A MEETING OF THE BOARD OF DIRECTORS

To be held in public on

Thursday 25 June 2020 at 09:30am

In the Boardroom, 4th Floor and via Life size video link

AGENDA

No.	Item	Action	Paper	Lead	Mins	S.O
1.	Apologies for absence	Note	Verbal	TG		
2.	Declarations of interest	Note	Verbal	TG		
3.	Minutes of the meeting held on 28 May 2020	Approve	Enclosed	TG	00:05	
4.	Matters arising and action points	Note	Enclosed	TG	00:05	
5.	Report from the audit and risk committee	Assurance	Enclosed	NH	00:10	7
6.	Annual report and accounts 2019/20	Approve	Enclosed	DP	00:15	7
7.	Annual compliance statements	Approve	Enclosed	DP	00:05	6
8.	Chief Executive's Report	Note	Enclosed	DP	00:15	All
9.	Integrated Performance Report	Assurance	Enclosed	JQ	00:05	1
10.	Finance Report	Assurance	Enclosed	JW	00:05	7
11.	Oriel engagement update	Note	Verbal	JM	00:10	8
12.	Report from the quality and safety committee	Assurance	Enclosed	RGW	00:10	1
13.	Report from the people and culture committee	Assurance	Enclosed	SS	00:10	5
14.	Membership council report	Note	Enclosed	TG	00:05	
15.	Digital governance – MC/committees/board	Discussion	To follow	TG	00:20	
16.	Identify any risk items arising from the agenda	Note	Verbal	TG	00:05	6
17.	AOB	Note	Verbal	TG	00:05	

18. **Date of the next meeting – Thursday 23 July 2020 09:30am**

* Strategic Objectives

1 Care 2 Research 3 Knowledge sharing 4 Policy 5 People 6 Infrastructure 7 Finance 8 Enterprise

MOORFIELDS EYE HOSPITAL NHS FOUNDATION TRUST
MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON
THURSDAY 28 MAY 2020

Attendees:	Tessa Green (TG)	Chairman (via video link)
	David Probert (DP)	Chief executive (via video link)
	Vineet Bhalla (VB)	Non-executive director (via video link)
	Andrew Dick (AD)	Non-executive director (via video link)
	Ros Given-Wilson (RGW)	Non-executive director (via video link)
	Peng Khaw (PK)	Director of research & development (via video link)
	Nick Hardie (NH)	Non-executive director (via phone link)
	David Hills (DH)	Non-executive director (via video link)
	Richard Holmes (RH)	Non-executive director (via video link
	Tracy Luckett (TL)	Director of nursing and AHPs
	John Quinn (JQ)	Chief operating officer
	Sumita Singha (SS)	Non-executive director (via video link)
	Nick Strouthidis (NS)	Medical director (via video link)
	Jonathan Wilson (JW)	Chief financial officer
	Steve Williams (SW)	Vice chair (via video link)
In attendance:	Sandi Drewett (SD)	Director of workforce & OD
	Johanna Moss (JM)	Director of strategy & business development
	Helen Essex (HE)	Company secretary (minutes)
	Rob Jones	Patient governor
	Allan MacCarthy	Vice chair of the membership council
	Paul Murphy	Public governor, NCL
	John Sloper	Public governor, Beds & Herts

20/2442 Apologies for absence

Apologies were received from Andrew Dick, Nora Colton, Ian Tombleson and Kieran McDaid.

20/2443 Declarations of interest

There were no declarations of interests.

20/2444 Minutes of the last meeting

The minutes of the meeting held on the 23 April 2020 were agreed as an accurate record.

20/2445 Matters arising and action points

All actions were completed or attended to via the agenda.

DRAFT

20/2446 Chief executive's report

DP highlighted the following points:

- There are currently no concerns around the provision of PPE and stock is monitored on a daily basis.
- Antibody testing is now available for staff and the trust is looking at developing an all-Trust pilot.
- Video and telephone consultation is being used successfully, and particularly in A&E.
- Sessions have been held with BAME colleagues to address staffing concerns and the trust is planning to hold further sessions going forward. All staff will be risk assessed to make sure they are in appropriate roles.
- The key focus for the executive and senior leadership team is on how the trust recovers and delivers a wider breadth of urgent care.

The recovery oversight committee is reviewing the recovery roadmap and the board will be making decisions in line with the NCL STP although it is hoped that the trust will be given permission to start delivering a wider body of services from the middle of June.

Positive work continues to be done in research with Google Health as part of the journey looking at AI and how best it can be used with ophthalmology going forward.

The trust recently celebrated International Nurses Day and a number of activities are planned for the year. DP stressed that it is an important time to emphasise the role nurses are playing across London and beyond.

The Department of Health Joint Investment Committee is taking place on 2 June and the Oriel OBC will be formally reviewed at this meeting. There are likely to be a number of conditions attached to approval.

TG asked about the implications of the track and trace programme and whether are there are concerns that this could affect staff vacancy levels. At this stage the trust is still not clear as to the volume of people that this might affect. The app not being live may also reduce the impact. The trust is emphasising to staff that they need to follow the rules if they get a call from the service. The STP is working as a system to address any issues arising from a workforce perspective.

TG advised that the membership council had raised a concern about people with serious eye-problems not attending for their appointments and asked what is happening both internally and externally to promote sight-saving procedures in clean pathways.

DP said that ophthalmology is one of the specialties that forms part of the NHS 'open for business' campaign and that the trust is likely to see an increase in activity following this campaign. It was stressed that although providers have an important role they are not public health bodies. A&E is open and the trust has been extremely active on social media as well as contacting patients directly. We are also offering our expertise to charities that are working directly on campaigns.

DRAFT

In relation to antibody testing, staff have to consent to give blood and the result will go back to the individual directly. It will present a challenge to act on results when there is still a lot that is unknown. The trust needs to be clear about what it needs to do in terms of process, consent, etc. There is a danger that testing positive leads people to take more risks. SD stressed that it is important the trust does not set a workforce policy on a test that is as yet inconclusive.

Proving that those who have the antibody are less prone will be challenging as a lot of testing is required and numbers amongst the population are low. It will take many months before the true value of the test is known.

NCL is attempting to do a unified communication piece about recovery for patients and the communications team is working on a campaign. This should be signed off at NCL level this week. The trust will take some of the key principles from that into its own communication with patients.

London context
London is still in a level 4 major incident with a much stricter command and control structure. The system is keen that organisations do not go at their own pace as it is important that other parts of the sector are not denuded of PPE and testing. It is critical to prioritise what is most important for NCL and that this is done in a staged way. The recovery is being led by a panel of clinicians on the London clinical advisory group.

The board previously reviewed the ethical policy on reducing services to seven sites and NS advised that he was still comfortable with the position. The geographical location of sites is sufficient to allow patients to attend to obtain the care they need. If there is any further significant delay in the trust being able to see moderate or lower risk cases then a reassessment would be required. The trust is currently reviewing how sites are reopening but it was stressed that it is likely sites will be operating under different circumstances than before.

In relation to the issue of review of patients on the waiting list, it was confirmed that when the country went into lockdown all clinical teams went through a system of stratification for patients into high/medium and low risk categories and cancellations for medium to low risk patients were done up to July. The decision has now been made to undertake the same process for the next six months. This will be clinically-led by consultants and fellows and is less of a problem for elective surgery than it is for outpatients. Clinicians are beginning to work through the surgery caseload and it will take around six weeks to get through the backlog. The trust has communicated to patients in relation to what signs or symptoms to look out for and patients have had an explanation from clinicians about why appointments have been cancelled. The trust established a hotline that has access to subspecialty fellows available to answer patient queries as well as offering an enhanced level of communication.

SS asked about patients that are older or have language barriers and how the clinical risk is communicated to them. Initially the risk stratification was done based on sight risk although age was taken into consideration when assessing whether to bring patients in.

DRAFT

It was agreed that there should be some mechanism to audit that the messaging has been consistent and understandable and that people understand the information they have been sent.

NS said that services are of the view that the only way they can assess whether what has been done has been safe and effective is to bring patients back and undertake tests to see if there has been any significant change. This is what the recovery and notion of diagnostic hubs is planning to do. There may be a proportion of patients that could have been discharged but also be a proportion on the other end of the spectrum.

TL advised that the trust had to move quickly in relation to vulnerable groups but have continued to provide services through counselling and safeguarding and making sure we are triangulating patients who are identified in those vulnerable categories. The team is working with operational recovery teams and identifying those with LD, dementia or frailty and stratifying the need for them to be seen.

20/2447 Integrated performance report

JQ advised that the nature of the changes seen are directly related to Covid. Overall activity is significantly down as the trust continues to see urgent and high moderate risk patients. The cancer service has been running fully and targets have been delivered for the month with the service making sure patients get the care they need.

The trust is currently not delivering against national standards due to the high levels of cancellations in the system. All trusts are required to monitor and manage patients on their list. NHSE/I are keen to make sure targets are measured in the same way so that the scale of the issue can be understood once the pandemic situation is over.

There has been a dip in responses to complaints and PALS but divisions will now be focusing back on these issues and we expect to see an improvement in May. Targets such as appraisal are also down as a deliberate response to changes in staffing but an improvement is now expected in this area.

Further thought needs to be given to how we measure progress on our new trajectory and the team is looking at potential new KPIs.

The board also sought assurance that underpinning technology is resilient to the change, in particular patient-centred and core systems and technology support processes around them.

In relation to employee engagement the trust is planning to undertake a survey to understand where employees are at present but have not yet agreed a trust-wide approach. Exit interviews and wrap around support are available for those that have been redeployed.

In reference to the 83% fall in new outpatient attendances it was asked whether the figure include virtual appointments or whether they are being picked up separately. JQ advised that appointments are being recorded in different ways but that the recovery KPI report would capture the different elements.

DRAFT

20/2448 Finance report

JW highlighted the section in the report that shows a tabulated decrease in activity by point of delivery. The range is a reduction of 41% non-elective, 64% surgical and 95% day case. The trust is £13.9m down on its overall income position for the organisation and is being funded on an overall block contract basis, based on average income values from the January to November period.

Reduction in activity has been added into variable cost changes. Bank and agency spend is down by £800k and will reduce further in May. There is a £1.4m positive variance in drugs and also a favourable position in relation to clinical supplies. With regard to non-pay there is a reduction in terms of commercial income and the impact of Oriel revenue costs. The trust did not use its full block funding given to come back to a break even position. Those organisations that did not require further funding tended to be surgical specialty and mental health. All other trusts required top up funding at a total of £112m.

The reduction in the variable cost base has covered the loss of contribution of commercial functions and R&D. Block contracts are likely to run until October and potentially to the end of the financial year. The trust is likely to require top up funding as activity increases.

In relation to debt the trust has struck an agreement with the large CCG clusters in Kent and NEL so NHS CCG debt should be cleared by the end of Q1 of the financial year. The focus will now be on non-CCG NHS debt and sundry and commercial elements. A similar message is coming from Moorfields private which is that current debt is being eroded and collected.

The cash position is at £78m so there are no immediate liquidity concerns. The liquidity and working capital position will be further reviewed in this financial year.

Providers are likely to be taken to a break even position for the end of the year although it is not yet clear what will happen post-October and post-block extension. I

Discussion took place about capital requirements and what the priority will be. The trust starting position in terms of cash is much stronger than other organisations. NCL will impact our capital expenditure decisions and we will potentially be seeing the calculation of affordability by organisation and imposition of a ‘capital resource limit’. STPs will in future play a crucial role in determining capital spend. Directors of FTs need to be aware that this could be an issue where it might impinge on spending considered necessary by individual Boards.

There is also a need to consider the capital funding required for second wave, what is our ability to spend the capital allocation in 2021 against all other priorities. There is a potential source of conflict between the duties of board members to their FTs and to work with the system.

DRAFT

Discussion also took place about CIP and how this will look for the year. The plan has budgeted for a certain amount although operational planning is currently suspended but includes a requirement to make efficiencies.

A review needs to take place as to what the schemes were for the year and what might still be achieved. There is likely to be a requirement in the second half of the year.

Advise on a timeline for CIP review - JW 25.06.20

20/2449 Guardian of safe working

NS advised that there was only one exception report that took place before lockdown and that trainees are working within guidelines for safe hours.

Junior trainees have been redeployed to meet general medical needs and the trust has allowed any of the STs the opportunity to be redeployed if they wished. The trust has also moved all STs from service provision so that they could support eye casualty.

SGH has a separate on call rota which is contributed to by a number of other hospitals. It has not been possible to run a three tier on call list but have run two tier on call using STs, fellows and consultants and assisted by ENPs and a system that allowed consultant to act as middle and upper tier.

Although this has allowed us to maintain emergency services the Royal College and London Deanery decided not to pause training requirements. Once the trust is in the recovery phase we will have to be able to provide training opportunities to meet the backlog of demand and will require enhanced requirements. This is a particular issue for cataract surgery as we are currently unable to undertake this surgery and may feel the priority is to provide a service to get through the number of cases rather than reduce the service by providing training opportunities. The service is looking into how best to provide recovery of backlog as well as provide sufficient training opportunities.

20/2450 Freedom to speak up quarterly report

There have been a number of communications that have required signposting which have been dealt with informally but that are important to capture. Numbers are quite small but do fluctuate from quarter to quarter. FTSUs have led work on sessions for BAME staff and there is a plan to do more of these sessions in the future.

In order to promote the FTSU service the trust is working with communications to do this but also need to do more sessional invitations for staff.

It was stressed that people's first contact is still the line manager and that the message needs to be kept consistent.

20/2451 Oriel

The decision has been made to restart engagement with the public although it will be a challenge to change the approach to face to face consultation and make sure that people continue to be able to participate.

DRAFT

It is still anticipated that a planning application will be submitted to LBC in the autumn, with the OBC progressing through regulatory approvals at the moment.

The team is refreshing the Oriel Advisory Group nomination process to lead through from now to the end of next year. Membership will be open to everyone on the membership council.

The team continue to monitor risks relating to property, value, system support and partners and this is being done through the monthly executive board. A joint principals meeting takes place every two weeks to oversee the position. CBRE is providing commercial advice in order to inform decision-making. The intention is to bring a report to the private board meeting in July/August to decide whether it is appropriate to put City Road on the market and proceed with a planning application.

20/2452 Identify any risks arising from the agenda

HE to circulate the board assurance framework to all board members for comment prior to the next audit committee meeting in July.

HE to circulate BAF – 07.07.20

20/2453 AOB

None.

20/2454 Date of next meeting – Thursday 28 May 2020

DRAFT

Item 4

BOARD ACTION LOG

Meeting Date	Item No.	Item	Action	Responsible	Due Date	Update/Comments	Status
05.09.19	19/2345	Workforce strategy	Update on progress to be provided in six months	SD	23.07.20	Postponed	Open
03.10.19	19/2362	Service improvement reports	Targets and milestones to be reported in programme format with tracker for the next report	JQ	23.07.20	Postponed	Open
05.12.19	19/2374	Matters arising and action points	Update on the work of the leading and guiding group to be provided in three months	TL	23.07.20	Postponed	Open
23.01.20	20/2395	Administration and booking process	Update to be provided in six months	JQ	23.07.20		Open
28.05.20	20/2448	Finance report	Advise on suitable timeline for CIP review	JW	25.06.20		Open
28.05.20	20/2452	Identify any items for the risk register arising from the agenda	Circulate BAF prior to the next audit committee meeting in July	HE	07.07.20		Open

NB Items greyed out have been completed and will be removed from the next log
Bold shows updates

Glossary of terms – June 2020	
Oriel	A project that involves Moorfields Eye Hospital NHS Foundation Trust and its research partner, the UCL Institute of Ophthalmology, along with Moorfields Eye Charity working together to improve patient experience by exploring a move from our current buildings on City Road to a preferred site in the Kings Cross area by 2023.
AAR	After action review
AHP	Allied health professional
AI	Artificial intelligence
ALB	Arms length body
AMRC	Association of medical research charities
ASI	Acute slot issue
BAF	Board assurance framework
BAME	Black, Asian and minority ethnic
BRC	Biomedical research centre
CCG	Clinical commissioning group
CIP	Cost improvement programme
CPIS	Child protection information sharing
CQC	Care quality commission
CQRG	Commissioner quality review group
CQUIN	Commissioning for quality innovation
CR	City Road
CSSD	Central sterile services department
CTP	Costing and transformation programme
DHCC	Dubai Healthcare City
DMBC	Decision-making business case
DSP	Data security protection [toolkit]
ECLO	Eye clinic liaison officer
EDI	Equality diversity and inclusivity
EDHR	Equality diversity and human rights
EMR	Electronic medical record
ENP	Emergency nurse practitioner
EU	European union
FBC	Full business case
FFT	Friends and family test
FRF	Financial recovery funding
FT	Foundation trust
FTSUG	Freedom to speak up guardian
GDPR	General data protection regulations
GIRFT	Getting it right first time
GoSW	Guardian of safe working
HCA	Healthcare assistant
I&E	Income and expenditure
IFRS	International financial reporting standards
IOL	Intra ocular lens

IPR	Integrated performance report
iSLR	Integrated service line reporting
KPI	Key performance indicators
LCFS	Local counter fraud service
LD	Learning disability
LOCSSIP	Local Safeguarding Standards for Invasive Procedures
MFF	Market forces factor
NCL	North Central London
NHSI/E	NHS Improvement/England
NIHR	National institute for health research
NIS	Network and information systems
NMC	Nursing & midwifery council
OBC	Outline business case
OD	Organisation development
PALS	Patient advice and liaison service
PAS	Patient administration system
PbR	Payment by results
PDC	Public dividend capital
PID	Patient identifiable data
PP	Private patients
PPE	Personal protective equipment
PROMS	Patient related outcome measures
PSF	Provider sustainability fund
QIA	Quality impact assessment
QIPP	Quality, innovation, productivity and prevention
QSC	Quality & safety committee
QSIS	Quality service improvement and sustainability
RAG	Red amber green [ratings]
RCA	Root cause analysis
R&D	Research & development
RTT	Referral to treatment
SCC	Strategy & commercial committee
SGH	St Georges University Hospital
SI	Serious Incident
SLA	Service level agreement
ST	Senior trainee
STP	Sustainability and transformation partnership
TMC	Trust management committee
UAE	United Arab Emirates
UCL	University College London
VFM	Value for money
WDES	Workforce disability equality standards
WRES	Workforce race equality standards
YTD	Year to date

Agenda item 05
Report of the audit and risk committee
Board of directors 25 June 2020

Report title	Report of the audit and risk committee
Report from	Nick Hardie, chairman, audit and risk committee
Prepared by	Helen Essex, company secretary
Link to strategic objectives	We will have an infrastructure and culture that supports innovation We are able to deliver a sustainable financial model

Brief summary of report

Attached is a brief summary of the audit and risk committee meeting that took place on 11 June 2020

Action Required/Recommendation.

Board is asked to note the report of the audit and risk committee and gain assurance from it.

For Assurance	✓	For decision		For discussion		To note	

AUDIT AND RISK COMMITTEE SUMMARY REPORT – 11 JUNE 2020

Governance

- Quorate – Yes
- Attendance (membership) - 100%

Current activity (as at date of meeting)

Matters arising

- The method for assessing 'going concern' has been reviewed.
- It was agreed that the session on risk appetite needs to come to the next board strategy session as it will be a critical factor in recovery of services and moving forward.

Internal audit progress report

DSP Toolkit

- The report is amber/green rated with one medium priority recommendation.
- The audit relates to the submission to NHS digital around all the key domains and whether there is evidence to support the submission.
- The trust benchmarks positively in comparison to other organisations.
- The recommendation relates to monitoring and logging of access for people who have privileged access to key systems.
- Management responses relate to detective controls rather than preventative controls.

Head of internal audit opinion

- There has been a minor update to reflect the work done on the DSP Toolkit.
- The opinion is still that 'significant assurance with improvement opportunities can be provided'.
- The committee was satisfied that it could take assurance from the document.

Annual report and accounts 2019/20

- The structure of the accounts is similar to what was presented at the private board in May but the following changes were highlighted:

Group accounting

- This issue has arisen during the external audit and as a consequence the trust is now presenting a set of accounts that have both a group and trust position on the SoFP and cash flow.
- This now properly reflects the current holding structure for Abu Dhabi and was not being done previously as the value was not material.
- Discussion took place about potential future models and how the trust might revisit its corporate structure.
- There is likely to be a more developed consolidation exercise to undertake in future so it is sensible to make the changes now.
- Staff and executive director costs were also referenced which saw a £9.5m increase. £4.5m of this related to a pensions uplift and this was in addition to the extra headcount of 45 staff.

Impairments

- As previously discussed, the EMR write-off is included as an impairment.

	- The revaluation of estate led to a £0.6m decrease in the proportion of value and historic cost. - There is an uncertainty clause included in relation to the evaluation of estate following guidance issued by RICS. - This is required because valuers need data on transactions taking place in order to make suitable assessments. - The issue is driven by circumstances and all trusts are in a similar position. - Overall it has been a positive audit with minimum adjustments made to the accounts. ***<u>External audit review of the annual accounts 2019/20</u>*** - External audit advised the committee that the group accounting issue and property valuations were the key areas of focus. - In relation to inventory there is a risk around completeness rather than existence. However, testing has been done and the auditors are comfortable with the position. - For bad debt provision there is an impairment for expected credit losses. - There have been no significant risks identified as part of the vfm conclusion. - The impact of Covid is in the current year so there is no anticipation that any issues will be brought to the committee's attention for the year ending March 2020. - The trust has not yet formalised a framework for determining the risk appetite and this remains an outstanding recommendation. - Overall things have gone very smoothly from an external audit perspective despite the challenging circumstances. Both internal and external teams have been responsive with good systems and portals in place. - The committee thanked both teams for doing such a good job in the circumstances and agreed to recommend the ISA260, letter of representation and enhanced audit report to the board. ***<u>Counter fraud report</u>*** - The operational plan for the year is split into two key sections; reactive work such as referrals and investigations and proactive work which is what is proposed to be undertaken next year. - A review will also be done on cyber security due to the enhanced risk. The team will also look at key fraud areas that might have been impacted by Covid. - In relation to capital, facilities and estates the committee was advised that the intention was to undertake a cultural review which had started and will need to be rescheduled. - Pre-contract procurement is reviewed on a cyclical basis and this includes declarations of interest and how they are brought into the procurement process. - KPMG is proposing the work done in this area is around the procurement of capital and IT projects due to the enhanced level of risk as well as being major areas of spend. - Discussion took place about cyber security and where the principal responsibility sits. Counter fraud work closely with internal audit so that there is a holistic view of the whole issue although it may be reported in different areas. ***<u>Comment from accounting officer</u>*** - DP advised that he felt comfortable with the accounts that have been presented in what are hopefully unique circumstances. - DP thanked everyone who has worked both internally and externally to get the report and accounts completed.

	• In relation to lessons learned, a post year-end wash up will be completed with auditors and internally. • There needs to be some consideration as to how we improve and learn from the experience but then it is important to move on and focus on the year ahead.
Key concerns	• No significant concerns raised
Items for discussion outside of committee	• Formalisation of the board’s approach to risk appetite.
Date of next meeting	• 7 July 2020

Agenda item 06
2019/20 Annual Report and Annual Accounts
Board of directors 25 June 2020

Report title	Annual report, annual accounts 2019/20
Report from	David Probert, chief executive
Prepared by	Helen Essex, company secretary Jonathan Wilson, chief financial officer
Link to strategic objectives	The attached papers link to all strategic objectives

Executive summary

Annual Report

Paragraph 26 of Schedule 7 to the NHS Act 2006 requires NHS Foundation Trusts to prepare and annual report in a form decided by NHS Improvement. The report has been prepared in accordance with the latest guidance.

Annual Accounts

The accounts have been prepared in accordance with paragraphs 24 and 25 of Schedule 7 to the NHS Act 2006 (additional commentary has been provided by way of a covering note)

Note re: Quality Account

In previous years the Quality Account and quality report have been included the suite of statutory end of year documents. However, regulations making revisions to quality account deadlines for 2019/20 are now in force. While primary legislation continues to require providers of NHS services to prepare a quality account for each financial year, the amended regulations mean there is no fixed deadline by which providers must publish their 2019/20 quality account. NHS England and NHS Improvement recommend for NHS providers that a revised deadline of 15 December 2020 would be appropriate, in light of pressures caused by COVID-19.

Draft quality accounts will be provided to stakeholders in good time to allow scrutiny and comment. For finalising quality accounts by 15 December, a date of 15 October would be reasonable for this; each trust should agree this with their relevant stakeholders.

NHS providers are no longer expected to obtain assurance from their external auditor on their quality account / quality report for 2019/20.

NHS foundation trusts are not required to include a quality report in their annual report for 2019/20

All documents are subject to external audit, the results of which were discussed at the audit committee of 11 June 2020. The chair of the audit committee will provide both written and verbal assurance to the June board from that meeting.

Quality implications

As detailed in the quality report.

Financial implications

As detailed in the annual accounts.

Risk implications

There is a risk to the trust and directors as individuals for any failure to comply with statutory requirements relating to submission of the annual report, annual accounts and quality report.

Action required/recommendation.							
The board is asked to approve the annual report 2019/20 and the annual accounts 2019/20 in time for submission on 25 June 2020.							
For assurance		**For decision**	✓	**For discussion**	✓	**To note**	

Moorfields Eye Hospital NHS Foundation Trust

Annual Report and Accounts 2019/20

Moorfields Eye Hospital NHS Foundation Trust Annual Report and Accounts 2019/20

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

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4	**Independent auditor's report (TBC)**	**TBC**
5	**Annual Accounts 2019/20**	**TBC**

Welcome from the chair and chief executive

2019/20 has been a year like no other for our colleagues and patients at Moorfields. Our work in the early part of the year saw us treating more patients than ever before, developing innovative, new sight-saving treatments and taking an all-important step towards building Oriel, a world-leading eye facility.

Despite these important achievements, what is likely to remain at the forefront of many people's minds as they reflect over the past year is the coronavirus pandemic. Whilst the outstanding dedication and commitment of our colleagues in response to the pandemic cannot be overstated, we would also like to pay tribute to their achievements throughout the year.

Prior to the pandemic, our teams delivered over 750,000 patient appointments, met all national targets and had all our services rated as either good or outstanding by the Care Quality Commission (CQC). We have maintained a strong financial position throughout the year, despite cost pressures and our planned investment in services and Oriel.

Oriel, our project to build a new world class facility in partnership with UCL Institute of Ophthalmology and Moorfields Eye Charity, moved ahead at pace during the year. It will design, build and operate a new, purpose-built centre of excellence for eye care, research and education. Following an extensive full public consultation, our proposal is now approved allowing us to submit a formal planning application and full business case for this world-class facility at the heart of our strategy.

We continue to lead in Artificial Intelligence (AI), extending the DeepMind partnership to explore earlier detection and treatment of eye diseases and being awarded a grant to assess AI cataract surgery technology. The new eye health data research hub will use advanced analytics including AI to give patients across the UK faster access to pioneering new treatments and to develop insights in eye disease and how this applies to wider health such as dementia and diabetes.

Our surgeons were the first to deliver a pioneering NHS-funded gene therapy treatment to halt sight loss for a rare eye condition. Other breakthroughs during the year include the UK's first large-scale glaucoma biobank and a new injection to improve vision for people with wet AMD.

We also continue to demonstrate leadership across the wider NHS system, working with NHS England and Improvement on new national clinical pathways for eye care and on GIRFT (Getting It Right First Time).

A year like no other – our response to the coronavirus

A crisis like the coronavirus pandemic has seen the NHS at the centre of the nation's thoughts, from the weekly outpourings of public thanks and gratitude to daily televised news conferences on the progress made in the fight against it.

We are proud to say that Moorfields staff and teams have shown leadership in the response to this crisis, which embody our values of being caring, excellent and inclusive.

Every member of staff, including those in research, education and Moorfields Private, has been affected, and two have sadly lost their lives to this terrible disease. Clinics and operations were postponed, as we moved to providing only urgent and emergency services. Patients were reassured through a period of change through new and expanded helplines and self-care guides.

Sites were vacated, services relocated and consolidated, we even opened a new injection centre in Purley in just eight days. The flexibility and adaptability of our people has been remarkable, as has their courage in stepping forward to support NHS Nightingale, Whittington, Bart's and several trusts that host our clinics.

We innovated at pace, rolling out Attend Anywhere, a video consultation system we had been planning for a single-clinic trial to more than 20 services, hitting one thousand appointments within the first month,

including an innovative on-demand A&E service. Our leaders helped to make sure this consultation service could be adopted across the NHS within the first couple of weeks of the outbreak.

We have been struck by the professionalism, heroism and outstanding commitment of colleagues, whether at Moorfields or redeployed, often requiring huge personal sacrifice; we are truly humbled to be part of the NHS, Moorfields and wider effort to keep people safe.

We look forward to 2020/21, with the opportunity of Oriel before us and the complexities of reopening a full range of eye care services to be worked through. We are confident that the spirit, determination and ingenuity of our staff, together with their dedication to the best possible care, will guide us as we continually challenge ourselves to deliver the best for our patients.

Tessa Green	**David Probert**
Chairman	Chief executive

1. Performance report

Who we are

Moorfields Eye Hospital NHS Foundation Trust is the leading provider of eye health services in the UK and a world-class centre of excellence for ophthalmic research and education. Our reputation for providing the highest quality of ophthalmic care has developed over 200 years. Our 2,465 (full-time and part-time) staff are committed to sustaining and building on our pioneering history, and ensuring we remain at the cutting edge of developments in ophthalmology.

We were one of the first trusts to become a Foundation Trust in 2004 and are a founder member of UCL Partners, one of the UK's first academic health science centres. Moorfields is one of only 20 sites nationally that has National Institute of Health Research (NIHR) Biomedical Research Centre (BRC) status, providing us with the infrastructure to support major innovative research initiatives and enabling us to fast-track projects to benefit patients more quickly.

We have a network of over 25 NHS sites in London and the south east of England, and provide private services both in England and internationally. We are registered without conditions and with an overall rating of 'Good' with the Care Quality Commission (CQC).

What we do

We provide a wide range of ophthalmic services, caring for patients with routine medical needs as well as those with rare and complex conditions. We serve the NHS and private sectors in the UK, and deliver care through our international services. In partnership with the UCL Institute of Ophthalmology and other strategic partners, we conduct world-leading research and play a leading role in the training and education of eye care clinicians.

We have a unique patient case mix and more detail on our services can be found at the following link: https://www.moorfields.nhs.uk/listing/services

How we are structured

Moorfields North division

The North Division has 12 satellite and partnership units across the network. We run a district hub from Bedford Hospital and this service is also responsible for activity in our community clinic at Bedford Enhanced Services Centre. We provide a number of services in East London, including a local surgical centre at Mile End Hospital in the heart of Tower Hamlets and community clinics at Barking Community Hospital and the Sir Ludwig Guttmann Health and Wellbeing Centre in Stratford, as well as our partnership based at the Homerton Hospital in Hackney We also have surgical centres in St Ann's Hospital in Tottenham and Darent Valley Hospital in Dartford, Kent.

We provide a number of services for patients in North West London from our district hubs at Ealing Hospital and Northwick Park Hospital. We also provide services at our local surgical centre at Potters Bar. We have two local partnerships: one in Watford and one in Wealdstone, Harrow.

In the **Moorfields South** division we run a district hub from St George's Hospital in Tooting and this includes responsibility for the management of four other locations in south west London, our surgical centre at Queen Mary's Hospital, Roehampton and our community clinic at Nelson Health Centre in Merton. We also run a district hub from Croydon University Hospital and a community clinic at Purley War Memorial Hospital.

Moorfields City Road City Road is managed as a unified division and comprises outpatient services from all sub-specialities (including many referrals from highly specialised services), clinical support services, A&E, a dedicated paediatric centre and comprehensive surgical facilities. Other specialty services at City Road include adnexal, cataract, corneal, general ophthalmology, glaucoma, ocular oncology, medical retina, uveitis, strabismus, vitreo-retinal, neuro and genetics. The division is also responsible for our joint working arrangements with Barts Health, Guy's and St Thomas' hospitals, and Great Ormond Street Hospital for Children.

Each division is supported by a range of corporate services covering quality and safety, human resources, governance, strategy and business development and finance. Our Access directorate is responsible for business continuity and emergency preparedness for the Trust and also includes the Trust's Outpatient booking centre, health records department, medical secretaries, referral to treatment (RTT) team and diabetic retinal screening team.

Moorfields Private is our private patient unit in London comprising the Moorfields Private Outpatient and Diagnostic Centre, providing consulting and diagnostic facilities for both general ophthalmology and refractive laser services, together also with a dedicated pharmacy service, minor procedures room and injection suite.

Ward facilities stretch across three separate locations on the fourth floor of the private patient unit comprising the former Francis Cumberlege Wing, Club Lounge and Observation Ward. These areas are now collectively referred to as the 'Moorfields Private Admission and Refractive Laser Suite'.

In 2019/20, Moorfields Private fulfilled over 40,000 outpatients appointments, completed laser procedures on over 2,600 eyes and admitted approximately 5,700 patients for surgical procedures making a considerable financial surplus which is invested back into the trust for the benefit of its NHS services.

In 2019/2020 a new Senior Management Team was appointed focussing on improving quality, efficiency and profitability. This includes an emphasis on marketing to improve awareness and grow patient numbers.

The year saw the consolidation of our twelfth year of operations in **Moorfields Eye Hospital Dubai** and the completion of three years of operations in Moorfields Eye Hospital Centre in Abu Dhabi, where 20% of the Dubai facility patient base resides. Despite this, MEH Dubai has seen around 207,000 patients and performed around 17,000 surgeries since inception.

The healthcare market in the UAE continues to be dynamic. Throughout the year we focused on contracts beneficial to increasing the patient flow, developing our market share and increasing awareness of our services within the United Arab Emirates and Gulf Cooperation Council. We also added targeted marketing and advertising resulting in a higher percentage of new to returning patient ratio than in previous years, in addition to more corporate and healthcare referral agreements which maintain and further grow the Moorfields brand.

Moorfields Eye Hospital Centre Abu Dhabi officially opened in 2016 at Abu Dhabi Marina Village and is the first joint venture of Moorfields in the Middle East in partnership with United Eastern Medical Services – a local healthcare operator and investment group.

We have been very active in the media and in negotiations with insurance companies to facilitate access for Abu Dhabi residents to our facility. Since the commencement of operations in Abu Dhabi, we have seen around 57,000 patients and performed over 2,000 surgical procedures.

Our strategy

We launched our five-year strategy in July 2017 with a new purpose, 'working together to discover, develop and deliver the best eye care'.

- **Working together** means we collaborate with one another as individuals, with our patients and with other organisations.
- **Discover the best eye care** means we will focus on setting the agenda, being at the forefront for others to follow.
- **Develop the best eye care** means we will practically apply our discoveries to benefit our patients, staff and the services we provide.
- **Deliver the best eye care** means we will consistently provide an excellent, globally-recognised service.

Corporate objectives for 2019/20

Our corporate objectives set as part of the trust strategy were deliberately ambitious because we wanted to challenge ourselves to deliver the best for our patients. The board is using these objectives to track progress over the next four years.

