‘Our vision is to excel at patient care’
## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Welcome from the Chairman and Chief Executive</td>
<td>3</td>
</tr>
<tr>
<td>Our high level strategic aims 2019 - 2023</td>
<td>4</td>
</tr>
<tr>
<td>Coventry and Warwickshire Healthcare Partnership update</td>
<td>5</td>
</tr>
<tr>
<td><strong>Section 1 – Performance Report</strong></td>
<td>6</td>
</tr>
<tr>
<td>Trust overview; our vision, our services; values and objectives</td>
<td>6</td>
</tr>
<tr>
<td>Going concern statement and emergency preparedness</td>
<td>9</td>
</tr>
<tr>
<td>Highlights of the year</td>
<td>11</td>
</tr>
<tr>
<td>Operational performance overview</td>
<td>15</td>
</tr>
<tr>
<td>Performance management framework</td>
<td>17</td>
</tr>
<tr>
<td><strong>Section 2 – Financial Accountability Reports</strong></td>
<td>20</td>
</tr>
<tr>
<td>Overview</td>
<td>20</td>
</tr>
<tr>
<td>Corporate Governance Report</td>
<td>20</td>
</tr>
<tr>
<td>• Directors’ report</td>
<td>20</td>
</tr>
<tr>
<td>• Register of Interests</td>
<td>26</td>
</tr>
<tr>
<td>• Statement of the Chief Executive’s responsibilities as the Accountable Officer of the Trust</td>
<td>27</td>
</tr>
<tr>
<td>• Statement of directors’ responsibilities in respect of the accounts</td>
<td>28</td>
</tr>
<tr>
<td>• Governance statement</td>
<td>29</td>
</tr>
<tr>
<td>Remuneration and Staff report</td>
<td>40</td>
</tr>
<tr>
<td>Financial performance</td>
<td>53</td>
</tr>
<tr>
<td><strong>Section 3 – Annual Accounts</strong></td>
<td>57</td>
</tr>
<tr>
<td>Independent Auditors’ report</td>
<td>57</td>
</tr>
<tr>
<td>Annual accounts</td>
<td>61</td>
</tr>
<tr>
<td><strong>Supporting Notes</strong></td>
<td>62</td>
</tr>
<tr>
<td>Glossary</td>
<td>62</td>
</tr>
<tr>
<td>Acknowledgements, feedback form and accessibility</td>
<td>63</td>
</tr>
</tbody>
</table>
Welcome from the Chairman and Chief Executive

It has been a remarkable year for George Eliot Hospital Trust, with the last quarter of the year dominated by the Covid-19 (Coronavirus) pandemic which brought huge demand on our staff and services.

Autumn 2019 saw us refresh our Trust Strategy which will guide our activity until 2023. Our strategy can be summarised under four key priority areas (see also page 4 below).

- We will embrace our role as a District General Hospital, delivering the best quality, safest care to our local population - focussing on the key clinical priorities of emergency medicine, elective care, cancer and mortality. We will do this strongly and quickly to improve our patients’ experience.
- Secondly, we will take a leading role in the development of Place-based services, adopting a system-wide view in developing and delivering new models of care.
- Thirdly, we will listen to and engage with our staff to create a culture of true partnership.
- And finally, Transform our services and enable our progress by focussing on our key enablers - ICT, our estate and workforce.

Our staff made a major contribution to the development of the strategy through our ‘Shaping our Future’ engagement sessions and we are committed to continue these listening exercises as we deliver our plans for the future. Our teams were clear on what the areas of focus should be, and we listened.

Whilst developments in service provision and further increases in activity are clearly most notable, our stewardship of public funding is also an important focus. So I am very pleased to report that we achieved our Financial Control Total which ensured that we were able to access central funding through the Financial Recovery Fund to end the year in a break-even position overall for the first time in a decade. This is an excellent achievement, given our position in recent years and one which was also testimony to the very close working relationships we have developed within the local healthcare system.

The 2019/20 year also saw us develop and strengthen our Foundation Group with South Warwickshire NHS Foundation Trust and Wye Valley NHS Trust. This has started to produce tangible benefits including a group-wide, agreed approach to improvement. The Quality Service Improvement and Redesign process provides a ‘toolkit’ of methods that helps create a consistent approach to empower staff to make changes to support care delivery, efficiencies or productivity. We have also developed a joint approach to developing our leaders’ skills. We want to develop a leadership culture that encourages people to innovate, try new ideas and learn from mistakes. Wherever possible we want to encourage our leaders to take an inclusive approach, allowing staff to develop solutions. These initiatives, coupled with developments in shared IT strategy and procurement collaboration, shows that the Foundation Group arrangement is delivering results for each individual organisation.

The Covid-19 (Coronavirus) Pandemic had a huge impact on the Trust in spring 2020. We want to thank our staff for their amazing work over this period in planning and delivering great care to our local population. It was also humbling to see the affection and respect that our community showed towards George Eliot Hospital and its staff during this challenging time. The donations we received made a big difference to our staff and patients and the memory of the weekly tributes paid to the NHS will stay with us all for the rest of our lives.
As we move to restore our services, it's important that we realise that there will be a ‘new normal’ for our organisation and services. Many of the innovations we made in reaction to the pandemic will stay with us – helping us plan positively for the future and working more closely with our health and care partners. The sadness we feel for the families and friends who lost a loved one is overwhelming. But the learning and changes that came from the pandemic offer a source of light for the future as we emerge from the darkness of the outbreak.

Our thanks again go to our dedicated staff and the supportive communities of Nuneaton, Bedworth and South West Leicestershire.

Russell Hardy
Chairman

Glen Burley
Chief Executive

Our high-level strategic aims 2019 – 2023
that will run from Ward to Board

- Embrace our role as a District General Hospital, delivering the best quality, safest care to our local population
  We will focus on the key clinical priorities of emergency medicine, elective care, cancer and mortality. We will do this strongly and quickly to improve our patients’ experience.

- Take a leading role in the development of Place-based services, adopting a system-wide view in developing and delivering new models of care
  The NHS Long Term Plan set out by the Government priorities prevention and joined-up care. We are working with healthcare, education and local authority partners to develop plans that serve patients across our North Warwickshire community or ‘Place’.

- Listen to and engage with our staff to create a culture of true partnership
  Through our Shaping Our Future initiative, our staff have influenced our strategy through an engagement process that has captured their ideas, concerns and priorities as we plan for the future of George Eliot Hospital. We will continue to listen.

- Transform our services and enable our progress by focussing on our key enablers - ICT, our estate and workforce.
Coventry & Warwickshire Health & Care Partnership

Former Chief Executive of The King’s Fund Professor Sir Chris Ham continues his role as Independent Chair of the Partnership. Chris brings a wealth of experience and knowledge to Coventry and Warwickshire and will continue to play an important role as we look to integrate services more closely across our health and care system.

The new NHS Long Term Plan, launched in January 2019, gives us an opportunity to review our local plan to consider the additional funding the NHS will receive over the next five years. We expect a revised version of our local plan to be published later this year.

To ensure our plan meets the needs of local people we have engaged with those who know health and care services the best – patients, staff and the public. We sought their views on how to improve health and care and how we can best use our combined resources. This includes working closely with our local authorities, and with local voluntary and community groups.

Patients, staff and local residents can find out more about opportunities to get involved by emailing info@bettercarecovwarks.org.uk or go to the Partnership’s website at www.happyhealthylives.uk

Alternatively, connect with us at facebook.com/healthyhappycw or follow on Twitter at twitter.com/healthyhappycw
Section 1 - Performance Report

Trust overview

George Eliot Hospital NHS Trust provides a range of elective, non-elective, surgical, medical, women’s, children’s, diagnostic and therapeutic services to a population of more than 300,000 people.

Average number of employees (whole time equivalent basis): 2,502

Total number of beds (General & Acute): 300

The hub of the Trust is located on the outskirts of Nuneaton and its services cover a large footprint, including North Warwickshire, South West Leicestershire, and North Coventry.

The Trust also provides a range of community services, delivered across Coventry, Warwickshire and Leicestershire. These include sexual health, the Warwickshire Special Care Dental Service and tuberculosis services for Coventry and Warwickshire.
# Our Services

## Medical
- Accident and Emergency and Urgent Care Centre
- Acute Medical Unit
- Ambulatory Care Unit
- Cardiology
- Chronic Fatigue
- Chronic Pain
- Diabetes
- Endocrinology
- Gastroenterology
- Geriatric Medicine
- Infection Prevention
- Nephrology
- Ophthalmology
- Osteoporosis Screening
- Palliative Medicine
- Respiratory Care
- Rheumatology
- Stroke
- Transient Ischemic Attack (TIA)

## Women’s and children’s
- Midwifery
- Gynaecology
- Maternity
- Obstetrics
- New-born Hearing Screening
- Paediatrics
- Special Care Baby Unit

## Diagnostic and therapeutic
- Acute Medical Unit
- Ambulatory Care Unit
- Bereavement Support
- Cardio Respiratory Unit
- Chaplaincy
- Clinical Psychology
- Endoscopy
- Macmillan Cancer Support
- Occupational Therapy
- Oncology
- Outpatients
- Pathology
- Pharmacy
- Physiotherapy
- Radiology
- Research and Development
- Speech and Language Therapy

## Surgical
- Anaesthetics
- Breast Care
- Colorectal
- Ear Nose and Throat
- Maxillofacial
- Neurosurgery
- Organ Donation
- Orthopaedics
- Plastic and Reconstructive Surgery
- Theatres
- Urology
- Vascular

## Community
- Coventry and Warwickshire Community TB Service
- Sexual Health Services Warwickshire
- Warwickshire Special Care Dental Service
Our vision, values and objectives

Our vision at George Eliot Hospital NHS Trust is to “EXCEL at patient care”

We believe that the best way to provide exceptional care is to take a value-led approach. We also believe that exceptional care can be delivered by striving to reach a number of strategy objectives:

Our core value pledges are:
- Effective open communication
- EXcellence and safety in everything we do
- Challenge but support
- Expect respect and dignity
- Local health that inspires confidence.

Our strategic objectives are to:
- Constantly deliver safe, high quality care
- Enhance patient experience by providing local care tailored to the individual needs of the patient
- Develop partnership arrangements to promote and deliver a comprehensive range of value for money integrated services, to protect and improve the health of the local community
- Empower, develop and support our staff to encourage positive leadership at every level
- Maintain financial stability, hit all agreed targets and satisfy our regulators.

Going concern statement

In accordance with international accounting standards, management is required to assess whether it is appropriate to prepare the accounts on a going concern basis. There are no plans for the dissolution of the Trust and it is anticipated that services will continue to be provided in the future. The financial statements have therefore been prepared on a going concern basis.

In preparing the financial statements, the Board of Directors has considered the Trust’s overall financial position and expectations of future financial support. The Trust received deficit support loan funding of £3.7m during 2019/20, all of which was repaid in year in line with the plan. In addition, loan funding amounting to £13.3m was drawn down in advance of Public Sustainability Fund (PSF)/Financial Recovery Fund (FRF). The Trust has delivered the control total for the year and has received the remaining PSF/FRF in May 2020.

The usual planning process has been suspended by NHS Improvement due to the pandemic and is expected to be revisited later in the year. The impact of this is that the Trust is not required to agree contracts in advance of the financial year and is not expected to commence delivery of savings plans. NHS Improvement has introduced temporary arrangements for the first four months of 2020/21 to reduce the burden on the NHS whilst managing the impact of the pandemic. This will include fixed monthly payments and additional funding to address both on-going expenditure and the exceptional costs of the pandemic. The temporary arrangements will provide cash in advance in order to facilitate prompt payment of suppliers, with retrospective claims to be made for exceptional costs incurred.

The arrangement will be in place at least until July and the Trust Board has approved an annual budget based on the temporary funding arrangements to ensure that appropriate financial governance continues. Whilst on-going arrangements have not yet been definitively announced, NHS England and NHS Improvement have made a statement available which confirms that a Government mandate has been provided to NHS England for the continued provision of health services in England. Clinical Commissioning Groups have been given funding allocations which include sufficient funding for the remainder of 2020/21. Trusts are therefore advised to continue to expect funding to flow at similar levels to that previously provided where services are reasonably still expected to be commissioned.
Emergency preparedness, resilience and response

The Trust has a vital role in responding to major and business continuity incidents. As a Category 1 responder under the Civil Contingencies Act 2004 the Trust has a duty to be prepared and ensure planning arrangements are in place to enable the effective and efficient prevention, reduction, control, mitigation of, and response to emergencies.

These emergencies can range from major incidents, such as serious road traffic accidents involving multiple casualties, to business continuity following a cyber-attack. The Trust’s major and business continuity incident planning arrangements are regularly reviewed and tested to ensure they are in-line with legislation and best practice. As such, in partnership with other local health resilience groups, the Trust can ensure there is a robust multi-agency response to any future incident.

As part of NHS England annual core standards assurance process the Trust has been rated as 'substantial' for 2019.
Highlights of the Year

Hospital receives award for outstanding work experience provision
In April the Trust applied for Silver Work Experience Standard accreditation, and was pleased to be told that they had exceeded expectations to achieve Gold, demonstrating the Trust recognises the value of high-quality work experience and employability provision, and strives to raise achievement among learners.

Theatre practitioner recognised at prestigious healthcare awards
Theatre Operating Department Practitioner, Fiona Deeley was given the accolade of Rising Star at the 2019 Advancing Healthcare Awards ceremony. She was nominated by Theatre Manager, Paula Quinn for always ensuring, and enhancing, patient safety within the theatres department by introducing a new way of recording patients’ temperatures before, during and after operations, as well as introducing new equipment within the hospital.

Respiratory care team scoops national award
Our respiratory care team were named Respiratory Team of the Year as part of the annual 2019 Association of Respiratory Nurse Specialists conference.

The award acknowledged the team’s phenomenal work with patients in Nuneaton and the surrounding areas, which includes the hospital’s successful Singing for Breathing group, as well as its monthly Respiratory Support Group and the team’s work to help patients dealing with long-term, life-limiting conditions and stages of grief.

HSDU (Hospital Sterilisation and Decontamination) Going for Good
The Trust’s decontamination unit passed an internationally recognised standard with near-perfect marks.

HSDU, provides decontamination services and reusable instrument cleansing in the hospital, as well as to dental and medical centres across Warwickshire, was successful in attaining BS EN ISO 13485 with only one minor non-conformance.

It followed 12 months of work by the HSDU team, who continued to provide their high levels of service during the process, and a rigorous, two-day inspection by auditors who highlighted how impressed they were with the staff’s knowledge, how efficient the team are and how swiftly they dealt with requests.

Serenity Garden project
When taking up her role as Mayor of Nuneaton and Bedworth in May, June Tandy announced that the Serenity Garden would be her sole charity as part of her role as civic Mayor for 2019/20. When complete the garden will be a rehabilitation space for stroke and dementia patients, and a sanctuary for patients to spend time with their carers’ and families. The Trust is immensely grateful for this generous boost to the fundraising campaign.

