NHS
United Lincolnshire Hospitals
NHS Trust

Annual Report and Accounts for the year ended 31 March 2021

OUTSTANDING CARE
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Contents

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This annual report and accounts are available at www.ulh.nhs.uk

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For further information about this report or the work of the Trust please contact the communications and engagement team at Lincoln County Hospital, Lincoln, LN2 4AX or by telephoning 01522 573986.

Chief Executive and Chair's Foreword

We are pleased to be able to share with you our Annual Report for the year 2020/21.

This report covers one of the most challenging years that the NHS both nationally and locally has ever faced. It reflects the very difficult circumstances that our patients, the public, their loved ones and our own staff have faced over a sustained period of time.

For those people who work for our Trust, each person will have enduring memories of the year, and this report highlights the extraordinary circumstances in which professionalism, resilience and sheer determination was tested on a daily basis.

This has also been a year to be proud of, where our staff have gone above and beyond to support our patients and keep our services running safely through the COVID-19 pandemic. There is also significant learning around the way we do things in the organisation, which will be incorporated in our future plans.

As we now turn our attention to re-building and refocusing during the coming year, we recognise that we have significant work to do to recover some services that were affected during the pandemic. For example, we have at times cancelled some appointments so that we had capacity to care for COVID-19 patients, and restricted patient visiting for large swathes of the year. We know these have been difficult decisions, but they were made in the best interests of patient safety.

This has resulted in increased waiting lists for elective surgery and for outpatient appointments, which is reflected across the NHS nationally.

The year has also provided us with the opportunity to innovate, and we have established new ways of working - increasing telephone and video consultations for example. These are innovations that have been welcomed by and evaluate well with our patients and that have shifted how we work.

We are also proud of the temporary changes we've made to safeguarding urgent and cancer surgery, including the temporary creation of a 'Green' COVID-safe site at Grantham hospital. That successful change enabled us to

carry out thousands more procedures than we would otherwise have been able to do.

During the year, we've also been very lucky to attract additional £30.2 million external investment, which has enabled us to make significant improvements to our estates, including work to redevelop the A&E department at Pilgrim hospital, a new Urgent Treatment Centre for Lincoln, new scanning and diagnostic equipment and ward upgrades and refurbishments across our hospitals.

Whilst there is still a long way to go in reducing our estates maintenance backlog, the unusual nature of 2020/21 has provided us with opportunity to innovate and improve.

Overall, we are going into the next financial year with confidence in our amazing workforce and hope that we will be able to reinstate and restore services. We are also making a shift to managing COVID-19 as endemic in our society, with plans to manage it alongside other infections with robust infection prevention and control measures.

We look positively to the future.

Elaine Baylis, Chair

Andrew Morgan, Chief Executive

Performance Report

Overview

The purpose of this overview is to give context to the Annual Report. It outlines and summarises the Trust's performance over the past year, where we have made improvements and the areas in which we need to continue to improve.

Whilst we are required by law to include technical and financial detail, we have tried to make this overview as easy as possible to read and understand, whilst sharing with you information about our Trust and the services we provide for the residents of Lincolnshire and beyond. The Performance Report is a summary of what we provide, how we have performed against the national mandated standards for clinical care, what we achieved in 2020/21, and how your money was invested to improve services for patients.

The Accountability Report and the Financial Statements contain a range of other technical details, statements and financial information, which we are required to produce by Parliament and our legal regulators, NHS England and NHS Improvement.

About Us

United Lincolnshire Hospitals Trust (ULHT) serves one of the largest geographical areas in England with a population of around 755,833 (Office of National Statistics 2018).

We provide acute and specialist clinical services to people in Lincolnshire and neighbouring counties. Lincolnshire is the second largest county in the UK. It is characterised by a dispersed population in towns, in the city of Lincoln and largely rural communities.

We have an annual income for 2020/21 of £643m. Our main contract is with NHS Lincolnshire Clinical Commissioning Group (CCG).

We provide services from three acute hospitals in Lincolnshire with a bed stock, excluding obstetrics, of 889 beds compiled as follows

Lincoln County Hospital – 509 core + 7 escalation Total cap available = 516

Pilgrim Hospital Boston – 338 core + 3 escalation Total cap available = 341

Grantham & District Hospital – 32 core + 0 escalation Total cap available = 32

The Trust also provides a wide variety of outpatient, day case and inpatient services from a range of other community hospitals operated by NHS property Services. These include:

County Hospital Louth

John Coupland Hospital, Gainsborough

Johnson Community Hospital, Spalding

Skegness and District General Hospital.

In an average year, we treat more than 140,000 accident and emergency patients, over 600,000 outpatients and over 140,000 inpatients, and deliver around 4,000 babies. Services during 2020/21 have been significantly affected by the pandemic. During 2020/21 the Trust conducted 6,429 video consultations and 240,145 telephone consultations.

For 2020/21 vs 2019/20 our attendances were as follows:

	2019/20	**2020/21**
Outpatient	622,045	558,546
A&E Attendances	145,381	100,992
Inpatients	146,310	106,567

The Trust provides a broad range of clinical services including community services, population-screening services, and a comprehensive range of planned and unscheduled secondary care services. A full list of services that the Trust provides can be seen under the heading of Trust Organisations Structure.

Whilst the Trust is the largest provider of elective care for NHS Lincolnshire CCG, Northern Lincolnshire and Goole NHS Foundation Trust and North West Anglia NHS Foundation Trust provide a significant share of elective care in East and South Lincolnshire respectively.

On 5th March 2020, in response to the Covid-19 pandemic, the Trust enacted the Pandemic Flu plan and elements of the Major Incident Plan and put in place Command and Control systems. This response continued until 1st August when nationally the national Emergency Response Level was reduced to Level 3. This signified the start of the Recovery Phase of the response to Covid-19 pandemic.

Operational performance for the periods from August 2020 where data is available reflects the Recovery Phase where services were being reinstated as part of the Phase 3 Recovery programme. From August this recovery commenced with ambitions to returning to pre-Covid-19 levels of waiting lists, response times and constitutional standards, in line with expectations as set out in Sir Simon Stevens' letter of 31st July 2020.

However, the Covid-19 2nd wave impacted significantly against the Trust's plans, posing challenges across both non-elective and elective pathways, including cancer, and resulting in the intermittent pausing of the green pathways at both Lincoln and Pilgrim hospitals. The Grantham Green Site has remained in operation.

Trust Organisational Structure

The table below shows the services provided by the Trust and how they are managed through each of the four Trust divisions

Division	Clinical Business Unit	Clinical Service
Family Health	Women's Health	Breast Obstetrics Gynaecology
	Children and Young People	Paediatrics Neonatology
Clinical Support Services	Diagnostics	Radiology Radiotherapy Medical Physics Pathology Audiology
	Therapies and Rehabilitation	Rehabilitation medicine Occupational Therapy Speech and Language Therapy Dietetics Physiotherapy
	Pharmacy	
	Outpatients	
	Cancer Services	
Surgery	Surgery	General Surgery Vascular Urology Head and Neck
	Orthopaedics and Opthalmology	Orthopaedics Opthalmology Orthoptics
	Theatres, Anaesthetics, Critical Care and Pain	Theatres Critical Care
Medicine	Urgent and Emergency Care	A&E Acute Medicine Cardiology (including cardiac physiology)
	Cardio Vascular	Diabetes Renal Stroke Endocrinology

	Specialist Medicine	Dermatology Rheumatology Neurology Gastroenterology Respiratory Health care of the older person

The four Divisions reduce the variation of care across the sites through the implementation of consistent structures with strengthened roles, clearer decision making closer to the front line of service delivery.

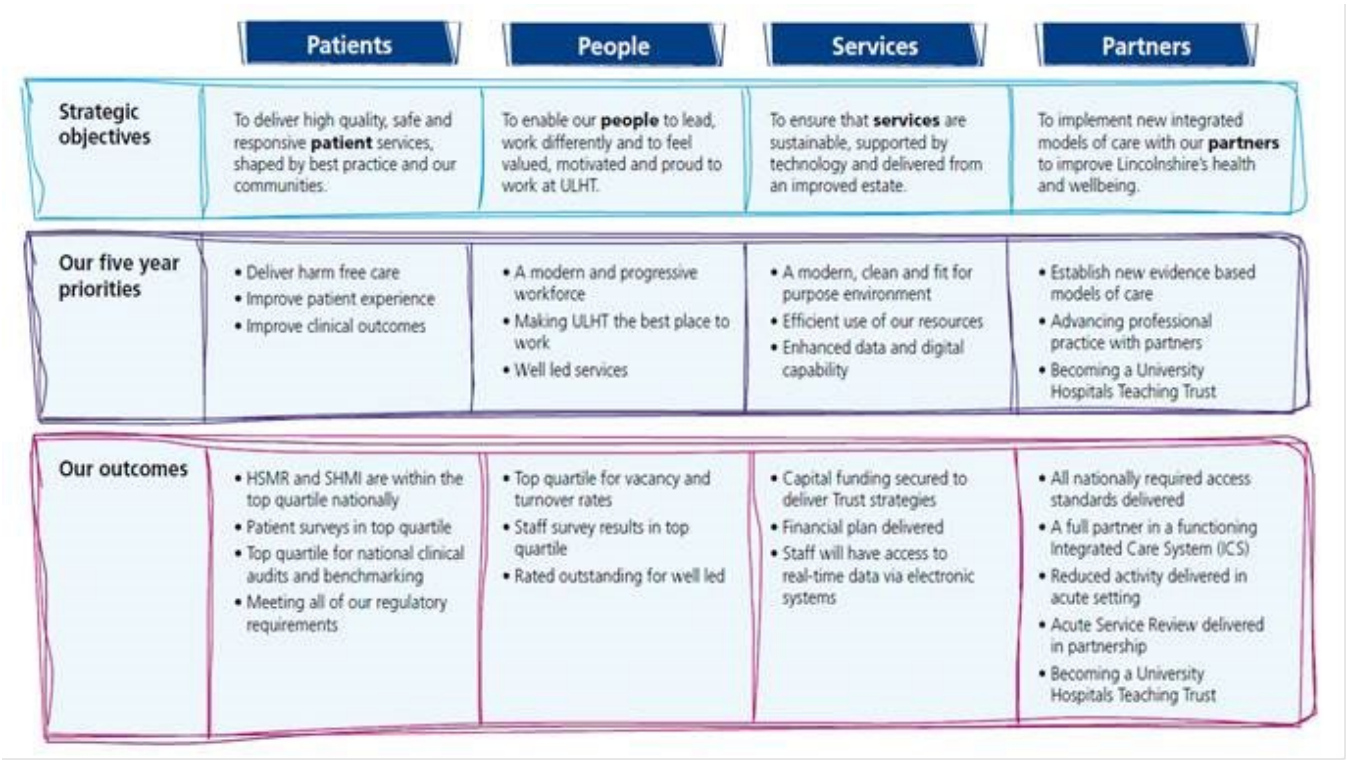
Vision, ambitions and strategies for 2020-2025

As a Trust Board in February 2020 we committed to delivering our 5 year Integrated Improvement Plan (IIP) with year one delivery in 2020/21. At this time little did we know that we would be experiencing, a few weeks later, a global pandemic that disrupted healthcare delivery as we knew it. As a result our year one plans have been severely affected. Of the 71 original projects, 50 remain live but with either altered scopes, timelines or expected benefits. As would be expected focus has remained on those areas deemed by the project teams to have most impact on patient safety.