	Working together to discover, develop and deliver the best eye care			
Ambitions	We will pioneer patient-centred care with exceptional clinical outcomes and excellent patient experience	We will be at the leading edge of research, making new discoveries with our partners and patients	We will innovate by sharing our knowledge and developing tomorrow's experts	We will collaborate to shape national policy
Enablers	We will attract, retain and develop great people	We will have an infrastructure and culture that supports innovation	We will have a sustainable financial model	We will be enterprising to support and fund our ambitions

Our priorities for 2020/21 have been updated to reflect progress made during the past year as well as changes in our external context:

- Continue to implement our sub-speciality strategies across the network to ensure we are ready for Oriel
- Implement our new workforce strategy
- Continue to make progress with our plans for a new centre, achieving formal approval for the OBC, submitting our planning application and preparing to submit the FBC. This includes defining Oriel's place in our wider network.
- Increase the profit we make from private healthcare to support the Trust's financial health.
- Complete the planning and begin implementing a functioning Electronic Medical Record (EMR) with integrated diagnostics

Oriel

The commissioner-led **public consultation** on the proposal to build a new centre of excellence for eye care, research and education at St Pancras, London was successfully launched on 24 May 2019 and closed on 16 September 2019. On 12 February 2020 our lead commissioners approved the proposal. We would like to thank the many patients, carers, members of the public, staff and stakeholder groups who have taken the time to contribute their views to the consultation.

Consultation activity included:

- 5,615 people visited the Oriel website, resulting in 18,632 page views
- Over 50 meetings were held with around 880 public and patient representatives, plus around 100 participants in the RDCEC 'lessons learned' exercise.
- Over 27 meetings were held with staff from across our network

Over 1,500 survey responses were received mainly from patients, carers and the public (77%) with staff responses at 17%. 73% of respondents agreed or agreed strongly with the proposal that the new centre should be located

at St Pancras. This was due to its location, access to public transport, available space and proximity to the research community. The key message arising from the consultation was that of accessibility and the development of the 'last half mile'.
All the information gathered throughout the consultation has been incorporated into design briefs which our architects are now using to create preliminary designs for the new centre. We aim to involve colleagues and patients as much as possible in the design process so that we create a centre that meets the needs of staff, patients and visitors.

A going concern disclosure

After making enquiries, the directors have a reasonable expectation that Moorfields Eye Hospital NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Key issues and risks

The trust's board assurance framework includes the high level risks to the organisation. These are rated depending on the level and potential impact of risk, with red being the highest. A summary following a review in January 2020 is included in the Annual Governance Statement at section 4.5.

The year at Moorfields

Patient activity
Moorfields' NHS patient activity and the total volume of Moorfields' NHS activity in 2019/20 are shown in the table below, with figures from 2017/18 and 2018/19 for comparison. This year saw a decrease in our A&E attendances but this was singularly due to the impact of Covid-19 during March. The 11 months up until the end of February had seen a year-on-year increase of 2.3% but March attendances dropped to approximately half of the number of patients we would normally expect to see. End of year Inpatient and Outpatient numbers have also been affected by the response to Covid-19 during March but Inpatient attendances were still above those recorded for last year, whilst Outpatients only fell short of the previous year by approximately 850 attendances. Overall, despite the impact of March figures, the Trust still increased its total level of activity when compared to 2018/19.

	Activity number		
Point of delivery	**2017/18**	**2018/19**	**2019/20**
A&E	96,947	97,222	95,523
Inpatient day case	37,718	37,787	40,383
Inpatient elective (planned)	1,184	1,142	1,582
Inpatient non-elective (unplanned)	2,780	2,630	2,957
Outpatient	601,986	644,196	643,343
Grand total	740,615	782,977	783,788

Note: discrepancies between annual reports are attributable to the timing of the data run each year.

Performance analysis 2019/20

The Integrated Performance Report (IPR) provides the Board with in depth information on the performance of Moorfields. Each month, the performance and information department report on the following areas:

- operational measures such as A&E measures, attendance rates, theatres utilisation and waiting time;
- workforce measures such as staff vacancy rate;
- quality and safety measures such as rates of infection;
- research and development measures such as number of studies closed;
- finance measures such as variance from financial plan; and

- commercial and private patient measures.

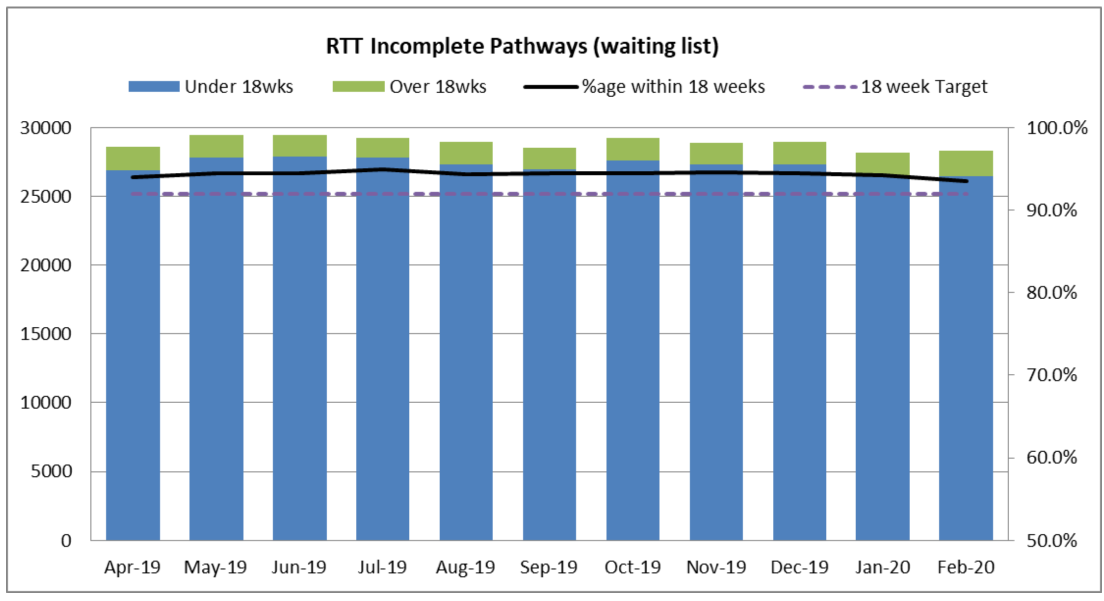
For this reporting year we have refined the IPR to reflect a balanced scorecard approach that takes into account both the Trust Objectives and the Care Quality Commission (CQC) domains. The report gives an overview and detailed performance for each individual metric, comparing this month's performance to previous months and the target. A red, amber or green rating method shows whether a target is achieved, with green indicating performance is on target. Importantly, the report also identifies additional information and remedial action plans for any metrics which are rated red or amber. The report is shared with internal and external stakeholders.

18-weeks referral to treatment (RTT) standard

Indicator	Target	2017/18	2018/19	2019/20
18-weeks RTT incomplete – all pathways	≥ 92% (96.5%)	95.3%	94.5%	94.4%**
18-weeks RTT incomplete – pathways with DTA*	n/a	88.5%	87.9%	Not yet available
New RTT periods all patients	n/a	145,312	143,420	Not yet available

** decision to admit.*
***April-Feb (inclusive) data*

Performance for the measure retained as the primary key performance indicator (18-weeks referral to treatment incomplete) has continued to exceed the nationally set annual target of 92%, and maintained its position in comparison to the previous year's figure.



A&E

Indicator	Target	2017/18	2018/19	2019/20
A&E four-hour performance	≥ 95%	98.5%	98.4%	98.5%
Total number of arrivals in A&E	N/A	96,947	97,221	95,523
Time to treatment in A&E department – median	≤ 60 mins	120	127	126
Time to assessment in A&E department – median	≤ 15mins	26	15	18

A national requirement is to report the proportion of attendances lasting fewer than four hours from arrival to admission, transfer or discharge in A&E. This has a minimum target of 95% which we have consistently exceeded and improved upon.

Compared to 2018/19 the number of A&E attendances reported have decreased by approximately 1700 patients. However this includes a significant reduction in March 2020 due to Covid-19, up to that point the first eleven months of the year had seen a 2.3% increase on the previous year. A&E throughput times have largely remained consistent with the previous year.

Cancer waiting times

Indicator	Target	2017/18	2018/19	2019/20
Cancer two week waits – first appointment urgent GP referral	≥ 93%	96.9%	94.3%	96.2%**
% cancer 14-day target – NHS England referrals (ocular oncology)	≥ 93%	89.8%	76.9%	90.9%**
Cancer 31-day waits – diagnosis to first appointment	≥ 96%	95.7%	97.6%	99.2%**
Cancer 31-day waits – subsequent treatment	≥ 94%	98.1%	100%	100%**
Cancer 62-days from urgent GP referral to first definitive treatment	≥ 85%	100%	100%	83.3%**

***April-Feb (inclusive) data*

Cancer waiting times performance has improved in four out of our five key indicators this year and the national targets for these metrics have been exceeded.

Cancer targets are challenging and the relatively low number of patients makes performance percentages fluctuate. Performance can be influenced by patient choice or the fitness of the patient to undergo surgery, much of which is outside of the control of the trust. The issue of patient choice was the reason why the trust failed to reach its target with just one patient out of the six that fell into this category opting to delay their treatment for personal reasons.

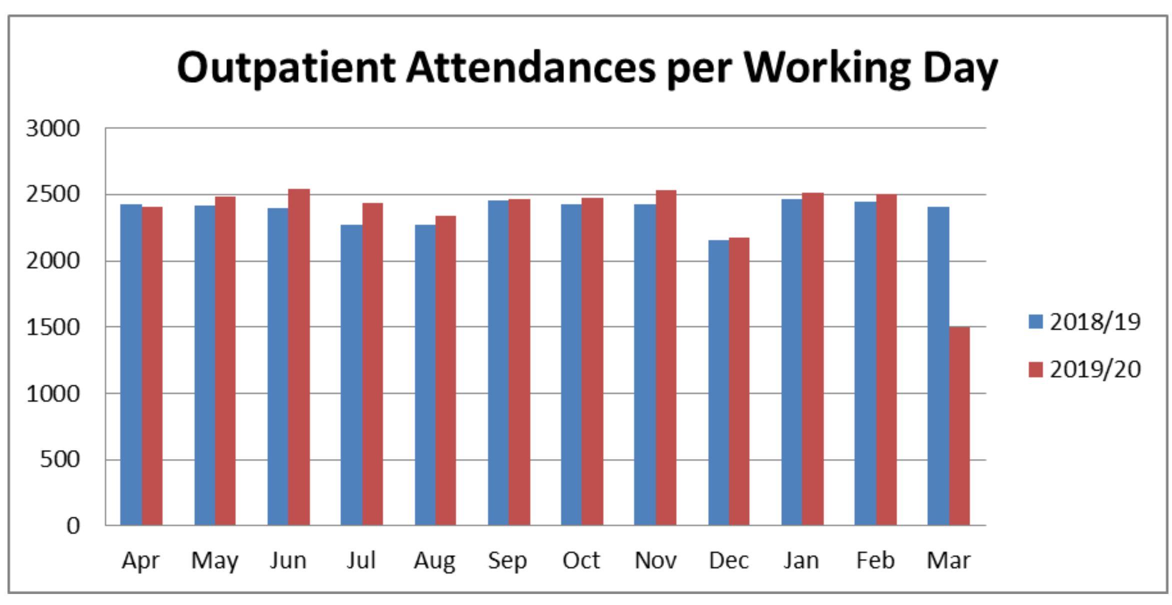
Access

Indicator	Target	2017/18	2018/19	2019/20
Diagnostic waiting times – six weeks	≥ 99%	100%	100%	100%
Percentage of GP referrals from electronic booking	100%	57.7%	89.4%	88.9%

The electronic GP referral is short of target but reflects the Trusts commitment to patient safety whereby patients are not disadvantaged if their referral comes via an alternative, non-electronic route.

Diagnostic waiting times have again been better than target.

Outpatient activity



This table shows all activity for Moorfields systems, not including Bedford.

Indicator	2017/18	2018/19	2019/20
Outpatient total attendances – first appointment	127,859	136,396	132,821
Outpatient total attendances – follow up appointments	439, 997	465,715	467,400
Outpatient cancellations (hospital cancellations)	2.93%	3.52%	4.6%
Outpatient DNA* rate – first appointment	12.4%	11.6%	11.8%
Outpatient DNA* rate – follow up appointment	11.0%	10.4%	10.5%

Commentary – will need a decision about whether to discuss Covid-19 and how – for example March cancellations figure was almost 17%, average to that point was 3.6%.

Safety

Indicator	Target	2017/18	2018/19	2019/20
Number of MRSA cases	0	0	0	0
Number of Clostridium difficile cases	0	0	0	0
Venous thromboembolism (VTE) screening	≥ 95%	98.6%	98.2%	98.5%
Mixed sex accommodation	0	2	0	0

Performance within the safety arena has been strong with all key targets met

Service delivery measures

Ward staffing levels are calculated for those wards with inpatient beds, which for Moorfields include the observation unit and Francis Cumberlege wing at City Road and Duke Elder Ward at St George's Hospital. The data included reflects the national methodology which requires trusts to publish fill rates for both registered nursing staff and care staff separated into day and night periods. This data is shown in the table below.

Designation	Percentage fill rate 2019/20
Registered nurses – day	95.20%
Registered nurses – night	100.50%
Care staff – day	96.70%
Care staff – night	112.10%
Total fill rate	97.30%

New Measures – Surgery

In 2017/18, new surgery measures were implemented as part of the new Integrated Performance Report. We continue to monitor these measures and the results are below.

Indicator	Target	2017/18	2018/19	2019/20
Theatre Cancellation Rate	≤7.0%	7.0%	7.1%	6.3%%
Safer Surgery Checklist: Percentage of audited "Team Briefing" stage elements compliant with requirements	≥95%	93.3%	97%	99.7%
Safer Surgery Checklist: Percentage of audited "Sign In" stage elements compliant with requirements	≥95%	99.7%	100%	99.775%
Safer Surgery Checklist: Percentage of audited "Time Out" stage elements compliant with requirements	≥95%	98.9%	99.8%	99.25%
Safer Surgery Checklist: Percentage of audited "Sign Out" stage elements compliant with requirements	≥95%	98.2%	99.5%	98.9%
Safer Surgery Checklist: Percentage of audited "Team Debrief" stage elements compliant with requirements	≥95%	96.7%	99.0%	97.875%

Theatre cancellation rate included both medical and non-medical cancellations and has seen an improvement on previous years. The target for the Safer Surgery Checklist was increased this year to 95%, and we are proud to report we have achieved the target for all of our Safer Surgery Checklist measures.

Financial report

The financial year saw challenges across the NHS, particularly as a result of coronavirus. The Trust reported a deficit of £0.8m compared to a surplus of £8.5 million in 2018/19. Significant factors were the reduction in income from NHS Improvement in relation to Provider Sustainability Fund/Financial Recovery Fund income of £6.0 million to £2 million in 2019/20 (2018/19 £8.0 million), and increases in the impairment of assets of £1.2 million in-year.

Statement of comprehensive income

Income for the year was £251.9 million (2018/19: £235.3 million) on a headline basis and £249.8 million (2018/19: £227.3 million) on an underlying basis when the impact of NHS Improvement Provider Sustainability Fund is excluded.

Income and expenditure

All figures in £'million	2019/20	2018/19

Income		
Income from activities		
NHS income	196.9	175.8
Private patient income	30.8	28.6
Total income from activities	**227.7**	**204.4**
NHS Improvement Provider Sustainability Fund	**2.0**	**8.0**
Other operating income	23.0	22.9
Total other operating income	**25.0**	**30.9**
Total income	**252.7**	**235.3**
Expenses		
Pay costs	135.6	125.7
Non-pay costs	109.2	94.7
Depreciation and amortisation	7.1	7.3
Total operating expenses	**251.9**	**227.7**
Operating surplus	**0.8**	**7.6**
Interest and dividends	(1.6)	(1.4)
Other one-off gains for disposal of assets and share of JV profit / (loss)	(0.0)	2.3
Surplus for the year	**(0.8)**	**8.5**

There was a significant level of growth in Outpatients, Accident and Emergency, and Intra-vitreal Injection activity, resulting in income from NHS activities continuing to grow, increasing by £21.1 million (12.0%) to £196.9 million (2018/19: £175.8 million).

Income from our Private and Overseas Patient activities in London and United Arab Emirates increased during the year by £1.3 million (5.2%) to £29.9 million (2018/19: £28.6 million).

Other operating income including Research and Development, Education and Training, Charitable Income, and Other Income, increased by £0.1 million (0.0%), to £23.0 million (2018/19: £22.9 million).

Operating expenditure excluding impairments increased in-year by £23.2 million (9.3%) to £248.3 million (2018/19: £225.1 million), following investments and growth in our core NHS clinical services, including a material increase in injection activity leading to further staff and drugs costs.

Pay costs increased by £9.9 million (7.3%) to £135.6 million (2018/19: £125.7 million), due mainly to pay inflation, additional pension contributions and growth in staff delivering additional activity and income. Non-pay costs

increased by £13.6 million (12.5%) to £108.3 million (2018/19: £94.7 million), which is largely due to increased drugs costs as a result of higher activity levels and R&D activity matched to additional income.

Income disclosures

Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes.

The trust met this requirement. In 2019/20, 13.1% of income from provision of goods and services was derived from non-NHS income (2018/19 14.0%).

Section 43(3A) of the NHS Act 2006 requires NHS foundation trusts to provide information on the impact that other income it has received has had on its provision of goods and services for the purposes of the health service in England.

Surpluses from other income the Trust received have been used to support the provision of goods and services for the purposes of the health service in England.

Statement of financial position

Total assets have increased by £1.5m million to £90.1 million as at 31 March 2020 (2018/19: £88.6 million). Non-current assets increased by £6.9 million to £96.8 million (2018/19: £89.9 million).

Current assets reduced by £0.1 million to £77.7 million (2018/19: £77.8 million), driven by a reduction in receivables netted off by increased cash balances.

Current liabilities have increased by £6.2m at £47.2million (2018/19: £41.0 million) due to an increase in provisions and accruals. Non-current liabilities reduced by £0.9 million to £37.2 million (2018/19: £38.1 million) primarily as a result of loan repayments made during the financial year.

Taxpayers' equity increased by £1.5 million during the year. This was due to the reported deficit of £0.8 million offset by changes in the Revaluation Reserve and Other Equity Reserve.

Statement of cash flows

The trust generated a net cash in-flow of £23.4 million from operations in 2019/20. The net cash surplus from operations was used to internally fund capital expenditure of £13.3 million (2018/19: £11.1 million) and loan repayment, net interest and Public Dividend Capital (PDC) payments of £3.2 million (2018/19: £3.5 million).

The trust ended the year with an improved level of cash at £52.4 million (2018/19 £45.3 million) an increase of £7.1 million as a result of increased debt collection during the year.

Counter-fraud arrangements

The trust has established a counter-fraud policy and response plan to minimise the risk of fraud or corruption. The trust's local counter-fraud specialist (LCFS) reports to the chief financial officer and performs a programme of work designed to provide assurance to the board in regard to fraud and corruption. The LCFS also gives regular fraud awareness sessions for Moorfields' staff and investigates concerns reported by staff. If these are substantiated, the trust takes appropriate criminal, civil or disciplinary measures.

Political donations

The trust made no political donations during 2019/20 (2018/19: nil).

Commissioning arrangements

The trust undertook £180.9 million of contracted clinical activity in 2019/20 for commissioners from across the UK. Of this, £154.6 million relates to our contracts with 87 clinical commissioning groups (CCGs), a further £21.3

million with NHS England, with the remaining income relating to patient activity undertaken for clinical commissioning groups who do not usually contract with the trust.

Further information on the trust's financial position can be found in the annual accounts.

Better payment practice code

The better payments practice code requires the trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

The trust achieves the aims of the better payment practice code in the majority of cases, and works with staff and suppliers throughout the year to minimise the remaining cases.

	2019/20 Number	**2019/20 £000**	**2018/19 Number**	**2018/19 £000**
Non NHS				
Total bills paid in the year	40,078	137,732	42,878	129,806
Total bills paid within target	34,724	121,308	37,914	113,829
Percentages of bills paid within target	87%	88%	88%	88%
NHS				
Total bills paid in the year	2,228	19,441	1,866	21,876
Total bills paid within target	1,274	9,253	1,209	11,167
Percentages of bills paid within target	57%	48%	65%	51%
Total				
Total bills paid in the year	42,306	157,173	44,744	151,682
Total bills paid within target	35,998	130,561	39,123	124,996
Percentages of bills paid within target	85%	83%	87%	82%

Single oversight framework

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

- quality of care
- finance and use of resources
- operational performance
- strategic change
- leadership and improvement capability (well-led).

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its license.

Finance and use of resources

The finance and use of resources theme is based on the scoring of five measures from '1' to '4', where '1' reflects the strongest performance. These scores are then weighted to give an overall score. Given that finance and use of resources is only one of the five themes feeding into the NHS Oversight Framework, the segmentation of the trust disclosed above might not be the same as the overall finance score here.

Area	Metric	2019/20 scores			
		Q4	**Q3**	**Q2**	**Q1**
Financial sustainability	Capital service capacity	1	1	2	2
	Liquidity	1	1	1	1
Financial efficiency	I&E margin	2	3	3	4
Financial controls	Distance from financial plan	1	1	1	1
	Agency spend	1	1	1	1
Overall scoring		**1**	**1**	**2**	**3**

The trust has complied with all cost allocation and charging guidance issued by HM Treasury.

The trust has no income generating schemes with an individual cost exceeding £1m.

The trust's aspiration for **equality, diversity and inclusion** is a culture which supports staff in realising their own potential while supporting patients in realising the best possible health outcomes.

Our equality, diversity and human rights policy sets out how we ensure that neither patients nor staff are treated differently because of any protected characteristic they may have. For new recruits this is supported by a comprehensive recruitment policy as well as training for managers in managing equality, diversity and inclusion.

A new pathway approach to challenging harassment, bullying or behaviours that make our staff feel uncomfortable has been developed and rolled out across the organisation. The pathway provides staff with a greater level of support to challenge poor behaviour from colleagues.

We are also accredited with the 'two ticks' status which guarantees people with a disability an interview if they meet the minimum criteria for a role. We have continued the development of staff networks following on from the establishment of MoorAbility, our first network for staff with a disability. There are now networks for black and minority ethnic staff (BeMoor) and LGBT staff (MoorPride).

Our equality objectives

To improve the equality outcomes for patients, carers and visitors we are committed to:

- improving the experience of people identified by the protected characteristics when waiting for their appointment
- making information more accessible and specific to patients who have a clinical need.

To improve the equality outcomes for our staff we are committed to:

- increasing the diversity of people in leadership and management roles
- continuing to build a strong and positive culture of inclusion
- improving our collection of equality data.

- sharing our leadership of inclusion across our community
- broadening our reach to voluntary partners to gain different perspectives.

We have **improved facilities and sustainability** by undertaking a refurbishment of our restaurant and catering facility and the education suite located in Ebenezer Street. The restaurant project consisted of a redevelopment of the 3rd floor facility, with new serveries and seating in a fresh and open layout. The education space is multi-use with flexible walling allowing large gatherings or intimacy as required with a centralised audio-visual system and video conferencing linked worldwide.

We also undertook the final phase of the expansion and improvements to the admission facilities on the Francis Cumberlege Wing for Moorfields Private, incorporating a hoist facility and full wet-room facility.

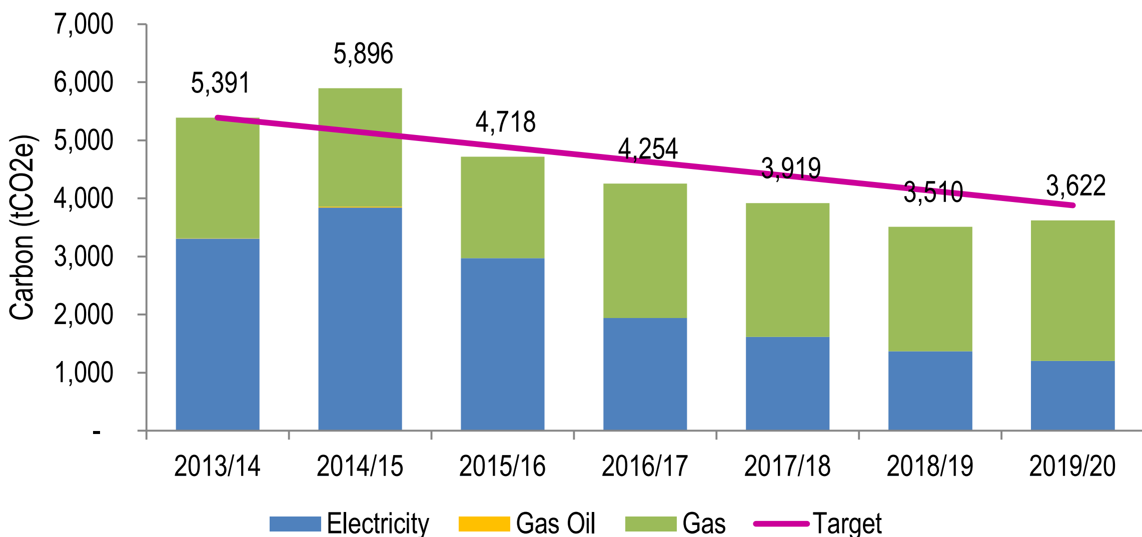
Our ongoing commitment to improve our facility in turn to improve our patient and staff experience identified within the backlog and life cycle maintenance programme led to a number of projects being undertaken in 2019/20,including roofing and external fabric repairs, heating ventilation and cooling systems upgrades and replacement entrance doors.

As an NHS organisation, and as a spender of public funds, we have an obligation to work in a way that has a positive effect on our communities. **Sustainability** means spending public money well, the smart and efficient use of natural resources and building healthy, resilient communities. By making the most of social, environmental and economic assets we can improve health both in the immediate and long term even in the context of rising cost of natural resources. Demonstrating that we consider the social and environmental impacts ensures that the legal requirements in the Public Services (Social Value) Act (2012) are met. We acknowledge this responsibility to our patients, local communities and the environment by working hard to minimise our footprint.

One of the ways in which an organisation can embed sustainability is through the use of a sustainable development management plan (SDMP). We have a board approved SDMP which we use as the basis for managing our sustainability obligations.

As recommended by the NHS Sustainable Development Unit, our SDMP identifies the Sustainable Development Assessment Tool (SDAT). We have used the Assessment Tool to create the plan of actions and activities that supports sustainability both inside and outside our organisation. Through our Sustainability Steering Group we have assigned the objectives and tasks to ensure all actions are completed and aligned against the UN Sustainable Development Goals. The main goal is to achieve a sustainable, low carbon organisation that is managed effectively and efficiently, achieving value for money with a reduced environmental impact.

In 2014, the NHS Sustainable Development Strategy outlined an ambition to reduce the carbon footprint of the NHS by 28% (from a 2013 baseline) by 2020. We have supported this ambition as follows:



The graph shows all energy supplies where Moorfields is responsible for its procurement. It demonstrates that our carbon footprint has reduced by 34% when comparing 2013/14 and 2018/19. This puts Moorfields well on target to overachieve the NHS carbon reduction objective.

Details of our water consumption can be found below:

Mains Water and Sewage spend	13/14	14/15	15/16	16/17	17/18	18/19	19/20
Consumption (m3)	20,623	26,273	65,129	56,358	60,590	56,671	45,069
Cost	£31,539	£47,026	£137,299	£117,596	£99,372	£122,850	£109,527

Data notes

1. In the absence of published 2019 figures, 2018 DEFRA carbon emissions factors have been used for 2019 energy consumption
2. 0.3% of total energy consumption based on estimates
3. 1% of 2016/17 and 53% of 2017/18 water consumption based on estimates

Emergency planning, preparedness and resilience (EPPR)
Each year the trust undertakes an EPPR process review, the aim of which is to assure NHS England that the trust is prepared to respond to an emergency, and has the resilience in place to continue to provide safe patient care during a major incident or business continuity event. This year the trust was awarded a green rating with full compliance in all standards.

3.9 Chief executive's statement on performance 2019/20

Moorfields has performed well both operationally and financially in 2019/20, despite continuing challenges faced by all NHS organisations.

Providing safe and effective services for our patients underpins everything we do and we strive to maintain our high levels of patient feedback so that we can continue to improve services according to the needs of our patients and carers. This year our 2019/20 national friends and family test stated that over xx of respondents would recommend us to their friends and family.

In 2019/20, we had over 750,000 patient appointments across our sites. We performed well against national and local standards in 2019/20 achieving all of the operational Single Oversight Framework targets, namely A&E maximum four hour waits, 18-week referral to treatment, Cancer 62 Day Waits, and Diagnostics six week waiting.

In the year we saw over 95,000 visits in A&E. Our clinical outcomes and safety record remain excellent, with ophthalmic clinical outcomes evidenced amongst the best in the world. Once again, our Infection Control team have excelled and in 2019/20 we have had no cases of MRSA or Clostridium difficile.

Whilst 2019/20 saw financial challenges across the broader NHS, the Trust reported a deficit of £0.8m compared to a surplus of £8.5 million in 2018/19. A significant factor was the reduction in income from NHS Improvement in relation to Provider Sustainability Fund/Financial Recovery Fund income of £6.0 million to £2 million in 2019/20 (2018/19 £8.0 million), and increases in the impairment of assets of £1.2 million in-year.

The trust capital programme supported the continued investment across our activities and was financed entirely through internally generated cash and reserves. Total capital expenditure for the year was £13.5 million. Together with prudent management of working capital this enabled us to increase our cash reserves to £53.4 million (2018/19 £45.3m) and maintain the highest possible regulatory financial risk rating at the close of the financial year.

David Probert
Chief Executive
25 June 2020

4. Accountability report

4.1 Directors' report

The board of directors holds overall accountability for the organisation and is responsible for strategic direction and the high-level allocation of resources. It delegates decision making for the operational running of the trust to the chief executive. The board of directors is accountable, via the chair and non-executive directors, to the membership council who represent the public, patients and staff.

The directors are additionally responsible for preparing the annual report and accounts. Taken as a whole, they consider these are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess Moorfields' performance, business model and strategy.

The board comprises 15 members, eight non-executive directors (seven of whom are considered to be independent, the eighth being a representative of the UCL Institute of Ophthalmology as defined in the trust's constitution) and six executive directors.

Non-executive directors, including the chairman, are appointed by the membership council following recommendations from the remuneration and nomination committee for non-executive directors. Executive directors are appointed by the remuneration and nomination committee of the board.

The board of directors believes it has the appropriate balance and completeness in its composition to meet the requirements of an NHS foundation trust. As at 31 March 2020, the following individuals comprised the voting members of the board of directors (expiry of terms of office for non-executive directors are listed):

Tessa Green – chairman (F) (3 years – 31.08.2022)
David Probert – chief executive (M)
Steve Williams – vice chairman and senior independent director (M) (1 year – 15.03.21)
Vineet Bhalla – independent non-executive director (M) (3 years – 15.03.23)
Professor Andrew Dick – non-executive director (M) (3 years – 30.09.22)
Rosalind Given-Wilson – independent non-executive director (F) (3 years – 30.04.21)
Nick Hardie – independent non-executive director (M) (3 years – 31.12.22)
David Hills – independent non-executive director (M) (3 years – 31.03.23)
Richard Holmes – independent non-executive director (M) (3 years – 15.03.23)
Sumita Singha – independent non-executive director (F) (1 year – 21.04.21)
Jonathan Wilson – chief financial officer (M)
Nick Strouthidis – medical director (M)
Tracy Luckett – director of nursing and allied health professions (F)
Professor Sir Peng Tee Khaw – director of research & development (M)
John Quinn – chief operating officer (M)

The associate directors listed below attend board meetings, but do not have voting rights:
Johanna Moss – director of strategy & business development (F)
Elisa Steele – chief information officer (F)
Ian Tombleson – director of quality & patient safety (M)
Sandi Drewett – director of workforce & OD (F)
Kieran McDaid – director of estates, capital and major projects (M)
Professor Nora Colton – director of education (joint appointment with UCL Institute of Ophthalmology (F)

Full profiles of all board members can be found here: https://www.moorfields.nhs.uk/content/trust-board

2019/20 attendance record – board of directors

Name	Apr 19	2 May 19	28 May 19	Jul 19	Sep 19	Oct 19	Dec 19	Jan 20	Feb 20	Mar 20	Total
Tessa Green	√	√	√	√	√	√	√	√	√	√	10/10
David Probert	√	√	√	√	√	√	√	√	√	√	10/10
Steve Williams	√	√		√		√	√	√	√	√	8/10
Vineet Bhalla	*	*	*	*	*	*	*	*	*	√	1/1
Andrew Dick	√		√	√	√	√	√	√	√	√	9/10
Ros Given-Wilson	√	√	√	√	√	√		√	√		8/10
Nick Hardie	√	√	√	√	√	√	√	√	√	√	10/10
David Hills	√	√	√	√	√	√	√	√	√	√	10/10
Richard Holmes	*	*	*	*	*	*	*	*	*	√	1/1
Sumita Singha	√	√	√	√	√	√	√	√	√	√	10/10
Jonathan Wilson	√	√	√	√	√	√	√	√	√	√	10/10
Nick Strouthidis		√	√	√	√	√	√	√	√	√	9/10
Tracy Luckett		√	√	√	√	√	√	√	√	√	9/10
Peng Tee Khaw	√		√	√		√	√	√	√	√	8/10
John Quinn	√	√	√	√	√	√	√	√	√	√	10/10

* Not in post

The **register of interests** of individual directors is available to the public on request and also via the trust's website via https://www.moorfields.nhs.uk/content/trust-board. Please write to: company secretary, Moorfields Eye Hospital NHS Foundation Trust, 162 City Road, London EC1V 2PD, email: foundation@moorfields.nhs.uk or phone: 020 7566 2490.

Audit and risk committee

The board is required to maintain a sound system of internal control to safeguard its NHS clinical services, assets, and non-NHS commercial services and investments. The audit and risk committee provides assurance to the board about the adequacy and effectiveness of the trust's systems of internal control, its governance processes, service quality and economy, efficiency and effectiveness (value for money). The committee also recommends to the board the approval of the trust's annual accounts and financial statements, management letter of representation and annual governance statement. Together with the quality and safety committee, the audit and risk committee recommend to the board the approval of the trust's annual quality report.

In carrying out its duties, the audit and risk committee draws on, but is not limited to, the work of internal and external audit, the local counter-fraud specialist, financial, performance and other evidenced assurance reports from management.

The audit and risk committee provides written activity reports following each committee meeting. These reports increase the visibility of the audit process to stakeholders.

The audit and risk committee assists the board in fulfilling its oversight responsibilities in respect of the integrity of the trust's accounts, risk management and internal control arrangements, compliance with legal and regulatory requirements, the performance, qualifications and independence of the external auditors and the performance of the internal audit function.

Management supplies the audit and risk committee with the information necessary for the performance of its duties. The internal auditors, the local counter-fraud specialist and the external auditors have direct access to the committee chairman and members separately from management.

The audit and risk committee comprises three non-executive directors, including the quality and safety committee chair. The board has satisfied itself that all the members of the committee are competent in financial matters. The chair has recent and relevant financial experience. The committee's meetings are attended by the chief financial officer, internal auditors, local counter-fraud specialist, external auditors and others as required. The chairman and the chief executive have a standing invitation to attend the committee on an annual basis.

During 2019/20, the audit committee met as follows:

Members/ dates	**16.04.19**	**23.05.19**	**16.07.19**	**15.10.19**	**14.01.19**	**Totals**
Nick Hardie (chair)	√	√	√	√	√	5/5
Ros Given-Wilson		√	√	√	√	4/5
David Hills	√	√		√	√	4/5
Total	2	3	2	3	3	

The audit and risk committee work plan covers a wide range of issues and reports were received during from a number of sources. Key areas and issues that were considered include divisional governance, core financial systems, UAE, access and activity data, lessons learned, consultant job planning, EBME, incident reporting, DSP toolkit and risk maturity .

