes and Endocrinology activity based on meeting requirements set out in National Service Specifications.
- To increase private and international income through pricing review, development of business partnership to explore overseas markets, implementation of pilot specialties and commercial potential within radiology services.
- To continue to develop Cardiac and Neurosurgical Safe and Sustainable Networks and proceed with implementation plans in line with agreed investments.
- To embed the new clinical model for Tier 3 CAMHS in preparation for submitting prospective competitive tender opportunities.
- To develop a new rehabilitation model and work with commissioners on tariffs and pathways for children within this service.
- To embed the model of care for acute medical assessment including potential to expand capacity within ambulatory clinics and community nursing.
- To build on the 'pharmacy specials' pilot and community physiotherapy service with potential expansion to other CCGs.
- To embed Cystic Fibrosis hub and spoke model across the network in line with tariff agreements for 'year of care'.



Alder Hey is one of four stand alone children's hospitals in the UK and offers a number of specialist services. We are a regional centre for burns injuries, a respiratory Extracorporeal Membrane Oxygenation (ECMO) surge centre and a Centre of Excellence for children with cancer, heart, spinal and brain disease.

Skye Higgins

Aged 5



Going Concern

After making enquiries the directors have a reasonable expectation that Alder Hey Children's NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future.

In addition, there are no material contingent liabilities or material litigation as far as the Board is aware; to the extent that there is potential litigation it is believed that this will be covered by the NHS Litigation Authority. For these reasons, the Trust continues to adopt the going concern basis in preparing the accounts.



Alder Hey is a designated national centre for neuro and craniofacial surgery. In 2012, Alder Hey became the first hospital in the North of England to perform a specialist Selective Dorsal Rhizotomy technique for treatment of Cerebral Palsy. We are one of only four centres nationally to provide epilepsy surgery and one of only two accredited major trauma centres in the North West.

Jessica McDonald

Aged 3



Remuneration Report

The Appointments and Remuneration Committee of the Board of Directors is chaired by the Trust Chairman and comprises all Non-Executive Directors. This Committee is responsible for determining the remuneration and terms and conditions of the Chief Executive, Executive Directors and Associate (non-voting) Directors taking into account the results of the annual appraisal process and in accordance with:

- Legal requirements.
- The principles of probity.
- Good people management practice.
- Proper corporate governance.

The Chair undertakes the annual appraisal of the Chief Executive, who in turn is responsible for assessing the performance of the Executive Directors and Associate Directors. The Committee convened twice during 2012/13 via teleconference, (owing to the Chairman's commitment to University Hospitals of Morecambe Bay NHS Foundation Trust) with all Non-Executives contributing on each occasion. In addition to consideration of specific issues relating to Executive Director roles, as part of its deliberations the Committee agreed that for the third successive year, no general pay increase would be awarded for Executive Directors. The Trust does not award bonuses over and above the basic remuneration of its Directors.

The Chief Executive and Executive Directors are employed on permanent contracts of employment; they are entitled to receive six months' notice and may give three months' notice. Provision is included within contracts of employment for contracts to be terminated with immediate effect and without compensation in certain circumstances. Rates of pay for all senior managers are based on job size, market intelligence (including published remuneration surveys) and performance. They are set with regard to the remuneration of other Trust employees who hold contracts under terms and conditions agreed nationally, by assessing relative and proportional rates of pay.

The Trust had one off-payroll engagement at a cost of over £58,200 per annum in place as at 31st January 2012. This arrangement ended on 31st January 2013. There were no new off-payroll engagements costing more than £220 per day and for more than six months, between 23rd August 2012 and 31st March 2013.

The Nominations Committee of the Council of Governors is responsible for setting the remuneration, allowances and other terms and conditions of Non-Executive Directors. It comprises one appointed

governor and two elected governors, one of whom must be a Staff Governor; its other members are the Trust Chair (or Acting Chair in the case of the appointment of a new substantive Chair) and Chief Executive. During 2012/13 the Committee was responsible for the recruitment of a new Non-Executive Director; thus it met on sufficient number of occasions to fulfil its obligations in relation to these duties, specifically to review the balance of skills, knowledge and expertise required on the Board in the context of the challenges ahead and in this context to agree job roles, person specifications and modes of advertisement, to undertake short-listing and to make a formal appointment.

The Trust Chair is responsible for assessing the performance of the Non-Executive Directors. The Chair's appraisal is undertaken by the Senior Independent Director using an inclusive process across members of the Board and Council of Governors, in accordance with a policy which has been developed to reflect best practice nationally.

For Non-Executive Directors' remuneration, comparative data is provided to the Nominations Committee from other foundation trusts, mutual organisations and the private sector. Remuneration rates for Non-Executive Directors have remained at the level set by the Nominations Committee following the review undertaken in 2009/10.

The HM Treasury FReM requires disclosure of the median remuneration of the reporting entity's staff and the ratio between this and the mid-point of the banded remuneration of the highest paid Director (as defined as a Senior Manager in paragraph 7.28 and paragraphs 7.34 to 7.38), whether or not this is the Accounting Officer or Chief Executive. The calculation is based on full-time equivalent staff of the reporting entity at the reporting period end date on an annualised basis. Foundation trusts shall disclose information explaining the calculation, including the causes of significant variances where applicable. Further guidance is provided on the HM Treasury FReM's website (document 'Hutton Review of Fair Pay - Implementation guidance').

The remuneration and retirement benefits of all Directors, together with all other relevant disclosures are set out within notes 7.1 and 7.2 of the Annual Accounts. Accounting policies for pensions and other retirement benefits are set out in note 1.4.

Signed: *Louise Shepherd*

LOUISE SHEPHERD
CHIEF EXECUTIVE
28TH MAY 2013

Alder Hey's Cardiac Unit is a major referral centre and is the Cardiac Paediatric Surgical Centre for children with all forms of heart disease from Merseyside, the North West Region, North and Mid Wales and the Isle of Man. A centre of excellence, the Unit cares for patients with various heart conditions which include all complex forms of congenital heart disease in neonates.

Shannon Davies

Aged 5 months



NHS Foundation Trust Code of Governance

The NHS Foundation Trust Code of Governance, first published by Monitor in 2006, was updated in March 2010 to reflect recent developments in governance practices in the foundation trust sector, with revised provisions coming into effect from 1st April 2010.

The Trust can confirm that it continues to comply with the provisions of the Code, however the Board will keep its governance arrangements under review in the context of best practice within the sector. In particular, during 2012/13 the Board commissioned an independent review of its effectiveness by the Foresight Partnership, the output from which was presented to the Council of Governors. The review included a Board skills inventory which was used by the Nominations Committee of the Council of Governors in its regular review of the balance of skills and expertise required for the Board.

Quality Governance

The Board at Alder Hey has robust governance arrangements in place through which it monitors the quality of services that the Trust provides. The chief vehicle through which this assurance is obtained is the Clinical Quality Assurance Committee, which has delegated authority from the Board for oversight of the Trust's performance against Monitor's Quality Governance Framework, the delivery of the Quality Strategy incorporating measures of clinical effectiveness, patient safety and positive patient experience and scrutiny of the organisation's compliance against key standards including those set by CQC and NHSLA. In parallel with this the Audit Committee is responsible for the maintenance of an effective system of integrated governance, risk management and internal control across the whole of the organisation's activities.

The work to strengthen quality governance arrangements carried out in 2011/12 resulted in the establishment in May 2012 of a new Clinical Quality Steering Group at operational level, chaired by the Director of Nursing. The aim of this is to provide greater clarity and separation between the day to day monitoring of key clinical risks and the assurance process that is at the heart of the Clinical Quality

Assurance Committee's agenda. The latter has been able to focus on holding the organisation to account for the delivery of the Quality Strategy and ensuring that the Board remains fully sighted on performance against key quality metrics.

The Board Assurance Framework, together with the Operational Assurance Report, have been scrutinised by the Board each month during the year to enable the Board to be fully sighted on key risks to delivery and the controls put in place to manage and mitigate them. During the year, the Board introduced a quarterly 'deep dive' into the assurance framework to test controls and ensure that strategic and operational risks are being addressed as part of a coherent system. In addition, the relevant risks are monitored each month by each of the assurance committees.

As a consequence of its arrangements, the Board is confident that there are no material inconsistencies between any of the statements it has made regarding the quality of Alder Hey's services and any of the external reviews that have taken place during the year including inspections by the Care Quality Commission.

Quality and quality governance are discussed in more detail within the Quality Report on page 48 and the Annual Governance Statement on page 98.

Our Council of Governors

2012/13 saw a number of changes on the Council of Governors following the annual elections. We continued to strengthen the way in which we work together as two governing bodies, through the format of interactive workshop sessions held across the year. In particular, meetings held in April to debate and refine the annual plan ahead of submission to Monitor and our first 'Board to Board' meeting in November to take stock of our key strategies, proved crucial in shaping how we move forward together. This was built upon further through the involvement of governors in an organisation wide event held in January 2013 which centred upon

changes that we need to make to realise our ambitions in terms of quality and patient-centred services.

Governors continue to be aligned to CBU's and these groupings were refreshed in December 2012 to include new governors. Whilst involvement has continued to be variable, this has afforded some governors the opportunity to understand services better, via quality walkarounds that take place under the auspices of the Clinical Quality Assurance Committee and to have more direct involvement in local planning processes. The Trust will continue to encourage this contact in the coming year and to use the formal Council of Governors meetings as interactive sessions in which key strategic issues can be discussed, including the role of governors going forward as a consequence of the Health and Social Care Act. This work will build upon discussions which have taken place during the latter half of 2012/13 following the publication of Monitor's best practice guide for Director-Governor interaction. Progress has been made in a number of areas, including input into a fully inclusive process for the Chair's appraisal and agreement of objectives led by the Senior Independent Director, informal communication sessions for governors hosted by the Lead Governor and the establishment of an extranet to enable governors to have rapid access to key Trust documents, a shared calendar of events and discussion forum.

Governors have continued to play a vital role across a number of other areas that support the Trust's quality agenda including the PEAT inspection, which assesses hospital cleanliness and standards of patient food. A panel of governors also selected the winner of the Patient Experience category in the annual 'Alder Hey Achievers' awards and attended the presentation event to represent the Council.

In addition, the 2012 Annual Members' Meeting and Open Day held in November was extremely well supported by governors, members and our patients and families and provided a valuable opportunity for engagement and to share our plans for the new hospital more widely.

The Council met formally four times during the year; details of individual attendance are set out in the next few pages.



Executive and Non-Executive Directors attend the Council of Governors' meetings and the Chief Executive reports on the Trust's performance and on key strategic and operational issues and developments. This ensures that the agendas of the two bodies remain closely interlinked. In addition to these meetings, governors have been involved in the Membership Strategy Committee and the Nominations Committee, whose activities area summarized below, as well as time-limited working groups focused on specific issues.

The Membership Strategy Committee continued to take forward its work plan in support of the Membership Strategy. Key activities in the year included:

- ✓ Developing the members' newsletter with the Committee taking on the role as Editorial Board, supported by the Communications and Marketing Team.
- ✓ Public health, with a particular emphasis on smoking issues in families.
- ✓ Patient experience, through involvement in the re-launch of Fabio and other initiatives undertaken by the Patient Experience Team.
- ✓ Planning and organisation of the Annual Members' meeting in November.
- ✓ 'Critical friend' role in reviewing the Annual Report (incorporating the Quality Report).

Its main areas of focus for the coming year are:

- ✓ Increasing representation among our patient and parent/carer populations.
- ✓ Engaging with members across a range of key areas of Trust activity:
 - (i) Community participation, focusing on work with local stakeholders on delivering key messages about the new hospital.
 - (ii) Awareness raising and promotion of Alder Hey's services within local schools under the auspices of the Fiveways Trust.

The Nominations Committee appointed one new Non-Executive Director in July 2012 and in the coming year will make two further appointments. The role of this Committee is vital in maintaining an overview of the skills and expertise required on the Board. To this end the Foresight Partnership assisted the Board in undertaking a skills inventory as part of the effectiveness review and this intelligence has been shared with the Committee to inform its deliberations as an appointments panel for Non-Executive Directors in order to sustain a balanced and unitary board equipped to meet the challenges ahead.

Governors are contactable through the Membership Office based at Alder Hey on 0151 252 5092 or by email at membership@alderhey.nhs.uk

Composition of the Council of Governors

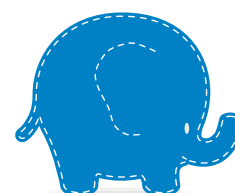
The Council of Governors is comprised of six staff seats (elected by staff), nine public seats, four patient seats, six parent and carer seats (elected by members), together with eleven appointed seats from nominated organisations. Governors serve a combination of two and three year terms of office. The Council represents, as far as possible, every staff group and

the communities that Alder Hey serves across England and North Wales. Elected governors are chosen as part of an independent process managed on behalf of the Trust by the Electoral Reform Service, in accordance with the constitution. Elections to the Council of Governors take place annually, in the early summer.

The Council of Governors operates under the leadership of the Trust Chair and its endeavours are supported by the Senior Governor, Professor Murray Dalziel who was elected to this role during 2011.

Governor	Constituency	Class	Term of Office	No. of Council Meetings Eligible to Attend in 2012/13	Total No. of Attendances at Council Meetings
Roger Billingham	Appointed	Sefton LINKs	n/a	4	3
Jane Corbett	Appointed	Liverpool City Council	n/a	1	0
Barbara Murray	Appointed	Liverpool City Council	n/a	3	3
Seth Crofts	Appointed	Edge Hill University	n/a	4	3
Murray Dalziel **	Appointed	University of Liverpool	n/a	4	4
Leonie Beavers	Appointed	Liverpool PCT	n/a	1	1
Julie Kennedy	Appointed	North Lancashire PCT	n/a	4	1
Janice Monaghan	Appointed	The Back Up Trust	n/a	4	0
Rod Thomson	Appointed	Shropshire County PCT	n/a	4	3
Michael Ainsworth **	Patient	Parent and Carer	01.08.08 - 31.07.13	4	2
Ruth Gould	Patient	Parent and Carer	05.09.11 - 31.08.14	4	2
Rebecca Cartwright	Patient	Parent and Carer	01.08.10 - 31.07.13	4	2
Georgina Tang	Patient	Parent and Carer	07.10.08 - 31.08.14	4	4
John Southern	Patient	Parent and Carer	01.08.10 - 31.07.13	4	0
Karen Bonell	Patient	Parent and Carer	01.08.10 - 31.07.13	3	0
Dawn Holdman	Patient	Parent and Carer	17.09.12 - 16.09.15	2	1
Alex Young	Patient	Merseyside	05.09.11 - 31.08.14	4	3
Aisling McCann	Patient	Merseyside	05.09.11 - 31.08.14	4	2
Ewan Hutton	Patient	Merseyside	01.05.12 - 30.04.15	4	2
Olivia Cole	Patient	Rest of England & North Wales	17.09.12 - 16.09.15	2	2
Eleanor Brogan	Public	Cheshire	01.06.11 - 31.07.14	4	0
Denise Boyle	Public	Merseyside	01.08.08 - 31.08.14	4	3

Table is continued overleaf



Governor	Constituency	Class	Term of Office	No. of Council Meetings Eligible to Attend in 2012/13	Total No. of Attendances at Council Meetings
Terry Axon	Public	North Wales	05.09.11 - 31.08.14	4	3
Norma Gilbert	Public	Merseyside	01.08.10 - 31.07.13	4	4
Janine Wooldridge	Public	Merseyside	05.09.11 - 31.08.12	1	1
Edward Turner	Public	Merseyside	01.08.08 - 31.07.13	4	4
Gwen Blackmore	Public	Merseyside	17.09.12 - 16.09.15	2	2
Kathy Hawkins	Public	Rest of England	01.06.11 - 31.07.14	4	2
Kate Jackson	Public	Greater Manchester	01.06.11 - 31.07.14	4	3
Judith Harrison	Public	Cumbria & Lancs	17.09.12 - 16.09.15	2	1
Christian Duncan	Staff	Doctors and Dentists	01.02.10 - 30.01.13	3	2
Imogen Billingham	Staff	Doctors and Dentists	11.03.13 - 10.03.16	1	1
Tony Hanmer	Staff	Other Staff	01.08.10 - 31.07.13	4	2
Sharon Cody**	Staff	Other Staff	05.09.11 - 31.08.12	2	2
Jeanette** Chamberlain	Staff	Other Staff	11.09.12 - 31.08.14	1	1
Hilary Peel	Staff	Nurses	01.08.08 - 31.08.14	4	4
Jennie Craske	Staff	Nurses	01.06.11 - 31.07.14	4	4
Ruth Watling	Staff	Other Clinical Staff	01.08.08 - 31.07.13	4	4

** Members of the Nominations Committee

Attendance at Council of Governors by Board Members	Number of Meetings Held in 2012/13
	4
Sir David Henshaw	4
Louise Shepherd	3
Steve Igoe	3
Ed Oliver	2
Ian Quinlan	2
Asif Hamid	1 out of 2
Lorraine Dodd	1 out of 1
Judith Adams	3
Sue Lorimer	4
Phillip Huggon	4
Susan Sellers	3
Sue Thoms	2 out of 2
Erica Saunders	4
Professor Ian Lewis	2

Attendance at Council of Governors by Board Members	Number of Meetings Held in 2012/13
Marcia Mercer	1 out of 1
Gill Core	2 out of 3
Richard Jones	0 out of 1
David Alexander	2 out of 3

Declaration of Interests

A copy of the Council's Register of Interests is available on request from Erica Saunders, Director of Corporate Affairs via the Executive Office on **0151 282 4672** or by email at membership@alderhey.nhs.uk

Our Board of Directors



The Trust's constitution provides for a Board of Directors which is comprised of no more than seven Executive and no more than eight Non-Executive Directors including the Chairman. All Director roles have been occupied during 2012/13 in accordance with the policy developed by the Trust in support of the constitution. The Trust considers that it operates a balanced, complete and unified Board with particular emphasis on achieving the optimum balance of appropriate skills and experience; this is reviewed whenever any vacancy arises and was rigorously tested in the year as part of the process to recruit one new Executive Director and one new Non-Executive Director.

The Board of Directors operates to clear terms of reference which underpin the Trust's constitution and which are in turn supported by detailed Standing Financial Instructions and Standing Orders, a scheme of delegation and a Schedule of Matters Reserved for the Board. It is the role of the Board to set the organisation's strategic direction in the context of an overall operational planning framework. It is responsible for all key business decisions but delegates the operationalisation of these to an appropriate committee, the Trust's Senior Leadership Team or relevant programme board in order to receive assurance that the organisation is fulfilling its responsibilities including compliance with standards and targets and the Terms of Authorisation.

Non-Executive Directors are appointed by the Council of Governors at a general meeting, following a selection process undertaken on behalf of the Council by its Nominations Committee. The Council of Governors has adopted a standard term of office of three years

for all Non-Executive appointments, in accordance with the 'NHS Foundation Trust Code of Governance'. The Chairman and Non-Executive Directors can also be removed by the Council of Governors through a process which is described in section 24 of the constitution.

Members can contact all governors and directors by the following methods:

- In writing, care of the Membership Office, Alder Hey Children's NHS Foundation Trust, Eaton Road, Liverpool, L12 2AP.
- By telephone on **0151 252 5128**.
- By email at membership@alderhey.nhs.uk

Independence of Non-Executive Directors

The Board considers all of its current Non-Executive Directors to be independent. All appointments and re-appointments are made by the Council of Governors specifically to meet the requirements set out in Monitor's 'NHS Foundation Trust Code of Governance'.

Board Performance

Each member of the Board of Directors undergoes an annual appraisal to review his or her performance against agreed objectives, personal skills and competencies and progress against personal development plans. Non-Executive Director assessments and that of the Chief Executive are undertaken by the Chair of the Trust and Executive Director performance is assessed by the Chief Executive. The appraisal of the Chair includes input from all Board members and the Council of Governors.

In the late summer of 2012, the Board at Alder Hey commissioned a review of its effectiveness, in accordance with good corporate governance practice and the Monitor Code. This was undertaken by the Foresight Partnership, an organisation with considerable expertise in this area. The report from the review was presented to the Council of Governors, the overall conclusion of which was that Alder Hey's Board can be considered to be a capable Board, operating robust and effective governance processes. A development plan was agreed by the Board as a result of the review, focusing primarily upon how the Board engages with the wider organisation to realise the Trust's vision.

Composition of the Board

Chair and Chief Executive

Sir David Henshaw - Chair

Sir David took up post as Chair of Alder Hey in February 2011 for an initial term of three years, having been Chair of NHS North West for four years. Among his many achievements, Sir David was responsible for the review of the child support system in the UK in 2007. He was also involved in the Prime Minister's Delivery Unit Capability Review programme of central government departments. Alongside his valuable experience within the health arena, Sir David has worked extensively in local government. He spent ten years at Knowsley Borough Council before being appointed as Chief Executive of Liverpool City Council, a role which he occupied for seven years. Today, Merseyside residents see and are enjoying the benefits from many of the regeneration initiatives his team brought to the region, including securing the award of European Capital of Culture in 2008. Alongside his role at Alder Hey, Sir David is also a Non-Executive Director for a number of other public and private organisations including the Chair of Manchester Academy for Health Sciences and Non-Executive Director for Albany Investment PLC. In February 2012 Sir David was asked by Monitor to take on the role of Interim Chair at University Hospitals of Morecambe Bay NHS Foundation Trust. He carried out this role until April 2013.

Louise Shepherd - Chief Executive

Louise joined Alder Hey in March 2008 from Liverpool Women's Hospital where as Chief Executive she led it to foundation trust status in 2005, the first in Merseyside to achieve this. Formerly Deputy Chief Executive and Finance Director at the Countess of Chester NHS Trust for five and a half years, Louise first joined the health service in 1993 as Director of Business Development at Birmingham Heartlands and Solihull NHS Trust. A Cambridge University graduate in 1985, Louise trained as an accountant in local government before spending four years with KPMG as a financial and management consultant to the public sector. Louise is very active in Liverpool outside of the health service; she continues to play the violin with the Liverpool Mozart Orchestra.

Executive Directors

Professor Ian Lewis - Medical Director

Ian joined Alder Hey as Medical Director in March 2011 having previously trained at Alder Hey between 1978

and 1985. He was a Consultant Paediatric Oncologist in Leeds from 1985 where he had additionally undertaken a number of senior leadership roles including Deputy Medical Director; and Associate Medical Director for Children's Strategy for NHS Yorkshire and Humber. He has a number of national roles and responsibilities. He is a member of both the Department of Health Payment by Results Clinical Advisory Group; and the National Clinical Advisory Team. In January 2012, Ian was appointed as co-Chair of the National Children and Young People's Healthcare Outcomes Forum with the remit to advise the Secretary of State about how to improve healthcare outcomes for children and young people. Ian remains active in clinical research, particularly clinical trials and health services research and he has a national and international reputation within paediatric and adolescent oncology. He is currently leading a European Work Package aimed at developing an expert Teenage and Young Adult Oncology network throughout Europe. Ian is also a Trustee of medical charities related to his clinical work and of his local rugby club.

Sue Lorimer - Director of Finance and Commissioning (to April 2013)

Sue joined Alder Hey in February 2009 as Director of Finance and Commissioning and is a member of the Association of Chartered Management Accountants. Sue came to Alder Hey from Liverpool Women's NHS Foundation Trust and has held board level finance posts since 1990. They include six years at Clatterbridge Centre for Oncology and two years at Cheshire and Wirral Partnership, both now foundation trusts. At Chester she was responsible for the delivery of a new Mental Health hospital built to replace the old Victorian facilities. Her role at Alder Hey covers finance, contracts with commissioners and she is board lead for information management and technology. She is a Trustee and Director of the Healthcare Financial Management Association and a Trustee of the Fiveways Trust, a schools' trust based at Broadgreen International School.

Marcia Mercer - Acting Director of Nursing (to July 2012)

Marcia Mercer joined Alder Hey in September 1979 as a Student Nurse and qualified as a State Registered and Sick Children's Nurse in March 1983. She has subsequently held a number of positions at Alder Hey prior to becoming the Acting Director of Nursing. The majority of positions held focused on direct nursing care as a Staff Nurse and Ward Manager for a number of wards until November 2001 when she moved into the re-invented role of Modern Matron for the Medical

Division. This was swiftly followed by the role of Head of Nursing for the Community and Mental Health Care Group. In November 2007 she was appointed to the role Deputy Director of Nursing. Marcia holds an MA in Management and Leadership and a Certificate of Education.

Gill Core - Director of Nursing (from July 2012)

Gill joined Alder Hey as Director of Nursing in July 2012. Gill became a nurse in 1981 and spent a number of years in clinical roles in Intensive Care and Surgical specialties. Since her first managerial role as Head of Quality in Norfolk in the 1990's she has gained increasing experience in quality improvement and nursing leadership. She came to Alder Hey following seven years in Director of Nursing roles - at Liverpool Women's NHS Foundation Trust and most recently at St Helens and Knowsley NHS Trust, where she gained experience in leading the nursing workforce in transition from an old Victorian hospital into a brand new facility. Gill has maintained and developed strong educational links and currently participates in delivering the MSc in Leadership Development at Edge Hill University. Along with a variety of clinical qualifications she has an MA and post graduate teaching certificate.

Richard Jones - Interim Director of Human Resources and Organisational Development (to August 2012)

Richard has extensive experience of operating at Director level in the NHS including three years at the North West Wales NHS Trust, interim HRD roles in the Countess of Chester Hospital NHS FT and United Lincolnshire Hospitals Trust and four years as HRD of Wirral PCT. Most recently Richard had worked at the Addenbrookes Foundation Trust in Cambridge and prior to that he worked with a Chief Executive of a PCT in the west midlands, advising on the future structure of the Human Resources function. Richard is a Fellow of the Chartered Institute of Personnel and Development and holds a Masters degree in Management.

David Alexander - Director of Human Resources and Organisational Development (from August 2012)

David joined Alder Hey as Director of HR and OD in August 2012 from Thomas Cook Airlines where he had been HR Director for 8 years. David graduated from the University of Leeds with a BSc in Applied Zoology in 1985 and gained his postgraduate qualification in HR Management from Bristol Business School in 1987. David started his HR Career with the Cooperative Wholesale Society as a graduate trainee. He then moved to P&O Ferrymasters as HR and Training Manager before joining Servisair where he spent nine years, the last five years in the role of UK HR Director.

David joined Thomas Cook Airlines in 2004 and managed the merger with MYTravel Airways in 2007/8. David's HR career has put him in organisations where constant change in a unionised, regulated environment has been the norm. David is an experienced HR Director who has operated at Board level for 13 years.

Judith Adams - Chief Operating Officer

Jude joined Alder Hey as Chief Operating Officer in March 2011 and has over 25 years working in the health service. Jude trained as a nurse and has clinical experience working in specialist and University Teaching trusts both in and outside of London as well as overseas. She moved into healthcare management in 2002 when she applied through the Department of Health for a national advisory role in the Heart Choice programme and worked with the Picker Institute in evaluating patient choice. Jude has held a senior post at the Royal Liverpool and Broadgreen NHS Trust as Divisional Nurse Director for Surgical Services and later becoming Divisional General Manager for this Division. Prior to her role at Alder Hey, Jude was the Director of Operations and Programme Director at Salford Royal NHS Foundation Trust where she led the Trust on a £48m Cost Improvement Plan over three years, as well as leading significant transformation across a number of clinical services. Jude has masters level training in clinical practice and is nearing completion of her MSc in Healthcare Management.

Sue Thoms - Director of Business Development (non-voting – to October 2012)

Sue joined Alder Hey as Director of Business Development in January 2010, having worked in health care for the last 20 years for several private sector organisations. Previous roles included head of local marketing for UK Pfizer Pharmaceuticals and she was a founder member of Pfizer's Innovation Board. She has also worked for BUPA, Astra Zeneca and the Co-op in business development or marketing roles. In her early career she worked in Australia for Wal-Mart chain as a store manager for Big W. During her career in the pharmaceutical industry she won several awards including Change Management and Marketing Team of the Year for the industry [PMEA 2009]. She graduated from Sheffield with a BSc. Hons. in Marketing; she also completed her post graduate degree in Marketing and is a member of the Chartered Institute of Marketing.

Erica Saunders - Director of Corporate Affairs (non-voting)

Erica joined the Alder Hey team in September 2010 as Director of Corporate Affairs. She began her NHS career in 1991 through its graduate management

training scheme. Erica spent over ten years working in primary care and commissioning roles before moving to the acute sector on 2003. Part of her job includes the role of Trust Secretary, advising and supporting the Chair, Board of Directors and Council of Governors on all aspects of regulation and corporate governance. Prior to coming to Alder Hey, Erica was Director of Corporate Affairs at the Liverpool Women's NHS Foundation Trust where she directed the successful application to become the first foundation trust in Merseyside. Erica has an MBA, BA (Hons) and is in the final stages of study to become a chartered company secretary.

Non-Executive Directors

Lorraine Dodd - Vice Chair (to May 2012)

Lorraine was appointed Non-Executive Director in May 2000, reappointed for four years in December 2002 and again in November 2006. She was re-appointed for a final term in May 2010. Lorraine is an Investment Director with Rathbone Investment Management and has over 30 years' experience managing investments on behalf of private clients, trusts and charities, particularly in the area of ethical and socially responsible investment through Rathbone Greenbank Investments. She is also a Trustee of the Rathbone 1987 Pension Fund Scheme and a Trustee of a number of local charities involved in health related matters, education and the environment. Lorraine was Chair of the Resource and Business Development Committee.

Steve Igoe - Non Executive Director and Chair of the Audit Committee

Steve joined the Alder Hey Board in October 2010. He is the Deputy Vice-Chancellor (Resources) at Edge Hill University and a Chartered Accountant by training. Prior to working for Edge Hill, he worked for Coopers and Lybrand Deloitte a predecessor firm of Price Waterhouse Coopers as a Senior Manager in their North West offices. In his current role he has Board responsibility for Finance, IT, HR, Infrastructure Developments and Facilities Management. He has previously advised the Government on the regulation of the higher education sector and was an adviser to the Higher Education Funding Council for England (HEFCE) Board on leadership, governance and management and costing systems within higher education. Steve has been a Governor of a large acute NHS trust, a Trustee of a charity specialising in respiratory education and an Executive and Founding Director of a substantial IT network company. Steve is the Chair of the Trust's Audit Committee.

Ed Oliver - Non-Executive Director

Ed was appointed as a Non-Executive Director in November 2006 and was re-appointed for a further three years in May 2010. He was the Centre Manager of the Clayton Square shopping centre in Liverpool until his retirement in August 2009. Prior to this, his career was in the retail sector for 28 years. Ed is a past Chairman of Liverpool Chamber of Commerce and Industry and is Chair of the Ronald McDonald Family House at Alder Hey and is Chairman of the Executive Board of the City Centre Business Improvement District.