To deliver our IIP we have continued to develop our Outstanding Care Together Programme (OCTP). Our OCTP sets out how we will;

- Set our annual plans aligning the organisation through strategy deployment
- Create the conditions for the right leadership behaviours
- Develop our Improvement offer through the Improvement Academy
- Have a consistent approach to continuous improvement through our Outstanding Care Improvement System (OCIS)
- Ensure there is a consistent methodology for larger more complex Improvement projects / programmes based on the fundamentals of QSIR (Quality, Service Improvement and Redesign – NHS change methodology)

The following strategic framework was agreed to shape our plans for 2020-2025



	Patients	People	Services	Partners
Strategic objectives	To deliver high quality, safe and responsive **patient** services, shaped by best practice and our communities.	To enable our **people** to lead, work differently and to feel valued, motivated and proud to work at ULHT.	To ensure that **services** are sustainable, supported by technology and delivered from an improved estate.	To implement new integrated models of care with our **partners** to improve Lincolnshire's health and wellbeing.
Our five year priorities	• Deliver harm free care • Improve patient experience • Improve clinical outcomes	• A modern and progressive workforce • Making ULHT the best place to work • Well led services	• A modern, clean and fit for purpose environment • Efficient use of our resources • Enhanced data and digital capability	• Establish new evidence based models of care • Advancing professional practice with partners • Becoming a University Hospitals Teaching Trust
Our outcomes	• HSMR and SHMI are within the top quartile nationally • Patient surveys in top quartile • Top quartile for national clinical audits and benchmarking • Meeting all of our regulatory requirements	• Top quartile for vacancy and turnover rates • Staff survey results in top quartile • Rated outstanding for well led	• Capital funding secured to deliver Trust strategies • Financial plan delivered • Staff will have access to real-time data via electronic systems	• All nationally required access standards delivered • A full partner in a functioning Integrated Care System (ICS) • Reduced activity delivered in acute setting • Acute Service Review delivered in partnership • Becoming a University Hospitals Teaching Trust

Overview of progress of the People's Work Streams

Work streams	Start Date	Finish Date	Six Stage Methodology Status	Progress update	Previous RAG Status	Current RAG Status
A modern and progressive workforce						
Embed Robust workforce planning and development of new roles (PMO_2020_015)	01/02/2020	01/09/2021	Various	This project RAG status remains Amber Job Planning: The deadline has been extended to the end of June 21 for the Job Planning to be completed, current position: Consistency Checking Panels have been arranged for all specialties with three panels having been held to date. 465 job plans have been published to date, with 26 plans ready for panel and 20 plans signed off by panel. E-Rostering A plan has been developed to re-launch in Anaesthetics and ICU. Confirmation is being sought from the Division on the most appropriate time to do this. Agreement then needs to be reached with the Division on the next area of roll-out.	Amber	Amber

				Workforce Planning: The Initial ask from NHSE/I has been stood down, high-level workforce plans for 21/22 to be in place by the end of April Alternative Roles: Family Health are in the process of writing a Business Case to utilise ACP's into their service, this will potentially serve as the Proof-of-concept area Apprentice Pool: The next cohort adverts are due to go out as follows: 8 Apprentices in June 2021 7 Apprentices in Aug 2021		
Targeted recruitment campaigns to include overseas recruitment (PMO_2020_016)	01/04/2020	Contract due to expire 30th October 2022	5 (Implement)	The project is currently showing on track for delivery. International Nursing recruitment 120 Nurses – The timeline date has been extended to June 21 due to the lockdown issues in India Cohort recruitment Campaign for 225 FTE HCSW, on target Maximise our Talent Academy resource Apprenticeship levy. Awaiting confirmation of the 2020/21 final figures	Amber	Amber

Delivery of annual appraisals and mandatory training (PMO_2020_017)	01/04/2020	31/03/2021	5 (Implement)	Decision was taken by ELT to pause the implementation of WorkPal WorkPal launch May 2021. Approval has been requested from Executive Lead around extension to the timeline. Project will form one of the major projects for Year 2 of the IIP. . The project remains Red RAG due to the delivery of WorkPal being a key milestone for delivery.	Red	Red
Creating a framework for people to achieve their full potential (PMO_2020_018)	01/04/2020	31/03/2021	4 (Design & Plan)	Project to form one of the major projects for Year 2 of the IIP. All major milestones for Year 1 have been completed. One outstanding task – to incorporate talent indicators into WorkPal.	Amber	Green
Embed Continuous Improvement Methodology Across the Trust (PMO_2020_019)	01/04/2020	31/03/2021	5 (Implement)	Drafted our Strategic Offer for the Improvement Academy, which sets out our approach to Improvement with a dosing model to suit individuals and team's needs. We have been resetting our delivery schedules: > Quality Improvement for Shared Decision-Making being prepared > Restarted our Quality, Service	Amber	Amber

				Improvement and Redesign (QSIR) NHS E/I accredited programmes to support change > Restarted planning and training coaches for routine continuous improvement programme with the Outstanding Care Improvement System (OCIS) planning to start training delivery in May > Human Factors improvement conference attended, plus training being pulled together by the Safety culture lead > Shared learning from previous programmes through catalogues and year books. ULHT Associate is the Chair for the NHS E/I QSIR Associate programme for designing the future national Virtual Assessment programme for Associates		
Reducing absence management (PMO_2020_020)	01/10/2019	28/02/2021	5 (Implement)	The AMS project is moving to project closure, absence manager and case manager are both live across the Trust, the final milestone of long term sickness absence enabled by the External Empactis team is currently outstanding and expected to be achieved at the end of the month	Green	Green

				at which point the project closure report will be submitted for approval by the Sponsor. Project blue status against this category of rating will not by achieved within the lifecycle of the project. Implementation of the AMS requires cultural and behavioural change, some Directorates have embraced the AMS and are using it proficiently, others less so, the work to support embedding into BAU has commenced, however it will be at least six months before the AMS is fully embedded.		
Deliver Personal and Professional development (PMO_2020_021)	01/04/2020	31/03/2021	4 (Design & Plan)	Project to form one of the major projects for Year 2 of the IIP. Timeline has been rescoped and completion date extended. PMO to request new completion date is shared. A lot of progress has been made with the now focussed attention of the OD Lead.	Amber	Amber
Making ULHT the best place to work						
Embedding our values and behaviours (PMO_2020_022)	01/04/2020	31/03/2021	4 (Design & Plan)	Project to form one of the major projects for Year 2 of the IIP. Discussions are currently	Red	Red

				underway as to how this work stream will be impacted by the Culture and Leadership Programme. Project is Red RAG due to being delayed in achieving Year 1 milestones. Staff charter workshop has restarted in April 2021 along with appraisal training. The Culture and Leadership Programme team has been finalised.		
Reviewing the way in which we communicate with staff and involve them in shaping our plans (PMO_2020_023)	1/04/2020	31/03/2021	5 (Implement)	> The development of the new staff intranet is now well underway, with a Proof of Concept developed and staff user group testing due to begin in the coming weeks. > We've recently run our annual internal comms survey and have received the results. > We will be using these results to develop a plan for the future of internal comms during May/June. > We are taking an active role in the Culture and Leadership Programme, Wellbeing Weeks and the recent Recognition Week, working closely with OD. We will be incorporating these into the internal comms planning.	Amber	Amber

Adapting our responsibility framework and leadership programmes in line with the NHS Leadership Compact (PMO_2020_024)	01/04/2020	31/03/2021	4 (Design & Plan)	Project is likely to form one of the major projects for Year 2 of the IIP. Overall the project is on track; however, the implementation of leadership forums was paused until April 2021. Project lead to understand whether the completion date for the project requires extending to take this into account. Quarter 1 training plan and calendar of training sessions has been announced and widely advertised across the Trust. Culture and Leadership Programme is beginning to progress and has the potential to impact on this work stream.	Amber	Amber
Revising our diversity action plan for 2020/21 to ensure concerns around equity of treatment and opportunity are tackled (PMO_2020_025)	01/04/2020	31/03/2021	5 (Implement)		Amber	Amber
Agreeing and promoting the core offer of ULHT, so our staff feel valued, supported, and cared for (PMO_2020_026)	01/04/2020	31/03/2021	5 (Implement)	Project is Red due to Occupational Health's limited capacity to contribute to this work stream due to COVID vaccination focus. Completion date to be pushed back to October 2021,	Red	Red
Implementing Schwartz Rounds	13/01/2020	31/03/2021	4	Project RAG status remains RED	Red	Red

(PMO_2020_027)			(Design & Plan)	due to the project not completing on time the new proposed PID & Timeline will be updated once the work stream has been confirmed as a year 2 major project All facilitators are booked on to training dates and remain on track to complete by the end of April.		
To become a University Hospitals Teaching Trust						
Embed Guardian of safe Working/ Supporting the expansion of medical training posts/ Increasing the number of joint Clinical Academic posts/ Improving the training environment for Medical Students and Doctors (PMO_2020_028)	28/02/2020	31/01/2022	2 (Define & Scope)	The projects documentation is now needing to be reviewed and updated following the deep dive work that has been undertaken, this will include the timeline of the project to be re-baselined and the scope changes identified to be agreed. The budget for this project remains Red – this requirement will be further defined once the new normal for the delivery of the curriculum is understood and a gap analysis is completed to understand resource cost linked to the Business Case	Amber	Amber
Well Led services						
Embed Freedom to speak up	28/02/2020	Continuous	2	Additional resource identified.	Amber	Amber

(PMO_2020_030)			(Define & Scope)	Recruitment commenced for fulltime FTSU Guardian for Trust.		
Embedding Divisional Governance structures to operate as one team/ Delivery of risk management training programmes (PMO_2020_033)	01/07/2020	31/08/2021	4 (Design & Plan)	Meeting has taken place with project lead and PMO to review evidence for project completion as project moves into BAU. Awaiting sign off from Executive Lead of Clinical Governance 2021/22 objectives as BAU. Agreed to move back to Amber pending receipt and review of evidence.	Amber	Amber
Implementing a Shared Decision-Making framework (PMO_2020_036)	01/11/2019	Ongoing	5 (Implement)	The overall project RAG status remains at Amber, the milestones timeline has been re-aligned and evidence is being provided for those completed. The focus is now on re-invigorating the current councils before moving to implementing the 2 remaining councils in July 2021. (Training to be completed on 21/07/2021), with the leadership councils due to commence on 11/06/2021.	Amber	Amber
Implementing a robust policy management system (PMO_2020_037)	28/02/2020	31/03/2021	2 (Define & Scope)	Priority policies being managed through fortnightly report to Executive. Additional resource in place to support improved	Amber	Amber

				referencing and performance reporting to divisions		

Overview of progress of the Service's Work Streams

Work streams	Start Date	Finish Date	Six Stage Methodology Status	Progress Update	Previous RAG Status	Current RAG Status
Modern, clean and fit for purpose environment						
Delivering environmental improvements in line with Estates Strategy (PMO_2020_041)	09/07/2020	16/11/2020 (Being reviewed)	4 (Design & Plan)	This project RAG status has moved to Amber this is due to improvements in our Carbon Reduction Measures. Phase 2 of the decarbonisation bid to open 7/4, currently working up a plan with Veolia for a bid. Sustainability options – Following interest from Community for EV charging points on site will also be explored.	Red	Amber
Continual improvement towards meeting PLACE assessment outcomes (PMO_2020_042)	07/07/2020	31/03/2021	5 (Implement)	This project is reporting the overall RAG status as Green, the project manager for this project finished his contract on 31/03/2021, an End Project report has been completed and is currently being	Amber	Green

