



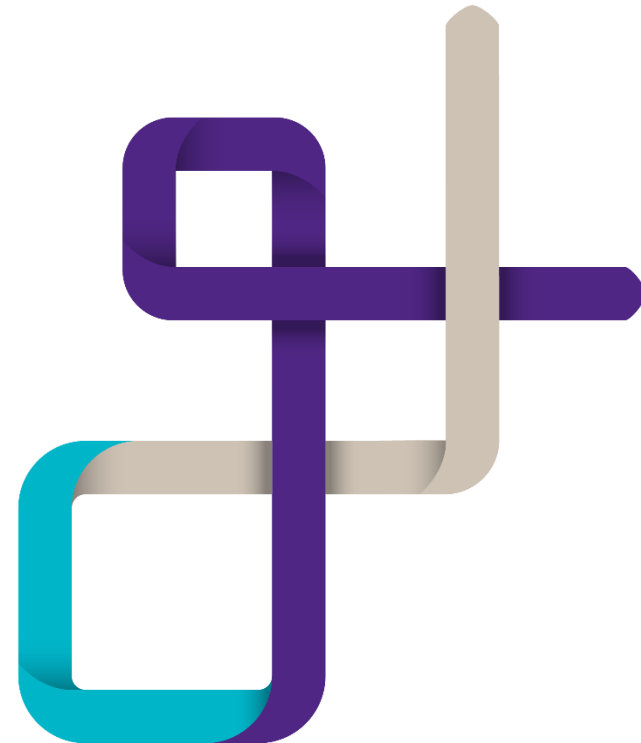
# Report to the Governors on the Quality Report

*Year ending 31 March 2019*

---

Liverpool Heart and Chest Hospital NHS Foundation Trust

28 May 2019



# Contents



**Your key Grant Thornton  
team members are:**

Robin Baker  
Director

T: 0161 214 7232  
E: robin.j.bakerh@uk.gt.com

Georgia Jones  
Senior Manager

T: 0161 214 6383  
E: georgia.s.jones@uk..gt.com

Ashling Conway  
In-Charge Auditor

T: 0151 224 7237  
E: ashling.conway@uk.gt.com

| Section  | Page |
|--|------|
| 1. Headlines                                       | 3    |
| 2. Compliance with regulations                     | 4    |
| 3. Consistency of information                      | 5    |
| 4. Data quality of reported performance indicators | 6    |
| 5. Fees  | 9    |
| <b>Appendices</b>                                  |      |
| A. Form of limited assurance report                |      |

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of expressing our opinion on the financial statements. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: No.OC307742. Registered office: 30 Finsbury Square, London, EC2A 1AG. A list of members is available from our registered office. Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

# Headlines

## The Quality Report

The Quality Report is a mandatory part of a foundation trust's Annual Report. Its specific aim is to encourage and improve the foundation trust's public accountability for the quality of the care it provides. It allows leaders, clinicians, governors and staff to show their commitment to continuous, evidence-based quality improvement, and to explain progress to the public.

## Purpose of this report

This report to governors summarises the results of our independent assurance engagement on your Quality Report. It is issued in conjunction with our signed limited assurance report, which is published within the Quality Report section of the Trust's Annual Report for the year ended 31 March 2019.

In addition, this report provides the findings of our work on the indicator you selected for us to perform additional substantive testing on to support your governance responsibilities.

In performing this work, we followed NHS Improvement's 'Detailed requirements for external assurance for quality reports 2018/19' ('Guidance').

The output from our work is a limited assurance opinion on whether anything has come to our attention which leads us to believe that:

- the Quality Report is not prepared, in all material respects, in line with the criteria set out in the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance;
- the Quality Report is not consistent, in all material respects, with the sources specified in NHS Improvement's 'Detailed requirements for external assurance for quality reports 2018/19'; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report have not been reasonably stated, in all material respects, in accordance with the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance.

## Conclusion

Our work on your Quality Report is substantially complete although we are finalising our procedures in respect of:

- completion of testing on the indicators
- confirming the Quality Report complies with disclosure requirements
- obtaining a letter of representation from management

Subject to this, we are proposing to issue an unqualified opinion on your Quality Report.

The text of our proposed limited assurance report can be found at Appendix C.

## Key messages

- We confirm that the Quality Report has been prepared in all material respects in line with the requirements of the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance.
- We confirm that the Quality Report is not materially inconsistent with the sources specified in NHS Improvement's Guidance.
- Our testing of two indicators included in the Quality Report found no evidence that these two indicators were not reasonably stated, in all material respects, in accordance with the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance.
- Our testing of the indicator selected by the governors found no evidence that this indicator was not reasonably stated, in all material respects, in accordance with relevant guidelines on calculation. In line with NHS Improvement's Guidance, we do not express any assurance in respect of this indicator.
- There were delays in us receiving the information that we required in order to complete our testing. Key information initially requested in April was only received from mid May. In addition when we received the Quality Report the data included was up to February with the full year data only being made available to us in the last week of the audit.