Breast care nurse Annette celebrates 45 years at the Trust
Nurse Annette Tracey celebrated 45 years at the Hospital in May, including 33 years within its busy breast care unit. Annette is the longest serving member of the breast care team providing breast care support to people before, during and after their treatment, or operation. Her role provides general advice and specialist support and is an invaluable part of the team of consultants, nurses, breast care assistants and radiologists.

Excellence rating in education following successful quality review
A sense of family, positive teaching culture and investment in people and facilities made provisions at the hospital for undergraduate medical students stand out in an educational quality assurance visit in July.
The Medical Education Department at the Trust hosted an educational quality assurance visit from Warwick Medical School in May, with the visiting team highly commending the culture of education and enthusiasm they saw. The visit was a great success and highlighted the open, supportive and friendly culture across all disciplines, a willingness to address issues, put robust systems and processes in place and the integration of education.

**Nursing staff shortlisted for two prestigious awards**
The Infection Prevention team and End of Life Facilitator, Audrey Coakley were shortlisted for a Nursing Times award. The Infection Prevention and Control team were nominated for their work on improving patient hand hygiene before meals and how this could stop the spread of infections.

End of Life Care Facilitator, Audrey Coakley, was shortlisted for the Nurse of the Year award for her work within Palliative Care always ensuring patients, staff and their loved ones are supported during their end of life care.

**Highly commended at patient safety awards**
Work to reduce and prevent hypothermia in new-born babies led the Trust to receive a Highly Commended award at the 2019 national HSJ patient safety awards.

The Keeping Babies Warm campaign launched in spring 2018 has since seen a significant drop in babies being admitted to the neonatal unit at the Hospital because they weren’t warm enough, during the first few hours after birth.

**Local team wins national excellence award**
A partnership of hospitals, hospices and volunteers across Coventry and Warwickshire that supports people affected by Parkinson’s disease was recognised with a national award.

Coventry and Warwickshire’s Parkinson’s Multi-Disciplinary Team were honoured with the UK Parkinson’s Excellence Network Trophy in recognition of the outstanding partnership working that has been developed between local health services. This local partnership initiative increased the number of people and carers affected by Parkinson’s attending local hospices for respite care. They were recognised for providing a gold standard quality service for their multi-disciplinary team approach to comprehensive patient care.

**New strategy sets the future direction for the Trust**
A new strategy emphasizing the importance of working with other health and care partners in the North Warwickshire area while maintaining focus on key hospital services that serve local people was launched during September.

The new strategy agreed by the hospital’s Trust Board followed a listening exercise with staff who had the opportunity to attend a series of events, run by our Chief Executive Glen Burley and Managing Director David Eltringham, to give their views.

**Our Wellbeing reading group involved in 2019 Booker Prize competition**
The staff reading group set up in the spring of 2019 were one of 12 across the country to be involved in the 2019 Booker Prize.

The group, set up as part of the NHS Trust’s support for the 2019 Coventry and Warwickshire Year of Wellbeing, were asked to read and discuss prize contender Girl, Woman, Other1 by Bernardine Evaristo. Members of the fledging group had to share an overview of their discussion with the organisers through the Reading Agency.

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1 Girl, Women Other became joint first winner of the Booker Prize 2019 alongside Margaret Atwood’s Secret to a Handmaid’s Tale
Celebrations for birthday of author who inspired the hospital’s name

The hospital, named George Eliot after the pen name of Mary Ann Evans who grew up nearby, hosted a range of events to celebrate the Victorian novelist’s bicentenary.

Nuneaton-born Eliot wrote eight novels, which are mostly set in provincial England and known for their realism and psychological insight. She used a male pen name because she believed it would ensure that her works would be taken seriously.

After the birth of the hospital, several wards were named after characters from Eliot’s books - including Bob Jakin, Felix Holt, Dorothea, Romola, Mary Garth, Adam Bede and Solomon Macey. George Eliot’s partner, George Henry Lewes, was also recognised through the naming of the organisation’s Lewes House building. The Cheverel Wing is named after George Eliot’s name for nearby Arbury Hall.

Traineeship success

The Trust supported four trainees who successfully undertook a brand new education and training programme at the hospital.

Traineeships offer valuable work experience for those looking to get an apprenticeship or full time work. The Traineeships were 8 weeks long and involved a combination of work placements in the hospital as well as classroom based support with broadening skills such as budget managing, CV writing, interview skills and IT training.

Following the traineeships work placements were offered within the Stores, Estates and Post Room teams giving each trainee a valuable insight into working within a busy hospital.

Right first time

The Trust got a special mention in the NHS Getting it Right First Time good practice handbook for its specialist nurse phone service for post-op support, which helps avoid unnecessary re-admissions and A & E attendance.

New homebirth bags for community midwives

Community midwives received new homebirth bags to support mums-to-be that choose to give birth to their baby at home rather than in a hospital environment.

The bags, supplied by Baby Lifeline, were kindly purchased by the hospital's League of Friends Charity and will replace the current homebirth bags with standardised equipment following a project from Baby Lifeline.

The new bags and their contents were put together following a survey with midwives and with the support from an expert panel of multi-disciplinary professionals they developed a standardised equipment bag to deliver safe and effective care. The bag includes everything from scissors to cut the cord, to a hat and towels to dry and warm the new born baby, as well as equipment for emergencies that, although rare, can occur.

Health Care Assistant, Tracey Tyler, scoops national “GEM” award

One of our HCAs from Alexandra Ward earned national recognition with a prestigious award from a leading NHS temporary staff provider, NHS Professionals (NHSP).

Tracey Tyler, who works night shifts on the ward, was selected from 500 nominees across England to receive their “Going the Extra Mile” (GEM) Award.

Nominated by nurses who work with her, Tracey took the initiative to improve nutrition on the ward by doing nightly tea and snack rounds to encourage wound healing, all helping to greatly improve patient care and experience.

Celebrating her award, our Nursing Director, Daljit Athwal, said: “Tracey has excellent communication skills and is an exceptionally caring and friendly member of the ward team. She
upholds our Trust values and her colleagues praise her as a fantastic person to work alongside. Well done to Tracey and thank you to our partners at NHS Professionals for recognising her contribution.”

**Maternity unit rated one of the best nationally for patient satisfaction**

Patient satisfaction at the hospital’s maternity unit was ranked the second highest of the 63 surveyed by the Picker Institute.

The 2019 National Maternity Patient Satisfaction Survey, which was carried out by Picker on behalf of the Care Quality Commission in 63 acute trusts between April and August, reported the findings.

Areas of celebration are:

- 97% of those surveyed said they were treated with respect and dignity
- 99% had confidence and trust in staff (during labour and birth)
- 96% involved enough in decisions about their care (during labour and birth).

The feedback concluded that a core strength of the Trust’s maternity service is that mums can receive support or advice about feeding their baby during evenings, nights or weekends. The results also highlighted significant improvements in some areas for the Trust’s maternity services both in comparison to other organisations surveyed by Picker Institute and in comparison to the Trust’s results last year. Key areas of improvements include mums feel they are not left alone when worried and partners felt they were able to stay as long as they wanted.

Daljit Athwal, George Eliot Hospital’s Director of Nursing, said: “I am thrilled and very proud to see these incredible results. They reflect the dedication of our maternity staff to drive forward changes and improvements to provide the best care to local families and mums-to-be. I am especially pleased to see the areas we have improved on since the last survey. Well done to the Maternity Team.”

**QSIR Success supports service improvement in the hospital**

Clinical Audit & Effectiveness Nurse, Libby Holland is the first Quality, Service improvement and Redesign (QSIR) Teaching Faculty Associate at the hospital – meaning she is now qualified to teach the QSIR Practitioner Programme and use her improvement knowledge to train her colleagues.

QSIR is an accredited, nationally recognised programme which is being used to increase improvement capability and capacity within the NHS by teaching valuable service improvement skills to both clinical and non-clinical staff.

Twenty Five staff from across the Trust are also being trained as practitioners through local delivery with another twelve staff receiving training from the national team.

QSIR provides a framework to hang a project from and focuses on using data to inform improvement, based on small tests of change. The training provides a consistent and sustainable approach, and an opportunity to develop skills and gain accreditation in improvement methodology.

This is already giving staff within our Foundation Group the skills to make quality / service improvements and enhance the care and safety of patients in the hospital and local community.
Operational Performance Overview

For 2019/20, following a series of workshops with senior colleagues in the organisation the Trust's operational structure changed, the divisional level was removed as the staff felt there were too many management layers in the organisation and teams found it difficult to access the Executive team.

Our aim remains to instil accountability from 'Ward to Board' level offering assurance that we are delivering against key performance indicators, monitoring at grass roots level and where necessary, we are able to develop credible plans where targets were not being met.

Our operational performance was reported through the directorate structure. The Executive team held a monthly Integrated Quality and Performance Meeting with the directorates with the aim of holding teams to account for delivery of quality, performance, workforce and financial standards.

Where necessary, the directorates would produce actions to improve performance and these would feed into the performance meetings that the executive team regularly hold.

These operational governance arrangements also fed into the production of the monthly Integrated Performance Report, which was presented by exception to the Finance and Performance Committee and then through to Board level.

Throughout the year we also monitor our performance against a core set of national and local performance indicators, where we endeavour to meet the standard set.

It should be noted that many performance indicators were met or many were higher than the expected range set, however there are some that have not been achieved. The following table (Figure 1.0) shows our results for the 2019/20 period and where the standard has not been met a brief explanation is given at the end of the table.

Figure 1.0: Outcome against of set performance standards

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<tr>
<th>Performance indicator</th>
<th>Standard</th>
<th>2019/20</th>
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<tr>
<td><strong>Safety:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C Difficile infections</td>
<td>13</td>
<td>23</td>
</tr>
<tr>
<td>MRSA bacteraemia infections</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Quality:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cancer – two weeks suspected</td>
<td>93%</td>
<td>95.40%</td>
</tr>
<tr>
<td>Cancer – two weeks symptomatic breast</td>
<td>93%</td>
<td>95.15%</td>
</tr>
<tr>
<td>Cancer – 31 days</td>
<td>96%</td>
<td>100%</td>
</tr>
<tr>
<td>Cancer – 31 days – drug</td>
<td>98%</td>
<td>100%</td>
</tr>
<tr>
<td>Cancer – 31 days – surgery</td>
<td>94%</td>
<td>100%</td>
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C-difficile infections: The implication of this reporting change on the Trust has resulted in an increase in the number of C-Diff cases reported to the PHE. Of the 23 mandatory reportable cases against the threshold 13: 11 cases have been reviewed by the CCG of which 8 confirmed cases were defined as avoidable. (NB I have added this bit for use) --- Since the on-set of the pandemic and the pressures all health care organisations find themselves in, there remains 12 cases still requiring review with our CCG partners. All cases that are classed as unavoidable are discussed through Trust Infection Prevention Assurance Committee where lessons learnt and actions to improved are shared with the senior nursing teams for dissemination across the Trust.
Performance indicator | Standard | 2019/20
--- | --- | ---
Cancer – 62 days<sup>3</sup> | 85% | 79.68%
Cancer – 62 days from screening service<sup>3</sup> | 90% | 91.89%
Patients seen in A&E <4 hours<sup>5</sup> | 95% | 75.90%
Patients who leave A&E without being seen | 5% | 1.87%
Time to initial assessment in A&E in minutes (95th percentile) | <15 | 2
Time to treatment in A&E in minutes (median time) | <60 | 39 mins
Readmission within 28 days following discharge<sup>6</sup> | 14% | 7.42%
Stroke – time on ward<sup>7</sup> | 90% | 77.64%

Patient experience:

Referral to Treatment (RTT) incomplete non-emergency pathway (92nd percentile)<sup>8</sup> | 92% | 72.30%
Patients offered an appointment to Genito-Urinary Medicine (GUM) Clinic within 48 hours | 95% | 95.68%
Patients seen in GUM Clinic – access within 48 hours | 95% | 95.42%

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3 Cancer – 62 days: There was an ongoing capacity shortfall Robotic Assisted Radical Prostatectomys (RARPs) at University Hospitals Coventry and Warwickshire causing delays to treatment for these patients. The Trust also experienced delays in diagnostic testing both internally and externally. A variety of actions were put in place, and will remain in place, to tackle these delays that include urology patients going ‘straight to test’; pathway tracker put in post with pathway co-ordinators reviewing all cancer pathways; a pathway review of gynaecology referrals was instigated and underway during March. Any tertiary centre and / or pathology delays are now escalated to the Director of Operation on a weekly basis.

4 Cancer – 62 days from screening service: see 3 above as reflective of the impact on the 62-days from screening service rates timeline.

5 Patients seen in A&E <4 hours: Underperformance is as a result of both capacity and flow constraints in the Trust, particularly where discharges occur late in the day. Ongoing actions to improve the standard took place and included:

- The introduction of a new unit specifically aimed at same day emergency care (SDEC). The unit receives patients from the emergency department (ED) then administers treat and discharge takes place on the same day.
- Greater focus from directorate managers on length of stay and actions to be completed to increase pace of discharges.
- Further work continues to focus on processes within ED.

6 Readmission within 28 days following discharge: see 8 below, as reflective of the impact on the Trust’s readmission rates within the 28-day timeline.

7 Stroke – time on ward: This was mainly due to poor flow of activity throughout the Trust and an increase in length of stay with non-stroke patients on the dedicated stroke ward. Action to improve the use of the dedicated assessment room for strokes only and work to support the transfer of non-strokes to other wards in a timely manner was also being undertaken.

8 Referral to Treatment (RTT) incomplete non-emergency pathway (92nd percentile): Over the year this was due to the pressure of beds not being available due to emergency pressures in the organization. A rise in backlog peaked during March which was mainly due to patients cancelling their routine treatment and the trust cancelling routine activity whilst preparing for the COVID 19 impact and ensuring capacity was available. An action plan has been developed with key work taking place prioritising the following:

- Those patients with the longest waits to date for Trauma and Orthopaedics and Gynaecology were outsourced to BMI and South Warwick Hospital Foundation Trust for their operations.
- A project team has been set up, and work on site has commenced to deliver a 30 bedded modular ward to target and improve waiting lists going forward.
### Performance management framework

Throughout the year using a balanced scorecard approach, set Key Performance Indicators (KPIs) that are reflective of the Care Quality Commission’s five key themes to assess care services\(^1\) and the NHS Oversight Framework are used to support the performance management framework.

Detailed performance reports are reviewed at the Trust’s Quality Assurance Committee and the Finance and Performance Committee each month, with the Integrated Performance Report then being presented at Board level. Any identified risks that may impact on the achievement of key standards, are evaluated using our corporate risk assessment process, then, where appropriate, included in the Trust risk register and managed closely thereafter through established risk management processes.

Local contract targets and standards, including progress against the 2019/20 Commissioning for Quality and Innovation (CQUIN) schemes are determined by our commissioners and monitored throughout the year at regular meetings with our CCG partners.

