

BOARD OF DIRECTORS

Friday 27 March 2020

Via Video Call

2.30 – 3.30pm

AGENDA

v = verbal d = document p = presentation

Time	Item		Lead	Reference
PRELIMINARY BUSINESS				
2.30	1	Apologies for Absence	Chairman	B19-20/034 (v)
	2	Declarations of Interest To receive declarations of interest in agenda items and/or any changes to the register of directors' declarations of interest	Chairman	B19-20/035 (v)
	3	Minutes of the Previous Meeting (31 January 2020) To approve the minutes of the Board of Directors, review the Board Action Log and discuss any matters arising: • LHP Advisory Board/Annual Event	Chairman	B19-20/036 (d/v)
	4	Chief Executive's Report • LHP Business Continuity/COVID-19 To note	CEO	B19-20/037 (d)
STRATEGY & PERFORMANCE				
2.40	5	Performance: • LHP Performance Dashboard • Programme Assurance Reviews To note	DoDP	B19-20/038 (d) B19-20/039 (d)
2.50	6	LHP Business & Financial Plan 2020-21 To approve	DoDP	B19-20/040 (d)
GOVERNANCE AND FINANCE				
3.20	7	Governance Committee – Minutes 13 March 2020 To note	Committee Chair	B19-20/041 (d)

CONSENT AGENDA (all items 'to approve' unless stated otherwise)

These items have been read by Board members and the minutes will reflect recommendations, unless an item has been requested to come off the consent agenda for debate; in this instance, any such items will be made clear at the start of the meeting

©	Corporate Governance Framework Manual	DoCS
©	Board Forward Plan 2020-21	DoCS
©	LHP Members' Agreement	DoCS
©	LHP/LHCH Service Level Agreement	DoCS
©	Management Accounts (to end January 2020) To note	UoL Finance Lead

CONCLUDING BUSINESS

3.25	8	Any Other Business	Chairman	B19-20/042 (v)
	9	Items for the Strategic Risk Register To identify any additional items for the Strategic Risk Register arising from discussions at this meeting		B19-20/043 (v)
		Date of Next Meeting: Wednesday 13 May 2020, 4 - 6pm at LHP Studio, Liverpool Science Partnership		

The LHP Board is committed to being open and transparent but there are times when the Board will need to consider agenda items that are confidential. These items will be identified in advance of the board meeting and discussed under a Part II Board agenda. The minutes recording the discussion on these items will not be made available on the website.

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BOARD OF DIRECTORS

Friday 31 January 2020

Derby Suite, Foundation Building, University of Liverpool

MINUTES

Chair	Dr Neil Goodwin	NG	Chairman, LHP
Partners	Liz Bishop	LB	CEO, Clatterbridge Cancer Centre NHS FT
	Seth Crofts	CA	Associate Dean for Research & Innovation, Edge Hill University
	Prof Louise Kenny	LK	Executive Pro Vice Chancellor, University of Liverpool (UoL)
	Dr Cecil Kullu	CKu	MerseyCare NHS FT
	Jan Ledward	JL	Chief Officer, Liverpool Clinical Commissioning Group
	Dr Marga Perez-Casal	MPC	Director of Research & Innovation, Liverpool Heart & Chest (LHCH) NHS FT
	Jan Ross	JR	Director of Operations & Strategy, The Walton Centre NHS FT
	Louise Shepherd	LS	CEO, Alder Hey Children's Hospital (ACH) NHS FT
	Kathryn Thomson	KT	CEO, Liverpool Women's Hospital (LWH) NHS FT
	Peter Winstanley	PW	Director, Liverpool School of Tropical Medicine (LSTM)
In attendance	Dr Dawn Lawson	DL	CEO, LHP
	Roger Bickerstaff	RB	UoL Finance Dept., LHP Company Secretary
	Dr Mark Jackson	MJ	Director of Delivery and Performance, LHP
	Dr Rachel Joyes	RJ	Director of Research Infrastructure and Education, LHP
	Caroline Keating	CK	Director of Corporate Services, LHP
	Dr Liz Mear	LM	CEO, Innovation Agency
Guests	Dr Stacy Todd	ST	Programme Director, Infection, LHP (Consultant in Infectious Diseases, LUH)
	Elizabeth Collins	EC	Programme Manager, Infection, LHP

DECISIONS MADE

- LHP Organisational Strategy approved
- Infection Leadership Group supported for delivery and capacity for NHS Infection Research with Board members agreeing to facilitate ways to make the path easier within individual organisations
- LHP Communications Strategy approved
- System-wide Delivery Plan approved
- Revised Governance Structure approved
- Approval of key documentation relating to the transfer of hosting arrangements to Liverpool Heart & Chest NHS FT:
 - Business Transfer Agreement
 - Members Agreement
 - LHP Variation Agreement to vary the Members Agreement
 - LHP Board Terms of Reference

Ref	Item	Action
PRELIMINARY BUSINESS		
1.	Apologies for Absence Received from Hayley Citrine (Walton Centre); Raphaela Kane (Liverpool John Moores University; David Laloo (Liverpool School of Tropical Medicine); Tony Marson (LHP); Joe Rafferty (MerseyCare); Jane Tomkinson (Liverpool Heart & Chest); Steve Warburton (Liverpool University Hospitals)	
2.	Declarations of Interest MPerez-Casal, Director of Research & Innovation, LHCH – Item 11 (Hosting Update)	
3.	Minutes of the Previous Meeting (29 November 2019) Minutes from the last meeting were APPROVED as a correct record. The Action Log was reviewed and NOTED . There were no matters arising.	
4.	Chief Executive's Report DL highlighted the following key points: <ul style="list-style-type: none"> • Civic Data Co-operative: LHP's application to the Strategic Investment Fund at the Liverpool City Region Combined Authority had been recommended for £5.3m funding. This would provide a platform for further investment and influence nationally. Details of the key deliverables would be taken forward at a system level • LHP Organisational Strategy: this received positive feedback from partners and would align with the One Liverpool Strategy and feed into the Business Plan, due to be submitted in March 2020 	MJ

Ref	Item	Action
	<ul style="list-style-type: none"> • Protected Time for Research: a recently published national report¹ described the increasing challenge of protecting time for research active NHS staff, suggesting that 20% of clinicians should have 20% of their time protected. This concept continued to be tested through the Single Point of Access for Research & Knowledge (SPARK) which was referenced in the report as an example of good practice. The CEO advised she was exploring how Liverpool could be part of the £25m pilot scheme • SPARK: collaborative working on changing the culture was continuing with researchers coming to LHP early to seek support and advice. KT supported this approach and suggested that other institutions involved in research could be invited to present on their activities to the Board. This would also provide an opportunity for increased understanding of LHP's role and help the cultural shift required. CKu commented that it would be helpful to raise building capability e.g. recruiting senior investigators as part of these discussions. MJ advised this would be addressed in LHP's Business Plan • New members: LHP was working with Warrington NHS FT to co-create a business case for their Board, and discussions were continuing with St Helens. It was anticipated that on-boarding would be Summer 2020. Engagement with other Trusts e.g. Wirral University Hospital and Cheshire & Wirral Partnership was moving forward. DL advised that the University of Chester and the Countess of Chester Hospital NHS FT were of a different mindset currently but that LHP would continue to focus on the Cheshire & Merseyside STP footprint. <p>The Board NOTED the CEO's report.</p>	DL
STRATEGIC CONTEXT AND DEVELOPMENT		
5.	<p>LHP Organisational Strategy</p> <p>MJ advised that some consultation with partners had taken place and their comments incorporated. He further advised that all Year 1 deliverables would be identified in the LHP Business & Financial Plan.</p> <p>LM commented on the need to work together to develop and support the innovation pipeline. This would also involve the Applied Research Centre.</p> <p>The Board APPROVED the LHP Organisational Strategy subject to some minor amendments in relation to the AHSC application.</p>	

¹ 'Transforming health through innovation: Integrating the NHS and Academia', Academy of Medical Sciences, January 2020

Ref	Item	Action
6.	<p data-bbox="277 217 708 253">Infection – Programme Update</p> <p data-bbox="277 275 1225 539">Dr Stacy Todd gave a presentation to the Board on the challenges presented by a constantly shifting infection landscape. To ensure patient need came first required good clinical commitment and understanding. LHP's aim was to bring in all views and ensure there was alignment between the LHP Strategy, the CEIDR (Centre of Excellence in Infectious Diseases) Strategy and the Bio-medical Research Centre (BRC) application in April 2021.</p> <p data-bbox="277 600 1214 1055">ST reinforced the need for the approach on infection to be recognised as requiring inter-disciplinary and inter-organisation buy-in. She cited the achievements in Respiratory and Cancer and emphasised the benefits of a fitter population in improving survival rates from surgery, and lessening the impact on the social care budget by enabling patients to return to their own home from hospital. Dr Todd highlighted the number of bed days arising from in-hospital infections; the high level of community antimicrobials, the complex regional problems arising from patients moving around the region. She also referenced the need for systems to be linked to ensure overall solutions were identified, not only to the benefit of patients but also to deliver reductions in cost and resources.</p> <p data-bbox="277 1115 1222 1301">This would all require an increase in NHS-facing research and research capacity to explore these key issues in a more imaginative way. To that end, all organisations were to be approached to identify those interested in exploring infection research themes. The LHP/BRC Roadshows would be used to seek feedback from stakeholders.</p> <p data-bbox="277 1361 1209 1514">ST asked the Board to communicate the message wider; to support the Infection Leadership Group, to support delivery and capacity for NHS Infection Research and facilitate ways to make the path easier within individual organisations.</p> <p data-bbox="277 1574 772 1610">The Board raised the following points:</p> <ul data-bbox="277 1671 1214 1906" style="list-style-type: none"> <li data-bbox="277 1671 1214 1783">• BRC Steering Group Membership: although there was a range of expertise on the Group, it was suggested that more NHS representation was required <li data-bbox="277 1794 1214 1906">• Mersey Care/Community Microbials: further work was required with Primary Care to evidence how this was driven by excess ill health in the city <p data-bbox="277 1966 756 2002">The Board NOTED the presentation.</p>	<p data-bbox="1294 1205 1334 1240">ST</p> <p data-bbox="1294 1391 1334 1426">All</p>

Ref	Item	Action
	<p>BRC Status Update</p> <p>The Board discussed the latest position and agreed to receive regular progress reports on the application. It noted the launch of the CEIDR by the University of Liverpool and the Liverpool School of Tropical Medicine. NG, on behalf of the Board, congratulated Professor William Hope on being appointed the Dame Sally Davies Chair of Antimicrobial Resistance (AMR) research.</p>	RJ
7.	<p>LHP Communications Strategy</p> <p>CK presented the Strategy which set out how LHP proposed to engage, involve and communicate with its staff, partners and other key stakeholders, providing a flexible framework to support the delivery of LHP's vision and strategic objectives.</p> <p>NG commented on the need to grow LHP's social media audience and improve the alignment with partners across Cheshire & Merseyside. LM suggested that closer working with the Innovation Agency would be worth exploring. CK agreed to take this forward.</p> <p>The Board APPROVED the Communications Strategy.</p>	CK
8.	<p>System-wide Delivery Management</p> <p>MJ presented the paper on improving Academic Health Science System (SS) Productivity: moving from Initiation to Delivery.</p> <p>The Board discussed the paper and raised the following points:</p> <ul style="list-style-type: none"> • Research studies: There was some discussion around the number of research studies and the complexity of studies which always has to be balanced against population need and local capacity. PW commented that, if the ambition was to improve the average set up time, this should be stated • Collaborative working: the alignment of the Clinical Trials Unit and SPARK was welcomed; however, further work was required to consider how best to approach collaboration with Clinical Research Facilities (CRF) and link with the Clinical Research Network (CRN). RJ advised that this was in train. <p>The Board APPROVED the plan and NOTED its implementation was a major component of the 2020/21 Business Plan.</p>	MJ
GOVERNANCE AND ORGANISATIONAL DEVELOPMENT		
9.	<p>Governance Committee Minutes (14 January 2020)</p> <p>The Board welcomed LS as the new Chair of the Committee and noted the minutes. LS highlighted the following items:</p>	

Ref	Item	Action
	<ul style="list-style-type: none"> the Governance Review and Hosting Arrangements which had been submitted to the Governance Committee earlier in January for scrutiny and challenge LHP Business Plan 2020/21: a Task & Finish Group would be set up to look at the detail and resolve the current draft budget overspend, being mindful of the need to keep £400k reserves to cover close down costs, should this be necessary. There were implications for member subscriptions and a review would be required in due course as new members came on board. DL advised that she would take discussions forward in her meetings with each partner CEO. <p>In response to a query about prioritisation, LS confirmed that there were some strategic priorities and that these align with the LHP Business Plan.</p> <p>The Board NOTED the minutes.</p>	<p>MJ</p> <p>DL</p>
10.	<p>Governance Review</p> <p>The Board received the paper which identified the work undertaken to date on the governance structure, ensuring that it aligned sensibly with external expectations and ensuring robust systems and processes were in place to support that structure.</p> <p>A further phase of work (Phase 2) was now required to assess the Board structure as the membership grew to ensure that it remained sufficiently agile and fit for purpose. LS commented that this might require a formal external review, looking at tighter governance arrangements. NG supported this approach, maintaining that partnership-based organisations needed to be more transparent and rigorous than traditional single organisations.</p> <p>The Board APPROVED the revised governance structure and agreed to the on-going review into Phase 2, overseen by the Governance Committee.</p>	
11.	<p>LHP Hosting Arrangements</p> <p>The Board was advised that the proposal set out arrangements which preserved the autonomy, integrity and decision making of the LHP partnership. It also made clear how LHP would align with the governance arrangements of the host organisation, Liverpool Heart & Chest Hospital NHS FT.</p> <p>LS confirmed that the Governance Committee saw no cause for concern from a partnership perspective and that there were not outstanding financial issues. MPC requested some minor amendments to the paper</p>	

Ref	Item	Action
	<p>which CK agreed to action. MPC confirmed that LHCH did not see the hosting arrangements as ownership of LHP but rather as purely transactional.</p> <p>NG commented that it was important to note that success was not just about the relationship but also about the detail of the governance to ensure any future issues could be addressed efficiently. On behalf of the Board, NG thanked the University of Liverpool for their support in hosting LHP previously.</p> <p>The transfer of hosting arrangements would take place on 1 February 2020. The Board noted that the Service Level Agreement between LHP and LHCH, as well as the revised Corporate Governance Framework, would be taken forward with a view to completion by end March 2020.</p> <p>The Board APPROVED the following documents:</p> <ul style="list-style-type: none"> • Business Transfer Agreement • Members Agreement • LHP Variation Agreement to vary the Members Agreement • LHP Board Terms of Reference 	<p>CK</p> <p>CK</p>
12.	<p>LHP Advisory Board</p> <p>The Chairman advised the Board that the aim of the Advisory Board (AB) was to raise LHP's profile internationally as well as securing international expertise to the development of LHP strategy and delivery programmes.</p> <p>The intention was for the AB's first meeting to be at the same time as LHP's annual conference (i.e. Autumn 2020) although securing the availability of all AB members was proving challenging. It was also proposed that the involvement of individual AB members on specific LHP work might be possible.</p> <p>The Board NOTED the paper.</p>	
13.	<p>Performance</p> <p>LHP Performance Dashboard</p> <p>MJ advised that Professor Conor Malucci had been appointed as Programme Director for Neuroscience from 1 April 2020. Arrangements for Mental, Physical & Well Being would be taken forward with Matt Ashton, Director of Sefton Public Health.</p> <p>MJ then highlighted the following points:</p>	<p>DL</p>

Ref	Item	Action
	<ul style="list-style-type: none"> Outcome data was improving with links with Public Health and One Liverpool refreshed on an annual basis Study Set up Times: the process control chart evidenced the improvements being made Recruitment to CRN Portfolio studies: there was an ambitious 35k target to attain by year end from a current position of 11k. SW and JT, in conjunction with LHP, would be developing an improvement plan, a longer-term strategy and funding model. <p>MJ agreed to amend the reputational metric to more accurately reflect the position.</p> <p>Programme Assurance Reviews</p> <p>The Board received details of the outputs of the reviews on CVD and Infection. NG requested that future reports focussed more on delivery across the partnership. MJ advised that LHP Board members would be invited to future reviews.</p> <p>The Board NOTED the dashboard and the progress made.</p>	<p>MJ</p> <p>MJ</p>
14.	<p>Finance</p> <p>The Board received the Management Accounts to 31 December 2019. RB advised that at the end of the nine months to end December, there was a small surplus against a planned deficit with the full year position forecast to be a deficit of £37k against a planned deficit of £340k.</p> <p>RB further advised the Board that work had been undertaken with LHP's legal advisors, Hill Dickinson, to draft the Business Transfer Agreement which included asset identification. RB asked the Board to note that, at the end of January 2020, reserves of £1.1m, cash and fixed assets of £90k would transfer to LHCH. Any remaining balances would be settled in February by LHP Ltd.</p> <p>The Board APPROVED the Accounts.</p>	
CONCLUDING BUSINESS		
15.	<p>Any Other Business</p> <ul style="list-style-type: none"> Academic Health Science Centre: notification of the next step was expected early February Integrated Clinical Academic Development: Applications had been invited for the prestigious 2021 & 2022 NIHR funded Academic Clinical Fellow (ACF) and Academic Clinical Lecturer (ACL) awards. LK highlighted this investment to improve research capacity and capability and emphasised its importance in supporting Liverpool's future application for Biomedical Research Centre status. All 	

Ref	Item	Action
	Partner CEOs were asked to encourage their organisations to respond to Liverpool's disappointing track record. It was suggested that a more detailed paper should be submitted to the Board. It was also suggested that Prof T Marson liaise with Zarko Alfirevic, Associate Pro-Vice-Chancellor (Clinical Affairs), University of Liverpool and Paul May, Director of Clinical Academic Development, University of Liverpool to discuss this further.	All TM
16.	Items for the Strategic Risk Register There were no items identified.	
17.	Date and Time of Next Meeting Friday 27 March 2020: 2.30 – 4.30pm, Derby Suite, Foundation Building, University of Liverpool	

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Board Action Log – January 2020

Action on track but not complete

Action overdue for completion or may not be completed

Action complete & evidenced

Lead	Meeting Date	Ref	Action	Action Deadline	Action Status	Agenda Item
RJ	November 2019	5. LHP Organisational Strategy/Innovation	<ul style="list-style-type: none"> Session with relevant teams to be set up [Sept action vs Liverpool Health Ventures - LHP Innovation Group to report back on next steps in relation to establishing a shared resource and investment fund] <p>Update: discussions on-going re aligning innovation across LHP</p>	tbc		
DL	January 2020	4. CEO Report	<ul style="list-style-type: none"> Institutions involved in research to be invited to present on their activities 			
All		6. Infection – Programme Update	<ul style="list-style-type: none"> Board members to communicate message wider in support of the Infection Leadership Group, to support delivery and capacity for NHS Infection Research and facilitate ways to make the path easier within individual organisations 			
RJ		6. BRC Status Update	<ul style="list-style-type: none"> RJ to submit regular progress reports on the application. <p>Update: Schedule identified on Board Forward Plan</p>			
CK		7. Comms Strategy	<ul style="list-style-type: none"> Closer working with the Innovation Agency to be explored 			
MJ		8. System-wide delivery management	<ul style="list-style-type: none"> Average set up-time to be stated 	Actioned for May 2020 dashboard		

Lead	Meeting Date	Ref	Action	Action Deadline	Action Status	Agenda Item
MJ DL		9. Governance Committee Minutes/Business Plan	<ul style="list-style-type: none"> T&F Group to be set up to look at current position. Discussion to be taken forward in meetings with each partner CEO 			
CK		11. LHP Hosting Arrangements	<ul style="list-style-type: none"> Corporate Governance Framework and LHP/LHCH SLA to be taken forward with view to completion by end March 2020 	March 2020		Consent Agenda
MJ		13. Performance	<ul style="list-style-type: none"> Reputational metric to be amended LHP Board members to be invited to future programme assurance reviews 			
TM		15. AOB	<ul style="list-style-type: none"> Integrated Clinical Academic Development – more detailed paper to be submitted to the Board re ACF and ACL awards; TM to take discussions forward with relevant UoL individuals 			

Chief Executive Report March 2020

Purpose

To provide an update on the work of the Chief Executive since the last board meeting.

Executive summary

LHP has had a successful period of reset in 2019/20 and is now moving into its delivery phase. To reflect LHP's transition from reset to delivery, a key item on the agenda is our business and financial plan for 2020/21.

Given the significant disruption as a result of COVID-19 we will make adjustments to our business plan as appropriate. Our intention is to take a medium to long term view to ensure that we continue to position the City well for research and innovation when the pandemic dissipates.

The two areas of LHP business that must continue is SPARK and the infection theme. We have developed a business continuity plan (please see appendix 1). SPARK is critical so that we can ensure we process the COVID studies coming through very quickly. We are in the process of developing a virtual SPARK office to ensure that we are able to process COVID-19 studies as quickly as we can. We currently have 7 COVID-19 studies in set-up across the City, with further studies in the pipeline.