## Acknowledgements

We would like to thank the Trust staff for their co-operation in completing this engagement.

# Compliance with regulations

We checked that the Quality Report had been prepared in line with the requirements set out in the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance.

| Requirement                 | Work performed  | Conclusion   |
|-----------------------------|---|--|
| Compliance with regulations | We reviewed the content of the Quality Report against the requirements of the 'NHS foundation trust annual reporting manual 2018/19' and the supporting guidance 'Detailed requirements for quality reports for foundation trusts 2018/19'. | Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019, the Quality Report is not prepared, in all material respects, in line with the criteria set out in the NHS foundation trust annual reporting manual 2018/19 and supporting guidance. |

# Consistency of information

We checked that the Quality Report had been prepared in line with the requirements set out in the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance.

| Requirement                                   | Work performed  | Conclusion  |
|---|---|---|
| Consistency with other sources of information | We reviewed the content of the Quality Report for consistency with specified documentation, set out in the auditor's guidance provided by NHS Improvement. This includes the board minutes and papers for the year, feedback received on the Quality Report, survey results from staff and patients and the Head of Internal Audit opinion. | Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019, the Quality Report is not consistent, in all material respects, with the sources specified in NHS Improvement's 'Detailed requirements for external assurance for quality reports 2018/19'. |
| Other checks                                  | We also checked the Quality Report to ensure that the Trust's process for identifying and engaging stakeholders in the preparation of the Quality Report has resulted in appropriate consultation with patients, governors, commissioners, regulators and any other key stakeholders.   | Overall, we concluded that the process resulted in appropriate consultation   |

# Data quality of reported performance indicators

We undertook substantive testing on certain indicators in the Quality Report.

## Selecting performance indicators for review

The Trust is required to obtain assurance from its auditors over three indicators.

NHS Improvement requires that we select two indicators in a prescribed order of preference from the list of four mandated indicators that are relevant to this Trust.

These two indicators are subject to a limited assurance opinion in line with the requirements set by NHS Improvement. We have to report on whether there is evidence to suggest that they have not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance.

In line with the auditor guidance, we have reviewed the following indicators:

- maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers: selected from the subset of mandated indicators because this indicator was mandated by NHS Improvement as first in a prescribed order of preference;
- percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period: selected from the subset of mandated indicators because this indicator was mandated by NHS Improvement as next in a prescribed order of preference

In 2018/19, NHS foundation trusts also need to obtain assurance through substantive sample testing over one additional local indicator included in the Quality Report, selected by the governors of the Trust. Although the Trust's external auditors are required to undertake the work, this indicator does not form part of the limited assurance report.

In line with the auditor guidance, we have reviewed the following local indicator:

- Completion of a care partner request for each patient on admission.

This indicator was chosen by the Governors and relates to nursing staff discussing with patients on their admission to hospital care partner options.

# Data quality of reported performance indicators – Indicators subject to limited assurance report

| Indicator & Definition   | Indicator outcome | Work performed  | Conclusion   |
|--|-------------------|---|--|
| Maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers                               | 95.3%             | <p>We documented and walked through the process used by the Trust to collect data for the indicator. We checked that the indicator presented in the Quality Report reconciled to the underlying data.</p> <p>We then tested a sample of 25 items in order to ascertain the accuracy, completeness, timeliness, validity, relevance and reliability of the data, and whether the calculation of the indicator was in accordance with the definition.</p> | Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019, the indicator has not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance. |
| Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period | 92.31%            | <p>We documented and walked through the process used by the Trust to collect data for the indicator. We checked that the indicator presented in the Quality Report reconciled to the underlying data.</p> <p>We then tested a sample of 25 items in order to ascertain the accuracy, completeness, timeliness, validity, relevance and reliability of the data, and whether the calculation of the indicator was in accordance with the definition.</p> | Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019, the indicator has not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance. |

# Data quality of reported performance indicators – Local indicator not subject to limited assurance report

| Indicator, Definition & Scope  | Indicator outcome | Work performed   | Conclusion   |
|--|-------------------|--|--|
| <p><b>Completion of a care partner request for each patient on admission.</b></p> <p>This indicator was chosen by the Governors and relates to nursing staff discussing with patients on their admission to hospital care partner options.</p> <p>In line with the requirements of NHS Improvement's Guidance, this indicator is not subject to a limited assurance opinion. We do not provide the governors with any formal assurance in relation to whether this indicator is fairly stated.</p> | 93.62%            | <p>We documented and walked through the process used by the Trust to collect data for the indicator. We checked that the indicator presented in the Quality Report agreed to the value reported by NHS Digital.</p> <p>For the first 11 months of the year admission nurses as part of the nursing admission document were required to complete a question: Care partner options discussed and to respond Yes or No. If both were left blank this was identified this as a fail, if either Yes or No was ticked this was identified as a pass due to the fact that ward staff were stating no when the patient did not want a care partner, however the option had been discussed. Because this caused some confusion from 13th March 2019 this was changed to: Care Partner Identified with the options Yes, Not required and Not discussed. Since then, those ticked as Yes and Not required were considered passes and those Not discussed as fails</p> <p>We then tested a sample of 25 items using the basis above in order to ascertain the accuracy, completeness, timeliness, validity, relevance and reliability of the data, and whether the calculation of the indicator was in accordance with the definition.</p> | Based on the results of our procedures we did not identify any material issues in relation to the calculation of this indicator or the six dimensions of data quality. |