Ian Quinlan - Non-Executive Director

Ian Quinlan joined the Alder Hey Board in September 2011. He was born and bred in Yorkshire and began his career as an auditor with Ernst and Whinney (now Ernst and Young) in 1982, becoming the youngest partner in the firm at that time. In 1988 he became Group Finance Director of the Albert Fisher Group Plc, a leading global food processor and distributor. From 2003 to the present time, Ian has held senior positions with VPS Holdings Limited, which is now the most profitable and fastest growing void property services company in the world. Between 2003 and the beginning of 2011 he was Group Chief Executive, during which time the turnover of the business increased from £3m to £200m. Between January and July 2011 he took on the role of Deputy Chairman with responsibility for company strategy, business development and acquisitions. Ian remains a director of the business and provides consultancy service to VPS Holdings Ltd in relation to business development and acquisitions. Ian took over from Lorraine Dodd as chair of the Resources and Business Development Committee.

Susan Sellers - Non-Executive Director/Senior Independent Director

Susan took up post in September 2009. She has held a number of management positions in both the public and private sectors. Susan previously spent 12 years in the NHS, firstly as a Non-Executive Director of South Cheshire Health Authority followed by seven years as Chairman of the Countess of Chester NHS Foundation Trust. While working in the NHS, Susan served on the influential interim board of the Foundation Trust Network and their governance working group. Most recently she undertook a three year appointment as National Chairman of NADFAS, an Arts Education and Heritage Conservation Charity with over 90,000 members, retiring in May 2009. Susan chairs the Clinical Quality Assurance Committee and is a Trustee of The Alder Hey Charity.

Philip Huggon - Non-Executive Director

Philip joined the Alder Hey Board in March 2010. He has a portfolio of Non-Executive and trustee roles in the private and public sector, with a particular focus on marketing and business development. Philip has 10 years Board Director experience and is also a Board Director with Seafish, a Non-Departmental Public Body set up to promote the fishing industry, the Business Continuity Institute, Sports Leaders UK and Chair of RCU, an education consultancy. His background is mostly marketing, strategy and change management gained from 20 years' experience with Shell, MARS and BP, both in the UK and overseas.

Asif Hamid - Non-Executive Director

Asif joined the Board in October 2012. He is Chief Executive and founder of the Contact Company, a multi-million pound business which started out with 15 employees in May 2006 and to date employs over 700 staff, with a turnover in excess of £9m. Asif has a strong track record of achieving business growth and his enterprises have won a number of awards in recognition of his skills as an entrepreneur. Asif is also Deputy Chair of The Liverpool Enterprise Partnership.

Declaration of Interests

A copy of the Register of Interests is available on request from Erica Saunders, Director of Corporate Affairs via the Membership Office on 0151 252 5128 or by email at membership@alderhey.nhs.uk

Attendance at Board of Directors and Board Committee Meetings

	Board	Audit Committee	Clinical Quality Assurance Committee	Resources & Business Development Committee	Transformation Committee
No of Meetings Held 2012/13	11	6	11	13	7
Sir David Henshaw	11	not a member	not a member	not a member	6
Louise Shepherd	11	not a member	9	9	7
Ian Quinlan	10	3 (out of 4)	not a member	12 (out of 12)	5
Ed Oliver	11	4	not a member	10	not a member
Steve Igoe	11	6	9	not a member	not a member
Lorraine Dodd	3 (out of 3)	not a member	not a member	2 (out of 2)	2 (out of 2)
Asif Hamid	1 (out of 6)	1 (out of 2)	not a member	not a member	0 (out of 2)
Richard Jones	3 (out of 4)	not a member	not a member	1 (out of 5)	1 (out of 4)
David Alexander	7 (out of 7)	not a member	not a member	7 (out of 8)	3 (out of 3)
Marcia Mercer	3 (out of 3)	not a member	2 (out of 2)	not a member	3 (out of 3)
Judith Adams	11	not a member	not a member	11	6
Sue Lorimer	10	5 (attendee)	not a member	12	7
Phillip Huggon	11	1 (out of 4)	9	10	2 (out of 5)
Susan Sellers	11	3 (out of 4)	10	not a member	not a member
Sue Thoms	5 (out of 6) (attendee)	not a member	not a member	5 (out of 7)	1 (out of 4)
Martin McEwan	2 (out of 2) (attendee)	not a member	not a member	1 (out of 3)	2 (out of 2)
Erica Saunders	11 (attendee)	6 (attendee)	11 (attendee)	10 (attendee)	7
Professor Ian Lewis	8	not a member	8	not a member	1

Audit Committee

The Audit Committee is comprised of Non-Executive Directors only, excluding the Trust Chair. The Committee was chaired by Steve Igoe throughout the year. Attendance by members is set out on page 43.

The key role of the Committee is to establish the following:

- The Assurance Framework is fit for purpose.
- The systems for risk management identify and allow for the management of risk.
- The organisation has robust governance arrangements.
- The organisation has rigorously self-assessed against required national standards including the CQC essential standards.
- The organisation has robust systems of financial control.

The Audit Committee undertook the following pieces of work during 2012/13 to ensure the effective discharge of its responsibilities:

- Setting and reviewing progress of the annual internal audit plan using a risk-focused approach, linked to the assurance framework.
- Receiving regular reports from both internal and external auditors.
- Agreeing and reviewing the work of Alder Hey's counter fraud officer including the Counter Fraud Policy and Annual Report.
- Reviewing and updating its terms of reference.
- Received reports from other external bodies providing assurance on systems within the Trust.
- Approval of the Annual Governance Statement.
- Approval of annual financial statements.

During the year the Committee has complied with 'good practice' through:

- Agreement and monitoring of an annual work programme.
- A review of its terms of reference.
- Preparation of an Annual Report of its activities.
- Undertaking a review of the performance of internal and external service providers.

Nominations Committees

The Trust has established separate Nominations Committees to oversee the appointment of Executive and Non-Executive Directors.

- The Nominations Committee of the Council of Governors is responsible for the appointment of Non-Executive Directors. It is chaired by the Trust Chair apart from when it is concerned with the appointment of a Trust Chair. Other members of the Committee are Professor Murray Dalziel, Michael Ainsworth, Sharon Cody (to August 2012), Jeanette Chamberlain (from September 2012) and Louise Shepherd. During 2012/13 the Committee was responsible for the recruitment of one new Non-Executive Director, Asif Hamid. The recommendation of the Committee as to the suitability of the preferred candidate was made to the Council of Governors, which approved the new appointment for an initial period of three years. The Committee has begun the process to recruit a replacement for Ed Oliver whose second term of office expires at the end of May 2012 and for Susan Sellers the Trust's Senior Independent Director announced her intention not to apply for a second terms of office in September 2013 when her first term expires; Mrs Sellers has been appointed as High Sheriff in nomination of Cheshire for 2014/15 and will be unable to fulfill both commitments.
- The Appointments and Remuneration Committee of the Board of Directors is responsible for the appointment of Executive Directors. It is chaired by the Trust Chair; other members are a minimum of three other Non-Executives and the Chief Executive, as appropriate to the post under consideration. The Committee made one appointment during 2012/13 to the role of Director of Finance.

Our Membership

It is important to us that membership is relevant to all sections of the communities we serve and we continue to make every effort to reach all groups within our membership constituencies. We seek to ensure that our membership reflects the social and cultural mix of our catchment population. We also need to ensure that our Council of Governors reflects our membership and we aim to address this challenge by encouraging a large, genuine membership from all areas served by the Trust.

Alder Hey has three broad membership constituencies: public, patients and staff. Within these there are different classes, each of which has at least one governor representing them as shown in the membership matrix below. The wide geographical basis

for the public constituencies is derived from the Trust's patient footprint, since we are also a supra-regional centre which means that patients from all over the country (and the world!) are referred to us for treatment. In addition, a specific class for parents and carers reflects the vital role played by individuals who support and care for our patients. Membership is open to anyone over the age of seven who lives in the electoral wards specified. Once a patient reaches 20 years of age they are required to transfer to the public or parent and carer category (whichever is most applicable).

Membership Strategy

The Trust's Membership Strategy was refreshed and relaunched in 2011 and is led by a committee of the Council of Governors called the Membership Strategy Committee. The Committee is chaired by one of our patient governors, Alex Young. The terms of reference of the new Committee were approved by the Council of Governors at its meeting in March 2011 to undertake the following:

- Devise a Membership Development Strategy on behalf of the Council, which describes clearly the processes by which the Trust will develop as a membership organisation.
- Ensure that regular analysis of the existing membership is undertaken to inform recruitment of new members, ensuring that the membership remains representative of the communities served by the Trust.
- Devise a system of effective communication with the wider membership so that members are actively engaged with activities such as elections.
- Develop and implement appropriate monitoring systems to evaluate the membership strategy in terms of openness, diversity, representativeness and sustainability.
- Engage with other membership based organisations on best practice recruitment and communication to determine if there is transferability to the Trust.

The refreshed Membership Strategy contains the following agreed aims in order to maintain our overall membership level at around 14,000 and to enhance our ability to engage with our members.

Recruiting patient, parent and carer members:

- Children and young people who have been patients of the Trust and who are between the ages of 7 and 19 will be invited to become a member of the Foundation Trust.
- Parents and carers of children under the age of 20 will be invited to become members.

Recruiting public members:

- Ongoing recruitment will be done through the elected Governors to ensure a representative membership.

Throughout all our recruitment activities the Trust will endeavor to ensure that all the communities the Trust serves are given every opportunity to become a member. This strategy will be carried out in line with the Trust's Quality Strategy and in line with all legislation pertaining to equality and diversity issues.

A number of mechanisms will be used for membership engagement including:

- Regular newsletters.
- E-mail bulletins.
- Invitations to specific events e.g. the cardiac consultation.
- Member events.
- Annual Members' Meeting.
- Lay reader scheme for patient information.
- External consultations.
- Trust consultations.
- Members' zone on the newly designed Trust website.
- Participation in elections to the Council of Governors.



Constituency Membership Profile

Constituency	Number of Members 2012/13 (actual as at 31st March 2013)	Number of Members 2013/14 (planned)
Public		
Area 1 - Merseyside: Liverpool, Wirral, Sefton, Knowsley, St. Helens	2027	1861
Area 2 - Cheshire: Warrington, Halton, Cheshire West and Chester and Cheshire East	374	381
Area 3 - Cumbria and Lancashire: Carlisle, Allerdale, Eden, Copeland, South Lakeland, Lancaster, Ribble Valley, Wyre, Fleetwood, Blackpool, Fylde, Preston, South Ribble, West Lancashire, Chorley, Pendle, Burnley, Hyndburn, Blackburn, Rossendale	279	294
Area 4 - Greater Manchester: Wigan, Bolton, Bury, Rochdale, Oldham, Tameside, Manchester, Salford, Trafford, Stockport	305	322
Area 5 - Rest of England; Any Other Area Not Specified	184	211
Area 6 - North Wales: Conway, Denbighshire, Flintshire, Gwynedd, Isle of Anglesey, Wrexham	186	213
SUBTOTAL	3355	3282
Patients		
Merseyside Patients	1443	1561
Rest of England and North Wales Patients	693	812
Parents and Carers	5034	5154
SUBTOTAL	7170	7527
Staff		
Medical Practitioners and Dental Practitioners	278	275
Nursing Staff	797	800
Other Clinical Staff, inc Allied Health Professionals, Psychologists and Pharmacists	514	501
Other Staff and Trust Volunteers	1369	1414
SUBTOTAL	2958	2990
TOTAL	13483	13799

Alder Hey is a top performing trust. We remain an NHSLA Level 3 organisation (the highest possible rating for clinical risk management) and are registered with the Care Quality Commission without conditions. Our aim is to provide the best patient experience possible. We have a team of Play Specialists trained to use 'play' to distract patients during procedures while also organising fun activities during a child's stay.

**Esme Van
De Mere**

Aged 6



Quality Report:

'Quality: Our Promise to Patients'

Part 1: Statement on quality from Louise Shepherd, Chief Executive

2012/13 marked the second year of the delivery of the Trust's Quality Strategy and it was heartening to see how our committed staff embraced a wide range of activities and initiatives geared toward demonstrating that Alder Hey's quality ethos is stronger than ever.

Our quality governance arrangements continued to take root and make a difference throughout the organisation and in particular through our Clinical Business Units' working practices, for example regular safety 'walkarounds'.

To further the progress we have made in the past year, we seized the moment to restate our purpose in relation to quality in January 2013 through an event with senior leaders from across the Trust, together with members of the Board and Council of Governors. This provided a forum for us to collectively agree how we strengthen our quality focus, using learning from the North West Leadership Academy's 'From the Top' Programme. The result was an agreed range of developmental quality aims that now form the basis of the quality dashboard for the Trust, underpinned by a structured drive towards an organisation wide quality improvement culture, sponsored by our Director of Nursing and Medical Director.

Our quality aims are now clear, measurable standards that everyone can see and understand and they form the basis of our promise to our patients and families based upon the things that we know are important to them about our services: that they are safe, effective and provide the best possible experience to every individual. We believe that this work is consistent with the principles underlying the recommendations made in the second report of the Public Inquiry into the failings in care at Mid Staffordshire NHS Foundation Trust.

We have made significant advances towards our quality goals in the last year, however there is still much to do to realise our ambitions, including the imperative to make the most of the opportunities presented by our

new hospital, to push the boundaries of paediatric care nationally and internationally.

As Chief Executive I am confident that the information set out in the following report is accurate and a fair reflection of the key issues and priorities that clinical teams have developed within their services. The Board at Alder Hey remains fully committed to the aspirations described in the Quality Strategy and is steadfast in its support for staff as they strive to deliver its aims every day and for every child.

Louise Shepherd

LOUISE SHEPHERD
CHIEF EXECUTIVE



Part 2: Priorities for improvement and statements of assurance from the Board.

2.1 Priorities for improvement

Progress made in 2012/13 and previous years, against quality improvement priorities identified in last year's Quality Report can be found on page 67.

2.1.2 Priorities for improvement 2013/14

The Alder Hey Quality Strategy utilises the definition of 'Quality' as set out in the Darzi Report, *High Quality Care for All* (2008) with its three main elements of patient safety, clinical effectiveness and patient experience. The purpose of the strategy is to ensure that we capture the essence of quality and translate this effectively by bringing together national policy, strategic direction and regulatory, financial and governance requirements with our stated imperative of

providing safe, effective world class healthcare for each and every child for whom we care, within a culture of openness and continual improvement.

Children, young people and their families are at the centre of this strategy. The Trust's Board, in consultation with staff, patients, governors, Healthwatch organisations and commissioners has identified key priorities for improvement which have been derived from national and regional priorities, the Trust's performance against quality and safety indicators, risk trend analyses and patient and public feedback. The Trust has recently agreed Developmental Quality Aims which are the priority improvements for 2013/14:

The Board will monitor progress against these priority areas through the Clinical Quality Assurance Committee. Progress will be reported to commissioners through Clinical Performance and Quality Group meetings and to patients, carers and Healthwatch members through a series of engagement events. The Trust continues to develop the skills of our workforce to deliver quality improvements, through the utilisation of a variety of improvement methodologies.

Priority 1: Patient Safety	Aim - Patients will not suffer harm in our care. 1. No hospital acquired infection. 2. No drug errors resulting in harm. 3. No hospital acquired pressure ulcers.
Priority 2: Clinical Effectiveness	Aim - Patients will receive the most effective, evidence-based care. 1. No acute (unplanned) readmission within 48 hours of discharge (including under 4's). 2. No acute admission of patients with long term conditions (Epilepsy, Diabetes, Asthma, Lower Respiratory Disease). 3. Patients will be discharged on planned day of discharge.
Priority 3: Patient Experience	Aim - Patients will have the best possible experience (as reported by patients and/or families). 1. Patients and families will have received information enabling them to make choices (involvement in care). 2. Patients and families will be treated with respect. 3. Patients will engage in play and learning.

2.2 Statements of assurance from the Board

2.2.1 Review of services

During 2012/13 Alder Hey has provided 27 NHS services. Alder Hey has reviewed all the data available to them on the quality of care in all of these services. The income generated by the NHS services reviewed in 2012/13 represents 100% of the total income generated from the provision of NHS services by Alder Hey for 2012/13.

2.2.2 Participation in clinical audits and national confidential enquires

Clinical Audit is a key mechanism for assuring and developing effective clinical pathways and outcomes.

National Clinical Audits are either funded by the Health Care Quality Improvement Partnership (HQIP) through the National Clinical Audit and Patient Outcomes Programme (NCAPOP) or via other means. Priorities for the NCAPOP are set by the Department of Health with advice from the National Clinical Audit Advisory Group (NCAAG).

During the reporting period 1st April 2012 to 31st March 2013, there were 14 National Clinical Audits and five National Confidential Enquiries that related to NHS services provided by Alder Hey.

Alder Hey participated in 100% of the National Clinical Audits and 100% of the National Confidential Enquiries in which it was eligible to participate during the year. The details of the National Clinical Audits and National Confidential Enquiries that Alder Hey was eligible to

participate in during the reporting period 2012/13 are set out in the table below.

The National Clinical Audits and National Confidential Enquiries that Alder Hey participated in, and for which data collection was completed during the reporting period 1st April 2012 to 31st March 2013, are listed alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

Participation in National Clinical Audits and National Confidential Enquiries During 2012/13

Audit	Participation	% Cases submitted
Children		
Paediatric Pneumonia (<u>British Thoracic Society</u>)	Yes	Ongoing Data collection Open till 31/03/13.
Paediatric Asthma (<u>British Thoracic Society</u>)	Yes	Submitted 48 cases, which was 63% of cases available (76)
Paediatric Fever (<u>College of Emergency Medicine</u>)	Yes	Submitted 50 cases, which was 100% of cases required for the audit sample
Childhood Epilepsy (<u>RCPH National Childhood Epilepsy Audit</u>)	Yes	Ongoing Data collection. Data Entry opens 01/03/13
Paediatric Intensive Care (<u>PICANet</u>)	Yes	Submitted 100% of cases required for the audit sample. 1181 ICU episodes on PICANet database
Acute care		
Severe Trauma (<u>Trauma Audit and Research Network</u>)	Yes	Submitted 134 cases, which was 100% of cases required for the audit sample. Ongoing Data collection.
Cardiac		
Cardiac Arrest (<u>National Cardiac Arrest Audit</u>)	Yes	Submitted 22 cases, which was 100% of cases required for the audit sample
Paediatric Cardiac Surgery (<u>NICOR Congenital Heart Disease Audit</u>)	Yes	Submitted 275 cases, which was 100% of cases required for the audit sample. (Data up to December 2012)
Cardiac Arrhythmia (<u>CRM</u>)	Yes	Submitted 19 cases, which was 100% of cases required for the audit sample
Long term conditions		
Ulcerative Colitis and Crohn's Disease (<u>National IBD Audit</u>)	Yes	Ongoing Data collection. Data Entry opened 01/01/13. 1 case collected so far
Diabetes (<u>RCPH National Paediatric Diabetes Audit</u>)	Yes	Submitted 1080 records, which was 100% of cases required for the audit sample
Renal Replacement Therapy (<u>UK Renal Registry</u>)	Yes	Submitted 34 records, which was 100% of cases required for the audit sample
Blood and Transplant		
Audit of Blood Sample Collection and Labeling (<u>National Comparative Audit of Blood Transfusion</u>)	Yes	Submitted 121 cases, which was 100% of cases required for the audit sample
Potential Donor Audit (<u>NHS Blood & Transplant</u>)	Yes	Submitted 62 cases, which was 100% of cases required for the audit sample

National Confidential Enquiries	Participation	% Cases submitted
Asthma Deaths NRAD Royal College of Physicians (RCP)	Yes	100% (One death reported November 2012)
Child Health Review UK (CHR – UK contracted to RCPCH)	Yes	100% Ongoing participation
Themed Case Review Morbidity and Mortality Epilepsy – RCPCH	Yes	One case submitted (100%)
Maternal and Perinatal Mortality Notification (MPMN) coordinated via HQIP	Yes	19 Neonatal death Cases submitted (100%)
National Confidential Inquiry (NCI) into Suicide and Homicide by People with Mental Illness (NCI/NCISH)	Yes	Questionnaire completed by Consultant Child and Adolescent Psychiatrist, CAMHS Clinical and Governance Lead December 2012
Maternal and Perinatal Mortality Notification (MPMN) coordinated via HQIP	Yes	21 Neonatal death Cases submitted 100%
National Confidential Inquiry (NCI) into Suicide and Homicide by People with Mental Illness (NCI/NCISH)	Yes	Questionnaire completed by Consultant Child and Adolescent Psychiatrist, CAMHS Clinical and Governance Lead December 2012

2.2.3 Actions arising from National Clinical Audits

The reports of 13 National Clinical Audits were reviewed by the Trust in the reporting period 1st April 2012 to 31st March 2013 and it intends to take the following actions to improve the quality of healthcare provided.

Actions Taken/To be Taken as a Result of National Clinical Audits in 2012/13

National Clinical Audit	Actions
Paediatric Asthma (British Thoracic Society)	<p>The review of the national audit report shows that Alder Hey is meeting the majority of the audit standards.</p> <p>We will continue to highlight the importance of following the Asthma inpatient care pathway by delivering training sessions to junior doctors and nursing staff.</p>
Paediatric Pneumonia (British Thoracic Society)	<p>The national audit report has been reviewed at the Respiratory team meeting. Due to the low numbers of cases identified in the last audit period it is not possible to draw any conclusions.</p> <p>To increase the audit numbers, coding has been adjusted and data will be collected prospectively.</p>
Paediatric Fever (College of Emergency Medicine)	<p>The national audit report has been reviewed by the Emergency Department Senior Staff, at the Emergency Department Governance meeting and CBU Governance group. The Emergency Department at Alder Hey compared very favourably to national standards. In particular, our recording of vital signs, the time we take to triage and our adherence to NICE guidance were highlighted.</p> <p>The audit report showed that the recording of respiratory rate at triage, while recorded for the majority of patients, had fallen from the previous year. Action has been taken to reinforce that respiratory rate is recorded at triage. The recording of blood pressure which had been identified as a weakness in the previous audit has improved.</p>
Paediatric Intensive Care (PICANet)	<p>The national audit report was reviewed and discussed on the Paediatric Intensive Care Unit (PICU); Alder Hey is meeting the majority of the audit standards.</p> <p>The Trust has developed the statistical reports Cumulative Sum (CUSUM) and Sequential Probability Ratio Test (SPRT) charts to monitor mortality in close to real time in PICU.</p>

National Clinical Audit	Actions
Paediatric Cardiac Surgery (NICOR Congenital Heart Disease Audit)	The national audit report was reviewed and Alder Hey is meeting the majority of the audit standards. An action plan has been put in place to restructure the data entry to capture more data at source and more accurately. Processes are also being changed to support ongoing data validation.
National Cardiac Rhythm Management Audit (NICOR)	The national audit report was reviewed and Alder Hey is meeting the majority of the audit standards. Alder Hey deals with a relatively low number of patients who require implantable cardioverter-defibrillators (ICD) and pacemakers and because of this gets advice from the main centre at the Liverpool Heart and Chest Hospital. Our system for follow up and diagnosis is sufficient for our case load. All ICD patients will soon be covered by the Carelink system of home monitoring.
Diabetes (RCPH National Paediatric Diabetes Audit)	<p>The national audit report was reviewed and discussed at both the Diabetes Multi-Disciplinary Team (MDT) meeting and the Clinical Business Unit (CBU) audit meeting.</p> <p>The median HbA1c achieved by the clinic population is slightly lower than the national median value. However this is comparable to similar hospitals who serve patients from areas of high deprivation indices.</p> <p>The number of patients with an HbA1c is below the target value, however more patients at Alder Hey receive the required care processes than the current national average.</p> <p>An action plan was agreed to address the areas requiring improvement:</p> <p>1. To improve the quality of the data</p> <ul style="list-style-type: none"> • Update the existing annual review clinic sheet adding more information which is not routinely collected e.g. smoking status. • Encourage members of the MDT to record hand written data (height, weight, blood pressure) electronically with each contact to make the audit process easier. • Obtain IT input regarding extracting data required for the National Paediatric Diabetes Audit from new IT programme Medisec for Diabetes clinic letters (action taken in June to ensure this). • Consideration is being given to installing a new Diabetes database along with existing Alder Hey Medisec data set for future audit purposes (the lead is currently working with IT). <p>2. Improve HbA1c for overall patient population</p> <ul style="list-style-type: none"> • Intensification of Diabetes treatment by starting all patients with Type 1 Diabetes on MDI at diagnosis unless there is a contra-indication (this was achieved in November 2010). • Review Diabetes specialist nurse staffing. • Review the process for providing additional appointments for children with HbA1c >9.5% in MDT clinic, and also with the Nurse Specialist or Dietician as required. • Emphasis to educate patient population regarding the NICE guidelines for insulin pump and encourage those who are eligible to consider insulin pump therapy. • Continue participating in research programmes like SKIPI to encourage new methods of treatment. <p>3. Reduce DKA admissions</p> <ul style="list-style-type: none"> • Reinforce the written sick day rules before discharge and in the first Diabetes clinic after a DKA admission. • Provide additional appointments for children with HbA1c >9.5% whenever possible in MDT clinic, and also with the Nurse Specialist or Dietician as required. • Encourage psychology intervention if there are concerns regarding treatment compliance (this action is already complete). <p>The main outstanding item is that the IT team and representative from the Diabetes Team are still working on having a separate Diabetes dataset.</p> <p>At the current time Diabetes services are moving to a mandatory best practice tariff payment with criteria for the delivery of services. These criteria are designed to improve outcomes for children and young people with Diabetes.</p>

National Clinical Audit	Actions
Cardiac Arrest (National Cardiac Arrest Audit)	<p>The national audit report was discussed at Trust Resuscitation Committee. No action plan required as achieving above the audit standards in most or all areas.</p> <p>RESPOND Course continues to be conducted. A revised Paediatric Early Warning (PEW) tool has been developed and project nurses are in place. This is being rolled out across the Trust.</p>
Potential Donor Audit (NHS Blood and Transplant)	<p>The national audit report is to be reviewed at the Organ Donation Committee meeting. However, it is unlikely that we will be able to draw conclusions as paediatric practice is quite different to adult practice.</p>
Severe Trauma (Trauma Audit and Research Network)	<p>Actions from the TARN documents arise and are discussed at Trust Trauma Committee, and noted as actions in the minutes and reviewed here rather than on a separate action plan document.</p> <p>Completed actions:</p> <ol style="list-style-type: none"> 1. Revised Trauma Team activation criteria and Trust-wide agreement to activate Trauma Team for pre-alerted patients. 2. Development of Standard Operating Procedure on Emergency Department Management of Open Fractures reviewed and agreed through Trauma Committee. <p>Outstanding actions:</p> <ol style="list-style-type: none"> 1. Monitor times to CT for individual patients to ensure timely access and identify reasons for delay. Review Royal College of Radiologists' guidance on trauma radiology in children which is expected to be published soon. 2. Monitor Trauma Team Activations to ensure the team is activated according to agreed criteria and monitor attendance/availability of specialty teams. 3. Reinforce referral through the MTC Co-coordinator - to be done via the North West Children's Trauma Network Governance group as well as Cheshire and Mersey Major Trauma Clinical Delivery Group and Governance Group.
Audit of Blood Sample Collection and Labeling (National Comparative Audit of Blood Transfusion)	<p>National audit report only recently released. Will be taken to the next Hospital Transfusion team meeting for review.</p>
Childhood Epilepsy (RCPH National Childhood Epilepsy Audit)	<p>The national audit report was reviewed by the General Paediatrics and Epilepsy Teams; Alder Hey is achieving above the audit standards in most or all areas.</p> <p>No specific action to take, but continued network working is continuing with other healthcare providers across the North West.</p>
Ulcerative Colitis and Crohn's Disease (National IBD Audit)	<p>The IBD Audit and the national audit report is regularly discussed at Gastroenterology IBD meetings; Alder Hey is meeting the majority of the audit standards. A sub group was formed to identify areas for improvement. The paediatric IBDQip, works in parallel with the IBD audit (and is intended to merge in the next year) was identified as the most appropriate tool to use to form the basis to improve IBD services with targeted actions.</p> <p>First four actions are completed or in progress: conducting an annual patient feedback survey and asking for patient stories; facilitating a meeting with CCUK and 4-5 families (including the young person) to understand what they feel they need and then support CCUK to initiate the group and support the volunteers to continue the group independently of Alder Hey input (unless requested); approaching different services to identify a named lead for Pharmacy, Histopathology and Radiology with the aim of establishing a more cohesive and formal MDT approach to improving patient care and improving the gastroenterology services; conducting an audit of the patients who have required steroids to review the number of patients who remain on steroids for longer than three months.</p> <p>IBD Biologics</p> <p>We currently meet all the standards required in the IBD biologics best practice guideline. This is an ongoing national audit primarily used to collect information on all IBD patients receiving biologics (which is more like a register). We have the facility to retrieve the data we have entered to audit our practice against the NICE guidelines which is about to be undertaken by one of our registrars.</p>

Actions Taken/to be Taken as a Result of Local Clinical Audits in 2012/13

There were a total of 170 local audits registered in the reporting period 1st April 2012 to 31st March 2013. Four (2%) of these audits have been cancelled. There are 34 (20%) local audits completed. There are 131 (78%) ongoing audits, 28% have been registered in the last two months and completion will be in the reporting period of 2013/14.

The reports of 29 completed local clinical audits were reviewed by the provider in the reporting period 1st April 2012 to 31st March 2013 and Alder Hey Children's NHS Foundation Trust intends to take the actions stated below to improve the quality of healthcare provided.

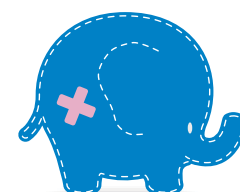
Local Audit	Actions
How does the management of patients presenting with fever and petechial rash vary in terms of investigations, treatment and duration of admission?	<ul style="list-style-type: none"> • The audit was presented to a local General Paediatrics meeting on 19th November 2012. • A re-audit is being planned to capture a bigger patient population and a larger case number.
General Paediatric Quality Improvement Programme.	<ul style="list-style-type: none"> • The audit was presented to a local General Paediatrics meeting in 2012. • Recommendations were to improve the legibility of drug charts and to improve on documentation by not using abbreviations. • Regular feedback from pharmacy regarding prescription errors is to be emailed to the lead consultant. • Improve on senior review - aiming for at least 95% of patients to be seen by an ST4 or above within four hours as per the Royal College standard. • The sample size for the audit was very small. A larger sample would have added to the validity of the results. The plan is to re-audit in three months time with a larger sample size once the recommendations have been put in place.
Case Note Audit (Physiotherapy)	<ul style="list-style-type: none"> • The audit was presented to a local meeting in 2012. • Recommendations were for notes to be separated into volumes when starting to fill up so they do not become overfilled. • Create a new consent form and ensure it covers all required areas for consent. • Review case note layout and content to ensure that they provide the best possible basis for note writing and continue with regular review of the case notes on an annual basis to check for standardisation. • Highlight the need for consistency in note taking and amending notes. • Alder Hey continuation sheets to have 'page' printed on in order to prompt numbering. • Review of manual handling forms/risk assessment plans. Ensure that they are included in the notes. • Discuss with the Physiotherapy Team the necessity to time entries into notes. • Include regular updates of the patient including treatment goals and plans into body of notes (treatment section). • Recommendations have been partially implemented. • Re-Audit in 12 months (Summer 2013).
Outcomes of Acute Pancreatitis	<ul style="list-style-type: none"> • The audit was presented at a local audit meeting where recommendations were discussed. • Recommendations have been fully implemented as of 18th September 2012. • A key recommendation was to measure biochemical markers such as CRP, Albumin and WBC at presentation and at 48 hours to get an accurate prediction of severity. • Poster presentation at Annual American Pancreatic Association Meeting in Miami, 1st November 2012.