The infection theme will continue to function with the specific aim of supporting the system to respond to the funding calls to support the COVID endeavour. Other themes will support funding streams around the COVID effort. We are very conscious of the operational pressures the NHS is facing and will be redeploying non-essential LHP staff to provide support in Trusts as appropriate. We will re-adjust our business plans, risks and deliverables as the impact of the pandemic becomes clear. We will ensure that we are able to re-establish our work promptly once the pressure from the pandemic subsides.

Further detail of key developments since the previous Board meeting is provided below.

1. Core Team Developments

Professor Conor Mallucci has started in post as Programme Director for Neurosciences. Connor is a Consultant Paediatric Neurosurgeon at Alder Hey Hospital and an Honorary Consultant at The Walton Centre and we are delighted to have him as part of the team. Connor is in the process of meeting colleagues and developing his approach to establishing the Neurosciences and Mental Health theme.

We are pleased to confirm that Liz Taylor will continue to support as interim Corporate Business Manager to provide continuity for a period of 6 months.

2. SPARK

Following national and local guidance SPARK will be processing all studies but will not be approving non-COVID studies for site initiation, unless by exception. SPARK colleagues will be deployed to support COVID research with weekly review of allocation. SPARK will continue to support and facilitate research

grant and fellowship development and submissions with enhanced support for new COVID research proposals (please see further detail in appendix 1).

3. LHP memberships discussions

The Countess of Chester Hospital NHS Foundation Trust has confirmed that they will be unable to join LHP in 2020/21. Discussions are still active with Warrington and Halton Hospitals NHS Foundation Trust and St Helen's & Knowsley Teaching Hospitals who are developing businesses cases regarding membership of LHP. Further conversations are ongoing with and the Cheshire & Wirral partnership NHS Foundation Trust and the Wirral University Teaching Hospitals NHS Foundation Trust.

As a result of the operational pressure of COVID-19 we are expecting significant delays in new members joining LHP.

4. Liverpool System Innovation Model

When writing the AHSC bid it was clear that as a health and academic economy there is very little alignment of the individual assets that can identify, support and implement innovation. This therefore means the ability of the city to 'pull through' innovation from idea to impact is limited. As a result, LHP has been developing a systems model for innovation drawing on the extant infrastructure, activities and ambitions from within the system which can be scaled and widely adopted (please see appendix 2). This means the City of Liverpool would have a City-wide approach to identifying, pulling through and spreading innovation by drawing upon and coordinating support from organisations at the right time regardless of the type of innovation (e.g. digital, biomedical, service user identified). With better coordination new efficiencies could be developed which mean the current assets can better support the incubation of innovation. The delivery of this system could potentially be supported by a post part funded by LHP and the Innovation Agency.

5. Collaborative Bid Developments

Civic Data Cooperative (CDC): Since January 2020, the CDC draft contract has been issued by the Combined Authority and is under negotiation around funding allocation and deliverables. Work continues with technical teams at the CCG, UoL and NHSD to prepare an IG framework and plan for data alignment. Team leads from academia (Edge Hill, LJMU, UoL), civic systems (local authorities and CCGs) and voluntary organisations have been engaged to develop collaborative working relationships to identify routes for communication and involvement. With recent COVID development, a rapid response form UoL is enabling a COVID data analytics programme to be develop with regional public health colleagues for actionable data sharing and use; this will link to the CDC as it develops.

NHS Accelerated Access Collaborative Artificial Intelligence fund (AI): LHP has supported 2 bids to the 1st round of the AI fund. One bid focuses on developing and validating a system that uses machine learning algorithms to identify patients at high-risk of lung cancer and to create a risk factor based predictive model. The second bid is to improve outcomes from psychotropic medications through system-wide feedback across a range of conditions.

Action required

1. To note the update and progress to date

Dr Dawn Lawson
Chief Executive

Appendix 1: LHP Business Continuity Priorities

LHP COVID Update 24/03/20

Staffing

- LHP admin and programme teams: team members have been scaling into home working since 16/03 will all team members working remotely. (LHP Exec Lead MJ)
- LHP SPARK: A small core office is being maintained at LHP SPARK to allow access to LUHFT servers for study set up. LHP are working to obtain virtual working approval and hardware for these LUHFT staff and hardware for one LHCH staff member (24/03). All other staff are working remotely with virtual communication channels set (LHP Exec Lead RJ)

Processes and policies (LHP Exec Lead MJ)

New policies for home working and lone working are being developed and the LHP risk register is being updated appropriately

COVID Research (LHP Exec Lead RJ)

National Studies:

- An expedited study set up service has been initiated by SPARK working closely with the NIHR CRN and Trust teams- with monitoring of emails and activities 8am-8pm, including emergency weekend cover. As capacity reduces at NHS sites the team are working collaboratively to support prioritisation of studies.
- Across the LHP system COVID research is being prioritised for set up and delivery. Activity has also been undertaken at Trusts to identify ongoing research to be maintained. Study set up of non COVID research is being run by SPARK as a background activity up until the point of site activation to ensure a smooth transition back to normal service.
- Current studies on the LHP portfolio can be found overleaf.

COVID-19 Study Type	Project Acronym	Name of Sponsor	Chief Investigator	Name of Host Trust	Principal Investigator	Date registered with SPARK	Project site status
Curative	RECOVERY	University of Oxford	-	AUH	Wootton, Dr Dan	17/03/2020	Project site in setup
				LHCH	,	19/03/2020	Project site in setup
				RLBUHT	Todd, Ms Stacy	16/03/2020	Project site in setup
Curative	A Phase 3 Randomised study to evaluate the Safety and Anti-Viral activity of Remdesivir (GS-5734) in participants with severe COVID-19	Gilead Sciences, Inc	Ustianowski, Dr Andrew	RLBUHT	Turtle, Dr Lance	20/03/2020	Project site in setup
Curative	5774 Safety & Antiviral Activity of Remdesivir for moderate COVID-19	Gilead Sciences, Inc.	Ustianowski, Andrew	RLBUHT	Turtle, Dr Lance	23/03/2020	Project site in setup
Other	Novel Coronavirus Wuhan study	University of Oxford	Semple, Dr Calum	LHCH	,	20/03/2020	Project site in setup
Preventive	SARS-CoV-2-infection	SynAIRgen	-	LHCH	Wat, Dr Dennis	19/03/2020	Project site in setup
Preventive	Coronavirus infection in immunosuppressed children	University Hospital Southampton NHS Foundation Trust	De Graaff, Dr Hans	Alder Hey	Carrol, Prof Enitan	23/03/2020	Project site in setup
Preventive	SAFER		Houlihan, Dr Catherine	RLBUHT	Walker, Naomi	20/03/2020	Project site in setup

Local/ Regionally led studies:

- LSTM and UoL have begun collaborations around COVID under 6 broad themes:
 - Patient Research for Public Health (national coordination of samples)
 - Diagnostics
 - Host Response (viral dynamics and protective immunity)
 - Pathogen Biology (molecular mechanisms of disease)
 - Epidemiology / Data
 - Therapeutics (small molecules)
 - Vaccines
 - Antiviral Drug Discovery
 - (Cross Cutting) Knowledge Mobilisation, Public and Community Involvement

Funding is being allocated from UoL, LSTM (under CEIDR) and the NIHR HPRU. In addition, system partners NIHR CRN and NIHR ARC are allocating resources to support COVID research. LHP is working collaboratively with these partners and is supporting new UoL research with project management support, sponsorship support and SPARK pre award team support. Whilst LJMU and Edge Hill work on wider COVID plans LHP is working to connect new ideas and projects across the system, including data, social science/ health service research and education/ student resilience support.

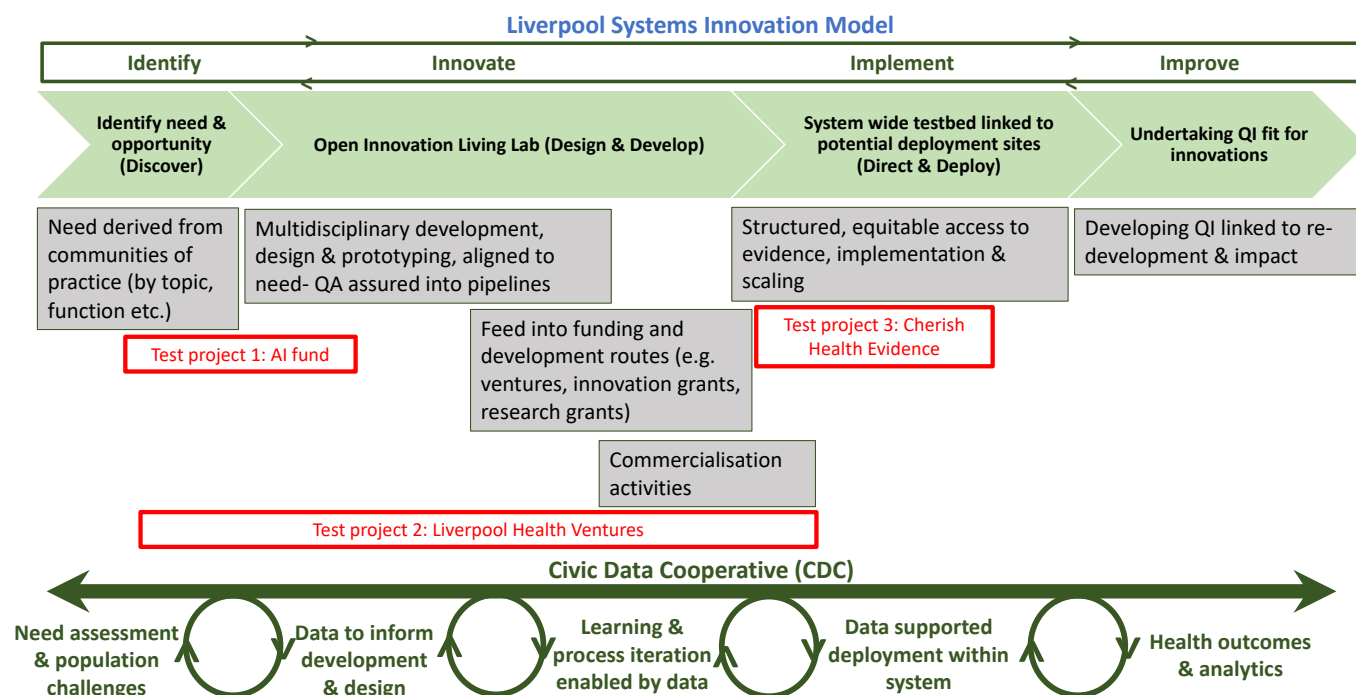
Supporting public health responses (LHP Exec Lead RJ, programme lead Prof Iain Buchan)

LHP is working collaboratively with system partners across public health to support a programme of work about data and intelligence on COVID. Led by Prof Iain Buchan and Liverpool Director of Public Health Matt Ashton a Health Intelligence Cell (HIC) has been set up under the Merseyside Intelligence Forum to bring together actionable data to support NHS and public service responses to COVID. Voluntary and community sector partners are engaged, and links are being made to regional and national responses by PHE and NHSE/I.

The programme will:

- Address modelling of data from across the system
- Focus actionable data on key cohorts (children/ families, vulnerable adults, elderly)
- Ensure clear and consistent messaging around national, regional and local data to best inform decision makers.

Appendix 2: Liverpool System Innovation Model



There are currently 3 distinct programmes mapping to the systems model:

1. **Open Innovation Living Lab** - A number of Trusts have mechanisms to identify innovations at Trust level (for example Alder Hey, LUHFT and LHCH). The varying models collectively fulfil the role of an 'innovation lab' to identifying opportunity, develop innovations and support founders/innovators. LHP will work to consolidate and scale this model to the systems level, working alongside existing pipelines and providers. The programme will bring NHS and academic innovation and commercialisation teams together in addition to promoting an open innovation approach with local SMEs to collaboratively develop solutions to NHS needs. A test project for this model is in development around the NIHR Artificial Intelligence Fund; identifying new needs, concepts and existing products/ ideas where collaborative systems working between NHS, academia, SMEs & DevOps teams will add value to proposals. (This project will run if capacity allows)
2. **Liverpool Health Ventures** - The Innovation Agency working with Capacity Labs are developing a venture funding pipeline model for NHS innovations to provide a seed fund and to commercialise the most promising innovations. NHS innovation and R&D leads are engaged in the development and design of the project which will be seeking Combined Authority Strategic Investment Fund monies in Summer 2020. LHP is supporting Trusts to feed in views and have provided clear feedback that the NHS needs to ensure aligned development against the wider systems approach, including alignment with the Civic Data Cooperative.
3. **Cherish Health**: Since summer 2019, LHP (in collaboration with the University of Liverpool) have been in discussion with a Cherish Health to create an evidence system around remote monitoring. This includes collaborative work around 2 developing products with wide patiently uses for monitoring patient in different settings (e.g. frail/ elderly, patients transitioning from hospital to home). COVID is rapidly shifting the potential of this programme of work and the LHP are working on rapid solutions to NHS needs around remote monitoring alongside NHSX and wider Department of Health teams.

The model will be further adapted and tested during Q1 2020/21 and system wide working and governance around innovation systems will be developed (e.g. programme level working groups and a systems leadership group).

Agenda Item (Ref)	5 (B19-20/038)	Meeting Date:	27 March 2020
Report To	LHP Board of Directors		
Report Title	LHP Performance Dashboard March 2020		
Lead Director	Dr Mark Jackson, Director of Delivery & Performance		
Lead Officer	Sarah Wright, Head of Delivery & Performance		
Action Required	To note		

<input checked="" type="checkbox"/> Acceptable assurance General confidence in delivery of existing mechanisms/ objectives	<input type="checkbox"/> Partial assurance Some confidence in delivery of existing mechanisms/ objectives	<input type="checkbox"/> No assurance No confidence in delivery
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Key Points/Messages	
<ul style="list-style-type: none"> Performance exception around membership growth being mitigated by positive discussions with other potential members Clinical Research Network North West Coast (CRN NWC) recruitment figures improved since January but may not reach 2019/20 target LHP/ CRN NWC developing a system wide performance dashboard for the CRN but also reporting at LHP Academic Health Science System level 	
Impact (is there an impact arising from the report on the following – details to be included in main report)	
<ul style="list-style-type: none"> Finance <input type="checkbox"/> Workforce <input type="checkbox"/> Strategy <input type="checkbox"/> 	<ul style="list-style-type: none"> Risk <input type="checkbox"/> Legal <input type="checkbox"/> Performance <input checked="" type="checkbox"/>

Strategic Objective/s (identify which objective the recommendations will help achieve)	
<input checked="" type="checkbox"/> Make Cheshire and Merseyside a more attractive place to do research <input checked="" type="checkbox"/> Improve systems capacity and capability <input checked="" type="checkbox"/> Improve opportunities for partners to contribute to LHP	<input checked="" type="checkbox"/> Improve the recognition and profile of LHP <input checked="" type="checkbox"/> Ensure the continual improvement of LHP <input checked="" type="checkbox"/> Develop and support the innovation pipeline <input checked="" type="checkbox"/> Focus research on the region's health needs
Next Steps (actions following agreement by Board/Committee of recommendation/s)	
New 2020/21 dashboard being developed using baseline data from 2019/20, focusing particularly on how to populate metrics for the Improve section.	

REPORT HISTORY

Committee/Group (where previously discussed)	Date	Lead	Summary of key issues and agreed actions

LHP Performance Dashboard

INTRODUCTION

1. LHP has held a number of meetings to progress its Performance Dashboard.
2. A meeting was held with key stakeholders in January to discuss metrics, in particular those data that can be collated via library systems within LHP's HEI partners and utilised not only for LHP's Performance Dashboard but for those of its programmes. Now LHP is moving to a more systematic collation of data, processes are becoming more embedded. A meeting has also taken place with CRN North West Coast (NWC) with the objective to produce a system wide performance dashboard that can be used by the CRN but also report at the level of the LHP Academic Health Science System.
3. Work has now started on building the 2020/21 dashboard, using baseline data from 2019/20. Going into 2020/21, in addition to refining and re-aligning some of the current collaborate and discover metrics, there will be a particular focus on how the improve metrics can start to be populated. SPARK (in conjunction with CRN NWC) is also now collating key lines of data and is changing the structure of EDGE, the research data management cloud-based system used by SPARK, to collect data on Principal Investigators and collaborations.
4. There is a performance exception for this month's dashboard with LHP membership growth which is less than anticipated. Exceptions will be discussed at future meetings of LHP's Finance and Performance Committee meetings.

KEY POINTS/PROPOSALS

5. The enclosed dashboard at Appendix 1 continues to be developed. The technical annex for the dashboard is also enclosed at Appendix 3. This annex describes the status of the data that is being collated and provides a RAG for the maturity of the data.
6. Key items to note:
 - (i) *Completion of first round of Performance Assurance Reviews*

By the March Board meeting, the first round of LHP's Performance Assurance Review process will have been completed. Feedback for Cancer and Starting Well has been submitted as a separate Board item and verbal feedback will be provided for Digital and Informatics which undergoes a review on the 26th March.
 - (ii) *Timelines around recruitment of leaders for LHP's priority areas*

Whist discussions are ongoing regarding a Director for Physical, Mental and Social Wellbeing and noting the importance of mental health research for LHP, mental health will temporarily form part of the Neuroscience theme and will commence in April 2020. Interim support will come from from existing programmes until a management support post is put in place later in 2020.

(iii) *Study set-up times*

The statistical process control chart (Appendix 2) demonstrates that there has been some variability across CRN data in January and February. SPARK data show a similar pattern. January figures did not meet target but February demonstrates a move the other way. As SPARK are starting to work to their Process for Issuing Capacity and Capability Standard Operating Procedure (C&C SoP) these figures will become more refined and further validated.

IMPLICATIONS/IMPACT

Exceptions

Update on Exceptions from previous meeting.

7. **CRN Patient Recruitment:** Patient recruitment to CRN Portfolio Studies has risen significantly since the Dashboard was last presented in January 2020. This is due to the retrospective addition of an upload of recruitment for the “Individual Risk Based Screening for Diabetic Retinopathy” study at Liverpool University Hospitals NHS Foundation Trust (LUHFT), led by Professor Simon Harding, Director of Research for LUHFT. Figures have been retrospectively updated for November, December, and January. This means that the figures are nearer to target but it is still unlikely that the target will be reached for 2019/20.
8. **Awards:** The University of Liverpool (UoL) has confirmed that although currently awards are not near target of £10.5m, there are three large applications totalling £11.7m that are awaiting outcome or award activation. One of these is C-Gull (£4.5m total) where the award notification has been received; however, because this is not yet activated it is not yet counted as an award.

Exceptions in the current dashboard

9. **Membership growth:** For business and financial planning, the working assumption is that LHP will attract two new tier 1 members in 2020/21. The Countess of Chester had initially indicated interest in joining LHP but have subsequently confirmed that they will be unable to do so in 2020/21. The financial planning and scenario modelling undertaken means that mitigating actions can reduce the impact of fewer new members. However, LHP is in active consultation with Warrington & Halton NHS Foundation Trust and the St Helen's & Knowsley NHS Trust, both of whom would be tier 2 members. The Cheshire & Wirral Partnership NHS Foundation Trust are also actively working with us to develop a business case to join LHP. Furthermore, the Wirral University Teaching Hospital NHS Foundation Trust continues to be interested in joining LHP. Whilst there are 4 new Trusts interested in joining, there is likely to be a significant delay in progressing membership given the current pressures of COVID-19.

CONCLUSION

10. There remains good progress with the dashboard and completion of the first round of LHP's Performance Assurance Reviews. Further discussions are to take place with Liverpool City Council on how to start to populate the Improve section of the dashboard for 2020/21.