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\(^9\) Never Events: One was a side femoral block that had been given to the wrong side and two was where a patient was connected to medical air rather than Oxygen. Full investigations took place that identified no harm came to either patient. Action plans were developed to prevent the reoccurrence of such incidents and compliance of the action plan is being monitored at local directorate governance meetings.

\(^10\) Venous thromboembolism (VTE) risk assessment where all inpatient service users undergo a risk assessment for VTE: A vast amount of work was undertaken over the year to improve the process for assessing VTE in inpatients attending the Trust. An action plan was developed by the VTE assessment steering group and improvements include:

- a review and re-launch of the Trust’s VTE policy
- the introduction of an e-version of the updated VTE assessment form
- training of all clinical staff on using the above on a dedicated portal
- the actual time the Trust records VTE assessments is incorporated into the e-version
- scrutiny of clinicians at each step of the process; with alerts and triggers when a VTE assessment is due
- completion of each part of the process takes place before being able to move on to the next stage
- compliance rates of the VTE assessments is shared with all ward areas

During the latter part of the year compliance rates were slightly improved with the aim that once the above actions are fully embedded within the organisation they will improve further towards meeting this target.

\(^1\) Safe: you are protected from abuse and avoidable harm. Effective: your care, treatment and support achieves good outcomes, helps you to maintain quality of life. Responsive: services are organised so that they meet your needs based on the best available evidence. Caring: staff involve and treat you with compassion, kindness, dignity and respect. Well-led: the leadership, management and governance of the organisation make sure it’s providing high-quality care that's based around your individual needs, that it encourages learning and innovation, and that it promotes an open and fair culture.
Each year, the KPIs are reviewed and the scorecards aligned to reflect changes to national standards and local targets, thereby ensuring we monitor performance effectively over the course of the year.

**Key financial performance information**

The following summary of financial performance during 2019/20 is drawn from the Annual Accounts which can be found on page 58 below.

The Department of Health and Social Care assesses the Trust’s performance against the following four targets, all of which have been achieved.

1. **Income and Expenditure:**

   As a minimum the Trust is required to break even each year. In 2019/20 the Trust achieved the breakeven target.

2. **Capital Cost Absorption Rate:**

   Within its overall expenditure, the Trust is required to pay the Department of Health and Social Care a sum equivalent to 3.5 per cent of average net relevant assets. This payment is known as the Public Dividend Capital (PDC) dividend payment. We were not required to pay any dividend in 2019/20 due to the Trust’s negative average net relevant assets position.

3. **External Financing Limit:**

   This refers to the agreed amount of cash that the Trust is allowed by the Department of Health and Social Care to consume over and above the amount it generates through its normal activities in year. This may be through a reduction in its own cash balances or receiving cash from external sources. The Trust is expected to stay below its External Financing Limit (EFL) and in 2019/20 it achieved this, spending £16.2m (2018/19 £13.4m) against a target of £16.2m (2018/19 £13.7m).

4. **Capital Resource Limit:**

   This is a limit which is imposed by the Department of Health and Social Care on the level of capital expenditure that we can incur in the year. The Trust should maintain its’ spend at or below this level. We spent £7.6m (2018/19 £4.9m) against a limit of £7.7m (2018/19 £4.9m, see note 50 to the accounts).

**Valuation of Trust Land and Buildings:**

The value of the Trust’s land and buildings has been assessed by an independent professional valuer. It is based on an alternative site Modern Equivalent Asset (MEA) valuation, undertaken specifically in accordance with the HM Treasury guidance which states that such valuations are an option if the Trust’s service requirements can be met from the alternative site, or smaller area on the same site. The last valuation was undertaken on this basis on 1 April 2016. The value of the Trust’s land and buildings each year is then subject to revaluation through a desk top exercise including a review of expenditure on buildings during the year.

Other key financial information includes the following:

- 33,382 invoices were paid during the year, of which 20,605 were paid within 30 days of receipt of goods or a valid invoice (whichever is the later). The Trust is required to pay 95% of invoices within 30 days, but did not achieve this due to the on-going deficit position during the year.
- Against a turnover of £181.3m, the Trust delivered a break-even position in year with the cumulative position therefore remaining at loss of £71.7m.
The accounts for the Trust were produced in line with the 2019/20 Department of Health and Social Care Group Accounting Manual (GAM).

Charitable Funds

In 2019/20, donations came from many different sources, including members of the community, patients, carers and local organisations. The total amount donated was £191,000 including legacies amounting to £76,500. Expenditure from the fund, from total resources, was £112,000.

The range of donations received varied from a few pounds to several thousand and a wide variety of fundraising activities have benefited the Charity. The Trust is extremely grateful for donations of any size.

During the year the funds have been spent in a variety of ways. Some examples include:

- Hand held echocardiograms from the BASIC donation for CCU
- Accuvue Vein Finder from BASIC\(^1\) donation
- Arm support on Catheter Lab table from BASIC donation
- Melly Ward conversion to convert the Melly ward store cupboard into a treatment room for Oncology patients who would normally present to A & E
- Recliner chairs for Dorothea
- Lockable drawers for safe storage of Chemotherapy equipment
- Two linen trolleys for developmental aids in SCBU
- GEH Charity branded outdoor PPE wear for Waste and Sustainability Team
- Plinth for use during gym sessions in Therapies

The Charity has also agreed a commitment to provide funding of £80k towards the Serenity garden project, which is currently in progress and due to be completed in 2020/21.

The Trust currently employs one full time Fundraising Co-ordinator who is based in the communications team. The Trust Board of Directors has been significantly assured that the processes for raising awareness around Charitable Funds have improved since the arrival of the Fundraising Coordinator in July 2019.

This role supports fundraising across the whole organisation with a particular focus on key priority areas determined by Trust strategy.

The three main strategic priorities of the Fundraising Coordinator are as follows:

- **Aim 1**: Build awareness of charitable fund with all audiences
- **Aim 2**: Develop relationships
- **Aim 3**: Fundraise for major developments with separate appeals

League of Friends

The hospital's League of Friends, who have been supporting the hospital with donations of essential medical equipment and funding to enhance patient comfort whilst in our care for over 64 years. They raise money from the two tea bars they run in the hospital as well as donations, legacies and sale stalls at the hospital.

The Trust is eternally grateful for their continued funding support to the hospital and the patients we serve.

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\(^1\) BASICS: Bermuda and Stockingford Intensive Care Support – a band of local fundraisers who have over the years raised around £400,000 for the Coronary Care Unit at the hospital
Section 2 – Financial Accountability Reports

Overview

It is the responsibility of the Directors of the Trust to prepare the Annual Report and Accounts. The Trust Board considers that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust’s performance, business model and strategy. The information presented within this accountability report has been produced in accordance with Department of Health guidance and we have ensured that we have met all regulations in terms of reporting arrangements.

Corporate Governance Report

Directors’ Report

Changes to the Board of Directors

During the year we have seen a number of changes within the Trust Board.

Russell Hardy was appointed to the role of Chairman on 1 April 2019 following Prem Singh completing his term of office on 31 March 2019. Russell already held the Chairman position at both South Warwickshire NHS Foundation Trust (SWFT) and Wye Valley NHS Trust (WVT), and he will continue to do so.

Daljit Athwal was substantively appointed as the Director of Nursing with effect from 1 May 2019, after working in the role on an interim basis since February 2018.

Jenni Northcote was appointed to the role of Director of Strategy, Service Improvement and Primary Care on 11 November 2019. This is a non-voting Board member role and a joint post with Warwickshire North Clinical Commissioning Group, who remains as Jenni’s employer.

Sue Wakeman is retiring as Director of Human Resources on 31 March 2019, after joining the Trust in March 2016.

Gertrude Nic Philib has been appointed as the Associate Director of People and commences in post on 1 March 2020. This is a new role which has been established to work with the Director of Human Resources for SWFT and GEH.

Andy Laverick was appointed as the Group Digital Strategy Advisor from 1 May 2019, which is a Foundation Group role employed by SWFT Clinical Services Ltd (subsidiary company of SWFT).

The role of the Trust’s Board

The purpose of the Trust’s Board is to govern effectively and in doing so build patient, public and stakeholder confidence that their health and healthcare is in safe hands. This fundamental accountability to the public and stakeholders is delivered by building confidence:

- in the quality and safety of health services
- that resources are invested in a way that delivers optimal health outcomes
- in the accessibility and responsiveness of health services
- that patients and the public can help to shape health services to meet their needs
- that public money is spent in a way that is fair, efficient, effective and economic.

The Board demonstrates leadership by undertaking three key roles:

- **Formulating strategy** for the organisation
- **Ensuring accountability** by:
  - holding the organisation to account for the delivery of the strategy
being accountable for ensuring the organisation operates effectively and with openness, transparency and candour and by seeking assurance that the systems of control in place are robust and reliable.

- **Shaping a healthy culture** for the Board and the organisation.

**The Executive Team**

Executive Directors take the lead in developing strategic proposals, drawing on professional and clinical experience. They lead on the implementation of strategy within functional areas and manage performance within their area.

Executive Directors also actively support and promote a positive culture for the organisation and reflect this in their own behaviour, nurturing good leadership at all levels. They take principle responsibility for providing accurate, timely and clear information to the Board and lead on engagement with specific internal or external stakeholder groups.

**Glen Burley**  
**Chief Executive**  
**(voting member, joined July 2018)**

Glen Burley was appointed to the role of Chief Executive on 16 July 2018 and also holds the Chief Executive position at both South Warwickshire NHS Foundation Trust and Wye Valley NHS Trust. The three Trusts form the Foundation Group and therefore as Glen divides his time across three sites, a Managing Director at each Trust in the Foundation Group has responsibility for direct operational management and running of the hospital on a day-to-day basis.

**David Eltringham**  
**Managing Director**  
**(voting member, joined July 2018)**

The Managing Director is responsible for the day to day management of the Trust on behalf of the Chief Executive leading the Executive Team and Chairing the Trust Management Board. This role encompasses internally and externally the development and implementation of the Trust strategy, the management of relationships, engagement with staff and stakeholders and embedding partnerships with key stakeholders to the organisation, overseeing all communications activity across the Trust and the delivery of the Board Assurance Framework.

**Haqnawaz Khan**  
**Director of Finance**  
**(voting member, joined December 2017)**

The Director of Finance takes a central role in ensuring the development and governance of financial strategies and policies to support the delivery of patient care for the Trust Board. A key member of the Trust Board’s Executive Team, providing advice on all matters of financial and charitable fund management, probity and governance.

The Director of Finance leads discussions with commissioners on behalf of the Trust to establish robust contractual arrangements for Trust Services; this includes all service level agreements (SLAs) and the nursing and midwifery bursary (NMB) contracts.

They provide effective and professional leadership to the Finance and Performance Directorate.

The post holds specific responsibility as the executive lead for the performance framework, planning and finance management. The Director of Finance acts as the Lead Executive in support of the Chairs of the Audit Committee and the Finance and Performance Committee.

The Director of Finance has responsibility for the Strategic Estates Partnerships (SEP) estates planning and transformation, and is the Senior Information Responsible Officer (SIRO) for procurement, clinical coding and the Trust information team.
Daljit Athwal  
**Director of Nursing (substantive from 1 May 2019)**  
(voting member, joined February 2018)

The Director of Nursing is responsible for the quality, safety, patient experience, governance and productivity of all clinical services and ensuring the Trust’s nursing, midwifery and allied health professional (AHP) workforce strategy meets the flexible and changing demands on professional workforce skills and competencies.

The Director of Nursing provides professional leadership for nursing, midwifery and AHPs, advising the Board on all aspects of professional practice for these groups. They are also the Accountable Officer for controlled drugs (CDs) and the Director of Infection Prevention and Control (DIPC).

The Director of Nursing is responsible for adult and children’s safeguarding, Prevent12, patient and public involvement and experience, risk management, infection prevention and control, the development and management of the Trust volunteer strategy, smoking cessation and the management of the complaints and chaplaincy teams. The Director of Nursing leads on the development and delivery of systems and processes which relates to Clinical Governance within the Trust.

Catherine Free  
**Medical Director**  
(voting member, joined October 2017)

The Medical Director role includes specific responsibility for the development of a forward thinking clinical and quality strategy for the Trust. They are responsible for leading and directing the Trust’s medical workforce, patient safety and mortality, end of life care, clinical audit, research and development, job planning, revalidation and medical education and training. This role also acts as a Guardian of Safe Working Hours and the output of the medical rota team.

The Medical Director is the Responsible Officer for Medical Revalidation, is responsible for the clinical sign off of complaints and acts as the organisation’s Caldicott Guardian.

Stephen Collman  
**Director of Operations**  
(non-voting member, joined February 2019)

The Director of Operations is responsible for co-ordinating and delivering performance against national and local clinical operational and performance standards. The Director of Operations is responsible for ensuring that there is an operational structure in place which has the capacity and capability to lead services to deliver against these standards. This role provides high profile leadership which adheres to the core values of the Trust, with responsibility for ensuring the delivery of safe and high quality patient care by each of the clinical divisions and directorates through a robust system of planning, service delivery and performance management.

The Director of Operations is responsible for the leadership of service development, elective and emergency care transformation and productivity and efficiency. The Director of Operations has a key role to play in integration with the wider health and social care system to ensure it is fully developed in line with the overarching corporate strategy.

The Director of Operations leads on estates, facilities and security management, hotel services, health and safety, mental health, radiation protection and emergency preparedness.

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12 Prevent focuses on all forms of terrorism and operates in a ‘pre-criminal’ space. The Prevent strategy is focused on providing support and re-direction to individuals at risk of, or in the process of being groomed/radicalised into terrorist activity before any crime is committed.
Sue Wakeman  
**Director of Human Resources (retiring on 31 March 2020)**  
(non-voting member, joined March 2016)

The Director of Human Resources oversees the development and delivery of the workforce strategy and implementation plans and acts as the Board’s Expert Advisor on Human Resources, Employment Tribunal activity, organisational development and education and training. This includes the provision of a strategic and professional advisory service to the Trust in respect of people management, staff experience, and engagement, and development and demonstration of the Trust’s value pledges at all times. In addition, the role covers workforce health and wellbeing, occupational health, equality and diversity, employment legislation and medical staffing.

The Director of Human Resources also acts as the executive lead for Freedom to Speak Up and is the Chief Knowledge Officer for the Trust.

Andy Laverick  
**Director of Information Technology**  
(non-voting member, joined March 2016 to 30 April 2019)

The Director of Information Technology (IT) is responsible for the development of an Information and Communication Technology Strategy for the next five years. Priority areas for work includes Electronic Patient Record and the development of IT management systems. The role is responsible for developing improved IT links and communication with GPs.

The Director of Information Technology leads the development of a shared service/strategy for IT across the local system. He is responsible for information governance and Freedom of Information (FOI) requests and health records management.

Following a restructure of IT responsibilities, changes were made to this role and Andy Laverick was appointed as the Group Digital Strategy Advisor from 1 May 2019, which is a Foundation Group role employed by SWFT Clinical Services Ltd (subsidiary company of SWFT). The Director of IT role is no longer a member of the Board with effect from 1 May 2019.