The trust's **internal audit** function is performed by KPMG LLP. The role of internal audit is to focus on reviewing areas that either complement or underpin delivery of the trust's strategy, based on risk assessment. KPMG provide written updates on progress against an annual internal audit work plan and any recommendations made to management. This enables the committee to track both the timely completion of the work plan and the implementation of recommendations by management.

Where internal audit reviews indicate a material, significant or repeated theme of concern, the committee also makes recommendations for the board to assess and seek adequate assurance from executive management as necessary.

Moorfields' **external auditor** is Grant Thornton LLP (from December 2019). Prior to that the trust's external auditor was Deloitte.

The trust and Grant Thornton have safeguards in place to avoid the possibility that the external auditors' objectivity and independence could be compromised. The audit and risk committee reviews the annual report from the external auditors and actions they take to comply with professional and regulatory requirements and best practice designed to ensure their independence from the trust.

The audit and risk committee also reviews the statutory audit and other services (as relevant) provided by Grant Thornton, and compliance with the trust's policy which describes in detail the types of services which the external auditors can and cannot provide. The services provided by Grant Thornton relate to:

- external audit
- other audit services, for example work that regulators require the auditors to undertake, such as on behalf of a regulator

All engagements with the external auditors over a specified amount require the advance approval of the chair of the audit and risk committee. The policy is regularly reviewed and where necessary is amended in the light of internal developments, external requirements and best practice.

So far as the directors are aware, there is no relevant audit information of which the auditors are unaware and the directors have taken all the steps they should in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Recommendations from the audit and risk committee to the membership council

Following completion of the work of the external auditors, the audit and risk committee did not identify any matters where it considered that action or improvement needed to be reported to the membership council. The committee made a positive report to the governors which included that the external audit was of a sufficiently high standard and the fees were reasonable and in line with the agreed contract.

Remuneration and nomination committee

The remuneration and nominations committee is responsible for two key areas:

- Setting the pay and terms of employment of executive directors and other board-level posts, as well as taking an overview of performance reward strategy in the trust.
- Making recommendations to the board about the appointment of executive and other director positions. A rigorous selection process took place during 2019/20 to recruit a new chief information officer.

The committee is chaired by the trust's chairman and comprises all non-executive directors, with the exception of Andrew Dick. The chief executive and the director of workforce and organisation development attend meetings of the remuneration and nominations committee in an advisory capacity. The committee's decisions are informed by benchmarking information from published reward research, such as the NHS boardroom pay report, and surveys of other trusts' remuneration for similar posts.

During 2019/20, the remuneration and nominations committee met as follows:

Members / dates	**04.04.19**	**04.07.19**	**23.01.20**	**Totals**
Tessa Green	√	√	√	3/3
Steve Williams	√	√	√	3/3
Ros Given-Wilson	√		√	2/3
Nick Hardie	√	√	√	3/3
David Hills	√	√	√	3/3
Sumita Singha	√	√	√	3/3

Accounting policies for pensions and other retirement benefits are set out in note 9. Details of employee costs can be found in note 8 in the annual accounts.

Performance evaluation

Executive directors each undergo formal annual appraisals led by the chief executive which are considered further by the board's remuneration committee. During 2019/20 the chairman discussed individual performance with all non-executive directors. The vice-chairman of the board discussed the chairman's performance with non-executive directors. The outcomes of these discussions were taken to the remuneration and nominations committee of the membership council.

The following non-statutory committees have also been established by the board of directors:

Strategy and commercial committee

The purpose of the committee is to review, on behalf of the board, the following key areas;

- the development of strategic plans
- the development of the annual plan, which will include the translation of strategic plans into shorter term plans
- monitoring the implementation of strategic plans and the annual plan
- oversight of Project Oriel and other significant capital projects
- the development of business cases and investment proposals, including the approval of business cases within the limits set in standing financial instructions (SFIs)
- oversight of the research activity carried out by and for the trust

Quality and Safety committee

The purpose of the committee is to review, on behalf of the board, the following key areas;

- to provide oversight and board assurance about the quality and safety aspects of clinical services
- to provide assurance about legal compliance with health and safety and related legislation
- to steer the quality aspects of the trust's strategy and quality improvement plan
- to oversee the development and implementation of the quality account

People and culture committee

The purpose of the committee is to review, on behalf of the board, the following key areas:

- the recruitment, retention, management and development of the trust's workforce strategy
- the education strategy of the trust and its implementation
- the trust's obligations under the public sector equality duty including workforce race equality standards and workforce disability equality standards

Finance committee

The purpose of the committee is to review, on behalf of the board, the following key areas;

- financial policies and strategy
- financial performance and delivery of the trust budget

Capital scrutiny committee

- the purpose of the committee is to provide advice and scrutiny to the trust board on all capital investment projects >£2m.
- the committee is led by a property professional able to advise and challenge the executives responsible for the trust's capital programme (currently the director of estates, capital and major projects and the director of strategy and business development).

All subcommittees of the board are chaired by non-executive directors and, with the exception of the audit and risk and remuneration and nominations committees, the membership and quorum is made up of both non-executive and executive directors.

Membership report

The **membership council** has a duty under the NHS Act 2006 to represent the interests of NHS foundation trust members and the public and trust staff in the governance of an NHS foundation trust. The membership council includes elected and nominated governors as shown in the table overleaf and has decision-making powers defined by statute. These powers are described in the constitution and are mainly concerned with holding to account the non-executive directors individually and collectively for the performance of the trust board; the appointment, removal and remuneration of the chairman and non-executive directors; the appointment and removal of our external auditors; the provision of views on strategic plans; and representing the views of members.

The council formally met four times during 2019/20 to discuss a wide range of subjects, including Oriel engagement, language services, complaints, digital innovation, the governor's chosen quality account indicator and the annual complaints report.

Executive and non-executive directors routinely attend membership council meetings. Governors receive a copy of the public board papers and are actively encouraged to attend the meetings. A summary of board meetings is included as a standing item on the council's agenda. Feedback from membership council meetings is provided at the next available board meeting. Governors are encouraged to provide as much feedback to membership council meetings as possible, and this includes reporting from their established subgroups and any site visits they undertake.

Governors also receive briefings from non-executive directors on the work of their committees and what is in their portfolio. These include briefings on quality and safety and the patient experience, research, strategic and commercial projects, the audit committee, annual accounts and annual report and the people and culture committee. This provides governors with assurance that non-executive directors are effectively scrutinising the performance of the organisation in key areas.

The trust holds an annual session with governors to discuss the trust's operational plan and their views and comments are taken into account when finalising the plan.

The process for resolving any dispute between the membership council and the board of directors is described in the constitution (paragraph 17).

Membership Council composition and attendance report 2019/20

Name and constituency	Apr 19	July 19	Oct 19	Jan 20	Subgroup representation
Emily Brothers (SWL)	√	√	√	√	Chair, MDG
Jane Bush (NCL)	√	√	√	√	MDG, RNC
Andrew Clark (Beds and Herts)	√	√	√	√	External audit panel
John Sloper (Beds and Herts)	√	√		√	GDG
Kimberley Jackson (SWL)	√	√	√	√	GDG MDG
Brenda Faulkner (patient)	√	√			GDG RNC
Rob Jones (patient)	√		√	√	Chair, RNC Chair, GDG MDG
Allan MacCarthy (SEL)	√	√	√	√	Vice-chair GDG RNC Co-chair, PCF
Ian Wilson (NWL)	√	√	√	√	
Paul Murphy (NCL)	√	√		√	Lead governor GDG
Naga Subramanian (SEL)	√	√	√	√	RNC
Manzur Ahmed (NEL and Essex)		√	√	√	
John Russell (NEL and Essex)	*	*	*	√	
Richard Collins (patient)	√	√		√	GDG, RNC

Brian Watkins (NWL)	√	√			
Colin Carter (staff: network sites)	√			√	MDG
Amit Arora (staff: City Road)		√	√	√	RNC
Remija Mponzi (staff: network sites)	√		√	√	
Ella Preston (staff: City Road)	√	√	√	√	
Matt Broom, Vision UK	√	√	√	√	
Rakhia Ismail, London Borough of Islington					
Ian Humphreys, College of Optometrists	*	*	*	√	
David Shanks, University College London				√	
Tricia Smikle, Royal National Institute for the Blind	√	√	√	√	

MDG	Membership development group
GDG	Governance development group
RNC	Remuneration and nominations committee
PCF	Patient carer forum
√	Present
*	Not in post

Elected governors usually hold their positions for three years. Nominated governors are proposed by their host organisation and hold the position until a new nomination is made.

The council has one formal committee and two subgroups:

The **remuneration committee and nominations committee** of the membership council met four times in 2019/20. This committee is established to ensure that the selection and appointment process for non-executive directors is robust, and to regularly review non-executive director remuneration levels to ensure an appropriate balance between value for money and attracting candidates of sufficient calibre.

During 2019/20, the remuneration and nominations committee considered and recommended the reappointment of four non-executive directors, two for additional one year terms of office and two for second three-year terms of office. The committee also appointed two independent new non-executive directors to the board following a full shortlisting and interview process.

The **governance development group** is established to propose and carry out initiatives that will improve the role of the membership council in the governance of the trust and the development of governors individually and collectively. In 2019/20 this group was particularly focused on looking at systems of voting and the membership council self-assessment that took place at the end of 2019.

The **membership development group** is established to propose initiatives to develop the membership of the foundation trust, improve communications with them and to ensure that the trust and its members benefit from that relationship. This group discusses and develops the membership engagement strategy and how to make best use of a wide range of engagement mechanisms and methods.

The **register of interests** of individual governors on the membership council is available to the public on request. Please write to: company secretary, Moorfields Eye Hospital NHS Foundation Trust, 162 City Road, London EC1V 2PD, email: foundation@moorfields.nhs.uk or phone: 020 7566 2490.

Our membership

The trust has approximately 19,000 members, including over 2,000 staff members.

Membership numbers in each public constituency reflect to some degree the size of the service provision in the area. For example, north west London has the greatest number of members because it includes two of our largest locations. The patient constituency is the largest constituency with members from across all services and geographical locations.

Two successful membership weeks were held in May and October 2019 during which governors spent time at a number of different sites across the network gathering feedback from patients. Governors also visit sites throughout the year and feedback from these visits is provided so that learning and improvement can take place.

All members are invited to our annual general meeting, which is also open to the public. Last year’s meeting on 10 July 2019 attracted more than 300 attendees.

The breakdown of our membership between constituencies is as follows:

Constituency	Number of members
Patient constituency	10,486
Bedfordshire and Hertfordshire public constituency	407
North central London public constituency	1,158
North east London and Essex public constituency	1,625
North west London public constituency	1,961
South east London public constituency	401
South west London public constituency	576
Staff constituencies	2,465
TOTAL	**19,079**

Representing our membership

Members are represented by elected patient, public and staff governors on the membership council which meets at least four times a year. Governors participate in a range of activities, such as membership development and engagement, conducting site visits, reviewing quality initiatives and attending recruitment panels for non-executive appointments.

We draw our public membership from six geographic constituencies, set out in the table above. Any member of the public who lives in one of these areas and is aged 16 years or over can join as a public member. Any patient aged 16 years or over can join the wider patient constituency. Eligible staff will be automatically registered as members, and are able to opt out. A member of the trust may cease their membership at any time via the contact below.

Members who want to contact their representative governor or a member of the board should write to: company secretary, Moorfields Eye Hospital NHS Foundation Trust, 162 City Road, London, EC1V 2PD, email: foundation@moorfields.nhs.uk. This information is also available on the trust's website: www.moorfields.nhs.uk/membership.

Elections

Elections were held in March 2020. The constituencies and outcomes are set out below.

Date	Constituency	Number of seats	Successful candidate(s)
	Patient	1	Roy Henderson
	Staff: network sites	1	Modupe Gisanrun

If a successfully elected governor is unable or ineligible to take up their role at the start of their term of office, the vacancy is offered to the next placed candidate.

Full details of the composition of the membership council from 1 April 2020 and of election results are posted on our website at www.moorfields.nhs.uk/membership.

All elections are held in accordance with the election rules set out in the constitution. This has been confirmed by the returning officer for the elections held during 2019/20.

Compliance with the foundation trust code of governance

Moorfields Eye Hospital NHS Foundation Trust has applied the principles of the NHS foundation trust code of governance on a 'comply or explain' basis. The NHS foundation trust code of governance was revised in July 2014 and is based on the principles of the UK corporate governance code issued in 2012. The Board of Directors support and agree with the principles set out in the NHS foundation trust code of governance. The following areas have been identified as non-compliant with the code, or are in the process of being implemented:

Areas of non-compliance:

The code refers to the appointment of executive directors that should be on fixed term arrangements and reviewed every five years. All executive directors have permanent contracts of employment which cannot be changed without agreement by both parties.

Signed

David Probert
Chief executive
25 June 2020

Remuneration report

The trust's remuneration committee makes decisions in relation to directors' pay in light of benchmarking information derived from published research on reward, such as the NHS Providers remuneration survey, and surveys of other trust's remuneration for similar posts. In 2019/20 existing directors received an increase made on the basis of distance from benchmarks and/or performance. Performance is judged initially by the chief executive for the executive directors, and by the chairman for the chief executive, against objectives agreed for the year. The chief executive's recommendations are subsequently discussed by the remuneration committee, which agrees on the necessary action. Details of the remuneration committee can be found on page 26.

Remuneration is not split into different elements. The committee is always mindful of the national NHS pay uplift for staff and the system within which staff are remunerated, including restraints that apply to trusts and foundation trusts in special measures, when considering each individual. The final determination of the pay level for any individual is based on an assessment of performance. All contracts are open ended. As at 31 March 2020, all trust executive directors are on a six month notice period. There is no termination payment built into the contract and there are no contractual provisions for early retirement beyond that required by the law. In certain circumstances an individual may benefit from the provisions of the NHS pension scheme. The trust does not provide any non-cash benefits within the remuneration package.

Accounting policies for pensions and other retirement benefits are set out on page 36. Details of the board of directors' remuneration can be found on page 35, and details of employee costs can be found in note 8 in the annual accounts. Information relating to off-payroll arrangements is included in the staff report.

Acting on the recommendations of the Hutton review of fair pay and the reporting requirements of HM Treasury, the trust makes the following declarations [these declarations are subject to audit]:

- The range of staff remuneration is £11,232 – £210,000
- The median remuneration of staff employed at the trust during the 2019/20 financial year was £36,134 (2018/19: £35,530). The calculation is based on full-time equivalent staff of the reporting entity at the reporting period end date on an annualised basis.
- The mid-point of the banded remuneration of the highest paid director of the trust for the sample period 2019/20 was £212,500 (2018/19: £200,000) – only those directors whose remuneration the trust is directly able to determine are included in this calculation.
- The ratio of the two amounts was 5.88:1 in 2019/20 (2018/19: 5.63:1) – that is, the mid-point of the banded remuneration of the highest paid director of the trust was 5.81 times that of the median remuneration for all staff employed at the trust.
- No payments for compensation for loss of office were made during 2019/20.

As required by section 156(1) of the Health and Social Care Act 2012, I declare that the total out-of-pocket expenses paid to governors of the trust in 2019/20 was £2,061(2018/19: £4,456), and that total out-of-pocket expenses paid in 2018/19 to the directors was £3,808 (2018/19 £3,565).

David Probert
Chief executive
25 June 2020

Salary entitlements of the board of directors [the following table is subject to audit]

Moorfields Eye Hospital NHS Foundation Trust - Annual Report and Financial Statements 2019/20

Salary and pension entitlements of the board of directors

Remuneration

2019/20 **Name and Title**	**Executive Salary (bands of £5,000) £'000s**	**Clinical / Research Salary (bands of £5,000) £'000s**	**Pension-Related Benefits (bands of £2,500) £'000s**	**Total Entitlement (bands of £5,000) £'000s**
Mr D Probert - Chief Executive	210 - 215	-	65.0 - 67.5	275 - 280
Mr J Wilson - Chief Financial Officer	145 - 150	-	-	145 - 150
Prof P Khaw - Research Director	30 - 35	200 - 205	-	235 -240
Ms T Luckett - Director of Nursing & Allied Health Professions	120 - 125	-	0.0 - 2.5	120 - 125
Mr J Quinn - Chief Operating Officer	125-130	-	20.0 - 22.5	150 - 155
Mr N Strouthidis - Medical Director	95 - 100	65 - 70	-	165 - 170
Ms T Green - Chairman	45 -50	-	-	45 -50
Mr S Williams - Non-Executive Director	15 - 20	-	-	15 - 20
Ms R Given-Wilson - Non-Executive Director	15 - 20	-	-	15 - 20
Ms S Singha - Non-Executive Director	15 - 20	-	-	15 - 20
Mr A Dick - Non-Executive Director	10 - 15	-	-	10 - 15
Mr N Hardie - Non-Executive Director	15 - 20	-	-	15 - 20
Mr D Hills - Non-Executive Director	15 - 20	-	-	15 - 20
Mr V Bhalla - Non-Executive Director (start date 16.03.2020)	0-5	-	-	0-5
Mr R Holmes - Non-Executive Director (start date 16.03.2020)	0-5	-	-	0-5

2018/19				
Name and Title	Executive Salary (bands of £5,000) £'000s	Clinical / Research Salary (bands of £5,000) £'000s	Pension-Related Benefits (bands of £2,500) £'000s	Total Entitlement (bands of £5,000) £'000s
Mr D Probert - Chief Executive	200 - 205	-	60.0 - 62.5	260 - 265
Mr J Wilson - Chief Financial Officer (start date 01.11.2018)	60 - 65	-	25.0 - 27.5	85 - 90
Mr S Davies - Chief Financial Officer and Deputy CEO (01.04.2018-31.05.2018)	25 - 30	-	-	25 - 30
Mrs J Greenshields - Acting Chief Financial Officer (01.06.2018-31.10.2018)	50 - 55	-	47.5 - 50.0	95 - 100
Prof P Khaw - Research Director	30 - 35	190 - 195	-	225 - 230
Ms T Luckett - Director of Nursing & Allied Health Professions	120 - 125	-	30.0 - 32.5	150 - 155
Mr J Quinn - Chief Operating Officer	125 - 130	-	47.5 - 50.0	175 - 180
Mr D Flanagan - Medical Director (01.04.2018-31.07.2018)	15 - 20	40 - 45	-	55 - 60
Mr N Strouthidis - Medical Director (start date 01.08.2018)	30 - 35	60 - 65	115.0 - 117.5	145 - 150
Ms T Green - Chairman	35 - 40	-	-	35 - 40
Mr S Williams - Non-Executive Director	15 - 20	-	-	15 - 20
Ms R Given-Wilson - Non-Executive Director	15 - 20	-	-	15 - 20
Ms S Singha - Non-Executive Director	15 - 20	-	-	15 - 20
Mr A Dick - Non-Executive Director	10 - 15	-	-	10 - 15
Mr N Hardie - Non-Executive Director	15 - 20	-	-	15 - 20
Mr D Hills - Non-Executive Director	15 - 20	-	-	15 - 20

Pension-related benefits are intended to show the notional increase or decrease in the value of directors' pensions assuming the pension is drawn for 20 years after retirement. It is calculated as 20 x annual pension increase + lump sum increase, adjusted for inflation, less employees' pension contributions paid in the year.

Four members of the Board were paid more than the threshold of £150,000 per annum used in the Civil Service for approval by the Chief Secretary of the Treasury, which equates to the Prime Minister's ministerial and parliamentary salary. We are mindful of our responsibility in ensuring value for money. Nevertheless we have an obligation to secure suitable individuals, and therefore the trust's Remuneration Committee agreed the salaries in excess of the threshold following benchmarking and market testing.

Pension benefits of directors [the following table is subject to audit]

Moorfields Eye Hospital NHS Foundation Trust - Annual Report and Financial Statements 2019 /20

Pension benefits

Name and title	Value of accrued pension at 31 March 2019 (bands of £5,000) £'000s	Value of accrued pension at 31 March 2020 (bands of £5,000) £'000s	Real increase in year in the value of accrued pension (bands of £2,500) £'000s
Mr D Probert - Chief Executive	50 - 55	55 - 60	2.5 - 5.0
Mr J Wilson - Chief Financial Officer	30 - 35	n/a	n/a
Mrs J Greenshields - Acting Chief Financial Officer (01.06.2018-31.10.2018)	35 - 40	n/a	n/a
Mr N Strouthidis - Medical Director	30 - 35	25 - 30	0
Ms T Luckett - Director of Nursing & Allied Health Professions	45 - 50	45 - 50	0.0 - 2.5
Mr J Quinn - Chief Operating Officer	40 - 45	40 - 45	0.0 - 2.5

Name and title	Value of automatic lump sums at 31 March 2019 (bands of £5,000) £'000s	Value of automatic lump sums at 31 March 2020 (bands of £5,000) £'000s	Real increase in year in the value of automatic lump sums (bands of £2,500) £'000s
Mr D Probert - Chief Executive	110 - 115	110 - 115	0 - 2.5
Mr J Wilson - Chief Financial Officer	85 - 90	n/a	n/a
Mrs J Greenshields - Chief Financial Officer	80 - 85	n/a	n/a
Mr N Strouthidis- Medical Director	70 - 75	55 - 60	n/a
Ms T Luckett - Director of Nursing & Allied Health Professions	140 - 145	145 - 150	2.5 - 5.0
Mr J Quinn - Chief Operating Officer	90 - 95	90 - 95	0

Name and title	Cash equivalent transfer value at 31 March 2019 (bands of £1,000) £'000s	Cash equivalent transfer value at 31 March 2020 (bands of £1,000) £'000s	Real increase in cash equivalent transfer value in 2019/20 (bands of £1,000) £'000s
Mr D Probert - Chief Executive	752 - 753	842 - 843	41 - 42
Mr J. Wilson - Chief Financial Officer	534 - 535	n/a	n/a
Mrs J Greenshields - Chief Financial Officer	638 - 639	n/a	n/a
Mr N Strouthidis- Medical Director	508 - 509	427 - 428	n/a
Ms T Luckett - Director of Nursing & Allied Health Professions	1010 - 1011	1077 - 1078	25 - 26
Mr J Quinn - Chief Operating Officer	738 - 739	844 - 845	24 - 25

Prof P Khaw is not a member of the NHS Pension Scheme.

Non-executive directors do not receive pensionable remuneration.

A cash equivalent transfer value (CETV) is the actuarially assessed capital value of the pension scheme benefits accumulated by a member at a particular point in time. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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

The value of trust contributions to the NHS Pension Scheme in 2019/20 in respect of executive directors was £79k (2018/19: £101k).

During the year, the Government announced that public sector pension schemes will be required to provide indexation on the Guaranteed Minimum Pension element of the pension. NHS Pensions has updated the methodology used to calculate CETV values as at 31 March 2020. The impact of the change in methodology is included within the reported real increase in CETV for the year.

4.3 Staff report

Staff sickness absence		
Average full time equivalent (FTE)	**FTE days lost**	**Average sick days per FTE**
0.85	28673.6 (12 months)	5.5

Staffing WTE 2020	
Permanently employed Staff with a permanent (UK) employment contract directly with the entity	**Other** Staff that do not have a permanent (UK) employment contract with the entity.
2066	399

The following figures show our staffing breakdown by staff group, age, gender, ethnicity, disability and sexual orientation, as at 31st March 2020.

Workforce by staff group			
Add Prof Scientific and Technic - 272	Additional Clinical Services - 313	Administrative and Clerical - 740	Allied Health Professionals - 42
Estates and Ancillary - 33	Healthcare Scientists - 31	Medical and Dental - 361	Nursing and Midwifery Registered - 470
Students – 5			
Workforce by ethnicity			
Asian - 529	Black - 401	Chinese - 48	Mixed - 93
Not Stated - 245	Other BME - 115	White - 836	
Workforce by sexual orientation			
Bisexual - 18	Gay or Lesbian - 38	Heterosexual or Straight - 1466	Not Stated - 935
Unspecified – 30			
Workforce by disability status			
No - 2292	Yes - 48	Not Declared - 94	Prefer Not to Answer - 20
Unspecified – 33			
Workforce by gender			
Female - 1571	Male - 691		
Workforce by age			
-20 - 11	21-25 - 121	26-30 - 268	31-35 381
36-40 - 344	41-45 - 340	46-50 - 320	51-55 - 308
56-60 - 213	61-65 - 119	66-70 - 43	71+ - 19

Note: All figures above are based on a snapshot as at 31 March 2020.

[Analysis of staff numbers and staff costs is subject to audit]

Staff friends and family test (FFT)

	2018/19				2019/20			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
% staff recommending Moorfields as a place for treatment	97	96	90	96	(92.95) 93	(94.8) 95	89	No Survey
% staff recommending Moorfields as a place to work	77	72	70	67	(57.96) 58	(54.7) 55	69	No Survey
% of staff who have heard of The Moorfields Way	Removed from survey							
% of staff who believe The Moorfields Way is making a difference	Removed from survey							

Data for the period April 2019 – March 2020 [this information is subject to audit]

Table 1 – Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
	10.60

Table 2 – Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1-50%	11

Table 3 – Percentage of pay bill spent on facility time

	£
Provide the total cost of facility time	50,772
Provide the total pay bill	487,440
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	10.42%

Table 4 – Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	100%

Staff exit packages 2019/20 [this information is subject to audit]

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	-	1	1
£10,001 – £25,000	-	2	2
£25,001 – £50,000	-	1	1
£50,001 - £100,000	-	1	1
Total number of exit packages by type	-	5	5
Total resource cost £000s	-	161	161

Exit packages - non-compulsory departure payments	Agreements Number	Total Value of Agreements £000s
Voluntary redundancies including early retirement contractual costs	1	85
Mutually agreed resignations (MARS) contractual costs	-	-
Early retirements in the efficiency of the service contractual costs	-	-
Contractual payments in lieu of notice	3	70
Exit payments following employment tribunals or court orders	1	6
Non-contractual payments requiring HMT approval (special severence payments)*	-	-
Total	5	161
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-

Staff exit packages 2018/19

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	-	-	-
£10,001 – £25,000	2	1	3
£25,001 – £50,000	2	-	2
£50,001 - £100,000	2	-	2
Total number of exit packages by type	6	1	7
Total resource cost £000s	232	19	251

Exit packages - non-compulsory departure payments	Agreements Number	Total Value of Agreements £000s
Voluntary redundancies including early retirement contractual costs	-	-
Mutually agreed resignations (MARS) contractual costs	-	-
Early retirements in the efficiency of the service contractual costs	-	-
Contractual payments in lieu of notice	1	19
Exit payments following employment tribunals or court orders	-	-
Non-contractual payments requiring HMT approval (special severence payments)*	-	-
Total	1	19
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-

Off payroll engagements

For all off-payroll engagements as of 31 Mar 2020, for more than £245 per day and that last for longer than six months	**2019/20 Number**
No. of existing engagements as of 31 Mar 2020	
Of which, the number that have existed:	
for less than one year at the time of reporting	5
for between one and two years at the time of reporting	1
for between 2 and 3 years at the time of reporting	
for between 3 and 4 years at the time of reporting	
for 4 or more years at the time of reporting	

For all new off-payroll engagements, or those that reached six months in duration, between 01 Apr 2019 and 31 Mar 2020, for more than £245 per day and that last for longer than six months	**2019/20 Number**
Of which:	
No. assessed as caught by IR35	
No. assessed as not caught by IR35	5
Number engaged directly (via PSC contracted to trust) and are on the trust's payroll	
Number of engagements reassessed for consistency/assurance purposes during the year	
Number of engagements that saw a change to IR35 status following the consistency review	

For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 Apr 2019 and 31 Mar 2020	**2019/20 Number**
Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the financial year.	0
Total no. of individuals on payroll and off-payroll that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure must include both on payroll and off-payroll engagements.	15

4.4 Statement of the chief executive's responsibilities as the accounting officer of Moorfields Eye Hospital NHS Foundation Trust

The National Health Service Act 2006 states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of the public finances for which he is answerable and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS Improvement.

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

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

- observe the accounts direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state if applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern

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

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

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

David Probert
Chief executive
25 June 2020

4.5 Annual governance statement

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Moorfields Eye Hospital NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, to manage them efficiently, effectively and economically. The system of internal control has been in place in Moorfields Eye Hospital NHS Foundation Trust for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of directors is responsible for ensuring that a system of internal control is in place. As accounting officer I have overall accountability for risk management in the trust and chair the management executive, through which executive responsibility for risk management is exercised. The control of risk is embedded in the roles of executive directors through to the managerial staff within the organisation.

The risk management strategy of the organisation is to maintain systematic and effective arrangements for identifying and managing risk to an acceptable level which fits within the trust's risk appetite. The strategy provides a framework for managing risk across the organisation which is consistent with best practice and Department of Health guidance. The director of quality & safety has responsibility for the design, development and maintenance of operational risk systems, policies and processes. Divisional and directorate governance arrangements implement and maintain risk management processes, including the maintenance of risk registers. The day-to-day working of risk systems is therefore managed through the trust's operational and departmental teams. The risk strategy provides a clear, systematic approach to the identification and assessment of risks to ensure that risk management is an integral part of clinical, managerial and financial processes across the organisation. The audit and risk committee, comprising non-executive directors, oversees the system of internal control and overall assurance processes associated with managing risk.

The director of quality & safety chairs the risk and safety committee, which provides additional support to ensure that risk management processes are working effectively. The committee reviews themes and trends in risk and incident management and shares and encourages best practice across the trust's network. As well as having individual and team responsibilities for policies, the risk and safety committee also supports divisions and directorates in ensuring policies are kept up to date and compliance is maintained.

The board of directors routinely receives updates from board committees. The board receives assurance from the medical director and director of nursing and allied health professions, through comprehensive quality and safety reports, about the management of "never events", serious incidents, complaints, claims, revalidation and incidents. The trust completed the action plan developed as a result of the 2017 well-led framework review which made a number of recommendations about risk management and corporate and clinical governance. A well-led review will take place in 2020. In 2019/20 the trust also received further assurance following internal audits of its incident and risk management systems.

Risk management training is provided through the induction programme for new staff and this is supplemented by local induction organised by managers. This includes the induction of junior doctors in relation to key policies, standards and practices in clinical areas. Staff are required to undertake and maintain mandatory

training in a number of areas relating to risk management. Examples of this are safeguarding of children and adults, fire, general health and safety, infection control and risk and safety management. Different roles and responsibilities have associated training requirements; for example, those staff who work most closely with children are required to have a higher level of safeguarding, whilst all staff are required to have a minimum of level one training.

The trust holds regular clinical governance events in order to share learning across the organisation.

The risk and control framework

The trust has a risk management strategy and policy that has been updated to ensure that it remains relevant and fit for purpose. Levels of accountability and responsibility for risk are set out within this document. The trust has risk management systems in place for identifying, evaluating, monitoring, controlling and recording risk. The management of risk is embedded in management roles at all staff levels, and primary control for risk management takes place through divisions, departments and frontline teams. All risk registers have been migrated onto our risk management module of our Safeguard system which enables a more robust and consistent system of reviewing risks.

The principles of risk management are core to the organisation's business. The first stage of the risk process is the systematic identification of risks via structured risk assessments. Risks that are identified are documented on risk registers. These risks are analysed in order to determine their relative importance using a risk scoring matrix. Where relevant, risks are managed and mitigated locally. However where they cannot be resolved, systems exist, and are described in the policy, to progressively escalate risks to higher level risk registers. Achieving control of the higher scoring risks is given priority over lower scoring risks. Key Performance Indicators (KPIs) related to risks are identified to improve board assurance and compliment risk management process.

Incident reporting is openly encouraged through the trust's policies on incident reporting, being open and duty of candour, and staff training. The trust has an open culture which is demonstrated through staff survey results and reporting rates which increase year-on-year.

Divisional operational and quality dashboards are available for monitoring many types of performance activity, both clinical and non-clinical. The Board Assurance Framework (BAF) has been developed using the trust's corporate risk register and is linked to monitoring the trust's annual corporate priorities. The BAF details the principal strategic risks to the organisation and how those risks are being mitigated. The BAF and corporate risk register were reviewed during the year by the management executive, audit and risk committee and the board of directors.

The organisation continues to have a low appetite for risk in relation to patient safety and aims to minimise avoidable risk – this approach is built into all our risks systems although it recognises that healthcare is not without risk. The trust has a higher risk appetite in respect of developing its commercial divisions of which it has two, Moorfields Private and Moorfields United Arab Emirates.

The trust has a range of quality governance systems including a quality governance framework in place which have been proactively developed over the previous three years and include systems for collecting, assessing and presenting quality and safety information from operational to trust board level. Oversight and scrutiny of these governance arrangements is provided by the quality and safety committee which is a committee of the board.

A programme of annual health and safety assessments is in place led by the risk and safety department. In areas where this process has matured sufficiently, self-assessments take place. These reviews are complemented by a programme of patient safety data reviews which consider data and information about patient safety including trends and the need for any remedial action. In addition executive walkabouts including the quality and safety and other corporate teams as well as clinical representatives, visit the trust's network of sites to review data and information about frontline activity as well as allowing frontline staff to raise concerns or share learning. These reviews focus on ensuring that quality and safety standards are in place and where there are gaps improvement actions are introduced. These walkabouts also provide a corporate level view of the trust's compliance with the CQC's requirements. A programme of annual health and safety assessments is also in place led by the risk and safety department. In addition, a process of detailed divisional self-assessments against the CQC standards is under way to assess performance and also to understand progress with the quality strategy.

The trust is registered and is fully compliant with the Care Quality Commission's (CQC) registration requirements. Systems exist to ensure compliance with the CQC's fundamental standards.

Quality and safety performance is monitored through a range of quality reports that are provided to the trust management committee, the quality and safety committee and trust board. These reports are structured around the three Darzi themes of patient experience, patient safety and clinical effectiveness and the CQC domains. The organisation also uses various dashboards to review both operational performance as well as quality indicators. These dashboards enable divisions and services to scrutinise data in a timely manner to drive improvements and share learning across the network.

The board assurance framework includes the high level risks to the organisation. These are rated dependent on the level and potential impact of risk with red being the highest. A summary is included below.

Six risks were rated as red:

- If the trust is unable to appropriately manage the impact of the **Covid-19** virus there will be an impact in a number of areas including significant harm to staff and patients, significant financial risk both in the short and long term, reputational risk, workforce impact and system working risk.
- If the key assumptions behind **Project Oriel** are not achieved then there may be insufficient capital and resources available leading to a failure to be able to deliver a new facility that is fit for purpose and improves the patient and staff experience.
- If the **growth in commercial activity** is not to plan then there will not be sufficient revenue generated leading to pressure on trust finances elsewhere and a lack of ability to effectively compete in the market and to continue to provide high quality NHS services to patients, as well having an impact on the assumptions for Oriel.
- If a 'no deal' **Brexit** goes ahead then there will be a significant impact in a number of areas, leading to a reduction in the ability to attract the best talent to the trust from a global market, risk to the continued availability of drugs and supplies from European Union based companies and our ability to attracting research funding.
- If the trust cannot attract sufficient **research funding** to maintain its position then its capacity to conduct appropriate research will diminish leading to an inability to compete effectively for funding and a significant risk to the trust brand and reputation in the field.
- If there is a successful **cyber-attack** then the trust may suffer from a loss of service and/or corruption of data leading to poor patient care or experience, loss of income and damage to reputation.