Local Audit	Actions
<p>Audit into Quality Standards for Bacterial Meningitis and Meningococcal Septicaemia in Children (NICE CG102)</p>	<ul style="list-style-type: none"> • Audit presented at local audit meeting where recommendations were discussed 10th September 2012. • Recommendation was for observations to be recorded fully, in particular blood pressure. • To create a checklist for LP indications/Contra-indications. • Lab to record on hospital system when results are put on the system or phoned through. • Audiology and OPD follow up. • Query the need for a pro-forma to capture data. • Recommendations have been partially implemented as of 3rd October 2012. • Re-Audit at least two years in the future.
<p>Hypospadias Surgery (Day Case Follow Up)</p>	<ul style="list-style-type: none"> • Recommendations presented at a local meeting and fully implemented. • An action was to re-start the pre-op clinic. • A re-audit of the evaluation of the pre admission clinic was started in October 2012.
<p>Four Year Outcome Using the Ponsetti Technique for the Management of Clubfoot</p>	<ul style="list-style-type: none"> • No action plan required as the audit results are in keeping with National Standards. • Audit was presented at the British Society of Children's Orthopaedic Surgery in London, January 2013. • A re-audit is planned for five years time.
<p>Audit of the Detection of Resistant Organisms by Faecal Screening in Oncology Patients</p>	<ul style="list-style-type: none"> • The audit was presented at a local meeting in 2012. • This study shows the clinical importance of rectal screening as a method of surveillance for resistant organisms. This information regarding the presence or absence of resistant organisms allows clinicians to ensure that appropriate empirical treatment is started when the child presents with febrile neutropaenia. • Recommended a review of faeces resistance to be part of hospital surveillance system on a monthly basis. • Recommendations have been partially implemented.
<p>Burns Inpatient Psychosocial Screening Audit</p>	<ul style="list-style-type: none"> • The audit was presented with recommendations at the Northern Burn Care Network meeting in January 2013. • Audit recommended extending the data collection period in the future if planning a re-audit. • No immediate plans to re-audit locally.
<p>Audit of Difficult Airway Trolley Equipment and Maintenance</p>	<ul style="list-style-type: none"> • The audit was presented at a local meeting in 2012. • Actions identified were to improve the difficult airway trolleys by streamlining the contents and removing excess items and update the contents list of the difficult airway trolleys. • Link processes to the new Difficult Airway Society (DAS) guidelines. • Increase the accountability and responsibility for trolley checks to include who checks and how often they are checked. • A re-audit is planned for twelve months time.
<p>Audit of the Impact of a Rectal Screening System for Carbapenem Resistant Enterobacteriaceae</p>	<ul style="list-style-type: none"> • The audit was presented at a local meeting in September 2012. • Audit recommended continuing screening for Carbapenem Resistant Enterobacteriaceae. • Recommendations have been fully implemented.

Local Audit	Actions
Audit of the Clinical Utility of Pertussis PCR in Comparison to Culture Methods	<ul style="list-style-type: none"> • The audit was presented at a local meeting in October 2012. Submitted for publication to the Journal of Hospital Infection (JHI). • The audit recommended that laboratories continue to try and culture Pertussis as this creates the opportunity to perform whole genome sequencing. We believe a culture-only approach misses positive cases which would only be picked up by PCR and advocate the further evaluation of PCR performed in parallel with culture to detect Pertussis in all infants referred to hospital with symptoms suggestive of whooping cough. • Recommendations have been fully implemented.
Anaphylaxis Audit (NICE CG134)	<ul style="list-style-type: none"> • The audit was presented at a local meeting in 2012. • Audit recommended increasing the awareness of A&E and General Paediatric Team members regarding the need to involve the Allergy Team as early as possible in cases of anaphylaxis. • Allergy Team are to provide documentation of all teaching. • Provide ongoing and regular (1-2 yearly) education for patients with adrenaline pens and their families. • Video training and a new management plan established since the audit. This has been rolled out across the North West Allergy network website. A prospective audit of the new management plan is in progress. • In conjunction with this audit and to maintain compliance with NICE guidelines a new pathway (anaphylaxis check list) has been introduced at Alder Hey, which aims to improve management as well as documentation, from the patient's point of entry in Accident and Emergency. It also aims to ensure patients are educated and followed up appropriately.
Review on the Management of New Chronic Fatigue Syndrome Patients (NICE CG53)	<ul style="list-style-type: none"> • The audit was presented at a local meeting in 2012. • The audit found 100% of patients had appropriate screening tests. • The audit recommended changing monthly new patient clinics to weekly clinics. • The audit further recommended improving the documentation of early symptom advice to achieve 100% compliance. • Recommendations were discussed and have been fully implemented. A re-audit is planned for twelve months time.
Anaesthetic Disposables Costs and Savings	<ul style="list-style-type: none"> • The results of the audit were presented to the Anaesthetic Department on the 6th September 2012. • Findings were noted and the department determined to leave it to the discretion of the individual anaesthetist to make informal choices armed with the facts as presented. • No further monitoring or re-audit is required.
Re-Audit: HDU Refused Admissions: Reasons and Subsequent Patient Outcomes	<ul style="list-style-type: none"> • The audit was presented at a local meeting in 2012. • A recommendation of the audit is to implement a new data collection tool. • An action plan has been developed which is to be monitored by the HDU ward manager and senior nursing staff. • Nursing staff are to perform a further re-audit in another six months.
Paediatric ICU Prescribing Audit	<ul style="list-style-type: none"> • Audit was presented at a local risk and governance meeting in 2012. • Poster and abstract have been submitted to the European Society of Paediatric and Neonatal Intensive Care (ESPNIC) Conference 2013, being held in Rotterdam, Netherlands in June 2013. • We are compliant with most of the requirements in the different prescription groups. Areas for improvement were reported and appropriate actions taken around: <ol style="list-style-type: none"> 1. Noting allergies. 2. Number of prescription cardex cards in unit. 3. Recording name and DOB on every page. 4. Recording reason for PRN medications. • Re-audit in six months time.

Local Audit	Actions
Clinical Outcomes after Herniotomy Surgery in the First Year of Life-Focusing on Hernia Recurrence and Need for Future Orchidoplexy.	<ul style="list-style-type: none"> • The audit was presented at a local meeting in December 2012. The audit was also presented at the Surgical Trainee's 'STEC' meeting and is to be submitted to the Annual Meeting. • No action plan was required as outcomes of herniotomy in infants at Alder Hey are comparable to the published rates in the literature.
Re-Audit of Abdominal Pain on Oncology Unit April 2012 - Sept 2012	<ul style="list-style-type: none"> • The audit was presented at a local meeting in 2012. • Recommendations were to continue to follow the Oncology Unit abdominal pain guidelines. • Consider serum analysis in patients with Acute Lymphatic Leukaemia who develop abdominal pain with an obvious cause. • Consider early surgical options if thought to be a surgical cause or no definite cause identified. • Recommendations of the audit have been fully implemented. • No re-audit required.
Evaluation of Nurse Led Scar Management Clinics	<ul style="list-style-type: none"> • The audit was presented at a ward multi-disciplinary meeting with the consultant. Recommendations of the evaluation were to improve directions to the clinic and allow nurses more time with each patient. • An action plan is to be developed in order to implement the recommendations.
Audit of Efficacy and Use of Pizotifen for Childhood Headache.	<ul style="list-style-type: none"> • The audit was presented as a poster at a local meeting in 2012. Poster has been submitted to relevant journals. • No action plan was required. • No re-audit was required.
Perioperative Temperature Management (NICE CG65)	<ul style="list-style-type: none"> • The audit was presented at a local meeting in November 2012. • Recommendations were to improve the education about the NICE guidelines and their application to paediatric practice. • To improve the education and training for all staff measuring temperature, including anaesthetics, about both the technical factors and user technique which affect accurate temperature measurement. • To ensure all anaesthetic charts, including day-case, have space or a prompt for temperature measurement. • Re-audit in main theatres to complete the audit cycle. • Repeat the audit in the day-case theatres. While the perception is that day-case procedures are mostly short and high turnover cases, many have a total intraoperative time of over 30 minutes and would therefore be eligible for temperature measurement and warming.
Are we taking radiographs when treatment planning for paediatric dental general anaesthetic? A comparative, retrospective audit of compliance with UK National Clinical Guidelines at Alder Hey Hospital	<ul style="list-style-type: none"> • The audit results will be disseminated amongst ward and departmental staff in order to advise of failure to meet the standard. • The audit recommended to remind departmental staff of the UK clinical guidelines and to stress the importance of obtaining radiographs prior to General Anaesthetic for caries detection and ultimately to reduce the risk of repeat General Anaesthetic. • Ensure that bitewings are the radiograph of choice for caries diagnosis and that they should be taken in addition to OPT if an OPT is required for other reasons. An OPT should not be relied upon for diagnosis of interproximal caries. • When radiographs have been requested but the patient has not been able to tolerate them at the initial consultation a second attempt should always be made when the patient attends for any further clinic appointments or on the day of their anaesthetic. • Prospectively re-audit the pre-General Anaesthetic radiograph process in order to gain a greater understanding of how clinicians are making decisions on taking radiographs in children who are treatment planned for General Anaesthetic and to obtain data for a second audit cycle. This documentation will also serve to prompt clinicians in their decision making process.

Local Audit	Actions
	<ul style="list-style-type: none"> • Develop a business case and assess the feasibility of introducing intra-General Anaesthetic radiography at Alder Hey will be investigated as well as training for radiography staff to improve the outcomes of intra-oral radiographs. • With regard to the latter point this is due to be addressed in the results of a concurrent audit. • As the standard was not met an action plan has been formulated and a re-audit will be due in April/May 2013.
<p>Audit of Current Prescribing Practice for Etanercept for Juvenile Idiopathic Arthritis (JIA) and Tocilizumab for Systemic JIA (NICE TA35 & TA198)</p>	<ul style="list-style-type: none"> • The pilot audit was presented to a local meeting in 2012. The main audit using data from January to March 2013 was completed on schedule as per PCT / CQUIN recommendations. The audit results have been forwarded to the Trust information team and Liverpool PCT for circulation to the correct commissioners.
<p>Clinical Outcomes of Initial Glucocorticoid Treatment at 30 Days and One Year Post Diagnosis with Paediatric IBD (Ulcerative Colitis and Crohn's Disease).</p>	<ul style="list-style-type: none"> • An abstract was submitted to the European Paediatric Gastroenterology conference. This has been accepted for a poster presentation at (ESPGHAN) meeting 2013 in London (8 – 11 May 2013). A further audit is planned for 2013 as part of the National IBD Audit action plan.
<p>The Management of Traumatic Anterior Shoulder Dislocation in the Adolescent</p>	<ul style="list-style-type: none"> • The audit was presented at a local Orthopaedic alumni meeting where recommendations were discussed. • Recommendations have been fully implemented as of 15th March 2013. A re-audit was not required.
<p>Audit of the Use of Doxycycline for Sclerotherapy of Lymphatic Malformations.</p>	<ul style="list-style-type: none"> • The audit was presented at a local Radiology Audit meeting where recommendations were discussed. • Recommendations have been fully implemented as of 14th March 2013. A re-audit was not required.
<p>Temperature Control During Magnetic Resonance Scanning on Anaesthetised Patients</p>	<ul style="list-style-type: none"> • A repeat of this audit is recommended after a period of at least three months. It was suggested that such an audit should try to include assessment of the adequacy of temperature monitoring pre- and post-MRI, and be designed in such a way as to trace the communication of abnormal temperatures between staff, to confirm that they are being properly highlighted and considered. It should also take account of ambient temperature in the MRI unit.
<p>An Audit of Lateral Condyle Fractures of the Elbow</p>	<ul style="list-style-type: none"> • The audit was presented at a local consultants meeting where recommendations were discussed. • Recommendations have been fully implemented as of 15th March 2013. A re-audit is planned for six months' time.



2.2.4. Participation in clinical research

The number of patients receiving NHS services provided or subcontracted by Alder Hey Children's NHS Foundation Trust in 2012/13 who were recruited during that period to participate in research approved by a Research Ethics Committee was 8,265.

Alder Hey is pro-actively working towards becoming a world class centre for children's Research and Development and this is one of the Trust's key strategic aims. Furthermore, the Alder Hey/University of Liverpool integrated ten year research strategy states that "Every child should be offered the opportunity to participate in a research study / clinical trial". Participation in clinical research demonstrates Alder Hey's commitment to contributing to evidence-based and leading edge treatment which will improve the quality of care we offer whilst taking due care to patient

safety and to making a contribution to wider health improvement. The research structures for setting up and running clinical research studies are firmly grounded in the Research Business Unit (RBU).

Our clinical staff lead and contribute to studies of the latest possible treatment possibilities and active participation in research leads to successful patient outcomes.

Alder Hey was involved in conducting (169) clinical research studies during 2012/13: defined as studies which are actively recruiting patients. Most studies will not have reached the stage of reporting outcome results. The majority (99) were in Medical Specialties. Over the same period, there was no mortality from causes considered preventable in all Medical Specialties, this has not changed from the previous year and is at 0%.

Participation in Clinical Research 2012/13

	NIHR Studies	Number of Participants	Non-NIHR Studies	Number of Participants
SG1 (Oncology, Haematology, Palliative Care)	32	411	10	218
SG2 (Nephrology, Rheumatology, Gastro, Endocrinology, Dietetics)	28	192	5	49
SG3 (Respiratory, Infectious Diseases, Allergy, Immunology, Metabolic Diseases)	19	6402	6	99
SG4 (A&E, Gen Paeds, Diabetes, Dermatology, CFS/ME)	10	221	2	11
SG5 (CAMHS tier 3 & 4, Psychological Services & Dewi Jones)	2	3	5	47
SG6 (Comm. Child Health, Safeguarding, Social Work Dept., Comm Clinics, Neurodisability Education, Fostering, Adoption, Audiology)	0	0	0	0
SG7 (PICU, HDU, Burns)	3	24	4	45
SG8 (Theatres, Day Case Unit, Anaesthetics Pain Control)	0	0	1	2
SG9 (Gen Surgery, Urology, Gynae, Neonatal)	5	40	4	9
SG10 (Cardiology, Cardiac Surgery)	2	0	2	121
SG11 (Orthopaedics, Plastics)	1	1	0	0
SG12 (Neurology, Neurosurgery, Craniofacial, LTV)	10	124	2	3
SG13 (Specialist Surgery, ENT, CL&P, Ophthalmology, Maxillofacial, Dentistry, Orthodontics)	5	31	1	64
SS1 (Radiology)	2	5	0	0
SS2 (Pathology)	0	0	0	0
SS3 (Pharmacy)	0	0	0	0
SS4 (Therapies, EBME, Central Admissions, Bed Management, Medical Records, Generic Outpatients)	0	0	0	0
NON-CBU	3	87	1	0
CNRU	0	0	1	0
RBU	1	8	2	48
Non Classified	0	0	0	0
TOTAL	123	7549	46	716

The Quality Account deals with research activity during the 2012/13 period. In the majority of studies no results/findings are yet available from those studies to inform future practice. Studies from earlier years provide evidence of research leading to better treatments for patients. In terms of research infrastructure development in September 2012 Alder Hey opened a National Institute for Health Research Clinical Research Facility (CRF). This was a capital project supported with investment from the Trust and is a clinical area utilised purely for research patients providing a dedicated research location. This resource helps facilitate research by providing a bespoke location for research on a day-case basis and moving to overnight provision shortly. One of the many advantages of having a fully operational CRF is that it will enable investigators to not only undertake later phase research studies but also to undertake more complex and earlier phase studies (Experimental Medicine types of activity) dealing with developing new cutting edge medicines and technologies which are often lacking in children's healthcare. The CRF will lead to improvement in patient health outcomes in Alder Hey demonstrating a clear commitment to clinical research which will lead to better treatments for patients.

There were 74 members of clinical staff participating in research approved by a Research Ethics Committee at Alder Hey during 2012/13. These included consultants, nurse specialists, scientists, clinical support staff and research nurses from across all Clinical Business Units.

Over the past three years the Trust has witnessed a growth in commercially sponsored studies using monoclonal antibodies (mAbS). These interventions have been used primarily in Rheumatology and Oncology but are becoming available in other sub-specialities. Significant quality of life improvements have been witnessed, particularly in Rheumatology patients treated with mAbS leading to increased mobility and a reduction in pain and inflammation. A good example of this type of study is the PLUTO study. Alder Hey proudly recruited the first patient globally into this study. This is the second study during 2012/13 which boasted the first global recruit here at Alder Hey. This bodes well for development of commercial research studies as it demonstrates Alder Hey's commitment to supporting the speedy set up of clinical trials with the support of the Trust R&D office and the NIHR Medicines for Children Local Research Network. The Trust has a growing critical mass of research activity in Oncology, Rheumatology, Infectious Diseases, Respiratory Medicine, Endocrinology/ Diabetes and Neurosciences but is witnessing a growth in research activity in Gastroenterology, Nephrology, and Critical Care. One of the highest recruiting studies was SPICED: "Development of a rapid salivary test to

detect serious bacterial infection in children presenting to the accident and emergency department" which looked at using a less invasive means of bacterial infection detection.

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

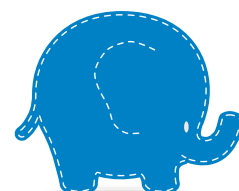
2.2.5. Use of the Commissioning for Quality and Innovation Framework (CQUIN) payment framework

A proportion of Alder Hey's income in 2012/13 was conditional upon achieving quality improvement and innovation goals agreed between Alder Hey and any person or body entered into a contract, agreement or arrangement for the provision of NHS services, through the Commissioning for Quality and Innovation payment framework. During 2012/13 these commissioning bodies consisted of Liverpool Primary Care Trust (PCT) and consortia partners Sefton PCT, Knowsley PCT and the North West Specialist Commissioners.

For 2012/13 the baseline value of CQUIN was £3.1m which was 2.5% of the total contract value. This means that if Alder Hey did not achieve an agreed quality goal then a percentage of the total CQUIN money would be withheld. For 2012/13 Alder Hey received 100% of the CQUIN money. The CQUIN goals and related percentage of contract value are overleaf.



See overleaf for CQUIN goals



Local Commissioner CQUINs 2012-13

Domain	Indicator	Indicator Description	Target	Weighting	Financial Value	End of Year Performance
Patient Experience	Investing in Children	Accreditation of 2 new areas	2	0.15%	2	Fully achieved
		Reaccreditation of accredited areas	2			
		Survey results and recommendations documented and discussed at appropriate Boards/Committees	Not applicable (N/A)			
Patient Safety	Paediatric Safety Scan	Development of a National Paediatric Safety Scan prevalence tool to measure paediatric harm. The four areas which will be assessed are: skin integrity, extravasation, early warning risk assessment and pain	Reporting update of the project, draft definitions and pilot data	0.10%	£44,424	Fully achieved
Clinical Effectiveness	Electronic Discharge Summaries	Contain minimum dataset	98%	1.00%	£444,243	Fully achieved
		Sent to GPs within 24 hours	95%			
		Patients to receive a copy of their discharge summary on day of discharge	95%			
	Electronic Outpatient Correspondence	Provide implementation plan	Jun-12			
		Milestones completed within timeframe specified	N/A			
Letters sent to GPs within 2 weeks from identified areas: Dermatology	N/A					
Clinical Effectiveness	Medicine Management	Prescribing of Omalizumab for severe persistent allergic asthma in line with NICE TA 201	95%	0.625%	£277,652	Fully achieved
		Prescribing of Etanercept for the treatment of Juvenile Idiopathic Arthritis in line with NICE TA 35	95%			
		Prescribing of Tocilizumab for Systemic Juvenile Idiopathic Arthritis is in line with NICE TA 238	95%			
		Minimum dataset supplied for PBR-excluded cytokine modulators for non-Cancer treatment with data recharges from Provider to Commissioner	95%			

Domain	Indicator	Indicator Description	Target	Weighting	Financial Value	End of Year Performance
Clinical Effectiveness, Safety and Patient Experience	Energise for Excellence: Nursing Indicators	Participation in programme	N/A	0.625%	£46,275	Fully achieved
	Your Skin Matters	Maintain 2011-12 performance of 17 grade 2 pressure ulcers	≤17		£46,275	Partially achieved
		Pressure ulcer risk assessments undertaken within 6 hours admission to an inpatient ward using agreed tool	100%			
		Mini RCAs carried out on all grade 2, full RCA grade 3+	100%			
	Keeping Nourished	Nutritional screening tool implemented on admission incl measure weight	95%		£46,275	Fully achieved
		Appropriate care plan for patients at risk of malnutrition. High risk referred to Dietician	95%			
	Important Choices: Where to Die When the Time Comes	Liverpool Care Pathway to be revised and second pilot commenced in community by Q2	N/A		£46,275	Partially achieved
		Focus Groups of professionals in the hospital setting and initial scoping of LCPC for use in hospital by Q4	N/A			
		Preferred Place of Care for End of Life patients to be recorded via new Meditech death date collection system	90% by Q4			
		Relevant personalised care plan developed within 2 weeks of initial assessment	95%			
		Patients transferred to their preferred place of care within 48 hours when end of life is recognised	95%			
		Documented evidence that pain is assessed and controlled at the time of death	95%			

Domain	Indicator	Indicator Description	Target	Weighting	Financial Value	End of Year Performance		
Clinical Effectiveness, Safety and Patient Experience		Patients reporting symptoms (Respiratory Secretions, Terminal Agitation, Nausea and Vomiting) have documented evidence that they are assessed and controlled at time of death	95%					
		Patients at the end of life will have a fax/electronic correspondence sent to their GP when discharged from hospital to facilitate their entry onto the electronic supportive care template	95%					
	Fit and Well to Care	Demonstrate actions taken to implement recommendations of the Boorman Health and Wellbeing Report	N/A				£46,275	Fully achieved
	Reduction in Surgical Site Infections (SSIs) in Orthopaedics	Reduce incidences of SSIs in cardiac surgery, neurosurgery and spinal surgery	Set Process & Baseline (Q1 & Q2) Agree Data collection target - monitor against this (Q3 & Q4)				£46,275	Fully achieved

North West Specialised Commissioning Team CQUINs

CQUIN Pick List

Domain	Indicator	Indicator Description	Target	Weighting	Financial Value	End of Year Performance
Patient Safety	PIC: Unplanned Extubation	% of unplanned extubations for which a review (and action plan if necessary) were completed	90%	10%	£198,426	Fully achieved
	PIC: Unplanned Readmissions	Reduction on % of unplanned readmissions to PICU within 48 hrs	Develop baseline	10%	£198,426	Fully achieved
Clinical Effectiveness	Haemophilia: Joint Immobilising Bleeds	Reduction on number of breakthrough bleeds	Reduction from 11/12	5%	£99,213	Partially achieved

Domain	Indicator	Indicator Description	Target	Weighting	Financial Value	End of Year Performance
Patient Experience	Haemophilia: Use of Haemtrack	% of paediatric and adult patients completing information records via Haemtrack, data stratified by condition severity	N/A	5%	£99,213	Fully achieved
Clinical Effectiveness	Neuromuscular: Use of 'Early Warning Pack'	Q1: Draft proposal Q2: Engagement and set baseline Q3: Identify areas for Improvement and roll out Q4: Promote system and feedback results	N/A	5%	£99,213	Fully achieved
Patient Experience	CAMHS Tier 4: Service User Defined CPA Standards	Service User defined CPA standards	N/A	3%	£59,528	Fully achieved
	CAMHS Tier 4: Length of Stay	CAMHS Tier 4: Optimising Length of Stay	N/A	3%	£59,528	Fully achieved
	CAMHS Tier 4: Recruitment	CAMHS Tier 4: Patient (Carer) involvement in recruitment	N/A	3%	£59,528	Fully achieved
Clinical Effectiveness	Cardiac Services: Improving the NW Cardiac Network	Cardiac Services: Improving the NW Cardiac Network	N/A	6%	£119,056	Fully achieved
Clinical Effectiveness, Patient Experience and Patient Safety	Local Commissioner CQUINs (see page 61)			10%	£198,426	Partially achieved
Dashboards						
Clinical Effectiveness, Patient Experience and Patient Safety	Dashboards	Bone Marrow Transplant	N/A	2%	£39,685	Partially achieved
		Haemophilia	N/A	2%	£39,685	Fully achieved
		Burns	N/A	2%	£39,685	Fully achieved
		Cystic Fibrosis	N/A	2%	£39,685	Fully achieved
		HIV	N/A	2%	£39,685	N/A Not implemented in 2012-13

Domain	Indicator	Indicator Description	Target	Weighting	Financial Value	End of Year Performance
Dashboards						
		Paediatric Cardiac Surgery	N/A	2%	£39,685	N/A Not implemented in 2012-13
		Paediatric Intensive Care	N/A	2%	£39,685	Fully achieved
		Paediatric Neurosurgery	N/A	2%	£39,685	Fully achieved
		Major Trauma	N/A	2%	£39,685	N/A Not implemented in 2012-13
		CAMHs Tier 4	N/A	2%	£39,685	Fully achieved
National CQUINs						
Clinical Effectiveness, Patient Experience and Patient Safety	Patient Experience: Investing in Children			8%	£158,741	Fully achieved
	Paediatric Safety Scan			12%	£238,112	Fully achieved

Further details of the agreed goals for 2012/13 and for the following 12 month period are available online at www.monitornhsft.gov.uk

2.2.6 Statements from the Care Quality Commission (CQC)

Alder Hey is required to register with the Care Quality Commission and its current registration is in place for the regulated activities of: diagnostic and screening procedures, surgical procedures and treatment of disease, disorder or injury. Alder Hey remains registered without conditions.

The Care Quality Commission has not taken any enforcement action against Alder Hey during 2012/13.

Alder Hey has participated in special reviews or investigations by the Care Quality Commission relating to the following areas during 2012/13:

- Ionising Radiation.
- Outcome 1 (Respecting and Involving People Who Use Services), outcome 4 (Care and Welfare of People Who Use Services), outcome 7 (Safeguarding People Who Use Services from Abuse), outcome 14 (Supporting Workers) and outcome 16 (Assessing and Monitoring the Quality of Service Provision).

- Outcome 8 (Cleanliness and Infection Control), outcome 11 (Safety, Availability and Suitability of Equipment) and outcome 13 (Staffing).

- Registration as a provider of the regulated activity of: assessment or medical treatment for people detained under the Mental Health Act 1983.

Ionising Radiation by the Care Quality Commission related to the Ionising Radiation (Medical Exposure) Regulations 2000 and amendments made in 2006, known as IRMER. Minor concerns were raised in relation to establishing the pregnancy status of female patients of childbearing age. An action plan was developed by the Radiology Department following the CQC visit. Actions completed include: ensuring all clinical trials requiring exposure to ionising radiation now have the protocols sent to the Radiation Protection Advisors (IRS Ltd) for discussion and to agree dose constraints and completion of an audit of the procedure for the clinical evaluation of dental images. Work is ongoing to develop a Trust wide system for the checking of pregnancy status.

Alder Hey was subject to a routine unannounced inspection in November 2012 which focused on five outcomes. As a result of the inspection the Trust was found to be fully compliant against the following outcomes: outcome 1 (Respecting and Involving People Who Use Services), outcome 4 (Care and Welfare of People Who Use Services), outcome 7 (Safeguarding People Who Use Services From Abuse), outcome 14 (Supporting Workers) and outcome 16 (Assessing and Monitoring the Quality of Service Provision).

Alder Hey was subject to an unannounced inspection in January 2013 which focused on three outcomes: outcome 8 (Cleanliness and Infection Control), outcome 11 (Safety, Availability and Suitability of Equipment) and outcome 13 (Staffing). The Trust was found to be fully compliant with outcomes 11 and 13; we are awaiting the formal report from the Care Quality Commission in relation to outcome 8.

In order to register as a provider of the regulated activity of assessment or medical treatment for people detained under the Mental Health Act 1983, the inpatient Dewi Jones Unit at Alder Park in Crosby was inspected by the Care Quality Commission in February 2013. A decision about registration for this regulated activity will be made shortly by the Care Quality Commission.

2.2.7 Information on Data Quality

2.2.7.1 Data Quality

Alder Hey Children's NHS Foundation Trust submitted records during 2012/13 to the Secondary Users service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data which:

- Included the patient's valid NHS Number was: (99.53%) for admitted patient care; (99.82%) for outpatient care; and (99.49%) for accident and emergency care.
- Included the patient's valid General Medical Registration Code was: (100%) for admitted patient care; (100%) for outpatient care; and (100%) for accident and emergency care.

Alder Hey Children's NHS Foundation Trust will be taking the following actions to improve data quality:

- Continue to review our suite of Data Quality reports ensuring that errors identified are corrected and monitored on a regular basis.
- Continue to hold workshops for staff to ensure the integrity of data held on our clinical systems is accurate at source.

2.2.7.2 Information Governance Toolkit attainment levels

Alder Hey Children's NHS Foundation Trust Information Governance Assessment Report overall score for 2012/13 was 80% and was graded as satisfactory (green).

2.2.7.3 Clinical Coding Error Rate

Alder Hey Children's NHS Foundation Trust was subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission and the error rates reported in the latest published audit for that period for diagnoses and treatment coding (clinical coding) were:

- Primary Diagnoses Incorrect 5%.
- Secondary Diagnoses Incorrect 1%.
- Primary Procedures Incorrect 4.3%.
- Secondary Procedures Incorrect 15.4%.

The results should not be extrapolated further than the actual sample audited and the services audited during this period included:

- 100 Random Finished consultant episodes non-elective admissions through A&E with length of stay less than one day.

Part 3: An overview of quality of care

In order to ensure that we provide the best quality services to everyone who is part of the Alder Hey community, we recognise that we must continue to stretch ourselves and set goals that we can measure in order to demonstrate that we truly put quality at the heart of everything we do. In 2011/12, in consultation with our staff, governors and patients we agreed on a number of goals in each of the quality 'domains' of patient safety, clinical effectiveness and patient experience.