# Fees

**Fees for our work on the Quality Report**  
We confirm below our final fees charged for this work.

|                                  | Proposed fee | Final fee |
|----------------------------------|--------------|-----------|
| Assurance on your Quality Report | 4,125        | 4,125     |
| Total fee (excluding VAT)        | £4,125       | £4,125    |

# Form of limited assurance report

## Independent Practitioner's Limited Assurance Report to the Council of Governors of Liverpool Heart and Chest Hospital NHS Foundation Trust on the Quality Report

We have been engaged by the Council of Governors of Liverpool Heart and Chest Hospital NHS Foundation Trust to perform an independent limited assurance engagement in respect of Liverpool Heart and Chest Hospital NHS Foundation Trust's Quality Report for the year ended 31 March 2019 (the "Quality Report") and certain performance indicators contained therein against the criteria set out in the 'NHS foundation trust annual reporting manual 2018/19' and additional supporting guidance in the 'Detailed requirements for quality reports 2018/19' (the 'Criteria').

### Scope and subject matter

The indicators for the year ended 31 March 2019 subject to the limited assurance engagement consist of the national priority indicators as mandated by NHS Improvement:

- maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers
- percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period

We refer to these national priority indicators collectively as "the indicators".

### Respective responsibilities of the directors and Practitioner

The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance issued by NHS Improvement.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the Criteria set out in the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in NHS Improvement's 'Detailed requirements for external assurance for quality reports 2018/19'; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance and the six dimensions of data quality set out in the "Detailed requirements for external assurance for quality reports 2018/19".

We read the Quality Report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes for the period 1 April 2018 to 28 May 2019;
- papers relating to quality reported to the Board over the period 1 April 2018 to 28 May 2019;
- feedback from commissioners dated 23/05/2019;
- feedback from governors dated 22/04/2019;
- feedback from local Healthwatch organisations dated 16/05/2019;
- the Trust's complaints report published under regulation 18 of the Local Authority, Social Services and National Health Service Complaints (England) Regulations 2009, dated 10/05/2019;
- the 2017 national patient survey – 13/06/18
- the 2018 national staff survey - 27/03/19

# Form of limited assurance report

- the Head of Internal Audit's annual opinion over the Trust's control environment dated 28/05/19
- CQC Inspection report dated 16/09/16.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with these documents (collectively the "documents"). Our responsibilities do not extend to any other information.

The firm applies International Standard on Quality Control 1 (Revised) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Liverpool Heart and Chest Hospital NHS Foundation Trust as a body, to assist the Council of Governors in reporting Liverpool Heart and Chest Hospital NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2019, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body, and Liverpool Heart and Chest Hospital NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

## Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- limited testing, on a selective basis, of the data used to calculate the indicators tested against supporting documentation;
- comparing the content requirements of the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance to the categories reported in the Quality Report; and
- reading the documents.

A limited assurance engagement is narrower in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

## Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable, measurement techniques that can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the Quality Report in the context of the criteria set out in the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance.

The scope of our limited assurance work has not included governance over quality or non-mandated indicators, which have been determined locally by Liverpool Heart and Chest Hospital NHS Foundation Trust.

Our audit work on the financial statements of Liverpool Heart and Chest Hospital NHS Foundation Trust is carried out in accordance with our statutory obligations and is subject to separate terms and conditions. This engagement will not be treated as having any effect on our separate duties and responsibilities as Liverpool Heart and Chest Hospital NHS Foundation

# Form of limited assurance report

Trust's external auditors. Our audit reports on the financial statements are made solely to Liverpool Heart and Chest Hospital NHS Foundation Trust's members, as a body, in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006. Our audit work is undertaken so that we might state to Liverpool Heart and Chest Hospital NHS Foundation Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. Our audits of Liverpool Heart and Chest Hospital NHS Foundation Trust's financial statements are not planned or conducted to address or reflect matters in which anyone other than such members as a body may be interested for such purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than Liverpool Heart and Chest Hospital NHS Foundation Trust and Liverpool Heart and Chest Hospital NHS Foundation Trust's members as a body, for our audit work, for our audit reports, or for the opinions we have formed in respect of those audits.

## Conclusion

Based on the results of our procedures, as described in this report, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019:

- the Quality Report is not prepared in all material respects in line with the Criteria set out in the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in NHS Improvement's 'Detailed requirements for external assurance for quality reports 2018/19'; and
- the indicators in the Report identified as having been subject to limited assurance have not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual 2018/19' and supporting guidance.

Grant Thornton UK LLP

Chartered Accountants

Liverpool

[Date]