RECOMMENDATION

11. To note the progress made and mitigating actions to cover exceptions.

Author: Sarah Wright, Head of Delivery and Performance

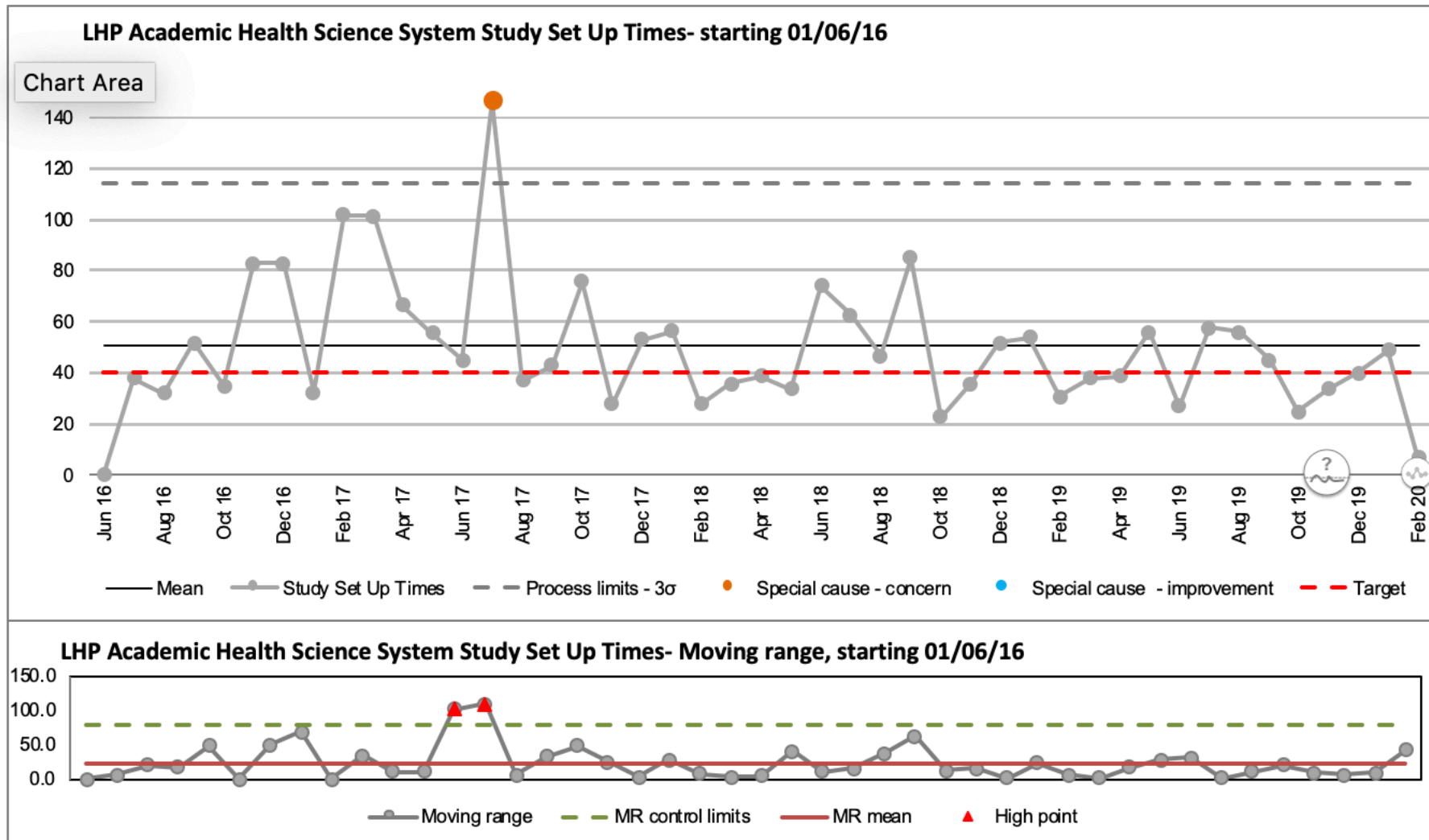
Date: 18 March 2020

System Level Indicator		Measure	Frequency	Baseline	Target	Maturity	Performance												
							Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	
Collaborate	No. collaborative projects between																		
	LHP Partners	culmulative increase by volume	by financial quarter		89	95			25			38			66				
	LHP & Industry	Number (HEI systems only)	Monthly																
	External	Number (HEI systems only)	Monthly																
	Alignment of Research Strategies																		
	Trusts	Date	Once	Active discussions	Mar-20														
	HEIs	Date	Once	Active discussions	Mar-20														
ARC	Date	Once	Active discussions	Mar-20															
Shared priorities		RAG Rating	6 monthly	Active discussions															
Influence over CRN budgets		Discussion	Once	Ongoing															
Value (RoI)		£	Quarterly																
Discover	Appoint Programme Director																		
	Neuroscience	Date	Once																
	Physical, Mental and Social Wellbeing	Date	Once																
	Production of Strategy																		
	LHP Strategy 2020-22	Date	Once	Submitted to LHP Board	Mar-20														
	Draft Programme Specific Strategies																		
	Infection	Date	Once	Under development	Dec-19														
	Cancer	Date	Once	Under development	Mar-20														
	Starting Well	Date	Once	Under development	Dec-19														
	CVD	Date	Once	Under development	Dec-19														
	Digital and Informatics	Date	Once	Under development	Mar-20														
	Physical, Mental and Social Wellbeing	Date	Once	Under development	Mar-20														
	Pharmacology and Therapeutics	Date	Once	Programme not started															
	Neuroscience	Date	Once	Programme not started															
	Assessment																		
	Performance Assurance Review and Self Assesments																		
	Infection	Date	6 monthly	Scheduled	Dec-19														
	Cancer	Date	6 monthly	Scheduled	Jan-20														
	Starting Well	Date	6 monthly	Scheduled	Mar-20														
	CVD	Date	6 monthly	Scheduled	Dec-20														
	Digital and Informatics	Date	6 monthly	Scheduled	Mar-20														
	Physical, Mental and Social Wellbeing	Date	6 monthly	Programme not started	TBC														
	Pharmacology and Therapeutics	Date	6 monthly	Programme not started															
	Neuroscience	Date	6 monthly	To be scheduled for 20/21	TBC														
	Reputation																		
	Likes, shares, web page views, retweets on social media	Points system	Monthly		32	50		40	41	32	39	36	14	17	32	39	51	43	
	Study set up times																		
Pre SPARK managed	Days	Monthly		45	40 days		39	56	27	58	56	45	25	33	40	49	7		
SPARK managed	Days	Monthly	n/a (from Q1 2020)		40 days							37	18.5	26	15	53	6.5		
Studies set up to time and target	% studies	Monthly	n/a (from Q1 2020)																
Major infrastructure																			
	Date	Monthly								C-GULL awarded				Strength in Places submitted		AHSC application PEDAPED to be delivered			
Real world data collection																			
	Date	Monthly																	
Recruitment	Cumulative Number of total patients recruited	Monthly		16704	19,842		800	1,642	2,427	3,467	4,115	6,204	8,042	12,011	16,144	18,109	18,836		
Research income																			
Awards	cumulative % increase per quarter by £	by financial quarter		£10,000,000	£10,500,000				10%			24%				37%			
Charitable /Philanthropic sources	£	Annually		£269,034.00	£300.000														
Innovations adopted																			
	IA measure	Quarterly		59	70										72				
Public and patient participation in research																			
	CQC Q69 (Acute only) per 10 patients	Annually		15%					15%										
LCITC Activity																			
	Number of clinical trials	Quarterly																	
Membership growth																			
Edge Hill University	Date and RAG rating	Once	Completed		Jul-19														
Cheshire and Wirral Partnership	Date and RAG rating	Once	No progress since last Board		Apr-20														
Wirral Teaching Hospitals	Date and RAG rating	Once	No progress since last Board		Mar-21														
Chester University	Date and RAG rating	Once	No progress since last Board		Mar-21														
St Helens and Knowsley	Date and RAG rating	Once	Ongoing		Apr-20														
Warrington	Date and RAG rating	Once	Active discussions		Mar-21														
Local Government	Date and RAG rating	Once	Ongoing		Mar-20														
Countess of Chester	Date and RAG rating	Once	Confirmed that they are not joining at this time																
Strategic appointments	Number	Quarterly		1	1					1				0				0	
Growth in research capacity																			
Pis	Number	6 monthly																	
Cis	Number	6 monthly																	
Academic output:																			
Publications	Number of publications (HEI data only)	Annually (calendar year)		1975	2000														
Citations	Cumulative % increase by volume	Quarterly	To start in Q1 2020													2027			
Infection	Number of publications	Quarterly																	
Cancer	Number of publications	Quarterly																	
Starting Well	Number of publications	Quarterly																	
CVD	Number of publications	Quarterly																	
Digital and Informatics	Number of publications	Quarterly																	
Physical, Mental and Social Wellbeing	Number of publications	Quarterly																	
Pharmacology and Therapeutics	Number of publications	Quarterly																	
Neuroscience	Number of publications	Quarterly																	
New education offers																			
Infection	Commencement date	Quarterly																	

	System Level Indicator	Measure	Frequency	Baseline	Target	Maturity	Performance											
							Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
	Cancer	Commencement date	Quarterly															
	Starting Well	Commencement date	Quarterly															
	CVD	Commencement date	Quarterly															
	Digital and Informatics	Commencement date	Quarterly															
	Physical, Mental and Social Wellbeing	Commencement date	Quarterly															
	Pharmacology and Therapeutics	Commencement date	Quarterly															
	Neuroscience	Commencement date	Quarterly															
	Consumer directed priorities	Number	Quarterly		1													1
	Number of new jobs created through interactions with SMEs	JA measure	Quarterly												3.6			
	IP Exploitation (NHS only)	Number	To start in Q1 2020	0	2													
	Behaviour changes in the public																	
	Reducing rates of:																	
	AMI	% C&M population with AMI	6 monthly															
	Stroke	% C&M population with stroke	6 monthly															
	Dementia	% C&M population with dementia	6 monthly															
	Earlier diagnosis of cancer	% Cancers diagnosed at stage 1 or 2 Liverpool CCG patients	Annually	48.4														
	Life and Healthy Life Expectancy																	
	Men Life Expectancy	Years	Bi-annually	76.4														
	Men Healthy Life Expectancy	Years	Bi-annually	59.3														
	Women Life Expectancy	Years	Bi-annually	80.3														
	Women Healthy Life Expectancy	Years	Bi-annually	59.6														
	Preventable mortality	Age-standardised mortality rate from causes considered preventable per 100,000 population	Annually	275.9														
	No physical - mental health gap		Annually															
	Starting Well																	
	Infant mortality	rate per 1,000 live births	Annually	5.7														
	School readiness	% Key stage 2 pupils meeting the expected standard in reading	Annually	61														
	Multiple morbidities	% Liverpool population	Annually	15														
	Multiple poor health behaviours	% C&M population	Annually															
	Smoking prevalence	% Liverpool population who smoke	Annually	14.7														
	Alcohol Admissions	Liverpool admission episodes for alcohol-related conditions	Annually	3,054														
	Physical Activity	Percentage of physically active adults in Liverpool	Annually	66.4														
	Reducing inequalities		Annually															
	Population health index		Annually															
	Economic productivity	Liverpool Economic activity rate - aged 16-64 (%)	Annually	71.1														

	Target date
	On target
	Making progress
	Making slow progress / moving towards being at risk
	At risk and to be escalated

Appendix 2 – Statistical Process Tool – Study Set Up Times (CRN data)



Appendix 3 – LHP Performance Dashabord: data sources and update on status

System Level Indicator	Source	Comment and RAG rating
<i>No. collaborative projects between</i>		
<ul style="list-style-type: none"> LHP Partners 	Only HEI partners approached currently but work with NHS partners/SPARK is planned.	Data has been received from UoL and LJMU for the 2019/20 dashboard. For 2020/21 this will first extend to Edge Hill and later on to LSTM.
<ul style="list-style-type: none"> LHP & Industry 	Only HEI partners approached currently but work with NHS partners/SPARK is planned.	In active discussions with HEIs. Current data requested is that of applications received involving 2+ LHP partners and industry partner.
<ul style="list-style-type: none"> External 	Only HEI partners approached currently but work with NHS partners/SPARK is planned.	In active discussions with HEIs. Current data requested is that of applications received involving 2+ LHP partners and external partner.
<i>Alignment of Research Strategies</i>		
<ul style="list-style-type: none"> Trusts 	Trust research strategies	Partners have agreed to take this back to their Boards. Target of March 2020
<ul style="list-style-type: none"> HEIs 	HEI research strategies	Partners have agreed to take this back to their Boards. Target of March 2020
<ul style="list-style-type: none"> ARC 	ARC research strategy	Discussions are ongoing between LHP and ARC, including programme specific meetings.
Shared priorities	Programme Managers/Programme Directors	Completed but to be delivered through a refresh of partner research strategies.
Influence over 2% of CRN budget dedicated to need	CRN and LHP discussions	Discussions are ongoing with a target of March 2020
Value (RoI)	Financial benefit/membership rate	This data is starting to be gathered and ties into LHP's membership strategy.

System Level Indicator	Source	Comment and RAG rating
Production of Strategy	LHP Programmes	Strategies from Infection, Starting Well and CVD are in draft and undergoing internal review, from where they will then be put to their Leadership Groups which will start to meet in Q1 of 2020. The Cancer and Digital and Informatics programmes will produce their strategies by Q2 2020.
Assessment		
Self Assessment and Performance Assurance Reviews	LHP PMs & PDs LHP Performance Assurance panel	Subjective measure. Programmes RAG rate their progress against their current objectives. This then informs future Performance Assurance Reviews. Following the completion of CVD and Infection, reviews for Starting Well, Cancer and Digital & Informatics will have all been completed by the end of March 2020. Following this first round, reviews are due to take place in September and March in line with the business planning cycle.
Reputation	Kenyons Consultants monitoring	Metrics are recorded monthly on a points basis around the amount of likes, retweets, webpage visits etc that LHP receives.
Study set up times	CRN data	Currently collating both CRN and SPARK data using medians. The CRN does not collate any data for non-NIHR studies and other research proposals that are not clinical studies but are related to healthcare. SPARK is working with the CRN NWC to collate data for these wider studies as well as collating all the information for non-NIHR studies. All data is being collected on SPARK EDGE database which allows SPARK to centrally hold all the information related to LHP. The data will be accurate and will allow for real-time data reports to be pulled from the SPARK EDGE system. Holding data centrally within SPARK will also allow for the SPARK team to monitor all SPARK KPI's and action them as required. SPARK will working to its set-up SOP: Capacity and Capability.
Major infrastructure	Programmes, LHP Exec	These will be scheduled in as and when we learn of dates and RAG-rated green when awarded.

Liverpool Health Partners

System Level Indicator	Source	Comment and RAG rating
Real world data collection	Grants awarded relating to data	These will be scheduled in as and when we learn of dates and RAG-rated green when awarded; C-GULL is already secured and the Civic Data Cooperative award is currently awaiting negotiation of contracts.
Recruitment	CRN data	Data is from CRN NWC. The CRN does not collate any data for non-NIHR studies and other research proposals that are not clinical studies but are related to healthcare. SPARK will therefore work with the CRN NWC to collate data for these wider studies as well as collating all the information for non-NIHR studies. All data will be collected on SPARK EDGE database which allows SPARK to centrally hold all the information related to LHP. The data will be accurate and will allow for real-time data reports to be pulled from the SPARK EDGE system. Holding data centrally within SPARK will also allow for the SPARK team to monitor all SPARK KPI's and action them as required.
<i>Research income</i>		
<ul style="list-style-type: none"> Awards Charitable /Philanthropic sources 	<p>Only HEI partners approached currently but work with NHS partners/SPARK is planned.</p> <p>Only HEI partners approached currently but work with NHS partners/SPARK is planned.</p>	<p>Data based on financial quarter has been received from UoL and LJMU. For 2020/21, data will extend to Edge Hill and later on LSTM. Current data requested is that of applications received involving 2+ LHP partners.</p> <p>One HEI's data received which is on annual figure. Discussions with other HEI partners ongoing.</p>
Innovations adopted	IA measure	Received from IA for C&M region.
Public and patient participation in research	CQC Question 69 results (acute Trusts only)	Annual measurement from CQC surveys. Measured for Acute Trusts only currently. Will need wider application to cover more partners in the future

Liverpool Health Partners

System Level Indicator	Source	Comment and RAG rating
LCTC Activity	LCTC systems	BI systems are being refined with the merger of the 2 units and LHP working with LCTC on a system for receiving data going forward.
Membership growth	LHP Exec	Dates are provided by the LHP Exec as to when discussions are scheduled.
Strategic appointments	PMs/PDs	These will be added from liaising with the PM team on a monthly basis.
Growth in research capacity	CRN data	Data is available from CRN NWC however this does not capture all activity (outside of NIHR) and therefore SPARK are working to keep non-NIHR data in EDGE which will be updated locally.
Academic output	HEI library data	Data currently from UoL and shortly LJMU. There may be local ways of collecting this information via online HEI library resources. Head of Delivery and Performance for LHP is planning repeat visits, Edge Hill and LSTM to further explore methods for collation of this data as different institutions have different systems. Citation data is best displayed as a cumulative increase across the year and so will be started in Q1 of 2020.
New education offers	Programmes scheduled under LHP Programmes	Programme Strategies will all include information on education. These data will therefore be provided in 2020 after strategies have been finalised. A meeting to further discuss objectives will be held on 31 March.
Consumer directed priorities	Linked to CIE strategy	This will be determined through CIE. A series of CIE workshops are taking place in 2020.
Number of new jobs from IA interactions with SMEs	IA measure	New IA measure on a quarterly basis. A baseline is currently being calculated.
IP Exploitation (NHS only)	IA measure	IA measure. Ongoing interactions with IA. These will be fed in most likely from the seed fund work ongoing with the IA.
Behaviour changes in the public		In discussion with local govt

Liverpool Health Partners

System Level Indicator	Source	Comment and RAG rating
<i>Reducing rates of:</i>		
<ul style="list-style-type: none"> • AMI • Stroke • Dementia 	Public health data	In discussion with local govt to ensure alignment with One Liverpool Plan.
Earlier diagnosis of cancer	Public health data	Baseline provided from Liverpool CCG. These will be annual measures.
Life and Healthy Life Expectancy and preventable mortality	Public health data	Baseline provided from local govt. These will be annual measures.
Avoidable mortality	Public health data	Baseline provided from local govt. These will be annual measures.
No physical - mental health gap	Public health data	Can be provided from local govt
<i>Starting Well</i>		
<ul style="list-style-type: none"> • Infant mortality • School readiness 	Public health and local govt data	Baseline provided from local govt. These will be annual measures.
Multiple morbidities	Public health data	Can be provided from local govt and need to ensure alignment with One Liverpool Plan.
Smoking prevalence Alcohol admissions Physical Activity	Public health data	Baseline provided from local govt. These will be annual measures.
Multiple poor health behaviours	Public health data	To be provided from local govt and need to ensure alignment with One Liverpool Plan.
Reducing inequalities	Public health data	Can be provided from local govt and need to ensure alignment with One Liverpool Plan.
Population health index	Dependent upon national implementation	To be discussed

Liverpool Health Partners

System Level Indicator	Source	Comment and RAG rating
Economic productivity	LCA measure	Baseline provided from local govt. These will be annual measures.

KEY

	Measure is completed and reliable
	Measure is in progress but with a satisfactory outcome anticipated in the short term
	Measure is in progress but with a satisfactory outcome anticipated in the longer term
	Measure not started
	Measure impossible to be delivered

Agenda Item (Ref)	5 (B19-20/039)	Meeting Date:	27 March 2020
Report To	LHP Board		
Report Title	LHP Performance Assurance Reviews: Feedback to Cancer and Starting Well Programmes		
Lead Director	Dr Mark Jackson, Director of Delivery & Performance		
Lead Officer	Sarah Wright, Head of Delivery & Performance		
Action Required	To note		

<input checked="" type="checkbox"/> Acceptable assurance General confidence in delivery of existing mechanisms/ objectives	<input type="checkbox"/> Partial assurance Some confidence in delivery of existing mechanisms/ objectives	<input type="checkbox"/> No assurance No confidence in delivery
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Key Points/Messages			
<ul style="list-style-type: none"> LHP has now completed its first schedule of Performance Assurance Reviews. Two reviews have taken place since the last Board meeting, in Cancer and Starting Well. By the end of March 2020, Digital & Informatics will also have gone through a review 			
Impact (<i>is there an impact arising from the report on the following – details to be included in main report</i>)			
<ul style="list-style-type: none"> Finance <input type="checkbox"/> Workforce <input type="checkbox"/> Strategy <input type="checkbox"/> 		<ul style="list-style-type: none"> Risk <input type="checkbox"/> Legal <input type="checkbox"/> Performance <input checked="" type="checkbox"/> 	

Strategic Objective/s (identify which objective the recommendations will help achieve)	
<input type="checkbox"/> Make Cheshire and Merseyside a more attractive place to do research <input checked="" type="checkbox"/> Improve systems capacity and capability <input checked="" type="checkbox"/> Improve opportunities for partners to contribute to LHP	<input type="checkbox"/> Improve the recognition and profile of LHP <input checked="" type="checkbox"/> Ensure the continual improvement of LHP <input checked="" type="checkbox"/> Develop and support the innovation pipeline <input type="checkbox"/> Focus research on the region's health needs
Next Steps (<i>actions following agreement by Board/Committee of recommendation/s</i>)	
The process is to be reviewed and revised following feedback from the first round and next reviews are scheduled for the Autumn of 2020.	

REPORT HISTORY

Committee/Group (where previously discussed)	Date	Lead	Summary of key issues and agreed actions

LHP Performance Assurance Reviews: Feedback to Cancer and Starting Well Programmes

INTRODUCTION

1. LHP has completed its first round of Performance Assurance Reviews.
2. The process is now to be revised and the next round of dates has been issued for Autumn 2020.
3. This paper shares feedback with the Board for Cancer and Starting Well. A verbal update regarding Digital and Informatics will be provided at the meeting.

KEY POINTS/PROPOSALS

4. Following reviews in CVD and Infection, two further reviews have taken place with one remaining in Digital and Informatics which takes place on the 26th March.
5. The most recent Cancer and Starting Well reviews have continued to be largely positive, and constructive feedback from the panel is attached.