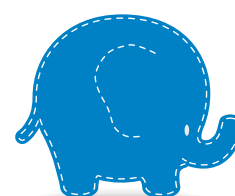
This section of the Quality Account provides an overview of the progress made against the 2012/13 identified priorities, which were:



Priority 1: Patient Safety	<ul style="list-style-type: none"> • Improved recognition of patient deterioration and a reduction in cardiac arrests, through implementation of PEWS (Paediatric Early Warning System). • A reduction in medication errors. • Improved safety and prevention of VTE (Venous Thromboembolism).
Priority 2: Clinical Effectiveness	<ul style="list-style-type: none"> • Enhanced hospital mortality review process. • Implementation of a surgical site infection surveillance programme. • Implementation of Paediatric Nurse sensitive indicators.
Priority 3: Patient Experience	<ul style="list-style-type: none"> • Use of Fabio Trust-wide to improve patient experience, engagement and feedback. • Develop parent information leaflets for a number of long term conditions. • Develop a transition assessment tool for neuro and cardiac patients.

3.1 Patient Safety

Quality Improvement Priority	Improved Recognition of Patient Deterioration and a Reduction in Cardiac Arrests, Through Implementation of PEWS (Paediatric Early Warning System)
Why was this area chosen as a priority for improvement?	A cardiac arrest is a catastrophic event for a child and their family. There is an increasing dependency of ward patients and a greater number of cardiac arrests. Missed patient deterioration incurs longer length of stay for patients and extra costs of additional care delivered.
What were the improvement aims?	The PCT provided £60,000 funding to invest in reviewing and improving the PEW system, improve training for ward nurses and doctors and develop mechanisms for reviewing missed deterioration so that other organisational and clinical factors are addressed.
How was the improvement monitored?	The resuscitation training officers capture the data for cardiac arrest calls, which are not always actual arrests but a result of deterioration. The data is used for internal reporting and provided to the National Cardiac Arrest Audit (NCCA) database which compares the outcomes of Alder Hey to the other participating Trusts. Resuscitation Committee reviews all matters related to cardiac arrests, outside of Paediatric Intensive Care Unit (PICU) and theatres. PICU review all readmissions to PICU within 48hrs of discharge.
Quality improvements and key successes achieved in 2012/13	Currently the Trust is part way through converting to age specific evidence based PEW charts. They were trialled in four clinical areas. They are now in use in an additional six areas. There is an ongoing requirement to reinforce the PEW process in all areas and feedback to individual areas. Developed multi-professional RESPOND (Recognising Signs of Paediatric Deterioration) course aimed at ward nurses and junior doctors; which utilises real case based scenarios, to help frontline staff to recognise common patterns of paediatric deterioration and target their clinical response. The NCCA database shows the arrests and survival rates for 2011/12: (2012/13 comparison data unavailable).



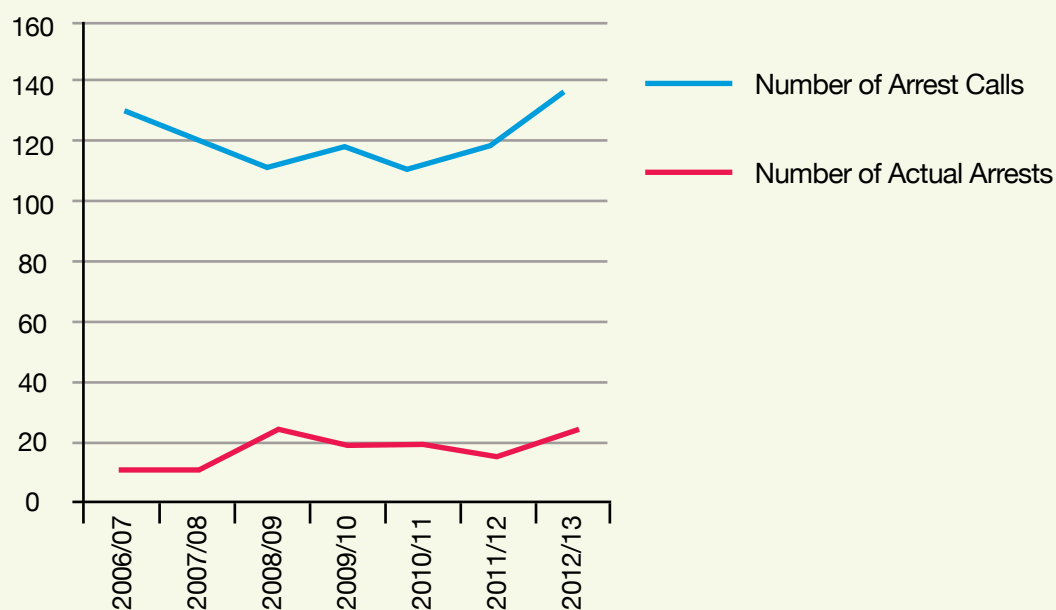
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NCCA Database April 2011 to February 2012 (Paediatric is defined as a child greater than 28 days to less than 16 years of age).	All Cardiac Arrest Team Visits - Alder Hey	All Paediatric Team Visits in the NCCA Database
Number of team visits	16	199
Number of individuals	15	196
Return of a spontaneous circulation that was sustained for greater than 20 minutes	14	80
*Survival to hospital discharge	9	54
‡ Favourable neurological outcome	4	24

*Excludes individuals missing status at discharge from hospital.

‡ Excludes individuals sedated on discharge from your hospital and individuals alive, not sedated and missing CPC at discharge from your hospital.

Alder Hey does not have an independent Medical Emergency Team and as such when patients deteriorate a cardiac arrest call is made even though the patient may not have had a cardiac arrest. The increased incidence of inpatient cardiac arrest calls, and actual cardiac arrests [requiring cardiac massage and drugs] since the introduction of PEWS in 2006 and conversion to the new age specific PEWS highlights the ongoing challenge of managing in-hospital deterioration, presented in the chart below. There has been an increase in actual cardiac arrests in 2012/13 compared to 2011/12 but there is recognition that there is an increasing dependency of patients.



What are the next steps in 2013/14?

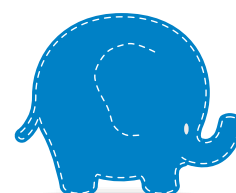
Completion of the scheduled roll out of the age specific PEWS to all remaining wards will be achieved in 2013/14, with simultaneous training and support on each ward. No preventable deterioration is one of the Trusts developmental quality sub-aims.

Quality Improvement Priority	A Reduction in Medication Errors																																	
Why was this area chosen as a priority for improvement?	<p>Almost every patient who is admitted to hospital requires medication. Prescribing, administering and dispensing medicines for children is a complex process and requires specialist knowledge and experience. Medication errors are the most common type of incident reported in most hospitals in the UK. We want to reduce the number of medication errors happening in Alder Hey for three main reasons:</p> <ul style="list-style-type: none"> • Medication errors can harm patients. The majority of the errors which have happened in Alder Hey have not caused harm to patients but a small number have caused harm or might have caused harm if they had not been discovered before reaching a patient. • Medication errors can increase the length of time a patient stays in hospital or increase the cost of their stay because more tests, investigations or treatments are needed. • Being involved in a medication error can be a very difficult experience for patients, their families and the staff involved. 																																	
What were the improvement aims?	<p>A reduction in the number of medication errors reaching a patient. An increase in the number of “near-miss” medication errors.</p>																																	
How was the improvement monitored?	<p>Medication incidents are reported via the Ulysses incident reporting system. Monthly reports are reviewed by the Safe Medication Practice Committee (SMPC) who report to the Drug and Therapeutics Committee.</p>																																	
Quality improvements and key successes achieved in 2012/13	<ul style="list-style-type: none"> • Increased teaching on preventing medication errors provided for clinical staff across the Trust. • Information on how we can learn from the errors that have happened is sent to all clinical staff every month. • Audits of prescribing are undertaken monthly. • A special project on reducing errors related to administering medicines called “Breakthrough Collaborative” launched in June 2012. Teams from four wards and Pharmacy are involved. • Safety posters have been produced to highlight specific medicines safety issues. <div data-bbox="399 1220 1476 1780" style="text-align: center;"> <p>Medication Errors Reported</p> <p>■ Total errors ■ Errors reaching patient</p> <table border="1"> <caption>Medication Errors Reported Data</caption> <thead> <tr> <th>Month</th> <th>Total errors</th> <th>Errors reaching patient</th> </tr> </thead> <tbody> <tr><td>May-12</td><td>46</td><td>31</td></tr> <tr><td>June-12</td><td>32</td><td>15</td></tr> <tr><td>July-12</td><td>49</td><td>31</td></tr> <tr><td>Aug-12</td><td>37</td><td>19</td></tr> <tr><td>Sep-12</td><td>35</td><td>24</td></tr> <tr><td>Oct-12</td><td>35</td><td>21</td></tr> <tr><td>Nov-12</td><td>23</td><td>18</td></tr> <tr><td>Dec-12</td><td>33</td><td>14</td></tr> <tr><td>Jan-13</td><td>38</td><td>23</td></tr> <tr><td>Feb-13</td><td>32</td><td>15</td></tr> </tbody> </table> </div> <ul style="list-style-type: none"> • There has been a slight reduction in the number of medication errors reported per month over the last 10 months. • There has not been a reduction in the percentage of medication errors which have reached a patient. • There has not been an increase in the number of near-misses reported. 	Month	Total errors	Errors reaching patient	May-12	46	31	June-12	32	15	July-12	49	31	Aug-12	37	19	Sep-12	35	24	Oct-12	35	21	Nov-12	23	18	Dec-12	33	14	Jan-13	38	23	Feb-13	32	15
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Feb-13	32	15																																
What are the next steps in 2013/14?	<p>This will remain a high priority for the Trust. No drug errors resulting in harm is one of the Trusts developmental quality sub-aims.</p>																																	

Quality Improvement Priority	Improved Safety and Prevention of VTE (Venous Thromboembolism)
Why was this area chosen as a priority for improvement?	NICE guidance on Venous Thromboembolism covers adults from the age of 18. A review of literature produced very little guidance for paediatrics.
What were the improvement aims?	To develop a Paediatric VTE risk assessment tool.
How was the improvement monitored?	A small task and finish group was established. Progress with this project has been reported to the Clinical Quality Steering Group.
Quality improvements and key successes achieved in 2012/13?	A paediatric risk assessment tool has been developed, based on the available evidence base. This has been through consultation with medical staff and is currently in the process of being reviewed by nursing staff. This risk assessment tool will be added to the Meditech patient assessment screens.
What are the next steps for 2013/14?	The risk assessment tool will be rolled out across the Trust in 2013/14 and implementation will be monitored.

3.2 Clinical Effectiveness

Quality Improvement Priority	Hospital Mortality Review Process
Why was this area chosen as a priority for improvement?	Mortality is seen as an important outcome in healthcare. The organisation has attempted to undertake a Trust wide review of all inpatient mortality for the last few years by instigating the Hospital Mortality Review Group (HMRG). We wished to adapt our historical approach to mortality review to accommodate the new structures within the organisation and to improve reporting analysis and any proposed action arising from such reviews to the appropriate CBUs. The new review process has now incorporated reporting in line with NECPOD and CEMACH assessment criteria and assigns action plans to timescale and lead responsibility at a local level; this can then be co-ordinated by CBU boards with oversight by the HMRG giving assurance to the Trust Board.
What were the improvement aims?	To ensure all inpatient deaths and deaths within 30 days of discharge are reviewed by the relevant service within a two month time frame and by the HMRG within a four month time frame.
How was the improvement monitored?	A new process was instigated in January 2012 with ongoing monitoring via clinical audit. HMRG reports to the Clinical Quality Steering Group (CQSG), Clinical Quality Assurance Committee (CQAC) and Trust Board.
Quality improvements and key successes achieved in 2012/13?	53 of the 54 mortality reviews have been undertaken by the HMRG, the outstanding case has been delayed due to factors outside of the HMRG control. Nearly all deaths have had completed at least one full Mortality Review within two months of their death. In two cases (May 1; August 1) a Departmental/Service Group Mortality Review did not occur within the target two month period. However, in October all the departments involved had reviewed all their cases within one month, rather than within the two month limit. The Departmental Mortality Reviews and HMRG highlighted two deaths that would benefit from further examination. Although the mode of death was different, both occurred in the same Department and this triggered the HMRG to instigate a review to assess whether there were common service or system failures. The review concluded that this was not the case.



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Mortality is being monitored using the Cumulative Sum Chart (CUSUM) and Sequential Probability Ratio Test (SPRT).

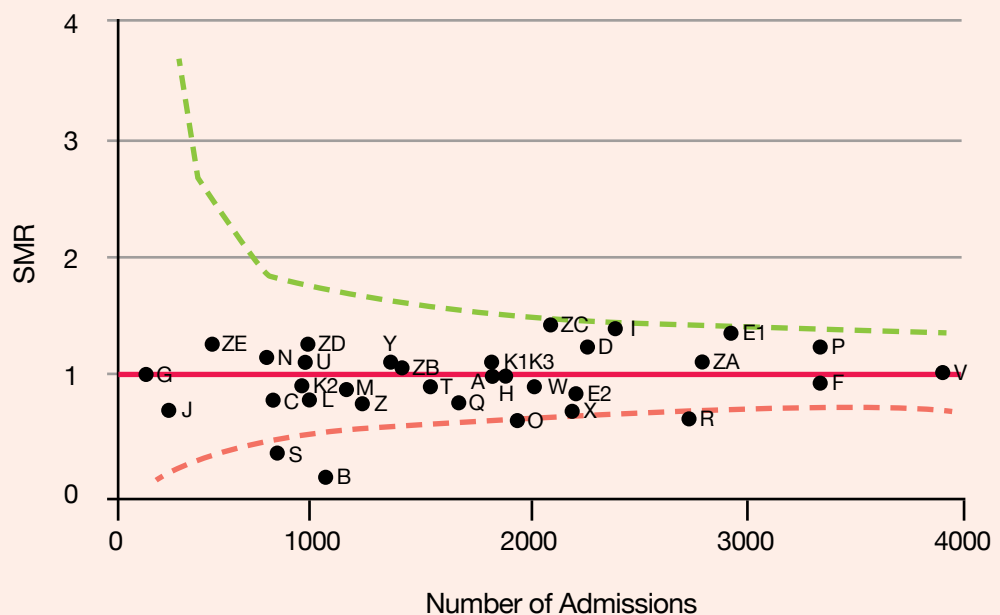
CUSUM is a cumulative sum chart method used to monitor the difference in expected and actual mortality sequentially over a series of patients. The predicted mortality for Paediatric Intensive Care (PICU) is given by the risk adjustment model the Paediatric Index of Mortality 2 (PIM2). Sequential Probability Ratio Test (SPRT) tests the hypothesis that the odds of death in PICU has doubled against the alternate hypothesis that the odds of death has not doubled. Control limits are set to determine whether the hypothesis should be accepted or rejected.

Statistical analysis of mortality using CUSUM and SPRT is currently being reported to PICU on a fortnightly basis. In the event of a trigger of high levels of mortality, the patient deaths will be reviewed and discussed in the Hospital Mortality Review Group. The CUSUM and SPRT are work in progress and subject to change as new risk models are introduced.

Reports have been produced to allow real time monitoring of mortality. Deaths will be analysed by year, ward, and specialty, deaths within 7 days, 30 days and over 30 days from admission. There are no current indications of patterns of concern.

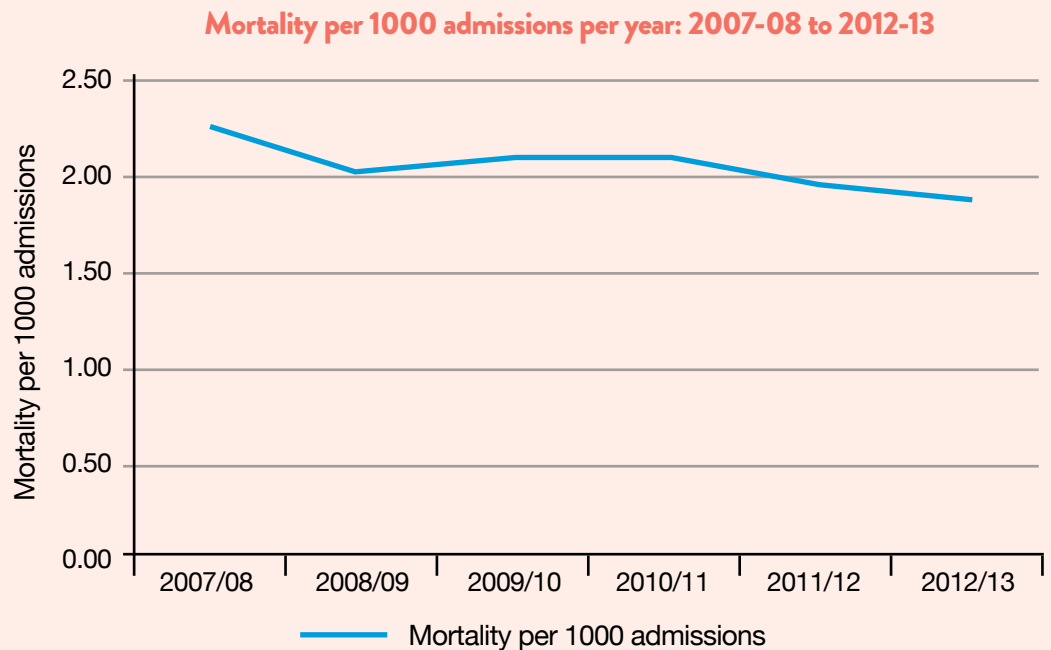
Alder Hey benchmarks externally for PICU, Congenital Cardiac Disease and Oncology. In the most recent PICANet report (Ninth Annual Report of the Paediatric Intensive Care Audit Network January 2009-December 2011), mortality is displayed in funnel plots. The Standardised Mortality Ratios (SMRs) for each organisation are plotted against the number of admissions. The SMR is the ratio of the observed number of deaths in the population against the expected number of deaths. Control limits are displayed on the funnel plots; variation within these limits is termed common-cause variation; variation outside of these limits is special-cause variation. Points above the upper control limit indicate higher than normal mortality; highlighting the need for further investigation into the mortality rate.

The chart below is taken from PICANet's most recent report, and shows the PICU Standard Mortality Ratios by organisation with 99.9% control limits, 2009-11: PIM2r adjusted.



The funnel plot above shows Alder Hey at point 'P'. The SMR for Alder Hey is within the control limits of the funnel plot, suggesting mortality is under control.

The chart below shows mortality per 1000 admissions per year from 2007/08 to 2012/13.



What are the next steps for 2013/14?

The HMRG is an established group that will continue to ensure that practice is consistently reviewed and improved to achieve improved patient outcomes.

Quality Improvement Priority	Implementation of a Surgical Site Infection (SSI) Surveillance Programme
Why was this area chosen as a priority for improvement?	<p>Evidence from adult literature suggests infections of the surgical site account for approximately 14% of all hospital acquired infection (HAI), which is estimated to double the length of post-operative stay and significantly increase the cost of care. A number of studies show that well-organised surveillance and infection control programmes, which include feedback of infection rates to surgeons were associated with significant reductions in surgical site infection. However, the situation in paediatrics is less clear, particularly in the neonatal population.</p> <p>At Alder Hey a very limited SSI surveillance programme has been in place. The expansion of the programme will provide valuable information on infection rates that will allow targeted improvements to be made.</p> <p>The overall aim is to describe baseline rates in two areas (cardiac surgery and neurosurgery) in the first 12 months and subsequently implement SSI care bundles. Once baseline and SSI care bundles are established targets for reduction of SSI rates will be formulated.</p>
What were the improvement aims?	<ul style="list-style-type: none"> • Develop data collection methodology. • Implement and review data collection system. • Develop and implement care bundle. • Review data collected, reduction target and timescale.
How was the improvement monitored?	<p>Improvement is monitored by regular data checking to ensure 30 day SSI follow up for all children within the relevant specialty.</p> <p>The rates are reported to the Bi – Monthly IPCC and to Surgical CBU committees.</p>

Quality improvements and key successes achieved in 2012/13?	<p>For cardiac surgery and neurosurgery robust data capture systems are being developed. The system will include follow up for all patients at 30 days and for 12 months for any patients with implants. This is recognised as the GOLD standard for SSI surveillance and many organisations do not capture or report this. Alder Hey aims to implement a robust data capture system to accurately report SSI rates.</p> <p>Two service specific SSI care bundles have been developed for cardiac surgery and neurosurgery. Cardiac has been implemented; monitoring is to be undertaken in Quarter 1 (April to June) of 2013. Neurosurgery is going through the process of CBU ratification prior to implementation.</p>
Evidence of improvement	<p>For cardiac surgery complete data capture will be in place from Quarter 1 of 2013 and which will establish accurate post discharge surveillance. Analysis of existing SSI data led by the Cardiac Team demonstrates an average annual rate of 12.5% (this rate applies only to those patients where 30 day follow up data was available). Fluctuation of rate is to be expected whilst an SSI surveillance baseline is established.</p> <p>For neurosurgery a robust data capture system, accurate post discharge follow up and analysis of data has been established by the Neurosurgery Team supported by the IPCT. Further work is needed to ensure capacity for timely analysis of data on a quarterly basis. The SSI rate was between 5.7 and 6.4%.</p> <p>Although the rate appears low the baseline data does not provide enough information to corroborate this and further baseline data collection is required for a number of months.</p> <p>A care bundle has been developed and is awaiting final ratification before implementation.</p> <p>Spinal SSI surveillance commenced in July 2012 (first Quarter available to join). Internal systems have been set up by the IPC surveillance lead to ensure accurate data is provided and inputted to the Health Protection Agency (HPA) SSI site. The HPA release of data is not in real time due to capture of post discharge information. Data for July-Sept 2012 was made available in January 2013. No SSI was reported for this period.</p> <p>No infections were identified during the period, although it should be noted that a full base line is required before any conclusions can be drawn from the data.</p>
What are the next steps in 2013/14?	<p>Further SSI surveillance is planned to incorporate orthopaedic implant surgery.</p> <p>No hospital acquired infection is one of the Trusts developmental quality sub-aims.</p>

Quality Improvement Priority	Implementation of Paediatric Nurse Sensitive Indicators
Why was this area chosen as a priority for improvement?	<p>Nursing care indicators have been used in other hospitals throughout the United Kingdom to improve core fundamentals of nursing care. Alder Hey did not have evidence of any benchmark data on nursing care provision and the information being previously presented on key performance indicators merely reflected a measurement of audit data in respect of hand hygiene, cleanliness and incident reporting. It was agreed that Alder Hey should work alongside NHS Northwest on previously tested indicators used in adult services, because paediatric nursing sensitive indicators would support improvements in the provision of paediatric nursing care.</p>
What were the improvement aims?	<p>Nurse sensitive indicators measure the nursing care of patients relating to infection control, nutrition assessment, PEWS, pain management, patient documentation, patient identification, medication assessment and tissue viability / cannula assessment.</p> <p>Aims were to set KPIs for the eight key nursing areas aiming to achieve a score of greater than 90% on a regular basis.</p>

	<p>In addition staff are asked questions regarding their experience of care, whether they would recommend Alder Hey as a place to work, if they feel they are able to deliver high quality care and if they have had a PDR and training.</p> <p>Parents and children over 5 years of age are also asked their views of the care they receive.</p>																																																																						
How was the improvement monitored?	Improvement is monitored on a monthly basis with ward managers submitting data on the assessment of 10 patients within each ward per month. Reports are produced for the corporate report and each Lead Nurse works with ward managers to produce action plans on a quarterly basis to examine improvements where areas are consistently measuring less than 79%.																																																																						
Quality improvements and key successes achieved in 2012/13?	<p>The Trust has seen improvements in the majority of wards over the last 12 months, particular within patient identification, medication practice and tissue viability.</p> <p>The nursing indicators were reviewed and improved in September 2012 and a database set up so that ward managers can input information directly into the dashboard.</p> <table border="1"> <thead> <tr> <th>Indicator</th> <th>Oct-12</th> <th>Nov-12</th> <th>Dec-12</th> <th>Jan-13</th> <th>Feb-13</th> <th>Mar-13</th> </tr> </thead> <tbody> <tr> <td>Infection Control and Environment</td> <td>92%</td> <td>93%</td> <td>87%</td> <td>87%</td> <td>89%</td> <td>84%</td> </tr> <tr> <td>Medication Assessment</td> <td>96%</td> <td>95%</td> <td>96%</td> <td>95%</td> <td>97%</td> <td>97%</td> </tr> <tr> <td>Nutrition Assessment</td> <td>96%</td> <td>94%</td> <td>92%</td> <td>96%</td> <td>95%</td> <td>94%</td> </tr> <tr> <td>Pain Management</td> <td>83%</td> <td>86%</td> <td>81%</td> <td>87%</td> <td>84%</td> <td>89%</td> </tr> <tr> <td>Patient Documentation</td> <td>99%</td> <td>98%</td> <td>89%</td> <td>96%</td> <td>99%</td> <td>93%</td> </tr> <tr> <td>Patient Early Warning Score</td> <td>94%</td> <td>92%</td> <td>93%</td> <td>92%</td> <td>94%</td> <td>91%</td> </tr> <tr> <td>Patient Identification</td> <td>97%</td> <td>100%</td> <td>97%</td> <td>99%</td> <td>96%</td> <td>98%</td> </tr> <tr> <td>Tissue Viability/Cannula Site</td> <td>85%</td> <td>91%</td> <td>87%</td> <td>88%</td> <td>87%</td> <td>88%</td> </tr> <tr> <td>Total</td> <td>93%</td> <td>93%</td> <td>91%</td> <td>93%</td> <td>93%</td> <td>92%</td> </tr> </tbody> </table>	Indicator	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Infection Control and Environment	92%	93%	87%	87%	89%	84%	Medication Assessment	96%	95%	96%	95%	97%	97%	Nutrition Assessment	96%	94%	92%	96%	95%	94%	Pain Management	83%	86%	81%	87%	84%	89%	Patient Documentation	99%	98%	89%	96%	99%	93%	Patient Early Warning Score	94%	92%	93%	92%	94%	91%	Patient Identification	97%	100%	97%	99%	96%	98%	Tissue Viability/Cannula Site	85%	91%	87%	88%	87%	88%	Total	93%	93%	91%	93%	93%	92%
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What are the next steps in 2013/14?	<p>This will be an ongoing Trust priority in 2013/14 with stretch target for the assessment.</p> <p>It is anticipated that additional assessments will be made in outpatients and theatres with specific areas for assessment of care.</p> <p>A review of all the nursing indicators will take place in June 2013 and any improvements made to the dataset by September 2013.</p>																																																																						

3.3 Patient Experience

Quality Improvement Priority	Use of Fabio Trust-Wide to Improve Patient Experience, Engagement and Feedback
Why was this area chosen as a priority for improvement?	To enable the Trust to capture real time patient experience data.
What were the improvement aims?	Collecting, interpreting and responding to patient feedback using key patient experience indicators and feedback trends will be shared and analysed throughout the Trust.

<p>How was the improvement monitored?</p>	<p>The implementation of Fabio is currently monitored by the Patient Experience staff and supported via the National Paediatric Toolkit Orovia ltd. The Concierge service undertakes the Patient Experience feedback surveys on a daily basis and utilisation and feedback is reported to Trust Board.</p>																																			
<p>Quality improvements and key successes achieved in 2012/13?</p>	<ul style="list-style-type: none"> • Asset list devised to track Fabio Devices. • 21 new Fabio tablets and four older version tablets have been distributed to the CBU's. • Individual areas are currently purchasing further Fabio Tablets. • Fabio training by an external trainer from Orovia has been provided. • 73 staff has been trained to use the Devices 27 of which are super users which means that they can set up, undertake and provide survey reports. • Concierge staff and volunteers implemented Fabio November 2012 and collate patient experience feedback data on a daily basis. 																																			
<p>Evidence of Improvement</p>	<table border="1"> <caption>Survey Results Data</caption> <thead> <tr> <th>Question</th> <th>Yes</th> <th>Maybe</th> <th>No</th> <th>N/A</th> </tr> </thead> <tbody> <tr> <td>How likely is it that you would recommend us to a friend?</td> <td>465</td> <td>37</td> <td>18</td> <td>0</td> </tr> <tr> <td>Have hospital staff told you who to contact if you are worried about your condition or treatment after leaving hospital?</td> <td>418</td> <td>52</td> <td>37</td> <td>22</td> </tr> <tr> <td>Has a member of staff told you about medicine side effects to watch for when you go home?</td> <td>253</td> <td>53</td> <td>30</td> <td>193</td> </tr> <tr> <td>Have we kept things private enough when talking about your condition or treatment?</td> <td>436</td> <td>67</td> <td>124</td> <td>0</td> </tr> <tr> <td>Have you found someone on the hospital staff to talk to about your worries and fears?</td> <td>309</td> <td>90</td> <td>21</td> <td>109</td> </tr> <tr> <td>Have you been involved as much as you wanted to be in making choices about your care and treatment?</td> <td>414</td> <td>83</td> <td>15</td> <td>17</td> </tr> </tbody> </table> <p>There are two further active surveys that have commenced :-</p> <ul style="list-style-type: none"> • Craniofacial. • Abdominal pain survey A&E. <p>Several other surveys are set up and now ready to be implemented with infection control, cardiac, and the Intravenous Therapy Team currently in the process of launching their surveys.</p>	Question	Yes	Maybe	No	N/A	How likely is it that you would recommend us to a friend?	465	37	18	0	Have hospital staff told you who to contact if you are worried about your condition or treatment after leaving hospital?	418	52	37	22	Has a member of staff told you about medicine side effects to watch for when you go home?	253	53	30	193	Have we kept things private enough when talking about your condition or treatment?	436	67	124	0	Have you found someone on the hospital staff to talk to about your worries and fears?	309	90	21	109	Have you been involved as much as you wanted to be in making choices about your care and treatment?	414	83	15	17
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<p>What are the next steps in 2013/14?</p>	<p>The team will facilitate and provide cascade training and support to the CBUs to further develop the reporting and sharing of this feedback. All new volunteers recruited to the Trust will be trained to use the devices providing further support to the CBUs.</p> <p>This will be an ongoing priority for the Trust and patients will have the best possible experience is one of the Trusts developmental Quality aims.</p>																																			

Quality Improvement Priority	Development of a Methotrexate Patient Information Leaflet
Why was this area chosen as a priority for improvement?	The Rheumatology Team aim to provide up to date, relevant information for young people in our care and the families who support them. Good information underpins their involvement in their daily treatments and we encourage them to develop a healthy lifestyle. We aim to help them develop competence and confidence in managing their condition so that they function independently as adults.
What were the improvement aims?	Develop a support leaflet covering Methotrexate drug therapy. It has been designed to give a broad overview of the medication, including the “Do’s and Dont’s” that will support understanding and facilitate improved compliance.
How was improvement monitored?	Team and Multi-Disciplinary Team Meetings with lead clinician accountability.
Quality improvements and key successes achieved in 2012/13?	All eligible patients will be given the information. Other teams involved in the care of children with chronic disease will also have access to this as a resource. This has enabled improved understanding across the clinical teams concerning this drug, as many complex children with chronic diseases have multiple teams involved in their care.
What are the next steps in 2013/14?	This drug is being used more frequently as improved clinical outcomes are achieved. Patient numbers will continue to increase and this parent information leaflet will continue to be made available to all services across the Trust. Rheumatology patients and their parents are visited by the specialist nurse team when an inpatient. Closer working with other specialist nurses working in different departments will improve the quality and timeliness of parent information around Methotrexate being distributed.