				reviewed, alongside the evidence by the PMO Team		
Reviewing and improving the quality and value for money of facilities services including catering and housekeeping (PMO_2020_043)	07/07/2020	31/03/2021	5 (Implement)	Housekeeping: This work stream is reporting all milestones are completed, An End Project Report has been completed and is currently being reviewed by the PMO Team Porterage: All milestones are completed; An End Project Report has been completed and is currently being reviewed by the PMO Team Catering: This work-stream has also completed an End Project Report, this has been reviewed by the PMO Team and confirmed there is a good standard of evidence provided to support this closure, outstanding / ongoing actions now need to be continued within the division as documented in the report	Amber	Green
Continued progress on improving infrastructure to meet statutory Health and Safety compliance (PMO_2020_044)	09/07/2020	16/11/2020 (Being reviewed)	4 (Design & Plan)	Despite making substantial progress in addressing Health & Safety compliance the project has not completed all objectives specifically with regards to a refocus on infrastructure	Red	Red

				requirements where end of year priorities had to take priorities.		
Efficient use of our resources						
Delivering £25m CIP Programme in 2020/21 (PMO_2020_045)	01/04/2020	31/03/2021	5 (Implement)	The Trust is reporting an improved position and is on target to deliver, with a revised forecast of £10.8m, (£1.3m favourable to plan). The Trust has now received direction from NHS E&I for 2021/22 CIP. For Q1 there will be a continuation of the current block arrangement with the expectation from Q2 the Trust will have worked up its CIP Framework and methodology in readiness for implementation. National guidance was released on 25/03/2021 and over the next couple of weeks	Green	Green
Delivering Financial Plan (PMO_2020_046)	01/04/2020	31/03/2021	5 (Implement)	For 2021/22 there will be a continuation of the current block arrangement for Q1 and going into Q2, however, going forward there will be a tightening on the current financial regime in the form of an added 1.1% efficiency factor nationally. In addition, the Lincolnshire STP will have a	Green	Green

				further increase in its efficiency factor to approx. 2.5% as it was a system financial special measures in 2019/20 with a deficit of £96m. National guidance was released on 25/03/2021 around Priorities and Operational Planning which now be worked up by Executive Leads.		
Utilising Model Hospital, Service Line Reporting and Patient Level Costing data to drive focussed improvements (PMO_2020_047)			6 (Handover & Sustain)		Blue	
Implementing the CQC Use of Resources Report recommendations (PMO_2020_048)	01/04/2020	Continuous	5 (Implement)	Use of Resources continues to be paused while the Trust is going through the Restoration Phase of COVID. This is acknowledged by NHS E&I and CQC. The Trust's focus currently is on the Transitional Monitoring Approach being requested by CQC. UoR is monitored through the fortnightly PMO Finance Steering Group.	Amber	
Enhanced data and digital capacity						
Improving utilisation of the Care Portal	TBC	TBC	5	The Project Team to complete	Green	Green

with increased availability of information. (PMO_2020_049)			(Implement)	the End Project Report to capture evidence and ongoing governance reporting to close this project		
Commencing implementation of the Electronic Health Record (PMO_2020_050)	01/09/2008	TBC	5 (Implement)	EPR OBC heard at CRIG and Funding for 2021/22 has been approved for ICU and ophthalmology projects, funding is being requested at CRIG, this will be subject to Board approving OBC's.	Amber	Amber
Undertake review of business intelligence platform to better support decision making. (PMO_2020_051)	28/02/2020	31/03/2021	4 (Design & Plan)	Review of assurance questions for the BI platform has been ongoing. Questions and answers are being finalised for areas of assurance for this project.	Amber	Amber
Implement Robotic Process Automation (PMO_2020_052)	TBC	TBC		Working with Blue Prism and Royal Free Hospital to set up workshops to understand benefits to the Trust which will inform the OBC, workshop date confirmed as 30/04/2021.	Amber	Amber
Completing roll-out of Data Quality Kite mark (PMO_2020_054)	28/02/2020	31/03/2021	4 (Design & Plan)	Work significantly delayed due to COVID related activities and re-prioritisation of the team's workload. Project has re-prioritised to business as usual.	Amber	Amber

				Agreed with PMO to convert to Amber pending approval of Year 2 priorities.		

Overview of progress of the Partners' Work Streams

Work streams	Start Date	Finish Date	Six Stage Methodology Status	Progress update	Previous RAG Status	Current RAG Status
Establish new evidence-based models of care						
Ensuring system alignment with improvement activity (PMO_2020_038)	01/04/2020	31/03/2021	1 (Start Out)	Ongoing work through the system planning and delivery, supported by the Improvement Task and Finish Group, where there has been work to develop the shared NHS Collaboration Platform for setting out the offer of the Lincolnshire Learning Network. There has been the sharing of materials for the collaboration space and it has been tested by the Task and Finish Group. There are key objectives to be achieved, and there is a link back to helping to shape improvement support to the system planning. Started Advanced Process Improvement	Amber	Amber

				Training, working across the system with buddies from the training working on process improvement.		
Support Creation of ICS (PMO_2020_056)	01/07/2020	31/03/2021	2 (Define & Scope)	This work stream is on track. Provider collaborative will be developed	Amber	Amber
Support the consultation for Acute Service Review (ASR) (PMO_2020_058)	December 2017	30/04/2021	4 (Measure & understand)	This work stream is behind on its timeline.	Red	Red
Improvement Programme for Cancer (PMO_2020_059)	01/04/2020	31/03/2021	5 (Implement)	There is now funding for Cancer Navigators to sit within the Divisions to assist with the triaging and clinical review processes to support the work that the Divisions are doing to improve upon their cancer performance	Amber	Amber
Improvement Programme for Outpatients (PMO_2020_060)	01/04/2020	31/03/2021	5 (Implement	Overall project is off track due to the COVID19 operational pressures and the decision to pause Evolution Group activities across all specialties in November 2020. Restart of some Wave 1 OP activities for specialties	Red	Amber

				Dermatology, Gastroenterology, Paediatrics. Rheumatology expected to restart at the end of April 2021. Cardiology expected to restart in Q1 21/22. Proposal is for Diabetes, Endocrinology and Respiratory to be included as part of a structured review of wider whole system transformation opportunities within these specialties. This will include OP improvement. This work is scheduled to commence Q2 21/22 (allowing for remaining W1 OP activity to be completed). A review of Neurology and its respective OP elements may also be pulled into the 21/22 schedule to support restoration of services activities – this is being scoped and considered. Gynae EG to restart 7th April. ENT EG to restart Q1 21/22. Vascular surgery, General Surgery, OMF, Orthopaedics still stood down currently.		

Development and implementation of new pathways for Paediatric services (PMO_2020_063)	01/01/2020	31/03/2022	5 (Implement)	The project is moving forward and have made progress with the plan to submit a proposal paper to the board in May 2021. The project team has reviewed and refreshed the project documentation and will be refocusing the PAU Group going forward, a change request is in the progress of being completed & will be ready for submission in May.	Amber	Amber
Advancing professional practise with partners						
Support Widening Access to Nursing, Midwifery and AHP (PMO_2020_064)	01/04/2020	31/03/2021	6 (Handover & Sustain)		Blue	Blue
To become a University hospital teaching Trust						
Refresh of our Research, Development, and Innovation Strategy (PMO_2020_070)	01/05/2020	31/01/2021	6 (Handover & Sustain)		Blue	Blue

Our key risks and issues

Workforce

During 2020/21, we maintained our efforts to recruiting to vacant medical posts. However, our vacancy rates for both medical and nursing posts remain high in some key areas, and the key risk is providing sustainable, consistent and high quality clinical care. The way in which we respond to this, to ensure sustainability and high quality care, will impact on our finances.

Due to our staffing difficulties a number of our services remain fragile. The services that are termed as being fragile at the current time are urgent care, acute medicine, breast and haematology services.

Due to our staffing challenges three areas have required changes to their service configuration on safety grounds. These are:

Grantham Emergency Department

The Emergency Department remains closed at Grantham overnight (6.30pm to 8am). This change took effect from 17th August 2016. Work remains in progress with partners to secure the long-term model for urgent care across Lincolnshire. Noting that in response to the pandemic the Grantham site was temporarily set up as a Green site and the emergency department was operated as an Urgent Treatment Centre. The department will revert back in June 2021

Pilgrim Paediatrics

The service model at Pilgrim was rapidly redesigned following a significant reduction in the available medical and Children's nursing workforce. As a result a service change took effect from August 2018 and remains in place. However, recruitment to vacant posts has been successful, and as such, work is in progress to continue to evolve the paediatric service across our hospital sites.

Stroke

A temporary stroke pathway was implemented on 8th April 2020. This was an emergency response required due to significant shortfall in staffing related to the pandemic. The temporary pathway saw the consolidation of stroke services down to a single Hyper-Acute Stroke Service at Lincoln with acute and rehabilitation care taking place on both the Lincoln and Boston sites.

The key focus of our workforce plan for 2021/22 is improving the quality of patient care, together with the balance of substantive and temporary staffing, thus reducing the cost of our workforce. The Trust continues to work to support staff wellbeing as we put in place our restoration of services.

We have set out an ambitious recruitment improvement programme for medical and clinical roles whilst at the same time taking steps to reduce attrition through a number of retention interventions. We are optimising both domestic and overseas recruitment, and have run a successful recruitment drive for Healthcare Support Workers, as well as further developing our international recruitment programmes.

Finance

We remained in Financial Special Measures throughout 2020/21.

The Trust exited 2019/20 with a deficit of £71.2m. excluding Provider Sustainability Fund and Financial Recovery Fund funding but inclusive of £25.7m system support.

During 2020/21 a national NHS financial regime was introduced which provided sufficient central resource to enable each organisation to break-even in half one of the year. Half Two replaced this with an STP based income envelope. The Lincolnshire income envelope was inclusive of proposed block arrangements for each of the three Providers and the CCG and £87m 'top up, growth and COVID related' income that the STP had agreed an apportionment of planned support across the four organisations.

The block arrangements are set to continue for months 1 to 6 of 2021/22
The Trust has achieved a £2.4m surplus for the Financial Year 2020/21 inclusive of £72.1m of planned system support and £4.5m of funding for lost Other Operating Income.

Capital expenditure for the financial year equated to c£42.6m, with spend of c£21m delivered in Month 12 alone. The capital programme for 2020/21 was the largest in the Trusts' history and delivered in extremely challenging circumstances. Overall the outturn spend was c£2.5m under planned funding levels – the 'slippage' mainly relates to 2 key schemes, that being c£1.7m on Ward IPC (£3.8m funding received on 7th February 2021) and c£0.5m on Lincoln ED as part of the £9.0m UEC monies allocated.

Cost Improvement savings of £11.5m (£1.6m favourable to plan) have been delivered in 2020/21.

The Trust acknowledges that regardless of the future financial payment structure it must continue to strive towards delivering financial sustainability through improved productivity and working collaboratively with its Lincolnshire partners.

Special Measures

The Trust remains in quality special measures, and during June & July 2019 we were re-inspected by the Care Quality Commission (CQC), the CQC inspected a total of five core services provided by the Trust across two Hospital sites. These services were; urgent and emergency care, medical care (including older peoples care), critical care, maternity and children and young people's care.

The outcome from the most recent inspection in 2019 was 'requires improvement' and saw the CQC, Under Section 31 of the Health and Social Care Act 2008, impose conditions on the registration of the Trust as a provider in respect to three regulated activities. They took this urgent action as they believed a person would or may have be exposed to the risk of harm if they had not done so. Imposing conditions means that the Trust must manage regulated activity in a way which complies with the conditions set by the CQC. The conditions related to the emergency department at Pilgrim Hospital, Boston and the emergency department at Lincoln County Hospital.

The CQC also issued a section 29a warning notice to the Trust as they found significant improvement was required to the governance in children and young

people's services. The section 29a notice gave the Trust three months to rectify the significant improvements the CQC identified.

The CQC also issued six requirement notices to the Trust. That meant the Trust had to send to the CQC a report saying what action it would take to meet these requirements.

The CQC's action related to breaches of legal requirements in the Trust overall in the organisation, urgent and emergency care, medicine including older peoples care and children and young people's services.