IMPLICATIONS/IMPACT

6. The reviews are proving a valuable way of Programme Leaders and their teams to have a meaningful discussion with LHP's Executive. Feedback has been welcomed by Programme Leadership Teams.
7. Following feedback from the first round, LHP is continuing to refine the review process in order to make it more efficient.

CONCLUSION

8. The Performance Assurance Review process has been completed for 2019/20 and a new round will start in Autumn 2020, with revisions to the process being incorporated following feedback from Executive, Programme Directors and Managers.

RECOMMENDATION

9. To note the feedback from the reviews and any mitigating actions to cover any issues raised.

Author: Sarah Wright, Head of Delivery and Performance

Date: 19 March 2020

Tuesday, 10 March 2020

Dear Michael, Colin and Carrie

RE: PANEL FEEDBACK: LHP Starting Well Programme Performance Assurance Review, March 2020

Further to the Liverpool Health Partners' (LHP) Starting Well Programme Performance Assurance Review, I write with feedback from the Panel, with some items to note and others for consideration.

In summary, the panel felt confident that the Starting Well Programme is progressing well. In particular:

- (i) The Panel were impressed with the excellent preparation that has taken place in the run up to the Delphi exercise and the inclusivity of the engagement that has taken place.
- (ii) You have outlined a very clear process, which uses clear strategic objectives and demonstrates a well-developed programme which is integrated and built upon extensive communication.
- (iii) The enthusiasm of the Leadership Team is excellent to see.
- (iv) The Panel noted the success of the Hugh Greenwood round and can see the benefits of using this for capacity building.
- (v) The plans you have outlined for growing skills in Academic Clinical Practice are very positive and we look forward to seeing further developments in this area.

There are a few items arising from the review that the Panel would like you to consider:

- (i) Although we can see the clear benefits of the Hugh Greenwood programme, we have some concerns that dependency on it as a capacity building exercise is a risk when/if funds eventually run out. We would therefore ask that you look into other pump priming mechanisms that could also be adopted in parallel to the Hugh Greenwood programme.
- (ii) The Panel notes the size and ambition of the programme. Although the ambition is positive to see, there is a danger that the programme could become too onerous. Please consider how you will mitigate against this.
- (iii) You have outlined a very detailed governance structure. However, clarity is required on how this will operate and be administered. Even if the structure includes networks rather than sit down meetings, you may not have the capacity to coordinate the number of groupings that you have outlined.
- (iv) LHP is now moving from its planning phase into a programme of delivery. LHP members are increasingly keen to see clear and tangible deliverables which fall out of your strategy. This is

important as we present our forthcoming business plan to our Board for approval. It is essential we can justify the investment made in LHP. We note that Mark Jackson is working with you on developing these and that these will be built into LHP's Business Plan for 2020/2021.

Finally, as this is the first round of reviews, there is already some learning that we can take from the review process and consider via LHP's Delivery and Performance Team meetings. We are therefore taking into consideration any feedback we receive and will be refining the reviews process for the next round in the Spring of 2020. We have therefore noted your feedback and will include this in our revisions.

We hope you found this review and feedback useful and thank you again for your time and strong leadership of LHP's Starting Well Programme.

With best wishes

A handwritten signature in black ink, appearing to read 'Dawn Lawson', followed by a period.

Dr Dawn Lawson
Chief Executive
Liverpool Health Partners

6 February 2020

Dear Andy and Matina

RE: PANEL FEEDBACK: LHP Cancer Programme Performance Assurance Review, January 2020

Further to the LHP Cancer Programme's Performance Assurance Review, I write with feedback from the Panel, with some items to note and others for consideration.

In summary, the panel feel assured that the Cancer Programme, although at an early stage, is progressing very well. In particular:

- (i) We note that there has been a significant amount of engagement with organisations and relevant networks, and that this is an ongoing priority in order to navigate the complex cancer infrastructure within the region. We are impressed by this, especially in a space that has not historically been collaborative. It is especially positive that you are linked in with the Cancer Alliance and LCRI. The approach you are taking in developing the programme and strategy is well structured and well thought out, even at this early stage.
- (ii) The Panel were delighted to see a great level of teamwork between Director and Manager and note that the dynamic is very good, with real synergy. The programme is benefitting from strong programme management and leadership and the positive feedback from CEOs reflects this.
- (iii) The Panel noted that there has been excellent feedback on your survey that you circulated to help define priorities for the theme.
- (iv) Finally, we were pleased to hear that conversations are already underway with Manchester about possible collaboration.

There are a few items arising from the review that the Panel would like you to consider:

- (i) Although we acknowledge the programme is in its early stages, clarity is needed on deliverables and priorities. Whilst it is important to be aligned, it will be important not to get drawn into waiting for other regional strategies to be developed which could impede progress of LHP's Cancer Strategy. Therefore please ensure that priorities are explicit within your strategy.
- (ii) The potential for contribution from Dale Vimalachandran from the Countess of Chester is very important to the programme and something that should be encouraged, even if this is to be in an advisory role rather than the more preferred formal role.
- (iii) We acknowledge that you require adequate support for administration and

communications. We will do our best within LHP's resources to ensure that this is as effective as possible.

On a broader note, we noted your comment about the function and format of the Performance Assurance Reviews and we will take this into consideration. We already have an amount of feedback from the other reviews and will be refining the reviews process for the next round.

We hope you found this review and feedback useful and thank you again for your time and strong leadership of LHP's Cancer Programme.

With best wishes

A handwritten signature in black ink, appearing to read 'Dawn Lawson', followed by a period.

Dr Dawn Lawson
CEO, LHP

Agenda Item (Ref)	6 (B19-20/040)	Meeting Date:	27 th March 2020
Report To	LHP Board of Directors		
Report Title	LHP Business and Financial Plan 2020/21		
Lead Director	Dr Mark Jackson, Director of Delivery & Performance		
Lead Officer	Sarah Wright, Deputy Director of Delivery & Performance		
Action Required	To approve		

<input checked="" type="checkbox"/> Acceptable assurance General confidence in delivery of existing mechanisms/ objectives	<input type="checkbox"/> Partial assurance Some confidence in delivery of existing mechanisms/ objectives	<input type="checkbox"/> No assurance No confidence in Delivery
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Key Points/Messages (2-3 bullet points only on where the Board/Committee should focus its attention)	
<ul style="list-style-type: none"> LHP has had a successful period of reset in 2019/20 and is now moving into its delivery phase. To reflect LHP's transition from reset to delivery, this paper presents the detailed business case for 2020/21 drawn from the LHP Organisational Strategy, demonstrating how the planned expenditure is expected to achieve our 2020/21 strategic objectives and enabling LHP to become high performing. A Business Planning Sub-Group (including 3 NHS Directors of Finance) was established to help inform the plan in terms of financial management. Each initiative has been costed, and an overall financial plan presented as an expected case supported by a best and worst-case with mitigating actions. Covid-19 remains an unknown future influence. 	
Impact (is there an impact arising from the report on the following – details to be included in main report)	
<ul style="list-style-type: none"> Finance <input checked="" type="checkbox"/> Workforce <input type="checkbox"/> Strategy <input checked="" type="checkbox"/> 	<ul style="list-style-type: none"> Risk <input type="checkbox"/> Legal <input type="checkbox"/> Performance <input checked="" type="checkbox"/>

Strategic Objective/s (identify which objective the recommendations will help achieve)	
1. Make Cheshire and Merseyside a more attractive place to do research <input checked="" type="checkbox"/> 2. Improve capacity and capability <input checked="" type="checkbox"/> 3. Improve opportunities for partners to contribute to LHP <input checked="" type="checkbox"/>	4. Improve the recognition and profile of LHP <input checked="" type="checkbox"/> 5. Ensure continual improvement of LHP <input checked="" type="checkbox"/> 6. Develop and support the innovation pipeline <input checked="" type="checkbox"/> 7. Focus research on the region's health needs <input checked="" type="checkbox"/>
Next Steps (actions following agreement by Board/Committee of recommendation/s)	
Implementation of the plan which will require: <ul style="list-style-type: none"> Negotiation with other stakeholders in the City to agree plans for any jointly sponsored resources (e.g. communications, Knowledge & Innovation Manager, shared resources at the SPINE) 	

<ul style="list-style-type: none"> • Appointing to new positions • Management of the programme in association with relevant executive leads and delivery staff • Mid-year and full year reporting to LHP Board 	
Additional circulation list:	None

REPORT HISTORY

Committee/Group <i>(where previously discussed)</i>	Date	Lead	Summary of key issues and agreed actions
LHP Governance Committee	13 th January 2020	Mark Jackson	Detailed review by a new Business Planning Challenge sub-group
Business Planning Challenge Sub-Group	10 th February 2020	Mark Jackson	Construction of best, worst and expected case Review of reserves with respect to redundancy and future accommodation costs Begin exploration of opportunities to share resources to reduce cost and improve resilience
Business Planning Challenge Sub-Group	By email	Mark Jackson	Costs checked by NHS host accountant Check of redundancy calculations and other calls upon reserves Improved depreciation accounting
LHP Governance Committee	13 th March 2020	Dawn Lawson	Detailed review. Recommendation of plan to the Board.
Strategic Leadership Group	16 th March 2020	Dawn Lawson	Supported.

LHP Business and Financial Plan 2020/21**1.0 EXECUTIVE SUMMARY**

- LHP has had a successful period of reset in 2019/20 and is now moving into its delivery phase.
- To reflect LHP's transition from reset to delivery, this paper presents the detailed business case for 2020/21 drawn from the LHP Organisational Strategy, demonstrating how the planned expenditure is expected to achieve our 2020/21 strategic objectives and enabling LHP to become high performing within 18 months.
- A Business Planning Sub-Group was established to help inform the plan in terms of financial management. Each initiative has been costed (including 3 NHS Directors of Finance), and an overall financial plan presented as an expected case supported by a best and worst-case with mitigating actions.
- Actions to be taken in the event of a worst-case scenario are presented and are manageable without impact upon reserves.
- Provision of reserves has been re-examined in light of possible future rental commitment to the SPINE and redundancy costs. A new leasing arrangement for the SPINE has been struck which removes all risk for LHP.
- A comprehensive Reserves Policy and income generation strategy will be developed during 2020/21
- Covid-19 remains an unknown future influence

2.0 LHP BUSINESS & FINANCIAL PLAN

The LHP Organisational Strategy was approved by the LHP Board at the January 2020 meeting.

Operationalisation of the strategy has been transferred into the LHP Business Plan 2020/21 (appendix 1). The business plan is arranged by the strategic objectives of the organisational strategy, namely:

1. Make Cheshire and Merseyside a more attractive place to do research
2. Improve capacity and capability
3. Improve opportunities for partners to contribute to LHP
4. Improve the recognition and profile of LHP
5. Ensure continual improvement of LHP
6. Develop and support the innovation pipeline
7. Focus research on the region's health needs

An additional objective has been added to directly link the business plan, the financial plan and the narrative in this paper:

8. Deliver the new infrastructure necessary to deliver the plan

The business plan cites the deliverables associated with each strategic objective, the executive lead and the timeframe for delivery. This plan will be reviewed monthly by the Executive Team to

ensure delivery stays on track. A half yearly update will be presented to the LHP Board in October 2020 and a full year report in March 2021 together with the business plan for 2021/22.

The review of the LHP Business Plan for 2019/20 is presented as Appendix 2.

3.0 KEY POINTS/PROPOSALS

Our expectation is that the following initiatives are what is required to deliver the 2020/21 business plan and help LHP pivot from reset to delivery. Each investment is supported by a mini-business case which is available on request. The overall financial plan for LHP is presented as appendix 3.

Planned Expenditure:

Neuroscience & Mental Health Programme Manager – the LHP model requires investment in a Programme Manager to work with each LHP Programme Director. LHP have recently employed a new Programme Director for Neuroscience as part of the 2019/20 business plan who will commence in post mid-March 2020. This management position will also accept responsibility for developing the mental health component of the Physical, Mental & Social Wellbeing (PMSW) Programme *in the short term* due to the need to develop local leadership in this area, the creation of short term management capacity in the physical dimension of the PMSW programme in order to support the Liverpool Centre for Alcohol Research together with the natural synergies that exist between neuroscience and mental health.

Neuroscience & Mental Health Programme Manager (1 WTE NHS 8a – July 2020/21 cost £41,250)

Communications Officer – LHP recognise that its offer in communications is sub-optimal, and we are not making the most of opportunities for promotion of our work and building a solid reputation. Presently, this function has limited in house capacity and much is outsourced, and we believe further investment is needed to enhance that and develop in house capability. We are currently exploring options to partner with other organisations in addition to making a new appointment to the team.

Communications Officer (1 WTE NHS 7 – July 2020/21 cost £35,250 – maximum spend)

Innovation Manager – Our application to become an academic health science centre demonstrated the need to ensure LHP has a strong offer in innovation, particularly in the discovery phase. This needs to be developed in an integrated way with the Innovation Agency. Our offer is particularly strong in digital. As such, LHP, the Innovation Agency and the Civic Data Cooperative are developing a joint post to cement these relationships.

Innovation Manager (0.25 WTE NHS 8a – July 2020/21 cost £13,750)

Director of Research Programmes - The LHP research programme offer is growing with the on-boarding of Neuroscience & Mental Health and the development of the Physical, Mental and Social Wellbeing programme. The postholder is also the lead for the LHP digital & informatics programme which has successfully won a £5.3m grant from the Combined Authority to develop the Civic data Cooperative. Lastly, the LHP Executive now have a comprehensive organisational strategy and demanding business plan to deliver across 2020/21. Taken together, these factors demand increased leadership and executive oversight time that cannot be met from the current provision.

Director of Research Programmes (1PA – April 2020/21 cost £13,800)

Research Governance Infrastructure – The success of SPARK is placing an unsustainable burden on the Sponsorship Committee resource presently funded entirely by the University of Liverpool. Planned growth in submissions to the Sponsorship Committee demonstrate the need for additional resource:

Clinical Research Officer (Sponsorship; 1 WTE University Band 6 – July 2020/21 cost £30,750)

Civic Data Cooperative Clinical Engagement Lead – building confidence in the Civic Data Cooperative and its use of patient data with the clinical community and in particular primary care is crucial to its future success.

Civic Data Cooperative Clinical Engagement Lead (1 NHS PA – July 2020/21 cost £10,350)

Development of a Comprehensive Educational Offer – LHP's educational offer has lagged behind that of research. Educational programmes are needed to support the development of research capacity particularly in the NHS workforce, capitalise on the need for digital education and support needs in implementation and quality improvement science so research can be effectively translated into service. An education strategy is currently under development. Implementation of this objective will require the following staff appointments employed on a parity basis with the priority programme structure currently in place at LHP:

1. Programme Director (2 NHS PA's – July 2020/21 cost £27,500)
2. Deputy Programme Director (reuse of existing 2 NHS PA resource, no cost)
3. Head of Education (1 WTE NHS Band 8c – July 2020/21 cost £54,600)
4. Education Coordinator (1 WTE NHS Band 6 – July 2020/21 cost £28,045)

Corporate Governance Infrastructure – LHP has benefitted from the secondment of Caroline Keating to a senior corporate governance role at LHP. As this secondment comes to an end in March 2020, executive responsibility transfers back to Mark Jackson. The governance review has demonstrated the need to build capacity in order to maintain LHP as a well-run organisation. An opportunity to broaden the responsibilities of the vacant Office Manager position is being seized, but this requires a small investment to secure the necessary regrade commensurate with the wider brief.

Corporate Business Manager role development (University Band 6 to NHS Band 7 uplift – April 2020/21 cost £5,000)

Additional Rental Costs – LHP plans to move to the SPINE once the building is completed. This development has been delayed from September 2020 to March 2021. As such, this requires provision of only one month of additional expenditure in the 20/21 business plan coupled with the need for LHP to cope within the existing office footprint. Discussions are underway with the Innovation Agency and the Clinical Research Network – North West Coast to share the space should both organisations be persuaded of the advantages in relocating providing a single front door for research and innovation in the City.

One-month additional rental at the SPINE (March 2021 – 2020/21 cost £17,293)

Business Intelligence Support – LHP programmes require analysis of NHS data to support strategic programmes of work (e.g. analysis of infection data supporting the Biomedical Research centre application). It is anticipated that these requirements will be met by the Civic Data Cooperative from April 2021 onwards. In order to bridge the gap between now and then, it will be necessary to continue the existing arrangement with the University of Liverpool.

Business Intelligence Support (one day per week – April 2020/21 cost £14,000)

Stakeholder Management & Videoconferencing – LHP needs a systematic method of assessing and subsequent management of its stakeholder activity. Bespoke software is the preferred option. Additionally, remote working requires a multiuser concurrent licence for videoconferencing to optimise efficiency.

Stakeholder Management & Videoconferencing software (one off cost in 2020/21 of £4,400)

Chief Executive Discretionary Spend – the LHP Chief Executive requires budgetary flexibility to incur the travelling and subsistence costs associated with this externally facing role.

Chief Executive Discretionary Spend (one quarter of maximum permitted in LHP Governance Manual – throughout 2020/21 cost £25,000)

External Advisory Panel – The January 2020 LHP Board received and approved proposals to establish an external panel comprising five individuals who are well placed to constructively challenge and advise on LHP current and future strategy.

External Advisory Panel honoraria (five individuals – throughout 2020/21 cost £30,000)

Income

This business plan is predicated upon a number of planned changes to previous income levels which will be translated into invoices:

- A 2% inflationary uplift is paid by all members. This has been incorporated into the members agreement currently out for signing
- The current maximum payment by any member is £255,000 (£250,000 + 2%) irrespective of by how much the operating budget exceeds £250m. A revised membership subscription model will be developed during 2020/21. In the meantime, Liverpool University NHS Foundation Trust (LUFT) has agreed to pay as two separate Trusts which is incredibly helpful.
- Mersey Care NHS Foundation Trust are transitioning to tier 2 membership based on a graduated plan of activity (to be finalised) which means we can increasingly focus on the mental health and well being aspects of the LHP portfolio.

The only unassured element of future income relates to the attraction of new members.

- This financial plan assumes LHP will attract £200k additional income for 2020/21. This translates to approximately two new tier 1 members paying for the full year at the £100k subscription level or one tier 2 member who joins mid year. Whilst this income can come from any source, the attraction of new members to augment the Cheshire & Merseyside footprint is the preferred source strategically.

The above changes and assumptions have been used to model a best, worst and expected income position. Mitigating actions to manage the reduced income associated with the worst case whilst removing any call on LHP reserves (circa £1.1m) is subsequently presented.

Scenario	Best Case	Worst Case	Expected Case
Inflation uplift	Paid	Paid	Paid
LUFT subscription	Paid as two Trusts	Paid as two Trusts	Paid as two Trusts
Mersey Care subscription	Paid in full	Paid in full	Paid in full
New income	Overachieved (+100k)	None	£200k for year
Surplus / deficit position	+£202k	-£100k	+£102k

During 2020/21 the following will be considered and developed as required:

- A use of reserves policy
- An income generation strategy (to compliment a wholly subscription based model)
- Developing SPARK as a collaborative commercial offer

Revaluing of Provisions

A review of the provision for redundancy for all staff on a LHCH contract has been undertaken. Significant shortfalls materialising in future years have been corrected.

It has not been necessary to include provision to cover future rental liability for the SPINE due to a new leasing arrangement being offered, which sees all risk sitting with the parent company (Sciotech Liverpool) for no penalty in rental cost.

4.0 IMPLICATIONS/IMPACT

Mitigating Actions (Prioritised)

LHP would take the following mitigating actions to manage any under recovery of income or unsecured expenditure associated with (any combination of issues associated with the) worst case:

Action	Date to Implement	Total Value	Maximum % Reduction	Savings Contribution
Reduce non-pay discretionary spend (first pass)	April	£196k	40%	£80k
Reduce Legal & Professional spend	October	£30k	67%	£20k
Total Saving				£100k

Recent negotiations between the LHP CEO and other CEO stakeholders has provided a relatively assured income position for 2020/21. Any shortfalls can be covered from good housekeeping of non-pay budgets with no impact on underlying reserves.

Implementation of the Financial Plan

Given the assured income position, LHP will progress with the implementation of the following:

Action	Date to Implement	Total Value in 20/21
Appoint Communications Officer	April	£35k
Create Corporate Business Manager post	April	£5k
Appoint Neuroscience Programme Manager	April	£41k
Appoint Education Team	April	£109k
Implement additional oversight and leadership time for Director of Research Programmes	April	£13k
Appoint Knowledge and Innovation Manager	April	£13k
Appoint Clinical Research Officer (Sponsorship)	April	£31k
Appoint CDC Clinical Engagement Lead	July	£10k
Appoint Business Intelligence Support	April	£14k
Commission moving to the SPINE	December	£17k
Appoint the Advisory Board	July	£30k
Appoint Communications Officer	April	£35k

This position has only been made possible through the support shown by Liverpool University NHS Foundation Trust and Mersey Care, accounting for over £400k additional income.