Name of Quality Improvement Programme	Development of an ‘Alder Hey Transitional Care Programme Record’
Why was this area chosen as a priority for improvement?	The Cystic Fibrosis (CF) Team aim to provide up to date, relevant information for young people in our care. Good information underpins their involvement in their daily treatments and we encourage them to develop a healthy lifestyle. We aim to help them develop competence and confidence in managing their condition and clinical consultations so that they function independently as adults.
What were the improvement aims?	Review the Transitional Care Programme Record and ensure it is introduced to all eligible members of our clinic (aged >12yrs).
How was improvement monitored?	The Transitional Care Programme Record is reviewed by the CF multi-disciplinary team (MDT) as part of our regular CF Service review to ensure it is relevant.
Quality improvements and key successes achieved in 2012/13	All eligible patients have been involved in the programme from the age of 13 years. The content of the Transitional Care Programme Record can be summarised to provide information for the referral to adult services. Other teams involved in the care of children with chronic disease have used this as a resource when designing their own transitional care programme.
What are the next steps in 2013/14?	The programme will be extended to the patients in the partner hospitals in our Cheshire and Mersey Regional CF Network.

Name of Quality Improvement Programme	Develop of an Asthma and Wheezy Patient Information Leaflet (Action Plan).
Why was this area chosen as a priority for improvement?	The Asthma Team aim to provide up to date, relevant information for young people in our care and the families who support them. Good information underpins their involvement in their daily treatments and we encourage them to develop a healthy lifestyle. We aim to help them develop competence and confidence in managing their condition so that they function independently as adults.
What were the improvement aims?	Develop a support leaflet covering Asthma and the Wheezy child. They have been designed to give a broad overview of condition management and medication, including the “Do’s and Don’ts” that will help to support understanding and facilitate improved compliance.
How was improvement monitored?	Team and Multi-Disciplinary Team Meetings with lead clinician accountability.
Quality improvements and key successes achieved in 2012/13?	All eligible patients have been given the information. Other teams involved in the care of children with chronic disease also have access to this as a resource. This has enabled improved understanding across multi-agency teams concerning the treatment of these conditions as many complex children with chronic diseases have multiple teams involved in their care.
Will this be an ongoing priority for the Trust for 2013/14?	Patient numbers suffering from these conditions will continue to increase and this parent information will be made available to all services across the trust. Asthma patients and their parents are visited by the specialist nurse team when an inpatient. Closer working with other specialist nurses working in different departments will improve the quality and timeliness of parent information around Asthma/Wheezy child being distributed.

Quality Improvement Priority	Develop a Transition Assessment Tool for Cranio-facial Patients
Why was this area chosen as a priority for improvement?	Many of the children who are seen with the Cranio-facial Team are with us for a long time. The Cranio-facial Team is a multidisciplinary team (MDT) made up with several disciplines, including neurosurgeons, plastic surgeons, maxiofacial surgeons, ENT surgeons, speech language therapy and psychology. The operations need to be undertaken jointly with a Neurosurgeon and a Plastic Surgeon together with Maxillary Facial Surgeon. The MDT recognised the need for improved transition to the adult sector for a lot of our teenage children.
What were the improvement aims?	It has been shown that when young people and their carers first make the move or transfer from children’s services to adult services, they may feel nervous about the change. However, when they are prepared for the move, they may find it easier to cope in the new situation. What are the aims of transition in the Cranio-facial Clinic? <ul style="list-style-type: none"> • To provide support and information to teenagers and parents as they move through the process of transition. • To enhance control and independence. • To support teenagers in the development of skills needed to help them move on to adult care.
How was improvement monitored?	Improvement is monitored as per the outcomes of the adult transition clinic. Our clinicians also attend the transitional clinic off site to make sure that the patient is being seen by somebody who knows the history of their care.

Quality improvements and key successes achieved in 2012/13?	The transitional clinic has been up and running for approximately 12 months. This has proved successful for the Cranio-facial Team allowing them to have more appointments available to the new children referred into the service. This service is something that is happening in our Cleft Service as well – and many of the clinicians aim to provide a good transition for our long term patients.
What are the next steps in 2013/14?	We will continue to work with many of our specialties to look at transition for those patients who would benefit from such a service.

Quality Improvement Priority	Develop a Transition Assessment Tool for Cardiac Patients
Why was this area chosen as a priority for improvement?	Young people and their families were anxious/afraid of moving to adult services. In addition, there was no clear programme of education for young people on their conditions, medications, surgeries, etc and managing these, including future impact on careers, pregnancies, lifestyle issues.
What were the improvement aims?	To establish a regular clinic for educating and empowering young people, providing support, information and links with the adult centres and youth forums.
How was the improvement monitored?	Currently improvement is monitored through verbal feedback and high attendance rates.
Quality improvements and key successes achieved in 2012/13?	The extremely positive verbal feedback shows that those who have attended have benefitted. Patients and families are now actively seeking to attend, an indication that awareness of the service is increasing and people are discussing its positive impact. Recently the Investing In Children Team which visited Alder Hey looked closely at the work done through the Young People's Clinic (Cardiac) and were impressed, another sign of the success of the clinics. Evidence of improvement is currently based on informal feedback.
What are the next steps in 2013/14?	It is an ongoing priority, as the issues the clinics address (the need for education and reducing anxiety) will persist. The main aims are to: <ol style="list-style-type: none"> 1. Begin the education/transition process at age 12/13 for all cardiac patients. 2. Address the geographical problems impacting on attendance. 3. Re-establish formal transition clinics for 17/18 year olds. 4. Establish a formal feedback system to identify other areas for improvement.

3.4 Performance Against National Priorities

The Trust achieved all national priorities as indicated below:

National Targets and Minimum Standards	Target or Indicator	Target (2012-13)	2012-13	2011-12	2010-11
Clinical Effectiveness	Summary Hospital-Level Mortality Indicator (SMHI) ¹		n/a	n/a	n/a
	Readmission Rate Within 28 Days of Discharge ² - 0 - 14 yrs	10.8%	9.9%	7.2%	9.4%
	- > 15 yrs	7.7%	6.7%	5.7%	6.4%
Infection Control	Clostridium Difficile - Meeting the C.Diff Objective	3	0	4	3
	MRSA - Meeting the MRSA Objective	1	0	1	2

Patient Safety	Patient Safety Incidents and the Percentage That Results in Severe Harm or Death		Apr - Sept 792 = 0 Resulting in severe harm or death	Apr - Sept 538 = 0 Resulting in severe harm or death Oct - Mar 613 = 0 Resulting in severe harm or death	Apr - Sept 459 = 0 Resulting in severe harm or death Oct - Mar 362 = 0 Resulting in severe harm or death
	Rate of Patient Safety Incidents per 100 Admissions		Apr- Sept Trust 4.7 Median 5.8	Apr - Sept Trust 2.5 Median 6.2 Oct - Mar Trust 2.8 Median 7.0	Apr - Sept Trust 2.2 Median 6.6 Oct - Mar Trust 1.7 Median 5.4
	% of Above Patient Safety Incidents = Severe/Death		Apr - Sept Trust 0 National just under 1%	Apr - Sept Trust 0 National just under 1% Oct - Mar Trust 0 National just under 1%	Apr - Sept Trust 0 National just under 1% Oct - Mar Trust 0 National just under 1%
Access to Services	Cancer 31 Day Wait for Second or Subsequent Treatment - Surgery	94%	100%	100%	100%
	Cancer 31 Day Wait for Second or Subsequent Treatment - Drug Treatments	98%	100%	100%	100%
	Cancer 62 Day Waits for First Treatment (from urgent GP referral) *1 Month for Paediatrics/Excludes Reallocated Patients	85%	100%	100%	100%
	Cancer 31 Day Wait from Diagnosis to First Treatment	96%	100%	100%	100%
	Cancer 2 Week (all Cancers)	93%	100%	100%	100%
	18 Week Referral to Treatment (RTT) Target Admitted Patients ³	90%	88%	22.1	90%
	18 Week RTT Target Patients Waiting	92%	94%		
	18 Week RTT Target Non Admitted Patients	95%	98%	14.8	97%
Access to A&E	A&E Clinical Quality - Total Time in A&E <4hrs	95%	97.0%	96.6%	97.9%

¹ Specialist Trusts are excluded from SHMI reporting.

² Target is based on peer performance compared to other Specialist Paediatric Trusts.

³ Achieved the target for Quarters 1-2 and Quarter 4; planned failure in Quarter 3 to allow Waiting List backlog to be reduced.

Glossary	
CBU	Clinical Business Unit
CCUK	Crohn's and Colitis UK (charity)
CT	A CT (Computerised Tomography) scanner is a special kind of X-ray machine. Instead of sending out a single X-ray through your body as with ordinary X-rays, several beams are sent simultaneously from different angles. This allows more detailed images from within the body to be constructed, and these images are then interpreted by a doctor.
DKA	Diabetic ketoacidosis is a dangerous complication faced by people with Diabetes which happens when the body starts running out of insulin. Particularly affecting people with Type 1 Diabetes, DKA may also affect those with Type 2 Diabetes.
HbA1C	HbA1c occurs when haemoglobin joins with glucose in the blood. Haemoglobin molecules make up the red blood cells in the blood stream. When glucose sticks to these molecules it forms a glycoslated haemoglobin molecule, also known as A1c and HbA1c. The more glucose found in the blood the more glycated haemoglobin (HbA1c) will be present.
IBD	Inflammatory Bowel Disease. The major types of IBD are Crohn's Disease and Ulcerative Colitis.
ICD	Implantable Cardioverter-Defibrillators
MDT	Multi-Disciplinary Team
NICE	National Institute for Health and Care Excellence
PICU	Paediatric Intensive Care Unit
TARN	Trauma Audit and Research Network

3.5 Statements from Primary Care Trusts, Local Involvement Networks, Governors and Overview and Scrutiny Committees

3.5.1 Comments from Governors

“The report reads well, is very detailed and reflects the volumes of activity going on in the Trust. It's very understandable and easy to read.”

“From my perspective, it reflects evidence of tremendous commitment to quality of the staff and Board. As a governor I recognise the straightforward over-arching goals in the three domains. These have been discussed at every Council of Governors. Based on the information provided, I am confident that the processes are in place both to address any issues and also to sustain high levels of quality.”

I know from review of Board minutes that the Board discusses the content of each review. The Board clearly establishes measures to ensure follow-through. I would encourage them to also ensure that a discussion takes place on the systemic issues that underlie any issues.

For example, rather than agree on a set of solutions to maintain or improve a quality area but to also ask what is ensuring success or what are the underlying causes of an issue, I would also encourage the Board to review the impact of changes of procedure as a result of executing the transformation process that is part of the new building.”

“On the whole, the report represents a reasonably comprehensive overview of the work the Trust is doing to improve quality in terms of both national and local issues. It captures the ongoing commitment to develop staff skills which is important in view of the negative comments contained in the 2012 Staff Survey. In terms of both local and national audits, the Trust's contribution to these programmes seems to be positive with appropriate outcomes. We would welcome further information on the financial impact of clinical coding errors and the measures being taken to eradicate/reduce these errors however.”

Jeanette Chamberlain, Staff Governor
Murray Dalziel, Appointed Governor from the University of Liverpool
Kate Jackson, Public Governor
Norma Gilbert, Public Governor

3.5.2 Comments from Commissioners

An event was held across the health economy on 9th May at which the Trust's Quality Account was presented to representatives from local Clinical Commissioning Groups and from Healthwatch organisations. However, the Trust did not receive any comments on the content of its report within the required publication timescales.

3.5.3 Comments from Healthwatch organisations

See above.

3.6 Statement of Directors' Responsibilities in Respect of the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year.

Monitor has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports (which incorporate the above legal requirements) and on the arrangements that foundation trust boards should put in place to support the data quality for the preparation of the Quality Report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2012/13;
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
 - Board minutes and papers for the period April 2012 to June 2013
 - Papers relating to Quality reported to the Board over the period April 2012 to June 2013
 - Feedback from the commissioners dated [none received]
 - Feedback from governors dated 20th May 2013
 - Feedback from Local Healthwatch organisations dated [none received]
 - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 14th May 2013

- The 2012 national Staff Survey published in March 2013
- The Head of Internal Audit's annual opinion over the Trust's control environment dated March 2013.
- CQC quality and risk profiles between April 2012 and March 2013

- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered;
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at www.monitornhsft.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitornhsft.gov.uk/annualreportingmanual).

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

By order of the Board.

David Henshaw

CHAIRMAN

DATE: 28TH MAY 2013

Louise Shepherd

CHIEF EXECUTIVE

DATE: 28TH MAY 2013

Alder Hey has an award winning arts programme (Alder Hey Arts) which involves music therapy, dance programmes, storytelling and animation projects. Other activities taking place across the hospital include football workshops and ward spa sessions for mums. Alder Hey Arts supports clinical objectives, improves patient experience and enhances the physical environment. As numerous testimonies from patients and their families show, the arts programme not only significantly improves the hospital experience but can be both life-changing and life enhancing.

Liam Pike

Aged 4



Staff Survey 2012: Results and Actions

Staff Engagement

Our patients and their families continue to appreciate the dedication, clinical excellence and care that Alder Hey delivers and we recognise that the quality of the service and care that we give depends entirely on the people who work at Alder Hey. We also recognise that the national challenges facing the NHS and the local challenges facing Alder Hey have put increasing pressure on the people who work here. It is critical to the future of our service that staff feel that they have a stake in the future of Alder Hey, and can see how their effort and commitment can maintain and improve standards of the care we provide, despite those challenges and that pressure.

Improving staff engagement and staff satisfaction has been prioritised as a key responsibility for the Board, which is currently developing plans to facilitate staff being able to access and communicate with senior leaders across the organisation and is also directly involved in the 2012 survey action planning process, which this year is designed specifically around increasing employee engagement and wellbeing.

The process by which we will monitor and review progress against the Staff Survey throughout the year has been strengthened, with the action plan being integrated into the Board, Senior Leadership Team and CBU performance management frameworks.

These plans will be supplemented by a communications strategy, including taking regular 'temperature checks' with employees and presenting an ongoing 'You Said, We Did' campaign throughout the year to ensure staff are kept informed about progress against key actions.

Summary of Performance - Results From the NHS Staff Survey

A summary of performance can be seen in Table 1, where comparisons can be made with both the Trust and national average scores for acute specialist trusts received in 2011 and 2012.

The Trust's response rate was 48%, just lower than the overall national response rate for all trusts in England of 49%.

Top Ranking Scores and Progress Since 2011

All of the five top ranking scores rank as average and above average when compared to results from other acute specialist trusts.

KF26 (% of staff having Equality and Diversity training in last 12 months) demonstrates that we have retained a high level of training since the previous year's survey. At 64%, this score remains one of the highest amongst all acute specialist trusts, and is higher than the average (61%).

The positive actions by the Trust regarding dealing with violence and aggression can be demonstrated by the responses for KF16, which has been identified as one of our top ranking scores, (% of staff experiencing physical violence from patients, relatives or the public in the last 12 months) and KF17 (% of staff experiencing physical violence from staff in the last 12 months), which scores higher than the national average.

78% of our staff reported feeling satisfied with the quality of work and patient care they are able to deliver (KF1), an improvement since the 2011 survey.

Bottom Ranking Scores and Action Planning

The Trust has been ranked below average, when compared to similar trusts, on all five of its bottom ranking scores (see Table 1). Plans are being developed in order to address these areas, along with other key areas identified as requiring improvement:

• Improved communications and engagement from the Trust and senior managers

We will be developing detailed engagement plans to improve the communication and dissemination of both national and Trust based information and undertaking engagement activities to ensure staff are able to feel part of Alder Hey and proud of their contribution. The implementation of the Alder Hey 'Family Values', a listening and engagement exercise through which staff refreshed and defined the organisational values and behaviours, will be a key part of our engagement strategy.

• Work life balance and stress management

Actions to address this will be picked up locally through diagnostic work with individual CBUs to ascertain how this can be improved at ward, department and profession level.

• Ensuring staff feel valued – support from immediate managers and effective team working

Actions to address this will be picked up locally through diagnostic work with individual CBUs working alongside the Learning and Development Team, to determine how this can be improved for all staff.

• Infection Control – availability of hand washing materials

The focus will be on access and availability of hand washing materials. The Director of Infection Prevention and Control (DIPC) will be working with clinical areas to develop actions to address this.

Future Priorities and Targets

To improve staff feedback and engagement, the Trust's key priorities will be to:

- Remain focused on the key enablers of engagement and set communication and engagement as a generic management objective.
- Increase the Staff Survey response rate for 2013.
- Ensure continued engagement with Staff Side representatives.
- Progress with a communication strategy which regularly communicates actions and progress made against staff feedback via a range of methods such as Trust Brief and a 'You Said, We Did' campaign.

- Encourage local ownership for survey outcomes.
- Ensure regular 'temperature checks' are taken and monitored via CBU/departmental surveys.

Embedding the staff survey engagement action plan within the performance management framework for Trust Board, Senior Leadership Team and CBUs will provide an increased level of assurance that staff feedback and the key priority areas identified within the survey are being addressed and actioned. Performance will be monitored regularly at the Board and the Workforce and Organisational Development Committee.



Summary of Performance tables on the next page.

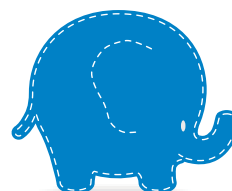


Table 1 -

Summary of Performance - Results From the NHS Staff Survey 2012

Response Rate	2011		2012		Trust Improvement/ Deterioration Since 2011
	Trust	National Average	Trust	National Average	
	52%	54%	48%	49%	Decrease of 3%

Top 5 Ranking Scores (2012)	2011 %		2012 %		Trust Improvement/ Deterioration Since 2011
	Trust	National Average	Trust	National Average	
KF17 (% of staff experiencing physical violence from staff in the last 12 months)	-	-	1	2	n/a
KF26 (% of staff having Equality and Diversity training in the last 12 months)	67	50	64	61	Decrease of 3% (deterioration)
KF5 (% of staff working extra hours)	67	67	68	72	Increase of 1% (deterioration)
KF28 (% of staff experiencing discrimination at work in the last 12 months)	12	10	9	8	Decrease of 3% (improvement)
KF16 (% of staff experiencing physical violence from patients, relatives or the public in the last 12 months)	-	-	7	6	n/a

Bottom 5 Ranking Scores (2012)	2011 %		2012 %		Trust Improvement/ Deterioration Since 2011
	Trust	National Average	Trust	National Average	
KF12 (% of staff saying hand washing materials are always available)	55	67	39	61	Decrease of 16% (deterioration)
KF4 (effective team working)	3.64	3.73	3.58	3.77	Decrease of 0.6 (deterioration)
KF19 (% of staff experiencing harassment, bullying or abuse from staff in the last 12 months)	-	-	26	23	n/a
KF9 (support from immediate managers)	3.49	3.64	3.49	3.69	No movement
KF21 (% of staff reporting good communication between senior management and staff)	-	-	19	33	n/a

Alder Hey employs around 2660 staff who work across our hospital and community sites. As a teaching and training hospital, we provide education and training to around 540 medical and over 500 nursing/allied health professional students each year.



Regulatory Ratings

Monitor, the independent regulator of NHS foundation trusts assigns each NHS foundation trust a risk rating for governance, finance and the provision of mandatory goods and services (as defined in their terms of authorisation) on a quarterly basis during the year.

A green risk rating indicates that a foundation trust's governance arrangements comply with its terms of authorisation; an amber risk rating reflects that concerns exist about one or more aspects of governance; and a red risk rating indicates that there are concerns that a trust is, or may be, in significant breach of its terms of authorisation. Financial risk ratings are allocated using a scorecard which compares key financial metrics consistently across all foundation trusts. The rating reflects the likelihood of a financial breach of an NHS foundation trust's terms of authorisation. A rating of 5 reflects the lowest level of financial risk and a rating of 1, the highest.

A summary of Alder Hey's performance against the parameters of the ratings for 2012/13 is set out below, including a comparison with 2011/12. The amber-green governance ratings in Quarters 2 and 3 were as a result of the Trust being unable to meet the 18 week referral to treatment target for admitted patients in Quarter 3. This was due to the requirement to close some of the Trust's operating theatres for a period of weeks in order to carry out urgent remedial works. Monitor reduced the rating in Quarter 2, as although the target was met, the Trust was unable to certify its ongoing ability to meet all access targets. The position was recovered in Quarter 4.

	Annual Plan 2011/12	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12
Financial Risk Rating	5	4	4	4	5
Governance Risk Rating	Green	Amber/Green	Amber/Green	Amber/Green	Green
Mandatory Services	Green	Green	Green	Green	Green

	Annual Plan 2012/13	Q1 2012/13	Q2 2012/13	Q3 2012/13	Q4 2012/13
Financial Risk Rating	5	4	4	5	5
Governance Risk Rating	Green	Green	Amber/Green	Amber/Green	Green
Mandatory Services	Green	Green	Green	Green	Green

At Alder Hey we care for families, not just the children and young people we treat. Every day, staff from every corner of the hospital listen, reassure and help families in our care. The onsite Ronald McDonald House is the largest of its kind in the world and provides accommodation totally free of charge for the parents and carers of the most critically ill children, including those suffering from cancer, heart conditions, neuro-medical conditions or in hospital as a result of serious accidents.

Jayda Jones

Aged 3



Disclosures in the Public Interest

Information Governance

The Information Governance Toolkit assessment is the Department of Health tool to monitor compliance and improvement of Information Governance principles. We continue to develop our processes to strengthen our evidence towards this and are supported in this by internal NHS audits of evidence and scores.

We continue to monitor and improve our mechanisms to ensure the information we collect and hold is handled appropriately and encourage staff to log incidents, including near misses, in order to identify weaknesses. These are investigated and acted upon to ensure lessons are learnt and processes adapted to reduce risk in future.

Work has been ongoing this year to review Information Governance related policies, ensuring that detail is added to incorporate lessons learnt from incidents and consideration is given to advances in technology, regarding threats that these may present.

A number of initiatives have been introduced this year to further raise staff awareness of their responsibilities with regard to the good governance of information.

Work is also ongoing to provide assurance of the security of information in our systems, including risk assessments, training and role specific training for system asset owners.

Involving Patients and the Public

Children and Young Peoples' Forum

Forum members have had an extremely busy year which has seen the expansion of members' involvement in Trust activities including participation in the recruitment of senior staff and members of the trust board, developing communications and information for the new trust website and extensive involvement in corporate events such as the Annual Members' Day. Activities relating to the planning and design of the new hospital, building and services have increased and several workshops focusing on specific design issues have taken place.

Volunteers Service

The hospital volunteers have broadened the range of activities they are involved in which includes the development of new roles in supporting patients to achieve a better experience whilst in hospital. Alder Hey is not short of willing volunteers from the local community and we have actively recruited throughout the year in order to continue to provide ongoing support to patients and families.

Our volunteers have been key to our ability to gather feedback from patients and parents as they have provided help in the use of the FABIO patient feedback system which ensures we have a regular supply of feedback on which to base our improvement activities. Each month 200 patients and parents complete a general set of questions about the care and experience of our service and in addition to this many individual departments have used the FABIO system to gather specific feedback used in their own local developments.

Investing in Children

Investing in Children is a process in which the views of children and young people regarding service provision are captured and their ideas for improvement are identified and then underpin service developments. In actively engaging with children and young people and responding to their views we are recognising the valuable contribution we have in working in partnership with them to create a productive and effective service. The Trust has achieved an outstanding 12 new accreditations and nine re-accreditations in the year.

Art and Music Programmes

The Arts for Health programme has been responsible for delivering over 200 workshops, both on site and within the community. These have included: dance, storytelling, music, animation and film making, creative writing, puppet making and visual arts. The team has worked with over 1,900 patients across all areas of the Trust, from A&E to High Dependency to waiting areas and clinics. Arts for Health has supported a range of wards and departments in developing residencies, artwork and information leaflets. They have also

worked with a range of cultural partners: Dada, Fuse: New Theatre for Young People, Merseyside Dance Company, Small Things Dance Collective, The Comedy Trust, Tate Liverpool and Twin Vision. The programme makes a profound difference to our patients, supporting their healthcare and providing a positive patient and family / carer experience whilst in hospital. The current patient evaluation of the Arts for Health programme shows that 100% of patients interviewed have enjoyed participating in the arts and that it made them forget about being in hospital.

Creative Writing

Hilary Keating is a children’s writer who has worked with long term patients to create a publication exploring infections and how to prevent their spread. The resulting book contains collections of children’s stories, poems and drawings and is called “Don’t Be a Bug Rug”. The book and DVD is being used by staff with patients on the wards and made available online. This project was a Finalist and Runner Up in the Access for Information Category at The National Patient Experience Network National Awards in February 2013.

Music and Music Therapy

Alder Hey’s resident musician, Georgina Aasgaard, a cellist with the Royal Liverpool Philharmonic Orchestra, provides weekly music sessions to patients across all areas of the Trust. Mel Thomas a music therapist, began working for the Trust in April 2012 and has delivered over 440 sessions with long term patients in areas such as high dependency and transitional care. Together, they are about to start a project within Accident and Emergency to assess how music can support children and young people in the waiting areas.

Storytelling

John Hughes is a storyteller who works with patients across all areas of the Trust and is always favourably received by patients and families alike. John has also been working with the Sickle Cell team to develop two booklets, a storybook called ‘Little George and the Dragon’ which presents a narrative around sickle cell disease aimed at children under ten year olds, and a collection of patients stories reflecting their experiences of living with sickle cell disease. The ‘Little George and the Dragon’ publication will be completed in May 2013.

Patient Information

Work has continued to facilitate and develop innovative patient information in formats that is relevant to our children, young people and their families.

These projects are successfully achieved with the commitment and efforts from all the teams within the Trust, but really succeed when children are involved in the production of information. The work involving the Arts for Health programme team, Investing in Children and the Children’s Forum has ensured a range of information has been developed in the year which is now in use for children accessing these services.

Valuing Our Staff - Health, Work and Wellbeing


In 2012/13, the Trust continued its good work in supporting the health and wellbeing of staff and entered into the second year of the Health, Work and Wellbeing Strategy implementation. This strategy set out the Trust’s intentions to ensure continuous improvement in key areas which contribute to staff health and wellbeing.

Achievements in 2012/13 included:

- Raising Health and Wellbeing up the corporate agenda via the relevant committees.
- Successfully bedding in a new Occupational Health service, provided by Team Prevent, who have supported staff, particularly those on long-term sick, with strategies to help them manage their conditions and return to work wherever possible.
- Continued access to fast track physiotherapy and counselling services for staff.
- Ongoing promotion of services and facilities to improve health and well being and prevention of illness such as smoking cessation, lifestyle health assessments, physiotherapy and the Zone (staff gym facility).
- Participation in the North West corporate games, encouraging staff to engage in fitness and social activities and were winners in three categories.

Supporting staff to improve their health and wellbeing will assist in the reduction of sickness absence rates across the Trust. The Trust closely monitors its performance against sickness absence targets and the position as at the end of March 2013 is detailed below:

Trust Monthly Total – March 2013	4.32%
Cumulative Position	5.04%
Trust Target	3.5%



Alder Hey is one of the largest specialist healthcare providers in Western Europe and our paediatric A&E is the biggest of its kind in the UK. Every year, around 60,000 children and young people are cared for in our A&E Department while over 30,000 attend the hospital as outpatients.

Darcie Farrington

Aged 2

Voluntary disclosures

Sustainability and Climate Change

Energy

Our use of energy has continued to increase and this has been as a result of a minimal summer and prolonged winter. Brokers have endeavoured to manage our costs, however with the extra taxation in the form of the Feed-In tariff and the Renewable Obligation Certificate we now find that our electricity bill comprises 28% of tax. This taxation increases further

when we add on the Carbon Reduction Commitment which we pay at £12.00 per tonne and is to increase to £16 per tonne in 2016.

We continue to use our Combined Heat and Power plant to good effect and now are receiving monthly reports on this to establish our profile usage.

We operate under the auspices of the Carbon Reduction Commitment which resulted in a cost of £71,280 in the year due to the site emitting 5,940 tonnes of CO₂.

Year	2012/13		2011/12		2010/11	
Aspect	Units Consumed	Value of Units	Units Consumed	Value of Units	Units Consumed	Value of Units
Electricity	5,805,226 Kwh	£663,142	7,249,386 Kwh	£699,679	6,756,947 Kwh	£558,233
Gas	22,259,747 Kwh	£ 81,191	14,414,325 Kwh	£ 386,279	16,457,919 Kwh	£393,873
Water	63,365 m ³	£219,117	62,633 m ³	£218,250	66,234 m ³	£91,403
	TOTAL	£1,463,450	TOTAL	£ 1,304,208	TOTAL	£1,043,509

Waste

We tendered for both Domestic and Clinical Waste contracts in 2012/13 and these are to commence from 1st April 2013.

During the collaborative clinical waste tender with other trusts across Merseyside, we introduced the Public Services (Social Value) Act as part of the process which places a requirement to consider the economic, environment and social benefits of the provider.

The winning supplier was able to demonstrate they would bring benefits to Merseyside by the introduction of a waste transfer and handling station which would employ over 30 people in the area.

We have not been able to introduce the Offensive Waste stream as this is tied to our new contracts and it is envisaged this will occur within Quarter 1 of 2013/14.

Year	2012/13		2011/12		2010/11	
Resource	Units Disposed	Value of Units	Units Disposed	Value of Units	Units Disposed	Value of Units
Land Fill	130 Tonnes	£21,711	148 Tonnes	£77,577	131 Tonnes	£86,684
Clinical Waste	247 Tonnes	£131,874	210 Tonnes	£96,567	213 Tonnes	£83,520
Recycled	246 Tonnes	£91,994	654 Tonnes	£25,794	510 Tonnes	£22,231
Confidential	59 Tonnes	£7,739	58 Tonnes	£5,617	4800 Tonnes	£9,776
WEEE	7 Tonnes	£7,184	3 Tonnes	£5,119	2.1 Tonnes	£5,051
	TOTAL	£ 252,763	TOTAL	£210,676	TOTAL	£207,262

Travel

As a result of patient feedback, the Trust made the decision toward the end of 2012 to allocate a specific area of the car park to patients and visitors only which resulted in a process to reduce the amount of on-site parking provision for staff. The process focused on length of journey to work as it is reasonable that those non clinical or shift workers who lived within two miles of the hospital could access the workplace by alternative means other than by car.