Within the report there are 21 "Must Do" areas for improvement identified and 55 "Should Do" areas for improvement. These improvement initiatives were been built into the Divisional & Corporate improvement plans for 2020/21, and also were a key focus in the Trusts overall Integrated Improvement Plan with an Executive lead assigned to support delivery of the improvements. Whilst the Trust has seen the pandemic impact on delivery of some of the actions, the Trust has maintained focussed on improvement.

In summary, the CQC report showed the ratings following the 2019 inspections as follows:

Title	Rating
Safe	Requires Improvement
Effective	Requires Improvement
Caring	Good
Responsive	Requires Improvement
Well Led	Requires Improvement
Overall	Requires Improvement

It is our ambition to improve the CQC rating to 'good' at our next inspection. The pandemic saw inspections paused. In March 2020 the Trust was subject to Transitional Monitoring Arrangements (TMA) reviews by the CQC in Family Health and Medicine with the Well Led TMA planned for May 2021.

Performance challenges

Whilst this report covers 2020/21 Performance it should be noted that as the demands of Wave 2 have diminished, the Trust is now moving into a period of restoration of services and is now guided by national requirements as set out in NHS England's 2021/22 Priorities and Operational Planning Guidance. This guidance which moves away from a focus on statutory access standards will have direct impact on performance, specifically RTT.

The Trust's A&E services continue to operate under pressure with more attendances and emergency admissions. A number of schemes have been put in place to support the known times of pressure but unfortunately these have not been able to meet the underlying demand and additional growth.

Work continues with the System to reduce overall ambulance conveyances to the Trust. Dedicated UEC Project Management resource has been supported by the Improvement and Integration Team, to support sustainable change with a particular focus on SDEC to aid improved bed flow.

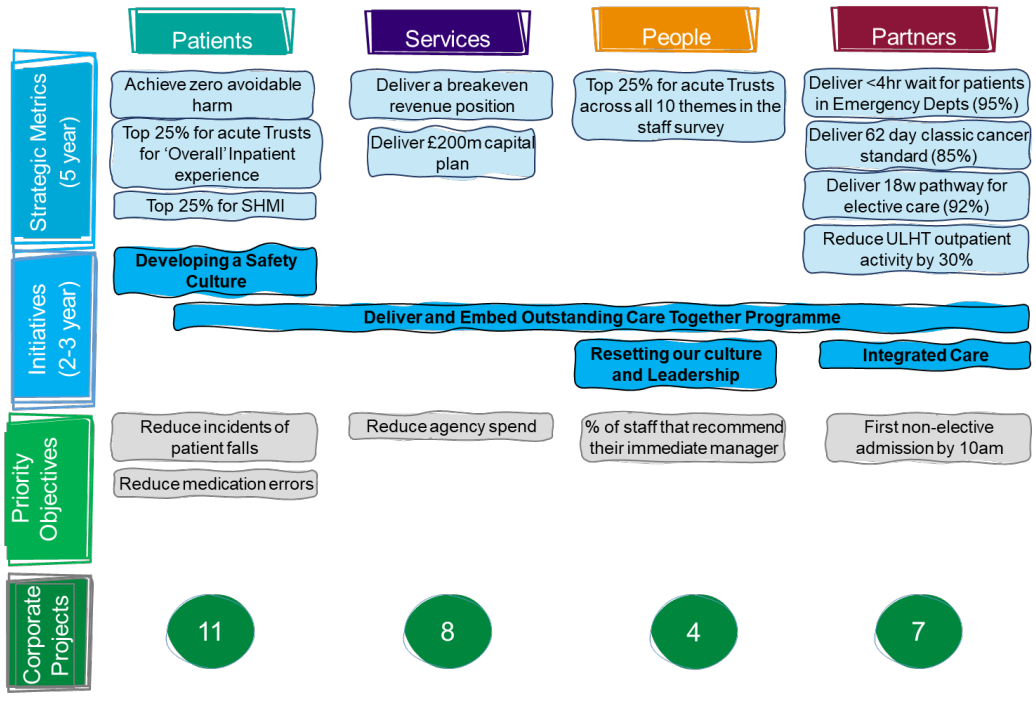
On 1 April 2020, there were 38,106 patients on the Trust's waiting lists. The impact of Covid-19 as the Trust reduced elective activity has had an impact on waiting list size, at 31 March 2021 the waiting list was 39,368 (28 Feb).

The Future: Looking ahead to our vision, ambitions and strategies for 2021/22

As part of planning for Year two focus has been on developing the above modules for our Outstanding Care Together Programme. All modules will be finalised and fully operationalised during April 2021. Significant progress has been made in setting organisational priorities, in line with the IIP, for 2021/22 a draft annual plan will be presented to Board in May 2021 and final plan in June in line with the recently published (25th March 2021) National planning guidance.

Our emerging plans have fed into system planning and reviewed at an event on 30th March 2021. Our plans will continue to evolve aligned to our IIP, system priorities and national guidance.

These are our draft priorities for 2021/22



The Trust is working with the whole Lincolnshire health and care system – engaging with the whole community on proposals for improvements to services, where patients can be seen and treated rapidly in the right care setting, first time. This includes current thinking around the centralisation of some services to provide centres of excellence. The public's top health

concerns include self-care, prevention, cancer and mental health and the Trust will look at how it can work with the wider system to support these concerns.

It is hoped that during 2021, the system will be in a position to consult with the public on some of these changes, changes that will not require capital investment to affect, and that will also address the fragility issues of some services.

Going Concern

In preparing Financial Statements, all organisations are required to consider whether it is appropriate to prepare financial statements on a 'going concern'.

HM Treasury's Financial Reporting Manual provides the following interpretations of going concern in the public sector context:

- For non-trading entities in the public sector, the anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient evidence of going concern.
- DHSC group bodies must therefore prepare their accounts on a going concern basis unless informed by the relevant national body or DHSC sponsor of the intention for dissolution without transfer of services or function to another entity.

On-going service provision by the United Lincolnshire Hospitals NHS Trust is confirmed. It is therefore appropriate to prepare the Annual Financial Statements on a Going Concern basis.

There is expectation the Trust will continue in operation for the foreseeable future and will be able to realise assets and discharge liabilities in the normal course of operations.

Emergency Preparedness

In 2019/20 the Trust was fully compliant with 61 of the 64 EPRR core standards, evidenced by a self-assessment approved by NHS England NHS Improvement. Core standard 21 relating to lockdown was partially compliant as the Trust was undergoing a complete fire door replacement across all sites which would result in changes to the existing lockdown plans. Full site lockdown testing began in 2019 and will continue throughout 2021.

Core standard 40 relating to Local Health Resilience Partnership meetings was partially compliant as the Trust had meeting conflicts and sickness which resulted in non-attendance at some meetings. Core standard 50 relating to Data protection and Security Toolkit was partially compliant as the Trust is following the NHS Digital action plan.

During 2020/21 there was no self assessment submission. Instead an assessment was completed at System level.

Overseas Visitors

The National Health Service provides NHS funded healthcare to people who are ordinarily resident in the United Kingdom. When a person who is not ordinarily resident in the UK (an “overseas visitor”) needs NHS treatment they will be subject to the National Health Service (Charges to Overseas Visitors) Regulations 2017 (the “Charging Regulations”) and may incur a charge for treatment.

In accordance with the Charging Regulations the Trust has a legal obligation to make and recover charges for NHS treatment in relation to any person who is not ordinarily resident in the United Kingdom.

To ensure compliance with these statutory obligations the Trust, in 2017, formed an Overseas Visitors Team. Initially a small team of three this was expanded in 2019 reflecting the complexity of the task and its importance.

Operational requirements

In order to enforce our legal responsibilities the Trust is required to have systems and staff in place who possess the appropriate skills to:

I. Identify, without discrimination, and at the earliest possible opportunity, all patients who may be liable to charges;
II. Interview patients to establish if they are ordinarily resident or not, and if not, whether they are exempt from or liable for charges.
III. Make and recover charges from individuals who are not covered by an exemption category, providing them with a written statement of why charges apply, the level of charge/s and how they can pay.

The Trust must ensure that it's human rights obligations are not compromised by the application of the patient eligibility assessment, failure to provide immediately necessary treatment may be unlawful under the Human Rights Act 1998. In situations where the patient is not eligible for NHS funded care, but where treatment is immediately necessary, the Trust will seek to begin the recovery of treatment fees as soon as the patient is well enough.

Similarly, treatment which is not immediately necessary, but is classed as urgent by clinicians (in that it cannot wait until the patient can be reasonably expected to return home), should also be provided, although in these instances payment would be sought ahead of treatment.

The Overseas Visitors Team are responsible for delivering training to all relevant front line staff in order to ensure they have an awareness of the requirements for assessment of overseas patient eligibility. This training includes examples of baseline questions that are used in the assessment process and examples of documentation that can be used to assess patient eligibility.

The Overseas Visitors team have access to a national support network ensuring that legislative changes and ways of working are continuously refreshed where appropriate.

Accountability report

The purpose of the accountability section of the annual report is to meet key accountability requirements to Parliament. The requirements are based upon those dealt with in a Directors' Report, under the Companies Act 2006 and adapted for the public sector context.

The Trust external auditors have reviewed the accountability report for consistency with other information in the financial statements. Specific items which have been audited are marked as such.

The accountability report contains two sections:

- The corporate governance report.
- The remuneration and staff report.

Corporate Governance Report

Directors' report

The Trust Board

The Board is responsible for setting the overall policy and strategy for the organisation and for ensuring the effective implementation of that strategy. It establishes a committee structure that supports it in driving the delivery of the principal objectives through a process of risk management, control and assurance.

Board membership comprises the chair and chief executive, together with a mix of other executive and non-executive directors. Collectively, the members bring a diverse range of skills and senior experience to the Board and are accountable for the delivery of the organisational objectives.

Further background on Board members can be found at https://www.ulh.nhs.uk/about/trust-board/

The non-executive directors are independent people, drawn from the local community and appointed by NHS Improvement on behalf of the Secretary of State for Health.

The chief executive and executive directors are full time employees of the Trust, appointed through open competition. The selection process includes an interview panel involving the chair, non-executive directors and independent advice.

The remuneration of executive directors is determined by the Remuneration and Terms of Service Committee. During 2020/21, this committee consisted of the chair and the non-executive directors.

Board Changes

During the year there were no changes to the Trust Board membership but the status of director secondments is described below :

Andrew Morgan remained on a long term secondment to the organisation as Chief Executive.

Dr Karen Dunderdale was substantively appointed as Director of Nursing in October 2020 following a secondment to the organisation from March 2020.

Simon Evans was substantively appointed as Chief Operating Officer in November 2020 following a period as Acting Chief Operating Officer from January 2020.

A full list of directors who have served during the year is shown within the remuneration report on page 66.

Audit and Risk Committee

Audit and Risk Committee membership should comprise four non-executive directors, one of whom should possess considerable financial expertise.

For 2020/21, Audit and Risk Committee membership was as follows:

Sarah Dunnett, Chair (October 2017 – ongoing)

Geoffrey Hayward (July 2013 - ongoing)

Gill Ponder (April 2017 - ongoing)

Elizabeth Libiszewski (March 2018 – ongoing)

Declarations of interest for each member of the Trust Board can be found on the Trust website

https://www.ulh.nhs.uk/about/trust/declarations-of-interest/

Data-related incidents

The Trust had four information governance data breaches which were reportable in line with the Information Commissioners Office guidance in 2020/21. The incidents involved unauthorised access to disused Trust property where corporate records were found, maternity notes being delivered to incorrect address, Trust laptop stolen from community midwife with patient notes and patient notes being emailed to third party email address In all cases the ICO were satisfied with action taken by the Trust and have closed the incident. No financial penalties were issued.