Jenni Northcote  
**Director of Strategy, Service Improvement and Primary Care**  
(non-voting member, joined November 2019)

The Director of Strategy, Service Improvement and Strategy is responsible for developing and leading the Trust’s strategy formulation, business planning, Programme Management Office (PMO) and Transformation Programme. This includes interpreting relevant national and local strategy, policy and guidance, learning from other organisations and reviewing the Trust’s own policies and frameworks. The role is also responsible for commissioning and undertaking original research, and being able to perform complex and rigorous statistical and financial analysis.

**Non-Executive Team**

Non-Executive Directors bring independence, external perspectives, skills and challenge to strategy development. They hold the Executive Team to account for the delivery of strategy and offer purposeful, constructive scrutiny and challenge. They also act as chairs and participants of Board Sub-Committees with responsibility for scrutiny of strategies and plans and the provision of assurance to the Trust Board that such plans are being delivered, and that the reasons for non-delivery are understood and suitable constructive actions are being taken.

Non-Executive Directors actively support and promote a healthy culture for the organisation and reflect this in their own behaviour helping to provide visible leadership within the organisation. They also satisfy themselves of the integrity of financial and quality intelligence including getting out and about to observe and talk to patients and staff. They ensure the Board acts in the best interests of patients and the public.
The non-executive team has included the following members during the 2019/20 year.

**Russell Hardy – Chairman**  
Chairman since 1 April 2019

**Julie Houlder – Non-Executive Director and Vice-Chair**  
Non-Executive Director since 1 May 2016

**Glynis Washington - Non-Executive Director**  
Non-Executive Director since 1 April 2018

**Rebecca Khanna - Non-Executive Director**  
Non-Executive Director since 1 April 2018

**Anil Majithia - Non-Executive Director**  
Associate Non-Executive Director from 1 April 2018, Non-Executive Director from 1 September 2018

**Simone Jordan - Non-Executive Director**  
Non-Executive Director since 29 October 2018

**Board Sub-Committees**

**Audit Committee**  
The Audit Committee is a Sub-Committee of the Trust Board whose principal purpose is to assist the Board in ensuring that it receives proper assurance as to the effective discharge of its full range of responsibilities. Its duties include providing an independent and objective review of the Trust’s systems of internal control, including financial systems, financial information, governance arrangements, approach to risk management and compliance with legislation and other regulatory requirements, monitoring the integrity of the financial statements of the Trust and reviewing the probity of all Trust communications relating to these systems.

NED Membership of the Committee in 2019/20:

- Julie Houlder (Chair)
- Rebecca Khanna
- Anil Majithia

**Finance and Performance Committee**  
The Finance and Performance Committee is a Sub-Committee of the Trust Board whose purpose is to ensure that financial and operational performance is effectively managed and controlled within the Trust.

NED Membership of the Committee in 2019/20:

- Anil Majithia (Chair)
- Simone Jordan
- Glynis Washington

**Nominations and Remuneration Committee**  
The Nominations and Remuneration Committee is a Sub-Committee of the Trust Board whose purpose is to determine appropriate remuneration and terms of service for the Chief Executive and other Executive Directors. It also regularly reviews the structure, size and composition (including skills, knowledge and experience) required of the Board and will make recommendations to the Trust Board as appropriate, regarding any changes.

NED Membership of the Committee in 2019/20:

- Russell Hardy (Chair)
- All Non-Executive Directors

**Quality Assurance Committee**  
The Quality Assurance Committee is a Sub-Committee of the Trust Board that ensures that all issues relating to quality governance, clinical quality and patient safety are considered in a holistic and integrated way.
NED Membership of the Committee in 2019/20:
Glynis Washington (Chair)
Simone Jordan
Rebecca Khanna

Foundation Group Strategy Sub-Committee
The Foundation Group Strategy Sub-Committee is a Sub-Committee of the Trust Board and operates as a ‘Committee in common’ between the three Trusts in the Foundation Group. Its purpose is to advise the Trust Board on all matters relating to identifying and sharing best practice at pace.

NED Membership of the Committee in 2019/20:
Julie Houlder

Workforce Development Committee (until 7 May 2019)
Workforce Development Committee was a Sub-Committee of the Trust Board until 7 May 2019. The Committee was responsible for providing the leadership, oversight and assurance on the strategic aspects of the Trust’s workforce.

The Board agreed to stand down the Workforce Development Committee with immediate effect at its meeting on 7 May 2019. The Committee’s business was then transferred into the Quality Assurance Committee and, Finance and Performance Committee.

Charitable Funds Committee/Charity Trustee
As part of the general review of the Board’s governance arrangements during 2019, consideration was given to the governance of the Trust’s Charity. The Board considered a proposal at its meeting on 7 May 2019 and approved the move to a Charity Trustee arrangement for the management of the Trust’s Charity and disband the Charitable Funds Committee.

As an NHS Trust, the Trust’s Charity is established as a corporate trustee, meaning that the organisation as a legal entity is the Trustee, and the voting Board members are agents in this regard, carrying out the Charity’s wishes. Therefore, Board members are not Trustees in their own right and the Charity Trustee is not a Sub-Committee of the Trust Board. The Charity Trustee is chaired by Non-Executive Director Anil Majithia, on behalf of the Chairman, and includes all voting Board members.
Register of Interests

<table>
<thead>
<tr>
<th>Board Member Name</th>
<th>Role</th>
<th>Description of Interest</th>
</tr>
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<tbody>
<tr>
<td>Daljit Athwal</td>
<td>Director of Nursing</td>
<td>Nil Return</td>
</tr>
</tbody>
</table>
| Glen Burley        | Chief Executive Officer - GEH | Chief Executive - Wye Valley NHS Trust.  
Chief Executive - South Warwickshire NHS Foundation Trust.  
Spouse Chair of Governors at Myton School, and  
Spouse Practice Nurse at Rother House Medical Centre |
| David Eltringham   | Managing Director | Married to Group Director of Nursing Sandwell & West Birmingham Hospitals NHS Trust. |
| Catherine Free     | Medical Director | Nil Return |
| Russell Hardy      | Chairman | Chairman of Nuffield Health.  
Chairman and majority owner of Maranatha 1 Ltd (trading as Fosse Healthcare Limited and Fosse ADPRAC).  
Chairman of Cherished.  
Chairman of South Warwickshire Foundation Trust, and  
Chairman of Wye Valley NHS Trust |
| Julie Houlder      | Non-Executive Director | Non-Executive Director Derbyshire Health Services NHS FT Trust.  
Chair - Josiah Mason Trust.  
Associate - Charis Consultants Ltd.  
Director Windsor Academy Trust, and  
Owner - Elevate Coaching Ltd. |
| Simone Jordan      | Non-Executive Director | Managing Director - Simone Jordan & Associates Ltd  
Nottingham Business School – Visiting Fellow  
Associate Non-Executive Director - Royal Orthopaedic Hospital De Montfort University - Honorary Senior Lecturer  
Member of CIPD – Chartered Institute of Personnel & Development  
Member of Institute for Organisational Development |
| Haq Khan           | Director of Finance | Member of HIMA.  
Member of CIPFA. |
| Rebecca Khanna     | Non-Executive Director | Health & Care Professions Council Partner  
Visitor Royal College of Occupational Therapists  
Accreditor Royal College of Occupational Therapists Learning & Development Board  
Company Secretary, Raj Khanna Associates Ltd  
Kind Edward VI College Community Governor, and  
Owner Shared Wisdom Ltd |
| Anil Majithia      | Non-Executive Director | Governor, Vice Chair, and Chair of Audit Committee - North Warwickshire and South Leicestershire College.  
Member/Non Executive Director - Leicester and Leicestershire Enterprise Partnership.  
Trustee & Chair of Governance Committee - The Air Ambulance Service, and  
Chair, Regional Advisory Board, Canal and River Trust East Midlands. |
| Glynis Washington  | Non-Executive Director | Nil Return |
| Stephen Collman    | Director of Operations | Nil Return |
| Sarah Collett      | Acting Trust Secretary | Acting Trust Secretary at South Warwickshire NHS Foundation Trust, and  
Company Secretary at SWFT Clinical Services Ltd. |
| Gertie Nic Philib  | Associate Director of People | Nil Return |
| Jenni Nortcote     | Director of Strategy and Service Improvement | Joint appointment with Warwickshire North Clinical Commissioning Group. |
| Sue Wakeman        | Director of Human Resources | Nil Return |
Statement of the Chief Executive’s responsibilities as the Accountable Officer of the Trust

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

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

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

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

By order of the Board

Glen Burley
Chief Executive
12th June 2020
Statement of directors’ responsibilities in respect of the accounts

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

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

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

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

The directors confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS trust’s performance, business model and strategy.

By order of the Board

Glen Burley
Chief Executive
12th June 2020

Haqnawaz Khan
Finance Director
12th June 2020
Governance Statement 2019/20

1. **Scope of responsibility**

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

2. **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 on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of George Eliot Hospital NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the year ended 31 March 2020 and up to the date of approval of the Annual Report and Accounts.

3. **Capacity to handle risk**

The Board has established the following governance arrangements for risk management:

- **Chief Executive**: As Accountable Officer, takes Board-level responsibility for governance, including risk management, and has overall responsibility for maintaining an effective risk management system and for meeting all statutory requirements. Executive directors and clinical directors have delegated responsibility for governance and risk management arrangements within their areas of control.
- **Board of Directors**: The Trust Board and Chief Executive ensure that the risk management arrangements are implemented, monitored and reviewed, and meet all legal and regulatory requirements. The Board receives reports from the Audit Committee, the Finance and Performance Committee and the Quality Assurance Committee on the Trust’s risk control measures.
- **Audit Committee**: monitors the effectiveness of the risk management arrangements (operational, non-clinical and financial) on the Board’s behalf.
- **Finance and Performance Committee**: a subcommittee of the Board of Directors and meets on a monthly basis. The committee had responsibility for monitoring both financial and operational performance. This includes the management of financial and workforce risks to ensure targets are met.
- **Quality Assurance Committee**: a subcommittee of the Board of Directors. It has responsibility for managing, mitigating and monitoring risks in relation to quality and safety.
- **Workforce Development Committee**: The Workforce Development Committee was a sub-committee of the Trust Board until 7 May 2019 when the Board agreed to stand down the Committee with immediate effect. Until the Committee was disbanded, it provided leadership, oversight and assurance on strategic aspects of the Trust’s workforce, including aspects of planning, development and education related needs, as well as organisational development, capacity and culture. It also monitored plans to mitigate risks in relation to the Trust’s workforce. The Committee’s business was transferred into the Quality Assurance Committee and Finance and Performance Committee.
- **Information Governance Group**: The Trust has an established Information Governance Group, with responsibility for overseeing day-to-day information governance issues, developing and maintaining policies, standards, procedures and guidance, and reviewing
related issues and risks, reporting to the Trust Management Board. The Medical Director, the Trust's Caldicott Guardian, supported by the Information Governance Manager, is responsible for the establishment of policies for the control and appropriate sharing of patient information with other agencies. The Finance Director is the appointed Senior Information Risk Owner (SIRO) and chairs the group.

- Executive risk committee: This Committee was established in May 2019 and is responsible for ensuring that the Risk Management Strategy is implemented effectively and that there are core processes in place to manage risks across the organisation.

4. The risk and control framework

The Trust has adopted an integrated framework for risk management supported by policies and procedures. This framework maps the key risks to the Trust's principal and strategic objectives, and to Care Quality Commission (CQC) outcomes, where applicable. These are referenced to the risk register to ensure the potential risks that threaten the achievement of the Trust’s objectives are identified. The framework also highlights the existing control measures and assurances in place.

The Risk Management Strategy is approved by the Board and reviewed annually. The strategy identifies the flow of risks from Board to ward and vice versa. It is published widely and includes:

- the aims and objectives for risk management in the Trust;
- the relationship between the relevant committees and their responsibilities;
- the role of key individuals with responsibility for advising on and co-ordinating risk management activities;
- risk appetite;
- a description of the processes that the organisation employs in reviewing risk management arrangements and in gaining assurance on risk management; and
- guidance on what is acceptable risk to the organisation.

The strategy defines the risk management process including risk identification, analysis, and evaluation and requires that all hazards are assessed, and risks recorded in a standard format risk register and prioritised using a consistent scoring methodology.

Risk appetite is determined by the amount of risk exposure, or potential adverse impact from an event, that the organisation is willing to accept, tolerate, or be exposed to at any point in time. In order to achieve the strategic objectives of the Trust, the Trust Board considered tolerance levels and thresholds that define acceptable and unacceptable levels of risk.

The Risk Management Strategy was reviewed and approved by the Board in July 2019. The strategy clearly states that it is the responsibility of all staff to identify and communicate risk through the line management structure and, ultimately, to the appropriate committee. This responsibility is reinforced through annual statutory update training. Directorates are required to maintain systems and processes that enable them to operate within the Risk Management Strategy.

The risk management system is continually reviewed to ensure that robust systems are in place at all levels within the Trust. The risk register is an integral part of the system.

Arrangements for validating and managing the treatment of risk are managed at Directorate level. Risks which cannot be managed within Directorate resources are escalated and discussed at the Executive Risk Committee.

The Executive Risk Committee (ERC) is an executive board, with responsibility for promoting local responsibility and accountability. It monitors the risk management process across the Trust, and the risk assessment and assurance arrangements within the directorates.

To ensure robust risk management processes are adopted across the Trust ERC receives on a rotational basis a report from the Chair of the Directorate Governance Groups highlighting all extreme (20-25) and high (12-16) risks on the directorate risk register.
In addition the ERC reviews all risks detailed within the Corporate Risk Register and, on a quarterly basis, reviews the Board Assurance Framework. This enables the Trust to ensure an effective level of internal control, safety and quality.

Communication and consultation is undertaken with internal and external stakeholders when appropriate. The Trust has continued to develop communication channels with its partners, and within the Trust. Regular reports are prepared for directorates and divisions, the Quality Assurance Committee and the Trust Board on the incidents reported, both clinical and non-clinical.

All identified risks which involve public stakeholders, including the CQC, clinical commissioning groups and NHSI, have been dealt with in an open and transparent way, using the appropriate recording mechanisms and communication with the public.

The Trust involves stakeholders by informing and consulting on the management of any significant risks. Stakeholder involvement is sought through:

- monthly public Board meetings and information provided on the Trust's website (www.geh.nhs.uk);
- a wide range of communication and consultation mechanisms which already exist with relevant stakeholders, both internal and external;
- consultation on appropriate policy documents – stakeholders have the opportunity to comment on the risk elements; and
- the Community Engagement Group's role has changed during this year to ensure that members are responsive to current stakeholder engagement needs, have the right contacts, commitment and capacity to fulfil their roles and are able to actively respond to an increased level of stakeholder engagement. The panel members have no statutory or legal powers, but act as an important link to the hospital membership and the wider community.