We continue to promote the Cycle to Work Scheme and have an active cycling community within the Trust and have received support from Bikeright for training and support.

Other Aspects

We continue to meet with the Carbon Collective on Merseyside and the focus has been on reducing the requirement for Taxis and Couriers. Where it is not possible to reduce usage we are persuading providers to use more environmentally friendly methods.

Another workstream is investigating the potential for low/no carbon energy. Consultants have been employed to investigate the potential for each location within the Collective's area.

The 'Simple Actions' campaign is continuing to focus on a different subject each month and staff have been involved in competitions throughout the year with one member of staff receiving a bike as a prize.

Equality Report

Alder Hey remains committed to promoting the agenda for Equality and Diversity as a central approach to achieving the organisation's vision and strategic objectives. A key priority is to deliver services that are accessible to all and which reflect the needs of the communities we serve. For everyone, whether patients, parents and carers, or members of staff, we seek to improve our understanding of these needs and respond in a way that ensures human rights are protected and diversity is valued. This will contribute towards an environment which upholds values of dignity and respect, where highly skilled staff ensure that the Alder Hey experience is the best it can be for everyone involved.

To do this, we seek to work with our children, young people and their families, as well as the wider community and service user groups. For our workforce, we continue to work with Staff Side organisations

and the various staff networks to ensure that we are developing inclusive approaches in employment.

In order to meet the Public Sector Equality Duty of the Equality Act 2010, the Trust publishes equality information annually about its service users and staff and has identified its equality objectives in order to determine progress in key priority areas. The Equality Act separately defines nine shared "protected characteristics", which are provided protection from discrimination under the legislation. These are as follows: age, disability, gender reassignment, pregnancy and maternity, race, religion and belief, sex, sexual orientation. Under the general duties of the Act, public authorities must demonstrate measures they are taking to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.

Towards meeting our equality objectives and in common with other NHS organisations, during 2012 Alder Hey has adopted the NHS Equality Delivery System, to undertake self-assessment scoring and benchmarking of progress. Our community stakeholders LINK (now Healthwatch organisations) have made an initial rating of the Trust's performance as being at 'developing' level in 17 out of 18 outcome areas. The NHS Equality Delivery System framework will continue to be implemented as an ongoing measure of progress against identified action plans.

Key areas of progress during this year have been in improving access to services for limited English speakers. New arrangements for interpreter and translation services will offer continued access to telephone interpreters on a 24 hour, seven day basis, as well as enhanced provision for face-to face interpreting. This service has enabled staff to use an electronic booking system to make direct interpreter appointments for patients and families, allowing for improved efficiency and clearer information regarding service uptake and requirements. A pathway group is established to monitor this provision for access and operational delivery; additionally there will be a review of services for British Sign Language interpreting during 2013.

Improvements to equality monitoring data have been developed in order to identify access to services for children and young people with learning disability, with continuing identification of related support measures to enhance patient experience. Ongoing work during 2013 will be to develop patient information processes that contribute towards improving communications regarding patients with a learning disability.

New employees at Alder Hey receive an introduction to Equality and Diversity as part of corporate induction. In addition, all staff undertake statutory Equality and Diversity training on a rolling three year programme, with monitoring measures in place to support compliance in this. To enhance full accessibility for staff mandatory training, an Equality and Diversity training workbook is currently in development and will be rolled out in addition to the eLearning resources already available. A revised approach for equality analysis has been implemented during 2012, with support available for staff; widening of training and drop in advice clinics are also planned during 2013. The Trust Board has received updated Equality and Diversity training in 2012; to further support the leadership, strategic and organisational approach to promote equality outcomes, the Trust has applied to join NHS Employers Equality and Diversity partner programme in 2013.

Regional staff networks have continued to offer support for employees, with staff able to access local black and minority ethnic (BME) and lesbian, gay, bisexual and transgender staff networks. A revision of these regional network arrangements has focused on the need to develop these forums within the organisation, which will be continued in 2013. In addition, there will be review of the support measures offered to staff in regard to any disability need, with development of related communications and forums as required.

It is recognised that engagement with our partners is central to progress in promoting equality for all, whether they are patients, families, staff or public. In 2013 we will continue this ongoing work with our children, young people and parent forums; in addition we will look to strengthen our relationships with Healthwatch as a key partner. In seeking to engage with our seldom heard communities, we will also extend our approach to engagement in a wider collaborative approach with other Merseyside NHS organisations during 2013.



In addition to the main hospital site in West Derby, Alder Hey has a presence at a number of community outreach sites and delivers care locally across the North West of England, from Cumbria to Shropshire, Wales and the Isle of Man.

May Rawcliffe

Aged 4



Statement of the Chief Executive's responsibilities as the accounting officer of Alder Hey Children's NHS Foundation Trust

The National Health Service 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 Officers Memorandum issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

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

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

- Observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;

- Make judgments and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on a going concern basis.

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

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

Signed *Louise Shepherd*

LOUISE SHEPHERD
CHIEF EXECUTIVE
28TH MAY 2013



Alder Hey has a strong, active research portfolio and a vision of leading, pioneering translational research to improve the health and wellbeing of children and young people locally, nationally and internationally. Alder Hey developed the first British national formulary for paediatrics and leads the field in paediatric research pharmacovigilance. The Trust hosts the UK Medicines for Children Research Network (MCRN) and is the lead centre for the Cheshire, Merseyside and North Wales MCRN. In 2011, Alder Hey opened a Clinical Research Facility which is solely focused on paediatric research. As we near our one hundredth birthday in 2014, our vision is to become one of the recognised world leaders in children's research and healthcare.

Danielle Manley

Aged 18



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 Alder Hey Children's 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 Alder Hey Children's NHS Foundation Trust for the year ended 31st March 2013 and up to the date of approval of the Annual Report and Accounts.

Capacity to Handle Risk

Every member of staff at Alder Hey has an individual responsibility for the management of risk within the organisation. Managers at all levels must understand the Trust's Risk Management Strategy and be aware that they have the authority to manage risk within their area of responsibility.

The Board of Directors approves the Risk Management Strategy on behalf of the organisation. As Chief

Executive and Accounting Officer, I have overall responsibility and accountability for risk management. As a member of both the Board of Directors and as Chair of the Corporate Risk Committee the Chief Executive is informed of significant risk issues and therefore is assured that her role for risk management is fulfilled. The Medical Director is accountable to the Board of Directors and the Chief Executive for clinical risk management and clinical governance; he reports to the Chief Executive and the Board as appropriate. The Director of Nursing is the Executive lead for risk management and Health and Safety management and is accountable to the Board and the Chief Executive for the Trust's risk management activities; she is also responsible for embedding compliance with CQC standards across the Clinical Business Units (CBUs). The Deputy Director of Quality and Patient Experience is the operational lead for risk management, accountable to the Director of Nursing and has line management responsibility for the Trust's Risk Management Team. They are responsible for ensuring that the Trust's risk management systems and process are effective and operate in accordance with best practice. The Chief Operating Officer is the Executive lead for Estates and Facilities and is responsible for the effective management of risk in those areas. The Director for Human Resources retains an overview of statutory and mandatory training for the organisation. The Director of Finance is responsible for ensuring that the Trust carries out its business within sound Financial Governance arrangements that are controlled and monitored through effective audit and accounting systems. She is also responsible for Information Management and Technology Risk and is the nominated Senior Information Responsible Officer.

CBU General Managers and Clinical Directors are responsible for ensuring that risk management systems within the CBUs are effective and also meet the objectives outlined within the risk management strategy. The CBU Board has a key role in assuring the effectiveness of risk management, including regular scrutiny of CBU risk registers. Service Managers monitor and review incidents, risk assessments, claims and complaints and ensure that agreed actions are carried out and feedback is given to staff.

Ward and department line managers ensure that relevant staff are trained and incidents are reported and actions taken when required. They provide feedback to staff, ensuring that Trust policies, procedures and guidelines are followed to minimise risk. Individuals are responsible for reporting any identified risks in order that they can be addressed and are accountable for ensuring their own competency and that their training needs are met in discussion with their line managers. They attend induction and statutory and mandatory training as required, including Risk Management. They ensure that they practice within the standards of their professional bodies, national standards and Trust policies, procedures and guidelines.

The Board of Directors continued to review and develop the Board Assurance Framework during the year contributing towards the achievement of an overall rating of “significant assurance” confirmed by the Director of Audit Opinion. A risk maturity review was also undertaken by the Trust’s internal auditors during 2011/12 which demonstrated significant progress in the review and enhancement of its risk management processes, specifically the refreshment of the Assurance Framework and the implementation of robust review mechanisms by the Corporate Risk Committee with regard to the CBUs’ risk registers. This process has now embedded and the 2012/13 Assurance Framework Opinion provided by the internal auditors highlighted the engagement of the Board with the reinvigoration and further development of the Board Assurance Framework. Going forward, an internal audit review is scheduled which will assess the Trust’s risk management processes and will specifically focus upon the risk register and risk assessment process within the CBU’s.

The Risk and Control Framework

Implementation of the Trust's Risk Management Strategy has been monitored through the Corporate Risk Committee, the Board of Directors and its assurance committees during the year. The strategy provides a robust framework for the systematic identification, assessment, treatment and monitoring of risks, whether the risks are clinical, organisational, business, financial or environmental. Its purpose is to minimise risks to patients, staff, visitors and the organisation as a whole by ensuring that effective risk management systems and processes are implemented in all areas of service provision, and that these are regularly reviewed. The key elements of the strategy include:

- A definition of risk management.
- The Trust’s policy statement and organisational philosophy in relation to risk management as an

integral part of our corporate objectives, goals and management systems.

- Strategic vision for risk management across the organisation.
- Roles, responsibilities and accountabilities.
- Governance structures in place to support risk management, including terms of reference of key committees.

The Board Assurance Framework, which focuses on identifying and monitoring the principal risks to the organisation at corporate level, has been embedded within the Trust and is regularly reviewed and updated. The Assurance Framework has been reviewed by the Board of Directors on a monthly basis during the year; it covers the following elements:

- Strategic aims and objectives.
- Identification of principal risks to the achievement of objectives.
- An assessment of the level of risk in-month, calculated in accordance with the Trust’s risk matrix, described below.
- Internal controls in place to manage the risks.
- Identification of assurance mechanisms which relate to the effectiveness of the system of internal control.
- Identification of gaps in controls and assurances.
- A target risk score that reflects the level of risk that the Board is prepared to accept.
- The actions taken by the Trust to address control and assurance gaps.

Risks are analysed to determine their cause, their impact on patient and staff safety, the achievement of local objectives and strategic objectives, the likelihood of them occurring or recurring and how they may be managed. Risks are evaluated using the Trust Framework for the Grading of Risks. This framework provides a consistent approach to the grading of risks arising within the Trust and enables all risks to be graded in the same manner against the same generic criteria. This allows for comparisons to be made between different types of risk and for judgements and decisions about risk appetite and the prioritisation of resource allocation to be made on that basis. It enables decisions to be taken about the level of management of each risk within the Trust.

A key philosophy of this strategy is to facilitate greater embedding of risk management across the various Clinical Business Units and corporate functions and programmes in the Trust. In order to achieve that, each CBU, corporate function or major programme has a lead for governance who acts as the focus of the

various aspects of governance and risk management within their area. They coordinate all such work and liaise with the Risk Management Team and with other governance professionals across the Trust. During 2012/13 a new electronic risk management and incident reporting system, Ulysses, was implemented within the Trust in order to improve real time reporting of incidents and enable better feedback to individual staff members, to standardise risk registers and ensure that they are live documents that CBUs and departments are using on a daily basis. Risk registers continue to be a key tool in the work of the Corporate Risk Committee.

During the previous year the Trust commissioned its internal auditors to carry out a two stage post-implementation review of Clinical Business Units. The second phase of this work was undertaken during 2012/13. The overall objective of the Phase 2 review was to evaluate the effectiveness and consistency of operation of the governance structures at CBU Level, with particular emphasis on Quality Governance. This approach was taken in order to support the evidence for the Trust's self-assessment against Monitor's Quality Governance Framework. The review provided robust assurance 'that the CBUs have a clear focus on quality and have established arrangements in line with the Quality Governance Framework'. A number of areas of good practice were identified, for example some CBUs are significantly advanced in respect of the development of clinical KPIs and local dashboards to measure performance. This is an area where work continues to ensure clear links to corporate reporting and outcome measures as part of the quality assurance processes established by the Clinical Quality Steering Group and the Clinical Quality Assurance Committee. The review also confirmed that governance structures are established and operating in CBUs with different approaches in place, which reflect local service needs. It will be important to keep these under review to ensure they continue to be effective going forward.

The Foundation Trust is fully compliant with the requirements of registration with the Care Quality Commission. The Trust has continued to work closely with the CQC during the year to finalise its application to register for mental health as a regulated activity. This relates to the provision of Child and Adolescent Mental Health Services (CAMHS) with particular reference to the requirements of the Mental Health Act. Colleagues from the CQC registration team visited the Trust's inpatient facility in February 2013 and agreed a number of actions with the CAMHS team to ensure compliance prior to the registration being granted; these included matters relating to policies and procedures, the use of 'safe rooms' and specialist staffing requirements. It is anticipated that registration will be secured by the second quarter of 2013/14.

The Trust remains registered with CQC without conditions. The Trust hosted two unannounced inspections during the year, in November 2012 and January 2013, covering a range of standards:

- Respecting and involving people who use services.
- Care and welfare of people who use services.
- Safeguarding people who use services from abuse
- Supporting workers.
- Assessing and monitoring the quality of service provision.
- Safety, availability and suitability of equipment.
- Staffing.

The Trust was judged to have met all of the standards assessed and the inspectors received very positive responses from discussions with patients and families about their care. However, a number of learning points emerged from both visits which the Trust is taking action to address. During the November inspection there was a focus on Equality and Diversity and CQC identified areas where attention is required to improve the current arrangements; these included the availability and use of interpreting services, the consistent recording of patients' religion and overall, the full integration of equality and discrimination issues into existing governance processes. An action plan has been developed to address these areas. The inspection in January resulted from a complaint by a parent with regard to the control of infection on the High Dependency Unit; at time of writing the Trust had not received the CQC's findings in relation to their inspection of this standard. The internal root cause analysis submitted to the CQC did not identify either a root cause or any breach of internal policy and expected practice. The Trust's Director of Nursing, as the Director of Infection Prevention and Control, continues to lead the infection control team to ensure that infection risks are assessed and monitored and appropriate measures put in place within the constraints of the current hospital environment which is not fit for the effective delivery of 21st century practices.

The major risks for the Trust continue to be predominantly associated with its ageing estate and infrastructure. The Trust appointed a new Director of Estates and Facilities during the year, whose initial focus was to undertake a thorough assessment of the current risks and determine the key priorities requiring immediate and ongoing investment in the context of the move to the new hospital in two years time. The Board and the key assurance committee with oversight of estates compliance – the Resources and Business Development Committee – have received regular reports to provide assurance regarding the totality

of estates risk and the specific issue of the remedial works required within the operating theatres which was identified during the year. Improvements have been made in a number of areas including ventilation validations, oxygen and nitrous oxide pipelines, oil storage, electrical systems management and water hygiene. In terms of the operating theatres, a maintenance and independent validation programme had been established at the end of 2011 following risk assessments that highlighted gaps in compliance; during 2012/13 this programme was accelerated when immediate problems with ventilation systems compliance were identified. This resulted in a number of theatres being taken out of use during the course of the year for remedial works to be carried out. This in turn impacted on the Trust's ability to sustain the 18 week referral to treatment target in the third quarter of the year. Performance in this area has been restored and the full programme of theatre upgrades is due to be completed by Quarter 4 of 2013/14, supported by an annual programme of maintenance and validation for all theatres and procedure rooms.

The Trust has an Information Governance Framework that incorporates an ongoing programme of work to ensure risks to data security are being managed and controlled. This includes completion of the annual Information Governance assessment which is overseen by the Information Governance Steering Group and is subject to internal and external review. In the March 2013 assessment the Trust improved on previous submission scores – from 76% to 80% overall - to achieve the required Level 2 standard in all 45 requirements for version 9 of the Information Governance Toolkit. The Trust recognises that further work is required to improve and maintain performance against these requirements and an action plan in response to an internal audit report giving limited assurance for some of the standards has been developed and is monitored through the Audit Committee.

In June 2012 the Trust suffered a data security breach which related to the loss of approximately 62 paper copies of personal files belonging to members of the Trust's theatre staff. The incident had occurred during the course of an office move and the files were never recovered despite an extensive internal investigation. The incident was reported to all appropriate regulators including the Information Commissioner's Office (ICO) and the Trust carried out a Root Cause Analysis which led to a number of changes in practice in relation to data protection systems and processes. The ICO subsequently informed the Trust that it did not intend to take any formal regulatory action in relation to this matter, but requested that the Trust consider a review of policies and procedures for handling data in this area

and its approach to staff training, both of which were recommendations from the root cause analysis and were already underway.

The Trust is part of a shared service arrangement for its transactional human resources and payroll functions. In May 2013, the provider of this service, Capita, was issued with an ISAE 3402 report by its auditors which highlighted a number of control weaknesses. The Trust is taking steps with its own auditors to provide additional assurance on these control areas.

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

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. In April 2012 the Board of Directors renewed its commitment and declaration relating to delivering same sex accommodation specifically related to the elements that apply to paediatric trusts. As part of the Trust's equality duties, equality impact assessments are undertaken across various policies, procedures and projects. The Trust is currently revising its approach to equality impact assessments to streamline the process in response to the Equality Act 2010 and the recommendations made by CQC as a result of the November 2012 inspection.

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

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

As Accounting Officer, I am responsible for ensuring arrangements are in place for securing value for money in the use of the Trust's resources. To do this, I have implemented a robust system to set, review and implement strategic objectives. Trust objectives are informed by the views of its Council of Governors and other key stakeholders. The Trust produces

an annual integrated operational plan that sets out operational objectives which are cascaded to local level. Performance reviews are held with Clinical Business Units during the year to monitor progress and agree corrective action where necessary. The Board of Directors reviews performance against objectives on a monthly basis through the Corporate Performance Report which is also reviewed by the Senior Leadership Team and the key Board assurance committees prior to submission to the Board. CBU operational plan performance is reviewed through the CBU Board.

The Board's assurance system is underpinned by the work of the Trust's internal auditors which is overseen by the Audit Committee. Each year the Committee agrees an audit programme which aims to focus on areas of weakness in internal control and make recommendations to address deficits where these are identified. The Audit Committee retains a database of remedial actions agreed as a result of audits and these are followed up by the Committee until completed.

The Trust entered year two of its Transformation Programme during the year, in support of the implementation of the Transformation Strategy which was approved by the Board in November 2011. The aim of the Alder Hey Transformation Strategy is to maximise the opportunities presented by the new hospital and associated information technology investments to:

- Redesign patient journeys throughout Alder Hey to ensure we get it "right first time" at every step and radically improve patient flow.
- Modernise support systems for front-line care and reduce bureaucracy.
- Safely reduce running costs by £33m over four years.

This will enable the Trust to deliver exceptional care to match the exceptional design of the new hospital when it opens in 2015. The Trust has over 50 separate transformation projects running across the organisation, ranging from work to develop streamlined clinical pathways through to initiatives that are aimed at eradicating waste within corporate support areas. In order to support the transformation process and to oversee the Trust's transition to the new health park, the Transformation Committee regularly reviews the progress of the three key strategic programmes: the delivery of Alder Hey in the Park, Transformation and IM&T projects.

Specific initiatives to improve the use of resources during 2012/13 were:

- Implementation of Phase 1 of the data warehouse.
- Introduction of digital dictation and establishment of hospital transcription team.

- Appointment of new energy broker.
- Cumulative Average Length of Stay reduction of 4% on 2010/11 baseline, amounting to 2013 bed-day savings.
- Continued development of service line reporting and clinical engagement in its use.
- Appointment of OCS to partner and support the management and improvement of Hotel Services.
- Establishment of the Surgical Admissions Unit and walkabout surgical pathway.
- Reduction of unitary payment on PFI contract for Alder Hey in the Park through funding competition and capital contribution.

Annual Quality Report

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

The Medical Director is responsible at Board level for the quality agenda leadership within the Trust and is supported by the Director of Nursing, Deputy Director of Quality and Patient Experience and Quality Improvement lead.

The Trust's Quality Strategy was approved by the Board and embedded throughout the organisation during 2011/12. The Quality Strategy sets out the Trust's vision for quality, with the three domains of safety, patient experience and clinical effectiveness at the heart of this in terms of what we understand about quality and how we measure it. The strategy also represents a vehicle through which the organisation will promote the development of an open learning culture where incidents and complaints are investigated thoroughly to determine the root causes and action is taken, where appropriate, to improve services or change practices. The strategy starts from a position that everyone needs to understand their roles and responsibility and that all individuals contribute to the overall delivery of quality and those responsibilities are set out in some detail for different groups and individuals.

The Quality Report is a core element of the Quality Strategy. The quality outcome measures identified in the Trust's Quality Report are identified and reviewed on an annual basis in consultation with our Governors and other stakeholders. The intention is that the areas

to be scrutinised within the report going forward will be determined during the measurement for improvement process. The reports also include core national content that will allow for consistent and comparison with other providers and can be used as assurance for regulators. The various metrics and audits identified within the Quality Report are measured through the Corporate Performance Report and ultimately reported to and reviewed by the Board of Directors on a monthly basis.

During 2012/13 the Medical Director and Director of Nursing led an organisation wide event, which included input from Governors, to develop and agree a number of developmental Quality Aims predicated on the following three overarching objectives:

- Patients will not suffer harm in our care.
- Patients will have the best possible experience.
- Patients will receive the most effective, evidence based care.

These aims will be the focus of the Trust's quality dashboard going forward and will provide clarity of purpose to staff as part of the initiative to implement an organisation wide Quality Improvement Culture, which has been sponsored by the Director of Nursing and approved by the Clinical Quality Assurance Committee.

The Trust has been keen to ensure that it optimises the Quality Governance Framework published by Monitor and as well as placing this at the heart of the model that underpins the Quality Strategy, we have also undertaken three self-assessments of our current position against each element of the framework and identified the actions required for improvement. The first of these baseline assessments was undertaken in the spring of 2011 and presented to the Clinical Quality Assurance Committee in July; the most recent follow up self-assessment, completed in August 2012, demonstrates good progress across most of the elements of the framework. To support this, Internal Audit has also undertaken a CBU level review against the Quality Governance Framework as described above.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the Quality Report attached to this Annual

Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and Corporate Risk Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The process that has been applied in maintaining and reviewing the effectiveness of the system of internal control includes the following elements:

- The Board of Directors provides active leadership of the Trust within a framework of prudent controls that enable risk to be assessed and managed.
- The Audit Committee, as part of an integrated governance structure, is pivotal in advising the Board on the effectiveness of the system of internal control.
- The Committees of the Board are key components by which I am able to assess the effectiveness and assure the Board of risk management generally and clinical risk in particular via the Clinical Quality Assurance Committee and the Clinical Quality Steering Group which was established in May 2012 to strengthen the Trust's clinical governance arrangements.
- Members of the Trust's Council of Governors are aligned to specific Clinical Business Units and are involved in a variety of scrutiny activities including quality 'walkarounds'.
- Internal Audit provides quarterly reports to the Audit Committee and full reports to the Director of Finance and other Trust Officers.
- The Director of Finance also meets regularly with internal and external Audit Managers.
- The Corporate Risk Committee, which I chair as Chief Executive, holds Clinical Business Units and corporate departments to account for the effective management of their key risks.
- Other explicit review and assurance mechanisms include Clinical Business Unit risk registers linked to the Operational Plan and a range of independent assessments against key areas of control, as set out in the Assurance Framework.
- Continuous registration without conditions by the Care Quality Commission 1st April 2010 onwards.
- Maintenance of the highest level of accreditation from the NHS Litigation Authority for its wide range of general safety standards - NHSLA level 3.

Any significant internal control issues would be reported to the Board via the appropriate Committee.

The Trust remains within trajectory for both MRSA and Clostridium Difficile and continues to apply rigorous monitoring to other healthcare acquired infections that are prevalent among children.

I receive reports from the Royal Colleges and following Deanery visits. In addition, there are a range of other independent assessments against key areas of control which are co-ordinated and monitored under the auspices of the Trust's External Visits Policy, for example:

- Two unannounced inspections by the Care Quality Commission resulting in positive compliance reports.
- A positive Gateway Review undertaken by the Department of Health with regard to the programme governance and management arrangements in place for the Alder Hey in the Park scheme.
- Maintenance of the Investors in People and Investing in Children awards.
- Visits by the Health and Safety Executive in May and November 2012.
- A Care Quality Commission inspection of looked after children services.
- An audit by the Northern Burns Care Network as part of a peer review process.
- A visit by the Sefton Borough Council Overview and Scrutiny Committee focusing on the CAMHS service.
- UKMI audit of pharmacy medicines information.
- A visit by the Environment Agency.
- A Care Quality Commission inspection of compliance with the Ionising Radiation (Medical Exposure) Regulations.
- Re-accreditation of the Trust's laboratories following inspection by Clinical Pathology Accreditation (CPA) Ltd.

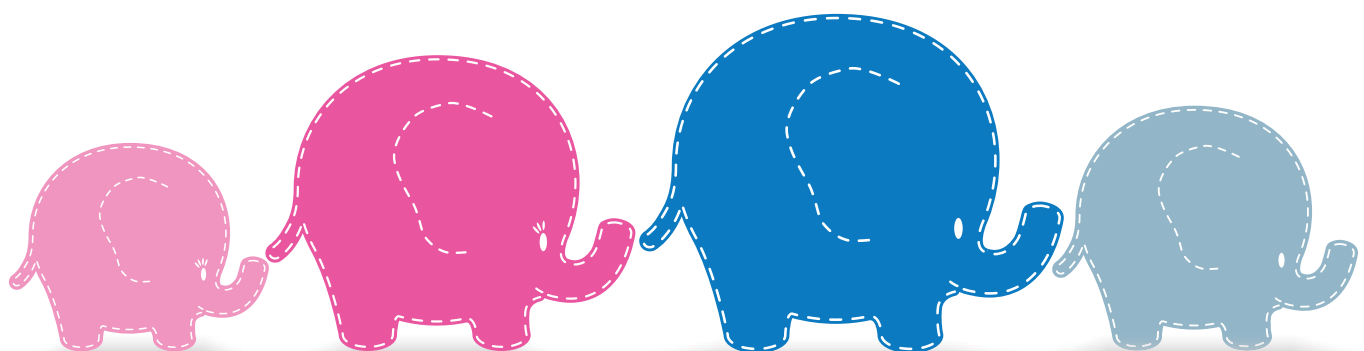
The Board of Directors is committed to continuous improvement and development of the system of internal control and the recommendations from all visits and inspections are monitored through the Trust's governance processes until completion.

Conclusion

In conclusion, for 2012/13 no significant internal control issues have been identified.

Signed: *Louise Shepherd*

LOUISE SHEPHERD
CHIEF EXECUTIVE
28TH MAY 2013



Alder Hey is committed to the safety and the future health of children and young people. Professor Ian Lewis, our Medical Director is leading on developing national health outcomes for children in the UK. We continue to drive health promotion both locally and nationally and we are England's first health promoting hospital accredited by the World Health Organisation.

Mia Moore

Aged 8



Annual Accounts

Foreword

The accounts for the year ended 31st March 2013 have been prepared by the Alder Hey Children's NHS Foundation Trust under Schedule 7, Sections 24 and 25 of the National Health Service Act 2006 in the form which Monitor, the Independent Regulator of NHS Foundation Trust has, with the approval of the Treasury, directed.