Covid-19

At the time of writing, research efforts in the City are aligning behind the need to support finding solutions to Covid-19. LHP may need to reflect this in the business plan. Any changes will be brought to subsequent Board meetings.

5.0 CONCLUSION

- The LHP Finance and Performance Committee have recommended the plan to the Board and it has been supported at the LHP Strategic Leadership Group.
- Our expectation is that the investments outlined in this 2020/21 Business Plan will enable LHP to become high performing in the next 18 months.
- A comprehensive Reserves Policy and income generation strategy will be developed during 2020/21 and brought to the Board at a later meeting.
- Covid-19 remains an unknown future influence.

6.0 RECOMMENDATION

5. The LHP Board is asked to approve the Business Plan and financial plan for 2020/21, noting the recommendation from the Finance and Performance Committee.

Author: Dr Mark Jackson, Director of Delivery & Performance
Date: 17 March 2020

Liverpool Health Partners Business Plan 2020/21 - 2021/22												
Strategic Objective	Ref No.	Strategic Commitments from Organisational Strategy	SMART Objective or Deliverable for 2020/21	Lead Executive(s)	2020/21				2021/22 (DRAFT)			
					Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Make Cheshire and Merseyside a more attractive place to do research	1	Providing a single contact point to support health related research proposals		RJ								
	2	Achieve universality for SPARK		RJ								
	3	Reducing duplication and inefficiency to drive down study set up times		RJ								
	4	Robust systems and processes established		RJ								
	5	Continual process improvement		RJ								
	6	Developing and embedding an enhanced research delivery programme		MJ / RJ / TM								
	7	Create a system wide performance management framework	Create framework, implement, move into business as usual (BAU)	MJ		Create	Impl	BAU				
	8	Implement the System Wide Research Delivery Plan										
	9	- Develop and implement system wide capacity plan		RJ								
	10	- Develop and implement system wide capability plan		RJ								
	11	- Develop and embed compelling narrative	Culture change: Narrative development, testing, deployment plan, implementation, evaluation	MJ		Dev	Test	Plan	Impl		Evaluate	
	12	- Make participation easier		RJ		Baseline			Improve	Baseline		Improve
	13	- Promote collaboration	Achieve year one collaboration improvement targets	MJ / DL		Dev	Deploy			Evaluate		
	14	- Provide advice for Boards so they can take more responsibility for research	Develop and deploy guidance for Boards. Evaluate adherence									
	15	Develop a collaborative approach for attracting and delivering more commercial research		RJ								
	16	Grow commercial partnerships and portfolio	Deliver industry showcase (with NIHR- CRN)	RJ								
	17	Improve collaboration between Clinical Research Facilities	Develop communications and marketing approach	RJ			Engag					
	18	Align Biomedical Research Centre planning with Clinical Research Facility activity	Defined: Not to be implemented within this business planning round	MJ								
	19	Define Patient Recruitment Centre strategy										
	20	Enhance our digital first approach to research management		RJ								
	21	Link EDGE and the Civic Data Cooperative	Deliver phase 2 (roll out) and 3 (CDC integration) of the EDGE development programme	RJ			Phase 2			Phase 3		
	22	Develop patient cohorting		RJ								
	23	Improve feasibility assessment		RJ								
	24	Develop analytics to target quality improvements		RJ								
Improve systems capacity and capability	25	Support a culture of research and innovation		RJ / MJ								
	26	Develop and deploy a compelling narrative for research and education as core quality and outcome enhancing activities	Research narrative covered under 11	MJ / RJ								
	27	Make adoption of research and innovation everyone's responsibility	Covered under item 11	RJ								
	28	Promote involvement for all	Covered under item 11	MJ								
	29	Develop and support communities of practice		RJ		Dev			Impl			
	30	Develop and implement research training across the system	Covered under item 44	RJ								
	31	Celebrate excellence and success	Build into annual conference	RJ								
	32	Develop the LHP education and research capacity building programme (Education Strategy)		RJ								
	33	Establish team and management structures	Develop JDs, advertise, recruit, induct	RJ		Advert	Recruit	Induct				
	34	Develop a strategic action plan for education and improving research capacity		RJ								
	35	Develop system activity and requirements	Survey / map annually	RJ								
	36	Developing and implementing a research capacity and capability plan	Survey / map, report, align existing, develop new if needed	RJ								
	37	Develop a plan for building new education initiatives (e.g. around data and digital)	Scope, evaluate, develop new initiatives if appropriate	RJ								
	38	Identify and embed system enablers to build research capacity		RJ								
	39	- Develop cross system training for future and existing researchers and research leaders	Steering group to scope with mapping results, develop and align programme, deliver	RJ								
	40	- Matrix working with LHP research programmes to maximise opportunities	Turn activity into business as usual	RJ								
	41	Seize opportunity and build sustainable practice		RJ								
	42	- Scoping training as a commercial offer and potential development of an IT system / education portal	Scope, evaluate provision, report, develop bid for system for 21/22	RJ								
	43	- Undertake workforce development initiatives in collaboration with key stakeholders	Opportunistic engagement	RJ		Scope	Eval	Report	Bid			
	44	- Apply for funded education opportunities as appropriate	Ad hoc	RJ								
	45	Co-create and deliver infrastructure to support research, innovation and education		RJ / TM								
	46	Develop new research infrastructure										
	47	- Biomedical Research Centre	Facilitate application and apply	RJ			Facilitate		Apply			
	48	- Civic Data Cooperative	Implement CDC contract	RJ / TM								
Improve opportunities for partners to contribute to LHP	49	Developing behaviour change, prevention and population health as core offers		TM / MJ								
	50	Academic Director of Public Health in post		TM								
	51	Build the Physical, Mental and Social Wellbeing priority leadership team		MJ / TM								
	52	Develop plans that integrate into existing LHP priorities		MJ								
	53	On-board local government as LHP collaborators		DL								
	54	Create Board level opportunity for local government representation	Develop inclusive approach and implement	DL								
	55	Achieve system coverage and inclusivity through partnership growth		MJ / DL		Dev	Impl					
	56	Develop and implement phased engagement plan		MJ / DL								
	57	Review membership subscription model		MJ								
	58	Clarify the membership offer		MJ								
Improve the recognition and profile of LHP	59	Develop new, equitable fee structure		MJ								
	60	Develop a policy for use of LHP reserves		MJ								
	61	Develop income generation strategy (incl. review of SPARK as a service)		MJ/RJ								
	62	Enhancing our reputation		MJ								
	63	Develop and implement communications strategy	- Implement communications strategy	MJ								
	64	Develop and implement stakeholder management system - track involvement, inclusivity, influence and benefit (for 2028 REF)	- procure stakeholder management system and implement	MJ		Proc	Impl				Impact	
	65	Securing impactful designation		RJ / TM								
Ensure continual improvement of LHP	66	- Academic Health Science Centre (secure)	Unsuccessful: Next round 2025									
	67	- Experimental Cancer Medicine Centre (retain)		RJ / TM / AP								
	68	- Clinical Trials Centre funding in Cancer (retain)		RJ / TM / AP								
	69	- Cancer Research UK Centre (secure)		RJ / TM / AP								
	70	System Leadership Upkilling		MJ								
	71	Develop and implement workforce learning opportunities (specify)	- develop and have implemented annual organisational learning programme	MJ		Dev		Impl				
	72	Benchmarking & Buddying		DL / RJ								
	73	Develop symbiotic relationship with one international academic health science consortium		RJ								
	74	Develop symbiotic relationship with one (additional to KHP) AHSC		RJ								
	75	Develop and implement external advisory panel	First formal engagement - LHP conference	DL								
Develop and Support the Innovation Pipeline	76	Robust and agile corporate governance arrangements		MJ								
	77	Improve LHP governance		MJ								
	78	- Administration review	- implement all recommendations from admin review	MJ								
	79	- Enhanced governance sub-structures, systems and processes	- implement all recommendations from governance review	MJ								
	80	- Electronic Board reporting	- review electronic board reporting. If value adding, implement	MJ								
	81	Create a Learning Health System driven by open innovation		RJ		Review		Impl				
	82	Develop and curate an innovation systems model for LHP organisations	Continue to evolve and embed, instigate management (e.g innovation oversight meeting)	RJ								
	83	Form collaborations with key local businesses and enterprise structures, Leverage LHPs programmes and brand	Ongoing influencing, partner mapping, develop and submit partner funding bids c1 per Q	RJ								
	84	Build on existing partner activities to develop a system wide innovation Lab to identify, innovate and implement	Co produce with Innovation Agency (TBC)	RJ								
	85	Support LHP organisations in outsourced innovation to build and support the Liverpool innovation ecosystem	Map innovation needs, develop network of SMEs and entrepreneurs, develop support process as BAU linked to CDC	RJ		Concept			Impl			
Focus research and education on the region's health needs	86	Deliver innovation initiatives around data (e.g. civic data cooperative) and key clinical needs (e.g. home care)	One anchor partner secured annually, ongoing cross system programme of work, deliver CDC	TM								
	87	Develop and implement priority driven strategies		TM / MJ								
	88	3-4 key outputs per strategy										
	89		Build capacity and future activity by establishing communities of practice (research and community engagement)	MB / TM / MJ								
	90		Promote collaboration by providing a repository of relevant electronically accessible information and material	MB / TM / MJ								
	91		Promote collaboration through holding a programme of connect and collaborate workshops	MB / TM / MJ								
	92	Starting Well: Maternal & Neonatal and Babies, Children & Young People	Build activity from the support of a minimum of three internally funded bids and at least two external bids (e.g. NIHR,MRC)	MB / TM / MJ			Internal				External	
	93		Support the implementation of research led service change with the aim of improving outcomes for patients	MB / TM / MJ								
	94		Develop future academic leadership by appointing five domain leads	MB / TM / MJ								
	95		Build research capacity by integrating research into the service model	ST / TM / MJ								
	96		Build activity by submitting five grant applications	ST / TM / MJ								
	97	Infection	Understand the impact of infection by publishing a minimum of one high profile data driven publication	ST / TM / MJ								
	98		Build academic capacity by increasing research active workforce by 25%	ST / TM / MJ								
	99		Sustain medical academic capacity by maintaining ACJ/ACL numbers in infection related specialties	ST / TM / MJ								
	100		Improve infection related outcomes for patients by increasing patient recruitment by 10%	ST / TM / MJ								
	101		Promote the reputation of LCCS by published > 100 affiliated papers	GL / TM / MJ								
	102	Cardiovascular (includes cardio-respiratory)	Build activity by attracting > £500k external funding	GL / TM / MJ								
	103		Prevent mortality and morbidity associated with stroke by screening > 1000 people for atrial fibrillation	GL / TM / MJ								
	104		Build researcher capacity by increasing the number of Chief Investigators by 5 (Y1) and 10 (Y2)	GL / TM / MJ								
	105		Build capacity and activity by improving research funding by 10%	AP / TM / MJ				S			IS	
	106		Improve activity by increasing the number of portfolio locally led trials by 10%	AP / TM / MJ								
	107		Improve cancer related outcomes for patients by increasing patient recruitment by 5%	AP / TM / MJ								
	108		Improve cancer related outcomes for patients by increasing patient quality of life by 10%	AP / TM / MJ								
	109		Establish clear operational leadership through appointing the Chief Data Officer	IB / TM								
	110	Digital & Informatics (includes Civic Data Cooperative, population health management / bridges to health segmentation)	Establish key principles through implementation of robust governance plan	IB / TM								
	111		Build confidence in stakeholders by initiating clinical, public and SME engagement process	IB / TM								
	112		Create PMSW strategy	MJ / PMSW Leader								
	113	Physical, Social & Mental Wellbeing (includes exploring role of partners as anchor institutions)	Support LCA to self sufficiency	MJ / PMSW Leader								
	114		Strategic investments in academic leadership with UoL / MC (Dept. Primary Care & Mental Health)	MJ / IB / CEO MC								
	115		Establish clear leadership through Director commencing in post	TM								
	116	Neuroscience and Mental Health	Create Neuroscience strategy	CM / TM								
	117		Create NWC wide mental health network and host up to three network building events (E dependent)	MJ		Create	Event 1		Event 2		Event 3	
	118		No planned activity for 20/21									
	119			TM / MJ								
	120	Support strategic appointments with partners		PM's								
	121	Build cases of need and secure investment		TM								
	122	Develop strategic relationship with the NWC Applied Research Collaboration (ARC)		TM / RJ		Dev		Impl				
	123	Develop joint programme of work that aligns strengths and ensures no duplication	Develop and implement plan for closer alignment									
	124	Strategically manage system wide consumer involvement and research participation		MJ		Event 1		Event 2		Event 3		
	125	Convene three system wide engagement events aligned to the life course		MJ								
	126	Develop and implement signposting resource for the system		MJ								
	127	Improve strategic relationship with public health and clinical commissioning		MJ / DL								
	128	Integrate ambitions and needs into LHP priority programmes										
Deliver the new infrastructure necessary to deliver the plan	129	Carry over from 2019/20 infrastructure plans	Translate "bridges to health" into LHP priority programmes	TM / MJ								
	130	Appoint Director of Physical, Mental & Social Wellbeing / Living Well		TM								
	131	Implement Risk registers		MJ								
	132	Develop and implement enhanced business resilience and continuity	Deliver budget clarity, LHCH systems training, IT transfer continuity etc (throughout year)	MJ								
	133	2020/21 Infrastructure plans		MJ / RJ / TM								
	134	Appoint Neuroscience & Mental Health Programme Manager	Mental Health portfolio development year one	MJ								
	135	Appoint Physical, Mental & Social Wellbeing Coordinator	Physical and Social portfolio development year one. Integration of Mental Health year two	MJ								
	136	Appoint Programme Director - Education		RJ								
	137	Appoint Head of Education		RJ								
	138	Appoint Education Coordinator		RJ								
	139	Appoint Communications Officer / External Communications Agency		MJ								
	140	Appoint Clinical Research Officer (Sponsorship)		TM / RJ								

LHP Business Plan Review

1. Update on KPMG 24-month plan (from 2018/19)

LHP's refreshed 2019-20 Business Plan demonstrated how actions from the previous KPMG review had been incorporated. Therefore, all actions from the KPMG review are either completed, superseded or ongoing as part of the current 19/20 business plan. The following specific updates apply:

- Delivery of shortlisted projects per LHP priority programme and monitoring outcomes of these. This is a long-term activity and will apply from the point at which LHP projects are initiated following agreement via the Leadership Groups for each programme.
- Education and Innovation objectives are being developed with the programmes in Q2 of 2020.
- The Civic Data Cooperative has superseded much of the work around informatics. The project is at the stage of exchange of contracts, which are projected to be signed off within Q1 of 2020.

2. Update on LHP Business Plan 2019/20 (see Table 1)

All actions in the plan have either been completed (green), are ongoing (yellow) or decommissioned (grey).

Two actions were decommissioned, relating to two administrative posts which LHP did not have space to accommodate in its current location.

Some specific updates on ongoing actions:

- (i) **Bring LHP workforce up to full compliment**
Appoint Theme Director for Living Well

This is linked to the new appointment of the Academic Director of Public Health. The Programme of work will in the main fall under LHP's Physical, Mental and Social Wellbeing priority theme and a Director will be appointed by Q2 2020.

- (ii) **Deliver year 2 of the Health Research (HI) Informatics Strategy**
Develop implementation plan; Deliver implementation plan

Although a refresh of the HI research strategy has been drafted in October 2019, this work has been superseded in part by the application to Liverpool City Region for the £5.3million Civic Data Cooperative, a major data-linkage and analysis project, bringing in stakeholders from academia, NHS, and local authorities from across the region. This project has moved into contract negotiation stage with a projected sign off date of April 1st 2020.

An Informatics Leadership Group is being established to oversee the CDC work. The CDC itself will have an advisory board which will report into LHP's Informatics Leadership Group and subsequently to LHP Board. The CDC project is currently coordinating the Data Governance and Integration workstream with Liverpool Clinical Commissioning Group in a key role.

(iii) Develop and implement robust risk management

Implement effective risk registers

Although LHP has risk registers for each of its programmes, SPARK and wider LHP business, these have not yet been implemented in the planned online system, mainly due to the delay in moving over to Liverpool Heart and Chest Hospital as part of the TUPE exercise. Discussions are ongoing and these will be implemented in Q1 of 2020.

(iv) Develop and implement enhanced business resilience and continuity

Identify current weaknesses; Build programmes of improvement

This is an ongoing system of continual improvement at LHP, to reduce the number of single points of failure.

This has included work to further develop LHP's shared drives, administration review and as an outcome, refined administration processes, a governance review and new governance structure for LHP, free LHP staff access to the new LSP gym to improve staff wellbeing.

(v) Build theme specific strategies

Develop framework that connects mission, vision, SLI's with theme objectives; Share strategies with theme specific working groups.

Starting Well, Infection and Cardiovascular Programmes will have strategies and a business plan in place for the start of Q1 2020. However, some of these strategies may be subject to further review across 2020 due to alignment with other key initiatives within the region (e.g. Centre of Excellence in Infectious Disease Research and Liverpool Cancer Research Institute) which are currently being developed in parallel. Priority specific leadership groups are unlikely to meet until April 2020.

Table 1. Update on LHP Business Plan 2019/20

Strategic Objectives under LHP Business Plan 2019/20	Action
Deliver the Liverpool Health Partner (LHP) Infrastructure	
Bring LHP workforce up to full compliment	Appoint Director of Research Infrastructure and Education
	Appoint Theme Director for Living Well
	Appoint Theme Director for Neuroscience (Walton funded)
	Appoint Director of Corporate Services (outside of plan)
	Appoint Programme Director for Digital Strategy and Partnerships (outside of plan)
	Appoint Programme Manager for Cancer
	Appoint administrative support B6
	Appoint administrative support B4
	Appoint administrative support B3
	Appoint administrative support PA for IB & TM
	Appoint Head of Joint Research Service (JRS)
	Research Contracts & Costings Facilitator working from the JRS
	Research Business Facilitator returns from maternity leave and joins JRS
Commission the JRS	JRS "Go Live"

	Build JRS performance management framework
	Ensure JRS performance exceeds historical
Deliver year 2 of the Health Research Informatics Strategy	Develop implementation plan
	Deliver implementation plan
Develop and implement robust risk management	Update risk management policy
	Implement effective risk registers
	Re-build LHP Governance Manual
Develop and implement a strategic communications strategy	Develop and rebuild the LHP website
	Develop and implement communications plan
Develop and implement enhanced business resilience and continuity	Identify current weaknesses
	Build programmes of improvement
Getting the Liverpool Health Partner (LHP) Purpose Really Clear	
Clarify and agree organisational mission statement and strategic objectives	Discussion and refinement of mission and strategic objectives
Refine vision statement and select system level indicators (SLI's)	Discuss and agree vision. Select SLI's from planned work programmes
Develop organisational values	Workshop to develop first draft
	Discussion and refinement
Establish influence of LHP in Research, Education & Service	Discussion and agreement

Develop and implement membership strategy (includes value added)	Discussion and agreement
	Discussion and ratification
	Implement
Build engagement, understanding and commitment	Discussion and agreement
	Presentation and discussion
Establish the LHP "golden thread"	Connect mission, vision and values with personal objectives of all LHP staff (internal & external)
Develop the LHP Strategy	
Define the LHP Priorities (as themes)	Agree priorities based upon population health need and scientific excellence
Build theme specific strategies	Develop framework that connects mission, vision, SLI's with theme objectives
	Share strategies with theme specific working groups
Develop performance management framework	Connect KPI's with SLI's and strategic objectives
Develop a collaborative and integrated approach to research for Liverpool	Convene a strategic meeting to discuss areas of joint working, synergy and symbiosis

LHP Financial Plan 2020/21 to 2024/25
Financial Business Plan
Income & Expenditure