There is a fully established Internal Audit programme approved by the Audit Committee in the Internal Audit Work Plan, and the Audit Committee receives reports which provide assurance of the Trust’s key internal control objectives. The Internal Auditor presents an Annual Audit Opinion to inform those charged with governance on the overall level of assurance for the system of internal control. Internal Audit recommendations are tracked in a system to record action taken and completed.

The Trust has an established counter fraud service, provided by a Local Counter Fraud Specialist (LCFS). In addition to investigation work, the LCFS also carries out an agreed amount of proactive work at the Trust, which includes fraud awareness presentations and workshops, review of Trust policies and procedures to identify the key areas of fraud risk, and production of newsletters and articles to inform staff of local and national counter fraud work and investigations.

The LCFS regularly attends the Audit Committee meetings and reports back to both the Director of Finance and Performance and the Audit Committee on any proactive or reactive work undertaken at the Trust. Please refer to page 38 below for information on work completed in 2019/20.

Control measures are in place to ensure that all of the Trust’s obligations under equality, diversity and human rights legislation are complied with. The Trust has an Equality and Diversity Forum, sponsored by a non-executive director and chaired by the Director of Human Resources. Its purpose is to promote equality of opportunity, treatment, dignity and respect for all patients, staff and members of the communities that the Trust serves. The group advises and makes recommendations to the Board of Directors, committees and other groups on equality and diversity matters, compliance with statutory and other requirements and areas for improvement.

The Trust policy on the development of policies ensures that all Trust policies must be equality impact assessed before seeking approval from the Board.

The Workforce Development Committee was a Board sub-committee, chaired by a non-executive director, until 7 May 2019 at which point it was determined that the work of the committee could be more appropriately be transacted through the Quality Assurance Committee (QAC) and Finance and Performance Committee (F&P). The Workforce Development Committee and latterly the reports into QAC and F&P provide a method for leadership, oversight and assurance of the Trust’s
strategic workforce approaches. This reporting enabled Trust Board to take assurance on the
effectiveness of the human resources activity being undertaken to provide high quality, safe and
effective patient care, which included staff experience, workforce planning, resourcing, employee
relations education, learning and organisational development.

Trust Boards are required to oversee workforce issues and understand the detail of any risk to safe
high quality care. Through the QAC and F&P committees the Trust has received assurance on
nurse staffing level reporting, which is well developed following National Quality Board (NQB) 2016
guidance. Nurse reporting includes monthly reports on safe staffing, which includes recruitment
and retention as well as 6 monthly reporting on acuity reviews. Assurance on medical staff
deployment has been achieved through bi-annual reporting on medical workforce numbers,
monthly reporting on temporary staffing usage, Guardian of Safe Working quarterly reports, Job
planning updates quarterly and Appraisal and Revalidation reports. The Trust continues to support
work across the Foundation Group to assess any gaps against the 2018 “Developing workforce
safeguards” and take appropriate action to respond to and address the gaps.

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’s regulations are
complied with. This includes ensuring that deductions from salary, employer’s contributions and
payments in to the scheme are in accordance with the scheme’s rules, and that the scheme’s
member records are accurately updated in accordance with the timescales detailed in the
Regulations.

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

Following previous investment to install a combined heat and power (CHP) unit, the Trust has
continued to reduce consumption of electricity year on year. In addition to the CHP project, the
Trust has also invested replacing the existing lighting with more energy efficient LED lighting.
Development of the building management system is on-going and the software upgrade will further
improve the Trust's plant and equipment emissions and energy efficiencies.

The Trust is fully compliant with the registration requirements of the Care Quality Commission.
Following the latest CQC inspection in December 2019, the CQC issued the Trust with three
regulatory actions. Whilst a number of improvements had been noted, the CQC’s overall rating of
the Trust remained the same as the previous inspection: Requires Improvement. Actions have
been implemented to both address the areas highlighted by the CQC and ensure continuous
improvement where the CQC identified good practice. The Trust has an overall improvement plan
which is formally monitored on a monthly basis by Directorate Teams and the Trust Board.

The Trust has an on-going internal CQC self-assessment process, which continues to undertake
unannounced inspection visits to areas, wards and departments. This provides the Trust Board
with on-going assurance on compliance or highlights areas of non-compliance and ensures action
plans are completed to address any concerns or issues raised. This is monitored through the
Quality Assurance Committee. The Trust operates a Serious Incident Requiring Investigation
(SIRI) system where incidents are recorded and investigated, and action is taken to prevent similar
incidents in the future. Serious incidents and Never Events (should they occur) are investigated
and reported to the Quality Assurance Committee and discussed and signed off by the Medical
Director at a monthly Serious Incident Group. They are also reported to the Board of Directors
private session on a monthly basis and to the public session on a quarterly basis.

**Risk assessment**

The Trust has adopted an approach to risk management with the structures and processes in
place to successfully deliver the risk management objectives. Leadership arrangements are
defined within the Trust and are supported by job descriptions and objectives.
Leadership has been further embedded at Directorate level, where managers have responsibility for risk identification, assessment and analysis. All staff are required to complete mandatory and essential update training, which covers risk management, risk assessments and health and safety training. All new members of staff are required to attend a mandatory induction (supplemented by local induction), which covers all key elements of risk management, including Freedom to Speak Up.

The Trust has a Board Assurance Framework (BAF) that is part of the regular performance reporting and management arrangements, both to the Board and its sub-committees. The BAF provides a comprehensive framework for the management of the principal risks to delivering the Trust’s strategic objectives, as identified in the 10-point plan. The framework examines the system of internal control and records the actions to be taken to address gaps in control and/or assurance. During 2018/19 the Board undertook a complete refresh of the BAF, to ensure it was much more aligned to the Trust’s Strategy, the 10-point plan. This refresh involved an externally facilitated Board workshop, followed by one-to-one sessions with each of the Executive Directors to define the controls and assurances to each of the risk areas. During 2019/20 the process and format of the BAF was revised. The new quarterly review process ensures the Executive Directors undertake a review of their risks prior to submission to the appropriate Board Sub-Committee for scrutiny of their respective elements. Comments are then captured in the BAF before submission to the Executive Risk Committee for challenge and overall review of the BAF. Once the comments from the Executive Risk Committee have been captured, the BAF is locked down and submitted to Trust Board on a quarterly basis. The Audit Committee considers the assurance on the process being in place and live. During 2019/20 an audit of the BAF and Risk Management processes was undertaken and the findings and actions will be taken forward during 2020/21.

The framework identified areas where the control framework needed improvement and two ‘red’ risks were identified. Action plans were put in place to mitigate the risks and to make improvements to controls. These were routinely reported to the Quality Assurance Committee, and Finance and Performance Committee which included:

- delivery of long and short terms financial plans; and
- patient flow within urgent care not being managed effectively which impacts on patient care and experience.

Delivery of the 2019-20 financial target was prioritised with a number of recovery actions being identified and progressed. The plan for 2020-21 is dependent upon the delivery of a savings programme, which will be delivered using a transformational approach to changing processes. In addition, the Trust is working with the STP to agree joint plans which will improve the financial sustainability across the local healthcare region.

The arrangements to improve patient flow within urgent care has been closely monitored throughout the year by the local delivery board and included in relevant improvement plans. The Trust has invested in opening an Ambulatory Care Unit to address some of the flow issues.

Delivery of the long term financial sustainability continues to be a significant risk for the Trust. There has been enhanced controls around expenditure including temporary staffing and discretionary spend. Also restructuring and strengthening of the financial function. The risk has been implemented as a joint Project Management Office (PMO) and a mid-year aligned incentive contract to be agreed with Warwickshire North Clinical Commissioning Group (WNCCG) that builds on the 2019/20 contract.

Each action plan is owned by an executive director and they are held to account for progress at the respective Board sub-committee and Audit Committee.

The Trust has also undertaken work in the year in order to prepare for the exit from the EU. DHSC has produced EU Exit Operational Guidance which outlines the actions that providers and commissioners of health and social care services should take to prepare for, and manage the risks. In addition, regional teams coordinate and provide guidance, followed by auditing, to ensure compliance. The Trust has carried out impact assessments on the risks of access to skilled staff
and identified a low risk. A review of consumables has been undertaken and identified a small number of products where the Trust should hold additional supplies to manage this risk. National arrangements are in place to ensure the continuation of drugs supplies. Although this event did not occur in year, the risk continues to be monitored through the corporate risk management process and action will be taken as necessary.

The Trust identified the risk of Covid-19 as the potential impact became more apparent in the latter stages of the year. The detailed risk register is currently being reviewed to ensure that all key risks are recorded together with the actions that have been put into place to manage these risks. Early in March the Trust actioned the established major incident procedure and business continuity plans to manage the initial outbreak followed by the introduction of a command structure which operates at three levels. The Gold command level is a daily meeting of directors with responsibility for oversight, decisions required at executive level and interacting with the wider regional healthcare system to ensure a co-ordinated response. Silver and bronze meetings take place at a tactical and operational level throughout each day, providing a forum for issues to be escalated quickly and for decisions to be made appropriately. Key issues considered include staff cover, the availability of personal protective equipment and the requirement for additional items, as well as the capacity management of patients in the hospital and the level of oxygen supplies. Whilst being introduced at pace, this structure has worked effectively.

The Board is satisfied that the Trust has plans in place which aim to comply with existing targets where ever possible and where performance does not meet the target the Trust has plans to recover this position as quickly as possible without compromising patient safety. The Board also has a commitment to comply with all known targets going forward. The Board will ensure that the Trust operates effectively at all times. This includes maintaining its register of interests, ensuring that there are no material conflicts of interest in the Trust Board, and that all Board positions are filled, or plans are in place to fill any vacancies. The Board is satisfied that all Board members have the appropriate qualifications, experience and skills to discharge their functions effectively, including setting strategy, monitoring and managing performance and risks, and ensuring management capacity and capability. All Board members complete a ‘Fit and Proper persons’ declaration annually.

In addition to the Board Members Register of Interests, the Trust has also sought updated declarations of interests (including nil returns) from all decision-making staff, as per its Managing Conflicts of Interests Policy.

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

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

The Trust has a number of processes in place to ensure that resources are used economically, efficiently and effectively. The Trust has an established process for budget setting, monitoring and reporting. A new finance and procurement system has also been implemented, which went live in February 2020. Internal Audit has reviewed the financial systems during the year with a focus on receivables, payables and payroll. Recommendations were made to update procedures and to improve processes relating to changes in supplier details, debt write-offs, starters, leavers and salary overpayments. A number of improvements have been made and will be embedded over the coming months. In addition, the Board reviews the scheme of delegation annually to ensure it is appropriate for the on-going management of resources.

NHISI undertook a ‘Use of Resources’ assessment at the Trust on 12 February 2020 and the report with the final conclusion has not yet been received.

In 2019/20, the Trust planned to breakeven, which was in-line with the control total agreed with NHISI. This included receiving £15.7m from the Provider Sustainability Fund (PSF), and the Financial Recovery Fund (FRF) conditional upon the Trust achieving financial targets. The original plan excluding PSF and FRF income has been achieved in year. The Trust has therefore achieved
the financial performance target required to earn the PSF/FRF income. However, the Trust remains in cumulative deficit and does not yet have a financial recovery plan in place. The Trust did not meet the efficiency savings target of £8.3m in year, delivering £5.1m of savings.

A draft financial plan for 2020/21 was prepared and submitted to NHSI in March. However, the NHSI planning process has been suspended in order to focus on management of the pandemic. The Trust has prepared an interim budget based on the funding guidance during this period, which has been approved by the Trust Board. This plan assumes that funding will be provided to cover expenditure during the period, including the exceptional costs of the pandemic, in line with NHSI guidance. The annual plan will be revisited later in the year when it is anticipated that the recovery phase will commence and further guidance will become available.

In recent years, External Auditors have been required to issue an annual Section 30 letter to the Secretary of State for Health because the Trust has not met its statutory duty to break even over a five year period. Although the Trust has achieved breakeven for 2020/21, the cumulative deficit over this period means that a letter will be required to inform the Secretary of State that the Trust is in breach of its statutory break-even duty for the five years ended 31 March 2020. The External Auditors are required to carry out audit work to establish whether proper arrangements are in place for securing economy, efficiency and effectiveness in the use of its resources. External Audit will then report on any significant risks to achieving this and areas where proper arrangements cannot be evidenced.

6. Information Governance

George Eliot Hospital NHS Trust achieved compliance with the Data Security and Protection Toolkit for 2018/19. This was achieved by submitting evidence for all mandatory assertions in September 2019. Due to the current COVID-19 crisis the deadline for submission of the 2019/20 has been extended to September 2020. The Trusts current status is “Standards Met”.

The Trust reported two incidents to the Information Commissioners Office (ICO) during the year. For the first incident the ICO found that the Trust had taken appropriate steps to prevent harm to the data subject and prevent further incidents. The ICO required no further action from the Trust. The second incident remains under investigation by the ICO and at the time that this report was completed, the Trust was cooperating with their investigation.

The Trust has not had any enforcement notices or undertakings from the ICO within the financial year.

7. Data quality and governance

The Trust has an established process for managing the elective waiting list including a weekly Patient Tracking List meeting with directorates. In support of this, operational validation and management of active pathways is undertaken by the Trust’s Pathway Tracker team. Additionally, the Data Quality team have a comprehensive suite of reports available to enable them to identify themes and patterns of poor operational processes for correction and also to provide validation of admitted care stop-clocks each month.

The Data Quality team undertake regular audit on all elements of the elective waiting list pathways, any discrepancies are investigated and highlighted to the relevant directorate for action. Training needs are identified and supported by the Data Quality team.

8. Review of the effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the Internal Auditors, clinical audit and the executive managers and clinical leads within the Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in this Annual Report and other performance information available to me. My review is also informed by comments made by the External Auditors in their management letter and other reports. 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 Quality Assurance Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Trust Board reviews its governance arrangements every year. This included review of the Trust’s Standing Orders and Standing Financial Instructions, which contain the scheme of delegation (reporting to Board in April 2020). The use of the Trust’s seal and Register of Interests is also reviewed as well as updates of relevant Board sub-committee Terms of Reference.

In 2018, the Trust commissioned a developmental review from NHS Improvement on the function and structure of its Board Sub-Committees, which included a desk-top review of three months past papers and related documents and the observation of one Committee meeting. The output reports from this review were used to improve and develop the Board Sub-Committees throughout 2018/19 and 2019/20.

**Board reporting**

The Board meets monthly throughout the year in public and private. A performance report is received each month with performance overviews provided by the director responsible for performance in each area and the risks reviewed. During 2019, the Board changed the delegated responsibility for approving any changes to Trust policies from the Trust Management Board to the Policy Review Group. The Policy Review Group will be chaired by the Managing Director and the first monthly meeting was scheduled to be held in April 2020. However, this has been deferred due to current operational challenges and will commence as soon as possible. The Group will review, amend and approve changes to Trust policies with a summary report to the next Board meeting. It receives updates from the chair of each Board sub-committee following individual committee meetings highlighting the key points discussed and any issues which require escalation. This includes a report from the Chair of the Audit Committee. The Board reviews and approves the terms of reference for each committee on a regular basis and receives a formal Annual Report and effectiveness review from the Audit Committee.