Declaration: Audit of the Trust Annual Report and Accounts 2020/21

The Trust Board collectively and Directors individually confirm 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; have taken “all the steps that ought to have taken” to make themselves aware of any such information and to establish that the auditors are aware of it.

Statement of accounting officer’s responsibilities

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

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

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

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

Signed.....Chief Executive

Date.....

Annual Governance Statement

Scope of Responsibility

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

The Purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of United Lincolnshire Hospitals 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 United Lincolnshire Hospitals NHS Trust for the year ended 31 March 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Chief Executive, as the Accountable Officer (AO) for the Trust, is responsible for:

- The establishment and maintenance of effective corporate governance and internal control arrangements; and
- Being open and communicating effectively about the Trust's management of risks, both internally and externally.

The Director of Nursing, as the executive lead for risk management is responsible for:

- Monitoring the consistent application of the Risk Management Policy throughout the Trust; and
- Retaining a suitable level of professional risk management expertise to support the effective implementation of the Policy.
- Members of Divisional teams are responsible for:
- The consistent application of the Policy within their areas of accountability;
- The management of specific risks that have been assigned to them and are recorded in the risk register, in accordance with the criteria set out in the policy; and
- Reporting on risk management matters as required to ensure that risk management performance can be monitored, assurance provided and risks escalated to a more senior level of management where appropriate.
- All members of staff are responsible for:
- Identification and as far as possible the management of risks that they identify in the course of their duties.
- Maintaining an awareness of the primary risks within their service or department
- Bringing to the attention of their line manager any risks that are beyond their ability or authority to manage
- Applying the Policy to any relevant risk management undertaken in the course of their duties; and
- The completion of any risk management related mandatory Core Learning.

The Trust's Risk Management Policy provides staff with clear and unambiguous criteria for evaluating risks, and the essential requirements of the risk management process have been designed into the Datix Risk Management System to provide a supportive structure and guidance for those with responsibility for managing risks.

As the Trust entered 2020/21 it enacted its pandemic flu plan following guidance from Public Health England in response to Covid -19 (Coronavirus). The Trust adhered to all national guidance and the Trust Board approved

streamlined governance arrangements which allowed rapid response to the changing situation whilst maintaining appropriate controls. The Board, Audit and Risk Committee and Quality Governance Committee continued to meet and received reports on how the pandemic was impacting on the operation of Trust services. During 2020 hospital services were reduced to free up capacity to respond to both waves of covid 19 and reduce the risk to patients coming in to our hospitals. Appointments were deferred and attendances at A&E departments significantly reduced. The Trust made the decision in June 2020 to create a green site at Grantham. This allowed some procedures for the most vulnerable Lincolnshire patients to continue. However as the Trust enters 2021/22 many patients are waiting for appointments.

The risk and control framework

The basic principle at the heart of the Trust's risk management approach is that an awareness and understanding of risk should be used to inform decision making at all levels. This requires not only the active engagement of all staff with risk management activity in practice, but also the integration of risk management principles and techniques within the formal governance arrangements of the organisation. This approach will enable major strategic, policy and investment decisions to be made with a full and reliable appreciation of the risks associated with them as well as any existing risks that those decisions may serve to mitigate.

The Board Assurance Framework (BAF) is an important document that enables the Trust Board to maintain effective oversight of strategic risk management within the organisation. The Trust Board identifies and defines strategic risks to its objectives and assigns each of those risks to a lead non-executive assurance committee for routine review and evaluation. During 2020/21 adjustments were made to the board assurance framework to reflect the impact of the pandemic in relation to the progress with and assurances on the Trust strategic objectives. The Trust Board continued to consider the board assurance framework at each of its meetings

During 2020/21 the Board saw the following changes. The Chief Executive remained on long term secondment to the Trust. The Chief Operating Officer post which had been filled since January 2020 on an interim basis by the

Director of Operations was substantively filled in November 2020. The Interim Director of Nursing who had been seconded to the organisation since February 2020 was appointed into the substantive role in October 2020.

The role of each Board committee is to consider evidence provided by members of the Executive Team in relation to relevant corporate risks, to enable the committee to make an informed judgement as to the level of assurance that can be provided to the Trust Board and assess the overall extent of strategic risk exposure at that time.

The role of the Audit and Risk Committee is to consider the appropriateness and effectiveness of the BAF as a key component of the Trust's internal control arrangements.

A strategic risk is defined as a risk that is Trust-wide in scope and extreme in terms of its potential severity. These are the risks that would fundamentally destabilise the organisation if they were to materialise.

During their well led review in July 2019 the Care Quality Commission (CQC) recognised the progress that had been made with the BAF. The Head of Internal Audit (HOIA) Opinion found that the Assurance Framework in place is founded on a systematic risk management process and does provide assurance to the Board. The Assurance Framework does reflect the Trust's key objectives and risks and has continued to be reviewed monthly by the Board.

There are 4 key strategic objectives defined within the 2020/21 BAF underpinned by more detailed underlying objectives with metrics and deliverable outcomes. Strategic objectives are owned by the Trust Board, with responsibility for regular oversight of these and the risks to achievement being delegated to appropriate assurance committees. Relevant metrics were identified in relation to each strategic risk in the BAF. Reporting against these metrics was included in regular management reports that provide the lead committees with evidence that associated corporate risks are being managed effectively. Lead assurance committees reviewed and challenged each corporate risk that is included in the BAF, to provide guidance and set expectations to support Trust management teams in developing and delivering their risk treatment strategies. It should be noted that in the period between April 2020 and June 2020 when the Finance, Performance and Estates

Committee and People and OD Committee were stood down to support reducing the burden during the pandemic, the Board continued with oversight of the Board Assurance Framework.

The Trust Board agreed a risk appetite statement in March 2019 during a facilitated Board Development session which was held to develop this. The risk appetite statement as part of the Risk Strategy was considered and agreed at the Trust Board in May 2019 and can be found on the Trust website. The risk appetite statement has not been reviewed during 2020/21. This has been identified as an area for Board review in 2021/22

In year significant work has been completed to strengthen the clinical governance function to support risk management and governance arrangements within the divisions. The Quality Governance Committee has given oversight to these actions.

The Integrated Performance Report continues to be reviewed in response to challenge from the Board about its ability to meet the Board's needs and has been aligned to the IIP. This improvement work continues.

Compliance with the CQC registration requirements are considered both by the Trust Board and Quality Governance Committee.

Risks to data security are specifically highlighted within the 2020/21 BAF. The treatment of these risks is through a cyber security plan and digital strategy which are reviewed at the Finance Performance and Estates Committee.

The key strategic risks to the organisation during 2020/21 that were the focus of consideration by the Trust Board and Executive were:

- The local impact of the global coronavirus (covid 19) pandemic
- The Trust financial position and financial controls during the pandemic;
- The ability of the Trust to attract and retain staff;
- Workforce engagement and morale
- Management of emergency demand

Significant clinical risks are also highlighted within the Trust Board Assurance Framework specifically:

- A significant, widespread deterioration in the quality and safety of nursing care impacting on a large number of patients across divisions;
- A significant, widespread deterioration in the effectiveness of safeguarding practice impacting on the care of vulnerable people across divisions;
- A significant, widespread deterioration in safe medicines management practice impacting on a large number of patients across divisions; and
- An uncontrolled outbreak of serious infectious disease affecting a large number of patients, staff and visitors across divisions.

Managed and mitigated through:

- Clinical service structures & resources;
- Clinical governance arrangements at Trust, directorate & service levels;
- Clinical policies, procedures, guidelines, pathways, supporting documentation, audit programme & training;
- Clinical staff recruitment, induction, mandatory training, registration & re-validation;
- Quality & safety improvement planning process & plans;
- Defined safe staffing levels;
- Health, safety & security policies, guidance, monitoring and training;
- Patient experience policies, procedures, training and services; and
- Infection, prevention & control management framework.
- Emergency Planning Protocols

And outcomes assessed through:

- Number & severity of patient safety incidents;
- Number of Serious Incidents / Never Events;
- Number & severity of Healthcare Acquired Infections (HCAIs);
- Number & severity of safeguarding incidents;
- Number & severity of medication safety incidents;
- Harm free care rate;
- Hospital Standardised Mortality Ratio (HSMR);
- Number & type of complaints;

- Number & severity of health & safety incidents;
- Delivery of constitutional standards;

It is noted that these areas will have seen the impact of the pandemic during 2020/21

The Trust remains at risk of non compliance with condition G4 of the NHS Providers licence in relation to CQC registration conditions and Quality and Financial Special Measures and had identified non-compliance with governance regulations and standards as a key risk within the Board Assurance Framework. The Board continue to focus on accessing support and strengthening the arrangements in place.

Reporting to the Audit and Risk Committee has been maintained throughout the pandemic with regular assurance given in the form of reports on governance compliance, internal control weaknesses, the Board Assurance Framework and Risk Management.

The Trust Board charges its assurance committees with providing upward reports highlighting areas of assurance in relation to risks to achievement of the strategic objectives. The Chair encourages challenge and rigour at Board meetings around the reports presented and assurances given.

The Trust's Risk Management Strategy is based on the establishment of a core set of corporate and operational risks, which are aligned to strategic objectives as defined in the Board Assurance Framework (BAF) and routinely monitored through the assurance committees of the Trust Board. Lead management groups (such as the Patient Safety Group; Information Governance Group; Health & Safety Group) are responsible for reviewing and updating corporate risks within their areas of responsibility. With this framework the Trust utilises data from reported incidents to better understand areas of significant risk, so that mitigating action can be taken and reporting to both the Board and its Committees has been developed in year. Divisional Triumverates are responsible for maintaining oversight of the management of operational risks by their Clinical Business Units (CBUs), through the established Performance Review Meeting (PRM) process.

The primary objective of the Risk Management policy is to establish the foundations for consistent and effective risk management to become embedded in routine management activity throughout the Trust. It sets out clear definitions, responsibilities, and essential management requirements that enable risks to be managed in a consistent manner throughout the organisation to support the delivery of safer, more efficient, more effective and more resilient services. The policy aims to support the Trust in delivering against corporate governance requirements for maintaining an effective internal control environment, as reviewed by internal and external audit.

Every division within the Trust is expected to make active use of the risk register to support their management of risks. In addition, divisions provide a regular report on the content of their risk registers as part of the Trust's performance management arrangements.

The Trust is not fully compliant with the registration requirements of the Care Quality Commission. The Trust was subject to three focused visits to the Pilgrim emergency department between November 2018 and February 2019. These visits highlighted overcrowding, waits for treatment and issues with the provision of care for children resulting in the Trust failing to meet its legal requirements in relation to Regulation 12 and Regulation 17. Further visits by the CQC during June 2019 resulted in a Section 31 Decision Notice relating to sepsis screening at Lincoln and Pilgrim, Triaging of children at Lincoln ED and the environment for children in Lincoln ED, and a Section 29A Warning Notice in respect of systems and processes in place to assess, monitor and improve the quality and safety of services provided in children's and young people's services. A Winter assurance Visit in January 2020 resulted in a Section 31 warning notice which imposed a further six conditions relating to the Pilgrim Hospital Emergency Department. Assurance on progress against the conditions and actions from all CQC reports are reviewed and challenged monthly by the Quality Governance Committee who then provide assurance through to the Trust Board in their monthly report. All actions were also aligned to the Trust Integrated Improvement Plan for 2020/21. The Trust has continued to provide progress updates to the CQC in respect of all conditions. The pandemic has meant that the CQC have not conducted further inspections. During April the CQC conducted Transitional Monitoring

Arrangement (TMA) interviews with the Trust covering Family Health and Medicine, with a further Well Led TMA planned for May 2021.