A further five risks on the board assurance framework are rated as amber. :

- If there is continued or increased **turbulence in the commissioning landscape** then this will lead to increasing pressure on services, more notices of termination and tendering of services leading to loss of contracts and income, a significant impact on staff and their ability to deliver services at a high standard, and confusion and lack of continuity for patients, affecting their care.
- If the trust does not have a robust **workforce plan** in place then there will be staff shortages and skill gaps leading to insufficient numbers of staff available in key areas and a subsequent impact on the quality of patient care, pressure on staff and a decrease in morale which will affect both the staff and patient experience.
- If **engagement with staff** is ineffective and inconsistent then they will have a lack of confidence in the organisation's approach to workforce issues leading to poor staff retention and morale, deterioration in the quality of patient care and a risk to the trust's reputation as an employer of choice.
- If the trust fails to identify or address poor clinical practice and **learn the lessons** then there could be multiple serious incidents leading to significant patient harm, deterioration in patient outcomes and experience, regulatory intervention or damage to reputation.
- If the trust fails to achieve **cost improvement targets** then this will put pressure on budgets leading to deteriorating staff morale and a subsequent impact on patient care, as well as increased scrutiny from regulators and commissioners.

The board has oversight of the board assurance framework and receives an update twice a year. This is supported by reviews by the relevant board committee, for example quality risks are reviewed by the quality and safety committee. The level of board assurance in relation to individual risks forms part of the corporate risk register. Day-to-day management of corporate risks is the responsibility of directors with review by the management executive and trust management committee. Each risk has a linked mitigation plan led by the respective director, and the corporate risk register contains an assessment of how mitigations aim to reduce overall risk scores.

Moorfields has excellent engagement with its host commissioner, NHS Islington Clinical Commissioning Group. The commissioner-led, joint clinical quality review meeting provides a regular forum to raise risks and issues and the corporate risk register is also reviewed at these meetings with a focus on quality.

The Moorfields board continues to be stable with all executive directors having been in place for a full year. The chairman and six of the non-executive directors have been in place for the full year and two new non-executive directors were appointed in March 2020. The trust published on its website an up-to-date register of interests for decision-making staff (as designed 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 compliance with all employer obligations contained within the scheme. 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 compliance with all the organisation's obligations under equality, diversity and human rights legislation.

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.

The board has received updates on a regular basis, with a nominated executive level Senior Responsible Officer, and an identified operation lead.

The foundation trust is fully compliant with the registration requirements of the Care Quality Commission. The trust received an overall rating of 'Good' in its last CQC inspection in 2018/19.

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

The trust's annual plan, which contains the financial plan, is approved by the board and submitted to NHS Improvement. The board receives monthly financial reports. The trust's resources are managed via financial controls set out in the standing financial instructions, and on a day-to-day basis local financial and performance controls are in place in divisions and departments. Financial governance arrangements are supported by internal and external audit to ensure economic, efficient and effective use of resources.

Information governance (IG)

Information Governance at Moorfields is overseen by the Information Governance Committee which reports to the Quality and Safety Committee. The Information Governance Committee is chaired by the Senior Information Risk Owner (SIRO) who is the Director of Quality and Safety; membership includes the Caldicott Guardian, Deputy Caldicott Guardian, Chief Information Officer and Head of Information Governance who is also the Trust's Data Protection Officer.

The information governance agenda is driven by key standards set down in the NHS Operating Framework and measured by compliance with the Data Security and Protection Toolkit (DSPT - which replaced the former Information Governance Toolkit from April 2018).

The Trust is required to process information (personal and corporate) in line with the standards set out in statute, regulation and guidance. Information Governance at Moorfields includes strategy, policy and procedures that enable staff to handle information in line with these requirements. Annual data security awareness training is mandatory for all staff. In 2019/20 (as in previous years) Moorfields achieved more than 95% of staff completing their training, a leading nation national performance.

The DSPT annual submission is used to demonstrate compliance with IG standards and the national Data Security Standards. For 2019/20 the Trust submitted a standards met submission for the toolkit and a satisfactory internal audit report was received.

Workforce

The board receives regular reports on staffing issues, such as the guardian of safe working report and quarterly workforce metrics. Safer staffing levels are also reported through the monthly integrated performance report. The board has a workforce strategy that includes short, medium and long term objectives.

Data quality and governance

The trust has a comprehensive data quality assurance framework which reviews organisational data capture processes and identifies any issues. The data covered includes the trust's key indicators and those that are included in the quality report. The framework works as an integral part of the Trusts data quality policy and strategy and is underpinned by an audit function for ensuring compliance with national data completeness targets, an area in which the trust performs extremely well. Process audits, which utilise ISO9000 methodology, are also undertaken to ensure the compliance with standard operating procedures for the collection, collation and submission of data and these audits are currently being expanded across the trust. Similar audits are also undertaken by a dedicated RTT team to specifically ensure the accuracy of patient waiting times and reduce risks to patients. All of this activity is overseen by the Information Management and Data Quality Group which reports to the Information Governance Committee.

Review of effectiveness

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

My review of the effectiveness of the systems of internal controls has been informed by the outputs and the outcomes of the systems themselves and also by the executive directors and managers within the organisation. Internal audit provides me with an opinion about the effectiveness of the assurance framework and the internal audit plan. Work undertaken by internal audit is reviewed by the audit and risk committee.

The process that has been applied in maintaining and reviewing the effectiveness of the system of internal controls has involved:

- the trust board's work programme which includes ensuring that the key compliance and regulatory requirements are reported and reviewed, and that the key risks are considered which are collated through the board assurance framework
- the audit and risk committee providing the board with independent review of financial controls. There has been a programme of internal audit to review the systems, controls and processes and the outcomes of these reports have been reviewed by the audit and risk committee.

- review of progress in meeting the Care Quality Commission's standards by divisional teams and the trust management committee
- review of serious untoward and other incidents by the board and the quality and safety committee

The overall opinion from the Head of Internal Audit for the period 1 April 2019 – 31 March 2020 is that significant assurance with minor improvements required can be given on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

This opinion covers the period 1 April 2019 to 31 March 2020 inclusive, and is based on the ten audits that were completed in this period.

The design and operation of the Assurance Framework and associated processes

The Trust's Assurance Framework does reflect the Trust's key objectives and risks and is regularly reviewed by the Board. The Audit and Risk Committee and executive reviews the Assurance Framework on a quarterly basis and the Audit and Risk Committee provide reviews as to whether the Trust's risk management procedures are operating effectively.

The range of individual opinions arising from risk-based audit assignments, contained within our risk-based plan that have been reported throughout the year

Conclusion

The board has a wide range of governance assurance systems in place. These include an effective incident reporting system and systems for the identification and control of risk through the board assurance framework. Internal and external audit reviews, audits and inspections and walkabouts provide sufficient evidence that no significant internal control issues have been identified during 2019/20 and that control systems are fit for purpose with potential areas for improvement set out.

David Probert
Chief executive
25 June 2020

Moorfields Eye Hospital NHS Foundation Trust

2019/20 Annual Accounts

Foreword to the accounts

These accounts, for the year ended 31 March 2020, have been prepared by Moorfields Eye Hospital NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

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David Probert
Chief Executive
25th June 2020

Statement of Comprehensive Income

	Note	Group 2019/20 £000	Group 2018/19 £000
Operating income from patient care activities	3	227,732	204,429
Other operating income	4	25,060	30,872
Operating expenses	6, 8	(251,908)	(227,598)
Operating surplus from continuing operations		**884**	**7,703**
Finance income	11	327	292
Finance expenses	12	(1,089)	(1,176)
PDC dividends payable		(872)	(552)
Net finance costs		**(1,634)**	**(1,436)**
Other gains	13	30	1,824
Share of (losses) / profit joint arrangements	19	(75)	455
(Deficit) / surplus for the year		**(795)**	**8,546**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Revaluations	17	1,849	658
May be reclassified to income and expenditure when certain conditions are met:			
Foreign exchange gains recognised directly in OCI		274	242
Total comprehensive income for the period		**1,328**	**9,446**

The notes on pages 6 to 49 form part of these accounts.

Statement of Financial Position

	Note	Group 31 March 2020 £000	Group 31 March 2019 £000	Trust 31 March 2020 £000	Trust 31 March 2019 £000
Non-current assets					
Intangible assets	14	3,602	4,419	3,602	4,419
Property, plant and equipment	15	90,026	82,702	90,026	82,702
Investments in associates and joint ventures	19	752	785	-	-
Investments in subsidiaries	19.1	-	-	2,272	2,230
Receivables	21	1,784	1,968	1,784	1,968
Total non-current assets		**96,164**	**89,873**	**97,684**	**91,318**
Current assets					
Inventories	20	3,298	2,939	3,298	2,939
Receivables	21	21,387	29,601	21,387	29,601
Cash and cash equivalents	22	52,444	45,252	52,444	45,252
Total current assets		**77,129**	**77,792**	**77,129**	**77,792**
Current liabilities					
Trade and other payables	23	(39,001)	(35,754)	(39,001)	(35,754)
Borrowings	25	(1,898)	(1,901)	(1,898)	(1,901)
Provisions	26	(1,859)	(85)	(1,859)	(85)
Other liabilities	24	(3,252)	(3,267)	(3,252)	(3,267)
Total current liabilities		**(46,010)**	**(41,007)**	**(46,010)**	**(41,007)**
Total assets less current liabilities		**127,283**	**126,658**	**128,803**	**128,103**
Non-current liabilities					
Trade and other payables	23	(862)	(789)	(862)	(789)
Borrowings	25	(33,731)	(35,554)	(33,731)	(35,554)
Provisions	26	(2,615)	(1,744)	(2,615)	(1,744)
Total non-current liabilities		**(37,208)**	**(38,088)**	**(37,208)**	**(38,088)**
Total assets employed		**90,075**	**88,571**	**91,595**	**90,016**
Financed by					
Public dividend capital		27,531	27,355	27,531	27,355
Revaluation reserve		8,333	6,484	8,333	6,484
Other reserves		1,178	904	1,178	904
Income and expenditure reserve		53,033	53,828	54,553	55,273
Total taxpayers' equity		**90,075**	**88,571**	**91,595**	**90,016**

The notes on pages 6 to 49 form part of these accounts.

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David Probert
Chief Executive
25th June 2020

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

Group	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	**27,355**	**6,484**	**904**	**53,828**	**88,571**
Deficit for the year	-	-	-	(795)	**(795)**
Revaluations	-	1,849	-	-	**1,849**
Foreign exchange gains recognised directly through OCI	-	-	274	-	**274**
Public dividend capital received	176	-	-	-	**176**
Taxpayers' and others' equity at 31 March 2020	**27,531**	**8,333**	**1,178**	**53,033**	**90,075**

Statement of Changes in Equity for the year ended 31 March 2019

Group	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2018 - brought forward	**27,190**	**6,066**	**662**	**43,562**	**77,479**
Impact of implementing IFRS 15 on 1 April 2018	-	-	-	1,480	**1,480**
Surplus for the year	-	-	-	8,546	**8,546**
Revaluations	-	658	-	-	**658**
Foreign exchange gains recognised directly through OCI	-	-	242	-	**242**
Public dividend capital received	165	-	-	-	**165**
Other reserve movements	-	(240)	-	240	**-**
Taxpayers' and others' equity at 31 March 2019	**27,355**	**6,484**	**904**	**53,828**	**88,571**

Information on reserves

Public dividend capital

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

Revaluation reserve

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

Other reserves

Exchange gains or losses on non-monetary assets and liabilities, including on revaluation, are recognised in other reserve under equity.

Income and expenditure reserve

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

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

Trust	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	27,355	6,484	904	55,273	90,016
At start of period for new FTs	-	-	-	-	-
Deficit for the year	-	-	-	(720)	(720)
Revaluations	-	1,849	-	-	1,849
Foreign exchange gains recognised directly through OCI	-	-	274	-	274
Public dividend capital received	176	-	-	-	176
Taxpayers' and others' equity at 31 March 2020	27,531	8,333	1,178	54,553	91,595

Statement of Changes in Equity for the year ended 31 March 2019

Trust	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2018 - brought forward	27,190	6,066	662	45,462	79,379
Impact of implementing IFRS 15 on 1 April 2018	-	-	-	1,480	1,480
Surplus for the year	-	-	-	8,091	8,091
Revaluations	-	658	-	-	658
Foreign exchange gains recognised directly through OCI	-	-	242	-	242
Public dividend capital received	165	-	-	-	165
Other reserve movements	-	(240)	-	240	-
Taxpayers' and others' equity at 31 March 2019	27,355	6,484	904	55,273	90,016

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Information on reserves

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

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

Other reserves
Exchange gains or losses on non-monetary assets and liabilities, including on revaluation, are recognised in other reserve under equity.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the trust.

Statement of Cash Flows

		Group		Trust	
		2019/20	2018/19	2019/20	2018/19
	Note	£000	£000	£000	£000
Cash flows from operating activities					
Operating surplus		884	7,703	884	7,703
Non-cash income and expense:					
Depreciation and amortisation	6.1	7,055	7,339	7,055	7,339
Net impairments	7	1,816	2,519	1,816	2,519
Income recognised in respect of capital donations	4	(48)	(209)	(48)	(209)
Decrease / (increase) in receivables and other assets		8,310	(6,328)	8,310	(6,328)
Increase in inventories		(359)	(590)	(359)	(590)
Increase / (decrease) in payables and other liabilities		3,153	(964)	3,153	(964)
Increase in provisions		2,636	427	2,636	427
Net cash flows from / (used in) operating activities		**23,447**	**9,896**	**23,447**	**9,896**
Cash flows from investing activities					
Interest received		327	292	327	292
Purchase of intangible assets		(1,453)	(1,182)	(1,453)	(1,182)
Purchase of PPE		(11,954)	(8,492)	(11,954)	(8,492)
Sales of PPE and investment property		47	5,274	47	5,274
Receipt of cash donations to purchase assets		48	209	48	209
Net cash flows from used in investing activities		**(12,985)**	**(3,899)**	**(12,985)**	**(3,899)**
Cash flows from financing activities					
Public dividend capital received		176	165	176	165
Movement on loans from DHSC		(1,823)	(1,823)	(1,823)	(1,823)
Interest on loans		(1,084)	(1,132)	(1,084)	(1,132)
PDC dividend paid		(784)	(595)	(784)	(595)
Cash flows from used in other financing activities		(42)	(78)	(42)	(78)
Net cash flows from used in financing activities		**(3,557)**	**(3,463)**	**(3,557)**	**(3,463)**
Increase in cash and cash equivalents		**6,905**	**2,534**	**6,905**	**2,534**
Cash and cash equivalents at 1 April - brought forward		**45,252**	**42,491**	**45,252**	**42,491**
Unrealised gains on foreign exchange		287	227	287	227
Cash and cash equivalents at 31 March	22.1	**52,444**	**45,252**	**52,444**	**45,252**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2019/20 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

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

Note 1.2 Going concern

These accounts have been prepared on a going concern basis.

After making enquiries, the directors have a reasonable expectation that the NHS foundation trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Note 1.3 Interests in other entities

Subsidiary entities are those over which the trust has the power to exercise control or a dominant influence so as to gain economic or other benefits. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to minority interests are included as a separate item in the Statement of Financial Position.

The Trust established MEH Ventures LLP during 2013/14 as a wholly-owned subsidiary. The Trust is able to exert control over this entity and accordingly the transactions of MEH Ventures LLP have been consolidated into the Moorfields Eye Hospital NHS Foundation Trust accounts. The Trust includes within its financial statements its share of the assets, liabilities, income and expenses. The exemption to exclude the Trust’s Statement of Comprehensive Income as allowed by DHSC GAM 2019/20 has been applied by the directors. All notes in the accounts refer to the Group. The Trust notes are included only where they are deemed to be materially differ.

In 2019/20 the Trust reported a loss of £720k (2018/19 surplus of £8,091k).

Note 1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).
Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customers as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete. This accrual is disclosed as a contract receivable as entitlement to payment for work completed is usually only dependent on the passage of time.

Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld, the Trust reflects this in the transaction price and derecognises the relevant portion of income.

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner but they affect how care is provided to patients. That is, the CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the contract.

As per paragraph 121 of the Standard the Trust does not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less. The GAM does not require the Trust to disclose information where revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with value of the performance completed to date.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Where research income does not meet the criteria within IFRS 15, it is treated as grant
income under IAS 20, and income is recognised in line with expenditure which meets the conditions set out in the grant documents.

Revenue from Private Patients

The Trust generates income from providing healthcare to private patients. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the private patient, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer.

Provider sustainability fund (PSF) and Financial recovery fund (FRF)

The PSF and FRF enable providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

Note 1.5 Other forms of income

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

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.6 Expenditure on employee benefits

Short-term employee benefits
Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

Note 1.7 Expenditure on other goods and services

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

Note 1.8 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

• it is held for use in delivering services or for administrative purposes
• it is probable that future economic benefits will flow to, or service potential be provided to, the trust
• it is expected to be used for more than one financial year
• the cost of the item can be measured reliably
• the item has cost of at least £5,000, or
• collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

Subsequent expenditure

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

Measurement

Valuation

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

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

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

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

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

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

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

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Revaluation gains and losses

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

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

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

Impairments

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

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

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met. The sale must be highly probable and the asset available for immediate sale in its present condition.
Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

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

Donated and grant funded assets

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

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property,

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	5	77
Plant & machinery	3	25
Transport equipment	7	7
Information technology	4	11
Furniture & fittings	5	10

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

Note 1.9 Intangible assets

Recognition

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

Internally generated intangible assets

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

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

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment.

Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Measurement

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

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

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

Amortisation

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

Useful lives of intangible assets

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

	Min life Years	Max life Years
Information technology	5	8
Websites	5	8
Software licences	5	8
Licences & trademarks	5	8

Note 1.10 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the weighted average cost method within the pharmacy department, and the First In, First Out (FIFO) method for all other balances. Work-in-progress comprises goods in intermediate stages of production. Where inventory is found to be obsolete or expired, the carrying value of that inventory is immediately recognised as an expense.

Note 1.11 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.12 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

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

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

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

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

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

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

Financial assets and financial liabilities at fair value through income and expenditure

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses in accordance with IFRS 9.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

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

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

Derecognition

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

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

Note 1.13 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. The trust as at 31 March 2020 did not have any finance leases. All other leases are classified as operating leases.

The trust as a lessee

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to finance costs in the Statement of Comprehensive Income.

Operating leases

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

Leases of land and buildings

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

The trust as a lessor

Finance leases

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

Operating leases

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

Note 1.14 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective for 31 March 2020:

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

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

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

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 0.5% in real terms.

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 26.2 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

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

Note 1.15 Contingencies

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

Contingent liabilities are defined as:

• possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or

• present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

The trust has no such assets or liabilities as at 31 March 2020 or for reported prior years.

Note 1.16 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

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

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

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

Note 1.17 Value added tax

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

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Note 1.18 Foreign exchange

The functional and presentational currency of the trust is sterling with the exception of operations in the United Arab Emirates (Dubai and Abu Dhabi). The functional currency operations in Dubai and Abu Dhabi is United Arab Emirates dirhams and the presentational currently is Sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

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

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.19 Third party assets

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

Note 1.20 Losses and special payments
Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

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

Note 1.21 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2019/20.

Note 1.22 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

IFRS 16 Leases will replace *IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations and is applicable in the public sector for periods beginning 1 April 2021. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

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

On transition to IFRS 16 on 1 April 2021, the trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The trust's incremental borrowing rate will be defined by HM Treasury. Currently this rate is 1.27% but this may change between now and adoption of the standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2021 for existing finance leases.

For leases commencing in 2021/22, the trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

HM Treasury revised the implementation date for IFRS 16 in the UK public sector to 1 April 2021 on 19 March 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity in from April 2021 and beyond, a quantification of the expected impact of applying the standard in 2021/22 is currently impracticable. However, the trust does expect this standard to have a material impact on non-current assets, liabilities and depreciation.

Other standards, amendments and interpretations

Standards issued or amended but not yet adopted:

IFRS 14 Regulatory Deferral Accounts Not EU-endorsed. Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DHSC group bodies.

IFRS 17 Insurance Contracts Application required for accounting periods beginning on or after 1 January 2023, but not yet adopted by the FReM: early adoption is not therefore permitted.

Note 1.23 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Consolidation of charitable funds

The trust has assessed its relationship to the charitable fund and determined that it is not a subsidiary. This is because the trust has no power to govern the financial and operating policies of the charitable fund so as to obtain the benefits from its activities for itself, its patients or its staff.

Note 1.24 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Provisions

Provisions have been made for legal and constructive obligations of uncertain timing or amount as at the reporting date. These are based on estimates using relevant and reliable information as is available at the time the financial statements are prepared. These provisions are estimates of the actual costs of future cash flows and are dependent on future events. Any difference between expectations and the actual future liability will be accounted for in the period when such determination is made. Amounts of provisions are detailed in note 26 to the accounts.

Valuation of Land and Buildings

In line with this policy specialised assets are valued using the Modern Equivalent Asset (MEA) approach. Both physical and functional obsolescence is applied to buildings, to reflect their actual characteristics and value. Gerald Eve provided the trust with a valuation of land and building assets (estimated fair value and remaining useful life). The valuation, based on estimates provided by a suitably qualified professional in accordance with HM Treasury Guidance, leads to revaluation adjustments as described in note 17 to the accounts. Future revaluations of property may result in further changes to the carrying values of non-current assets.

Impairment of Receivables

The trust reviews all receivables and impairs at rates determined by the age and recoverability of the debt as per IFRS 9. Amounts impaired are disclosed in note 21.1 to the accounts.

Note 2 Operating Segments

The trust reports results by two segments - NHS and Commercial.

		Group	
	NHS (1)	**Commercial (2)**	**Total**
2019/20	£000	£000	**£000**
Income by segment			
Income from activities	196,878	30,854	227,732
Other operating income	25,060	110	25,170
	221,938	**30,964**	**252,902**
Operating and other expenditure	(225,269)	(26,502)	(251,771)
Impairment of non-current assets	(1,816)	-	(1,816)
Surplus for the year	**(5,147)**	**4,462**	**(685)**

	NHS	**Commercial**	**Total**
2018/19	£000	£000	**£000**
Income by segment			
Income from activities	175,805	28,624	204,429
Other operating income	30,872	-	30,872
	206,677	**28,624**	**235,301**
Operating and other expenditure	(199,644)	(24,593)	(224,237)
Impairment of non-current assets	(2,519)	-	(2,519)
Surplus for the year	**4,514**	**4,031**	**8,545**

(1) NHS Income includes PSF and FRF funding of £2.0m in 2019/20 and £8.0m in 2018/19.

(2) Commercial includes results for Moorfields Private and Moorfields UAE.
Moorfields UAE includes the impact of foreign exchange fluctuations in its overall results, arising from the conversion of transactions in its functional currency (United Arab Emirates dirhams) to sterling. The net assets of Moorfields UAE are restated on a monthly basis for exchange rate fluctuations, with movements expressed as unrealised gains or losses in other reserve. Moorfields UAE includes the operations of Moorfields Dubai and the share of surplus/deficit of Moorfields Eye Centre Abu Dhabi.

Note 3 Operating income from patient care activities

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

Note 3.1 Income from patient care activities (by nature)

	2019/20	2018/19
	£000	£000
Elective income	38,733	39,312
Non elective income	5,231	5,627
First outpatient income	21,110	22,528
Follow up outpatient income	46,480	43,346
A & E income	14,943	11,295
High cost drugs income from commissioners (excluding pass-through costs)	38,575	35,531
Other NHS clinical income	16,658	7,317
Community services income from CCGs and NHS England	195	286
Private patient income	30,854	28,597
Agenda for Change pay award central funding*	-	1,176
Additional pension contribution central funding**	4,685	-
Other clinical income***	10,268	9,414
Total income from activities	**227,732**	**204,429**

*Additional costs of the Agenda for Change pay reform in 2018/19 received central funding. From 2019/20 this funding is incorporated into tariff for individual services.

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

*** Includes additional income for the impact of COVID-19 of £1,507k from NHS England.

Note 3.2 Income from patient care activities (by source)

	2019/20	2018/19
Income from patient care activities received from:	£000	£000
NHS England*	27,779	19,465
Clinical commissioning groups	158,985	145,683
Department of Health and Social Care	8	1,176
Other NHS providers	9,534	9,312
Non-NHS: private patients	30,854	28,597
Non-NHS: overseas patients (chargeable to patient)	145	196
Non NHS: other	427	-
Total income from activities	**227,732**	**204,429**

* Includes additional income for the impact of COVID-19 of £1,507k in 2019/20.

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

	2019/20	2018/19
	£000	£000
Income recognised this year	145	196
Cash payments received in-year	129	121
Amounts added to provision for impairment of receivables	23	67
Amounts written off in-year	-	176

Note 4 Other operating income

	2019/20		
	Contract income	Non-contract income	Total
	£000	£000	£000
Research and development	6,959	7,031	**13,990**
Education and training	4,347	-	**4,347**
Provider sustainability fund (PSF)	658	-	**658**
Financial recovery fund (FRF)	1,430	-	**1,430**
Receipt of capital grants and donations	-	48	**48**
Rental revenue from operating leases	-	420	**420**
Other income	4,167	-	**4,167**
Total other operating income	**17,561**	**7,499**	**25,060**

	2018/19		
	Contract income	Non-contract income	Total
	£000	£000	£000
Research and development	2,090	8,671	**10,761**
Education and training	4,345	-	**4,345**
Provider sustainability fund (PSF)	8,000	-	**8,000**
Receipt of capital grants and donations	-	209	**209**
Rental revenue from operating leases	-	658	**658**
Other income	6,900	-	**6,900**
Total other operating income	**21,334**	**9,538**	**30,872**

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

	2019/20	2018/19
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	3,267	361

Note 5.2 Transaction price allocated to remaining performance obligations

Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	31 March 2020	31 March 2019
	£000	£000
within one year	-	294
after one year, not later than five years	-	-
after five years	-	-
Total revenue allocated to remaining performance obligations	**-**	**294**

The trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

Note 5.3 Income from activities arising from commissioner requested services

Under the terms of its provider licence, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2019/20	2018/19
	£000	£000
Income from services designated as commissioner requested services	196,878	175,805
Income from services not designated as commissioner requested services	55,914	59,496
Total	**252,792**	**235,301**

Note 6.1 Operating expenses

	2019/20	2018/19
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	2,652	2,992
Staff and executive directors costs	127,577	118,076
Remuneration of non-executive directors	151	144
Supplies and services - clinical (excluding drugs costs)	20,770	20,200
Supplies and services - general	10,618	9,761
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	36,126	32,127
Consultancy costs	3,852	4,056
Establishment	6,183	2,227
Premises	5,861	7,039
Transport (including patient travel)	2,844	2,950
Depreciation on property, plant and equipment	5,927	5,956
Amortisation on intangible assets	1,128	1,382
Net impairments	1,816	2,519
Movement in credit loss allowance: contract receivables / contract assets	2,509	1,550
Change in provisions discount rate	33	-
Audit fees payable to the external auditor:		
audit services- statutory audit	85	97
other auditor remuneration (external auditor only)	8	25
Internal audit costs	114	133
Clinical negligence	289	264
Legal fees	1,617	272
Insurance	457	470
Research and development	13,231	9,254
Education and training	2,086	1,564
Rentals under operating leases	5,137	5,004
Redundancy	40	-
Other	797	(464)
Total	**251,908**	**227,598**

Note 6.2 Other auditor remuneration

	2019/20	2018/19
	£000	£000
Other auditor remuneration paid to the external auditor:		
Assurance services relating to the Quality Accounts	8	25
Total	**8**	**25**

Note 6.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £140k (2018/19: £0k).

Note 7 Impairment of assets

	2019/20	2018/19
	£000	£000
Net impairments charged to operating (deficit) / surplus resulting from:		
Abandonment of assets in course of construction*	1,145	-
Changes in market price**	671	2,519
Total net impairments charged to operating (decifit) / surplus	**1,816**	**2,519**
Impairments charged to the revaluation reserve	-	-
Total net impairments	**1,816**	**2,519**

* The Trust has ceased the continuation of development for its Electronic Medical Records upgrade resulting in an impairment of £1.145m

** The impairment recognised above in relation to changes in market price arose as a result of the revaluation exercise undertaken in the year, as described in note 17.

Note 8 Employee benefits

	2019/20 Total £000	2018/19 Total £000
Salaries and wages	93,601	88,001
Social security costs	9,785	9,151
Apprenticeship levy	437	376
Employer's contributions to NHS pensions	15,407	9,999
Pension cost - other	8	6
Termination benefits	46	-
Temporary staff (including agency)	16,631	18,184
Total staff costs	**135,915**	**125,717**
Of which		
Costs capitalised as part of assets	302	128

Note 8.1 Retirements due to ill-health

During 2019/20 there were no early retirements from the trust agreed on the grounds of ill-health (1 in the year ended 31 March 2019). The estimated additional pension liabilities of these ill-health retirements is 0k (£6k in 2018/19).

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

Note 9 Pension costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2020, is based on valuation data as at 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 at 20.6%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

NEST Pension Scheme

Where staff are not eligible for, or choose to opt out of, the NHS Pensions Scheme, they are entitled to join the National Employment Savings Trust (NEST) scheme. NEST is a government-backed, defined contribution pension scheme set up to make sure that every employer can easily access a workplace pension scheme. The employer's contribution rate in 2019/20 was 3% (2018/19: 2%).

Note 10 Operating leases

Note 10.1 Moorfields Eye Hospital NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where Moorfields Eye Hospital NHS Foundation Trust is the lessor.

The trust receives income from rental of building space to external parties. Nile Street was sold in 2018/19 and therefore no income from this rental was due in 2019/20.

	2019/20	2018/19
	£000	£000
Operating lease revenue		
Minimum lease receipts	420	658
Total	**420**	**658**

	31 March 2020	31 March 2019
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	420	450
- later than one year and not later than five years;	1,262	1,349
- later than five years.	420	450
Total	**2,102**	**2,249**

Note 10.2 Moorfields Eye Hospital NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Moorfields Eye Hospital NHS Foundation Trust is the lessee.

At the date the Statement of Financial Position has been presented, the Trust had costs and outstanding commitments for future minimum lease payments for buildings under non-cancellable operating leases, which fall due as follows:

	2019/20	2018/19
	£000	£000
Operating lease expense		
Minimum lease payments	5,137	5,004
Total	**5,137**	**5,004**

	31 March 2020	31 March 2019
	£000	£000
Future minimum lease payments due:		
- not later than one year;	4,538	4,909
- later than one year and not later than five years;	12,992	15,011
- later than five years.	5,946	5,090
Total	**23,476**	**25,010**
Future minimum sublease payments to be received	-	-

Note 11 Finance income

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

	2019/20	2018/19
	£000	£000
Interest on bank accounts	327	292
Total finance income	**327**	**292**

Note 12.1 Finance expenditure

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

	2019/20	2018/19
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	1,081	1,131
Total interest expense	**1,081**	**1,131**
Unwinding of discount on provisions	8	-
Other finance costs	-	45
Total finance costs	**1,089**	**1,176**

Note 12.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

	2019/20	2018/19
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	-	-
Amounts included within interest payable arising from claims made under this legislation	-	-
Compensation paid to cover debt recovery costs under this legislation	-	-

Note 13 Other gains

	2019/20	2018/19
	£000	£000
Gains on disposal of assets	30	1,824
Total gains on disposal of assets	**30**	**1,824**

Note 14.1 Intangible assets - 2019/20

	Software licences	Internally generated information technology	Websites	Intangible assets under construction	Total
	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - brought forward	**6,143**	**4,976**	**-**	**1,186**	**12,305**
Additions	1,218	-	66	169	**1,453**
Impairments	-	-	-	(1,145)	**(1,145)**
Retranslation loss on foreign operations	(4)	-	-	-	**(4)**
Valuation / gross cost at 31 March 2020	**7,357**	**4,976**	**66**	**210**	**12,609**
Amortisation at 1 April 2019 - brought forward	**2,910**	**4,976**	**-**	**-**	**7,886**
Provided during the year	1,119	-	9	-	**1,128**
Retranslation loss on foreign operations	(7)	-	-	-	**(7)**
Amortisation at 31 March 2020	**4,022**	**4,976**	**9**	**-**	**9,007**
Net book value at 31 March 2020	**3,335**	**-**	**57**	**210**	**3,602**
Net book value at 1 April 2019	**3,233**	**-**	**-**	**1,186**	**4,419**

Note 14.2 Intangible assets - 2018/19

	Software licences	Internally generated information technology	Websites	Intangible assets under construction	Total
	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**5,946**	**4,976**	**-**	**1,196**	**12,118**
Additions	1,130	-	-	53	**1,182**
Reclassifications	63	-	-	(63)	**-**
Retranslation gains on foreign operations	37	-	-	-	**37**
Disposals / derecognition	(1,032)	-	-	-	**(1,032)**
Valuation / gross cost at 31 March 2019	**6,143**	**4,976**	**-**	**1,186**	**12,305**
Amortisation at 1 April 2018 - as previously stated	**3,005**	**4,495**	**-**	**-**	**7,500**
Provided during the year	901	481	-	-	**1,382**
Retranslation gains on foreign operations	36	-	-	-	**36**
Disposals / derecognition	(1,032)	-	-	-	**(1,032)**
Amortisation at 31 March 2019	**2,910**	**4,976**	**-**	**-**	**7,886**
Net book value at 31 March 2019	**3,233**	**-**	**-**	**1,186**	**4,419**
Net book value at 1 April 2018	**2,940**	**481**	**-**	**1,196**	**4,618**

Note 15.1 Property, plant and equipment - 2019/20

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2019 - brought forward	**23,665**	**46,831**	**1,197**	**34,272**	**5**	**11,661**	**1,990**	**119,621**
Additions	-	3,066	4,390	3,444	-	1,166	39	**12,105**
Impairments	(671)	-	-	-	-	-	-	**(671)**
Revaluations	(1,706)	1,206	-	-	-	-	-	**(500)**
Retranslation gains on foreign operations	-	61	-	115	-	5	2	**183**
Disposals / derecognition	-	-	-	(1,969)	-	-	(4)	**(1,973)**
Valuation/gross cost at 31 March 2020	**21,288**	**51,539**	**5,212**	**35,862**	**5**	**12,832**	**2,027**	**128,765**
Accumulated depreciation at 1 April 2019 - brought forward	**-**	**2,396**	**-**	**23,595**	**5**	**9,369**	**1,554**	**36,919**
Provided during the year	-	2,570	-	2,386	-	840	131	**5,927**
Revaluations	-	(2,349)	-	-	-	-	-	**(2,349)**
Retranslation gains on foreign operations	-	43	-	134	-	9	11	**197**
Disposals / derecognition	-	-	-	(1,952)	-	-	(3)	**(1,955)**
Accumulated depreciation at 31 March 2020	**-**	**2,660**	**-**	**24,163**	**5**	**10,218**	**1,693**	**38,739**
Net book value at 31 March 2020	**21,288**	**48,879**	**5,212**	**11,699**	**-**	**2,613**	**334**	**90,026**
Net book value at 1 April 2019	**23,665**	**44,435**	**1,197**	**10,677**	**-**	**2,291**	**436**	**82,702**

As at 31 March 2020 £5,213k of assets under contruction relate to Project Oriel. Oriel is a partnership between Moorfields Eye Hospital, UCL and Moorfields Eye Charity, working to relocate all services at Moorfields Eye Hospital on City Road and the UCL Institute of Ophthalmology on Bath Street, to a new, integrated facility at our preferred site at St Pancras Hospital. Capitalised costs to date represent Moorfields share of design costs for this new facility

Note 15.2 Property, plant and equipment - 2018/19

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**23,665**	**46,595**	**375**	**31,490**	**5**	**12,225**	**2,008**	**116,362**
Additions	-	4,843	823	3,058	-	1,152	82	**9,958**
Impairments	-	(2,519)	-	-	-	-	-	**(2,519)**
Revaluations	-	(1,643)	-	-	-	-	-	**(1,643)**
Retranslation gains / (losses) on foreign operations	-	(161)	-	379	-	8	15	**241**
Disposals / derecognition	-	(284)	-	(655)	-	(1,725)	(115)	**(2,778)**
Valuation/gross cost at 31 March 2019	**23,665**	**46,831**	**1,197**	**34,272**	**5**	**11,661**	**1,990**	**119,621**
Accumulated depreciation at 1 April 2018 - as previously stated	**-**	**2,286**	**-**	**21,673**	**5**	**10,303**	**1,507**	**35,774**
Provided during the year	-	2,662	-	2,365	-	784	146	**5,956**
Revaluations	-	(2,301)	-	-	-	-	-	**(2,301)**
Retranslation gains on foreign operations	-	33	-	167	-	7	14	**221**
Disposals / derecognition	-	(284)	-	(610)	-	(1,725)	(113)	**(2,731)**
Accumulated depreciation at 31 March 2019	**-**	**2,396**	**-**	**23,595**	**5**	**9,369**	**1,554**	**36,919**
Net book value at 31 March 2019	**23,665**	**44,435**	**1,197**	**10,677**	**-**	**2,291**	**436**	**82,702**
Net book value at 1 April 2018	**23,665**	**44,308**	**375**	**9,817**	**-**	**1,922**	**501**	**80,588**

Note 15.3 Property, plant and equipment financing - 2019/20

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2020							
Owned - purchased	21,288	38,900	5,212	10,382	2,584	325	**78,691**
Owned - donated	-	9,979	-	1,317	29	10	**11,335**
NBV total at 31 March 2020	**21,288**	**48,879**	**5,212**	**11,699**	**2,613**	**335**	**90,026**

Note 15.4 Property, plant and equipment financing - 2018/19

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2019							
Owned - purchased	23,665	35,266	1,197	9,180	2,251	423	**71,982**
Owned - donated	-	9,169	-	1,497	41	13	**10,719**
NBV total at 31 March 2019	**23,665**	**44,435**	**1,197**	**10,677**	**2,291**	**436**	**82,702**

Note 16 Donations of property, plant and equipment
During the year £48k was donated by the Moorfields Eye Charity to fund a 3D Video Streaming and Processing System.