As part of the national NHS response to the Covid-19 outbreak, the Chief Operating Officer at NHS England and NHS Improvement sent a letter to all NHS Providers and Commissioners on 28 March 2020. This provided guidance to support organisations to free-up management capacity and resources as much as possible, to prioritise what is necessary to manage the response to the Covid-19 pandemic. The Trust’s Chairman and Chief Executive Officer also produced a protocol for the continuation of Board and Board Committee business to be used across the Foundation Group.

In accordance with the guidance, the Trust Board and Board Committee’s agendas and reports were streamlined for the meetings in April and May 2020 to ensure they focussed on key business and the meetings were held virtually. Consideration will be given nearer the time as to whether this would also be appropriate for the meetings in June 2020 depending on the Covid-19 position. To help demonstrate good governance, a report is being submitted to Trust Board on 5 May 2020 with a list of Trust Board reports that have not met the scheduled submission, in accordance with the Schedule of Business due to the impact of Covid-19, with the revised date of submission for the Board’s information.

**Board effectiveness**

The Board has a process in place to regularly review the effectiveness with which it operates. Governance arrangements are also subject to review by Internal Audit annually. In the past 12 months, Internal Audit reviews have included the data security and protection toolkit which is an advisory audit reviewing the robustness of the evidence to support self-assessment against assertions and information governance standards.; Statutory and mandatory training (substantial assurance) and a review of arrangements for reporting and acting on serious incidents (substantial assurance). An audit of the Board Assurance Framework (BAF) was undertaken in March 2020 and the findings and actions are being worked through for implementation during 2020/21.
The Board has been assured that there are robust mechanisms to ensure that the evidence to support compliance is in place and available, and is routinely monitored and reported upon within the Trust's governance and performance management framework.

**Internal controls review process**

The process that has been applied to maintain and review the effectiveness of the system of internal control was as follows:

The Trust’s Audit Committee approved an annual Internal Audit programme and received all Internal Audit reports. The Committee, with the support of the Quality Assurance Committee, reviewed the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the whole organisation's activities (both clinical and non-clinical), that supported the achievement of the organisation’s objectives. In 2019/20, the Committee submitted an Annual Report on the previous 12 months to the Trust Board which highlighted the work of the Committee with regard to the final accounts, risk management and the Board Assurance Framework and progress made on improving the system of internal control. The report concluded a successful and effective year. The Committee reviewed its own effectiveness in accordance with the Healthcare Financial Management Association (HFMA) Handbook for NHS Audit Committees and reviewed its Terms of Reference.

The Quality Assurance Committee, on behalf of the Board of Directors and Chief Executive, reviewed the establishment and maintenance of an effective system of risk management across the whole Trust's activities (both clinical and non-clinical) that supports the achievement of the Trust’s objectives with regard to quality. The effectiveness of the Committee will be reviewed as part of the annual process and its work plan has been reviewed as part of a streamlining process to reduce duplication and ensure the Committee focuses on key areas.

The Quality Assurance Committee receives quarterly reports from the Clinical Audit and Effectiveness team and monitors the Trust’s participation in local and national clinical audit and national confidential enquiries, Directorates receive a quarterly report from the Clinical Audit Department as part of a directorate governance meeting highlighting audit progression, audit findings and issues. This enables the directorate management team oversight and ownership of their audit programme.

The Internal Audit’s review of the organisation’s overall arrangements for gaining assurance has concluded that:

“The organisation has an adequate and effective framework for risk management, governance and internal control. However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective”.

The work performed by Internal Audit during 2019/20 has been driven by a robust planning process, which included a focus on particular areas of potential weakness identified by the Trust. Internal Audit reviews have been completed to plan and the recommendations made have been accepted and are being actioned by the Trust. There are three areas where only partial assurance has been given – nursing documentation follow up review, financial management and budgetary control and discharge management. In addition partial assurance was given to specific areas within the reviews of medical staffing employment checks (for completion of statutory and mandatory training) and key financial controls (in respect of payroll specifically the management of overpayments, retention of vacancy approval forms and exception reporting). Management have been fully engaged in making improvements to these areas to address the weaknesses identified, with action updates being reported to each Audit Committee meeting. However, progress has been delayed in some areas as the Trust focusses on the operational challenges of the next few months. During this period, individual actions are being reviewed by the executive directors to confirm their applicability and to agree realistic timescales for completion of recommendations where applicable.
With regard to counter fraud and corruption arrangements during 2019/20, there have been five new referrals and four referrals were brought forward from the prior year. Five have been concluded, three are pending closure and one remains ongoing. The potential financial value of the referrals was not material to the overall finances of the Trust.

The Local Counter Fraud Specialist (LCFS) has supported the Trust to ensure that investigations are carried out promptly and efficiently. In addition, the LCFS has continued to carry out proactive work at the Trust in line with NHS Counter Fraud Authority Standards, to prevent, detect and deter fraud and bribery within the NHS and to also raise awareness of the role of the counter fraud specialist within the Trust and the NHS as a whole. The self-assessment of compliance with the NHS Counter Fraud Authority Standards rated the Trust as green. Other work has included a comprehensive fraud risk assessment; full review of pre-employment, procurement and invoice processes; and training of around 475 new members of staff. Furthermore, the heightened risk of fraud arising from the pandemic has been highlighted and communicated throughout the Trust, with specific examples and advice being given to areas as these risks emerge. This proactive work has helped to establish an effective anti-fraud and anti-bribery culture and zero tolerance approach within the Trust that is fully supported by the Board of Directors.

**Learning from incidents**

The Trust seeks to learn from incidents to develop good practice. Incidents are discussed in a number of forums, including the Patient Experience Group, Serious Incident Group, individual clinical and non-clinical governance meetings and at Board sub-committee and Board level.

During the past 12 months, the Trust has recorded 45 serious incidents, which is a 10 per cent decrease from 2018/19 presented at the Serious Incident Group. The Trust also reported 3Never Events. The largest single trend was falls with 17 reported which is comparable to the 18 reported in 2018/19. Each incident has been investigated using Root Cause Analysis (RCA) and actions put in place to reduce the likelihood of re-occurrence. A monthly falls group has also been established. The Care Quality Commission (CQC) and NHS Resolution (NHSR) consider trusts who are high reporters of incidents to have a better and a more effective safety culture. In 2019/20, a total of 7349 incidents were reported, which shows a decrease of 3% on the previous year. To promote incident reporting, the governance team are working closely with the Directorates to improve incident reporting, identify learning points and provide feedback to staff.

To ensure lessons are learnt and shared, all RCA reports are discussed at the Serious Incident Group (SIG) meeting. This multi-disciplinary group, chaired by the Medical Director, is well-versed in providing challenge in a supportive environment. The group meets once per month and reports into the Quality Assurance Committee. To supplement the SIG meetings, additional table top meetings take place with the multidisciplinary team involved in the patients care. They are proactive meetings that enable timely learning to be shared across the organisation and to establish a root cause of the incident. The Trust has proactively implemented a Pressure Ulcer Serious Incident Group and Falls Group to allow the sharing of learning and implementation of actions Trust-wide to reduce and prevent pressure ulcer prevalence and reduction of incidence of falls.

The function of the groups is to review all SIRI reports to ensure a comprehensive investigation has been undertaken; ensure lessons learnt have been identified and shared within the Trust. The groups also monitor implementation of action plans developed to minimise the risk of reoccurrence. This is then fed back to directorate governance meetings and to ward or departmental monthly meetings to ensure that lessons learnt are shared across the Trust.

Examples of shared learning from incidents include:

- An elderly patient was admitted to the Trust following a fall at home that resulted in a fractured neck of femur. Whilst awaiting surgery the patient’s condition deteriorated with evidence of reduced urine output and an acute kidney injury. The patient continued to deteriorate and, despite attempted resuscitation, sadly died. The investigation highlighted that there was a failure to recognise a deteriorating patient and action the appropriate plan of care in a timely manner. Throughout the investigation it was evident that there was both
poor written and verbal communication between the teams to manage the patient effectively. Learning has been implemented to address the issues identified including review of the neck of femur pathway to include management of patient within the Emergency Department, reinforcement of a structured handover process to be implemented for communicating escalation and embedding the use of safety huddles within the ward team to identify concerns or issues. Audit and spot checks of records are now in place to continue to drive improvement in documentation of care.

- An elderly patient with a history of lung disease attended the Emergency Department following a fall at home where she sustained a fractured neck of femur. She was transferred to the Clinical Decision Unit initially and then to Elizabeth Ward where she received Non-Invasive Ventilation, oxygen and nebuliser medication in order to treat her breathing difficulties and maintain her oxygen saturations at 95%. The patient was taken to theatre for surgery to repair her fractured neck of femur; however, when the patient was transferred back following surgery her oxygen was mistakenly attached to the medical air outlet instead of the oxygen. This was identified and rectified immediately and changed to oxygen therapy. No harm was identified as a result of medical air initially being attached.

The investigation identified that all actions from the previous never event had been implemented and staff on Elizabeth Ward were able to articulate these.

Post-surgical patients would not normally return to Elizabeth Ward (a respiratory ward) but would return to a surgical ward or Intensive Therapy Unit for their recovery. The patient was on regular nebulisers four times a day so it was appropriate that she was returned to the respiratory ward and that the medical air outlet was in situ in her bed space.

Conclusion

I am pleased to report that, based on the opinion of Internal Audit; the George Eliot Hospital NHS Trust has an adequate and effective framework for internal control that supports the achievement of its policies, aims and objectives with no significant internal control issues identified.

Appropriate arrangements are in place for discharge of the Trust’s statutory functions. These ensure that any potential issues are highlighted to the Board and that the Trust is legally compliant with its statutory responsibilities.

Glen Burley
Chief Executive
12th June 2020
Remuneration and Staff Report

Directors’ Statement

Directors of the Trust have confirmed that they know of no information which would be relevant to the auditors for the purposes of their audit report, and of which the auditors are not aware, and they have taken all the steps required to ensure that they have made themselves aware of any such information and to establish that the auditors are aware of it.

Pay multiples

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

The banded remuneration of the highest paid director in the Trust during 2019/20 was £155,000 - £160,000 (2018/19: £155,000-£160,000). This was 6.5 times (2018/19: 6.6 times) the median remuneration of the workforce, which was £24,214 (2018/19: £23,951). The small change in the multiple year-on-year is due to the increase in median pay, following the annual pay award. There has been no change in the highest paid director and their associated salary banding. In both years this was the Medical Director.

The median pay has increased slightly due to the annual pay award only, with there being no change to the pay banding used to calculate the median.

In 2019/20, no employees (2018/19: none) received remuneration in excess of the highest paid director.

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

Directors’ Remuneration

The following tables (at Figures 2.0/2.1/2.2) show the remuneration and pension benefits of the directors during the financial year and the prior year.

This information is subject to audit.
Figure 2.0: Salaries and Allowances 2019/20

<table>
<thead>
<tr>
<th>Name and Title</th>
<th>Salary (bands of £5,000)</th>
<th>Expense payments (taxable) to nearest £100</th>
<th>Performance pay and bonuses (bands of £5,000)</th>
<th>Long term performance pay and bonuses (bands of £5,000)</th>
<th>All pension-related benefits (bands of £2,500)</th>
<th>TOTAL (bands of £5,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHAIRPERSON</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>£000</td>
</tr>
<tr>
<td>Russell Hardy</td>
<td>15-20</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>15-20</td>
</tr>
<tr>
<td>Chairperson From 1/4/19 (Note 1 below)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EXECUTIVE DIRECTORS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Glen Burley</td>
<td>50-55</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>50-55</td>
</tr>
<tr>
<td>Chief Executive (Note 2 below)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>David Eltringham</td>
<td>140-145</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>140-145</td>
</tr>
<tr>
<td>Managing Director From 1/4/19</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>OTHER EXECUTIVE DIRECTORS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Haqnawaz Khan</td>
<td>115-120</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>17.5-20.0</td>
<td>135-140</td>
</tr>
<tr>
<td>Director of Finance And Performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catherine Free</td>
<td>155-160</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>32.5-35.0</td>
<td>190-195</td>
</tr>
<tr>
<td>Medical Director (Note 3 below)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stephen Collman</td>
<td>110-115</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5.0-7.5</td>
<td>120-125</td>
</tr>
<tr>
<td>Director of Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daljit Athwal</td>
<td>105-110</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>17.5-20.0</td>
<td>125-130</td>
</tr>
<tr>
<td>Director Of Nursing (Note 4 below)</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NON EXECUTIVE DIRECTORS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anil Majithia</td>
<td>5-10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5-10</td>
</tr>
<tr>
<td>Non Executive Director</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elizabeth Washington</td>
<td>5-10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5-10</td>
</tr>
<tr>
<td>Non Executive Director</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Julie Houlder</td>
<td>5-10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5-10</td>
</tr>
<tr>
<td>Non Executive Director</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rebecca Khanna</td>
<td>5-10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5-10</td>
</tr>
<tr>
<td>Non Executive Director</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Simone Jordan</td>
<td>5-10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5-10</td>
</tr>
<tr>
<td>Non Executive Director</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note 1. Russell Hardy is an employee of South Warwickshire NHS Foundation Trust. His costs are the total costs incurred by the Trust.

Note 2. Glen Burley is an employee of South Warwickshire NHS Foundation Trust. His costs are the total costs incurred by the Trust.

Note 3. Having previously been in post as the Interim Director of Nursing, Daljit Athwal was appointed as substantive Director of Nursing from 1 May 2019.

Note 4. The total remuneration for the Medical Director includes £23,597 which related to the performance of a clinical role.

Note 5. The amounts disclosed in the ‘All pension-related benefits’ column do not represent any amount that will be received by the employee. It is simply a calculation which is intended to provide an estimate of the benefit that being a member of the NHS Pension Scheme could provide.
Note 1. Glen Burley is an employee of South Warwickshire NHS Foundation Trust. The George Eliot Hospital NHS Trust is recharged for his services. Glen Burley is Chief Executive for the three trusts in the Foundation Group and shares his time between the three trusts.

Note 2. Andrew Kent was an employee of Practicus Ltd.

Note 3. Daljit Athwal was seconded from Nottingham University Hospitals NHS Trust.

Note 4. The total remuneration for the Medical Director includes £28,488 which related to the performance of a clinical role.
Note 5. Anil Majithia joined the Trust on 1/4/18 as a Shadow Non Executive Director. The table above includes his remuneration from becoming a permanent Non Executive Director on 1/9/18.

Note 6. The amounts disclosed in the ‘All pension-related benefits’ column do not represent any amount that will be received by the employee. It is simply a calculation which is intended to provide an estimate of the benefit that being a member of the NHS Pension Scheme could provide.