Signed: *Louise Shepherd*

LOUISE SHEPHERD
CHIEF EXECUTIVE
28TH MAY 2013



STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2013

	Note	2012/13 £000	2011/12 £000
Income			
Operating income from continuing operations	3 & 4	188,124	189,160
Operating expenses of continuing operations	5	(216,847)	(170,469)
Operating Surplus		(28,723)	18,691
Finance Costs:			
Finance income	9	303	177
Finance expense – financial liabilities	10	(10)	0
Finance expense - unwinding of discount on provisions		(21)	(15)
PDC dividends payable	11	(1,006)	(1,829)
Net Finance Costs		(734)	(1,667)
Surplus from Continuing Operations		(29,457)	17,024
Other Comprehensive Income:			
Impairments		(10,527)	0
Revaluation gain on property, plant and equipment		988	0
Total Comprehensive Income and Expense for the Year		(38,996)	17,024

The notes on pages 111 to 136 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2013

	Note	2013 £000	2012 £000
Non-Current Assets:			
Intangible assets	14	889	1,171
Property, plant and equipment	15	25,118	73,910
Trade and other receivables	18	131	196
Total Non-Current Assets		26,138	75,277
Current Assets:			
Inventories	17	1,352	1,535
Trade and other receivables	18	10,240	8,460
Non-current assets for sale	20	0	317
Cash and cash equivalents	19	54,455	50,696
Total Current Assets		66,047	61,008
Total Assets		92,185	136,285
Current Liabilities:			
Trade and other payables	21	(14,458)	(18,693)
Borrowings	23	(40)	(39)
Provisions	25	(1,979)	(10,519)
Other liabilities	22	(2,999)	(1,227)
Total Current Liabilities		(19,476)	(30,478)
Total Assets less Current Liabilities		72,709	105,807
Non-Current Liabilities			
Borrowings	23	(223)	(263)
Provisions	25	(3,410)	(665)
Other liabilities	22	(3,193)	0
Total Assets Employed		65,883	104,879
Taxpayers' Equity:			
Public dividend capital		43,893	43,893
Income and expenditure reserve		20,861	49,980
Revaluation reserve	15.2	1,129	11,006
Total Taxpayers' Equity		65,883	104,879

The financial statements on pages 111 to 136 were approved and actioned for issue by the Board on 28th May 2013 and signed on its behalf by:

Signed: *Louise Shepherd*

LOUISE SHEPHERD
CHIEF EXECUTIVE
28TH MAY 2013

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

	Public Dividend Capital (PDC) £000	Income & Expenditure Reserve £000	Revaluation Reserve £000	Total £000
Taxpayers' Equity at 1 April 2011 (as previously stated)	43,893	32,686	11,276	87,855
Changes in Taxpayers' Equity for 2011/12				
Total comprehensive income for the year:				
Surplus for the year	0	17,024	0	17,024
Transfer of excess of current cost depreciation over historical cost depreciation to the income and expenditure reserve	0	268	(268)	0
Asset disposals	0	2	(2)	0
Taxpayers' Equity at 31 March 2012	43,893	49,980	11,006	104,879
Changes in Taxpayers' Equity for 2012/13				
Total comprehensive income for the year:				
Deficit for the year	0	(29,457)	0	(29,457)
Transfer of excess of current cost depreciation over historical cost depreciation to the income and expenditure reserve	0	255	(255)	0
Impairments	0	0	(10,527)	(10,527)
Revaluations – property, plant and equipment	0	0	988	988
Asset disposals	0	83	(83)	0
Taxpayers' Equity at 31 March 2013	43,893	20,861	1,129	65,883

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2013

	Note	2012/13 £000	2011/12 £000
Cash Flows from Operating Activities:			
Operating surplus/(deficit) for the year		(28,723)	18,691
Depreciation and amortisation		4,704	4,442
Impairments		41,591	0
(Gain)/Loss on disposal		(1,351)	46
(Increase)/Decrease in inventories		183	92
(Increase)/Decrease in trade and other receivables		(1,715)	(1,022)
Increase/(Decrease) in trade and other payables		(3,119)	3,641
Increase/(Decrease) in other liabilities		4,965	(1,955)
Increase/(Decrease) in provisions	25	(5,795)	10,441
Other movements in operating cash flows		(458)	137
Net Cash Generated from Operations		10,282	34,513
Cash Flows from Investing Activities:			
Interest received		303	177
Purchase of intangible assets	14	(234)	(414)
Purchase of property, plant and equipment	15	(9,486)	(6,891)
Sales of property, plant and equipment		3,512	0
Net Cash Used in Investing Activities		(5,905)	(7,128)
Net Cash Inflow before Financing		4,377	27,385
Cash Flows from Financing Activities:			
Public dividend capital received		0	0
Capital element of finance lease payments		(39)	0
Other capital receipts		0	302
Interest element of finance lease		(10)	0
PDC dividend paid		(569)	(1,981)
Cash flows from other financing activities		0	0
Net Cash Generated from/(Used in) Financing Activities		(618)	(1,679)
Increase in Cash and Cash Equivalents		3,759	25,706
Cash & Cash Equivalents at the beginning of the Financial Year		50,696	24,990
Cash & Cash Equivalents at the end of the Financial Year	19	54,455	50,696

NOTES TO THE ACCOUNTS

ACCOUNTING POLICIES

1. Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual, which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2012/13 NHS Foundation Trust Annual Reporting Manual issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting Convention

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

1.2 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying 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 to be relevant. Actual results may differ from those estimates and the 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 following are the critical judgements that management have made in the process of applying the entity's accounting policies, together with the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing

a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Asset valuation and lives

The value and remaining useful lives of land and buildings have been estimated by DTZ Debenham Tie Leung Ltd. The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation Standards. The valuations were carried out during 2012/13 and were applied to the 31 March 2013 land and buildings values. Valuations are carried out using the Modern Equivalent Asset basis to determine the Depreciated Replacement Cost for specialised operational property and Existing Use Value for non-specialised operational property. The value of land and buildings at 31 March 2013 reflect the valuation indicated by DTZ Debenham Tie Leung Ltd given that the Trust has approval for the re-building of the hospital and most of the hospital buildings will be demolished during 2016/17.

The lives of equipment assets are estimated using historical experience of similar equipment lives with reference to national guidance and consideration of the pace of technological change. Operational equipment is carried at current value. Where assets are of low value and/or have short useful economic lives, these are carried at depreciated historical cost as this is not considered to be materially different from fair value.

Software licences are depreciated over the shorter of the term of the licence and the useful economic life.

Provisions

Pensions provisions relating to former employees, including Directors, have been estimated using the life expectancy from the Government's actuarial tables.

Other legal claims provisions relate to employer and public liability claims and expected costs are advised by the NHS Litigation Authority.

Provision for impairment of receivables

A provision for the impairment of receivables has been made for amounts which are uncertain to be received from organisations at 31 March 2013. The provision is £326,000 (31 March 2012: £465,000) and includes a provision of £286,000 (31 March 2012: £350,000) against the Injury Costs Recovery debt. The recoverability of the Injury Costs Recovery debt has been assessed and as the level of debt has increased, the Trust has fully provided for Injury Costs Recovery incidents that are over 10 years old. The balance of the Injury Costs Recovery NHS Injury Scheme debt has been provided for at 12.6% (31 March 2012: 10.5%) to reflect recoverability of more recent incidents.

Holiday pay accrual

The accrual for outstanding leave has been calculated on a sample basis.

For non medical staff the amount of outstanding annual leave as at 31st March is requested from a representative sample from across the Trust. The accrual is then calculated on a pro-rata basis according to the numbers of staff within the sample compared to the total staff in post in March. The accrual is split between the various staff groups based on the results of the sample.

For consultants, the accrual is based on actual annual leave outstanding for those consultants who provided details and it is assumed that four days are outstanding for the consultants whose details were not available, being the average days from information received.

1.3 Income

Income is accounted for applying the accruals convention. The main source of income for the Trust is from commissioners in respect of healthcare services provided under local agreements. Income is recognised in the period in which the services are provided. Income is measured at the fair value of the consideration receivable. Income relating to partially completed spells is accounted for where there is a contractual obligation.

Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

1.4 Employee Benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. If annual leave is carried forward into the following year an accrual is included.

Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pension website at www.nhsbsa.nhs.uk/pensions. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying Scheme assets and liabilities. Therefore, the Scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating

in the Scheme is taken as equal to the contributions payable to the Scheme for the accounting period.

For early retirements other than those due to ill-health, the additional pension liabilities are not funded by the Scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the Trust commits itself to the retirement, regardless of the method of payment.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Compensation for early retirement

Where a member of the Scheme is made redundant they may be entitled to early receipt of their pension plus enhancement, at the employer's cost.

1.5 Other Expenses

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

1.6 Property, Plant and Equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has a cost of at least £5,000; or
- collectively, a number of assets have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they have broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- items form part of the initial equipping and setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost. These are capitalised as a grouped equipment asset.

Valuation

All property, plant and equipment is shown at its fair value. This is measured initially at cost, representing the cost 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 subsequently stated at the lower of replacement cost and the present value of the asset's remaining service potential.

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 existing use value at the date of the revaluation less any subsequent accumulated depreciation and impairment losses. The Trust use professional valuers to inform its judgement of the revalued amount. Professional valuations have been carried out by DTZ Debenham Tie Leung Ltd, a market-leading real estate adviser, in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation Standards. The last valuations were undertaken in 2012 as at the valuation date of 1 November 2012 and were applied on 1 March 2013. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the year end date. Existing use values are determined as follows:

- Land and non-specialised buildings - market value for existing use.
- Specialised buildings - depreciated replacement cost.

The Existing Use Value approach assumes that the asset would be replaced with a modern equivalent, not a building of identical design, with the same service potential as the existing asset. The modern equivalent may well be smaller than the existing asset, for example, due to technological advances in plant and machinery.

Valuations are reviewed annually.

Properties in the course of construction for service or 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 stipulated by the Annual Reporting Manual 2012/13. Depreciation commences when they are brought into use.

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008, indexation has ceased. The carrying value of existing assets at that date will be written off over their

remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

Increases arising on revaluation are recognised in the revaluation reserve except 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. A revaluation loss, caused by circumstances other than a clear consumption of economic benefit, is recognised as an impairment and charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to operating expenses. Impairments caused by a clear consumption of economic benefit are charged directly to operating expenses even where a revaluation reserve balance exists for the asset. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is added to the asset's carrying value. Where subsequent expenditure restores the asset to its original specification assumed by its economic useful life then the expenditure is charged to operating expenses.

1.7 Intangible Assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust; where they are capable of being used in a Trust's activities for more than one year; they can be valued; and they have a cost of at least £5,000.

Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research activities is not capitalised, it is recognised as an operating expense in the period in which it is incurred.

As it cannot be demonstrated that the IAS38 criteria for capitalisation can be met, expenditure on development is not capitalised.

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.

Intangible assets acquired separately are initially recognised at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost.

1.8 Depreciation and Amortisation

Freehold land and properties under construction are not depreciated. Land is deemed to have an infinite life and properties under construction are only depreciated when they are brought into use. Otherwise, depreciation and amortisation are charged, on a straight-line basis, to write-off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated remaining useful economic lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. This is specific to the Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each period end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their estimated useful lives.

Asset lives for property, plant and equipment are detailed below:

	Minimum Life Years	Maximum Life Years
Buildings excluding dwellings	2	75
Plant and machinery	3	15
Transport equipment	7	7
Information technology	2	5
Furniture and fittings	10	10

Intangible assets which comprise computer software have a minimum life of 1.5 years and maximum life of 5 years.

1.9 Non-Current Assets Held for Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on the disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life adjusted. The asset is de-recognised when it is scrapped or demolished.

1.10 Revaluation and Impairment

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease previously recognised in operating expenses, in which case they are recognised in operating income.

At each reporting period end, the Trust reviews the residual values and useful lives of its property, plant and equipment and intangible non-current assets. Equipment assets with a net book value of over £100,000 as at 31 March are reviewed for their carrying value and their remaining useful life. The carrying value of land and building is in line with the latest valuation carried out during 2012/13. If there are any indications of a clear consumption of economic benefits for any assets, then these assets would be impaired, with the impairment charged directly to operating expenses.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments if the time value of money and the risks specific to the asset, for which the estimates of future cash flows have not been adjusted.

An impairment loss is only reversed if there is a subsequent increase in the recoverable amount that can be related objectively to an event occurring after the impairment loss was recognised.

If there has been an impairment loss other than a loss of economic benefit, the asset is written down to its recoverable amount, with the loss charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

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

1.11 Donated Assets

Donated non-current assets are capitalised at their fair value on receipt, with a matching credit to income. They are valued, depreciated, revalued and impaired as described above for purchased assets.

1.12 Leases

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

The Trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, discounted using the interest rate implicit in the lease, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction in the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in calculating the Trust's surplus or deficit.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Where a lease is for land and buildings, the land and building components are separated. Leased buildings

are assessed to determine whether they are operating or finance leases.

1.13 Inventories

Inventories are valued at the lower of cost and net realisable value using the first-in first-out cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks. In most cases, cost equates to direct purchase cost. Net realisable value represents the estimated selling price less all the estimated costs to completion and selling costs to be incurred.

1.14 Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours.

1.15 Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rate, except for early retirement provisions and injury benefit provisions, which both use the HM Treasury's pension discount rate of 2.8% in real terms.

The HM Treasury discount rates are:		
Short term	Cash flows between 0 and 5 years	Rate is -1.80%
Medium term	Cash flows between 5 and 10 years	Rate is -1.00%
Long term	Cash flows over 10 years	Rate is 2.20%

Discount rates for 2011/12 were 2.2% irrespective of expected timing of cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received

and the amount of the receivable can be measured reliably.

1.16 Clinical Negligence Costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to the Statement of Comprehensive Income. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 25.

1.17 Non-Clinical Risk Pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority and, in return, receives assistance with the costs of claims arising.

The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

The Trust has also taken commercial insurance to cover property damage and business interruption.

1.18 Financial Assets

Financial assets are recognised when the Trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value.

Financial assets are classified into the following categories: financial assets 'at fair value through income and expenditure'; 'held to maturity investments'; 'available for sale' financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Trust only has loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the end of the reporting period, 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 recognised 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 operating expenses and the carrying amount of the asset is reduced through a provision for impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

The Trust's loans and receivables comprise cash and cash equivalents, NHS debtors, debtors with related parties, accrued income and other debtors.

1.19 Financial Liabilities

Financial liabilities are recognised on the statement of financial position when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Financial liabilities are initially recognised at fair value.

Financial liabilities are classified as either financial liabilities 'at fair value through income and expenditure' or other financial liabilities. The Trust only has other financial liabilities.

Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. 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.

1.20 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 non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.21 Foreign Currencies

The Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are restated at the rates prevailing at the statement of financial position date. Resulting exchange gains and losses are recognised in the Trust's surplus or deficit for the period in which they arise.

1.22 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. The Trust has no third party assets at 31 March 2013.

1.23 Public Dividend Capital (PDC) and PDC Dividend

Public Dividend Capital 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 IAS32.

A charge, reflecting the cost of capital utilised by the NHS Foundation Trust, is paid over 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 NHS Foundation Trust during the financial year. Relevant net assets are calculated at the value of all assets less the value of all liabilities, except for donated assets and cash held with the Government Banking Service. The average carrying amount of assets is calculated as the average of opening and closing relevant net assets. Note 11 to the accounts discloses the rate that the dividend represents as a percentage of the actual average carrying amount of assets less liabilities in the year.

1.24 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the income statement on an accruals basis, including losses which would have been made good through insurance cover had Trusts not been bearing their own risks (with insurance premiums then being included as normal operating expenditure).

Note 12 shows the number and value of losses and special payments in the year.

1.25 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

1.26 Corporation Tax

The Trust has determined that it has no corporation tax liability as it does not carry out significant commercial activities that are not part of healthcare delivery.

1.27 Donations

Any donations received by an NHS Foundation Trust from a body or an individual which is not a government body and which does not result in the donating party having any financial interest in the NHS Foundation Trust are recognised as follows:

Donations received to support operating expenditure by the NHS Foundation Trust are recognised in operating income when, and to the extent to which the conditions attached to them, e.g.: incurring the expenditure, have been met.

1.28 Segmental Reporting

The Trust has adopted IFRS8 which requires disclosure of information to enable the users of the financial statements to evaluate the nature and financial effects of the business activities in which it engages. Where the Chief Operating Decision Maker uses information pertaining to operating segments to make decisions about allocation of resources and performance assessment, and where there is sufficient and appropriately discreet information available in this respect, disclosure of that information is made in the financial statements. Note 2 to the financial statements shows the financial reporting disclosures for segmental reporting.

1.29 Standards and Interpretations in Issue Not Yet Adopted

The following standards have been issued but are not yet effective:

IFRS 9 - Financial Assets and Financial Liabilities
IFRS 10 - Consolidated Financial Statements
IFRS11 - Joint Arrangements
IFRS12 - Disclosure of Interests in Other Entities
IFRS13 - Fair Value Measurement
IAS12 - Income Taxes Amendment
IAS1 - Presentation of Financial Statements
IAS27 - Separate Financial Statements
IAS28 - Associates and Joint Ventures
IAS19 - Employee Benefits
IAS32 - Financial Instruments presentation
IFRS7 - Financial Instruments disclosures

The following interpretations are issued but not yet effective:

PSAS32 – Service Concession Arrangements

None of these standards or interpretations are expected to have a known significant impact on the Trust on adoption.

2. Operating Segments

The Trust has considered segmental reporting and the Chief Executive and the Board receive sufficient and appropriate high level information to enable the business to be managed effectively and to monitor and manage the strategic aims of the Trust. Sufficiently detailed information is used by middle and lower management to ensure effective management at an operational level. Neither of these are sufficiently discrete to profile operating segments, as defined by IFRS8, that would enable a user of these financial statements to evaluate the nature and financial effects of the business activities that this Trust undertakes.

3. Income From Patient Care Activities

3.1 Income From Patient Care Activities Comprises:

	2012/13 £000	2011/12 £000
Elective income	37,383	36,743
Non-elective income	27,087	27,669
Outpatient income	24,306	24,350
A&E income	5,225	5,066
Private patient income	50	61
Community and Mental Health	15,935	17,776
Critical care	17,637	17,279
Drugs and devices	13,213	12,409
North West non-PBR	16,734	11,577
National Specialist Commissioning Group	2,527	1,877
Clinical Services	3,382	2,441
Other	1,268	7,306
Total Income from Activities	164,747	164,554

All income from activities relates to mandatory services.

3. Income From Patient Care Activities (cont'd)

3.2 Income From Activities Comprises:

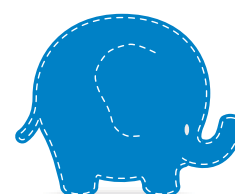
	2012/13 £000	2011/12 £000
NHS Foundation Trusts	3,464	2,942
NHS Trusts	1,215	1,105
Strategic Health Authorities	2,444	1,516
Primary Care Trusts	143,588	144,669
Local Authorities	1,529	1,449
Department of Health	93	30
NHS other	255	212
Non-NHS:		
- Private patients	50	61
- Overseas patients (non-reciprocal)	2	0
- NHS injury scheme	380	521
- Welsh Health Specialist Commissioners	11,238	11,529
Other	489	520
Total	164,747	164,554

Injury cost recovery income is subject to a provision for impairment of receivables to reflect expected rates of collection. This amounts to £286,000 at 31 March 2013 (£350,000 at 31 March 2012).

4. Other Operating Income

	2012/13 £000	2011/12 £000
Research and development	4,408	4,041
Education and training	7,510	7,943
Charitable and other contributions to expenditure	585	1,202
Non-patient care services to other bodies	121	192
Profit on disposal of property, plant and equipment	1,378	0
Government programme for information technology	612	697
Car parking revenue	413	390
Catering	827	941
Funding for project costs for development of Alder Hey in the Park	4,626	3,025
Clinical excellence awards	728	754
Other	2,169	5,421
Total	23,377	24,606

The education and training income arises from the provision of mandatory education and training set out in the Trust's terms of authorisation.



Tables continued overleaf.

5. Operating Expenses

5.1 Operating Expenses

	2012/13 £000	2011/12 £000
Services from Foundation Trusts	972	516
Services from NHS Trusts	635	570
Services from PCTs	141	296
Services from other NHS bodies	940	821
Purchase of healthcare from non-NHS bodies	1,277	829
Employee expenses – Executive Directors	910	967
Employee expenses – Non-Executive Directors	132	132
Employee expenses – staff	114,213	114,347
Drug costs	13,105	12,316
Supplies and services – clinical (excluding drug costs)	11,838	12,111
Supplies and services – general	2,463	2,000
Establishment	2,108	1,564
Research and development*	1,583	870
Transport	106	113
Premises	9,239	8,451
Provision for impairment of receivables	(57)	157
Depreciation on property, plant and equipment	4,410	4,225
Amortisation on intangible assets	294	217
Impairments of property, plant and equipment	41,591	0
Audit fees – statutory audit	69	67
Audit fees – other services	22	5
Insurance for clinical negligence	1,612	1,468
Loss on disposal of property, plant and equipment	27	46
Legal fees	538	355
Consultancy costs	654	719
Training, courses and conferences	526	543
Patient travel	120	124
Car parking and security	342	335
Insurance	224	208
Losses, ex-gratia and other payments	183	193
Severance pay	1,973	3,379
Early retirements	(2)	289
Other	4,659	2,236
Total	216,847	170,469

*Research and development expenditure reflects payments to other organisations in respect of research contracts. Employee expenses – staff, include £2,296,000 (2011/12 £2,224,000) relating to research and development activities.

There is a £1,000,000 limited liability agreement in place with the external auditors, KPMG LLP.

External auditors were paid £22,000 in fees for non-audit services (2011/12 £5,000).

Other expenses includes provision for expenditure commitments relating to Alder Hey in the Park.

5.2 Managed Service Arrangements (MSA)

The Trust has five managed service arrangements being the oncology lease, the outpatients ward, the modular ward, the hospital information system and the pathology managed service. The Trust has reviewed these leases against the criteria set out in IAS17 and has concluded that they do not meet the definition of a finance lease.

	2012/13 £000	2011/12 £000
Amounts included within operating expenses in respect of MSA transactions	3,858	3,649

The Trust is committed to making the following payments during the next year.

	Buildings		Other	
	31 March 2013 £000	31 March 2012 £000	31 March 2013 £000	31 March 2012 £000
Schemes which expire:				
Within 1 year	498	0	215	0
2nd to 5th years (inclusive)	2,266	1,563	0	886
6th to 10th years (inclusive)	0	1,201	209	162

6. Operating Leases

6.1 Payments Recognised as an Expense

	2012/13 £000	2011/12 £000
Minimum lease payments	8	1
Contingent rents	0	0
Sub-lease payments	0	0
Total	8	1

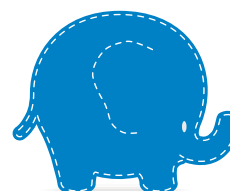
6.2 Total Future Minimum Lease Payments

	31 March 2013 £000	31 March 2012 £000
Payable:		
Not later than one year	8	8
Between one and five years	0	8
After 5 years	0	0
Total	8	16

The Trust held no operating leases in respect of land and buildings during 2012/13. Details of Managed Service Arrangements are disclosed in note 5.2.



Salaries Entitlements table is on the next page.



7. Salary and Pension Entitlements of Senior Managers

7.1 Salaries Entitlements

Name and Title		2012/2013		2011/2012	
		Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Salary (Bands of £5,000)	Other Remuneration (bands of £5,000)
		£000	£000	£000	£000
Louise Shepherd	Chief Executive	140-145	-	140-145	-
Sue Lorimer	Director of Finance	110-115	-	100-105	-
Gill Core	Director of Nursing from 1.7.12	70-75	-	-	-
Karen Dawber	Director of Nursing from 14.3.11 to 31.12.11	-	-	70-75	-
Marcia Mercer	Acting Director of Nursing from 1.1.12 to 31.7.12	20-25	-	15-20	-
Jayne Shaw	Director of Human Resources to 31.12.11	-	-	65-70	-
Richard Jones	Acting Director of Human Resources from 1.1.12 to 1.8.12	20-25	-	20-25	-
David Alexander	Director of Human Resources from 13.8.12	60-65	-	-	-
Judith Adams	Chief Operating Officer	95-100	-	95-100	-
Professor Ian Lewis	Medical Director	210-215	-	235-240	-
Sir David Henshaw (R)	Chair	40-45	-	40-45	-
Lorraine Dodd (R)	Non-Executive Director to 31.5.12	0-5	-	10-15	-
Ed Oliver (A) (R)	Non-Executive Director	10-15	-	10-15	-
Susan Sellers (A) (R)	Non-Executive Director	10-15	-	10-15	-
Phil Huggon (A) (R)	Non-Executive Director	10-15	-	10-15	-
Steve Igoe (A) (R)	Non-Executive Director	15-20	-	15-20	-
Ian Quinlan (A) (R)	Non-Executive Director	10-15	-	5-10	-
Asif Hamid (A) (R)	Non-Executive Director from 1.10.12	5-10	-	-	-

(R) Indicates that the individual is a member of the Remuneration Committee.

(A) Indicates that the individual is a member of the Audit Committee.

7. Salary and Pension Entitlements of Senior Managers (cont'd)

7.2 Pension Entitlements

Name and Title	Real Increase in Pension at Age 60 (bands of £2,500)	Real Increase in Pension Lump Sum at Age 60 (bands of £2,500)	Total Accrued Pension at Age 60 at 31 March 2013 (bands of £5,000)	Lump Sum at Age 60 Related to Accrued Pension at 31 March 2013 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2012	Cash Equivalent Transfer Value at 31st March 2013	Real increase in Cash Equivalent Transfer Value
	£000	£000	£000	£000	£000	£000	£000
Louise Shepherd Chief Executive	2.5-5	10-12.5	45-50	135-140	701	786	85
Sue Lorimer Director of Finance	2.5-5	7.5-10	35-40	115-120	704	804	100
Gill Core Director of Nursing from 1.7.12	0-2.5	5-7.5	40-45	130-135	742	811	51
Marcia Mercer Acting Director of Nursing from 1.1.12 to 31.7.12	0-2.5	2.5-5	25-30	75-80	418	0	(140)
David Alexander Director of Human Resources from 13.8.12	0-2.5	0	0-5	0	0	13	8
Judith Adams Chief Operating Officer	0-2.5	0-2.5	20-25	70-75	356	365	9

- As Non-Executive Directors do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive Directors.
- M.Mercer retired on 31.7.12.
- Professor Ian Lewis does not have accrued pension or CETV as at 31 March 2013 as his pension is in payment.

Cash Equivalent Transfer Values

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

Real Increase in Cash Equivalent Transfer Values

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

7.3 Remuneration of Staff

	2012/13	2011/12
Band of highest paid director £000's	210 - 215	270 - 275
Median total remuneration	£31,319	£31,208
Ratio	6.8	8.6

The calculation is based on full-time equivalent staff at the end of the year on an annualised basis.

This information is presented in compliance with the NHS Foundation Trust Annual Reporting Manual for 2012/13.

8. Employee Expenses and Numbers

8.1 Employee Expenses

	2012/13 £000	Permanently Employed £000	Other £000	2011/12 £000
Salaries and wages	98,391	96,590	1,801	98,394
Social security costs	6,802	6,802	0	6,774
Employer contributions to NHS pension scheme:				
- staff	10,014	10,014	0	10,171
- Executive Directors	66	66	0	111
Other pension costs	0	0	0	0
Other post-employment benefits	0	0	0	0
Termination benefits	1,973	1,973	0	3,668
Employee Benefits Expense	117,246	115,445	1,801	119,118

There have been 6 (7 2011/12) Executive Directors during 2012/13 who have benefits accruing under defined benefit schemes.

8.2 Average Number of People Employed

	2012/ 13	Permanently Employed	Other	2011/ 12
	WTE	WTE	WTE	WTE
Medical and dental	358	354	4	365
Administration and estates	490	481	9	535
Healthcare assistants and other support staff	290	272	18	303
Nursing, midwifery and health visiting staff	736	697	39	753
Scientific, therapeutic and technical staff	496	494	2	515
Other	28	28	0	33
Total	2,398	2,326	72	2,504

Of the above 3 WTE staff engaged on capital projects.

WTE = Whole Time Equivalents

8.3 Employee Benefits

There were no employee benefits during 2012/13.

8.4 Staff Exit Packages

Exit Package Cost Band	Number of Compulsory Redundancies	Number of Other Departures Agreed	Total Cost of Exit Packages by Cost Band £0000
< £10,000	0	9	62
£10,001 - £25,000	1	17	299
£25,001 - £50,000	0	13	470
£50,001 - £100,000	1	5	330
£100,001 - £150,000	0	1	124
Total number of Exit Packages	2	45	47
Total Resource Cost (£000)	85	1,200	1,285

The Trust made 2 members of staff compulsorily redundant in 2012/13.

Other departures relate to employees who have applied and been accepted under the Mutually Agreed Severance Scheme during 2012/13.

There were 128 staff with agreed exit packages in 2011/12.

8.5 Retirements Due to Ill-Health

This note discloses the number and additional pension costs for individuals who retired early on ill-health grounds during the year. There were 3 retirements (5: 2011/12) at an additional cost of £336,062 (£237,873 in 2011/12). These costs are borne by NHS Pensions. This information has been supplied by NHS Pensions.

8.6 Pension Scheme

Pensions Costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices

and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

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 the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. Actuarial assessments are undertaken in intervening years between formal valuations using updated membership data and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2013, is based on the valuation data as 31 March 2012, updated to 31 March 2013 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

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 scheme (taking into account its recent demographic experience), and to recommend the contribution rates.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2004. Consequently, a formal actuarial valuation would have been due for the year ending 31 March 2008. However, formal actuarial valuations for unfunded public service schemes were suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions, and while future scheme terms are developed as part of the reforms to public service pension provision due in 2015.

The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next formal valuation to be used for funding purposes will be carried out at as at March 2012 and will be used to inform the contribution rates to be used from 1 April 2015.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained: The Scheme is a “final salary” scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as “pension commutation”.

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) will be used to replace the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year’s pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC’s run by the Scheme’s approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

9. Finance Income

	2012/13 £000	2011/12 £000
Interest income:		
Bank accounts	303	177
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	303	177

10. Finance Costs

	2012/13 £000	2011/12 £000
Interest expense:		
Finance leases	10	0

11. Public Dividend Capital Dividend

The Trust is required to pay a dividend to the Department of Health of £1,006,000. This represents 3.5% of the average net relevant assets of £28,736,500.

12. Losses and Special Payments

NHS Foundation Trusts are required to record payments and other adjustments that arise as a result of losses and special payments. During 2012/13 the Trust had 94 (69 2011/12) separate losses and special payments, totalling £146,000 (£195,000 2011/12).

There were no payments over £100,000 for individual cases of compensation under legal obligation, clinical negligence, fraud, personal injury or fruitless payment (none in 2011/12).

13. Impairment of Assets

	£000
Tangible assets impairment	41,487
Intangible assets impairment	104
Impairment charged to operating expenses	41,591
Tangible impairment charged to revaluation reserve	10,527
Total impairment – change in value in use	52,118

Final approval for the building of Alder Hey in the Park was received during March 2013 and the PFI contract was signed on 21st March 2013. Consequently, the Trust’s buildings have been impaired to reflect planned demolition.

There was no impairment of assets in 2011/12.

14. Intangible Assets

2012/13	Computer Software Purchased £000	Intangible Assets Under Construction £000	Total £000
Cost at 1 April 2012	1,650	99	1,749
Additions – purchased	53	63	116
Disposals	(36)	0	(36)
Gross cost at 31 March 2013	1,667	162	1,829
Amortisation at 1 April 2012	578	0	578
Provided during the year	294	0	294
Impairments	104	0	104
Disposals	(36)	0	(36)
Amortisation at 31 March 2013	940	0	940
Net book value:			
Purchased	727	162	889
Donated	0	0	0
Government granted	0	0	0
Total at 31 March 2013	727	162	889

2011/12	Computer Software Purchased £000	Intangible Assets Under Construction £000	Total £000
Cost at 1 April 2011	795	491	1,286
Additions – purchased	532	5	537
Reclassifications	388	(397)	(9)
Disposals	(65)	0	(65)
Gross cost at 31 March 2012	1,650	99	1,749
Amortisation at 1 April 2012	426	0	426
Provided during the year	217	0	217
Disposals	(65)	0	(65)
Amortisation at 31 March 2012	578	0	578
Net book value:			
Purchased	1,072	99	1,171
Donated	0	0	0
Government granted	0	0	0
Total at 31 March 2012	1,072	99	1,171

There is no balance in the Revaluation Reserve in respect of intangible assets.