Note 17 Revaluations of property, plant and equipment

Valuations were carried out on properties at 162 City Road, the Richard Desmond Children's Eye Centre, Cayton Street, Northwick Park and Kemp House in 2019/20. The valuation was carried out by Gerald Eve, an external firm of chartered surveyors, with the basis of valuation being Modern Equivalent Asset.

The valuation exercise was carried in March 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RCIS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainly, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the trust.

The valuation included downwards (impairments), and upwards (gains) valuation movements. Land was impared by £2,377k and buildings revalued up by £3,555k. Impairments are taken to the revaluation reserve to the extent that there is a revaluation surplus for that land or property. Any impairments over and above the revaluation surplus are charged to operating expenses. Revaluation gains are taken to the revaluation reserve.

Note 18.1 Investment Property

	2019/20	2018/19
	£000	£000
Carrying value at 1 April - brought forward	**-**	**3,403**
Disposals	-	(3,403)
Carrying value at 31 March	**-**	**-**

Note 18.2 Investment property income and expenses

	2019/20	2018/19
	£000	£000
Direct operating expense arising from investment property which generated rental income in the period	-	(62)
Total investment property expenses	**-**	**(62)**
Investment property income	-	182

Note 19 Investments in associates and joint ventures

	Group	
	2019/20	2018/19
	£000	£000
Carrying value at 1 April - brought forward	**785**	**303**
Share of (loss) / profit	(75)	455
Other equity movements	42	27
Carrying value at 31 March	**752**	**785**

MEH Ventures LLP, Trust's wholly owned subsidiary, incorporated in the UK holds a 49% stake in a joint venture - Moorfields Eye Centre Abu Dhabi, incorporated in UAE. The investment has been valued on an equity basis in accordance with the accounting policies for investments in joint ventures and associates.

Note 19.1 Investments in Subsidiaries

	Trust	
	2019/20	2018/19
	£000	£000
Carrying value at 1 April - brought forward	**2,230**	**2,203**
Other equity movements	42	27
Carrying value at 31 March	**2,272**	**2,230**

MEH Ventures LLP, Trust's wholly owned subsidiary, incorporated in the UK holds a 49% stake in a joint venture - Moorfields Eye Centre Abu Dhabi, incorporated in UAE. The investment has been valued on an equity basis in accordance with the accounting policies for investments in joint ventures and associates.

Note 20 Inventories

	2020	2019
	£000	£000
Drugs	1,624	1,184
Consumables	1,045	1,190
Energy	11	10
Other	617	555
Total inventories	**3,298**	**2,939**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £45,837k (2018/19: £49,286k). Write-down of inventories recognised as expenses for the year were £0k (2018/19: £0k).

Note 21 Receivables

	31 March 2020	31 March 2019
	£000	£000
Current		
Contract receivables	23,265	28,342
Allowance for impaired contract receivables / assets	(5,280)	(3,290)
Prepayments (non-PFI)	2,760	3,509
PDC dividend receivable	41	130
VAT receivable	415	667
Other receivables	186	243
Total current receivables	**21,387**	**29,601**
Non-current		
Prepayments (non-PFI)	1,195	1,968
Other receivables	589	-
Total non-current receivables	**1,784**	**1,968**
Of which receivable from NHS and DHSC group bodies:		
Current	14,603	21,011
Non-current	589	-

Note 21.1 Allowances for credit losses

	2019/20		2018/19	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	**3,290**	**-**	**-**	**3,498**
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018			3,345	(3,498)
New allowances arising	2,509	-	1,550	-
Utilisation of allowances (write offs)	(519)	-	(1,605)	-
Allowances as at 31 Mar 2020	**5,280**	**-**	**3,290**	**-**

Allowances for credit losses have been calculated against each class of receivable using specific knowledge, age of receivable and past experience.

Note 21.2 Exposure to credit risk

As majority of the trust's income comes from legally binding contracts with other government departments and NHS bodies, the trust is not exposed to major concentrations of credit risk.

Note 22.1 Cash and cash equivalents movements

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

	2019/20	2018/19
	£000	£000
At 1 April	**45,252**	**42,491**
Net change in year	7,191	2,761
At 31 March	**52,444**	**45,252**
Broken down into:		
Cash at commercial banks and in hand	2,183	2,363
Cash with the Government Banking Service	50,260	42,889
Total cash and cash equivalents as in SoFP	**52,444**	**45,252**
Total cash and cash equivalents as in SoCF	**52,444**	**45,252**

Note 22.2 Third party assets held by the trust

Moorfields Eye Hospital NHS Foundation Trust held cash and cash equivalents on behalf of other parties as detailed below

	31 March 2020	31 March 2019
	£000	£000
Bank balances	41	41
Total third party assets	**41**	**41**

Note 23.1 Trade and other payables

	31 March 2020 £000	31 March 2019 £000
Current		
Trade payables	11,320	10,854
Capital payables	4,051	3,900
Accruals	16,959	15,407
Receipts in advance and payments on account	13	-
Social security costs	1,393	1,292
Other taxes payable	1,179	1,144
Other payables	4,086	3,157
Total current trade and other payables	**39,001**	**35,754**
Non-current		
Other payables	862	789
Total non-current trade and other payables	**862**	**789**
Of which payables from NHS and DHSC group bodies:		
Current	4,697	6,606

Note 23.2 Early retirements in NHS payables above

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

	31 March 2020 £000	31 March 2020 Number	31 March 2019 £000	31 March 2019 Number
- to buy out the liability for early retirements over 5 years	-	-	-	-
- number of cases involved	-	-	-	-

Note 24 Other liabilities

	31 March 2020	31 March 2019
	£000	£000
Current		
Deferred income: contract liabilities	3,252	3,267
Total other current liabilities	**3,252**	**3,267**

Note 25.1 Borrowings

	31 March 2020	31 March 2019
	£000	£000
Current		
Loans from DHSC	1,898	1,901
Total current borrowings	**1,898**	**1,901**
Non-current		
Loans from DHSC	33,731	35,554
Total non-current borrowings	**33,731**	**35,554**

The trust has two loans from the Independent Trust Financing Facility:

▪ £20.5 million drawn down in 2014/15 payable over 25 years at a fixed interest rate of 2.99% per annum. Outstanding capital at 31 March 2020 was £16.1 million.

▪ £25.0 million drawn down in 2014/15 payable over 25 years at a fixed interest rate of 2.88% per annum. Outstanding capital at 31 March 2020 was £19.5 million.

Note 25.2 Reconciliation of liabilities arising from financing activities - 2019/20

	Loans from DHSC
	£000
Carrying value at 1 April 2019	**37,455**
Cash movements:	
Financing cash flows - payments and receipts of principal	(1,823)
Financing cash flows - payments of interest	(1,084)
Non-cash movements:	
Application of effective interest rate	1,081
Carrying value at 31 March 2020	**35,629**

Note 25.3 Reconciliation of liabilities arising from financing activities - 2018/19

	Loans from DHSC
	£000
Carrying value at 1 April 2018	**39,200**
Cash movements:	
Financing cash flows - payments and receipts of principal	(1,823)
Financing cash flows - payments of interest	(1,132)
Non-cash movements:	
Impact of implementing IFRS 9 on 1 April 2018	78
Application of effective interest rate	1,131
Carrying value at 31 March 2019	**37,455**

Note 26.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Legal claims	Redundancy	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2019	**290**	**-**	**-**	**1,540**	**1,830**
Change in the discount rate	33	-	-	-	**33**
Arising during the year	-	**1,161**	**132**	1,634	**2,927**
Utilised during the year	(26)	-	-	-	**(26)**
Reversed unused	-	-	-	(298)	**(298)**
Unwinding of discount	8	-	-	-	**8**
At 31 March 2020	**305**	**1,161**	**132**	**2,876**	**4,474**
Expected timing of cash flows:					
- not later than one year;	32	1,161	132	534	**1,859**
- later than one year and not later than five years;	128	-	-	1,753	**1,881**
- later than five years.	145	-	-	589	**734**
Total	**305**	**1,161**	**132**	**2,876**	**4,474**

Staff pensions are calculated using a formula supplied by the NHS Pensions Agency. These pensions are the costs of early retirement of staff resulting from reorganisation.

Legal claims relate to an action against the trust which is not covered by the NHS Litigation Authority. IAS 37 allows for the non-disclosure of further information which may prejudice the outcome of litigation.

Redundancy claims relate to staff that are at risk on the redeployment register.

Other provisions includes sums held in respect of additional charges arising from Clinicians pension tax scheme , dilapidations associated with leases and other contractual challenges. No further information has been disclosed as IAS 37 allows the withholding of information which may seriously prejudice the trust.

Note 26.2 Clinical negligence liabilities

At 31 March 2020, £3,123k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Moorfields Eye Hospital NHS Foundation Trust (31 March 2019: £1,014k).

These provisions are reflected only in the accounts of the NHS Resolution, and are not a part of the trust's accounts.

Note 27 Contractual capital commitments

	31 March 2020	31 March 2019
	£000	£000
Property, plant and equipment*	9,220	275
Intangible assets	221	2,943
Total	**9,441**	**3,218**

* within this amount £8,408k relates to Project Oriel commitments.

Note 28 Financial instruments

Note 28.1 Financial risk management

IFRS 7 Financial Instruments Disclosures, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities.

Because of the continuing service-provider relationship that the foundation trust has with clinical commissioning groups, and the way those bodies are financed, the foundation trust is not exposed to the degree of financial risk faced by other business entities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies.

The foundation trust has power to borrow in accordance with its provider licence issued by the independent regulator for foundation trusts. Financial assets and liabilities generated by day-to-day operational activities are not held to change the risks facing the foundation trust in undertaking its activities.

Liquidity risk

A large proportion of the foundation trust's net operating costs are incurred under annual service agreements with clinical commissioning Groups, which are financed from resources voted annually by Parliament. Capital expenditure has been financed from internal funds and donations. The trust has substantial cash balances and is not currently exposed to any liquidity risk associated with inability to pay creditors.

Currency risk and interest rate risk

The foundation trust has a branch in the United Arab Emirates (Dubai and Abu Dhabi), with transactions conducted in United Arab Emirates dirhams. The branch accounts are consolidated into the overall trust accounts, converted using spot and average exchange rates as appropriate, with exchange gains or losses reported in other equity reserve. Due to the size of the operation, and the fact that the majority of cost and income are denoted in local currency, the trust has limited exposure to currency exchange fluctuations.

The trust is not exposed to changes in interest rates as all borrowings have been taken out at fixed rates for a fixed period from Independent Trust Financing Facility.

Credit risk

As majority of the trust's income comes from legally binding contracts with other government departments and NHS bodies, the trust is not exposed to major concentrations of credit risk.

Note 28.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2020	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	18,171	-	-	**18,171**
Other investments / financial assets	752	-	-	**752**
Cash and cash equivalents	52,444	-	-	**52,444**
Total at 31 March 2020	**71,367**	**-**	**-**	**71,367**

Carrying values of financial assets as at 31 March 2019	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	25,295	-	-	**25,295**
Other investments / financial assets	785	-	-	**785**
Cash and cash equivalents	45,252	-	-	**45,252**
Total at 31 March 2019	**71,333**	**-**	**-**	**71,333**

Note 28.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2020	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	35,629	-	**35,629**
Trade and other payables excluding non financial liabilities	37,277	-	**37,277**
Provisions under contract	305	-	**305**
Total at 31 March 2020	**73,211**	**-**	**73,211**

Carrying values of financial liabilities as at 31 March 2019	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	37,455	-	**37,455**
Trade and other payables excluding non financial liabilities	32,620	-	**32,620**
Provisions under contract	290	-	**290**
Total at 31 March 2019	**70,365**	**-**	**70,365**

Note 28.4 Maturity of financial liabilities

	31 March 2020	31 March 2019
	£000	£000
In one year or less	39,206	34,546
In more than one year but not more than two years	1,855	1,926
In more than two years but not more than five years	5,566	5,779
In more than five years	26,583	28,114
Total	**73,211**	**70,365**

Note 28.5 Fair values of financial assets and liabilities

The fair value of financial assets and liabilities does not differ from carrying amount.

Note 29 Losses and special payments

	2019/20		2018/19	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	2	4	16	16
Fruitless payments	173	140	118	459
Bad debts and claims abandoned	3,138	515	142	1,148
Total losses	**3,313**	**659**	**276**	**1,623**

The trust had no special payments in either year.

Note 30 Related parties

Moorfields Eye Hospital NHS Foundation Trust is a public benefit corporation established under the Health and Social Care (Community Health and Standards) Act 2003.

During the year none of the board members or members of the key management staff, or parties related to them, has undertaken any material transactions with Moorfields Eye Hospital NHS Foundation Trust other than their employment remuneration where applicable.

Certain clinical staff are employed by the trust and also engage in work for Moorfields Private, a commercial division of Moorfields Eye Hospital NHS Foundation Trust. These engagements are undertaken on an arms-length basis separately from their direct employment with the trust.

The Department of Health an Social Care is regarded as controlling party. During the year Moorfields Eye Hospital NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent company.

Related party transactions were made on terms equivalent to those that prevail in an arm's length transaction.

The trust has also had a significant number of transactions with University College London, the Friends of Moorfields and the Moorfields Eye Charity.

The trust had revenue transactions of £2,230k with University College London (UCL) and expenditure transactions of £6,379k during 2019/20. Amounts receivable from UCL as 31st March 2020 were £1,051k and amounts payable to UCL were £571k.

Friends of Moorfields directly paid £286k (2018/19: £160k) to Moorfields Eye Hospital in income/donations.
Income/donations for the year from Moorfields Eye Charity was £458k (2018/19: £540k).

The table on the next page shows other significant related parties (individually > 1% of revenue), their relationship to the trust and the nature of the transactions entered into.

Note 30 Related parties (continued)

Name of related party	Nature of relationship to the trust
NHS England	Central funding for a variety of purposes
NHS Croydon CCG	Patients of NHS body treated by the trust
NHS Ealing CCG	Patients of NHS body treated by the trust
Department of Health and Social Care	Research & development and Afc pay award funding
Bedford Hospital NHS Trust	Patients of NHS body treated by the trust (Income) / Costs of operating satellite site at NHS body (Expenditure)
NHS Harrow CCG	Patients of NHS body treated by the trust
NHS City and Hackney CCG	Patients of NHS body treated by the trust
NHS Wandsworth CCG	Patients of NHS body treated by the trust
NHS Islington CCG	Patients of NHS body treated by the trust
NHS Newham CCG	Patients of NHS body treated by the trust
NHS Barnet CCG	Patients of NHS body treated by the trust
NHS Redbridge CCG	Patients of NHS body treated by the trust
NHS Tower Hamlets CCG	Patients of NHS body treated by the trust
NHS East and North Hertfordshire CCG	Patients of NHS body treated by the trust
NHS Herts Valleys CCG	Patients of NHS body treated by the trust
NHS Haringey CCG	Patients of NHS body treated by the trust
NHS Merton CCG	Patients of NHS body treated by the trust
NHS Enfield CCG	Patients of NHS body treated by the trust
NHS Brent CCG	Patients of NHS body treated by the trust
Health Education England	Education, training and personal development of NHS staff
NHS Waltham Forest CCG	Patients of NHS body treated by the trust
NHS Dartford, Gravesham and Swanley CCG	Patients of NHS body treated by the trust
NHS Camden CCG	Patients of NHS body treated by the trust
NHS Barking and Dagenham CCG	Patients of NHS body treated by the trust
NHS Havering CCG	Patients of NHS body treated by the trust
NHS Lambeth CCG	Patients of NHS body treated by the trust
NHS Bromley CCG	Patients of NHS body treated by the trust
NHS Greenwich CCG	Patients of NHS body treated by the trust
NHS Hounslow CCG	Patients of NHS body treated by the trust
NHS Pension Scheme	Employer pension contributions
HM Revenue & Customs	Employer NI contributions & Apprenticeship levy
Croydon Health Services NHS Trust	Costs of operating satellite site at NHS body (Expenditure)

Note 31 Events after the reporting date

There were no evens that occurred between the end of the reporting period and the date that the financial statements were authorised for issue.

Agenda item 07
Annual compliance statements
Board of directors 25 June 2020

Report title	Annual compliance statements
Report from	David Probert, chief executive
Prepared by	Helen Essex, company secretary
Link to strategic objectives	The attached papers link to all strategic objectives

Executive summary

Self-certification

The board must confirm that it is satisfied as to the following statements:

a) (G6) That the Licensee (Moorfields Eye Hospital NHS Foundation Trust) took all such precautions as were necessary in order to comply with conditions of the licence, any requirements imposed on it under the NHS Acts and have had regard to the NHS constitution; and
b) (CoS7) That, subject to the explanation as detailed in the statement, the Licensee will have the required resources available to it after taking into account in particular (but without limitation) any distribution which might reasonably be expected to be declared or paid for the period of 12 months referred to in the certificate.
c) (FT4) Corporate governance statement, in accordance with Foundation Trust condition 4 and certification on training of governors, in accordance with s151(5) of the Health and Social Care Act

Point b) does not apply to Moorfields.

Quality implications

As detailed in the compliance statements.

Financial implications

As detailed in the compliance statements.

Risk implications

There is a risk to the trust and directors as individuals for any failure to comply with statutory requirements relating to submission of the annual compliance statements, and in particular, failure to comply with the conditions of the licence.

Action required/recommendation.

The board is also asked to approve the annual compliance statements.

For assurance		For decision	✓	For discussion	✓	To note	

Worksheet "G6 & CoS7"

Financial Year to which self-certification relates 2019/20 Please complete the explanatory information in cell

Declarations required by General condition 6 and Continuity of Service condition 7 of the NHS provider licence

The board are required to respond "Confirmed" or "Not confirmed" to the following statements (please select 'not confirmed' if confirming another option). Explanatory information should be provided where required.

1 & 2 General condition 6 - Systems for compliance with licence conditions (FTs and NHS trusts)

1	Following a review for the purpose of paragraph 2(b) of licence condition G6, the Directors of the Licensee are satisfied that, in the Financial Year most recently ended, the Licensee took all such precautions as were necessary in order to comply with the conditions of the licence, any requirements imposed on it under the NHS Acts and have had regard to the NHS Constitution.	Confirmed	OK

3 Continuity of services condition 7 - Availability of Resources (FTs designated CRS only)

EITHER:

3a	After making enquiries the Directors of the Licensee have a reasonable expectation that the Licensee will have the Required Resources available to it after taking account distributions which might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate.		Please Respond

OR

3b	After making enquiries the Directors of the Licensee have a reasonable expectation, subject to what is explained below, that the Licensee will have the Required Resources available to it after taking into account in particular (but without limitation) any distribution which might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate. However, they would like to draw attention to the following factors (as described in the text box below) which may cast doubt on the ability of the Licensee to provide Commissioner Requested Services.		Please Respond

OR

3c	In the opinion of the Directors of the Licensee, the Licensee will not have the Required Resources available to it for the period of 12 months referred to in this certificate.		Please Respond

Statement of main factors taken into account in making the above declaration

In making the above declaration, the main factors which have been taken into account by the Board of Directors are as follows:

[e.g. key risks to delivery of CRS, assets or subcontractors required to deliver CRS, etc.]

Signed on behalf of the board of directors, and, in the case of Foundation Trusts, having regard to the views of the governors

Signature		**Signature**	
Name	Tessa Green	**Name**	David Probert
Capacity	Chair	**Capacity**	Chief Executive
Date	25 June 2020	**Date**	25 June 2020

Further explanatory information should be provided below where the Board has been unable to confirm declarations under G6.

Worksheet "Training of governors"

Financial Year to which self-certification relates 2019/20 Please Respond

Certification on training of governors (FTs only)

The Board are required to respond "Confirmed" or "Not confirmed" to the following statements. Explanatory information should be provided where required.

Training of Governors

1 The Board is satisfied that during the financial year most recently ended the Licensee has provided the necessary training to its Governors, as required in s151(5) of the Health and Social Care Act, to ensure they are equipped with the skills and knowledge they need to undertake their role. — Confirmed — OK

Signed on behalf of the Board of directors, and, in the case of Foundation Trusts, having regard to the views of the governors

Signature		**Signature**	
Name	Tessa Green	**Name**	David Probert
Capacity	Chair	**Capacity**	Chief executive
Date	25 June 2020	**Date**	25 June 2020

Further explanatory information should be provided below where the Board has been unable to confirm declarations under s151(5) of the Health and Social Care Act

A

Evidence to support G6 and FT4 compliance statement

Condition	Evidence of compliance	Relevant committee/group
The Board is satisfied that the Licensee applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of health care services to the NHS.	There are systems in place that support good governance. Assurance on this is provided through the audit and risk committee, via both internal and external audit. A detailed explanation of various corporate governance systems is set out in the Annual Governance Statement and in other areas of the annual report.	Audit and risk committee Board of directors
The Board has regard to such guidance on good corporate governance as may be issued by NHS Improvement from time to time	Guidance is circulated to the board as and when it becomes available, and is also scrutinised by board subcommittees where relevant.	All committees and the board of directors
The Board is satisfied that the Licensee has established and implements: (a) Effective board and committee structures; (b) Clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees; and (c) Clear reporting lines and accountabilities throughout its organisation.	The board committee structure is fit for purpose and terms of reference are regularly reviewed. Committees also undertake reviews of their effectiveness. There are governance structures in place that set out reporting lines and lines of accountability. The standing orders of the board of directors and membership council were reviewed in 2019. The standing financial instructions are reviewed and updated annually.	All committees and the board of directors
The Board is satisfied that the Licensee has established and effectively implements systems and/or processes: (a) To ensure compliance with the Licensee's duty to operate efficiently, economically and effectively; (b) For timely and effective scrutiny and oversight	Taking into account the commentary in points 1, 2 and 3, the trust also has in place cycles of business for the board of directors, membership council and other key decision making forums. The Board Assurance Framework is reviewed by the board of directors twice a year and quarterly by the audit and risk committee.	All committees and the board of directors

by the Board of the Licensee's operations; (c) To ensure compliance with health care standards binding on the Licensee including but not restricted to standards specified by the Secretary of State, the Care Quality Commission, the NHS Commissioning Board and statutory regulators of health care professions; (d) For effective financial decision-making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Licensee's ability to continue as a going concern); (e) To obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision-making; (f) To identify and manage (including but not restricted to manage through forward plans) material risks to compliance with the Conditions of its Licence; (g) To generate and monitor delivery of business plans (including any changes to such plans) and to receive internal and where appropriate external assurance on such plans and their delivery; and (h) To ensure compliance with all applicable legal requirements.	The board receives regular reports on finance, operational performance, quality and strategy. The board also receives presentations from the divisions to ascertain the position against performance trajectories, opportunities for growth and risks/uncertainties.	
The Board is satisfied that the systems and/or processes referred to in paragraph 4 (above) should include but not be restricted to systems and/or processes to ensure: (a) That there is sufficient capability at Board level	There is a succession plan in place and development sessions for the whole board and executive directors. The board receives a number of reports on quality of care. A committee of the board, the quality &	Quality and safety committee People and culture committee Audit and risk committee Remuneration and nominations committee

to provide effective organisational leadership on the quality of care provided; (b) That the Board's planning and decision-making processes take timely and appropriate account of quality of care considerations; (c) The collection of accurate, comprehensive, timely and up to date information on quality of care; (d) That the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care; (e) That the Licensee, including its Board, actively engages on quality of care with patients, staff and other relevant stakeholders and takes into account as appropriate views and information from these sources; and (f) That there is clear accountability for quality of care throughout the Licensee including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate.	safety committee, is dedicated to looking in detail at quality issues and this committee reports to the board following each meeting. The chair of the quality & safety committee also sits on the audit and risk committee to make sure that there is sufficient cross representation between the two. The audit and risk committee chair has access to the quality & safety committee papers. The board reviews the annual quality report, which forms part of the annual report and accounts. A number of risks on the board assurance framework and corporate risk register relate to care and are regularly reviewed. All serious incidents and/or never events are reported to the board.	
The Board is satisfied that there are systems to ensure that the Licensee has in place personnel on the Board, reporting to the Board and within the rest of the organisation who are sufficient in number and appropriately qualified to ensure compliance with the conditions of its NHS provider licence.	All executive and non-executive director posts are occupied. There is a clear set of guidelines around ensuring those individuals comply with the fit and proper persons regulations and an annual assurance report to the board.	Remuneration and nominations committee
The Board is satisfied that during the financial year most recently ended the Licensee has provided the necessary training to its Governors,	The trust has a group of experienced governors that have been involved in the trust for a number of years.	Membership Council

as required in s151(5) of the Health and Social Care Act, to ensure they are equipped with the skills and knowledge they need to undertake their role.	New governors meet with the chairman and company secretary as part of their induction, and to assess any development needs. An induction pack has been developed that provides governors with key information about the trust, including its structure, strategy, governance and leadership. This is given to all governors. Governors attend regular briefing sessions on the work of the trust committees in order to bring them up to speed on the issues that are being discussed. Other ad-hoc meetings are arranged about relevant areas. Governors have established two subgroups that look at governance and membership engagement and have access to third party expertise as and when necessary. Governors have access to non-executive and executive directors at every membership council meeting. Governors have meetings with the relevant divisional management teams or executives/senior leaders as appropriate. NHS Providers (through their GovernWell arm) provide a variety of governor training courses to which all governors are invited to attend.	

Chief Executive's report

The COVID-19 Pandemic

I would like to provide continued assurance to the board about the **Trust response to the COVID-19** pandemic.

The trust continues to follow all guidance from Public Health England (PHE), NHS Executive and Improvement (NHSE/I) and the Department of Health and Social Care (DHSC). We continue to fulfil our obligations as a major public body and health provider with regard to **emergency planning and contingency** during a Level 4 national incident and are still providing high quality emergency and urgent care across seven sites.

There are currently no concerns within the trust around provision of **PPE (personal protective equipment).** The trust is part of the procurement partnership service (PPS) which is managing stock controls for a number of trusts across North Central London (NCL). Divisions continue to receive daily reports on stock which is being controlled from a central point within the organisation.

The trust continues to work within the **principles for Infection Prevention and Control guidance** for London. The most recent guidance includes the wearing of face masks in communal areas when two-metre distancing cannot be achieved. This has been implemented fully from 15 June. The guidance also incorporates staff and patient testing. The trust has commenced antibody testing for staff which is an optional blood test that can detect the presence of antibodies (suggesting that you have had the COVID-19 virus). The trust will also be offering antigen testing (a swab test) to asymptomatic staff who work in high risk clinical areas. This testing programme will determine the prevalence of the virus in asymptomatic staff and will help the trust reduce the risk of asymptomatic transmission.

The recent Public Health England (PHE) review showed that those from **Black, Asian and Minority Ethnic (BAME)** backgrounds are disproportionately affected by COVID-19. A significant proportion of our staff are from BAME backgrounds and it is essential that we take all reasonable measures to ensure the safety and wellbeing of all our staff who have remained or are returning to their roles on our sites.

Therefore, in collaboration with other NHS organisations in North Central London, we have developed and have been using a **Staff Risk Assessment Framework** to assess staff risk and inform decisions about additional measures where necessary. The risks to staff with underlying health conditions and pregnancy are well known and evidence also suggests that the impact is higher among men, the overweight and those in the higher age brackets. This framework brings together all these factors in one assessment tool to ensure a robust and consistent approach to managing the risk to potentially vulnerable staff, including those from a BAME background. The first round of assessments was completed in late May at Northwick Park and the assessments are now due for trust wide completion by 19 June with a further roll-out for staff returning in subsequent weeks.

The focus for the trust internally is on the **recovery of clinical services** and detailed plans continue to be developed by services and divisions to make sure this is done in light of new infection control procedures and social distancing measures. We are involving governors and patients in the development of these plans The recovery oversight committee continues to provide oversight and assurance to the board on the development and implementation of the trust recovery plan, including the quality and safety impact, financial impact, workforce impact, any proposed system-wide approach and the strategic alignment between research & development, education and operational delivery.

Integrated Care Systems (ICSs) and NHS London

Moorfields continues to work positively and collaboratively with NHS London and the five ICSs across London to support the recovery of elective services. The trust has formally been confirmed as the Lead Provider for ophthalmology in South West London and as others confirm their leadership models we hope very much that at ICS level we can also take on positions of responsibility and leadership to ensure the best and most equitable access for Londoners of ophthalmic diagnosis, care and treatment.

During this time of elective service recovery both Johanna Moss and I have been asked to take on part time leadership positions within NHS London as part of the elective surgical programme. I have also been asked to extend my support to the video consultation programme at NHS England to more widely support elective care recovery.

People

I would like to formally welcome Nick Roberts to the board as our new **Chief Information Officer**. Nick joins the trust from UCLH in June and replaces Lisa Steele, who has retired from the NHS. I would like to thank Lisa on behalf of the board for her hard work and commitment to the organisation over the last six years.

Moorfields Eye Charity has given the Friends of Moorfields a £300,000 grant to support its **volunteer programme** over the next three years. Both charities work together to support the trust and make a difference to the lives of people with sight loss.

The Friends of Moorfields manage the patient facing volunteer programme at Moorfields with clinic support, patient guides, information desks and hand holders in surgical theatres and injection clinics. There are currently over 230 registered volunteers who provide over 800 hours of support each week and this extra support provided to patients is one of the reasons the trust has such a good reputation for world-class patient care.

Finance

The trust again achieved a breakeven position in-month without the need for further central funding support. The funding regime instigated for the April to July period consists of core funding based on an average of commissioner income for the period November 2019 – January 2020, with additional top-ups to meet any expenditure shortfalls. Whilst patient activity was 70% lower than planned, movements in the trust cost base associated with those activity reductions resulted in total costs being marginally lower than the funding received in May. Unutilised central support now stands at £0.48m, and a cumulative break-even position reported. Cash balances stood at £72.7m at the end of May, ahead of plan and equating to 109 days of working capital liquidity. Capital expenditure in May was £0.7m, of which £0.4m related to Oriel.

David Probert
Chief Executive
June 2020

Report to Trust Board	
Report Title	**Integrated Performance Report - May 2020**
Report from	John Quinn, Chief Operating Officer
Prepared by	Performance And Information Department
Previously discussed at	Trust Management Committee
Attachments	

Brief Summary of Report

The Integrated Performance Report highlights a series of metrics regarded as Key Indicators of Trust Performance and cover a variety of organisational activities within Operations, Quality and Safety, Workforce, Finance, Research, Commercial and Private Patients . The report uses a number of mechanisms to put performance into context, showing achievement against target, in comparison to previous periods and as a trend. The report also identifies additional information and Remedial Action Plans for KPIs falling short of target and requiring improvement.

Executive Summary

Due to the COVID pandemic there are a number of key performance targets that have been affected. The organisational focus in May was to continue the response phase of the pandemic and start the recovery phase in line with national guidance.

Activity levels have been reduced to urgent patients only. This was undertaken through the clinical prioritisation with the consultant body. National cancer targets are being met (including the locally agreed 14 day target) and the cancer patients are a key priority. A&E continues to deliver the target however the other national access targets have not been met due to the pandemic.

We have continued to see a reduction in performance in the patient centred care theme and this is due to a focus being on initial response to COVID and divisions focussing there time on other activities. It was expected last month that these targets could be picked up however further effort on response to pandemic and recovery have meant key staff have been focussed elsewhere This will continue to be monitored closely.

It can be expected that standards set in the IPR may fluctuate more than usual due to COVID and also during the recovery period.

A further set of KPI which monitor COVID recovery is included as an addendum.

Action Required/Recommendation

The report is primarily for information purposes but will inform discussion regarding how the Trust is performing against its key organisational measures. This may in turn generate subsequent action.