Yellow = Income and Expenditure driven by the LHP 2020/21 Business Plan

	£ 20-21 Full Year	£ 21-22 Full Year	£ 22-23 Full Year	£ 23-24 Full Year	£ 24-25 Full Year	Notes
INCOME						
Subscription Income	1,989,000	2,028,780	2,069,356	2,110,740	2,152,954	
Subscription Income - potential new members	200,000	500,000	500,000	500,000	500,000	
Cheshire & Wirral Partnership - £100k						
Warrington - £100k						
St Helens & Knowsley - £250k						
Grant Income - Civic Data Trust	26,000	26,000	26,000	26,000	26,000	DRIE (5%), DDDP (10%), IPM (20%)
Consultancy Income						
Sponsorship Income						
Other Income						
CPD - Education Income						
Total Income	2,215,000	2,554,780	2,595,356	2,636,740	2,678,954	
EXPENDITURE						
Senior Management Team	531,690	550,500	570,000	590,200	611,000	Incl 1 additional(new) PA for DoRP
Core staff	200,700	208,000	215,400	223,100	231,100	
Head of Education (1 WTE, Jul 20)	59,887	82,643	85,536	88,530	91,628	
Corporate Business Manager (HEI 6 to mid point NHS 7; 1 WTE uplift, Apr 20)	5,000	5,175	5,356	5,544	5,738	#
Pay - Corporate	797,277	846,318	876,292	907,374	939,466	
Programme Directors	152,500	184,900	191,400	197,900	204,500	P&T removed for 20/21; 1PA Starting Well removed
Core staff	357,800	369,100	381,000	393,300	406,100	Includes B6 PMSW from 19/20 busines plan
Neuroscience Programme Manager (NHS 8a; 1 WTE, Jul 20)	41,250	56,925	58,917	60,979	63,114	
Knowledge & Innovation Manager (NHS 8a; 0.25 WTE, Jul 20)	10,313	10,673	11,047	11,434	11,834	
Project Coordinator - P&T (PMS downgraded from HEI 8 to NHS 6; 1 WTE Apr 21)		40,000	41,400	43,000	44,400	Removed for 20/21
Communications Officer (1 WTE, Jul 20)	37,500	51,700	53,500	55,400	57,400	
Clinical Research Officer (Sponsorship; 1 WTE, Jul 20)	30,750	42,400	44,000	45,500	47,000	
Programme Director - Education (2 PA; Jul 20)	20,625	28,463	29,459	30,490	31,557	
Education Coordinator (NHS 6; W1 WTE; Jul 20)	28,045	40,006	14,000			2 year appointment (future - external income)
CDC Clinical Engagement Lead (1 PA; Jul 20)	10,350	14,300	14,900	15,500	16,100	
SPARK	155,500	162,100	167,900	173,900	180,200	
Pay - Delivery	845,633	1,000,567	1,007,523	1,027,403	1,062,204	
Total Pay	1,642,910	1,846,885	1,883,815	1,934,776	2,001,670	
LSP - Rent, Service Charge, Electricity & Rates	78,100					
Depreciation - SPINE	17,293	207,522	207,522	207,522	207,522	One month only (Mar 2021)
Implicit interest - SPINE	13,178	13,114	10,512	7,877	5,209	
Consultancy, Legal & Professional	30,000	31,100	32,200	33,300	34,500	
IT - Office	10,000	10,400	10,800	11,200	11,600	
IT - Business Intelligence Support (LHCH)	7,500	7,800	8,100	8,400	8,700	
Audit (KPMG)	10,000	-	-	-	-	
Depreciation of LSP assets (one off enabling works and prop. fixtures & fittings)	35,000	12,000	12,000			
Host Service Level Agreement	22,000	12,400	12,800	13,200	13,700	£10k headroom in year 1 - may not be spent
Non Pay - Core	223,071	294,336	293,934	281,499	281,231	
Travel & Subsistence	8,000	8,300	8,600	8,900	9,200	
Training & Development (incl. consumer involvement)	45,000	46,600	48,200	49,900	51,600	Increase for consumer involvement and programme specific budgets
Conferences Attendance	5,000	5,200	5,400	5,600	5,800	
IT - Business Intelligence Support (HES Analytics)	14,000					
Stakeholder Management & Videoconferencing	4,400	4,400	4,400	4,400	4,400	CDC and K of SPARK will fulfil need beyond 20/21
LHP Hosted Events	30,000	31,100	32,200	33,300	34,500	
Communications, Marketing & Advertising	35,000	36,200	37,500	38,800	40,200	
CEO - Discretionary spend	25,000	25,900	26,800	27,700	28,700	Limit and focus on stakeholder engagement
External Advisory Panel	30,000	31,100	32,200	33,300	34,500	
Non Pay - Discretionary	196,400	188,800	195,300	201,900	208,900	
Total - Non Pay	419,471	483,136	489,234	483,399	490,131	
Head & Neck Centre Post / BRC support Analytics	50,000	51,800	-	-	-	
Projects - Discretionary	50,000	51,800	-	-	-	
Total Expenditure	2,112,381	2,381,821	2,373,049	2,418,175	2,491,801	
Surplus / (Deficit)	102,620	172,959	222,307	218,565	187,153	
Reserves b/f @ 01/04/2020	1,071,299	1,173,919	1,346,878	1,569,184	1,787,749	
Surplus / (Deficit) for period	102,620	172,959	222,307	218,565	187,153	
Reserves	1,173,919	1,346,878	1,569,184	1,787,749	1,974,902	
Prudent Reserves	343,000	444,976	543,943	630,714	724,234	Includes redundancy liability for new posts
Variance from Prudent Reserves - Better / (Worse)	830,919	901,901	1,025,242	1,157,035	1,250,667	

GOVERNANCE COMMITTEE

Friday 13 March 2020

Conference Call

MINUTES

Chair	Louise Shepherd	LS	CEO, AHCH NHSFT
Members	Dr Dawn Lawson	DL	CEO, LHP
	Roger Bickerstaff	RB	UoL Finance Dept., LHP Company Secretary
	John Grinnell	JG	Director of Finance, AHCH NHSFT
	Caroline Keating	CK	Director of Corporate Services, LHP
	Lucy Lavan	LL	Director of Corporate Services, LHCH NHSFT
In attendance	Sarah Wright	SWr	Head of Delivery and Performance, LHP

DECISIONS MADE

- Revised Corporate Governance Framework Manual approved and recommended to the Board, subject to the Risk Policy being revised and included at a later date in July
- Variation to LHCH Hospitality Policy agreed
- Forward Plan 2020/21 for FP&R Committee approved
- LHP Business & Financial Plan supported and recommended to the Board
- Expressions of Interest to be requested for the position of a NHS CEO on the Committee.

Ref	Item	Action
1	Apologies for Absence Apologies were received from Jane Tomkinson (represented by LL), Mike Burns and Mark Jackson.	
2	Declarations of Interest No declarations were received.	
3	Minutes of the Previous Meeting (13 January 2020) The Minutes of the last meeting were approved subject to the following amendment: <ul style="list-style-type: none"> • LL was present and will be added to attendee list. The Committee received updates on the Action Log. Specifically:	SW

Ref	Item	Action
	<ul style="list-style-type: none"> SPINE – Heads of Terms - these had been received and would be handed over by CK to Mark Jackson to take forward. Innovation - It was agreed that Innovation should stay as an ongoing action. <p>Board Paper Guidelines The Committee noted the guidelines.</p>	<p>CK MJ</p>
4	<p>Corporate Governance Framework Manual</p> <p>The Committee received the manual, revised as a result of the change of host organisation in February 2020. It was noted that the document represented a framework and that some of the detail from the previous version had been excluded.</p> <p>This included the Risk Policy which required a more detailed review, particularly now that LHP was starting to hold discussions with commercial organisations and would need to be more explicit in its risk identification. Given the importance of risk management, CK suggested that a standalone document might be best although the Committee considered that it was acceptable for it to remain with the Corporate Governance Framework.</p> <p>CK agreed to undertake a final check of the Manual and correct some references prior to submission to the Board for approval. She also agreed to amend the governance structure contained within the Manual to ensure it reflected the structure currently in place.</p> <p>The Committee noted the amendments and approved the Manual for submission to the LHP Board in March, noting that the Risk Policy would be reviewed and incorporated into the next iteration, to be submitted for consideration in July 2020. The Committee agreed that the Board could be advised of any other amendments at the same time or on an ad hoc basis during the year.</p> <ul style="list-style-type: none"> Finance Performance & Risk Committee Terms of Reference The Committee noted the Terms of Reference. 	<p>CK</p> <p>MJ</p>
5	<p>Variation to LHCH Policies</p> <p>The Committee agreed the process for identifying and agreeing variation to LHCH policies and noted that these would need to be taken through LHCH's governance structure for final sign off.</p> <p>The Committee agreed the specific request to a variation in LHCH's</p>	<p>LL</p>

Ref	Item	Action
	<p>hospitality policy ((referenced in the Conflict of Interest Policy) to ensure that the provision of hospitality was acceptable in accordance with certain criteria i.e. that it was subject to a genuine business reason, and with the prior approval of the relevant Director and, in the case of the Chief Executive, the Chair.</p> <p>CK agreed to change the reference to the Governance Committee as, from April, the Committee in question would be the Finance, Performance & Risk Committee.</p>	CK
6	<p>FP&R Forward Plan 2020-21</p> <p>The Committee noted that this would evolve in year although the majority of the standing items were included. It was requested that certain items referenced in the Financial Plan should be added, namely:</p> <ul style="list-style-type: none"> • SPARK Development • Use of Reserves Policy • Income Generation Strategy <p>Dates of submission would need to be finalised.</p> <p>It was also noted that the Performance Dashboard would be received at each meeting with the Business Plan to be reviewed in January and March with a half year position in October.</p> <p>The Committee approved the Plan for 2020-21.</p>	<p>CK</p> <p>MJ</p>
7	<p>LHP Finance Report</p> <ul style="list-style-type: none"> • LHP Management Accounts (to end January 2020) <p>RB reported:</p> <ul style="list-style-type: none"> • UoL was providing financial information for January only due to LHP transferring over to LHCH in February. • Due to the workplan of RSM, the audit period would be during May 2020 • Some adjustments would go through for the Head & Neck Biospecimen Officer who came into post in November but for whom LHP have been invoiced for retrospectively (November 2019-January 2020) • RB was liaising with Tracey Spark, Head of Financial Management, at LHCH and the opening position would be based on this current balance sheet subject to a few minor amendments. 	RB/TS

Ref	Item	Action
	<ul style="list-style-type: none"> There was an underspend on pay and Edge Hill had been brought in as a part year payment. There were reserves of over £1m to transfer to LHCH. The balance sheet displayed creditors and accruals at the end of January 2020 and these would be settled in February and March and therefore would reduce. <p>RB had agreed to stay involved in the process until the audit had been completed. LHP Ltd. would be managed by LHCH and Tracey Spark would be responsible for preparing the accounts.</p> <p>The Committee noted the report.</p>	<p>RB RB</p> <p>RB/TS</p>
8	<p>LHP Draft Business & Financial Plan 2020-21</p> <p>The Committee welcomed the support of the T&F Group with scenario planning around LHP's budget, in particular around membership. The document outlined a best case/worse case scenario.</p> <p>DL advised the Committee of the latest updates since the document had been produced, namely:</p> <ul style="list-style-type: none"> LUHFT to pay a membership fee as if for two trusts (i.e. Aintree and RLBUHT) LSTM to continue to pay a membership fee of £50k Mersey Care NHSFT to graduate over the year to a full membership subscription <p>In response to a request for confirmation by the Committee that the Plan linked effectively with LHP's Strategy, those on the T&F Group stated that it had been difficult to be totally confident as they did not have a complete understanding of LHP's business; however, they were able to comment from a financial management perspective.</p> <p>Group members considered that it was important to understand how scenarios bridged the gap where there was material impact on LHP progressing the Strategy. It was agreed that the Finance Performance & Risk Committee's role was to review the safety of the Plan and its mitigation in the event of a worse case scenario. The role of the Board would be to approve the content of the plan.</p> <p>It was agreed that it would be useful to benchmark against overheads for this type of organisation and to use a baseline to review the efficiency and</p>	

Ref	Item	Action
	<p>increases over the year. It was also agreed that there would need to be clear identified milestones throughout the year to facilitate that review and to anticipate any problems, e.g. undertaking a review of membership in September which could be built into the Business Plan.</p> <p>Positive feedback was received regarding the rigour of the mitigating actions and the work undertaken by MJ.</p> <p>The Committee recommended the Plan to the Board, notwithstanding the position outlined above that the Committee was unable to comment fully on the content of the plan in terms of LHP's Strategy.</p>	MJ
9	<p>Any Other Business</p> <p>The Committee discussed its membership and it was agreed that it should have as wide spread a representation as possible from LHP partners. To that end, expressions of interest would be invited from CEOs.</p> <p>The proposal of bringing in Board Secretary support from a partner NHS Trust was being considered. In the interim, there would be some support to LHP from Alder Hey's Director of Corporate Affairs (Trust Secretary).</p>	LS
10	<p>Items for the Strategic Risk Register</p> <p>Additional items identified for inclusion in the risk register:</p> <ul style="list-style-type: none"> • Business plan and LHP income 	MJ
11	<p>Date & Time of Next Meeting:</p> <p>Proposed dates would be circulated with the minutes of the meeting.</p> <p>The Committee thanked CK for her support over the past 6 months and wished her well in her new role.</p>	SW

Agenda Item (Ref)	Consent Agenda	Meeting Date:	27 March 2020
Report To	LHP Board		
Report Title	Corporate Governance Framework Manual		
Lead Director	Caroline Keating, Director of Corporate Services		
Lead Officer			
Action Required	To approve		

<input checked="" type="checkbox"/> Acceptable assurance General confidence in delivery of existing mechanisms/ objectives	<input type="checkbox"/> Partial assurance Some confidence in delivery of existing mechanisms/ objectives	<input type="checkbox"/> No assurance No confidence in delivery
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Key Points/Messages (2-3 bullet points only on where the Board/Committee should focus its attention)	
<ul style="list-style-type: none"> The Manual has been reviewed and revised to incorporate amendments following the change of host organisation Some changes have been made to the Scheme of Delegation, since the Governance Committee meeting, mainly in respect of Non-Disclosure Agreements to ensure appropriate alignment with the Members' Agreement; these are highlighted A review of the Risk Management Policy is required to ensure it remains appropriate and in line with new arrangements and Board systems and approvals. This will be submitted to the Board in July 	
Impact (is there an impact arising from the report on the following – details to be included in main report)	
<ul style="list-style-type: none"> Finance <input checked="" type="checkbox"/> Workforce <input checked="" type="checkbox"/> Strategy <input checked="" type="checkbox"/> 	<ul style="list-style-type: none"> Risk <input checked="" type="checkbox"/> Legal <input checked="" type="checkbox"/> Performance <input checked="" type="checkbox"/>

Strategic Objective/s (identify which objective the recommendations will help achieve)	
<input type="checkbox"/> Make Cheshire and Merseyside a more attractive place to do research <input type="checkbox"/> Improve systems capacity and capability <input type="checkbox"/> Improve opportunities for partners to contribute to LHP	<input type="checkbox"/> Improve the recognition and profile of LHP <input checked="" type="checkbox"/> Ensure the continual improvement of LHP <input type="checkbox"/> Develop and support the innovation pipeline <input type="checkbox"/> Focus research on the region's health needs
Next Steps (actions following agreement by Board/Committee of recommendation/s)	
Board to be advised in July 2020 of further amends, including the revised Risk Management Policy	

REPORT HISTORY

Committee/Group	Date	Lead	Summary of key issues and agreed actions
Governance Committee	13 March 2020	Director of Corporate Services	Agreed subject to minor amends, now incorporated into the final version



**LIVERPOOL
HEALTH
PARTNERS**

Corporate Governance Framework Manual

March 2020

Document Control

Document title LHP Corporate Governance Framework Manual v.7

	NAME	TITLE	SIGNATURE	DATE
Author(s)	Caroline Keating	Director Corporate Services		March 2020
Reviewer	LHP Governance Committee			March 2020
Authoriser				

Replaces	LHP Corporate Governance Manual v.6 (2019). Amended to v7 in line with LHP revised status and hosting arrangements.
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Effective Date:	1 April 2020
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READ BY			
NAME	TITLE	SIGNATURE	DATE

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1. Foreword

Corporate governance is the system by which an organisation is directed and controlled at its most senior levels, in order to achieve its objectives and meet the necessary standards of accountability and probity. Fundamental to effective corporate governance is having the means to verify the effectiveness of this direction and control which is achieved through assurance and independent review.

LHP was established in 2012 as a vehicle for collaboration between NHS Trusts and HEIs in the Liverpool City Region (LCR). As the Academic Health Science System (AHSS) for the LCR, LHP's mission is to unify the clinical and academic strengths of Cheshire & Merseyside to improve population health outcomes and economic productivity. In 2020, Liverpool Health Partners became a business hosted by Liverpool Heart and Chest Hospital NHS Foundation Trust. The Terms of Reference for the LHP Board confirm the Board's autonomy in making strategic decisions.

Effective corporate governance is a fundamental cornerstone for the success of LHP. The autonomy that LHP enjoys, its purpose and the fact that it is entrusted with public funds demands that its directors and its staff operate according to the highest standards of corporate governance. It is essential, therefore, that directors and managers of LHP understand clearly the key principles of good governance and how to apply them. To this end, this Manual will be placed on the LHP shared drive with directors and relevant senior managers required to ensure that all staff for whom they are responsible are advised of its existence.

2. Definition and interpretation

The purpose of the Corporate Governance Framework Manual is to set out the control framework within which LHP's objectives are delivered. The legal framework within which LHP Ltd was established and continues to operate is set out in the Articles of Association; the arrangements with its partners are set out in the Members' Agreement and this Manual complements both documents.

Key documents in the Corporate Governance Framework are:

- Standing Orders as a framework for internal governance
- Delegation of Financial Authority as a framework for financial governance

Any queries relating to the content of these documents should be directed to the Director of Delivery & Performance.

Dawn Lawson
Chief Executive

1. AUTHORITATIVE BODIES

1.1 LHP Board

The Role

1.1.1 The LHP Board takes corporate responsibility for all activities of Liverpool Health Partners, a business hosted by Liverpool Heart and Chest Hospital NHS Foundation Trust. The LHCH Board has delegated full accountability on all matters relating to LHP business to the LHP Board.

Key principles

1.1.2 The key principles of the LHP Board are as follows:

- To make decisions on issues within the remit of the LHP Board and to ensure such decisions are made at the most appropriate level of the hosted arrangement;
- To ensure that the Partnership is committed to the principle of joint working and co-operation;
- To ensure the Partnership will seek to achieve consensus in so far as possible when making recommendations and decisions about LHP business, whilst respecting each other's views and statutory accountabilities.
- To ensure the partners assure themselves through Board business that LHP is developing and delivering its aims, objectives and strategy.

Remit and Functions of the LHP Board

1.1.3 The LHP Board provides strategic direction, and monitors operational planning and delivery for LHP. LHP Board functions consist of the following:

- to secure the delivery of the services of LHP, and in so doing the LHP Board will formulate and operate within a strategic framework for the hosted arrangement agreed with LHCH
- to develop positive relationships between partner organisations and take account of their views, in accordance with the Partners' Agreement; and
- to assure themselves on LHP's operational delivery and strategic development.

Membership

- 1.1.4 The LHP Board Membership comprises a representative from each partner organisation and an independent Chair.
- 1.1.5 The partner organisations ensure at all times that those appointed to the LHP Board have the appropriate delegated authority from their Board to take decisions on behalf of their organisation.

The Chair and the Chief Executive

- 1.1.6 There is a clear division of responsibility between the chairing of the LHP Board and the executive responsibility for the running of LHP's business. The Chair will be independent and appointed by the partners for a term of three years, renewable for a further term of three years with the agreement of the Partners, in accordance with Paragraph 19 of the UK Corporate Governance Code 2018.
- 1.1.7 The Chair's objectives will be set and reviewed annually, aligned to the LHP strategy and business plan. The appraisal process will be agreed by the Remuneration & Nominations Committee.
- 1.1.8 The Chair, in conjunction with the Remuneration & Nominations Committee, will appoint the Chief Executive and be responsible for his/her pay, conditions of service and any other staff matters.

The **Chair** is responsible for:

- providing leadership to the LHP Board, ensuring its effectiveness as governed by the LHP 3-year strategy and annual business plan.
- ensuring that regular reports on LHP performance are prepared and made available to the Board including the production of an Annual Report, providing information on the use of the budget and achievement of the targets set in the annual business plan.
- chairing each LHP Board meeting, facilitating the effective contribution of Board members and ensuring constructive relations.
- holding the Chief Executive to account for the activities and overall performance of LHP and take any necessary action required regarding the Chief Executive's performance.
- through the Chief Executive, ensuring the provision of accurate, timely and clear information to the Board.
- through the Board Secretary, giving all members notice of Board meetings and to provide them with the agenda prior to such a meeting and circulate the minutes after such a meeting.
- recommending governance and Board membership changes for consideration by the Board.
- arranging the regular evaluation of the performance of the Board, committees and the Chief Executive. The CEO objectives will be set and reviewed annually in line with available resource.

The **Chief Executive** is responsible for:

- delivering LHP strategy within the approved annual budget
- formally reporting to the Board and other interested parties on the scope adequacy, delivery and strategic development of LHP
- producing the annual business plan and Annual Report.

1.1.9 **Directors**

The Directors are:

- Chief Executive
- Director of Delivery & Performance/Deputy Chief Executive
- Director of Research Infrastructure & Education
- Director of Research Programmes

They have responsibilities as the most senior managers of the operations of LHP and are expected to be in attendance at the Board, together with the Board Secretary.

Decision Making

- 1.1.10 The LHP Board will have autonomy in relation to providing the organisation with strategic direction and purpose, and oversight of operational delivery and strategic development of LHP. However, in the case of emerging concerns with the operational plans and future strategy of LHP, the Chair and Partners will agree and put in place arrangements to resolve any adverse strategic and operational issues. The meeting must be quorate for any decision taken in this regard. This will include an escalation framework in line with accountability arrangements agreed with LHCH.
- 1.1.11 Further details of the LHP Board's obligations, authority and the conduct of its meetings are to be found in the LHP Board Terms of Reference (see Appendix I). The LHP Board's powers are set out in detail in the Scheme of Delegation.