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

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

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

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

Modern Slavery and Human Trafficking Act 2015. The Trust's approach in meeting the requirements of the above Act has been to develop a statement in conjunction with the Trust's Head of Procurement. The provision of the statement is considered to be an element of the Trust's commitment and demonstration of the need to be aware of this requirement, and associated values relating to equality, diversity and community relations. The Trust also achieves this through ensuring that services are procured through approved suppliers or tendered through robust processes.

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

The Trust was placed in Financial Special Measures during 2017/18 and the Board receives assurance reports from the Finance, Performance and Estates Committee following its monthly review of Trust financial and operational performance, apart from the months of April, May and June 2020 when the Trust operated reduced governance arrangements during the pandemic. During these months financial reporting was made directly to the Trust Board. In 2019 the CQC completed a Use of Resources review for the Trust which resulted in the Trust being rated inadequate.

The Trust did not set an operational plan for 2020/21 as a result of the pandemic.

The National Health Service Act 2006 requires that 'in auditing the accounts of any NHS trust an auditor must by examination of the accounts and otherwise satisfy himself that... (d) the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources'. External audit planning work involved an assessment against a number of criteria, including those issued by the National Audit Office, to identify any significant risks to the above conclusion. External Audit present to the Audit Committee any significant risks identified and the planned audit response for consideration by the Committee. In April 2021 the Trust's External Audit providers highlighted the following significant risks

- Management override of controls
- Risk of fraud in revenue recognition
- Risk of fraud in expenditure recognition
- Valuation of land, buildings and dwelling assets

The Board receive reports from External Audit and Internal Audit through the Audit and Risk Committee and the Assurance Committees.

Recruitment and retention remains a concern for the Trust. The recruitment market for many medical staff, some Allied Health Professionals and Registered Nurses is challenging, as is recognised in the NHS Workforce Strategy. This is exacerbated by the difficulty of recruiting to Lincolnshire. The Trust has invested in additional staff to support recruitment activity to

traditional roles and is using agencies to recruit from both the UK and overseas.

Alongside this, we are looking at our overall workforce model and establishment and the introduction of new roles, to reduce the need for roles to which we find it hard to recruit. We are also focused on increasing retention levels. Whilst our overall turnover rate remains lower than equivalent Trusts, we will explore ways to improve the morale of our staff and retain them for longer.

Developing workforce safeguards

In accordance with the published requirements and given day-to-day operational challenges, the Trust has business-as usual dynamic staffing risk assessments including formal escalation processes to align staffing numbers to acuity, dependency and demand. The standards recognise that at times staff numbers may be insufficient to meet this demand or complexity. In this case, an organisation must have a process or standard operating procedure (SOP) to recognise the risks and co-ordinate a response on a shift-by-shift or daily basis. A staffing safeguards SOP should provide assurance from the front line to the board that safe staffing standards are being achieved and risks to quality and safety mitigated.

In accordance with CQC's well-led framework guidance (2018) and National Quality Board's guidance any service changes, including skill-mix changes, have a full Quality Impact Assessment (QIA) review signed off by the Nursing and Medical Director. It is clearly understood that the redesign or introduction of new roles (including but not limited to nursing associates and advanced clinical practitioners) would be considered a service change and must have a full QIA.

An initial assessment of the maturity of workforce planning has been undertaken using the associated NHSI Operational Workforce Planning Toolkit and whilst an annual workforce plan is completed each year, and is informed by many of the points listed above (to varying degree), the current workforce planning process is at an emerging level and can be significantly improved for 2021/22.

Whilst the Trusts current approach to workforce planning is underdeveloped, the complexity should not be under-estimated and is multi-faceted.

Stakeholder engagement

The Trust has continued a programme of engagement events with patients, members of the public, staff and other key stakeholders where possible in year to help inform and develop the clinical and financial strategies, to support the arrangements put in place to address the pandemic. In 2020 the Trust was subject to a judicial review in relation to the public involvement ahead of the decision to create the Grantham green site and in April 2021 the Trust was found to have acted unlawfully. The Trust accepted the decision and agreed to review the machinery it had in place to engage and involve patients in it's decision making whilst reiterating that the actual decision taken had been found to have been made in good faith in responding to the unprecedented situation.

The Trust continues to work with the whole Lincolnshire health and care system – engaging with the whole community on proposals for improvements to services. This includes the centralisation of some services to provide centres of excellence.

It is hoped that during 2021, the system will be in a position to consult with the public on these changes and address the fragility issues of some services.

Information Governance

The Trust had four information governance data breaches which were reportable in line with the Information Commissioners Office guidance in 2020/21. The incidents involved unauthorised access to disused Trust property where corporate records were found, maternity notes being delivered to incorrect address, Trust laptop stolen from community midwife with patient notes and patient notes being emailed to third party email address. In all cases the ICO were satisfied with action taken by the Trust and have closed the incident.

Data quality and governance

The Trust assures itself of the quality and accuracy of elective waiting time data through specific training for staff, the use of electronic solutions to improve accuracy, validation processes linked to systems and inclusion in the internal and external audit work programmes. The Trust has identified access to end user training, resource for refresher training and the inconsistent application of RTT codes to pathways despite training, as potential areas of risk to the data. The training programme developed and delivered by the 18 week team has slowed due to the pandemic. The team have ensure monthly returns have been validated were possible to ensure that figures were accurate.

The risks associated with elective waiting times and specifically those attached to the Patient Administration System (PAS) have been reviewed and assurance sought at the Finance, Performance and Estates Committee throughout the year.

The roll out of a Data Quality Kite Mark continues. This is being applied to all metrics that are in the Trust Board Integrated Performance Report (IPR).

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the System of Internal Control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS 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 and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Maintenance and review of the effectiveness of the systems of Internal Control have been supported by The Board.

The Board have received assurance reports from the Audit and Risk Committee, Quality Governance Committee, Finance, Performance and Estates Committee and People and OD Committee as well as considering the Trust Integrated Performance Report and Board Assurance Framework. The Board have continued to direct their work to improve the identified weaknesses in the control framework and governance arrangements throughout the pandemic whilst recognising the need to take action to reduce the burden. As such the Board made the decision to cancel meetings of some of its committees during quarter one of 2020/21 and operate limited agendas for each of its committees during the rest of the year, with the exception of the Quality Governance Assurance Committee.

The Audit and Risk Committee

The Audit and Risk Committee have advised the Board on the overall effectiveness of the systems of control through their upward report to the Trust Board. The Committee have considered the Board Assurance Framework and the risk improvement plans and have monitored the delivery of internal and external audit plans. Internal Audit plans were adjusted in year to reflect the demands of the pandemic, with some reviews being carried forward to 2021/22. The key reviews which would allow the Head of Internal Audit Opinion to be given were prioritised.

Clinical Audit

During 2020/21 the Trust participated in 95% of possible national clinical audits and 100% of the national confidential enquiries in which it was eligible. The Trust benefitted from participating in gaining assurance that the services delivered are safe and effective, and outcomes were good based on evidenced based practice and standards of care.

Internal Audit

The Head of Internal Audit provides an opinion for 2020/21 of partial assurance with improvement required. The Opinion was based

- an assessment of the design and operation of the underpinning Assurance Framework and supporting processes
- an assessment of the range of individual assurances arising from core and risk based internal audit assignments that have been reported throughout the year. This assessment has taken account of the relative materiality of these areas
- the extent to which the Trust responded to audit recommendations

Partial Assurance with Improvement required has been given in respect of design and operation of the BAF and risk management. Partial assurance with improvement required was given in respect of the outcome of individual assignments reported within the 2020/21 Internal Audit Plan and the extent to which the Trust had responded to audit recommendations.

Internal Audit reported the following high risk areas and reported that the level of non-compliance in a number of areas puts some system objectives at risk.

Weaknesses were identified in relation to 8 out of the 11 areas reviewed.

- The most significant weaknesses were identified in Estates Management review. No assurance could be provided over the controls and processes in place relating to estate management, in particular the controls around planned preventative maintenance and the awarding of maintenance contracts. The weaknesses within the control environment within the Estates department and limited progress made in response to recommendations raised in previous years informed this conclusion.
- Weaknesses in the Pharmacy and Medicines Management review, particularly in the governance arrangements managing controlled drugs and the oversight of medication stock.
- Core Financial Controls work on payroll identified that limited progress had been made in implementing further control of overpayments to staff who have ceased employment and as such, the number and value of overpayments made had increased since the previous year.

As such, the recommendations in these three areas were rated high risk and until embedded, could impact on the ability of the Trust to achieve its strategic objectives.

Internal audit recommendations should continue to be implemented in full to address the gaps identified in either design and / or operation of internal controls. In particular, recommendations from all reports receiving partial assurance with improvement required remain a key focus for attention. These include Governance, Risk Management, Incident Reporting and Investigation, Complaints, Temporary Staffing and Workforce Planning.

Conclusion

During the year the Trust identified the following significant control issues:

The Trust remained in special measures following the CQC inspection in July 2019, the Trust was assessed as Requires Improvement. The Trust did not exit special measures at this point as NHS Improvement considered that the Trust still had weaknesses within its governance arrangements relating to Safe Care and Well Led. The Trust continues to work to progress its Integrated Improvement Programme and address the issues raised during the CQC reviews.

In September 2017 the Trust was placed in Financial Special Measures. The Trust has continued to face significant financial challenges. The Trust agreed a Financial Recovery Plan for NHSI. The pandemic has materially impacted progression of the financial recovery plan with most elements paused during 2020/21. A new system led plan will be put in place for 2021/22 The wider Lincolnshire health system faces a significant financial challenge, both now and in the longer term. Local health and social care organisations continue to work together to identify ways in which we can collaborate to meet this challenge.

The Trust remains subject to improvement notices from the Lincolnshire Fire and Rescue Service although significant work has been completed to meet the conditions identified.

The Local Health Economy work continues to deliver the Sustainability and Transformation Plan (STP). The plan for Lincolnshire covers hospital services, community healthcare, mental health, social care and GP services. It has been developed by all local NHS organisations, including ours, and addresses the issues highlighted in the Lincolnshire Sustainability & Transformation Plan (October 2016) which showed that local needs are growing and changing, demand on health services is increasing, the current system does not meet the standards of care we aspire to as a health system and our collective financial challenge is significant and growing.

The Trust also faces operational pressures with increasing demand as it restores services heavily affected by the pandemic. This is particularly difficult to deliver when many services have workforce or infrastructure challenges. As a result constitutional standards have not been met.

The Trust has significant recruitment and retention challenges, partly due to being in a large rural county. The additional impact of working in a challenged organisation leads to an increasing reliance on agency staff to maintain services, this in turn increasing the challenge to improve quality.

Overall, the Trust is clear on the issues and progress continues to be made in developing and implementing improvement plans, as well as the ongoing impact of the pandemic on the Trust plans, the Trust recognises that there remain some further improvements which it can make to its governance arrangements. The Board Assurance Framework remains under regular review for both format and content to ensure it is fit for purpose. The Committees and organisation structure have also been reviewed to support better board assurance and drive improvements.

Signed……..

Chief Executive Date: May 2021

Remuneration report

Remuneration Policy

Senior managers (executive directors) remuneration policy

We are committed to ensuring that the remuneration package for our executive directors or very senior managers (VSMs) enables us to recruit and retain individuals who provide the skills necessary to manage a very large, complex organisation, facing significant challenges. The Trust remuneration committee reviews the pay package on an annual basis, to ensure that what is received by individuals is commensurate with market conditions, the responsibilities and duties of the role and provides value for money to the Trust.

We review salaries also when new appointments are made and where the proposed salary is above £150,500, approval is sought from NHSI and HM Treasury, in line with the policy for VSM appointments.

The remuneration package comprises:

- Base salary
- Benefits
- Pension

Base Salary

In determining base salary, the committee takes account of the average for acute trusts of equivalent size.