For Assurance	X	For decision		For discussion		To Note	

Trust Executive Summary By Scorecard Domain - May 2020

Service Excellence (Ambitions)

Patient Centred Care

	G	A	R
Total	**26**	**0**	**8**
Cancer	5	0	0
Access & Outpatients	4	0	3
Admitted	4	0	2
Quality & Safety	13	0	3
Private Patients	0	0	0

Collaborative Research

G	A	R
0	0	0

Innovation & Education

G	A	R
0	**0**	**0**

Influence National Policy

G	A	R
0	**0**	**0**

People (Enablers)

Workforce Metrics

G	A	R
2	**0**	**2**

Staff Satisfaction & Advocacy

G	A	R
0	**0**	**0**

Infrastructure & Culture (Enablers)

Digital Delivery

G	A	R
1	**0**	**1**

Research

G	A	R
3	**0**	**0**

Education

G	A	R
3	**0**	**0**

Financial Health & Enterprise (Enablers)

Overall Plan

G	A	R
1	**0**	**0**

Commercial Operations

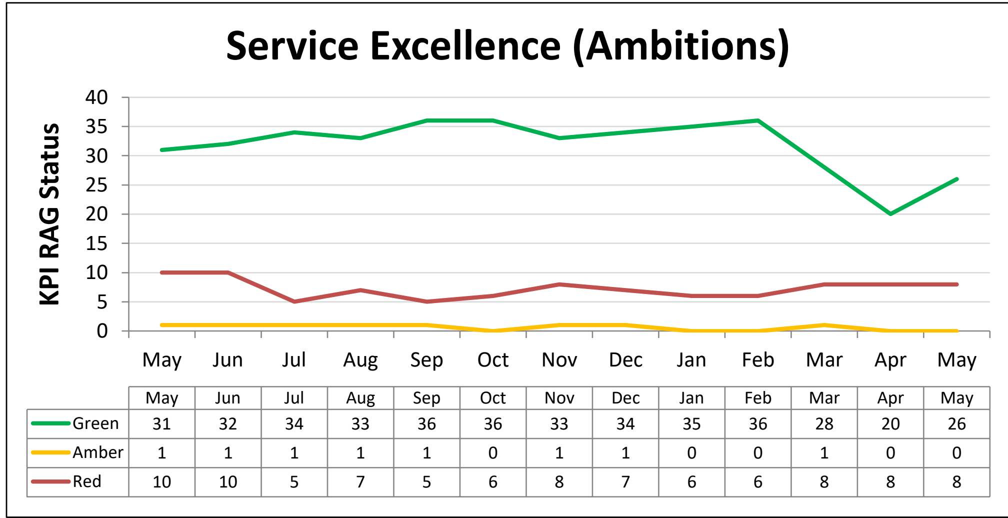
G	A	R
0	**0**	**1**

Cost Improvement Plans

G	A	R
0	**0**	**0**

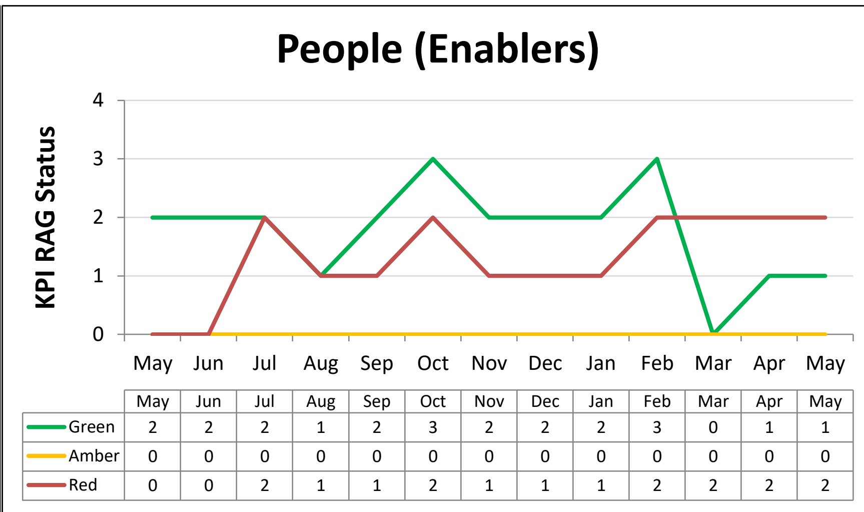
Executive Summary - Scorecard Domain Trends

Service Excellence (Ambitions)



	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Green	31	32	34	33	36	36	33	34	35	36	28	20	26
Amber	1	1	1	1	1	0	1	1	0	0	1	0	0
Red	10	10	5	7	5	6	8	7	6	6	8	8	8

People (Enablers)



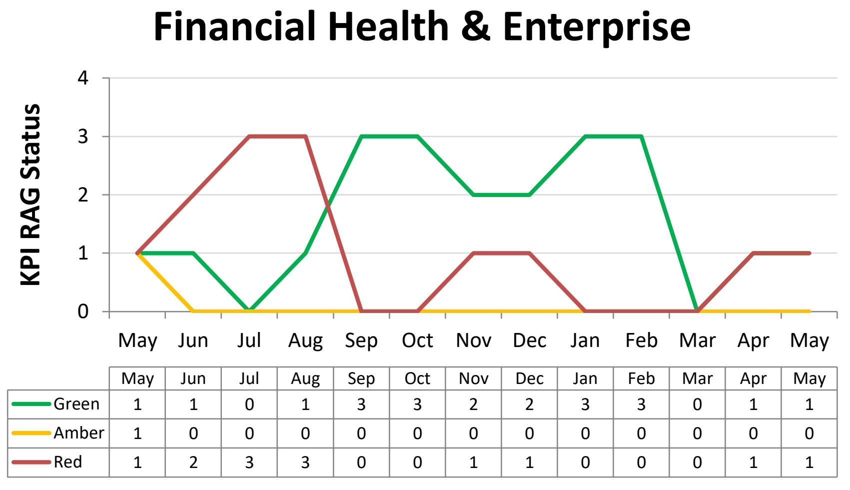
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Green	2	2	2	1	2	3	2	2	2	3	0	1	1
Amber	0	0	0	0	0	0	0	0	0	0	0	0	0
Red	0	0	2	1	1	2	1	1	1	2	2	2	2

Infrastructure & Culture (Enablers)

KPI RAG Status

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Green	5	3	3	3	2	2	1	4	4	2	4	4	7
Amber	2	1	1	1	1	1	0	0	0	1	0	0	0
Red	1	1	1	1	1	2	1	1	1	2	1	1	1

Financial Health & Enterprise



	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Green	1	1	0	1	3	3	2	2	3	3	0	1	1
Amber	1	0	0	0	0	0	0	0	0	0	0	0	0
Red	1	2	3	3	0	0	1	1	0	0	0	1	1

Context - Overall Activity - May 2020

		May 2020		Monthly Variance	Year To Date		YTD Variance
		2019/20	2020/21		2019/20	2020/21	
Accident & Emergency	A&E Arrivals (All Type 2)	8,805	4,981	- 43.4%	17,223	8,446	- 51.0%
	Number of 4 hour breaches	146	2	- 98.6%	195	3	- 98.5%
Outpatient Activity	Number of Referrals Received	12,898	2,823	- 78.1%	25,028	5,024	- 79.9%
	Total Attendances	51,877	11,268	- 78.3%	99,897	19,779	- 80.2%
	First Appointment Attendances	11,364	2,555	- 77.5%	21,957	4,340	- 80.2%
	Follow Up (Subsequent) Attendances	40,513	8,713	- 78.5%	77,940	15,439	- 80.2%
Admission Activity	Total Admissions	3,403	324	- 90.5%	6,454	563	- 91.3%
	Day Case Elective Admissions	3,038	169	- 94.4%	5,754	214	- 96.3%
	Inpatient Elective Admissions	89	21	- 76.4%	200	71	- 64.5%
	Non-Elective (Emergency) Admissions	276	134	- 51.4%	500	278	- 44.4%

These figures are not subject to any finance or commissioning business logic. They present all activity, whether chargeable or not

Domain	Service Excellence (Ambitions)	May 2020

Theme	Metric Description	Target	Current	RAP Pg	Year to Date	Reporting Frequency	Feb 20	Mar 20	Apr 20	May 20	13 Month Series	vs. Last
Patient Centred Care (Cancer)	Cancer 2 week waits - first appointment urgent GP referral	≥93%	G		100.0%	Monthly	100.0%	100.0%	100.0%	100.0%		→
	Cancer 14 Day Target - NHS England Referrals (Ocular Oncology)	≥93%	G		92.6%	Monthly	92.5%	86.2%	88.9%	94.4%		↑
	Cancer 31 day waits - Decision to Treat to First Definitive Treatment	≥96%	G		100.0%	Monthly	100.0%	100.0%	100.0%	100.0%		
	Cancer 31 day waits - Decision to Treat to Subsequent Treatment	≥94%	G		100.0%	Monthly	100.0%	100.0%	100.0%	100.0%		
	Cancer 62 days from Urgent GP Referral to First Definitive Treatment	≥85%			n/a	Monthly	100.0%	100.0%	n/a	n/a		
	Cancer 28 Day Faster Diagnosis Standard	≥85%	G		100.0%	Monthly	83.3%	85.7%	100.0%	100.0%		→
Patient Centred Care (Access & Outpatients)	18 Week RTT Incomplete Performance	≥92%	R		75.5%	Monthly	93.6%	90.9%	82.7%	68.4%		↓
	52 Week RTT Incomplete Breaches	Zero Breaches	R		11	Monthly	0	0	1	10		↑
	A&E Four Hour Performance	≥95%	G		100.0%	Monthly	99.9%	99.7%	100.0%	100.0%		→
	Percentage of Diagnostic waiting times less than 6 weeks	≥99%	R		50.0%	Monthly	100.0%	100.0%	83.2%	24.2%		↓
	Average Call Waiting Time	≤ 3 Mins (180 Sec)	G		n/a	Monthly	91	n/a	n/a	43		♦
Patient Centred Care (Access & Outpatients)	Median Clinic Journey Times - New Patient appointments	Mth:≤ 95Mins	G		67	Monthly	99	99	71	64		↓
	Median Clinic Journey Times -Follow Up Patient appointments	Mth:≤ 85Mins	G		65	Monthly	94	87	65	66		↑

Where issued for a metric, the page number of the Remedial Action Plan (RAP) can be found in column 'RAP Pg'

Domain	Service Excellence (Ambitions)	May 2020

Theme	Metric Description	Target	Current	RAP Pg	Year to Date	Reporting Frequency	Feb 20	Mar 20	Apr 20	May 20	13 Month Series	vs. Last
Patient Centred Care (Admitted)	Theatre Cancellation Rate (Overall)	≤7.0%	G		3.5%	Monthly	6.8%	10.4%	2.5%	4.3%		↑
	Theatre Cancellation Rate (Non-Medical Cancellations)	≤0.8%	G		0.00%	Monthly	0.77%	1.27%	0.00%	0.00%		→
	Number of non-medical cancelled operations not treated within 28 days	Zero Breaches	G		0	Monthly	1	n/a	n/a	0		→
	Mixed Sex Accommodation Breaches	Zero Breaches	G		0	Monthly	0	0	0	0		→
	Percentage of Emergency re-admissions within 28 days following an elective or emergency spell at the Provider (excludes Vitreoretinal)	≤ 2.67%	R		n/a	Monthly (Rolling 3	3.01%	3.53%	2.42%	3.09%		↑
	VTE Risk Assessment	≥95%	R		85.5%	Monthly	99.1%	97.9%	95.0%	79.0%		↓
	Posterior Capsular Rupture rates	≤1.95%			n/a	Monthly	1.41%	0.35%	n/a	n/a		
Patient Centred Care (Quality & Safety)	Occurrence of any Never events	Zero Events	G		0	Monthly	0	0	0	0		→
	Endopthalmitis Rates - Aggregate Score	Zero Non-Compliant				Quarterly		tbc				
	MRSA Bacteraemias Cases	Zero Cases	G		0	Monthly	0	0	0	0		→
	Clostridium Difficile Cases	Zero Cases	G		0	Monthly	0	0	0	0		→
	Escherichia coli (E. coli) bacteraemia bloodstream infection (BSI) - cases	Zero Cases			0	Monthly	0	0	0	n/a		
	MSSA Rate - cases	Zero Cases			0	Monthly	0	0	0	n/a		
	Inpatient (Overnight) Ward Staffing Fill Rate	≥90%	G		96.7%	Monthly	95.2%	94.9%	99.0%	94.9%		↓
	Inpatient Scores from Friends and Family Test - % positive	≥90%	G		95.4%	Monthly	95.7%	95.9%	n/a	95.4%		◆
	A&E Scores from Friends and Family Test - % positive	≥90%	G		94.7%	Monthly	93.2%	94.1%	n/a	94.7%		◆
	Outpatient Scores from Friends and Family Test - % positive	≥90%	G		91.6%	Monthly	94.1%	94.3%	n/a	91.6%		◆
	Paediatric Scores from Friends and Family Test - % positive	≥90%	G		91.9%	Monthly	95.4%	95.3%	n/a	91.9%		◆

Where issued for a metric, the page number of the Remedial Action Plan (RAP) can be found in column 'RAP Pg'

Domain	Service Excellence (Ambitions)					May 2020						
Theme	**Metric Description**	**Target**	**Current**	**RAP Pg**	**Year to Date**	**Reporting Frequency**	**Feb 20**	**Mar 20**	**Apr 20**	**May 20**	**13 Month Series**	**vs. Last**
Patient Centred Care (Quality & Safety)	Summary Hospital Mortality Indicator	Zero Cases	G		0	Monthly	0	0	0	0		→
	NHS England/NHS Improvement Patient Safety Alerts breached	Zero Alerts	G		n/a	Monthly	0	0	0	0		→
	Percentage of responses to written complaints sent within 25 days	≥80%	G		100.0%	Monthly (Month in	81.8%	76.0%	69.6%	100.0%		
	Percentage of responses to written complaints acknowledged within 3 days	≥80%	G		100.0%	Monthly	76.0%	82.6%	100.0%	100.0%		→
	Freedom of Information Requests Responded to Within 20 Days	≥90%	R		78.9%	Monthly (Month in	100.0%	90.7%	87.9%	78.9%		
	Subject Access Requests (SARs) Responded To Within 28 Days	≥90%	G		100.0%	Monthly (Month in	100.0%	98.1%	89.8%	100.0%		
	Number of Serious Incidents remaining open after 60 days	Zero Cases	R		2	Monthly	0	0	1	1		→
	Number of Incidents (excluding Health Records incidents) remaining open after 28 days	≤ 20 Open	R		n/a	Monthly	0	0	0	80		↑
Collaborative Research	Total patient recruitment to NIHR portfolio adopted studies (YTD cumulative)	≥1800			18	Monthly	73	29	14	4		↓
	Percentage of Trust Patients Recruited Into Research Projects	≥2%			n/a	Monthly	3.1%	3.6%	3.6%	n/a		

Where issued for a metric, the page number of the Remedial Action Plan (RAP) can be found in column 'RAP Pg'

Domain	People (Enablers)	May 2020

Theme	Metric Description	Target	Current	RAP Pg	Year to Date	Reporting Frequency	Feb 20	Mar 20	Apr 20	May 20	13 Month Series	vs. Last
Workforce Metrics	Appraisal Compliance	≥80%	R		n/a	Monthly	78.5%	74.2%	69.1%	68.0%		↓
	Information Governance Training Compliance	≥95%	R		n/a	Monthly	93.8%	94.6%	94.0%	94.7%		↑
	Staff Turnover (Rolling Annual Figure)	≤15%	G		n/a	Monthly	14.6%	n/a	12.6%	12.2%		↓
	Proportion of Temporary Staff	RAG as per Spend	G		4.3%	Monthly	12.0%	12.6%	4.1%	4.6%		↑
Staff Satisfaction & Advocacy	Percentage of Staff agreeing with the staff survey statement "If a friend or relative needed treatment, I would be happy with the standard of care provided by this organisation"	≥90%			n/a	Quarterly		tbc				
	Percentage of Staff agreeing with the staff survey statement "I would recommend my organisation as a place to work"	≥70%			n/a	Quarterly		tbc				

Where issued for a metric, the page number of the Remedial Action Plan (RAP) can be found in column 'RAP Pg'

Domain	Infrastructure & Culture (Enablers)	May 2020

Theme	Metric Description	Target	Current	RAP Pg	Year to Date	Reporting Frequency	Feb 20	Mar 20	Apr 20	May 20	13 Month Series	vs. Last
	Data Quality - Ethnicity recording (Outpatient and Inpatient)	≥94%	R		90.8%	Monthly	89.7%	89.6%	89.7%	92.0%		↑
	Data Quality - Ethnicity recording (A&E)	≥94%	G		99.9%	Monthly	99.9%	99.9%	99.9%	99.9%		→
Research	70 Day To Recruit First Research Patient	≥80%	G		100.0%	Monthly	100.0%	100.0%	100.0%	100.0%		→
Research	Percentage of Research Projects Achieving Time and Target	≥65%	G		68.8%	Monthly	66.7%	68.8%	68.8%	68.8%		→
Research	Percentage of Patients Recruited Against Target (Studies Closed In Month)	100%	G		186.6%	Monthly	100.0%	180.3%	186.6%	186.6%		→

Where issued for a metric, the page number of the Remedial Action Plan (RAP) can be found in column 'RAP Pg'

Domain	Financial Health & Enterprise (Enablers)	May 2020

Theme	Metric Description	Target	Current	RAP Pg	Year to Date	Reporting Frequency	Feb 20	Mar 20	Apr 20	May 20	13 Month Series	vs. Last
Overall Plan	Overall financial performance (In Month Var. £m)	≥0	G		4.38	Monthly	0.27	0.74	2.56	1.82		↓
	Distance from Financial Plan (Current in Trust Metric : Trust Underlying Overall Position - Surplus / Deficit)	1			n/a	Monthly	1	1	n/a	n/a		
Commercial Operations	Commercial Trading Unit Position (In Month Var. £m)	≥0	R		-2.35	Monthly	-0.09	-0.77	-1.29	-1.05		↑
Cost Impovement Plans	Cost Improvement Plan Variance	≥0			n/a	Monthly	-0.23	n/a	n/a	n/a		

Where issued for a metric, the page number of the Remedial Action Plan (RAP) can be found in column 'RAP Pg'

Agenda item 10

Finance report

Board of directors 25 June 2020

Report title	Monthly Finance Performance Report Month 02 – May 2020
Report from	Jonathon Wilson, Chief Financial Officer
Prepared by	Justin Betts, Deputy Chief Financial Officer
Link to strategic objectives	Deliver financial sustainability as a Trust

Executive summary

Since the NHS emergency response to COVID in March 2020, Operational planning nationally has been formally suspended. The Annual Plan and in-month plan values in this report represent the Trusts draft 2020/21 Financial Plan approved by the Trust Board and submitted to NHS Improvement on the 5th March 2020 with efficiency savings removed.

Please note therefore that variances to plan provide an indication only as to how income and expenditure patterns have changed.

For May the Trust is reporting :-

- **a deficit of £10.53m** prior to block payment support; (£21.98m deficit YTD)
- **a breakeven position** adjusting for block payment income support.

Compared to initial plans, the Trust is reporting:-

- **£12.99m less income** than would be expected, (£26.9m YTD) offset by
- **£ 1.40m less pay**, and
- **£ 3.00m less non pay** operating expenditure.

Financial Performance £m	Annual Plan	In Month			Year to Date		
		Plan	Actual	Variance	Budget	Actual	Variance
Income	£251.4m	£19.1m	£16.6m	(£2.5m)	£38.1m	£33.2m	(£4.9m)
Pay	(£138.6m)	(£11.5m)	(£10.1m)	£1.4m	(£23.1m)	(£20.3m)	£2.8m
Non Pay	(£104.3m)	(£8.7m)	(£5.7m)	£3.0m	(£17.8m)	(£11.1m)	£6.7m
Financing & Adjustments	(£9.4m)	(£0.8m)	(£0.9m)	(£0.1m)	(£1.6m)	(£1.7m)	(£0.2m)
CONTROL TOTAL	**(£0.8m)**	**(£1.8m)**	**(£0.0m)**	**£1.8m**	**(£4.4m)**	**£0.0m**	**£4.4m**

Efficiency scheme performance will remain unreported during the Covid-19 response period. Within the plan submitted to board these totalled £0.766m YTD.

Quality implications
Patient safety has been considered in the allocation of budgets.

Financial implications
Delivery of the financial control total will result in the Trust being eligible for additional benefits that will support its future development.

Risk implications
Potential risks have been considered within the reported financial position and the financial risk register is discussed at the Audit Committee.

Action Required/Recommendation
The board is asked to consider and discus the attached report.

For Assurance		**For decision**		**For discussion**	✓	**To note**	✓

Monthly Finance Performance Report
For the period ended 31st May 2020 (Month 02)

Presented by	Jonathan Wilson; Chief Financial Officer
Prepared by	Justin Betts; Deputy Chief Finance Officer Amit Patel; Head of Financial Management Lubna Dharssi, Head of Financial Control

Monthly Finance Performance Report

For the period ended 31st May 2020 (Month 02)

Key Messages

Statement of Comprehensive Income

Operational Planning	Since the NHS emergency response to COVID in March 2020, Operational planning nationally has been formally suspended. The Annual Plan and in-month plan values in this report represent the Trusts draft 2020/21 Financial Plan approved by the Trust Board and submitted to NHS Improvement on the 5th March 2020. Please note therefore that variances to plan provide an indication only as to how income and expenditure patterns have changed.
Financial Position £10.53m deficit pre support	For May the Trust is reporting :- • **a deficit of £10.53m** prior to block payment support (£22.0m YTD); • **a breakeven position** adjusting for block payment income support. Compared to initial plans, the Trust is reporting:- • **£12.99m less income** than would be expected; offset by • **£ 1.40m less pay**; and • **£ 2.98m less non pay** operating expenditure (£1.1m drugs).
Income £12.99m less than plan	Total Trust income is £12.99m less than would be expected, consists of: • Clinical activity income losses £10.11m; • Commercial income losses £1.78m; • Research income losses £0.59m; and • Other income losses including Bedford £0.53m. Activity income, if reimbursed by normal contracting arrangements would total £4.3m compared to a plan of £14.37m, an £10.06m adverse variance.
Expenditure £4.37m less than plan (pay, non pay, excl financing)	Pay costs are £1.40m below plan, with bank and agency costs £0.89m less than 2019/20 average expenditure levels. Non-pay costs are £2.98m below plan mainly due to Drugs (£1.11m), Clinical Supplies (£1.00m), of which Commercial expenditure is (£0.49m).

Cash and Working Capital Position	The cash balance at the 31st May is £72.7m significantly higher than initially planned, primarily due to block income payments in advance, and top-up payments received by the Trust to ensure NHS organisation have sufficient cash to deal with the initial emergency COVID response.
Capital (both gross capital expenditure and CDEL)	Revised capital allocations for Trusts, and STP's were notified in May totally a limit £13.7m for Moorfields. Current capital plans are being reviewed in light of post COVID recovery and responses. Capital spend to May totalled £1.2m m primarily linked to Oriel (£0.8m).
Use of Resources	Current use of resources monitoring has been suspended.

Trust Financial Performance - Financial Dashboard Summary

FINANCIAL PERFORMANCE

Financial Performance £m	Annual Plan	In Month Plan	In Month Actual	In Month Variance	Year to Date Budget	Year to Date Actual	Year to Date Variance	%	RAG
Income	£251.4m	£19.1m	£16.6m	(£2.5m)	£38.1m	£33.2m	(£4.9m)	(13)%	
Pay	(£138.6m)	(£11.5m)	(£10.1m)	£1.4m	(£23.1m)	(£20.3m)	£2.8m	12%	
Non Pay	(£104.3m)	(£8.7m)	(£5.7m)	£3.0m	(£17.8m)	(£11.1m)	£6.7m	37%	
Financing & Adjustments	(£9.4m)	(£0.8m)	(£0.9m)	(£0.1m)	(£1.6m)	(£1.7m)	(£0.2m)	(11)%	
CONTROL TOTAL	**(£0.8m)**	**(£1.8m)**	**(£0.0m)**	**£1.8m**	**(£4.4m)**	**£0.0m**	**£4.4m**	100%	

Memorandum Items	Annual Plan	In Month Plan	In Month Actual	In Month Variance	Year to Date Budget	Year to Date Actual	Year to Date Variance	%	RAG
Research & Development	(£2.18m)	(£0.18m)	(£0.87m)	(£0.69m)	(£0.38m)	(£1.86m)	(£1.48m)	(389)%	
Commercial Trading Units	£5.42m	£0.14m	(£0.91m)	(£1.05m)	£0.44m	(£1.93m)	(£2.35m)	(533)%	
ORIEL Revenue	(£2.45m)	£0.39m	(£0.08m)	(£0.47m)	(£0.20m)	(£0.13m)	£0.07m	36%	

INCOME BREAKDOWN RELATED TO ACTIVITY

Income Breakdown £m	Annual Plan	Year to Date Budget	Year to Date Actual	Year to Date Variance	RAG	Forecast Plan	Forecast Actual	Forecast Variance
NHS Clinical Income	£145.5m	£22.0m	£4.4m	(£17.6m)		-	-	-
Pass Through	£41.1m	£6.1m	£3.4m	(£2.8m)		-	-	-
Other NHS Clinical Income	£9.8m	£1.5m	£0.6m	(£0.9m)		-	-	-
Commercial Trading Units	£33.9m	£5.0m	£1.0m	(£3.9m)		-	-	-
Research & Development	£11.7m	£2.1m	£0.8m	(£1.3m)		-	-	-
Other	£8.6m	£1.5m	£1.1m	(£0.4m)		-	-	-
INCOME PRE TOP-UP	**£250.5m**	**£38.1m**	**£11.2m**	**(£26.9m)**		-	-	-
FRF/Block Payment Top Up	£0.8m	-	£22.0m	£22.0m		-	-	-
TOTOAL OPERATING REVENUE	**£251.4m**	**£38.1m**	**£33.2m**	**(£4.9m)**		-	-	-

RAG Ratings Red > 3% Adverse Variance, Amber < 3% Adverse Variance, Green Favourable Variance, Grey Not applicable

PAY AND WORKFORCE

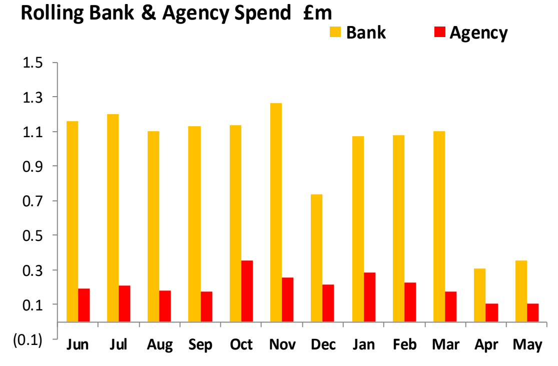
Pay & Workforce £m	Annual Plan	In Month Plan	In Month Actual	In Month Variance	Year to Date Budget	Year to Date Actual	Year to Date Variance	% Total
Employed	(£136.2m)	(£11.3m)	(£9.6m)	£1.70m	(£22.7m)	(£19.4m)	£3.36m	95%
Bank	(£1.9m)	(£0.2m)	(£0.4m)	(£0.19m)	(£0.3m)	(£0.7m)	(£0.34m)	3%
Agency	-	-	(£0.1m)	(£0.10m)	-	(£0.2m)	(£0.21m)	1%
Other	(£0.5m)	(£0.0m)	(£0.0m)	£0.00m	(£0.1m)	(£0.1m)	£0.00m	0%
TOTAL PAY	**(£138.6m)**	**(£11.5m)**	**(£10.1m)**	**£1.40m**	**(£23.1m)**	**(£20.3m)**	**£2.81m**	

Rolling Pay Spend £m

Substantive Bank Agency Other

12.0 11.5 11.0 10.5 10.0 9.5 9.0 8.5 8.0

Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May



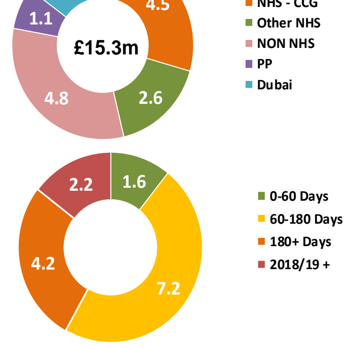
CASH, CAPITAL AND OTHER KPI'S

Capital Programme £m	Annual Plan	Year to Date Budget	Year to Date Actual	Year to Date Variance	RAG	Forecast Budget	Forecast Actual	Forecast Variance
Trust Funded	(£13.7m)	(£1.0m)	(£1.2m)	£0.2m		-	-	-
Donated/Externally funded	(£1.4m)	-	(£0.0m)	£0.0m		-	-	-
TOTAL	**£15.1m**	**£1.0m**	**£1.2m**	**£0.2m**		-	-	-

Key Metrics	Plan	Actual	RAG
Cash	39.1	72.7	
Debtor Days	45	28	
Creditor Days	45	32	
PP Debtor Days	65	50	

Use of Resources	Plan	Actual
Capital service cover rating	-	-
Liquidity rating	-	-
I&E margin rating	-	-
I&E margin: distance from fin. plan	-	-
Agency rating	-	-
OVERALL RATING	**-**	**-**

Net Receivables/Ageing £m



Trust Income & Expenditure Performance

FINANCIAL PERFORMANCE

Statement of Comprehensive Income £m	Annual Plan	In Month					Year to Date				
		Plan	Actual	Variance	%	RAG	Plan	Actual	Variance	%	RAG
Income											
NHS Commissioned Clinical Income	186.60	14.32	4.22	(10.11)	(71)%		28.08	7.72	(20.36)	73%	
Other NHS Clinical Income	9.80	0.75	0.32	(0.44)	(58)%		1.47	0.60	(0.87)	59%	
Commercial Trading Units	33.87	2.37	0.60	(1.78)	(75)%		4.96	1.04	(3.91)	(79)%	
Research & Development	11.67	0.95	0.37	(0.59)	(62)%		2.09	0.77	(1.33)	63%	
Other Income	8.60	0.70	0.62	(0.09)	(12)%		1.52	1.09	(0.43)	28%	
Total Income	**250.54**	**19.10**	**6.11**	**(12.99)**	(68)%		**38.12**	**11.22**	**(26.90)**	**71%**	
Operating Expenses											
Pay	(138.56)	(11.46)	(10.07)	1.40	12%		(23.11)	(20.31)	2.81	12%	
Drugs	(38.59)	(2.93)	(1.82)	1.11	38%		(5.74)	(3.23)	2.50	44%	
Clinical Supplies	(21.66)	(1.66)	(0.66)	1.00	60%		(3.25)	(1.20)	2.05	63%	
Other Non Pay	(44.05)	(4.07)	(3.20)	0.86	21%		(8.83)	(6.71)	2.12	24%	
Total Operating Expenditure	**(242.86)**	**(20.13)**	**(15.75)**	**4.37**	22%		**(40.94)**	**(31.46)**	**9.48**	23%	
EBITDA	*7.68*	*(1.02)*	*(9.64)*	*(8.62)*	(841)%		*(2.81)*	*(20.23)*	*(17.42)*	*(619)%*	
Financing & Depreciation	(10.04)	(0.85)	(0.94)	(0.08)	(10)%		(1.68)	(1.84)	(0.16)	(10)%	
Donated assets/impairment adjustments	0.68	0.06	0.05	(0.01)	(16)%		0.11	0.10	(0.02)	16%	
Control Total Surplus/(Deficit) Pre FRF/Top Up Payments	**(1.67)**	**(1.82)**	**(10.53)**	**(8.71)**	(478)%		**(4.38)**	**(21.98)**	**(17.60)**	(402)%	
Provider PSF/FRF	0.84	-	-	-	0%		-	-	-	0%	
Covid Block Payments Received	-	-	10.82	10.82	0%		-	22.46	22.46	0%	
Covid Top Up Payments	-	-	(0.28)	(0.28)	0%		-	(0.48)	(0.48)	0%	
Post PSF/FRF Control Total Surplus/(Deficit)	**(0.84)**	**(1.82)**	**-**	**1.82**	100%		**(4.38)**	**-**	**4.38**	100%	

Commentary

Operating Income

£12.9m below plan pre support

Trusts received block income payments during May based on an average of 2019/20 income levels to offset anticipated lower activity levels, and potentially greater costs during the initial COVID response.

Clinical activity levels recorded were 70% lower than would normally have been expected during May. If the Trust was reimbursed under activity-based contracting arrangements this income would have totalled £4.22m, £10.11m lower than plan.

In addition to the above, the Trust income losses included Commercial Trading Income (£1.78m lower than plan), Research Income lower than plan (£0.59m) and other NHS/Other income (£0.09m) lower than plan.

This was compensated for via 'block' payments received, shown at the bottom of the table to the left, with organisations instructed to report break-even positions.

Employee Expenses

£1.40m below plan

Total pay costs were £1.40m below plan, with bank and agency costs £0.89m (67%) less than 2019/20 average expenditure levels.

Aside from weekend sessions in A&E all medical local payments have stopped, whilst non-medical clinical temporary staffing is at low levels.

Non Pay Expenses

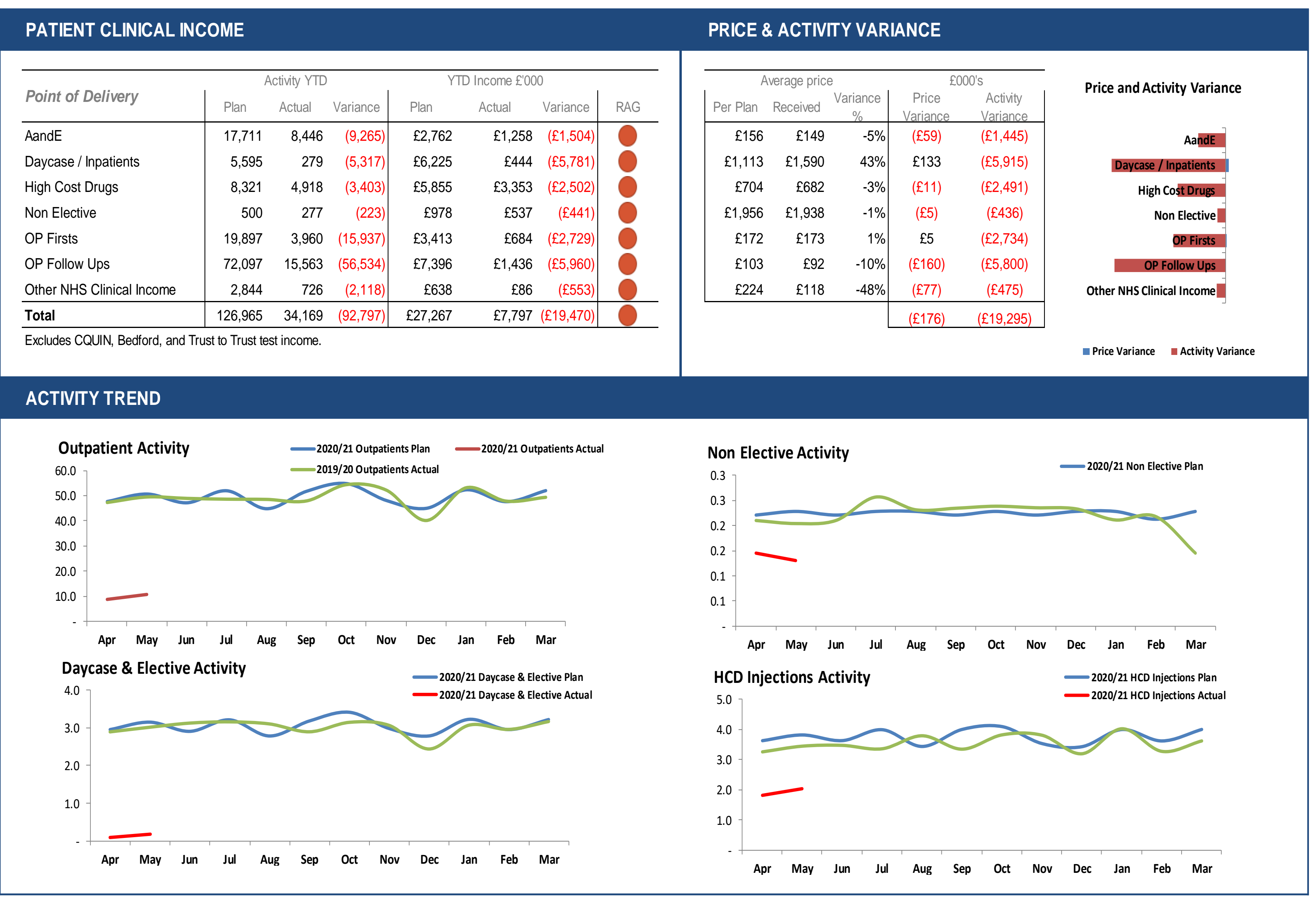
£2.97m below plan

(non pay and financing)

Non pay costs are £2.97m below plan mainly due to Drugs (£1.11m), Clinical Supplies (£1.00m), whilst other expenditure underspent by £0.86m. linked to reduced activity levels.