2. LHP VISION, MISSION STATEMENT AND VALUES

2.1 LHP's vision is to:

“by 2021-2022, we will have transformed the strategic landscape for research, education and services in Cheshire & Merseyside”

This will be delivered through the LHP's mission statement:

“To unify the clinical and academic strengths of Cheshire & Merseyside, to improve population health outcomes and economic productivity”

underpinned by the organisational values:

Authentic, Proactive & Inclusive

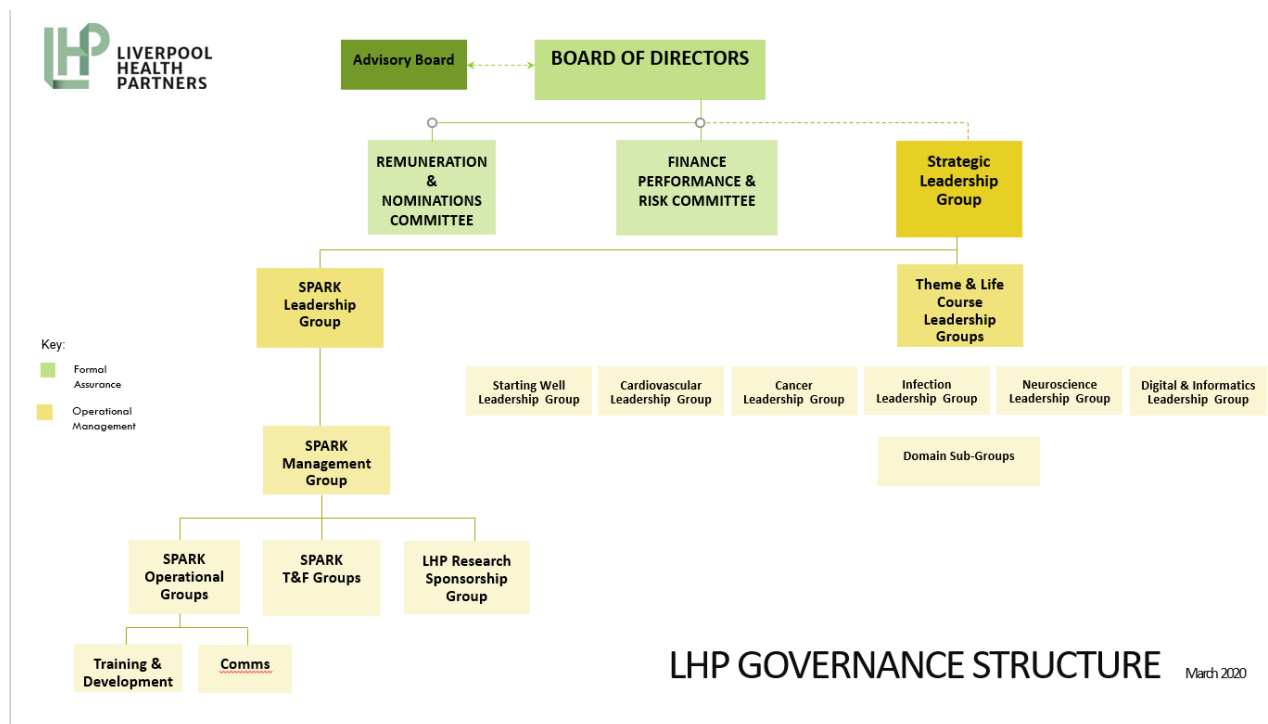
with the ethos captured in LHP's strategic principles of:

Collaborate Discover Improve

3. LHP GOVERNANCE STRUCTURE

The Board of Directors sets the strategic direction of the organisation and, by so doing, agrees the strategic objectives needed to deliver it. It establishes Board committees chaired by LHP partners to provide assurance that the strategy is being delivered, risks are identified which may prevent it being delivered and independent assurance (through internal and external audit) is scrutinised.

To deliver the strategy, there are a number of operational groups (OGs) which ensure the business has sufficient resources and support to deliver the organisation's business plan, in itself set up to manage the delivery of the strategic objectives. These various groups identified within LHP's governance structure below provide assurance on the achievement of delivery to the Strategic Leadership Group (SLG) and also to the Board Committee/s.



The Board has established the following committees:

- Remuneration & Nominations Committee
- Finance, Performance & Risk Committee

The terms of reference of these committees are approved by the Board on an annual basis. A brief description of their role follows:

3.1 Remuneration & Nominations Committee

The Remuneration & Nominations Committee advises the LHP Board in respect of executive director appointments and succession planning, and decides on the remuneration and allowances, and other terms and conditions of office, of the Chair, Chief Executive and Executive Directors/Directors of Liverpool Health Partners. It also reviews Board remuneration and makes recommendations to the LHP Board in respect of Non-Executive Director remuneration.

3.2 Finance, Performance & Risk Committee

The Finance, Performance & Risk Committee is responsible for the oversight of financial and operational performance and delivery against planned budgets. The Committee will monitor and scrutinise financial and corporate governance, assurances processes and risk management across LHP's remit and give oversight to the development of appropriate financial strategy.

It will also oversee and monitor contracts, review the Corporate Governance Framework including the scheme of delegation, standing orders and standing financial instructions, the members' agreement, codes of conduct and standards of business conduct including maintenance of registers.

4. INTERNAL CONTROL

4.1 Overview

Internal control entails having in place processes and procedures which together ensure that LHP is meeting the terms of its authorisation, running effectively, smoothly and safely and keeping risks to a minimum. Internal control also entails LHP having clearly identifiable objectives and identifying the risks to achieving those.

4.2 Strategic Objectives

Each year LHP reviews its objectives which move the organisation closer to achieving its vision. Currently, these objectives are to:

- Make Cheshire and Merseyside a more attractive place to do research
- Improve capacity and capability
- Improve opportunities for partners to contribute to LHP
- Improve the recognition and profile of LHP
- Ensure continual improvement of LHP
- Develop and support innovation
- Focus research on the region's health needs

4.3 Assurance & Escalation Framework

This describes the responsibility and accountability for LHP's governance structure and systems through which the Board receives assurance or escalated concerns/risks related to delivery and achievement of strategic objectives. It also addresses performance and ensures that potential performance problems are identified early and rectified.

The framework describes how LHP's procedures, systems and organisational learning are monitored by an effective committee structure. This provides the Board with assurance about how the organisation is able to identify, monitor, escalate and manage concerns in a timely fashion at an appropriate level.

4.4 Strategic Risk Register

The Board needs to be confident that the systems, policies and people it has put in place are operating in a way that is effective in driving the delivery of objectives by focusing on minimising risk. The Board should be able to demonstrate that it has been properly informed about the totality of its risks through systematically identifying its objectives and managing the principal risks to achieving them. The Strategic Risk Register (SRF) fulfils this purpose by providing a simple but comprehensive mechanism.

The Board must:

- establish key goals (both strategic & operational)
- identify the principal risks that may threaten the achievement of these objectives
- identify and evaluate the design of key controls intended to manage these principal risks
- set out the arrangements for obtaining assurance on the effectiveness of key controls across all areas of principal risk
- evaluate the assurance across all areas of principal risk (assurances can be internal or external)
- identify positive assurances and areas where there are gaps in controls and/or assurances
- put in place plans to take corrective action where gaps have been identified in relation to principal risks
- maintain dynamic risk management arrangements including a well-founded risk register.

Each lead Director reviews the SRF monthly and the Executive Team/Strategic collectively examines the risks bi-monthly, leading to the LHP Board also reviewing the SRF at every bi-monthly meeting.

4.5 Processes and Procedures

There are two broad categories of internal processes and procedures which ensure the proper running of LHP. First, there are those which provide a comprehensive framework for the proper conduct of business:

- Standing Orders of the LHP Board including the Matters Reserved to the Board and the Scheme of Delegation
- Standing Financial Instructions.

All Board members, LHP Directors and senior managers should be aware of the existence of these documents and, where appropriate, should be familiar with the detailed provisions. In particular, staff should pay attention to the detailed scheme of delegation (Appendix VII) as any action that they take which is outside of their delegated authority could have serious consequences for both LHP and the individual.

Secondly, there are the internal risk management processes and procedures which together constitute the Strategic Risk Register.

4.6 Risk Management

Risk management is the key system through which organisational and financial risks are managed by all staff to the benefit of stakeholders.

LHP has a Risk Management Policy which:

- is approved by the Board (*last approval date September 2020*)
- sets out the Trust's risk appetite
- defines the structures for the management and ownership of risk and for the management of situations in which the failure of controls leads to material realisation of risks
- specifies how both new and existing activities are assessed for risk and incorporated into risk management structures
- ensures common understanding of terminology used in relation to risk
- defines the processes and considerations which inform the assessment of risk
- defines the way in which the risk register is regularly reviewed.

The Risk Register is a database of all the risks which are recorded within LHP. It identifies which staff member is leading on the management of that risk and also identifies the risk grading. The Register also includes details of action plans to mitigate the risks and identify progress against these plans.

4.6.1 Assurances on Controls in place to Manage Risk

Assurances are positive evidence that controls are managing a particular risk and it is likely that the underlying objective is achieved. The 'three lines of defence' approach is a model for assurance that pulls risk management and compliance into a common and robust framework:

- First Line – significant ownership by staff to understand their roles and responsibilities and carry those out properly and thoroughly (operational management)
- Second Line of Defence – having a corporate governance framework that incorporates compliance and risk management functions (oversight function, i.e. Board Committees)
- Third Line of Defence – independent review that monitors operation of the overall compliance and risk management system. Within this, there are two types of assurance:
 - Internal
 - Independent (external) assurances

The Finance, Performance & Risk Committee and the Strategic Leadership Group (cf Para 4.8) are key to this governance framework.

4.7 Performance

The Board monitors LHP's financial and operational performance through the Finance Report and the Performance Dashboard. The six monthly performance assurance review process is for the Executive Team to meet with the Life Course and Programme Leads and SPARK Managers to discuss progress against the Business Plan and strategic issues relevant to each theme. In addition this is an opportunity for the Executive Team to support and engage with the senior management of each Life Course and Programme.

The various groups identified within LHP's governance structure provide assurance on delivery to the Strategic Leadership Group (SLG) and also to the Board Committee/s.

4.7.1 Strategic Leadership Group (SLG)

The purpose of the SLG is to provide advice to the LHP Board and Chief Executive on the direction and operational management of LHP. The SLG also takes on a leadership role within the organisation, developing LHP's overall strategy and ensuring the delivery of strategic objectives and the mitigation of strategic risk through a focus on the performance and delivery of the Life Course and Programme Themes.

The SLG provides the formal mechanism to support the Chief Executive in effectively discharging his/her responsibilities as Accountable Officer.

4.7.2 Other Key Operational Groups (OG)

LHP has established the following groups with each having specific duties within their terms of reference appropriate to functions at an operational level:

- SPARK Leadership Group
- Theme & Life Course Leadership Groups

4.7.3 Reporting

To enable the SLG to provide assurance requires reports on performance from other groups within the structure; in turn, OGs provide a summary of that performance to the SLG which also has its own groups reporting into it, predominantly focusing on services provided in collaboration with external partners. Assurance reports from the OGs may be submitted to the relevant Board Committee.

Well-informed and high-quality decision making is a key requirement for a Board/committee to be effective. This decision-making takes place at the meetings of the Board/Committee and, therefore, ensuring these meetings are efficient is critical.

The Effective Meeting Guidance, approved by the LHP Governance Committee in January 2020, sets out the framework with core disciplines to ensure that the Board and its Committees function effectively. These disciplines represent best practice and should, where appropriate, apply to the operational groups as well. The disciplines include the following:

- Adherence to terms of reference (standardised format) both in terms of overall remit of the Committee and individual responsibility within that Committee
- Attention to agenda planning and management
- Robust annual forward plans
- Timely availability of papers
- Action logs to help keep track of actions agreed by the Board and for each action the ownership, due dates, and status

- Declaration of interests and resolution of conflicts – agendas should include an opportunity for members to declare conflicts of interest that may relate to specific agenda items so that these can be managed appropriately
- Agendas should have a standing item relating to the identification of items for the risk register or, in the case of the Board, the Strategic Risk Register
- Transparency and openness: services funded by public money should ensure they operate in an open and transparent manner. This is partially achieved through papers that are clear, informative and jargon-free
- Minutes that accurately reflect the discussions held, identify risk and the decisions taken.

The guidance also contains standardised templates for reports, key roles and responsibilities relating to Committees i.e. the Committee/Group Chair, the Executive Lead and the LHP Executive Office.

The guidance is available on LHP's shared drive.

5. INDEPENDENT CONTROL AND REGULATION

5.1 Internal Audit

Liverpool Heart & Chest NHS FT has a framework for an Internal Audit Service. This is an independent and objective appraisal service which has no executive responsibilities within the line management structure. It pays particular attention to any aspects of risk management, control or governance affected by material changes to the Trust's risk environment, subject to Audit Committee approval.

In liaison and agreement with LHCH, LHP would be able to access this objective service, as appropriate, taking responsibility for any costs incurred.

5.2 Fraud and Probity

Managing the risk of fraud is the responsibility of line management. LHCH has a comprehensive Anti-Fraud & Bribery Policy, a Local Counter Fraud Specialist and information for staff which is also available on the Trust's website.

LHP has responsibility for ensuring it is compliant with this policy.

5.3 External Audit

All foundation trusts must have their accounts audited by independent external auditors. LHP, as a cost centre of LHCH, will be included in the LHCH accounts and, therefore, subject to audit.

LHP STANDING ORDERS

FOR THE PRACTICE AND PROCEDURE OF THE LHP BOARD

LHP Board Terms of Reference

1. These terms of reference set out the rules, obligations, operation and responsibility of the Board for Liverpool Health Partners, a business hosted by Liverpool Heart and Chest Hospital NHS Foundation Trust.
2. These terms of reference must be read in conjunction with the Service Level Agreement attached in Schedule 1, the Partners' Agreement attached in Schedule 2 and LHCH's Scheme of Delegation.

Key Principles

3. The key principles of the LHP Board are as follows:
 - To make decisions on issues within the remit of the LHP Board as set out in these terms of reference and to ensure such decisions are made at the most appropriate level of the hosted arrangement;
 - To ensure that the Partnership is committed to the principle of joint working and co-operation;
 - To ensure the Partnership will seek to achieve consensus in so far as possible when making recommendations and decisions about LHP business, whilst respecting each other's views and statutory accountabilities.
 - To ensure the partners assure themselves through Board business that LHP is developing and delivering its aims, objectives and strategy.

Defined Terms

4. The following definitions apply in these terms of reference.

"LHCH": means Liverpool Heart and Chest Hospital NHS Foundation Trust, Thomas Drive, Liverpool, L14 3PE.

"LHCH Board": means the board of directors of LHCH.

"LHP": means Liverpool Health Partners.

"LHP Board": means the board of LHP.

“Partner Organisation Representative”: means an individual appointed as a member of the LHP Board on behalf of a Partner Organisation.

“Partnership/Partners”: means the members of LHP Board as listed in clause 5.1.

“Partners’ Agreement”: means the agreement between the Partner Organisations set out in Schedule 2.

“Partner Organisation”: means the organisations listed in clause 5.1.1 (a) – (l).

“ToR”: means these terms of reference.

Constitution

5. The LHCH Board has delegated full accountability on all matters relating to LHP business to the LHP Board.
6. The LHP Board will review these ToR on an annual basis as part of a self-assessment of its own effectiveness, and agree any changes brought about as a result of the yearly review, including changes to the ToR.

Remit and Functions of the LHP Board

7. The LHP Board provides strategic direction, and monitors operational planning and delivery for LHP. LHP Board functions consist of the following:
 - to secure the delivery of the services of LHP, and in so doing the LHP Board will formulate and operate within a strategic framework for the hosted arrangement agreed with LHCH
 - to develop positive relationships between partner organisations and take account of their views, in accordance with the Partners’ Agreement; and
 - to assure themselves on LHP’s operational delivery and strategic development.

Membership

8. The LHP Board Membership comprises:
 - a representative from each partner organisation currently being¹:
 - University of Liverpool;
 - Liverpool John Moores University;
 - Edge Hill University;
 - Liverpool School of Tropical Medicine;
 - Liverpool University Hospitals NHS Foundation Trust;
 - The Walton Centre NHS Foundation Trust;

¹ As at January 2020

- Mersey Care NHS Foundation Trust;
- The Clatterbridge Cancer Centre NHS Foundation Trust;
- Liverpool Women's NHS Foundation Trust;
- Liverpool Heart and Chest Hospital NHS Foundation Trust;
- Alder Hey Children's NHS Foundation Trust;
- Liverpool Clinical Commissioning Group; and

an independent Chair.

9. The LHCH CEO, or his / her representative, shall attend as both partner organisation representative and host organisation representative.
10. Pursuant to clause 5.1 each Partner Organisation will nominate a board-level representative and inform the Chair of their selection.
11. The LHP Board will review the membership annually and confirm the membership is still appropriate as part of the Annual Report.
12. The partner organisations will ensure at all times that those appointed to the LHP Board have the appropriate delegated authority from their Board to take decisions on behalf of their organisation. Should a partner organisation representative no longer be an employee or have delegated authority from their organisation to remain part of the Partnership, then the representative must serve seven days' written notice of their resignation to the Chair of the Partnership. The Partner Organisation must promptly appoint a new representative in accordance with clause 5.3.

The Chair

13. The Chair will be independent and appointed by the partners.
14. The Chair, in conjunction with the Remuneration & Nominations Committee, will appoint the Chief Executive and be responsible for his/her pay, conditions of service and any other staff matters.
15. The Chair will provide leadership to the LHP Board, ensuring its effectiveness as governed by the LHP 3-year strategy and annual business plan.
16. The Chair will ensure that regular reports on LHP performance are prepared and made available to the Board including the production of an Annual Report, providing information on the use of the budget and achievement of the targets set in the annual business plan.
17. The Chair is responsible for chairing each LHP Board meeting, facilitating the effective contribution of Board members and ensuring constructive relations. The Chair's objectives will be set and reviewed annually, aligned to the LHP strategy and business plan. The appraisal process will be agreed by the Remuneration & Nominations Committee.
18. The Chair will arrange the regular evaluation of the performance of the Board, committees and the Chief Executive. The CEO objectives will be set and reviewed annually in line with available resource.

19. The Chair will hold the Chief Executive to account for the activities and overall performance of LHP and take any necessary action required regarding the Chief Executive's performance. Through the Chief Executive, the Chair will ensure the provision of accurate, timely and clear information to the Board.
20. Through the Board Secretary the Chair will give all members notice of Board meetings and to provide them with the agenda prior to such a meeting and circulate the minutes after such a meeting.
21. The Chair will be appointed for a term of three years, renewable for a further term of three years with the agreement of the Partners, in accordance with Paragraph 19 of the UK Corporate Governance Code 2018.
22. The Chair may recommend governance and Board membership changes for consideration by the Board.

The Chief Executive

23. The role of the Chief Executive shall include:
 - Delivering LHP strategy within the approved annual budget.
 - Formally reporting to the Board and other interested parties on the scope, adequacy, delivery and strategic development of LHP.
 - Produce the annual business plan and Annual Report.

BOARD POWERS AND RESPONSIBILITIES

Board's Authority

24. In accordance with the Corporate Governance Framework, including the Scheme of Reservation & Delegation (SORD), Standing Orders (SOs) and Standing Financial Instructions (SFIs), the Board shall be responsible for the overall management and strategic direction of LHP and, in particular, the Board shall:
 - approve the three year Strategy and annual business plan
 - approve the Annual Report
 - determine the annual stakeholder contribution
 - approve the use and distribution of cash reserves
 - monitor LHP's performance against its business plan (and any in year amendments to the plan) and any directions of the Partners
 - approve the appointment of a Chief Executive, on the recommendation of the Chair and Remuneration & Nominations Committee

Member Reserved Matters

25. Any of the following matters require the prior consent of at least a majority of the Partners

(including the representative of the host organisation, LHCH) present and eligible to vote and no action shall be taken by the Board (except the calling of a general meeting or circulation of a written resolution to seek such consent) without such consent:

- Approve, review and amend the Corporate Governance Framework Manual
- Change (by whatever means) the nature of the business of LHP or do anything that is not consistent with its Strategy
- Use any name other than LHP in relation to the activities of LHP
- Sell or otherwise dispose of the whole or any part of the undertaking, property or assets of LHP, or any interest in them or contract to do so
- Merge or amalgamate LHP with any other company, organisation or undertaking.

Scheme of Delegation

26. Subject to the Scheme of Delegation, the LHP Board may delegate any of the powers conferred on it to such person or committee as they think fit, but the terms of any delegation must be recorded in the minute book.
27. The Board will set up standing committees, including a finance & governance committee, and a remuneration & nominations committee. Their terms of reference, including the quorum, will be approved by the LHP Board on an annual basis, following an evaluation of their effectiveness.
28. The Board may impose conditions when delegating, including the conditions that:
 - The relevant powers are to be exercised exclusively by the committee to whom they delegate, and
 - No expenditure may be incurred on behalf of LHP except in accordance with a budget previously agreed with the Board or delegated authority in the terms of reference
29. All acts and proceedings of any committees must be reported to the Board at the next available opportunity.