Benefit

The primary benefit payable to VSM managers is annual leave, which is in line with Agenda for Change policy and increases with years of service.

The Chief Executive has confirmed that the key decision makers within the Trust for the purposes of the Remuneration and Staff Report are Board Executive and Non-Executive Members.

The tables below detail the Salaries and Allowances paid during the year to each Senior Executive along with a table showing Pension Benefits at 31 March 2021.

There were no payments made to former Directors in 2020/21.

Single total figures remuneration table (the figures incorporated within the note below are subject to audit)

					2019/20					2020/21				
Name	Position	Notes	Term in post		Salary (bands of £5,000) £000's	Expense payments - taxable (total to nearest £100) £00's	All pension-related benefits (bands of £2,500) £000's	Benefits in kind total to nearest £100 £00's	Total (bands of £5,000) £000's	Salary (bands of £5,000) £000's	Expense payments - taxable (total to nearest £100) £00's	All pension-related benefits (bands of £2,500) £000's	Benefits in kind total to nearest £100 £00's	Total (bands of £5,000) £000's
			Start	Finish										
Elaine Baylis	Trust Chair		Jan-17	Ongoing	40 - 45	14		-	40 - 45	40 - 45	5		-	40 - 45
Sarah Dunnett	Non-Executive Director		Jul-16	Ongoing	5 - 10	11		-	5 - 10	10 - 15	-		-	10 - 15
Dr Chris Gibson	Non-Executive Director		Aug-17	Ongoing	5 - 10	-		-	5 - 10	10 - 15	-		-	10 - 15
Geoff Hayward	Non-Executive Director		Jul-13	Ongoing	5 - 10	11		-	5 - 10	10 - 15	-		-	10 - 15
Elizabeth Libiszewski	Non-Executive Director		Mar-18	Ongoing	5 - 10	8		-	5 - 10	10 - 15	-		-	10 - 15
Gill Ponder	Non-Executive Director		May-15	Ongoing	5 - 10	8		-	5 - 10	10 - 15	1		-	10 - 15
Andrew Morgan	Chief Executive	1, 4	Jul-19	Ongoing	145 - 150	8	-	-	145 - 150	215 - 220	7	-	-	220 - 225
Paul Matthew	Director of Finance and Digital		Nov-18	Ongoing	130 - 135	-	102.5 - 105	-	235 - 240	140 - 145	-	155 - 157.5	-	295 - 300
Mark Brassington	Director of Improvement and Integration and Deputy Chief Executive		Mar-16	Ongoing	130 - 135	22	40 - 42.5	-	170 - 175	145 - 150	10	82.5 - 85	-	230 - 235
Simon Evans	Chief Operating Officer		Jan-20	Ongoing	25 - 30	-	-	-	25 - 30	115 - 120	-	35 - 37.5	-	150 - 155
Karen Dunderdale	Director of Nursing	2, 4	Feb-20	Ongoing	15 - 20	-	-	-	15 - 20	160 - 165	-	-	-	160 - 165
Dr Neil Hepburn	Medical Director	3, 4	May-17	Ongoing	185 - 190	19	62.5 - 65	-	250 - 255	230 - 235	15	-	-	235 - 240
Martin Rayson	Director of People & Organisational Development		Sep-16	Ongoing	105 - 110	4	-	-	110 - 115	110 - 115	1	-	-	110 - 115

Notes:

1. Andrew Morgan is seconded and costs recharged from Lincolnshire Community Health Services NHS Trust.
2. Karen Dunderdale was originally seconded with costs recharged from Walsall Healthcare NHS Trust until joining ULHT on a substantive basis in October 2020.
3. The salary for Dr Hepburn incorporates remuneration for his role as Medical Director and also for clinical duties as a Dermatology Consultant. The latter role is carried out for half a day each week.
4. Salary payments for Andrew Morgan, Karen Dunderdale and Neill Hepburn include pension restructuring payments, equivalent to 12.25% of basic salary. This is in lieu of employer contributions to the NHS pension scheme

Definitions:

Salary

The total amount of salary (net of any salary sacrificed on a contractual basis), fees and allowances paid to the individual for services provided. This excludes reimbursement for expenses and employers superannuation and national insurance contributions.

Expense Payments

Taxable expenses and benefits in kind are expressed to the nearest £100. The values and bands used to disclose sums in this table are prescribed by the Cabinet Office through Employer Pension Notices and replicated in the HM Treasury Financial Reporting Manual.

Expense Payments relate to reimbursement for travel, subsistence and where appropriate re-location expenses. Figures presented are shown gross, before tax.

Pension related benefits in kind

prescribed formula as set out within the Finance Act (2004).

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less, the contributions made by the individual.

The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

This value does not represent an amount that will be received by the individual. It is a calculation that is intended to convey to the reader of the accounts an estimation of the benefit that being a member of the pension scheme could provide.

The pension benefit table provides further information on the pension benefits accruing to the individual."

No benefits in kind, performance related pay or bonus payments have been made in 2019/20 or 2020/21.

Fair pay disclosure (the figures incorporated within the note below are subject to audit)

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 mid-point of the banded remuneration of the highest paid director in United Lincolnshire Hospitals NHS Trust in the financial year 2020/21 was £232,500 (2019/20: £217,500). This was 7.72 times (2019/20: 7.51) the median remuneration of the workforce, which was £30,098 (2019/20: £28,966). The percentage uplift in the median salary was greater than the uplift to the highest paid director.

In 2020/21, 15 (2019/20: 17) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £385,056 to £8,897 (2019/20: £361,833 to £8,506).

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

Pensions entitlement table (the figures incorporated within the note below are subject to audit)

The Trust operates the standard NHS Pension Scheme. The benefits and related CETVs disclosed in the table below do not allow for a potential future adjustment for some eligible employees arising from the McCloud judgement.

Name	Position	Notes	Real increase in pension at pension age (bands of £2,500) £000's	Real increase in pension lump sum at pension age (bands of £2,500) £000's	Total accrued pension at pension age at 31 March 2021 (bands of £5,000) £000's	Lump sum at pension age related to accrued pension at 31 March 2021 (bands of £5,000) £000's	Cash Equivalent Transfer Value at 1 April 2020 £000's	Real increase in Cash Equivalent Transfer Value £000's	Cash Equivalent Transfer Value at 31 March 2021 £000's	Employer's contribution to stakeholder pension £000's
Andrew Morgan	Chief Executive	1	-	-	-	-	-	-	-	
Paul Matthew	Director of Finance & Digital		7.5 - 10	5 - 7.5	35 - 40	20 - 25	293	100	398	
Mark Brassington	Director of Improvement and Integration and Deputy Chief Executive		2.5 - 5	5 - 7.5	45 - 50	90 - 95	626	82	719	
Simon Evans	Chief Operating Officer		0 - 2.5	0 - 2.5	20 - 25	40 - 45	258	30	292	
Karen Dunderdale	Director of Nursing	1	-	-	-	-	-	-	-	
Dr Neil Hepburn	Medical Director	1	-	-	-	-	-	-	-	
Martin Rayson	Director of People & Organisational Development	1	-	-	-	-	-	-	-	

Notes:

Andrew Morgan, Karen Dunderdale, Dr Neil Hepburn and Martin Rayson are not current members of the NHS the pension scheme and have made no contributions during 2020/21.

Lump Sum

No lump sum will be shown for senior managers who only have membership in the 2015 Scheme or 2008 Section (unless they chose to move their 1995 Section benefits to the 2008 Section under the 'Choice' exercise).

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated in accordance with SI 2008 No.1050 Occupational Pension Schemes (Transfer Values) Regulations 2008.

No CETV will be shown for pensioners and senior managers over Normal Pension Age (NPA).

NPA is age 60 in the 1995 Section, age 65 in the 2008 Section or State Pension Age (SPA) or age 65, whichever is the later, in the 2015 Scheme."

Real Increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation or contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement).

Inflation

"The inflation applied to the accrued pension, lump sum (where applicable) and CETV is the percentage by which the Consumer Prices Index (CPI) for the September before the start of the tax year is higher than it was for the previous September.

The Consumer Prices Index up to September 2019 was 1.7%, therefore, an increase of 1.7% has been applied to pensions and CETV at April 2020."

Staff report

The following tables contain details of staff costs and numbers employed in 2020/21 alongside comparators for 2019/20.

Permanently employed staff are defined as: members of staff with a permanent (UK) employment contract directly with the Trust.

Other staff are staff engaged on the objectives of the Trust that do not have a permanent (UK) employment contract with the Trust. It includes employees on short term contracts of employment, agency/temporary staff, locally engaged staff overseas, and inward secondments from other entities where the whole or majority of the employees' costs are met locally.

Staff Costs

Staff costs					
			2020/21	2019/20	
	Permanent	Other	Total	Total	
	£000	£000	£000	£000	
Salaries and wages	276,078	29,727	**305,805**	266,439	
Social security costs	24,989	2,872	**27,861**	24,601	
Apprenticeship levy	1,483	-	**1,483**	1,354	
Employer's contributions to NHS pension scheme	42,270	6,871	**49,141**	43,174	
Pension cost - other	139	-	**139**	123	
Termination benefits	-	-	**-**	70	
Temporary staff	-	42,254	**42,254**	44,064	
Total staff costs	**344,959**	**81,724**	**426,683**	**379,825**	
Of which					
Costs capitalised as part of assets	549	10	**559**	1,038	
Average number of employees (WTE basis)					
			2020/21	2019/20	2019/20
	Permanent	Other	Total	Total	As per
	Number	Number	Number	Number	19/20 AR
Medical and dental	852	285	**1,137**	1,039	1,039
Ambulance staff	6	-	**6**	2	-
Administration and estates	1,035	87	**1,122**	989	1,367
Healthcare assistants and other support staff	2,245	287	**2,532**	2,402	819
Nursing, midwifery and health visiting staff	1,910	326	**2,236**	2,365	3,316
Nursing, midwifery and health visiting learners	-	-	**-**	1	1
Scientific, therapeutic and technical staff	768	46	**814**	628	840
Healthcare science staff	128	4	**132**	105	149
Total average numbers	**6,944**	**1,035**	**7,979**	**7,531**	**7,531**
Of which:					
Number of employees (WTE) engaged on capital projects	16	-	**16**	35	
The categorisation of employees into the groupings above was incorrectly stated within the 2019/20 Annual Report. The figures above have been restated to allow direct comparability between 2019/20 and 2020/21.					

A breakdown of staff by gender (as at 31/3/21)

	Gender (Fte)	
Pay Band/Grade	**Female**	**Male**
Band 1	94.14	19.40
Band 2	1622.28	345.45
Band 3	538.29	121.46
Band 4	358.15	97.60
Band 5	1135.62	189.88
Band 6	775.02	153.69
Band 7	421.09	97.32
Band 8A	160.52	49.95
Band 8B	47.48	19.07
Band 8C	21.60	10.00
Band 8D	7.00	7.85
Band 9	7.00	6.00
Director	1.00	5.00
Consultant	89.36	242.29
Associate Specialist	3.28	20.34
Staff Grade		0.73
Specialty Doctor	45.77	114.90
GPCA/Hospital Practitioner	1.18	0.73
Specialty Registrar	83.34	66.74
Foundation Year 2	46.19	48.56
Foundation Year 1	27.00	51.00

Females make up 78.71% and males make up 21.29% of the workforce.

The Trust reports annually on its gender pay gap. The normal deadline for the publication of the data for the last financial year is the 31st March. However, this deadline has been extended to October 2021 owing to COVID. Once published, our latest report will be found here. https://www.ulh.nhs.uk/about/equality-diversity/gender-pay-gap-reporting/

Sickness Absence

NHS Sickness Absence Rates are published by NHS Digital and can be found at:

https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

Fairness and equity

As a large, public sector employer, ULHT is committed to promoting equality, diversity and inclusion and to tackling any inequalities that are identified in the workforce.