Cost improvement saving reporting is suspended during the COVID response.

Trust Patient Clinical Income Performance



PATIENT CLINICAL INCOME

Point of Delivery	Activity YTD Plan	Activity YTD Actual	Activity YTD Variance	YTD Income £'000 Plan	YTD Income £'000 Actual	YTD Income £'000 Variance	RAG
AandE	17,711	8,446	(9,265)	£2,762	£1,258	(£1,504)	
Daycase / Inpatients	5,595	279	(5,317)	£6,225	£444	(£5,781)	
High Cost Drugs	8,321	4,918	(3,403)	£5,855	£3,353	(£2,502)	
Non Elective	500	277	(223)	£978	£537	(£441)	
OP Firsts	19,897	3,960	(15,937)	£3,413	£684	(£2,729)	
OP Follow Ups	72,097	15,563	(56,534)	£7,396	£1,436	(£5,960)	
Other NHS Clinical Income	2,844	726	(2,118)	£638	£86	(£553)	
Total	126,965	34,169	(92,797)	£27,267	£7,797	(£19,470)	

Excludes CQUIN, Bedford, and Trust to Trust test income.

PRICE & ACTIVITY VARIANCE

Point of Delivery	Average price Per Plan	Average price Received	Variance %	£000's Price Variance	£000's Activity Variance
AandE	£156	£149	-5%	(£59)	(£1,445)
Daycase / Inpatients	£1,113	£1,590	43%	£133	(£5,915)
High Cost Drugs	£704	£682	-3%	(£11)	(£2,491)
Non Elective	£1,956	£1,938	-1%	(£5)	(£436)
OP Firsts	£172	£173	1%	£5	(£2,734)
OP Follow Ups	£103	£92	-10%	(£160)	(£5,800)
Other NHS Clinical Income	£224	£118	-48%	(£77)	(£475)
Total				(£176)	(£19,295)

ACTIVITY TREND

Commentary

NHS Income

Activity levels recorded during May were 70% below anticipated levels, across all points of delivery.

The charts to the left demonstrate the material shift in activity compared to last financial year and March 2020.

NHS Patient Clinical activity income in May was £4.3m if reimbursed via activity based contracting arrangements.

Trust Statement of Financial Position – Cash, Capital, Receivables and Other Metrics

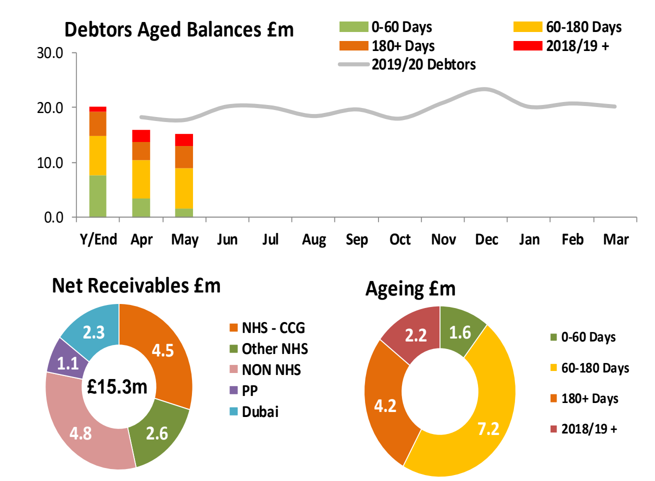
CAPITAL EXPENDITURE

Capital Expenditure £m	Annual Plan	In Month Plan	In Month Actual	In Month Variance	Year to Date Plan	Year to Date Actual	Year to Date Variance
Estates - Trust Funded	-	-	0.1	0.1	-	0.1	0.1
Medical Equipment - Trust Funded	-	-	0.1	0.1	-	0.1	0.1
IT - Trust Funded	-	-	(0.1)	(0.1)	-	(0.1)	(0.1)
ORIEL - Trust Funded	5.8	0.5	0.4	(0.0)	1.0	0.8	(0.1)
Dubai - Trust funded	-	-	-	-	-	-	-
Other - Trust funded	7.9	-	0.2	0.2	-	0.2	0.2
TOTAL - TRUST FUNDED	**13.7**	**0.5**	**0.7**	**0.2**	**1.0**	**1.2**	**0.2**
Donated/Externally funded	1.4	-	0.0	0.0	-	0.0	0.0
TOTAL INCLUDING DONATED	**15.1**	**0.5**	**0.7**	**0.2**	**1.0**	**1.2**	**0.2**

Capital Funding £m	Annual Plan	Secured	Not Yet Secured	% Secured
Planned Total Depreciation	8.0	8.0		100%
Cash Reserves - B/Fwd cash	7.6	7.6		100%
Capital investment loan funding (approved)				0%
Cash Reserves - Other (PSF)				0%
Capital Loan Repayments	(1.8)	(1.8)		100%
TOTAL - TRUST FUNDED	**13.7**	**13.7**	**-**	**100%**
Donated/Externally funded	1.4	1.4		100%
TOTAL INCLUDING DONATED	**15.1**	**15.1**	**-**	**100%**

RECEIVABLES

Net Receivables £m	*0-60 Days*	*60-180 Days*	*180+ Days*	*2017/18 +*	*Total*
CCG Debt	0.1	1.9	2.0	0.5	4.5
Other NHS Debt	0.4	0.9	0.6	0.6	2.6
Non NHS Debt	1.3	2.2	0.8	0.5	4.8
Commercial Unit Debt	(0.2)	2.2	0.8	0.6	3.4
TOTAL RECEIVABLES	**1.6**	**7.2**	**4.2**	**2.2**	**15.3**



STATEMENT OF FINANCIAL POSITION

Statement of Financial Position £m	Annual Plan	Year to Date Plan	Year to Date Actual	Year to Date Variance
Non-current assets	134.2	126.9	96.5	(30.4)
Current assets (excl Cash)	20.4	22.0	16.7	(5.3)
Cash and cash equivalents	29.3	39.1	72.7	33.6
Current liabilities	(39.4)	(42.4)	(58.6)	(16.2)
Non-current liabilities	(56.2)	(60.9)	(37.2)	23.6
TOTAL ASSETS EMPLOYED	**88.3**	**84.9**	**90.2**	**5.3**

OTHER METRICS

Use of Resources	Weighting	Plan YTD	Score
Capital service cover rating	20%	-	-
Liquidity rating	20%	-	-
I&E margin rating	20%	-	-
I&E margin: distance from financial pl	20%	-	-
Agency rating	20%	-	-
OVERALL RATING		**-**	**-**

Commentary

Cash and Working Capital

The cash balance at the 31st May is £72.7m, significantly higher than initially planned, primarily due to block income payments in advance, and top-up payments received by the Trust to ensure NHS organisation have sufficient cash to deal with the initial emergency COVID response.

Capital Expenditure

Revised capital allocations for Trusts, and STP's were notified in May totally a limit £13.7m for Moorfields. Current capital plans are being reviewed in light of post COVID recovery and responses.

Capital spend to May totalled £1.2m primarily linked to Oriel.

Use of Resources

Use of resources monitoring and reporting have been suspended.

Receivables

Receivables have reduced by £4.9m since the end of the 2019/20 financial year to £15.3m, primarily linked to block income payments being received which reduces the current outstanding debt. A reduction of £0.6m was recorded in May from the April position.

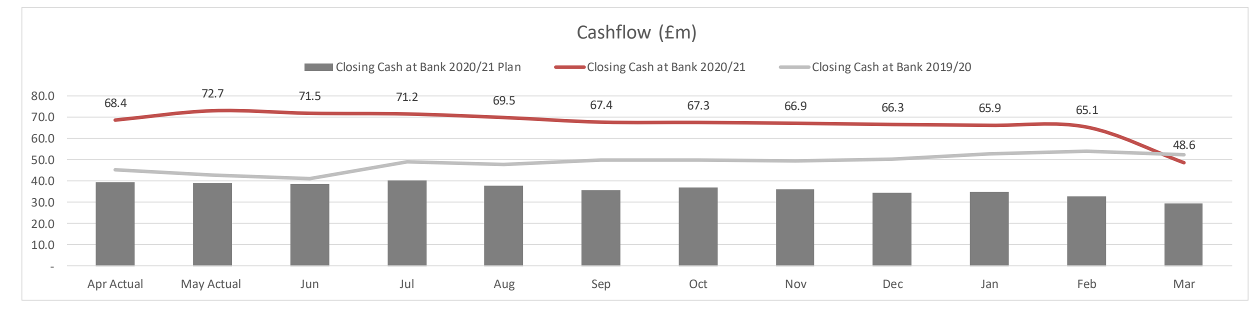
Payables

Payables totalled £9.8m at the end of May, a reduction of £6.0m since March 2020. The reduction was due to the Trust adopting the new Prompt Payment guidance issued to NHS bodies and a reduction in operating expenses.

Trust Statement of Financial Position – Cashflow

Cash Flow

Cash Flow £m	Apr Actual	May Actual	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Outturn Total	May Plan	May Var
Opening Cash at Bank	**52.4**	**68.4**	**72.7**	**71.5**	**71.2**	**69.5**	**67.4**	**67.3**	**66.9**	**66.3**	**65.9**	**65.1**	**52.4**		
Cash Inflows															
Healthcare Contracts	33.3	16.7	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	-	186.3	15.2	1.5
Other NHS	3.9	2.6	1.5	1.5	1.4	1.5	1.5	1.4	1.4	1.4	1.4	1.5	20.9	1.4	1.2
Moorfields Private/Dubai	1.4	0.9	2.8	2.9	2.7	2.8	2.9	2.8	2.6	2.7	2.7	3.0	30.4	2.6	(1.7)
Research	1.1	0.6	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	11.3	1.0	(0.4)
VAT	0.4	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	4.9	0.4	0.1
PDC	-	-	-	-	-	-	-	-	-	-	-	1.4	1.4	-	-
PSF	-	0.2	-	-	0.5	-	-	-	-	-	-	-	0.7	0.7	(0.5)
Other Inflows	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.4	3.9	1.8	(1.5)
Total Cash Inflows	**40.3**	**21.8**	**21.1**	**21.3**	**21.5**	**21.1**	**21.2**	**21.1**	**20.8**	**21.0**	**20.9**	**7.7**	**259.9**	**23.1**	**(1.2)**
Cash Outflows															
Salaries, Wages, Tax & NI	(9.6)	(9.6)	(9.7)	(9.7)	(9.7)	(9.7)	(9.7)	(9.7)	(9.7)	(9.7)	(9.7)	(9.7)	(115.7)	(9.7)	0.1
Non Pay Expenditure	(10.6)	(6.7)	(10.7)	(10.6)	(10.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.6)	(9.3)	(9.3)	(115.8)	(9.6)	3.0
Capital Expenditure	(1.0)	(0.4)	(0.4)	(0.3)	(0.3)	(0.6)	(0.2)	(0.2)	(0.6)	(0.4)	(0.5)	(1.9)	(6.9)	(0.0)	(0.4)
Oriel	(2.3)	(0.1)	(1.0)	(0.7)	(1.1)	(1.1)	(0.9)	(0.9)	(0.5)	(0.5)	(0.5)	(0.8)	(10.5)	(1.0)	0.9
Moorfields Private/Dubai	(0.9)	(0.7)	(0.5)	(0.4)	(0.8)	(0.8)	(0.9)	(1.1)	(1.1)	(1.2)	(1.1)	(1.1)	(10.6)	(1.1)	0.4
Financing - Loan repayments	-	-	-	-	(0.7)	(0.8)	-	-	-	-	(0.6)	(0.8)	(2.9)	-	-
Dividend and Interest Payable			-	-	-	(0.7)	-	-	-	-	-	(0.7)	(1.4)	- -	-
Total Cash Outflows	(24.4)	(17.5)	(22.3)	(21.6)	(23.1)	(23.3)	(21.3)	(21.4)	(21.4)	(21.4)	(21.8)	(24.2)	**(263.7)**	(21.4)	3.9
Net Cash inflows /(Outflows)	15.9	4.3	(1.2)	(0.3)	(1.7)	(2.1)	(0.1)	(0.4)	(0.6)	(0.4)	(0.8)	(16.5)	-	1.7	2.6
Closing Cash at Bank 2020/21	**68.4**	**72.7**	**71.5**	**71.2**	**69.5**	**67.4**	**67.3**	**66.9**	**66.3**	**65.9**	**65.1**	**48.6**	**48.6**		
Closing Cash at Bank 2020/21 Plan	39.5	39.1	38.6	40.4	37.7	35.5	36.8	36.2	34.4	34.8	32.8	29.3	29.3		
Closing Cash at Bank 2019/20	45.1	42.6	41.0	48.9	47.8	49.6	49.6	49.5	50.3	52.6	53.8	52.4	52.4		



Commentary

Cash flow

The cash balance at the 31st May is £72.7m, significantly higher than initially planned.

The interim financial regime introduced to support NHS organisations during the CVOID response has contributed to significantly higher cash balances than previously planned, designed to ensure sufficient cash is available to the NHS to implement any required changes. The Trust currently has 109 days of operating cash.

As a result the Trust has an additional focus towards liquidity and working capital management to ensure sufficient cash is available to respond to emergency demand for supplies, staff, and suppliers payments.

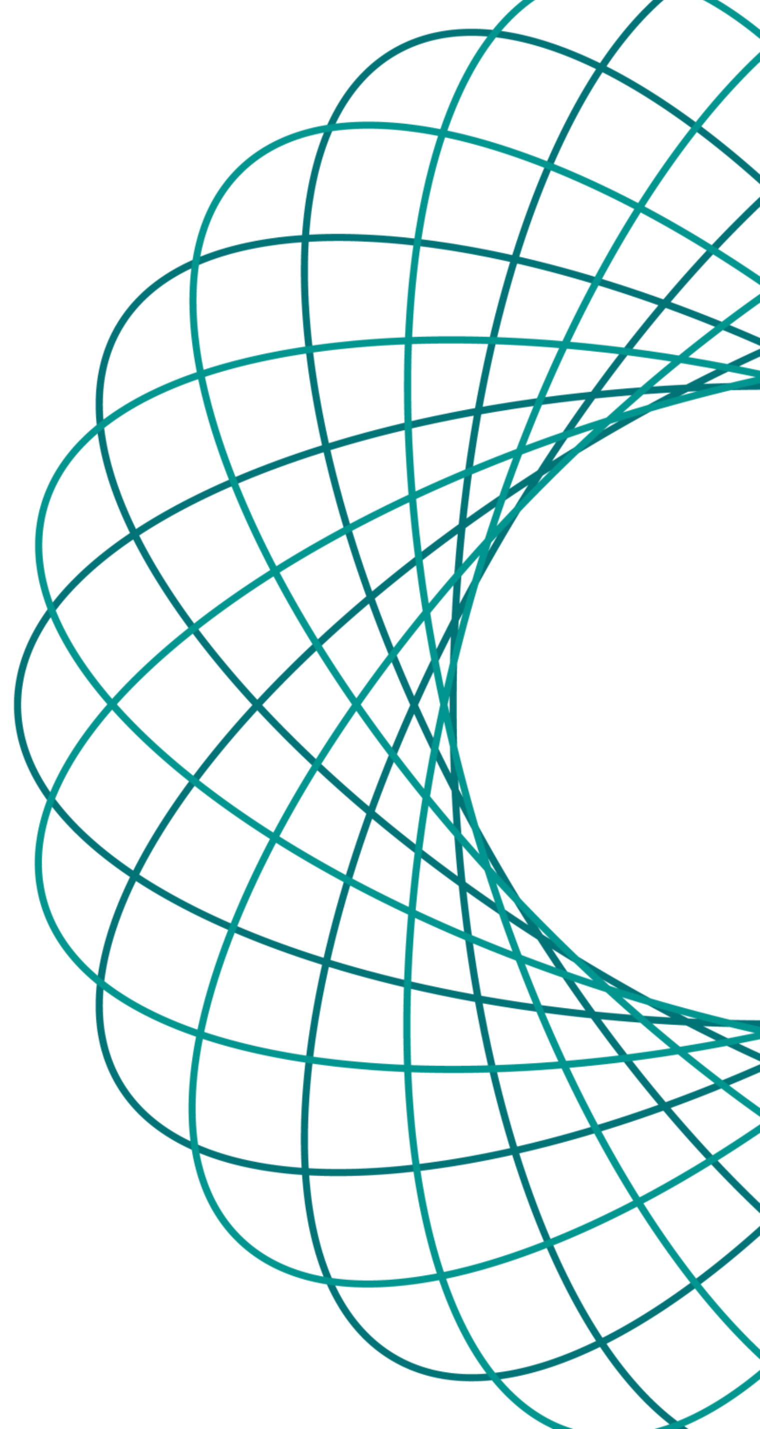
In addition all NHS organisation received additional guidance on Prompt Payment to suppliers of the NHS, to ensure their cash flows are supported wherever possible.

May saw a cash inflow of £4.3m against a plan of £1.7m as the decreases in non-pay expenditure for April and May presented in cash terms.

Oriel user engagement programme

Update to Moorfields Trust Board
June 2020

UCL
INSTITUTE OF
OPHTHALMOLOGY



Introduction

Why co-design?

The aim of Oriel is to ***create an environment for innovation to flourish, inspiring advances to improve people's sight.***

Only through working in partnership with our users and stakeholders can we achieve our vision of a truly integrated centre of excellence for eye care, research and education.

The current design phase of the Oriel programme means that we now need to involve our stakeholders in the design process. To date, Oriel engagement has largely involved:

- Strategic discussions with various levels of government: ministers, regulators, planners, C&I NHS trust; and private and public funding bodies;
- discussions with senior staff members to set the ambition for our future services, as well as high level staff updates; and
- a requirement for Moorfields to run a public consultation on the preferred strategic option of building a new facility at St Pancras and relocating services from the City Road premises.

The consultation saw support levels for the new facility increase from 53% to 73% among our stakeholder base. This increase can be attributed to our quality and varied engagement activities before and during the consultation and led to our achievement of 'best practice' accreditation from The Consultation Institute.

Not only do we have a responsibility to our patients, public and staff to continue this engagement, but Moorfields commissioners' approval of the project is on the basis that we will continue to robustly engage with stakeholders. There is, therefore, significant expectation and duty that our quality engagement activities continue throughout the life of the project.

It is only through our continued planned, collaborative and quality engagement with users throughout the design phase that we will realise our goal of co-designing a world-leading centre of excellence that is fit-for-purpose now and in the future.

This programme outlines our strategy to engage with our internal and external stakeholders on the co-design of a new, integrated centre of excellence for eye care, research and education. Key principles to our approach is:

- **There cannot be a 'one-size-fits-all' approach** for this engagement programme. We have a diverse stakeholder group with varying needs, interests and availability.
- We will therefore be **flexible**, **innovative** and **inclusive** in our engagement – particularly considering the new limitations on face-to-face engagement due to COVID-19.
- We will **use lessons learned from our public consultation experience** to continue to improve and refine our already high-standard engagement activities.
- We will make it a priority to **manage the expectations** of all stakeholder groups. They will have a clear understanding of the co-design process, and what they can and cannot influence.

Introduction (cont'd)

Covid-19 risks and challenges

Engagement with internal and external stakeholders will be challenging in our current and post COVID-19 society. Lessons learned from engagement throughout the 2019 consultation will give us an excellent start in positive and quality engagement with stakeholders. However, we now also face a number of previously unseen challenges. We have an obligation to meet the expectations of our commissioners, partners and patients to undertake a meaningful engagement process even through this challenging time.

Across all stakeholder groups we may see;

- **Varied appetite for change**
- **Competing priorities for staff/partners**
- **Reservations about in-person engagement, even in the future**
- **Apprehension among staff and users as to the future of the project**

However, we can proactively take steps to respond to these challenges. We must;

- **Be flexible and inclusive in our engagement methods.** This includes offering various online engagement methods so stakeholders can engage digitally and at times that suit them.
- **Be sensitive to competing priorities.** This may include being flexible with meeting locations and times, and allowing stakeholders more time to respond to requests.
- **Be clear and coordinated in our messaging across all Oriel programme workstreams.**

In scope

- Seeking views and advice from internal and external stakeholders such as staff, patients and partners on the last-half mile, public realm and fit-out design of the new building.
- Managing four Oriel advisory groups and 19 department staff user groups for the co-design process.
- Establishing the process and governance for co-design engagement activities.
- Investigating and implementing new methods of online and virtual engagement for internal and external stakeholders who want to be involved.
- Sharing the design outcomes with all internal and external stakeholders once the designs are finalised and ready to share.

Out of scope

- General Oriel communication updates to stakeholders not involved in this phase of engagement, including press activities.
- Specific engagement to inform culture assessment or culture change programme regards to Oriel for staff and Moorfields and UCL.
- Other ad-hoc communications activities for Oriel.

Engagement principles

For everyone	• We will strive to ensure everyone will feel safe, included, informed and listened to when they engage with us about Oriel. • We will be open, transparent, timely and accessible in our communications and engagement about Oriel. • We will be actively inclusive in our engagement, so everyone can have equal opportunity to engage in a way that suits their availability and interest. • We sill strive to be clear on how everyone can be involved, how their input will be used and the outcomes they can expect. • We will offer a diverse range of engagement methods for stakeholders to choose from.
For patients	• We will provide a range of accessible engagement methods for patients to participate – from short surveys to active participation.
For staff	• We will foster a culture of collaboration, innovation, participation and optimism about what Oriel will provide for staff and users.
For students	• Participation in Oriel engagement will give students the opportunity to actively shape the future of eye care, research and education. • Current students are potentially Moorfields' future clinicians, UCL researchers and specialists. Their views are therefore essential in designing a fit-for-the-future facility.
For partners	• We understand that our partners are leading experts in their industries, and we will give every partner the opportunity to feedback and advise on relevant elements of the design. • We will foster a culture of collaboration, innovation and joint ownership.

These principles take into consideration post COVID-19 engagement challenges

User engagement components

What

Planning application
- Last half mile & public realm
- Role in community (local, national)

'Fit out' design
- Internal wayfinding
- Atrium, acoustics & lighting

Department layouts
- Clinical design
- Lab design
- Education design

- Support space & services
- Catering
- Integration

Who

- 19 x user groups
- Students, UCL faculties & student union
- MPs, Officers, Councillors, GLA
- Third / voluntary sector partners
- Local Old Street community
- Staff
- Patients and families
- NHS Commissioners and regulators
- Donors
- Local St Pancras community

How

- Oriel Advisory Groups x 4
- IoO Staff Student Consultation Committee
- Existing UCL IoO and MEH channels: *newsletters *intranets *existing forums
- Oriel website and social media
- Community newsletter & brochures
- Topic based focus groups (F2F / virtual)
- MEH student reps (TBC)
- New online channels
- Town halls (depending on gov advice)

This diagram reflects engagement components, not decision making accountability

What are we engaging on?

Key messages

Internal

- Thank you to our staff who have been involved in Oriel over the years. Your feedback was essential in finalising our Outline Business Case and our early planning work. Excitingly, we are now in the design phase of the project.
- We want to continue to work with you as partners in co-designing a new, modern and integrated facility.
- This is your opportunity to have your say in how aspects of the new building could be designed.
- Our staff are all experts in each of their fields. Your input is essential in co-designing a 21st century, fit-for-purpose facility.
- Although we can't incorporate every suggestion we receive into the design of the new facility, your feedback is still essential so we better understand your needs.

External

- Everyone is an expert in their own experience. We will listen and learn from you to co-design an inclusive and accessible space.
- We want to work as partners with our users to co-design a truly integrated centre of excellence for eye care, research and education.
- This is a once in a generation opportunity for you be involved in the co-design of an exciting new integrated eye care, research and education facility.
- You can choose how involved you would like to be in this co-design process.
- We can't incorporate every suggestion we receive into the design of the new facility. However, your feedback is essential so we better understand what is important to you.

Both/COVID-19

Our priority is always your health and safety. This is why we are offering more ways for you to be involved in Oriel virtually and online.

Though we may not be able to speak to you in person, your feedback and views are still essential to the co-design on this facility.

Planning engagement four interdependent themes

Key topics for engagement to inform the planning application content have been identified based on previous Oriel engagement and feedback:

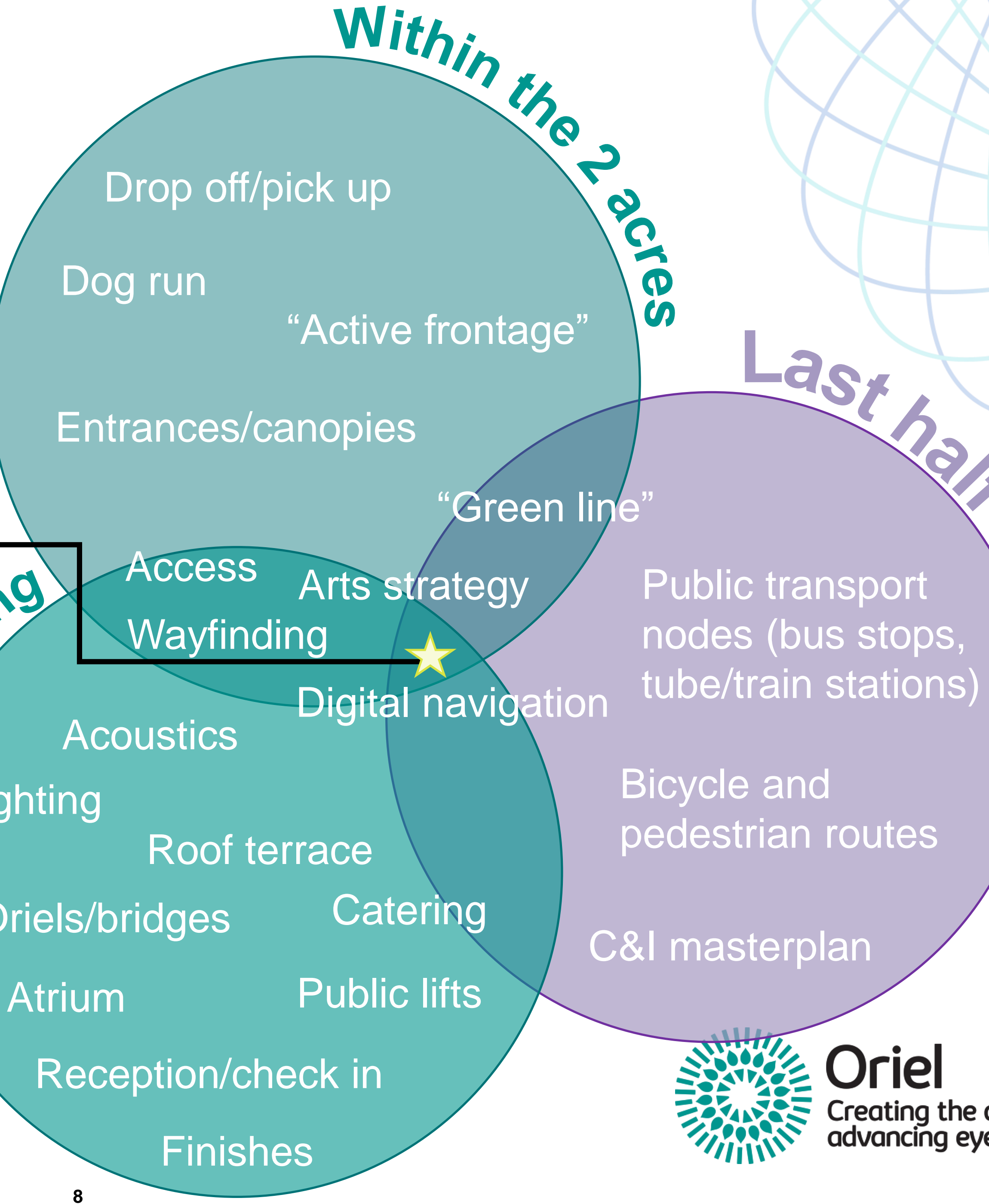
- Many staff raised questions about how the building would accessed after hours, and for different types of users.

Role of the building

(Design and Access Statement)

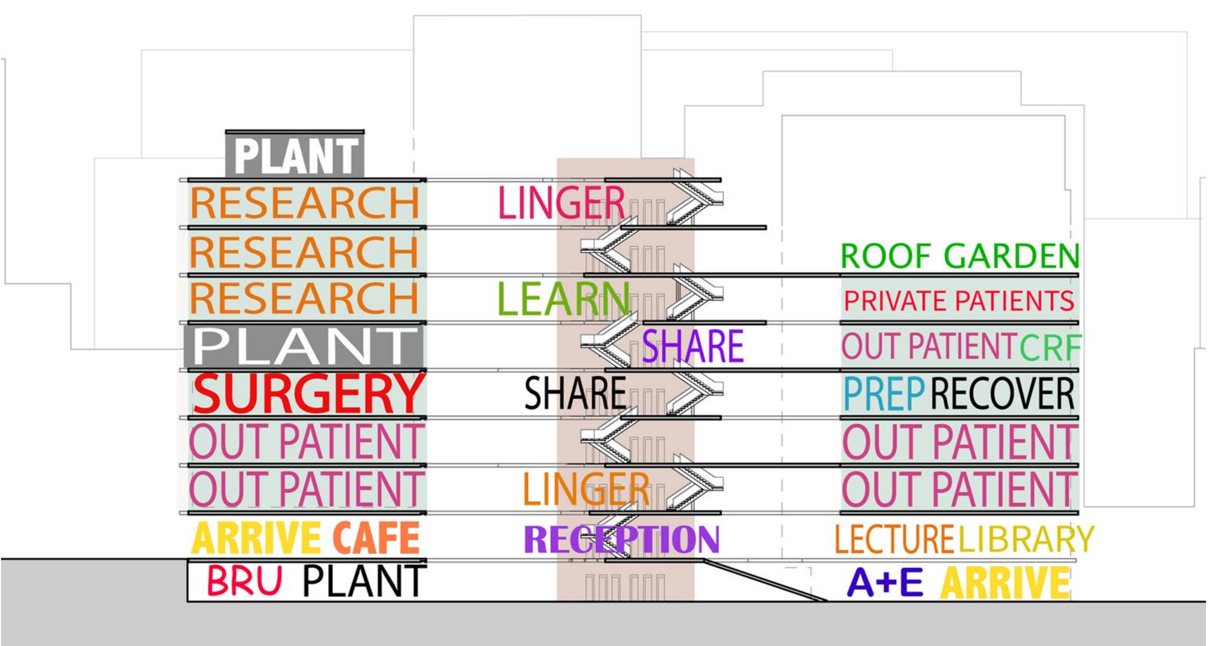
- Feedback from Moorfields patients during the public consultation was questions about how the design solution would address acoustics, lighting, and wayfinding
- A recurring theme from the consultation and user groups was the accessibility of the journey from Kings Cross/St Pancras station to the new facility, "the last half mile"
- There were many questions regarding how the building can benefit the local community, and be an active participant of the knowledge quarter

All of these issues will now be investigated with a range of internal and external stakeholders.



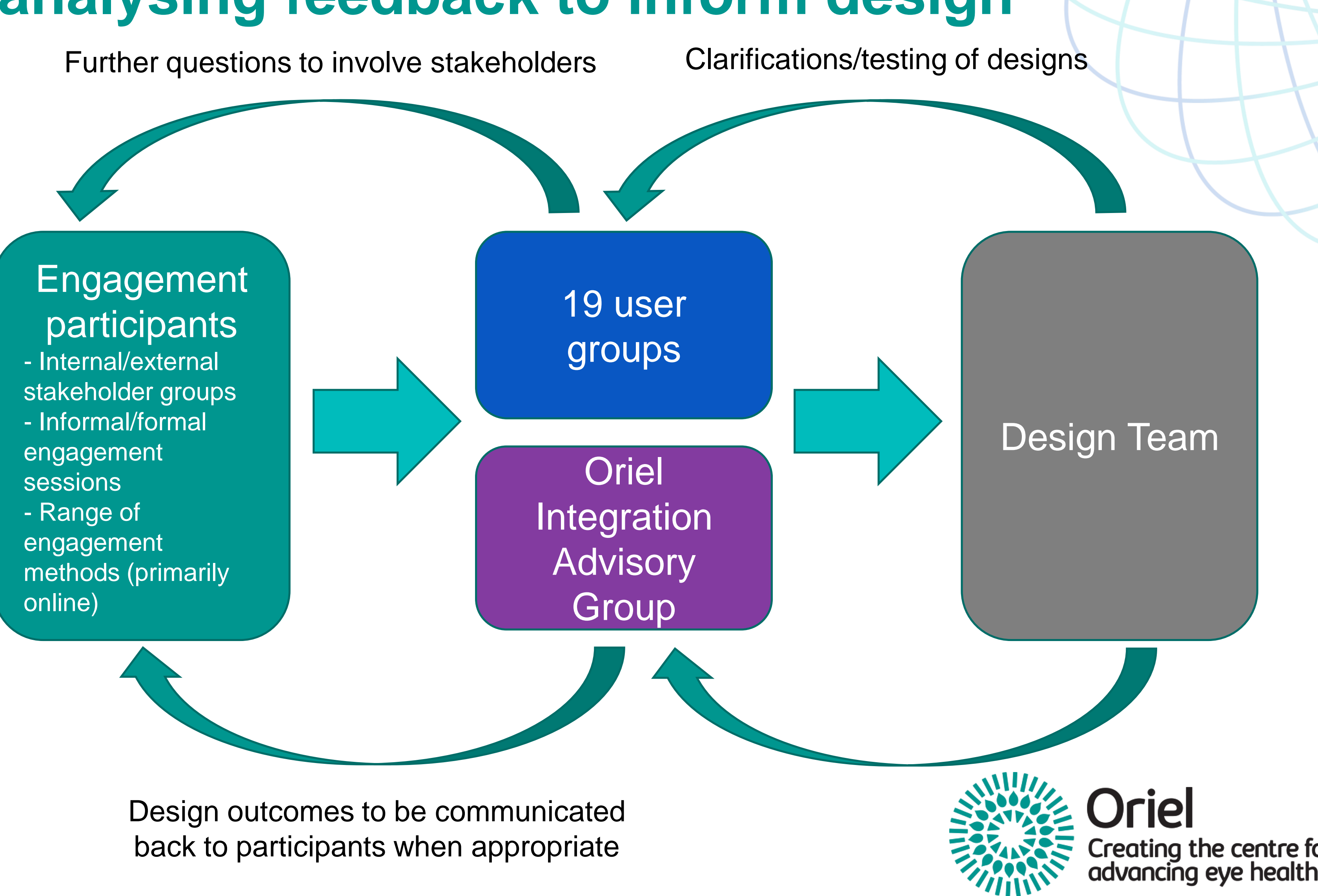
Fit out design engagement

- Due to Covid-19, at the end of March, the fit-out design for each Oriel department was paused. The Oriel Integration Advisory Group had reviewed the design team's proposal for the department allocation across the floors of the building (the 'stacking' diagram bottom left), but the revised solution was not approved.
- There are 19 department user groups representing all services in scope for Oriel, including new departments to be formed between the partners to build on the synergies a single integrated building offers, eg sign Facilities Management services, IT infrastructure, shared education centre, shared research spaces, and shared staff touch down and rest areas to maximise collaboration.
- Each department design deliverable will include a 1:200 floor plan and 1:50 room design; with a varied blend of users eager to be involved in the co-design process, depending on the department.