Note 7. David Eltringham was appointed as Managing Director on 30/7/18, being seconded from University Hospitals Coventry and Warwickshire NHS Trust. This was a new role to support the Chief Executive. His salary for 2018-19 was in the range of £115,000-£120,000. David was employed by the Trust and became a voting director on 1/04/19.

Figure 2.2: Pension entitlements of senior managers 2019/20

<table>
<thead>
<tr>
<th>Name and Title</th>
<th>Real increase in pension at pension age (£000)</th>
<th>Real increase in pension lump sum at pension age (£000)</th>
<th>Total accrued pension at pension age at 31 March 2020 (£000)</th>
<th>Lump sum at pension age related to accrued pension at 31 March 2020 (£000)</th>
<th>Cash Equivalent Transfer Value at 1 April 2019 (£000)</th>
<th>Real increase in Cash Equivalent Transfer Value at 31 March 2020 (£000)</th>
<th>Employer’s contribution to stakeholder pension (£000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHAIRPERSON</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell Hardy</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Chairperson</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EXECUTIVE DIRECTORS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Glen Burley</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Chief Executive</td>
<td>note 1 below</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>David Eltringham</td>
<td>Managing Director From 1 April 2019</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0-2.5</td>
<td>(5.0)-(2.5)</td>
<td>50-55</td>
<td>110-115</td>
<td>898</td>
<td>2</td>
<td>941</td>
</tr>
<tr>
<td>OTHER EXECUTIVE DIRECTORS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Haqnawaz Khan Director of Finance And Performance</td>
<td>0-2.5</td>
<td>(2.5)-0</td>
<td>30-35</td>
<td>70-75</td>
<td>554</td>
<td>17</td>
<td>599</td>
</tr>
<tr>
<td>Catherine Free Medical Director</td>
<td>2.5-5.0</td>
<td>0-2.5</td>
<td>35-40</td>
<td>80-85</td>
<td>580</td>
<td>25</td>
<td>637</td>
</tr>
<tr>
<td>Stephen Collman Director of Operations</td>
<td>0-2.5</td>
<td>(5.0)-(2.5)</td>
<td>40-45</td>
<td>90-95</td>
<td>656</td>
<td>7</td>
<td>696</td>
</tr>
<tr>
<td>Daljit Athwal Director Of Nursing (note 2 below)</td>
<td>0-2.5</td>
<td>(2.5)-0</td>
<td>40-45</td>
<td>115-120</td>
<td>856</td>
<td>27</td>
<td>920</td>
</tr>
<tr>
<td>NON EXECUTIVE DIRECTORS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anil Majithia Non Executive Director</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Elizabeth Washington Non Executive Director</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Julie Houlder Non Executive Director</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Simone Jordan Non Executive Director</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Rebecca Khanna Non Executive Director</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Note 1: Glen Burley is an employee of South Warwickshire NHS Foundation Trust. His pension details are disclosed by them. The George Eliot Hospital NHS Trust is recharged for his services.

Note 2: Daljit Athwal was appointed as Director of Nursing from 1 May 2019.
Staff Report

Staff numbers and costs  The table below (figure 2.3) shows the total staff costs consisting of permanent and other temporary staff.

Figure 2.3: Total staff costs

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanently</td>
<td>Other</td>
<td>Total</td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Social security costs</td>
<td>82,180</td>
<td>1,103</td>
</tr>
<tr>
<td>Apprenticeship levy</td>
<td>8,477</td>
<td>6</td>
</tr>
<tr>
<td>Employer's contributions to NHS pension scheme</td>
<td>398</td>
<td>18</td>
</tr>
<tr>
<td>Temporary staff</td>
<td>13,583</td>
<td>16,660</td>
</tr>
<tr>
<td>Total gross staff costs</td>
<td>104,638</td>
<td>17,787</td>
</tr>
<tr>
<td>Recoveries in respect of seconded staff</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total staff costs</td>
<td>104,638</td>
<td>17,787</td>
</tr>
</tbody>
</table>

Of which

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs capitalised as part of assets</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td></td>
<td>350</td>
<td>-</td>
</tr>
</tbody>
</table>

The table below (figure 2.4) shows the total average whole time equivalent staff numbers, compared with the previous year.

Figure 2.4: Average number of employees (whole time equivalent basis)

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanently</td>
<td>Other</td>
<td>Total</td>
</tr>
<tr>
<td>Number</td>
<td>Number</td>
<td>Number</td>
</tr>
<tr>
<td>Medical and dental</td>
<td>218</td>
<td>43</td>
</tr>
<tr>
<td>Ambulance staff</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Administration and estates</td>
<td>434</td>
<td>49</td>
</tr>
<tr>
<td>Healthcare assistants and other support staff</td>
<td>594</td>
<td>68</td>
</tr>
<tr>
<td>Nursing, midwifery and health visiting staff</td>
<td>629</td>
<td>103</td>
</tr>
<tr>
<td>Nursing, midwifery and health visiting learners</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Scientific, therapeutic and technical staff</td>
<td>192</td>
<td>18</td>
</tr>
<tr>
<td>Healthcare science staff</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td>Social care staff</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total average numbers</td>
<td>2,080</td>
<td>281</td>
</tr>
</tbody>
</table>

Of which:

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees (WTE) engaged on capital projects</td>
<td>7</td>
<td>-</td>
</tr>
</tbody>
</table>

The table below (Figure 2.5) shows staff headcount by banding and table (Figure 2.6) shows the percentage of staff by grade as at the end of March 2020. Non-Agenda for Change (AfC) relates to staff who are outside the AfC contract (such as medical staff, executives, ad-hoc salaries etc).

Figure 2.5: Staff headcount by band

<table>
<thead>
<tr>
<th>Payscale</th>
<th>Headcount</th>
<th>Percentage of Staff in Band</th>
</tr>
</thead>
<tbody>
<tr>
<td>Band 2</td>
<td>731</td>
<td>29.22%</td>
</tr>
<tr>
<td>Band 3</td>
<td>202</td>
<td>8.07%</td>
</tr>
<tr>
<td>Band 4</td>
<td>160</td>
<td>6.39%</td>
</tr>
<tr>
<td>Band 5</td>
<td>497</td>
<td>19.86%</td>
</tr>
<tr>
<td>Payscale</td>
<td>Headcount</td>
<td>Percentage of Staff in Band</td>
</tr>
<tr>
<td>------------</td>
<td>-----------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>Band 6</td>
<td>336</td>
<td>13.42%</td>
</tr>
<tr>
<td>Band 7</td>
<td>238</td>
<td>9.51%</td>
</tr>
<tr>
<td>Band 8a</td>
<td>59</td>
<td>2.36%</td>
</tr>
<tr>
<td>Band 8b</td>
<td>17</td>
<td>0.68%</td>
</tr>
<tr>
<td>Band 8c</td>
<td>8</td>
<td>0.32%</td>
</tr>
<tr>
<td>Band 8d</td>
<td>7</td>
<td>0.28%</td>
</tr>
<tr>
<td>Band 9</td>
<td>3</td>
<td>0.12%</td>
</tr>
<tr>
<td>Non-AfC</td>
<td>244</td>
<td>10.21%</td>
</tr>
<tr>
<td>Total</td>
<td>2,502</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

**Figure 2.6: percentage of staff by grade**

The table and graph below (figure 2.7 and 2.8) shows the percentage of George Eliot Hospital NHS Trust workforce in each given age range.

**Age profile**

The table and graph below (figure 2.7 and 2.8) shows the percentage of George Eliot Hospital NHS Trust workforce in each given age range.
Figure 2.7: Percentage of workforces in each given age range

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Headcount</th>
<th>GEH percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-19</td>
<td>15</td>
<td>1%</td>
</tr>
<tr>
<td>20-29</td>
<td>417</td>
<td>17%</td>
</tr>
<tr>
<td>30-39</td>
<td>519</td>
<td>21%</td>
</tr>
<tr>
<td>40-49</td>
<td>591</td>
<td>24%</td>
</tr>
<tr>
<td>50-59</td>
<td>693</td>
<td>28%</td>
</tr>
<tr>
<td>60+</td>
<td>267</td>
<td>11%</td>
</tr>
<tr>
<td>Total</td>
<td>2,502</td>
<td>100%</td>
</tr>
</tbody>
</table>

Figure 2.8: Workforce by age range

Gender comparison

The table and graphs below (Figure 2.9/2.10/2.11/2.12/2.13) compares the gender breakdown of the George Eliot Hospital NHS Trust workforce and the Nuneaton and Bedworth population as given in the 2011 census.

Figure 2.9: Gender comparison figures

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number of Staff</th>
<th>George Eliot Hospital percentage</th>
<th>Nuneaton and Bedworth percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>454</td>
<td>18%</td>
<td>49%</td>
</tr>
<tr>
<td>Female</td>
<td>2,025</td>
<td>82%</td>
<td>51%</td>
</tr>
<tr>
<td>Total</td>
<td>2,479</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
Figure 2.10: Gender comparison analysis

Gender comparison of George Eliot NHS Hospital Trust workforce and local and Nuneaton and Bedworth population

Figure 2.11

<table>
<thead>
<tr>
<th>Gender</th>
<th>Director</th>
<th>Senior Managers</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>4</td>
<td>5</td>
<td>439</td>
</tr>
<tr>
<td>Female</td>
<td>3</td>
<td>25</td>
<td>2,015</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>30</td>
<td>2,442</td>
</tr>
</tbody>
</table>

Figure 2.12

<table>
<thead>
<tr>
<th>Gender</th>
<th>Directors</th>
<th>Senior Managers</th>
<th>Other Staff</th>
<th>Nuneaton and Bedworth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>57%</td>
<td>17%</td>
<td>18%</td>
<td>49%</td>
</tr>
<tr>
<td>Female</td>
<td>42%</td>
<td>83%</td>
<td>82%</td>
<td>51%</td>
</tr>
</tbody>
</table>

Figure 2.13
Ethnicity

The Table below (Figure 2.14) is based on the 2011 census and compares the percentage of various ethnic groups against the local demographics.

**Figure 2.14: Percentage of various ethnic groups against the local demographics.**

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Population Number</th>
<th>Percentage</th>
<th>Headcount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nuneaton and Bedworth</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>112,151</td>
<td>89.5%</td>
<td>1,978</td>
<td>79.7%</td>
</tr>
<tr>
<td>Black Caribbean</td>
<td>351</td>
<td>0.3%</td>
<td>8</td>
<td>0.32%</td>
</tr>
<tr>
<td>Black African</td>
<td>555</td>
<td>0.4%</td>
<td>61</td>
<td>2.5%</td>
</tr>
<tr>
<td>Black Other</td>
<td>774</td>
<td>0.6%</td>
<td>2</td>
<td>0.1%</td>
</tr>
<tr>
<td>Indian</td>
<td>5,705</td>
<td>4.6%</td>
<td>245</td>
<td>9.8%</td>
</tr>
<tr>
<td>Pakistani</td>
<td>527</td>
<td>0.4%</td>
<td>35</td>
<td>1.4%</td>
</tr>
<tr>
<td>Bangladeshi</td>
<td>51</td>
<td>0.0%</td>
<td>9</td>
<td>0.3%</td>
</tr>
<tr>
<td>Chinese</td>
<td>304</td>
<td>0.2%</td>
<td>4</td>
<td>0.1%</td>
</tr>
<tr>
<td>Asian Other</td>
<td>409</td>
<td>0.3%</td>
<td>65</td>
<td>2.6%</td>
</tr>
<tr>
<td>Other</td>
<td>4,425</td>
<td>3.5%</td>
<td>72</td>
<td>2.9%</td>
</tr>
<tr>
<td>Total</td>
<td>125,252</td>
<td>100.0%</td>
<td>2,479</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

The graph below (Figure 2.15) illustrates the varying ethnic groups of George Eliot Hospital NHS Trust's workforce.

**Figure 2.15: Ethnicity overview as at March 2020**
**Exit packages**

We have not agreed any exit packages during the year. The total cost of exit packages disclosed in the accounts is therefore £nil.

In the prior year we agreed one exit package.

**Consultancy**

We incurred expenditure on consultancy of £0.4m during the year. The largest element of this arose from the establishment of arrangements to manage savings opportunities in conjunction with the Service Improvement Team.

**Figure 2.16: Tax arrangements of public sector employees**

<table>
<thead>
<tr>
<th>For all off-payroll engagements as of 31 March 2020, for more than £245 per day and that last longer than six months:</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of existing engagements as of 31 March 2020</td>
<td>-</td>
</tr>
<tr>
<td>Of which, the number that have existed:</td>
<td></td>
</tr>
<tr>
<td>For less than one year at the time of reporting</td>
<td>-</td>
</tr>
<tr>
<td>For between one and two years at the time or reporting</td>
<td>-</td>
</tr>
<tr>
<td>For between two and three years at the time of reporting</td>
<td>-</td>
</tr>
<tr>
<td>For between three and four years at the time of reporting</td>
<td>-</td>
</tr>
<tr>
<td>For four or more years at the time of reporting</td>
<td>-</td>
</tr>
</tbody>
</table>

**Figure 2.17: Number of new engagements**

<table>
<thead>
<tr>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020</td>
</tr>
<tr>
<td>Of which:</td>
</tr>
<tr>
<td>Number assessed as caught by IR35</td>
</tr>
<tr>
<td>Number assessed as not caught by IR35</td>
</tr>
<tr>
<td>Number engaged directly (via PSC contracted to department) and are on the departmental payroll</td>
</tr>
<tr>
<td>Number of engagements reassessed for consistency/assurance purposes during the year</td>
</tr>
<tr>
<td>Number of engagements that saw a change to IR35 status following the consistency review</td>
</tr>
</tbody>
</table>
There were no individuals appointed during this period which met the criteria above.

**Figure 2.18: Board member engagements**

<table>
<thead>
<tr>
<th>For any off-payroll engagements of Board members and/or senior officials with significant financial responsibility, between 1 April 2019 and 31 March 2020</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of off-payroll engagements of Board members and/or senior officers with significant financial responsibility, during the financial year</td>
<td>0</td>
</tr>
<tr>
<td>Total number of individuals on payroll and off-payroll that have been deemed ‘Board members and/or senior officials with significant financial responsibility’, during the financial year.</td>
<td>6</td>
</tr>
</tbody>
</table>

**Sickness absence**

Details on sickness absence are published on the NHS Digital website at the following link:


**Figure 2.19: Numbers of persons retiring early on ill health grounds 2019/20 & 2018/19**

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of persons retired early on ill health grounds</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>£000s</td>
<td>£000s</td>
<td></td>
</tr>
<tr>
<td>Total additional pensions liabilities accrued in the year</td>
<td>-</td>
<td>206</td>
</tr>
</tbody>
</table>
Financial Performance

Overall

In 2019/20 we reported that the Trust has broken even for the year, which included Provider Sustainability Fund (PSF) and Financial Recovery Fund (FRF) income of £15.7m. PSF and FRF are non-recurrent income from NHS England which we can only access if we achieve the agreed financial performance targets. The plan included PSF/FRF of £15.7m and the Trust will receive the full amount based on achievement of the financial target.