We have an agreed set of people policies, which provide a framework for the management and development of our staff at ULHT. These cover the full employment lifecycle, from recruitment through to retirement and embrace how we support our staff to be successful and how we attend to their health and safety. Those policies are regularly reviewed with staff representatives to ensure they reflect employment law and best practice. All are assessed from an equality and diversity perspective to ensure there can be no detriment to any group of staff through their application.

The Trust is committed to ensuring that all current and potential staff are able to achieve what they want at ULHT. The Trust has an Inclusion Strategy, which has the following vision for our staff:

1. Feel valued and fairly treated in a Trust that really cares.

2. Know the Trust as a Trust that people want to come and work for, stay with and thrive in, because of its commitment to equality, diversity and inclusion.
3. Are proud to work in an open and inclusive Trust.

Our staff networks continue to grow in strength and we have networks for our BAME and LGBT staff, MAPLE, which is for staff with disabilities, an Armed Forced Network.

During 2019/20 a women's network was established and each of our staff networks have been given the active support of an executive/senior leadership sponsor.

In April 2021 the Trust was delighted to have its Disability Confident Employer status renewed by the national government body which leads this important work.

In spite of Covid 19 challenges we have continued to develop and grow our MAPLE network. Indeed, Covid 19 has made the importance of the MAPLE network even more important, with the key important developments:

- Covid 19 Individual Risk Assessments being offered to all staff which includes co-morbidities / disability in the assessment.
- Well-being support for all staff, but particularly offered to those who were shielding.
- Well-being support and conversations for staff as shielding ended.
- Appointment of an interim chair and vice-chair to the MAPLE network.
- Regular meetings of the MAPLE network commenced in the financial year.
- Reach on the MAPLE increased 5-fold in the financial year.
- Appointment of an OD Practitioner, with ED&I focus, to specialise on bespoke support for the staff networks.
- Organisational commitment to resource and support staff network chairs and vice-chairs to excel in their roles.
- Plans in development to provide a structured mechanism for the voices of MAPLE and other staff networks to be amplified in the organisations.
- Plans in development to engage the MAPLE and other staff networks in the decision making processes of the Trust.

- Plans in development to implement the national Sunflower Scheme through the MAPLE network to support staff with hidden disabilities.
- Plans in development to implement the national NHS Employers Health Passport for staff with disabilities through the MAPLE network.

As we continue to invest into the MAPLE staff network and see all the above coming to fruition, we are confident that by the next renewal of the Disability Confident status, we will be in a position to confidently apply for the third, and highest, level of the scheme, which is Disability Confident Leader. Achievement of this prestigious Leader level, is dependent upon external scrutiny of our Disability Confident Leader application.

We recognise from our staff survey data that staff from protected groups believe we could do more to ensure there is fairness in all aspects of the recruitment and management of staff. We need to do more to ensure that all staff groups are properly represented at all level within the organisation. We know that staff with protected characteristics are underrepresented at more senior levels in the Trust (BME staff and female staff for example). Equality and Diversity is at the heart of our Integrated Improvement Plan within the Outstanding Care Together Programme. We have a particular focus around talent management and enabling all people with talent in ULHT to progress and we will identify and address the barriers preventing them from doing so.

Working in Partnership

The Trust is committed to building strong partnerships with all stakeholders. One key partner is our Trade Union staff representatives. The Trust has a Change Management Policy that states that:

“The Trust will enter into consultation with recognised staff professional organisations and trade unions before decisions are taken with a view, wherever practicable, to taking account of the views expressed.

The Trust will seek to introduce and effect change by agreement, but also to establish a climate within the organisation which actively encourages staff at all levels themselves to participate in and to support changes which affect them. “

The policy sets out a process a process and structure for consultation that ensures that there is consistency and that adequate time is set aside for the process.

The Trust meets with its staff representatives on at least a monthly basis, in two forums. The Executive Partnership Forum is an opportunity for staffside and Executives to meet to discuss strategic issues which will impact on our employees and provides an opportunity for staff representatives to help shape Trust strategy. The Joint Negotiating Forum (and its equivalent for Medical Staff) is the forum at which changes to terms and conditions are negotiated and consultation takes place on significant changes to policy (outside of terms and conditions) and working arrangements.

We provide facility time for Trade Union representatives to participate as staffside and to represent their members.

The Trade Union (Facility Time Publication Requirement) Regulations 2017 requires NHS employers to publish certain information on trade union officials and facility time on their website. Here is an extract of the information we have published for the 2020/21 financial year):

TMA

	24 (14 zero time and 10 paid time)
	6373.04
	£112,366
Total pay bill	£29,859 million
Percentage of the total pay bill spent on facility time, calculated as:	0.04%

Over the course of the last 12 months we have built on that spirit of working in partnership and have involved staffside colleagues in the decision making processes around COVID. We have had weekly partnership meetings between the Executive Leadership Team and staffside and members of staffside have been part of the Gold Command structure. We want to build on

that strengthened partnership as we review the formal agreements that we have in place that underpin that relationship.

Freedom to Speak Up (FTSU)

Effective speaking up arrangements help to protect patients and improve the experience of NHS workers. Having a healthy speaking up culture is an indicator of a well-led Trust. ULHT is committed to ensuring that speaking up is part of the culture of the organisation. We want to support senior leaders to make the connection between speaking up and improving patient safety and staff experience, and will use this to inform the actions that are needed to continuously improve.

Speaking up cases raised with the Trust freedom to speak up guardian in 2020/21:

	Total Cases	Cases received anonymously	Cases with element of patient safety	Cases with element of bullying/ harassment	Cases where detriment reported
Q1	3	0	2	1	0
Q2	6	0	4	5	0
Q3	43	0	1	21	0
Q4	11	0	2	4	0

The Trust has a freedom to speak up policy in place and a freedom to speak up guardian, who has completed the national training programme.

The NHS staff survey for 2020 showed that our staff confidence and security in reporting unsafe clinical practice is average for our benchmark group of Trusts and had not moved from previous years.

The percentage of staff experiencing bullying and harassment reduced slightly but remained higher than the average for acute trusts

The 2019 CQC well led report highlighted that there were still weaknesses and that some staff were not aware of the process through which they could speak up. In 2019 the Trust created a network of staff FTSU champions to promote and increase awareness of speaking up. These champions all completed the nationally recognised training. The Trust is running a recruitment exercise to recruit a dedicated speak up guardian to support staff moving forward.

Consultancy Expenditure

Consultancy is defined as the provision to management of objective advice and assistance relating to strategy, structure, management or operations of an organisation in pursuit of its purposes and objectives. Such assistance will be provided outside the 'business-as-usual' environment when in-house skills are not available and will be of no essential consequence and time-limited. Consultancy may include the identification of options with recommendations, or assistance with (but not delivery of) the implementation of solutions.

Under this definition Trust Consultancy expenditure in 2020/21 was £15,000 (2019/20: £63,000).

Off-payroll engagements

The Review of the tax arrangements of public sector appointees published by the Chief Secretary to the Treasury in 2012 set out the requirement for Government departments and their arm's length bodies to publish information on their highly paid and/or senior off-payroll engagements.

Subsequent changes to tax legislation, applicable to public sector bodies from April 2017, further reformed the 'off-payroll' tax rules. Under the reformed off-payroll working rules (commonly known as IR35), Departments must determine whether the rules apply when engaging a worker.

A worker (or contractor) in this context is defined as:

"someone who is not employed by the client department, the supplier or any other organisation within the supply chain, that instead provides their services

through their own limited company or another type of intermediary to the client. An intermediary will usually be the worker's own personal service company but could also be a partnership or an individual."

Treasury requires public sector bodies to report arrangements whereby individuals are paid through their own companies (and so are responsible for their own tax and NI arrangements, not being classed as employees) using the format set out in the tables below.

Off-payroll engagements longer than 6 months

For all off payroll engagements as of 31 March 2021 for more than £245 per day and that last longer than six months

No of existing engagements as of 31 March 2021*	**181**
Of which	
No that have existed for less than one year at time of reporting	**166**
No that have existed for between one and two years at time of reporting	**5**
No that have existed for between two and three years at time of reporting	**4**
No that have existed for between three and four years at time of reporting	**4**
No that have existed fo four years or more at time of reporting	**2**

* This number includes 145 agency nurses who were employed on an adhoc basis at the period end, on 31st March 2021

New off-payroll engagements

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

No of off-payroll workers engaged during the year ended 31st March 2021 *	1093
Of Which	
Not Subject to off-payroll legislation	1076
Subject to off payroll legislation and determined as in scope of IR35	15
Subject to off payroll legislation and determined as out of scope of IR35	2
No of engagements reassessed for compliance or assurance purposes during the year	0
Of which: Number of engagements that saw a change to IR35 status following review	0

* This number includes 1,049 agency nurses who were employed on an ad-hoc basis during the year ended 31st March 2021

Off-payroll board members/senior official engagements

For all off payroll engagements of Board members, and/or senior officials with significant financial responsibility, between 1 April 2020 and 31 March 2021

No of off-payroll enagements of board members and/or senior officials with significant financial responsibility during the financial year	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off payroll and on payroll engagements.	13

Exit packages

NHS Organisations are required to disclose details of any exit packages agreed in the year. The tables below are subject to audit and set out the number and cost of exit packages agreed by the Trust in 2020/21.

The actual date of departure might be in a subsequent period, and the expense in relation to the departure costs may have been accrued in a previous period. The data here is therefore presented on a different basis to other staff cost and expenditure notes in the Trust accounts.

Reporting of compensation schemes –exit packages 2020/21

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	5	**5**
£10,000 - £25,000	-	-	**-**
£25,001 - 50,000	-	-	**-**
£50,001 - £100,000	-	-	**-**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	-	-	**-**
>£200,000	-	-	**-**
Total number of exit packages by type	**-**	**5**	**5**
Total cost (£)	£0	£13,000	**£13,000**

Reporting of compensation schemes –exit packages 2019/20

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	3	**3**
£10,000 - £25,000	-	2	**2**
£25,001 - 50,000	-	-	**-**
£50,001 - £100,000	-	2	**2**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	-	-	**-**
>£200,000	-	-	**-**
Total number of exit packages by type	**-**	**7**	**7**
Total resource cost (£)	£0	£170,000	**£170,000**

Any reported redundancy and other departure costs are paid in accordance with the provisions of the NHS Agenda for Change and Medical and Dental Terms and Conditions.

Exit costs in this note are the full costs of departures agreed in the year. Where the Trust has agreed early retirements, the additional costs are met by the United Lincolnshire Hospitals NHS Trust and not by the NHS Pensions Scheme.

Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

This disclosure reports the number and value of exit packages agreed in the year.

Note: the expense associated with these departures may have been recognised in part or in full in a previous period.

Exit Packages: other (non compulsory) departure payments

	2020/21		2019/20	
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	-	-	2	70
Mutually agreed resignations (MARS) contractual costs	-	-	1	80
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	5	13	4	20
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	-	-
Total	**5**	**13**	**7**	**170**
Of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-	-	-

As a single exit package can be made up of several components each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in Table 1 which will be the number of individuals.

In 2020/21 the Trust made zero non-contractual payments in lieu of notice.

Parliamentary accountability and audit report

The Parliamentary accountability and audit report is required by those entities that report directly to Parliament. It is also required in the consolidated Department of Health and Social Care annual report.

Whilst individual DHSC bodies of which the Trust is one, are not required to produce a full Parliamentary accountability report, they must include disclosures on remote contingent liabilities, losses and special payments, gifts, and fees and charges within its financial statements.

These can be within the Final Accounts Section of this Annual Report at notes 27, 31, 34 and 5.