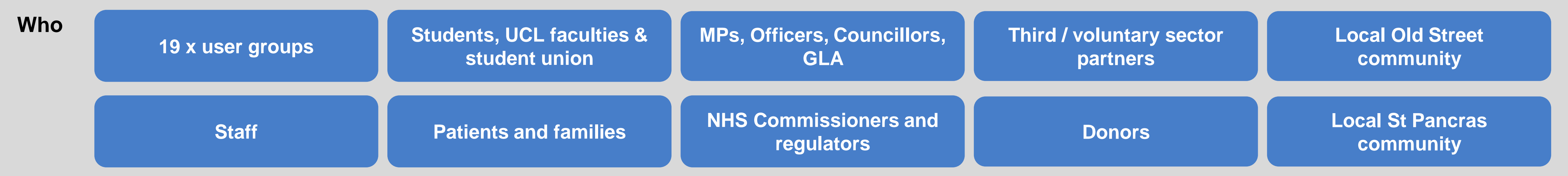
Coordinating and analysing feedback to inform design

- Co-production and co-design throughout the process – we are working in partnership with our stakeholders to create a fit-for-purpose facility.
- We will record outcomes from both informal and formal engagement activities, and input into advice to User Groups
- We will incorporate lessons learned from RDCEC design and build and other new-builds.
- We will organise virtual visits to other buildings to learn and inspire.
- There will be no 'one size fits all' approach



Who are we engaging with?

Who are we engaging with?

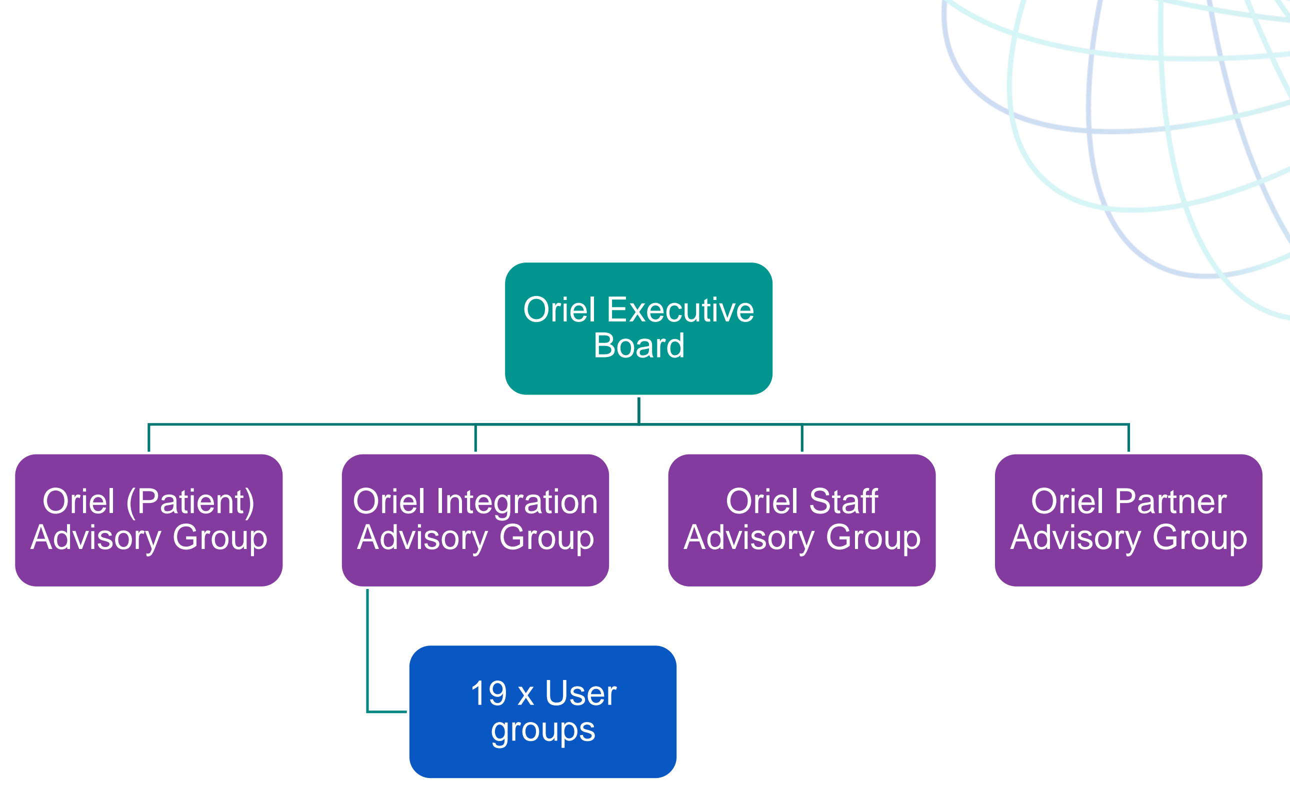


- Oriel has a wide and diverse set of stakeholders, many of whom have been engaged over the years as the Oriel programme has developed. During this next programme phase, we will expand further our stakeholder relationships to the local area of Camden. Essential to all of our engagement activities with stakeholders is a consistency of message, tailored to meet the groups information requirements, questions and concerns.
- As we focus on the next key programme milestone of submitted a robust planning application, a complete stakeholder mapping exercise will be undertaken with each partner's Communication team. We have also appointed external advisors London Communications Agency to support planning consultation programme with local businesses, residents and councillors.
- To address many questions raised through the NHS public consultation, we will invite patients and members of the public to further discuss issues and solutions to inform our Accessibility Plan for the last half mile. Access experts Buro Happold will support us to ensure we have identified challenges with the current Camden streetscape, especially now adapted for social distancing requirements that may not have considered the needs for people with visual impairment.

How will we engage?

Four Oriel Advisory Groups

- To ensure we meet our ambitions of robust engagement, four Oriel Advisory Groups will provide advice and support to the Oriel programme team.
- The **Oriel (Patient) Advisory Group** was established to support the NHS public consultation on service relocation. The Terms of Reference of this group will be refreshed for the planning and design stages of the programme, along with an opportunity for new members to join.
- The **Oriel Integration Advisory Group** includes the chair of each of the 19 department user groups (partner leaders and experts). This group will recommend the optimum allocation of departments across the building to achieve our ambition of enhanced innovation and collaboration.
- A joint **Oriel Staff Advisory Group** will be established, with representation across staff groups and grades from the partners.
- An **Oriel Partner Advisory Group** will formalise a 'coalition of support' from voluntary and third sector organisations that began through the NHS public consultation. This group's initial remit to be focussed on the Last Half Mile accessibility to inform planning application.
- Note that engagement with students will managed through existing forums and Education User Group, no specific Oriel group will be required. Further information of the four groups is included in the appendix.



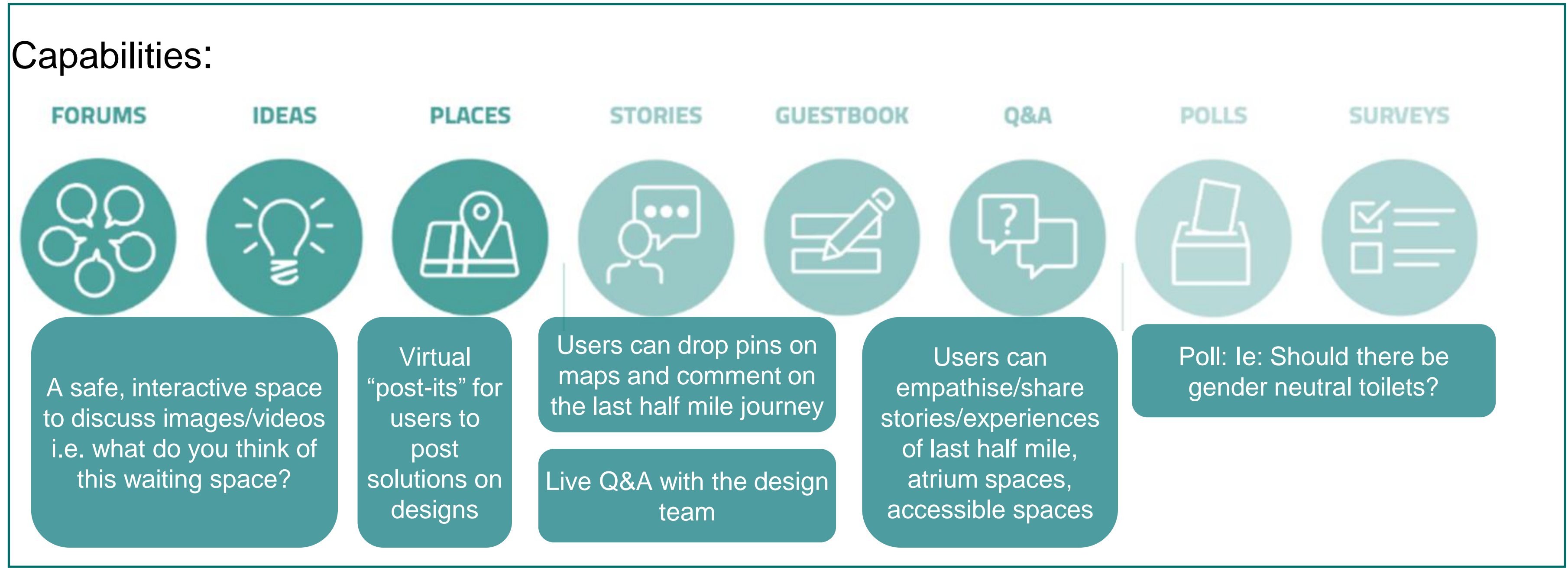
Communication and engagement methods

Engaging with users post-COVID-19 will mean better and more innovative use of virtual technology.

Current methods that we can continue to use	New methods to trial	Possible in-person methods depending on safety and government advice
• Website updates • Social media (UCL and Moorfields) • Online surveys • Emails • Updates on Moorfields/UCL websites • Intranet (UCL and Moorfields staff) • Letters (when appropriate) • Community newsletter • Detailed brochure (sent to key stakeholders and available online)	• **Dedicated online engagement tool for open and transparent engagement** • Closed Oriel Advisory Group (OAG) Facebook group to share updates, surveys and discussions • Use of Facebook live feeds for interviews or announcements • Lifesize/Zoom meetings • Podcasts/Interviews (pre-recorded or live-stream with option of live-commenting). • Conference calls or 1-1 phone calls with members of OAG • Virtual walkthroughs	• Meetings outside of hospital (hire space) with strict social distancing • Meetings at community hubs in outer boroughs so participants don't have to travel to London • Physical mock-ups of design spaces

To note: Moorfields' regular internal and external channels are currently focusing on COVID-19 related updates for staff and users. Oriel will be able to use these methods again once crisis communications cease.

Online collaboration tool



- Ability to have open spaces for all and closed spaces only open to certain groups.
- Semantic analysis
- Auto moderation
- Accessible and used by VI charity Vision Australia.

‘Ask the designer’ short films

Idea	2-3 minute simple videos with one person and b-roll of software, sketches, models.
Topics	Complex, high level design components where there is only minor user influence e.g. acoustics, atrium lighting, access strategy.
Research	Find out what people want to know about these topics through consultation feedback, questions sent in, forum posts etc.
Plan and film	Oriel comms team to understand info requirements from users and write video brief, guidance for filming, do say/don’t say advice. Comms team to edit.
Publish	Video published to Oriel website/engagement platform for second engagement iteration e.g. responding to comments, live Q&A.

- This method is a way to engage and inform users on pertinent issues of design which are hard to influence (eg acoustics, lighting, facade, use of glass etc) and/or difficult to achieve consensus.
- The aim of these films is to demonstrate we understand these design aspects are important to our users and our ambition to create the best user experience. There is scope for some of these topics to be the beginning of deeper level of engagement e.g. reception/check-in.
- The film will also explain the current stage of design and that there will be further chances to get involved as design progresses.

Outcomes from engagement

What will success look like?

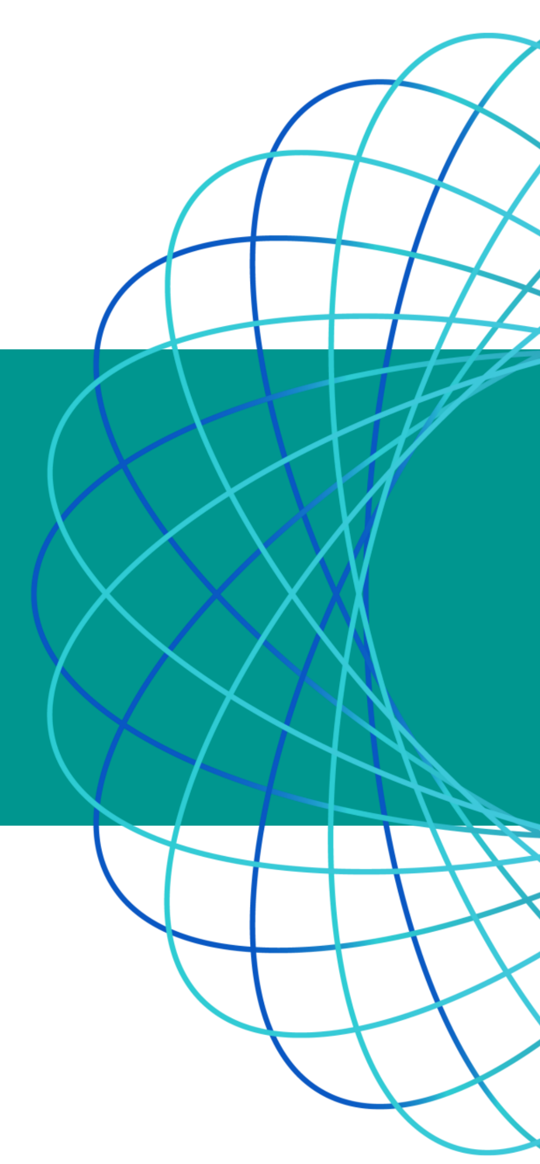
Quality engagement over quantity	A new culture of co-ownership for involved staff	Active engagement across external channels	Outputs from the design team that accurately reflect advice from the Oriel Integration Advisory Group
• We will seek diverse representation of stakeholders across all of our external engagement activities. For example, input from the VI community, accessibility groups, local community groups, protected groups and so on. • Staff across all departments of Moorfields and UCL IoO all have an opportunity to have their say through multiple engagement methods.	• Members of the 19 user groups should stay consistent throughout the design phase. • Members of the 19 user groups to consider this a commitment to the project, aiming for 100% attendance to all user group sessions (virtual and in-person) • Appropriate representation of users at every session with the design team, to ensure accurate input for each design element. • Staff are positive and enthusiastic about the project	• Likes and shares on social • Minimum 50 responses to any survey shared across digital channels • Activity on the online engagement tool with new users	• Stakeholder and staff expectations are managed so design outputs are received positively.

Evaluation

- The outcomes of all meetings, workshops and online interactions will be collated and saved in Huddle, ensuring a comprehensive record of engagement for future learnings.
- We will aim for all internal and external stakeholders who gave their views on the co-design to receive feedback on the design element they were involved in.
- Once the design process is complete, we should be open and transparent on why design decisions were made.
- Outcome reports and the final design should be made publicly available on a range of engagement channels.
- We will minimise the risk of stakeholder dissatisfaction in the final design through managing stakeholder expectations of what they can and can't influence throughout the co-design phase.

"You said, we listened"

Appendix



Oriel patient advisory group

The Oriel Advisory Group (OAG) was initially set up in January 2019 to provide advice about patient and public engagement activity. It was made up of patients, carers, staff and representatives from organisations. The group acted as a critical friend and co-producer for the public consultation programme which concluded in February 2020. Our next step will be to refresh and reinvigorate the membership of the OAG for a period until December 2021 to cover the design phase of the project.

Purpose

- Advise communications & engagement with patients
- Foster collaborative working
- Critical friend and co-producer

Focus

- Accessible communication & engagement
- Accessibility expertise i.e. internal wayfinding

Recruitment

- Existing OAG
- Social media
- Oriel mailing list
- Members of partner organisations
- Moorfields/UCL patient contacts
- Wide representation

How

- Traditional methods email/phone
- Topic based focus groups (virtual with F2F potential)
- Online closed platform:
  - survey/polls
  - live Q&A
  - Forum
  - Discussion groups
- Oriel website
- Social media
- 1:1 interviews
- Various formats e.g. braille
- Online engagement tool
- Video calls

Approach

- Gauge interest from current membership
- Call to action – recruitment for new members
- Gradual increase in Oriel comms
- Initial reliance on asynchronous virtual methods
- Shift to synchronous discussions when appropriate

Oriel integration advisory group

The Oriel Integration Advisory Group comprises each chair of the 19 user groups supporting the co-design of the building. This group of leaders will be responsible for defining what 'integration' means for both the physical building design and how future policies and processes should be updated to encourage collaboration.

Purpose

- Communicate directly with the design team
- Foster collaborative working
- Feedback to the 19 user groups

Focus

- Inform design and instructing design team
- Make recommendations for spatial trade-offs
- Develop operating policies for the facility

Recruitment

- Chairs of the 19 user groups
- Colleagues that have transformation leadership role

Approach

- Gradual increase in Oriel communications & engagement
- Call to action – ensure all members are aware of time commitment
- Gauge staff capacity and ability
- Initial reliance virtual methods
- Shift to face-to-face discussions when appropriate

How

- Face to face meetings / conferences when appropriate
- Online closed platform:
  - survey/polls
  - live Q&A
  - Forum
  - Discussion groups
- Virtual meetings and conference calls
- Emails/phone calls

Oriel staff advisory group

As we refresh and reinvigorate the membership of the OAG to cover the design phase we propose that instead of staff governors sitting inside the patient group we have a dedicated Oriel channel for Moorfields and UCL staff. We will shortly aim to establish this group.

Purpose

- Advise communications & engagement with patients
- Foster collaborative working
- Critical friend and co-producer

Focus

- Appropriate communications & engagement with staff
- Informing design

Recruitment

- Existing OAG
- Social media
- Oriel mailing list (interested staff)
- Call to action on existing channels
- Moorfields/UCL staff groups
- Wide representation

How

- Traditional methods email/phone
- Topic based focus groups (virtual with F2F potential)
- Online closed platform:
  - survey/polls
  - live Q&A
  - Forum
  - Discussion groups
- Oriel website
- Social media
- 1:1 interviews
- MEH/UCL newsletters
- All staff emails
- Intranets

Approach

- Gradual increase in Oriel communications & engagement
- Call to action – recruitment for new members
- Gauge staff capacity and ability
- Initial reliance on asynchronous virtual methods
- Shift to synchronous discussions when appropriate

Oriel partner advisory group

As we refresh and reinvigorate the membership of the OAG to cover the design phase we propose that instead of partner organisations sitting inside the patient group we have a dedicated Oriel channel for third sector organisations. Our next step is to formally establish this group of charity representatives from the sight loss and health sector, transport and council authorities.

Purpose

- Build & strengthen relationships
- Foster collaborative working
- Critical friend

Focus

- Last half mile solutions & public realm
- Accessibility expertise i.e. internal wayfinding

Recruitment

- Existing contacts
- TfL and transport authorities
- Social media
- Camden council
- Partners from OAG
- Knowledge Quarter

Approach

- Inform current partners on OAG
- Call to action – recruitment of members and organisation reps.
- Gradual increase in Oriel comms
- Initial reliance on asynchronous virtual methods
- Shift to synchronous discussions when appropriate

How

- Traditional methods email/phone
- Topic based focus groups (virtual with F2F potential)
- Online closed platform:
  - survey/polls
  - live Q&A
  - Forum
  - Discussion groups
- Oriel website
- Social media
- 1:1 interviews
- Various formats e.g. braille
- Initial meetings with each organisation

19 user groups and chairs

Clinical services – outpatients
Dilani Siriwardena

Clinical services – clinical support services
Kerry Tinkler

Clinical services – surgery
Louisa Wickham

Clinical services – A&E and urgent care
Gordon Hay

Clinical services – children & young people
Annegret Dahlmann-Noor

Private Patients
Louisa Wickham

Education
Nora Colton

Clinical Research Facility
Richard Lee

Cells for sight
Julie Daniels

Tech hub
Ted Garway- Heath

Bio Resource
new group - tbc

Shared Ops and internal wayfinding
Wing-Chau Tung, Alex Stamp

Patient Support Services
Tracy Luckett

Facilities Management
Andra Craciun-Frincu, Chris Harding

IT systems and infrastructure
Tony Croudass, Lisa Steele

Wet labs & core facilities
Alison Hardcastle

Dry labs
Andrew Stockman

Biological Services Unit
Christiana Ruhrberg

Microscopy and Flow
Mike Cheetham

Key:

- Moorfields ‘owned’ space
- ‘Shared’ space
- Whole of building theme and space
- UCL ‘owned’ space

Risk and mitigation

Risk	Mitigation
Low interest in Oriel resulting in lower engagement numbers	- Be flexible in our engagement methods so stakeholders can engage in ways that suit them - Reiterate the key message that engagement the during design phase is opportunity to influence the design of the new facility - Focus on quality of engagement and feedback, rather than number of people who feedback
Apprehension amongst stakeholders that the project will/should continue in the current climate	- Reassurance from our leaders at Moorfields/MEC and UCL IoO that we are progressing with this essential project. - Focus on original key messages that our current facilities are no longer fit for purpose, and the new centre will ensure we can offer the best eye care, research and education now and in the future. - Our priority will always be the health and safety of our patients. This is why we are continuing our work to co-design and build a new facility for eye care, research and education.
Stakeholders unwilling to conduct any in-person engagement activities	- We are in the process of developing new virtual engagement tools to give our stakeholders more options in how they engage with us. - All stakeholders will be given options to engage with us online or over the phone – no stakeholder will be excluded from giving their views if they choose not to engage in person.
Stakeholders being upset if their co-design feedback is not reflected in the final designs	- Ensure stakeholder expectations are managed during the co-design phase that not all design requests/ideas will be reflected in the final building design. Their feedback during co-design will influence the design and inform the design team. The final design decisions will be made by the Oriel Executive Board.
Moorfields staff feeling like they have given the project team their design ideas in the past and that the project has not progressed.	Key message - Thank you to our staff who have been involved in Oriel over the years. Your feedback was essential in finalising our Outline Business Case (which is now approved) and our early planning work. Excitingly, we are now in the design phase of the project.
Important/key stakeholders may want more influence over co-design	- Manage expectations of all stakeholders in what can and cannot be influenced during the co-design phase. - Reiterate that the final design decisions will be made by the Oriel Executive Board.

Agenda item 12

Report of the quality and safety committee

Board of directors 25 June 2020

Report title	Report of the quality and safety committee
Report from	Ros Given-Wilson, chairman, quality and safety committee
Prepared by	David Flintham, quality and safety compliance manager
Link to strategic objectives	We will pioneer patient-centred care with exceptional clinic outcomes and excellent patient experience We will have an infrastructure and culture that supports innovation

Brief summary of report

Attached is a brief summary of the quality and safety committee meeting that took place on 19 May 2020.

Action Required/Recommendation.

Board is asked to note the report of the quality and safety committee and gain assurance from it.

For Assurance	✓	For decision		For discussion		To note	

QUALITY AND SAFETY COMMITTEE
SUMMARY REPORT
19 May 2020

Committee Governance	• Quorate – Yes • Attendance (membership) - 100% • Action completion status - 98% • Agenda completed – Yes

Current activity	• Due to COVID-19, the committee did not meet on **17th March**. Comments and questions relating to the circulated papers were noted and have been responded to.
	• The committee received and discussed the trust's response (in terms of governance) to **the COVID-19** outbreak.
	• The Trust's future planning and **COVID-19 recovery plan** was presented.
	• The **Quality and Safety update** included incident closure, CQC, and polices.
	• The quarterly **quality and safety report** for the period January to March 2020 was presented.
	• The **WHO Surgical Safety Checklist Compliance Audit Report** for Q4 was received.
	• The **UAE quality and safety report** for quarters 3 and 4 2019/21 was presented.
	• Summary reports were received for the following meetings:
	    ○ **Information Governance Committee** (19th March 2020)
	    ○ **Risk and Safety Committee** (11th March 2020)
	• The latest **SI tracker** was presented.
	• A single **SI report** *Insertion of the incorrect IOL (Bedford)* was received.
	• The committee received its **annual report** for 2019/20.
	• The **complaints annual report** for 2019/20 was presented along with the quarterly **complaints report for Q4**.

Key concerns	COVID-19 • There is a difficult phase of the COVID-19 recovery ahead as new infection control and staffing arrangements are introduced. • There had been delays with local laboratories for patient testing. • The geographic spread of Moorfield's patients is a challenge. • There have been heightened concerns amongst ophthalmology staff (COVID 19 was first spotted by ophthalmologists in humans; and the Trust has lost 1 doctor to COVID-19). • There is a balance between pressure to restart services and the need for risk based controls. • Patient expectation will need to change, but it may result in an increased number of complaints as patients respond to the changes in the models of care. • There are risks around capability and resilience of the IT and administrative processes needed to support rapid change and new ways of working during the

	recovery period. Other • There was disappointment that non compliancy with WHO checklist featured in the incident report (wrong IOL), although this was caused by a deviation resulting from a complication. • The relationship between the rise in the number of complaints and the new patient transport provision was noted as a theme over the past few months although the position was improving.
Key learning	COVID-19 • The Trust's governance for its response to COVID-19 is based on a three-level (Gold, Silver, and Bronze) command structure. There are separate Bronze commands for clinical advisory, infection control, workforce and operations. This structure had been in place for 8 weeks, and as national guidance changed daily, the structure allowed Moorfields to respond accordingly. • The governance for the crisis element has been effective, and is being adapted for the recovery element. • At the end of April, the focus switched from Silver response to Silver recovery. • There are four main recovery 'themes': referral refinement, remote working, surgical recovery, outpatient recovery. • The Trust is adapting and enhancing Public Health England guidance for ophthalmology as necessary to help with recovery planning. • New fire safety measures (including evacuation) are in place and are working. Fire safety compliance continues to be monitored. • Immunosuppression blood monitoring processes are in place and 880 shielding letters had been sent to patients. • Quality and safety, especially risk and mitigation are key components of the recovery plan and need to be embedded within the three programmes. • The trust is learning from other international ophthalmic hospitals – a recent ophthalmology webinar had 1,000 attendees; 40 countries were represented in a World Association of Eye Hospitals (WAEH) webinar. • The Trust has postponed or cancelled around 127,000 appointments, and managing this backlog is a considerable challenge, and requires new ways of working. "Digital first" is the key to this strategy. There will be a different risk appetite. • Communication with staff, the public and patients is essential. • COVID-19 will dominate the committee's agenda for the foreseeable future, and as a result, the committee's forward work plan will be reprioritised. • Importance of including other teams such as quality and safety within the recovery programme to avoid duplication and working in isolation. Other • The key word-triggering element of FFT texting is an exciting and powerful development. • When appropriate to re-start, the programme of walkabouts will continue.. • UAE are engaged in quality improvement, and are seeking international accreditation

Escalations	Four escalations: • Recovery and transformation delivery will be complex and pose risks to safety and experience with some potential trade-offs. Board support will be needed for some difficult decisions. • Governance of the recovery phase will be challenging with pressure to restart services quickly versus the need for control in line with IPC guidance and prioritisation of resource according to risks to safety. Leadership will be key. • Communication with staff and public and patients will be essential. • IT and administrative processes needed to support rapid change and new ways of working. There are risks around capability and resilience.
Date of next meeting	21 July 2020

Agenda item 13
Report of the people and culture committee
Board of directors 25 June 2020

Report title	Report of the people and culture committee
Report from	Sumita Singha, chairman, people and culture committee
Prepared by	Debbie Bryant, Executive Assistant
Link to strategic objectives	We will have an infrastructure and culture that supports innovation We will attract, retain and develop great people

Brief summary of report

Attached is a brief summary of the people and culture committee meeting that took place on 19 May 2020.

Action Required/Recommendation.

Board is asked to note the report of the people and culture committee and gain assurance from it.

For Assurance	✓	For decision		For discussion		To note	

People & culture committee summary report – 19 May 2020

Governance

- Quorate – Yes
- Attendance (membership)

Discussion points

Over payments of staff

- An action plan has been drafted to manage the overpayments process. Better communications are going out with the HR business partners to the divisions. Updates are also be done to the intranet pages with clearer guidance and to identify hot spots for improved training.

Staff wellbeing

- The committee discussed what support staff had been provided since the start of the Covid-19 pandemic.
- All staff have been asked to complete a risk assessment and display screen equipment form for home working.
- A decision needs to be made on staff working from home more permanently and is being looked at on the recovery committee.
- All offers for NHS discounts etc. are advertised.
- Mental health and wellbeing support is advertised on the intranet and shared via the CEO briefing.
- Validium is available for staff in particular those who were re-deployed.

Workforce strategy progress

- The workforce strategy was originally presented in 2019 prior to Covid-19. Work has been done with senior clinicians more recently and there is now the opportunity to accelerate the first work streams.
- The learning around Covid can help with the strategy and recovery phase.
- Diagnostic and technical hubs are being introduced.

Workforce restructure progress

- Interviewing has recommenced. Some jobs have been appointed.
- The structure needs to be looked at again to see if it is in line with the recovery strategy.
- The focus needs to be on workforce transformation, and transactional work needs to be the most efficient as possible.

Covid-19 impact on BAME staff

- The importance of this issue was highlighted. Moorfields are working closely with North Central London and they are trying to have a pan NCL approach. One of the discussions is prioritising antibody tests for BAME staff.

- A pilot at Northwick Park on risk stratification went well and was prioritised for staff who were in patient and public facing roles.
- The Trust has agreed that all staff need to be prioritised. Frontline will be a higher risk group and should be dealt with first, but this will be for all staff not just BAME. Some staff are less vulnerable in a high risk clinical situation as they have PPE.

	• Hand hygiene and surface area cleaning have always been a priority and now social distancing. All of these messages are being reinforced. • The committee agreed the Trusts role is to protect staff and demonstrate how that is being done. An audit trail would demonstrate the MEH had followed proper guidelines. ***Workforce metrics and risks*** • Vacancy rates for admin and nursing remain about the same as before. • The committee stressed it was important that the Trust have appropriately skilled admin and clerical staff to support the communication to patients correctly. • The figures of staff shielding and those working from home and staff sickness figures are not currently merged. A full representation is not available. • Current admin staff have been fantastic at taking up the challenge of reducing the activity. • There is now an opportunity to have short term contracts until the Trust is sure what the workforce will look like. • Most training had moved to a virtual model. Classroom training had been shortened to reduce the face to face time. All staff working from home had been asked to ensure mandatory training was up to date. ***Learning from Nightingale*** • The committee agreed that staff who were redeployed should be celebrated. • Sandi Drewett will write a report on the learning from Nightingale to share with the committee and the Trust board. • The committee also agreed that a memorial service would be held in the future for the two members of staff who had died during the pandemic.
Key concerns	• Staff risk assessments • Workforce structure review required to meet recovery requirements • Audit trail on staff protection.
Escalations	• None
Date of next meeting	• 15 September 2020

Agenda item 14
Membership Council report
Board of directors 25 June 2020

Report title	Membership council report
Report from	Tessa Green, chair
Prepared by	Helen Essex, company secretary
Link to strategic objectives	We will pioneer patient-centred care with exceptional clinical outcomes and excellent patient experience We will have an infrastructure and culture that supports innovation

Brief summary of report

Attached is a brief summary of Membership Council meeting that took place on 20 May 2020.

Action Required/Recommendation.

Board is asked to note the membership council report

For Assurance		**For decision**		**For discussion**		**To note**	✓

REPORT FROM THE MEMBERSHIP COUNCIL MEETING – 20 MAY 2020

Chief executive's report

The membership council received assurance about the following issues:

- The trust fulfilling its obligations under the public health and civil contingencies act
- Closure of elective services network sites and the continued delivery of urgent and emergency care from seven sites.
- Implementation of significant infection prevention and control measures to sites including front door temperature checks, hand sanitisers, etc.
- Provision of PPE and procedures for staff and patient testing.
- The application of video consultation care.
- Our approach to BAME staff group concerns and the staff risk assessment process.
- The likely changes to the estates infrastructure.
- Continued engagement in Oriel and the challenges relating to continued user engagement

Questions were received from governors about the following issues:

- Recovery of clinical services – governors were informed that a recovery group is working directly with service directors and managers on how services will be brought back and governors will be invited to take part in those discussions and provide a patient/public perspective on the proposed changes.
- What the trust is doing about public health messaging and access into ophthalmic care, and how patients are being reassured.
- How the trust can make sure patient communications have been appropriate and that patients are not being lost in the system – governors were taken through the different administrative processes and procedures that have been put in place.
- How recovery is likely to affect the network sites. It was acknowledged that the network is likely to look different, and this might mean which sites we might turn 'cold (non-Covid)' in order to undertake rapid diagnostic work.
- The issue of patient records and the way the trust is utilising the time it has at the moment to become acclimatised to entering data on the record rather than using paper. The key issue aim of the project is to stop people adding to the paper record.
- The drop in the presentation of patients with retinal detachments which is a problem that is being seen nationally. The trust is seeing more patients present now but still not near the previous number. Discussion took place about whether it would be appropriate to work more centrally about public messaging, working with NHSE.
- How the board is able to assure itself that all they are being told is true about performance. Governors were advised that NEDs are still in contact with staff so are able to triangulate information.
- How the guidance is being applied when it comes to carers and being able to follow the patient through the pathway.

Governors were advised that a cessation of service notice has been issued to Darent Valley Hospital due to being unable to deliver the quality of care we would wish to the population due to lack of available capacity at the site. The trust is working with the hospital, patients and commissioners to exit in September.

Finance report

Governors asked about the extent that NEDs had been able to scrutinise and challenge the notion of provisions in the accounts. Governors were assured that NEDs and the audit committee had looked at this issue in detail.

Other issues of note raised were:

- The backlog across the estate has uplifted the dilapidations that have been provided. The trust ended the year £1.1m ahead of plan.
- A decision has been taken for first quarter that losses incurred across research, education and commercial activity is being funded from the centre. The total claim for Covid related costs for the trust is £1.5m in the first quarter.
- The trust has been placed on a block contract with all commissioners for the first quarter and this is unlikely to be revisited until the second half of the year.
- Governors raised concern about there being no written record that NEDs had questioned some of the key issues raised. They were assured that there had been full engagement with the audit committee chair and other NEDs about the risks.

Oriel

Governors were advised of the following points:

- The trust is still making the assumption that the OBC will continue to the current timeframe and that UCL will continue with their business case approval.
- The trust will also continue to develop and submit a planning application in early autumn and initiate the sale of City Road and Bath Street sites.
- The team is starting to think about what user engagement will look like and how it can be inclusive, as well as how we take the lessons from the consultation and use an appropriate approach.
- The sale of the City Road site is the most significant variable and early views from the trust advisors are that it is unclear as to what will happen to the property market.
- It is anticipated that there will be change to potential activity that may not need to take place in the building.
- It was noted that the planning submission is not on the critical path so this would be able to slip without affecting the programme. Delivery of the FBC has now slipped to September 2021.
- At the moment we know that UCL are continuing to write their business case, however income from education is going to be a very significant challenge.
- The single biggest risk is the sale of City Road and the effect on critical path.