By comparison, in 2018/19 we reported a deficit for the year of £12.8m, which was a favourable variance of £1.5m against the plan of £14.3m. This included non-recurrent PSF income from the Department of Health and Social Care (DHSC) of £5.6m.

We received cash support from the DHSC amounting to £15.3m, in advance of PSF/FRF funding being received, which is dependent upon achieving our financial performance targets. These loans are due to be repaid once the Trust’s reported financial position has been verified and FRF/PSF income is received.

The cumulative deficit started at £8.1m at the end of 2005/06 but reduced to £2.0m by 2012/13. With deficits in the following six years, this has increased to £71.9m in 2018/19 and remained the same in 2019/20.

Healthcare income

The Trust has contracts to deliver healthcare services which are commissioned by Clinical Commissioning Groups (CCGs), NHS England (through specialist hubs and local teams) and local authorities.

In 2019/20 we received 68 per cent of our healthcare income from Warwickshire North CCG. In total, 89 per cent of healthcare income came from CCGs, a further 10 per cent from NHS England, which included the Prescribed Services, and one per cent from local authorities.

The following chart (Figure 2.20) shows the income:

Figure 2.20: Patient care income
Expenditure

Pay expenditure increased by eleven per cent in 2019/20 when compared with the previous year, amounting to an increase of £12.1m. Of this £4.2m is the notional cost of an increase to the employer pension contribution percentage, from 14.38% to 20.68%. Although the increased cost has been centrally funded by DHSC during the year, the Trust has included the notional cost and the notional income offsetting this, within the accounts. Excluding this, the increase was seven per cent, or £7.9m.

We had an increase in permanent medical staff spend due to continued investment in clinical staffing. We also have vacancies which were filled with temporary medical staff, increasing the medical staff costs overall by £2.9m. Nursing and health care assistant (HCA) costs have increased by £1.9m. Other pay expenditure has increased by £3.1m. The increase in pay costs includes a pay award for non-medical staff of 3.4%, for medical staff of 2.5% and is also driven by an increase in staff numbers of 2%. This increase includes temporary staff recruited to ensure that the hospital can treat the higher levels of patients attending hospital during the winter period, where demand increased again compared with the prior year. In addition we have addressed skills mix issues particularly in our Accident and Emergency department. This is illustrated in the charts at Figure 2.21 below:

Figure 2.21: Pay expenditure analysis

Non-pay expenditure increased by one per cent compared with the prior year. The Trust received a benefit from a reduction in the cost of ‘insurance’ premiums paid to NHS Resolution. However, this was offset by increased costs driven by services purchased from other NHS trusts, as well as an increase in premises related costs.

Cash flow

The cash balance was £1.0m at 31 March 2020, in line with the plan, which is the minimum cash balance that the Department of Health and Social Care requires the Trust to hold.
We applied to the Department of Health and Social Care for cash support to finance the revenue deficit. During the year this was provided as monthly loans, with interest charged at 1.5 per cent. Each loan was due to become repayable at the end of a three-year term. Total funding of £15.3m was received during the year.

In addition, capital loan funding of £0.8m was carried forward from 2018/19, to use in 2019/20. This loan has a term of 10 years and interest is charged at 0.97 per cent. The Trust was also allocated capital loan funding of £2.6m to finance capital investment during the year. This loan also has a term of 10 years and interest is charged at 0.68%.

Subsequent to these loans being drawn down, the Trust has been informed that all DHSC revenue and capital loans will be converted to Public Dividend Capital based on the balance at 1 April 2020. Although the loans are therefore now shown as current liabilities in the Balance Sheet, the Trust will not be required to repay any further loan principal or interest after 31st March 2020.

The following chart (Figure 2.22) shows the cash balance throughout the year:

**Figure 2.22: Cash profile to March 2019**

We have experienced fluctuations in cash balances during the year due to the timing of cash flows particularly related to loan drawdowns and the receipt of non-recurrent income.

**Prompt Payment Code**

We are a signatory to the Prompt Payment Code, which sets standards for payment practice. Measured by value, the Trust paid 58.9 per cent of non-NHS invoices within target (82.6 per cent last year) and 65.0 per cent of NHS invoices within target (compared with 47.4 per cent last year).

The following chart (Figure 2.23 below) shows overall performance for the year based on the number of invoices paid:
Performance has deteriorated compared with the prior year, with a consistently lower performance over the year due to the Trust's deficit cash position. The temporary improvement in January was due to clearance of those invoices which were ready to pay before transitioning to the new finance and procurement system. The Trust remains below target but expects this to improve as the temporary funding arrangements (which have been put into place for the NHS during the pandemic period) will provide cash in advance to assist with prompt payments over the first four months of the financial year.

**Better Payment Practice Code (BPPC)**

The Better Payment Practice Code (Figure 2.24) requires NHS bodies to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.

**Figure 2.24: BPPC measure of compliance 2019/20 compared to 2018/19**

We allowed a two-day buffer period for payments in transit when calculating the number of invoices paid on time.
Staff numbers

Figure 2.25: Staff numbers

<table>
<thead>
<tr>
<th>Average number of whole time equivalent staff</th>
<th>2019/20</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical and dental</td>
<td>261</td>
<td>253</td>
</tr>
<tr>
<td>Administration and estates</td>
<td>483</td>
<td>486</td>
</tr>
<tr>
<td>Healthcare assistants and other support staff</td>
<td>662</td>
<td>645</td>
</tr>
<tr>
<td>Nursing and midwifery</td>
<td>732</td>
<td>711</td>
</tr>
<tr>
<td>Scientific, therapeutic and technical</td>
<td>210</td>
<td>199</td>
</tr>
<tr>
<td>Other</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Total</td>
<td>2,361</td>
<td>2,307</td>
</tr>
</tbody>
</table>

The table above (at Figure 2.25) shows the total average whole time equivalent staff numbers, compared with the previous year.

Overall, there has been a two per cent increase in the average number of whole time equivalents in 2019/20 from the previous year. This compares with a seven per cent increase in staff costs. There has been continued investment in nursing, medical and clinical support staff.

Capital expenditure

This year, £7.7m was dedicated to capital expenditure. This was funded from internally generated funds of £3.7m, together with external financing of £3.9m and donations from the hospital’s charity of £0.1m.

Expenditure on the estate in 2019/20 included the relocation and significant expansion of the Trust’s Ambulatory Care Unit and creation of a ‘Same Day Emergency Care’ centre to improve the flow of patients previously presenting at Accident and Emergency (£1.1m). We have also commenced preparatory work to install an additional 30 bed modular capacity, with £1.1m being spent in 2019/20. The ward is expected to be complete and ready to use in August. Other expenditure included replacing medical equipment (£2.2m), information management and technology (£1.7m) and improving infrastructure (£1.6m).

The following chart (at Figure 2.26) shows capital investment in 2019/20 compared to previous years. The expenditure in 2019/20 continues to address the low level of investment in previous years caused by uncertainty about the Trust’s service delivery model, whilst being limited by the national availability of cash for capital investment particularly in the last three years.
External Auditors

KPMG UK LLP completed the Trust’s statutory audit for 2019/20. The audit fee charged is £48,800 plus VAT.
INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF
GEORGE ELIOT HOSPITAL NHS TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion
We have audited the financial statements of George Eliot Hospital NHS Trust ("the Trust") for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Taxpayers Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust’s affairs as at 31 March 2020 and of its income and expenditure for the year then ended; and

- have been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as being relevant to NHS Trusts in England and included in the Department of Health and Social Care Group Accounting Manual 2019/20.

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

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

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Director’s conclusions we considered the inherent risks to the Trust’s operations and analysed how these risks might affect the Trust’s financial resources, or ability to continue its operations over the going concern period. We have nothing to report in these respects.

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

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

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information. In our opinion the other
information included in the Annual Report for the financial year is consistent with the financial statements.

Annual Governance Statement

We are required to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the Department of Health and Social Care Group Accounting Manual 2019/20. We have nothing to report in this respect.

Remuneration and Staff Report

In our opinion the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2019/20.

Directors’ and Accountable Officer’s responsibilities

As explained more fully in the statement set out on page 28, the directors are responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity. As explained more fully in the statement of the Chief Executive’s responsibilities, as the Accountable Officer of the Trust, on page 27 the Accountable Officer is responsible for ensuring that annual statutory accounts are prepared in a format directed by the Secretary of State.

Auditor’s responsibilities

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

A fuller description of our responsibilities is provided on the FRC’s website at www.frc.org.uk/auditorsresponsibilities.

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

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

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in its use of resources.

Adverse conclusion

As a result of the matters outlined in the basis for adverse conclusion paragraph below, we are unable to satisfy ourselves that, in all significant respects George Eliot Hospital NHS Trust put in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources for the year ended 31 March 2020

Basis for adverse conclusion

In considering the adequacy of the Trust’s arrangements for securing economy, efficiency and effectiveness in its use of resources we identified significant use of resources risks upon completion of value for money risk assessment against the criteria identified within the Code of Audit Practice.
We identified that:

- The Trust achieved a surplus of £0.019m after receipt of £15.8m PSF and FRF funding.
- The Trust has a cumulative deficit of £71.7m. The Trust plans to achieve a breakeven position in 2020/21 however this is reliant on receipt of FRF funding and meeting a planned CIP target of £8.268m, of which £7.578m is either high risk of not being achieved or is still to be identified.
- The Trust underperformed against its planned CIP in 2019/20, achieving £5.119m compared to a plan of £8.342m.
- Regulatory action by NHS Improvement has been taken against the Trust for breaches of licence conditions FT4(5)(a), (b), (d), (e). The breaches span financial issues, operational performance, governance and quality.
- The Trust has not achieved core NHS operational targets including; seeing only 75.9% of patients in A&E within 4 hours, against a national target of 95%; and the cancer 62-day standard has not been achieved since February 2019, performing at 79.68% compared to the 85% required standard.

As at 31 March 2020 various improvement plans have been fully enacted but their actions are yet to complete, the Trust remains in financial deficit and is subject to undertakings to NHS Improvement. This, combined with the prospective nature of the Trust’s financial recovery plans means we do not have sufficient assurance of the sustainable deployment of resources or informed decision making. It is as a result of this that we have issued a qualified audit conclusion.

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

As explained in the statement set out on page 27, the Chief Executive, as the Accountable Officer, is responsible for ensuring that value for money is achieved from the resources available to the Trust. We are required under section 21(3)(c), as amended by schedule 13 paragraph 10(a), of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Trust’s arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in December 2018 and updated in April 2020 as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

Statutory reporting matters

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

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014; or
- we make a written recommendation to the Trust under section 24 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.
Other matters on which we report by exception – referral to Secretary of State

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

On 24 June 2020 we referred a matter to the Secretary of State under Section 30(1)(a) of the Local Audit and Accountability Act 2014 as we had reason to believe that the Trust was, taking into account the Department of Health’s Guidance on Breakeven Duty and Provisions, in the financial year ending 31 March 2020, in breach of its ‘breakeven duty’ set out at paragraph 2(1) of Schedule 5 to the National Health Service Act 2006.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

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

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of George Eliot Hospital NHS Trust for the year ended 31 March 2020 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Andrew Bostock
for and on behalf of KPMG LLP
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham B4 6GH

24 June 2020
Annual Accounts

To be provided as an annexe to this report prior to uploading onto the Trust’s website.
## Glossary

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Reports</td>
<td>A comprehensive report on a company's activities throughout the preceding year. Annual reports are intended to give our NHS peers, key stakeholders and the public information about the organisation's activities and financial performance.</td>
</tr>
<tr>
<td>CQC – (Care Quality Commission)</td>
<td>The independent regulator of health and social care in England. The CQC regulates care provided by the NHS, local authorities, private companies and voluntary organisations.</td>
</tr>
<tr>
<td>CCGs (Clinical Commissioning Groups)</td>
<td>Groups of GPs that commission most of the hospital and community NHS services in the local areas for which they are responsible. Commissioning involves deciding what services are needed, and ensuring that they are provided. CCGs are overseen by NHS England, which retains responsibility for commissioning primary care services such as GP and dental services, as well as some specialised hospital services. All GP practices now belong to a CCG, but groups also include other health professionals, such as nurses.</td>
</tr>
<tr>
<td>CQUIN (Commissioning for Quality and Innovation)</td>
<td>A national payment framework for locally agreed quality improvement schemes. It makes a proportion of provider income conditional on achieving ambitious quality improvement goals and innovations agreed between commissioner and provider, with active clinical engagement. The CQUIN framework is intended to reward genuine ambition, encouraging a culture of continuous quality improvement in all providers.</td>
</tr>
<tr>
<td>Datix</td>
<td>Incident reporting software that promotes a culture of learning by recording, investigating and analysing your incidents.</td>
</tr>
<tr>
<td>NHSI (NHS Improvement)</td>
<td>The organisation responsible for overseeing all NHS trusts in England including FTs as well as independent providers providing NHS-funded care.</td>
</tr>
<tr>
<td>The Foundation Group</td>
<td>In June 2018, George Eliot Hospital NHS Trust (GEH) joined the Foundation Group that was formed in 2017 when South Warwickshire NHS Foundation Trust (SWFT) formalised its collaboration with Wye Valley NHS Trust (WVT). All three organisations face similar challenges and have a common strategic vision for how these can be solved. The Foundation Group model retains the identity of each individual trust, whilst strengthening the opportunities available to secure a sustainable future for local health services.</td>
</tr>
</tbody>
</table>
Acknowledgements
George Eliot Hospital NHS Trust would like to thank the following staff and individuals for their invaluable contribution through ongoing feedback and support in the production of this year’s Report.

- The Trust’s Communications and Engagement team
- Lead contributors: Consultant leads, Complaint Services, Finance teams from across the Trust
- KPMG, External Auditors (Annual Report, Accounts and Quality Indicators).

Feedback form
We hope you have found this report informative, interesting and helpful. To save costs, the document is available on our website and hard copies are available in waiting rooms or on request.

We would be grateful if you would take the time to complete this feedback form and return to: Patient Feedback, George Eliot Hospital NHS Trust, FREEPOST (CV3262), College Street, Nuneaton, CV10 7BR. Alternatively, please email: pals@geh.nhs.uk

<table>
<thead>
<tr>
<th>How useful did you find this report?</th>
<th>Did you find the contents?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very useful</td>
<td>Too simplistic</td>
</tr>
<tr>
<td>Quite useful</td>
<td>About right</td>
</tr>
<tr>
<td>Not very useful</td>
<td>Too complicated</td>
</tr>
<tr>
<td>Not useful at all</td>
<td></td>
</tr>
</tbody>
</table>

Is the presentation of data clearly labelled?

- Yes, completely
- Yes, to some extent
- No

If no, what would have helped?

Comments

Accessibility
We have access to interpretation and translation services. If you need this information in another language or format, please contact 024 7686 5550 and we will do our best to meet your needs.