15.1 Property, Plant and Equipment

2012/13	Land	Buildings Excluding Dwellings	Dwellings	Assets Under Construction and POA	Plant & Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2012	3,778	56,102	0	4,623	23,031	31	5,699	160	93,424
Additions – purchased	3,000	2,903	0	745	934	0	686	31	8,299
Additions – donated	0	0	0	0	189	0	0	0	189
Impairments	(8)	(10,513)	0	0	(6)	0	0	0	(10,527)
Reclassifications	450	3,969	0	(4,487)	60	0	8	0	0
Revaluations	(620)	(43,287)	0	0	0	0	0	0	(43,907)
Disposals	(2,416)	0	0	0	(1,509)	0	(40)	0	(3,965)
Cost or Valuation at 31 March 2013	4,184	9,174	0	881	22,699	31	6,353	191	43,513
Cost or valuation									
Accumulated Depreciation 1 April 2012	899	3,443	0	0	12,912	16	2,184	60	19,514
Provided during the period	0	1,332	0	0	2,055	5	1,000	18	4,410
Impairments	320	39,500	0	0	1,177	0	463	27	41,487
Revaluations	(620)	(44,275)	0	0	0	0	0	0	(44,895)
Disposals	(599)	0	0	0	(1,482)	0	(40)	0	(2,121)
Accumulated Depreciation at 31 March 2013	0	0	0	0	14,662	21	3,607	105	18,395
Net book value:									
Purchased	4,184	8,901	0	881	5,787	10	2,640	65	22,468
Leased	0	0	0	0	263	0	0	0	263
Donated	0	273	0	0	1,987	0	106	21	2,387
Total at 31 March 2013	4,184	9,174	0	881	8,037	10	2,746	86	25,118
Protection:									
NBV – protected assets	4,184	9,174	0	0	0	0	0	0	13,358
NBV – unprotected assets	0	0	0	881	8,037	10	2,746	86	11,760
Total at 31 March 2013	4,184	9,174	0	881	8,037	10	2,746	86	25,118

The protected assets are used in the provision of mandatory services.

15.1 Property, Plant and Equipment (cont'd)

2011/12	Land	Buildings Excluding Dwellings	Dwellings	Assets Under Construction and POA	Plant & Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2011	3,863	55,302	245	1,018	21,777	90	4,103	110	86,508
Additions – purchased	0	728	0	4,529	1,369	0	963	27	7,616
Additions – donated	0	0	0	0	837	0	18	23	878
Impairments charged to revaluation reserve	0	0	0	0	0	0	0	0	0
Reclassifications	0	72	0	(924)	5	0	856	0	9
Transfer to assets held for sale	(85)	0	(245)	0	0	0	0	0	(330)
Disposals	0	0	0	0	(957)	(59)	(241)	0	(1,257)
Cost or Valuation at 31 March 2012	3,778	56,102	0	4,623	23,031	31	5,699	160	93,424
Cost or valuation									
Accumulated Depreciation 1 April 2011	899	2,209	10	0	11,603	71	1,674	47	16,513
Provided during the period	0	1,234	3	0	2,220	4	751	13	4,225
Transfer to assets held for sale	0	0	(13)	0	0	0	0	0	(13)
Disposals	0	0	0	0	(911)	(59)	(241)	0	(1,211)
Accumulated Depreciation at 31 March 2012	899	3,443	0	0	12,912	16	2,184	60	19,514
Net book value:									
Purchased	2,879	48,900	0	4,623	7,026	15	3,358	75	66,876
Leased	0	0	0	0	302	0	0	0	302
Donated	0	3,759	0	0	2,791	0	157	25	6,732
Total at 31 March 2012	2,879	52,659	0	4,623	10,119	15	3,515	100	73,910
Protection:									
NBV – protected assets	2,879	52,659	0	0	0	0	0	0	55,538
NBV – unprotected assets	0	0	0	4,623	10,119	15	3,515	100	18,372
Total at 31 March 2012	2,879	52,659	0	4,623	10,119	15	3,515	100	73,910

The protected assets are used in the provision of mandatory services.

15.1 Property, Plant and Equipment (cont'd)

The Trust is currently planning to replace most of its buildings with a new Alder Hey in the Park. The final approval for the scheme was achieved in March 2013. The buildings have been impaired accordingly to reflect

their planned demolition – see note 13.

Additionally, the land on which the new Alder Hey in the Park will be built has been received from Liverpool City Council. The Trust now has to give a piece of land to the Council once the hospital is built. This land has been removed from the Trust's assets as at 31 March 2013.

15.2 Net Book Value of Property, Plant and Equipment in the Revaluation Reserve

	Land	Buildings Excluding Dwellings	Dwellings	Assets Under Construction and POA	Plant & Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
1 April 2011	8	11,126	85	0	54	0	2	1	11,276
Movement 2011/12	0	(239)	(85)	0	(27)	0	(2)	0	(353)
31 March 2012	8	10,887	0	0	27	0	0	1	10,923
Movement 2012/13	(8)	(9,765)	0	0	(21)	0	0	0	(9,794)
31 March 2013	0	1,122	0	0	6	0	0	1	1,129

16. Capital Commitments

Contracted capital commitments at 31 March 2013 not otherwise included in these financial statements:

	31 March 2013 £000	31 March 2012 £000
Property, plant and equipment	454	3,423
Intangible assets	0	0
Total	454	3,423

Contracted capital commitments relate to capital items/work which has been ordered but not received at 31 March 2013.

17. Inventories

17.1 Inventories

	31 March 2013 £000	31 March 2012 £000
Drugs	699	646
Consumables	595	836
Energy	58	53
Total	1,352	1,535
Of which held at net realisable value:	0	0

17.2 Inventory Movements

	2012/13 £000	2011/12 £000
Carrying value 1 April 2012	1,535	1,627
Additions	12,467	12,185
Inventories recognised in expenses	(12,590)	(12,277)
Write down of inventories	(60)	0
Carrying value 31 March 2013	1,352	1,535

18. Trade and Other Receivables

18.1 Trade and Other Receivables

	Current 31 March 2013	Non- current 31 March 2013	Current 31 March 2012	Non- current 31 March 2012
	£000	£000	£000	£000
NHS receivables	3,424	0	2,073	0
Other receivables from related parties	1,084	0	487	0
Provision for the impairment of receivables	(326)	0	(465)	0
PDC dividend receivable	0	0	171	0
VAT	836	0	1,062	0
Accrued income	1,398	0	1,329	0
Other receivables	759	0	481	0
Prepayments	3,065	131	3,322	196
Total	10,240	131	8,460	196

The great majority of trade is with Primary Care Trusts (superseded by Clinical Commissioning Groups on 1 April 2013), as commissioners for NHS patient care services. As these bodies are funded by government to buy NHS patient care services, no credit scoring of them is considered necessary.

Other related parties receivables include Local Authorities which are funded by the government. No credit score is considered necessary.

Other related parties receivables include The Alder Hey Children's Charity. No credit score is considered necessary.

18.2 Ageing of Impaired Receivables

	31 March 2013 £000	31 March 2012 £000
Up to 3 months from invoice date	13	66
In 3 to 6 months from invoice date	8	12
Over 6 months from invoice date	305	387
Total	326	465

18.3 Receivables Past Their Due Date but Not Impaired

	31 March 2013 £000	31 March 2012 £000
By up to 3 months	817	809
By 3 to 6 months	196	260
By more than 6 months	232	192
Total	1,245	1,261

Receivables are not impaired until amounts are uncertain to be received – usually when debtors indicate that there is a query.

18.4 Provision for Impairment of Receivables

	31 March 2013 £000	31 March 2012 £000
Balance at start of year	465	331
Increase in provision	94	206
Amount utilised	(82)	(23)
Unused amounts reversed	(151)	(49)
Balance at 31 March 2013	326	465

Provision for impairment of receivables is made where amounts are past due and are uncertain to be received. Usually the debtors have indicated that the charge is queried or that payment may not be made. The provision includes £286,000 of Injury Cost Recovery debt to reflect expected rates of collection.

19. Cash and Cash Equivalents

	31 March 2013 £000	31 March 2012 £000
Balance at 1 April 2012	50,696	24,990
Net change in year	3,759	25,706
Balance at 31 March 2013	54,455	50,696
Made up of:		
Cash with Government Banking Service	54,099	50,337
Commercial banks and cash in hand	356	359
Current investments	0	0
Cash and cash equivalents as in statement of financial position	54,455	50,696
Bank overdraft	0	0
Cash and cash equivalents as in statement of cash flows	54,455	50,696

20. Non-Current Assets Held for Sale

The Trust has no assets held for sale at 31 March 2013 (one at 31 March 2012 at a value of £317,000).

21. Trade and Other Payables

	Current 31 March 2013 £000	Current 31 March 2012 £000
NHS payables	1,441	2,576
Amounts due to other related parties	3,691	3,698
Other trade payables – capital	1,006	2,122
Other trade payables – revenue	1,728	2,433
Accruals	3,622	3,476
PDC dividend payable	266	0
Other	2,704	4,388
Total	14,458	18,693

21. Trade and Other Payables (cont'd)

Other payables include:

£1,339,000 (£1,331,000 at 31 March 2012) outstanding pension contributions at 31 March 2013.

NHS payables, other trade payables and accruals are expected to be paid within 30 days of receipt of a valid invoice.

Other creditors includes the accrual for untaken annual leave at 31 March 2013. It is expected that this will be used before 31 March 2014.

Other creditors also includes amounts for severance agreed but not yet paid as at 31 March 2013.

22. Other Liabilities

	Current 31 March 2013 £000	Current 31 March 2012 £000	Non Current 31 March 2013 £000	Non Current 31 March 2012 £000
Deferred income	2,999	1,227	3,193	0
Other	0	0	0	0
Total	2,999	1,227	3,193	0

Deferred income includes amounts received for the Alder Hey in the Park, due to be spent in future years.

23. Borrowings - Obligations Under Finance Leases

	31 March 2013 £000	31st March 2012 £000
Current	40	39
Non-current	223	263

24. Prudential Borrowing Limit

The Alder Hey Children's NHS Foundation Trust is required to comply and remain within a Prudential Borrowing Limit (PBL). This is made up of two elements:

(a) The maximum cumulative amount of long-term borrowing. This is set by reference to five ratios in Monitor's Prudential Borrowing Code. The financial risk rating set under Monitor's Compliance Framework determines one of the ratios and therefore can impact on the Long Term Borrowing Limit.

(b) The amount of any working capital approved by Monitor.

Further information on the NHS Foundation Trust Borrowing Code and Compliance Framework can be found on the website of Monitor, the Independent Regulator of Foundation Trusts.

The Trust had a PBL of £36.5m which related to long-term borrowing. As detailed, the Trust was within the approved ratios after adjusting for the impairment.

	2012/13 Actual Ratio	2012/13 Approved Ratio	2011/12 Actual Ratio	2011/12 Approved Ratio
	£000	£000	£000	£000
Minimum dividend cover	18	1	13	1
Minimum interest cover	2,081	3	2,341	3
Minimum debt service cover	367	2	478	2
Maximum debt service to revenue	0.03%	3%	0.03%	3%

25. Provisions

	Current 31 March 2013	Non- current 31 March 2013	Current 31 March 2012	Non- current 31 March 2012
	£000	£000	£000	£000
Pensions relating to former directors	10	38	9	47
Pensions relating to other staff	76	595	73	618
Legal claims	181	0	194	0
Other	1,712	2,777	10,243	0
Total	1,979	3,410	10,519	665

Other provisions include £3m of expenditure commitment for the Alder Hey in the Park.

25. Provisions (cont'd)

	Pensions Relating to Former Directors	Pensions Relating to Other Staff	Legal Claims	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2011	63	464	216	0	743
Change in discount rate	0	3	0	0	3
Arising during the period	0	289	158	10,243	10,690
Used during the period	(9)	(78)	(136)	0	(223)
Reversed unused	0	0	(44)	0	(44)
Unwinding of discount	2	13	0	0	15
At 31 March 2012	56	691	194	10,243	11,184
At 1 April 2012	56	691	194	10,243	11,184
Change in discount rate	0	22	0	0	22
Arising during the period	0	4	167	4,489	4,660
Used during the period	(10)	(65)	(150)	(10,159)	(10,384)
Reversed unused	0	0	(30)	(84)	(114)
Unwinding of discount	2	19	0	0	21
At 31 March 2013	48	671	181	4,489	5,389
Expected timing of cash flows:					
- within 1 year	10	76	181	1,712	1,979
- between 1 and 5 years	38	244	0	2,777	3,059
- after 5 years	0	351	0	0	351

Pensions for former employees have been estimated using life expectancy from the Government's actuarial tables.

Legal claims relate to third party and employer liability claims and have been estimated by the NHS Litigation Authority. It is expected that these claims will be settled in the next year.

£32,719,190 (£28,756,057 at 31 March 2012) is included in the provisions of the NHS Litigation Authority at 31 March 2013 in respect of clinical negligence liabilities of the Trust.

26. Contingent Liabilities

The Trust has no contingent liabilities.

27. Related Party Transactions

Alder Hey Children's NHS Foundation Trust is a public interest body authorised by Monitor, the Independent Regulator for NHS Foundation Trusts.

During the period none of the Trust Board members or members of the key management staff, or parties related to any of them, has undertaken any transactions with Alder Hey Children's NHS Foundation Trust.

The Department of Health is regarded as a related party. During the period Alder Hey Children's NHS Foundation Trust has had a significant number of transactions with the Department, and with other entities for which the Department is regarded as the parent Department. The transactions relate mainly to the provision of healthcare services and purchase of services in the ordinary course of business. The entities are:

	Income	Expenditure	Receivables	Payables	Impairment Recognised as Expense
	£000	£000	£000	£000	£000
Liverpool PCT	34,765	119	55	1	0
Sefton PCT	12,677	0	1	0	0
Knowsley PCT	7,527	0	6	0	0
Western Cheshire PCT	84,749	0	42	0	0
Barnsley PCT	478	0	0	11	0
Birmingham E&N PCT	3,286	0	598	0	0
Halton & St Helens PCT	602	0	76	0	0
Bridgewater Community HealthCare NHS Trust	853	3	210	0	0
Central Manchester University Hospital NHS Foundation Trust	1,562	446	528	338	0
Liverpool Women's NHS Foundation Trust	1,082	524	224	24	0
Royal Liverpool & Broadgreen NHS Trust	1,014	532	27	262	0
North West SHA	9,049	0	44	0	0
London SHA	2,434	0	366	0	0
Department of Health	2,237	1	129	266	0
NHS Litigation Authority	0	1,707	0	3	0
St Helens & Knowsley Hospitals NHS Trust	114	64	34	404	0
NHS Blood and Transplant (excluding Bio Products Laboratory)	2	1,030	0	21	0
All Other NHS Bodies	2,706	1,725	1,100	377	0

27. Related Party Transactions (cont'd)

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local government bodies. Most of these transactions have been with:

	Income	Expenditure	Receivables	Payables	Impairment Recognised as Expense
	£000	£000	£000	£000	£000
Liverpool City Council	1,495	578	685	23	0
Welsh Assembly Government (incl all other Welsh Health Bodies)	11,338	0	169	4	0
HM Revenue & Customs - VAT	0	0	836	0	0
HM Revenue & Customs – Other taxes and duties	0	0	0	1,288	0
National Insurance Fund	0	6,802	0	1,052	0
NHS Pension Scheme	0	10,080	0	1,339	0
Other WGA Bodies	85	109	102	1	0

The Trust has a number of transactions with Edge Hill University. Steve Igoe, Non-Executive Director is the Pro Vice-Chancellor for Resources of the University. £56k was incurred in expenditure during 2012/13 whilst £148k was received in income. Outstanding receivables at 31 March 2013 were £3k whilst outstanding payables were nil.

The Alder Hey Children's Charity has independent Trustees with effect from 1 April 2011. At 31 March 2013 the amount due from the Charity was £125,000. During the period, the Trust has received £149,000 from the Charity.

The Trust has also received revenue and capital payments from a number of charitable funds, certain of the trustees for which are also members of the Trust Board. The Chair of the Trust is a Trustee of the Imagine Appeal from whom the Trust has received £40,000 during the period.

Transactions with related parties are on a normal commercial basis.

28. Post Balance Sheet Events

There are no adjusting or non adjusting post balance sheet events.

29. Financial Instruments

29.1 Financial Assets

	Loans and receivables 31 March 2013 £000	Loans and receivables 31 March 2012 £000
Trade and other receivables	7,175	4,967
Cash and cash equivalents	54,455	50,696
Other financial assets	0	0
Total at 31 March 2013	61,630	55,663

29.2 Financial Liabilities

	Other 31 March 2013 £000	Other 31 March 2012 £000
Trade and other payables	12,118	16,350
Obligations under finance lease	263	302
Other financial liabilities	0	0
Total at 31 March 2013	12,381	16,652

29.3 Financial Risk Management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with primary care trusts and the way those primary care trusts 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's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Liquidity risk

Alder Hey Children's NHS Foundation Trust net operating costs are incurred under legally binding contracts with local primary care trusts (PCTs). The Trust receives regular monthly payments from PCTs based on an agreed contract value with adjustments made for actual services provided.

The Trust finances its capital expenditure from internally generated funds or Public Dividend Capital made available by the Department of Health. The Trust is therefore not exposed to significant liquidity risks.

Interest rate risk

All of the Trust's financial assets carry nil or fixed rates of interest. The Trust is not exposed to significant interest rate risk.

Foreign 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.

Price risk

The contracts from NHS commissioners in respect of healthcare services have a pre-determined price structure which negates the risk of price fluctuation.

Credit risk

The contracts from NHS commissioners in respect of healthcare services are agreed annually and take into account the commissioners' ability to pay and hence the credit risk is minimal.



We respect the views and decisions of every child. Alder Hey was the first children's hospital in the UK to be accredited by Investing in Children and our Renal, Oncology, PALs and Arts in Health Services have also been individually accredited. We are one of a few hospitals to have a Children and Young Person's Forum. The Forum meets regularly with Trust staff and has provided guidance to both of the bidders for our new hospital as well as supporting the recruitment of key Board level posts.

Yasmin Dinler

Aged 9



INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS OF ALDER HEY CHILDREN'S NHS FOUNDATION TRUST

We have audited the financial statements of Alder Hey Children's NHS Foundation Trust for the year ended 31 March 2013 on pages 131 to 176. These financial statements have been prepared under applicable law and the NHS Foundation Trust Annual Reporting Manual 2012/13.

This report is made solely to the Board of Governors of Alder Hey Children's NHS Foundation Trust in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Board of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Governors of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.

Respective Responsibilities of the Accounting Officer and the Auditor

As described more fully in the Statement of Accounting Officer's Responsibilities on page 96 the accounting officer is responsible for the preparation of financial statements which give a true and fair view. Our

responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice's Board's Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the accounting officer and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- Give a true and fair view of the state of Alder Hey Children's NHS Foundation Trust's affairs as at 31 March 2013 and of its income and expenditure for the year then ended; and
- Have been prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2012/13.

Opinion on Other Matters Prescribed by the Audit Code for NHS Foundation Trusts

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on Which We Are Required to Report by Exception

We have nothing to report where under the Audit Code for NHS Foundation Trusts we are required to report to you if, in our opinion, the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements¹.

We are not required to assess, nor have we assessed, whether all risks and controls have been addressed by the Annual Governance Statement or that risks are satisfactorily addressed by internal controls.

Certificate

We certify that we have completed the audit of the accounts of Alder Hey Children's NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor.

Trevor Rees for and on behalf of KPMG LLP, Statutory Auditor.


Trevor Rees

KPMG LLP, CHARTERED ACCOUNTANTS

ST JAMES' SQUARE
MANCHESTER
M2 6DS
30 MAY 2013

¹ Where the AGS does not meet the disclosure requirements of the NHS Foundation Trust Annual Reporting Manual or is misleading or inconsistent with other information forthcoming from the audit, the auditors must refer to this in the audit opinion, although this does not result in a qualification of the accounts (para 5.8 of the March 2011 FT Audit Code).



A young man with glasses is lying in a hospital bed, smiling. A large blue elephant mascot with white dashed lines and a trunk is leaning over the bed. A stuffed monkey is hanging from a medical stand above the bed. The background shows a hospital room with a desk and chair.

As Alder Hey moves towards its centenary year in 2014, we are embarking on a new and exciting era by building a new hospital in the park. Alder Hey in the Park will be a purpose-built, unique and world class healing environment for children and young people. Building work will begin in March 2013 with the new Alder Hey set to open its doors in 2015. Our new hospital will make a huge difference to our patients of every age.

Craig Owens

Aged 19

2012-13 LIMITED ASSURANCE OPINION ON THE CONTENT OF THE QUALITY REPORT AND MANDATED PERFORMANCE INDICATORS

Independent Auditor's Report to the Board of Governors of Alder Hey Children's NHS Foundation Trust on the Quality Report

We have been engaged by the Board of Governors of Alder Hey Children's NHS Foundation Trust to perform an independent assurance engagement in respect of Alder Hey Children's NHS Foundation Trust's Quality Report for the year ended 31 March 2013 (the "Quality Report") and certain performance indicators contained therein.

Scope and Subject Matter

The indicators for the year ended 31 March 2013 subject to limited assurance consist of the national priority indicators as mandated by Monitor:

- Clostridium Difficile – all cases of Clostridium Difficile positive diarrhoea in patients aged two years or over that are attributed to the Trust; and
- 62 Day cancer waits – the percentage of patients treated within 62 days of referral from GP.

We refer to these national priority indicators collectively as the "indicators".

Respective Responsibilities of the Directors and Auditors

The Directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the NHS Foundation Trust Annual Reporting Manual issued by Monitor.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- The Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified below; and,
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Detailed Guidance for External Assurance on Quality Reports.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes for the period April 2012 to May 2013;
- Papers relating to Quality reported to the Board over the period April 2012 to May 2013;
- Feedback from the Commissioners dated May 2013;
- Feedback from local Healthwatch organisations dated May 2013;
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, 2012/13;
- The 2012/13 national patient survey;
- The 2012/13 national Staff Survey;
- Care Quality Commission quality and risk profiles 2012/13; and
- The 2012/13 Head of Internal Audit's annual opinion over the Trust's control environment.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the "documents"). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Alder Hey Children's NHS Foundation Trust as a body, to assist the Council of Governors in reporting Alder Hey Children's NHS Foundation Trust's Quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2013, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Alder Hey Children's NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.

Assurance Work Performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000').

Our limited assurance procedures included:

- Evaluating the design and implementation of the key processes and controls for managing and reporting the indicators.
- Making enquiries of management.
- Testing key management controls.
- Limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation.
- Comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report.
- Reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Report in the context of the criteria set out in the NHS Foundation Trust Annual Reporting Manual.

The scope of our assurance work has not included governance over quality or non-mandated indicators which have been determined locally by Alder Hey Children's NHS Foundation Trust.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2013:

- The Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified above; and,
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual.

Trevor Rees

KPMG LLP, STATUTORY AUDITOR

**MANCHESTER
28TH MAY 2013**



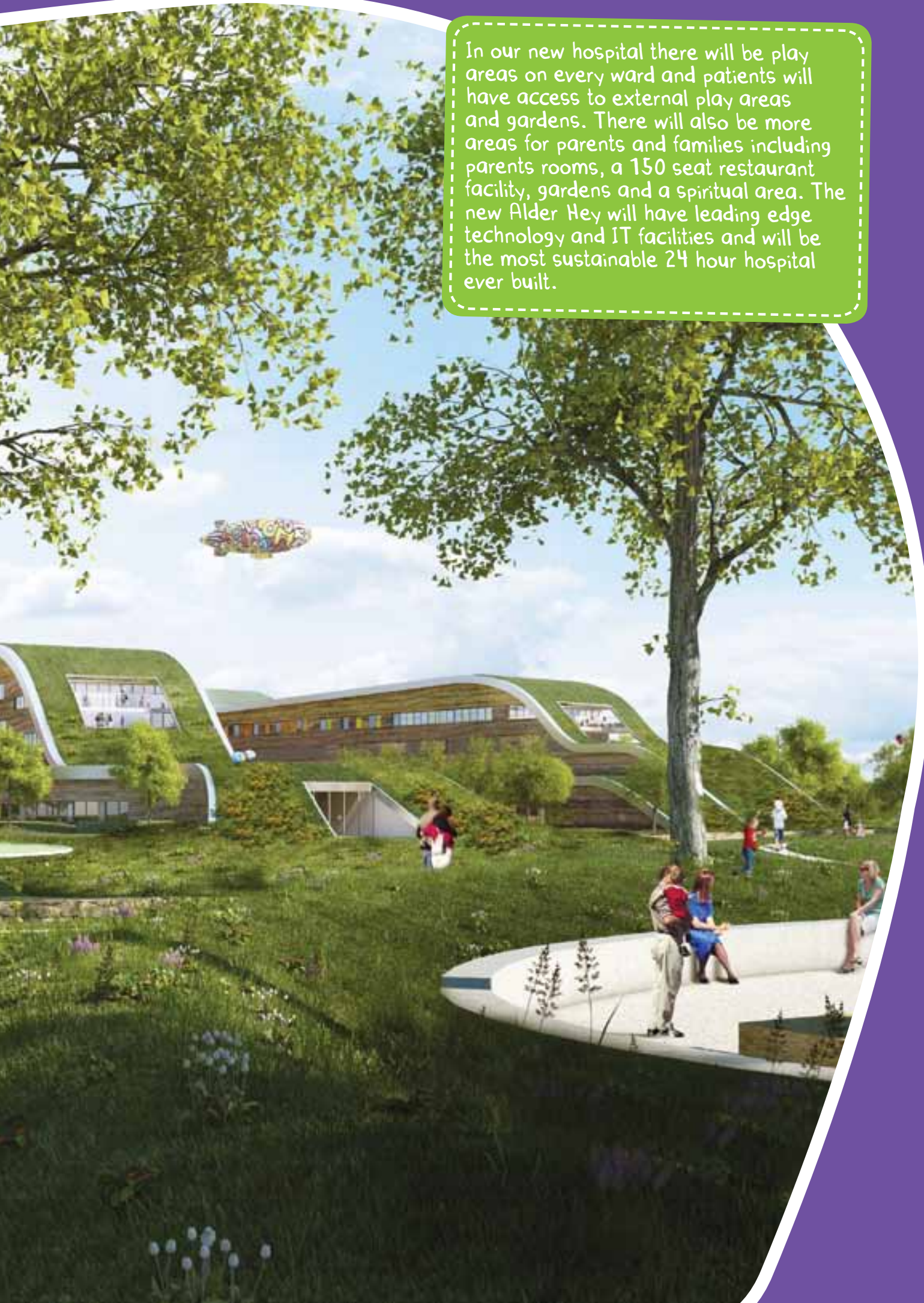
Alder Hey provides care and treatment for all ages of children and young people from tiny neonates to teenagers and young adults. Our older patients would appreciate greater privacy while our younger children need more space to play. The new hospital will have 270 beds and 75% of rooms will be single-bed occupancy with en-suite facilities.

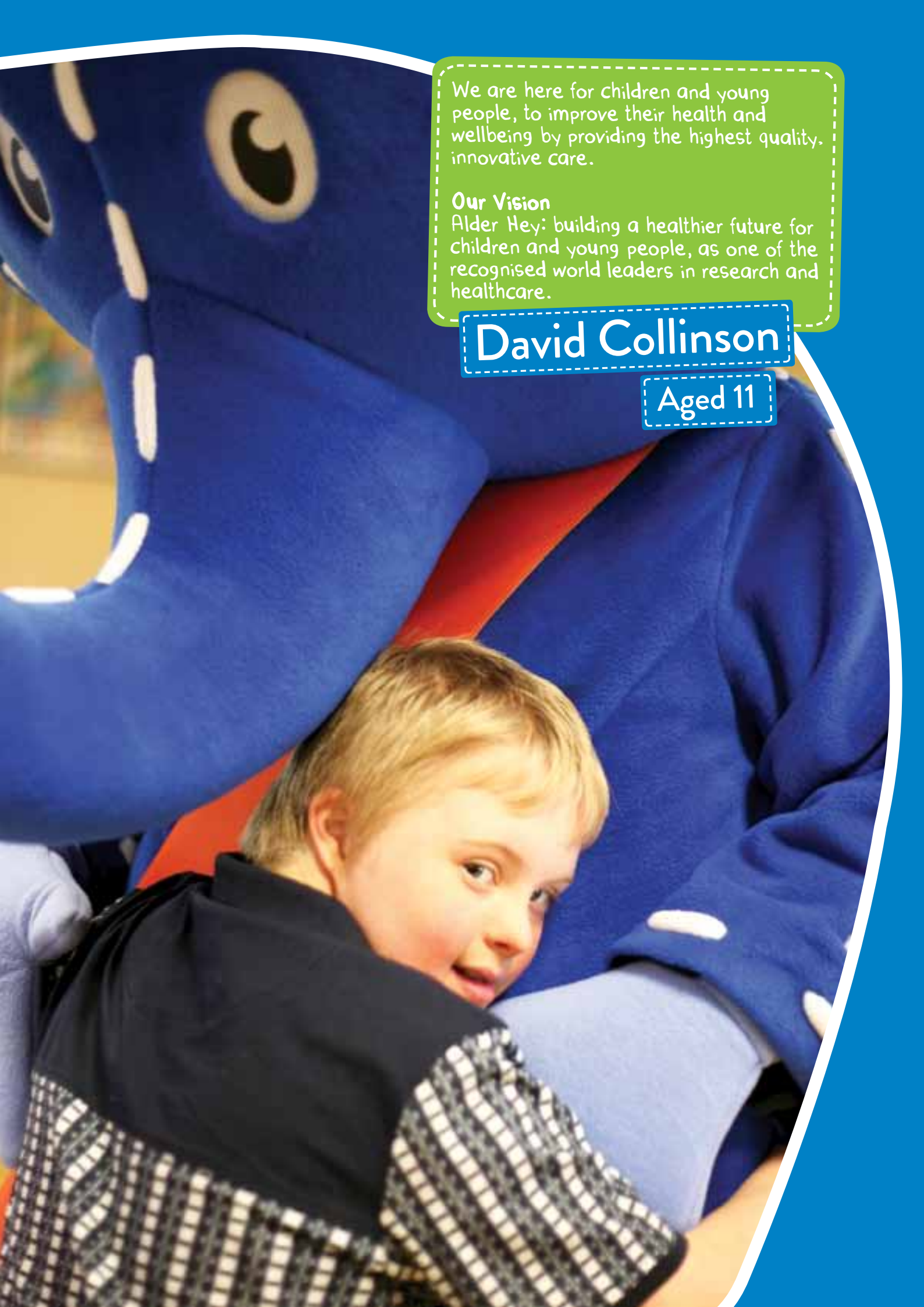
Esbea Rowland

Aged 14



In our new hospital there will be play areas on every ward and patients will have access to external play areas and gardens. There will also be more areas for parents and families including parents rooms, a 150 seat restaurant facility, gardens and a spiritual area. The new Alder Hey will have leading edge technology and IT facilities and will be the most sustainable 24 hour hospital ever built.





We are here for children and young people, to improve their health and wellbeing by providing the highest quality, innovative care.

Our Vision

Alder Hey: building a healthier future for children and young people, as one of the recognised world leaders in research and healthcare.

David Collinson

Aged 11

Alder Hey Children's 
NHS Foundation Trust

If you would like any more information about any of the details in this report, please contact:

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By telephone: 0151 228 4811
By email: communications@alderhey.nhs.uk

www.alderhey.nhs.uk