Hosting Arrangements

30. LHCH will provide the services to LHP (in accordance with the Service Level Agreement in Schedule 1) which will include but is not limited to IM&T, HR support and finance support.

Accountability

31. The LHP Board will assure themselves on the operational delivery and strategic development of LHP.

Conduct of meetings

32. The quorum for any Membership meeting of the LHP Board must consist of:

at least seven partners; and
the Chair, or Vice Chair.
33. LHP Board will meet formally as determined by the Board.
34. Each partner organisation representative will be expected to attend at least 75% of scheduled LHP Board meetings annually. Attendance will be noted in the Annual Report.
35. Should the meeting not be quorate, the Chair will determine the best means of transacting the business on the agenda.
36. Before each meeting of the LHP Board, a written notice specifying the business proposed to be transacted will be delivered to each Partner, either via email or via post to their usual place of residence. The notice must be signed by the Chair (or VC in absence of the Chair) and sent to each Partner at least seven days prior to the meeting scheduled date.
37. Matters which are confidential on the grounds of commercial sensitivity or involving staff or patient issues will be discussed in a separate private session, the minutes of which will not be made available to the public

Decision-making

38. The LHP Board's powers are set out in detail in the Scheme of Delegation.
39. LHP Board will have autonomy in relation to providing the organisation with strategic direction and purpose, and oversight of operational delivery and strategic development of LHP. However, in the case of emerging concerns with the operational plans and future strategy of LHP, the Chair and Partners will agree and put in place arrangements to resolve any adverse strategic and operational issues. The meeting must be quorate for any decision taken in this regard. This will include an escalation framework in line with accountability arrangements agreed with LHCH.

Partner Conduct and Management of Conflicts of Interests

40. If a Partner has been disqualified by the Chair from participating in the discussions on any matter and/or voting on any matter by reason of a declaration of a conflict of interest that person shall no longer count towards the quorum.

PUBLIC SECTOR EQUALITY DUTIES

The Public Sector Equality Duty was created by the Equality Act 2010. The duty covers age, disability, sex, gender reassignment, pregnancy and maternity, race, religion or belief and sexual orientation. It applies in England, Scotland and in Wales. The general equality duty is set out in section 149 of the Equality Act 2010.

The aim of the general equality duty is to integrate considerations of the advancement of equality into the day-to-day business of public authorities. In summary, those subject to the equality duty, must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Act.
- Advance equality of opportunity between people who share a characteristic and those who don't
- Foster good relations between people who share a characteristic and those who don't

The LHP Board, its Board Committees and operational groups are all required to take the equality duties into consideration to ensure they comply with relevant legislation and best practice in the conduct of their duties.

[Public Sector Equality Duty | Equality and Human Rights Commission](#)

Board Committees' Terms of Reference

REMUNERATION & NOMINATIONS COMMITTEE

Authority

1. The Committee is constituted as a standing committee of Liverpool Health Partners' (LHP) Board of Directors. Its constitution and terms of reference shall be as set out below, subject to amendment at future Board meetings. The Remuneration & Nominations Committee has no executive powers other than those specifically delegated in these Terms of Reference.
2. The Committee is authorised by the LHP Board to make decisions and to investigate any activity within its terms of reference.
3. The Committee is authorised by the LHP Board to seek information it requires of any employee (or contractor acting on behalf of LHP) and all said individuals are directed to co-operate with any request made by the Committee. The Committee is authorised to obtain legal or other professional advice from internal or external sources if it considers this necessary or expedient to the carrying out of its functions.

Purpose

4. The purpose of the Committee is to ensure effective governance in respect of executive director appointments and succession planning, and decide on the remuneration and allowances, and other terms and conditions of office, of the Chair, Chief Executive and Executive Directors/Directors of Liverpool Health Partners.

Duties

5. In order to fulfil its role effectively, the Committee will act in accordance with the Scheme of Delegation and Standing Orders, taking the relevant provisions of the UK's Code of Corporate Governance into consideration, as well as the FT Code of Governance and relevant NHSE/I guidance on remuneration, tenure and appraisal of the LHP Chair.
6. As the LHP Chair will be deemed to have an interest in discussions on his/her remuneration, tenure and appraisal, the Vice Chair will be asked to chair that meeting.

Nominations – Executive Directors/Directors

- Monitor and review the composition of the group of executive directors/directors in terms of size and balance of skills, knowledge, experience and diversity and prepare a description of the role and capabilities required for the appointment of an Executive Director/Director. Any changes would need to be submitted to the LHP Board for final approval
- Appoint or remove the Chief Executive and Executive Directors/Directors and be responsible for identifying suitable candidates as vacant posts arise (NB. The appointment of the CEO must be approved by the Board)

Remuneration – Executive Directors/Directors

- Determine a remuneration policy for Executive Directors/Directors reporting directly to the CEO
- Approve the remuneration and terms of office for each vacant Executive Director/Director post in accordance with relevant policies and prior to the post being advertised
- Adhere to all relevant laws, regulations, NHS policy and benchmarking with comparable organisations/partnerships in all respects, including (but not limited to) determining levels of remuneration that are sufficient to attract, retain and motivate Executive Directors/Directors whilst remaining cost effective
- Receive reports from the CEO on the performance of individual Executive Directors/Directors at least annually
- Review succession planning and Executive Director/Director development annually, taking into account the challenges and opportunities facing the organisation and the skills and expertise required on, and supporting, the Board
- Advise upon and oversee contractual arrangements for Executive Directors/Directors, including but not limited to termination payments
- Review Board remuneration and make recommendations in respect of Non-Executive Director remuneration to the LHP Board
- In the event of the Board agreeing to an Executive Director/Director being appointed as a Non-Executive Director of another organisation, determine whether the individual should retain any associated remuneration.

Membership

7. The members of the Committee shall be:
 - The Chairman of LHP (who will chair the Committee) – nominated deputy is the Vice Chair
 - A Non-Executive Director of LHP (when appointed)
 - Two Chief Executives of partner organisations
8. The following are required to attend and participate in the meetings of the Remuneration & Nominations Committee in a non-voting capacity except on those occasions when discussions or decisions relate to their own remuneration or terms of office:
 - Chief Executive
 - Director of Corporate Services/Board Secretary
 - HR advisor (as required)
9. As the Chief Executive will, through the nature of his / her role, be deemed to have an

interest in the following matters:

- the appointment and removal of the Chief Executive
- the remuneration of the Chief Executive and of members of the executive team

It will be for the Chair of the Committee to determine whether or not it is appropriate for the Chief Executive to be in attendance to advise on these matters. In such circumstances where the Chief Executive is in attendance, he/ she will not have a vote or participate in the decision of the Committee.

10. The meeting will be deemed quorate with three members of the Committee present including the Chair or Vice Chair.

Requirements of Membership

11. Members of the Committee must attend at least 75% of all meetings each financial year but should aim to attend all scheduled meetings.
12. Attendance at the Committee will be recorded and monitored.

Reporting

13. The minutes of all meetings of the Committee shall be formally recorded and submitted to the next meeting for approval. An assurance report shall be submitted to the Board of Directors which will provide an overview of the discussions at the meeting, details of any matters in respect of which actions or improvements are needed and decisions taken.
14. The Committee will report annually to the Board of Directors in respect of the fulfilment of its functions in connection with these terms of reference. This will include an evaluation of its performance according to a standardised framework and process.

Administration of Meetings

15. Meetings shall be held as required but not less than annually. Additional meetings may be called if required.
16. The Director of Corporate Services/Board Secretary will make arrangements to ensure that the Committee is supported administratively. Duties in this respect will include taking minutes of the meeting and providing appropriate support to the Chair and Committee members.
17. Agendas will be produced and agreed by the Chair in conjunction with the Executive Lead and Lead Officer. Agendas and papers will be circulated at least four working days (or three working days plus a weekend) in advance of the meeting.
18. Minutes will be circulated to Committee members as soon as is reasonably practicable.

Review

19. The Terms of Reference of the Remuneration & Nominations Committee shall be reviewed by the Committee and submitted to the LHP Board for review and approval at least annually.

FINANCE PERFORMANCE & RISK (FP&R) COMMITTEE

Authority/Constitution

1. The Committee is constituted as a standing committee of the LHP Board of Directors. Its constitution and terms of reference shall be as set out below, subject to amendment at future LHP Board meetings.
2. The Committee is authorised by the LHP Board to act within its terms of reference.
3. The Committee is authorised by the Board to instruct professional advisors and request the attendance of individuals and authorities from outside LHP with relevant experience and expertise if it considers this necessary or expedient to the carrying out of its functions.
4. The Committee is authorised to obtain such internal information as is necessary and expedient to the fulfilment of its functions. All members of staff are directed to co-operate with any request made by the Committee.

Purpose

5. The Finance, Performance & Risk Committee is responsible for the oversight of financial and operational performance and delivery against planned budgets. The Committee will ensure all risks related to finance and performance are properly scrutinised and give oversight to the development of appropriate financial strategy.

Duties

6. In order to fulfil its role and obtain the necessary assurance, the Committee will:
 - Oversee financial reporting measures consistent the host organisation's financial obligations and duties
 - Approve all required financial reports as delegated by the Board
 - Monitor all relevant operational performance metrics in response to emerging trends and risks. Where required, the Committee will oversee any remedial action plans required to achieve or rectify performance
 - Oversee and monitor contracts
 - Monitor financial and corporate governance, assurances processes and risk management across LHP's remit
 - Review the Corporate Governance Framework, including the scheme of delegation, standing orders and standing financial instructions, the members' agreement, codes of conduct and standards of business conduct including maintenance of registers
 - Ensure the provision and maintenance of an effective system of financial risk identification and associate controls, reporting and governance

- Maintain an oversight of the risk management framework, processes and responsibilities, including the production and issue of any risk and control-related disclosure statements.

and other relevant items as identified on the Committee's Forward Plan (agreed annually by the Committee).

Membership

7. The Committee shall be composed of the following members:
 - 2 LHP Partner Chief Executives, one of whom will act as the Chair of the Committee
 - Chief Executive
 - 2 Directors of Finance from partner organisations
 - Director of Delivery & Performance (*Executive Lead*)
8. The Director of Corporate Services/Board Secretary is required to attend meetings of the Committee in a non-voting capacity.
9. The Committee will be deemed quorate when one Partner CEO, one DoF and one LHP Director is present. A deputy must attend in the absence of the Director of Delivery & Performance. Deputies for other members should only attend if there are relevant agenda items.
10. Other staff may be co-opted or requested to attend for specific agenda items as necessary.

Requirements of Membership

11. Members of the Committee must attend at least 75% of all meetings each financial year but should aim to attend all scheduled meetings. Attendance at the Committee will be recorded and monitored.

Equality Diversity & Inclusion

12. The Committee will have regard to the Public Sector Equality Duty, as required by the Equality Act 2010 (Specific Duties) Regulations 2011 to ensure that it complies with relevant legislation and best practice in the conduct of its duties.

Reporting

13. The minutes of all meetings of the Committee shall be formally recorded and submitted to the following meeting for approval.
14. The Committee will report to the LHP Board after each meeting via an assurance report which will provide an overview of the discussions at the meeting, details of any matters in respect of which actions or improvements are needed and decisions taken.
15. The Committee will report annually to the LHP Board in respect of the fulfilment of its functions in connection with these terms of reference. This will include an evaluation of its performance according to a standardised framework and process.

Administration of Meetings

16. Meetings shall be held monthly with additional meetings held on an exceptional basis at the request of the Chair or any three members of the Committee.
17. The Director of Corporate Services/Board Secretary will make arrangements to ensure that the Committee is supported administratively. Duties in this respect will include taking minutes of the meeting and providing appropriate support to the Chair and Committee members.
18. Agendas and papers will be circulated 4 working days (or 3 working days plus a weekend).
19. Minutes will be circulated to Committee members as soon as is reasonably practicable.

Review

20. The Terms of Reference of the FP&R Committee shall be reviewed by the Committee and submitted to the LHP Board for review and approval at least annually.

CODE OF CONDUCT FOR LHP DIRECTORS AND OFFICERS

As a member or co-opted member of LHP, all Directors and Officers shall have regard to the following principles of public life (Nolan) – selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Accordingly, when acting in the capacity as a member or co-opted member:

1. Directors and Officers must act in the public interest and should never improperly confer an advantage or disadvantage on any person or act to gain financial or other material benefits for themselves, their family, a friend or close associate.
2. Directors/Officers must not place themselves under a financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.
3. When carrying out duties on behalf of LHP, you must make all choices, such as making public appointments, awarding contracts or recommending individuals for rewards or benefits, on merit and must be impartial and seen to be impartial.
4. Directors and Officers must co-operate fully with whatever scrutiny is appropriate to their office.
5. Directors and Officers must be as open as possible about their decisions and actions and the decisions and actions of LHP and should be prepared to give reasons for those decisions and actions.
6. Directors/Officers on occasions will be privy to confidential and sensitive information, such as information regarding other organisations and their proceedings, or commercially sensitive information, which, if disclosed, might harm the interests of LHP or another person or organisation. This information must not be revealed without proper authority.
7. Board members and Officers are required to declare and record any interests in a manner conforming with the procedures set out in LHCH's Standards of Business Conduct.
8. Directors/Officers must, when using or authorising the use by others of the resources of their authority, ensure that such resources are not used improperly.
9. Directors and must promote and support high standards of conduct when in post, in particular as characterised by the above requirements, by leadership and example.
10. In addition to compliance with the Code of Conduct, Directors and Officers are expected to comply with the following:
 - (a) Managing Conflicts of Interest Policy
 - (b) Standards of Business & Personal Conduct Policy
 - (c) Anti-Fraud, Bribery & Corruption Policy
 - (d) LHCH's Code of Conduct for Board of Directors

DECLARATIONS AND REGISTER OF INTERESTS

1. **Declaration of Interests** - Directors are required to comply with LHCH's Standards of Business & Personal Conduct Policy, to declare interests that are required to be declared by the Constitution and to declare any other interests that are material to the LHP Board. All Directors should declare such interests on appointment and on any subsequent occasion that a conflict arises.

Interests which should be regarded as "relevant and material" are:

- a) Directorships, including Non-Executive directorships held in private companies or PLCs (with the exception of those of dormant companies).
 - b) Ownership of part-ownership or directorship of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS.
 - c) Majority or controlling share holdings in organisations likely or possibly seeking to do business with the NHS.
 - d) A position of authority in a charity or voluntary organisation in the field of health and social care.
 - e) Any connection with a voluntary or other organisation contracting for NHS services or commissioning NHS services.
 - f) Any connection with an organisation, entity or company considering entering into or having entered into a financial arrangement with LHP, including but not limited to, lenders or banks.
2. If Board Directors have any doubt about the relevance of an interest, this should be discussed with the Chair.
 3. At the time Directors' interests are declared, they should be recorded in the Board minutes. Any changes in interests should be declared at the next Board meeting following the change occurring. It is the obligation of the Director to inform the Board Secretary in writing within seven days of becoming aware of the existence of a relevant or material interest.
 4. Board Directors' Directorships of companies likely or possibly seeking to do business with the NHS should be published in LHP's annual report. The information should be kept up to date for inclusion in succeeding annual reports.
 5. During the course of a Board meeting, if a conflict of interest is established, the Director concerned should withdraw from the meeting and play no part in the relevant discussion or decision. For the avoidance of doubt this includes voting on such an issue where a conflict is established. If there is a dispute as to whether a conflict of interest does exist, the majority will resolve the issue with the Chair having the casting vote.
 6. There is a requirement for the interests of Directors' spouses or partners to be declared, if they fall within the criteria outlined in the relevant documentation.

7. **Register of Interests** - In accordance with the Constitution, the Board Secretary will ensure that a Register of Interests is established to record formally declarations of interests of Directors. In particular the Register will include details of all Directorships and other relevant and material interests which have been declared by Board Directors.
8. These details will be kept up to date by means of an annual review of the Register in which any changes to interests declared during the preceding twelve months will be incorporated.
9. The Register will be available on request to the Board Secretary.

Conflicts of Interest

A conflict of interest occurs when you advance a personal interest (or that of others with whom you are connected) at the expense of LHP.

Reference should be made to LHCH's policy on Conflicts of Interest.

Reporting bribery, corruption and non-compliance with this policy

If you know of, or have good reason to suspect that, an unlawful or unethical situation or that you suspect that either an act of bribery or non-compliance to this policy has occurred; you should report the matter to the Chief Executive Officer of LHP or your Head of Department within your employing organisation.

LHP is directed by its host organisation's policies in relation to the Bribery Act (2010). All staff and associated directors should refer to and comply with their employing organisations policies.

MATTERS RESERVED FOR THE BOARD

Introduction

1. The purpose of this appendix is to provide details of the powers reserved to the LHP Board of Directors (the LHP Board), whilst at the same time delegating to the appropriate level of the organisation the detailed application of LHP policy & procedures. The Board remains accountable, however, for all of its functions, including those delegated to the Chairman, individual directors or officers and therefore will receive information about the exercise of delegated functions to enable it to maintain its monitoring role.
2. The LHP Board may make arrangements for the exercise of any of its functions by a committee or by an officer of LHP, subject to any directions to the contrary by LHP itself. In general, the powers reserved to the Board are matters for which it is held directly or indirectly accountable.
3. This document will ensure compliance with the NHS Foundation Trust Code of Governance.

Matters Reserved for the Board

4. Responsibility for the operational and financial management of the organisation rests with the LHP Board, and all the powers of the organisation are exercisable by them. For any organisation to operate effectively, however, a degree of delegation is required, as it is impossible for the Board to have hands-on involvement in every area of LHP's business. There are, however, a number of matters which must be considered and/or decided on by the Board. This document therefore lists those Matters Reserved for the Board which require the Board's specific consideration, approval or agreement.
5. These matters will, in general terms, include:
 - Strategic direction and planning
 - Performance management
 - Major contracts
 - Financial planning and borrowing
 - Internal control and risk management oversight

Schedule of Matters Reserved for the Board

Details are also identified in the Articles of Association and the Members Agreement

6. Strategy

- LHP Vision and Strategy
- All business cases relating to major projects (major is defined as those costing £100k and above)
- Annual Business Plan
- Borrowing requirements of any sort
- Changes to the Board structure.

7. Governance

- Annual Report
- Corporate Governance Framework Manual
- Strategic Risk Register Reports
- LHP Standing Orders and amendments
- Establishment of, and terms of reference for, Board committees
- Continuous appraisal of the LHP's financial and operational performance
- Standing Financial Instructions and amendments
- Agreements with third parties including Non-Disclosure Agreements
- Annual review of Directors' Declaration of Interests
- Expenditure in excess of the financial limits in the Scheme of Delegation
- Audit arrangements
- Continuation in office of any director, including the suspension or termination of an executive director's service as an employee
- Annual review of (whole) Board effectiveness
- The schedule of 'Matters Reserved for the Board' and 'Scheme of Delegation'
- Appointment of the Vice Chair

8. Performance Management

- Non-compliance with agreed targets and obligations
- Litigation against, or on behalf of, LHP
- Serious incidents.

9. Other

- Any matter which the Board considers significant to the organisation.

DELEGATION OF POWERS BY THE BOARD OF DIRECTORS

Delegation to Committees

1. The Board of Directors may determine that certain of its powers shall be exercised by Standing Committees. The composition and terms of reference of such committees shall be that determined by the Board of Directors. The Board of Directors shall determine the reporting requirements in respect of these committees. In accordance with Standing Orders, committees may not delegate executive powers to sub-committees unless expressly authorised by the Board of Directors.

Delegation to Officers

2. Standing Orders and Delegation of Financial Authority set out in some detail the financial responsibilities of the Chief Executive, and other directors.

Scheme of Delegation

3. The Scheme of Delegation, which should be read in conjunction with the “Matters Reserved for the Board”, sets out the roles and decision levels by which the LHP Board operates. Many of the areas shown can be linked to specific paragraphs in the Standing Orders or the Delegation of Financial Authority, and these should also be consulted as required.
4. The general descriptions of the roles of the LHP Board are to be found in the Board Terms of Reference (Appendix I)
5. LHP is required to demonstrate the existence of comprehensive governance arrangements. As such, LHP has drawn up a Scheme of Delegation and Delegation of Financial Authority.
6. However, the LHP Board remains accountable for all of its functions, including those delegated to the Chairman, individual directors or officers, and would therefore expect to receive information about the exercise of delegated functions to enable it to maintain a monitoring role.

Role of the Chief Executive Officer

- 6.1 All powers of LHP which have not been retained as reserved by the LHP Board or delegated to a Board Committee shall be exercised on behalf of LHP t Board by the Chief Executive Officer following due process.

Caution over the Use of Delegated Powers

- 6.2 Powers are delegated to directors and officers on the understanding that they would not

exercise delegated powers in a matter that in their judgment was likely to be a cause for public concern.

Absence of Director or Officer to whom Powers have been Delegated

- 6.3 In the absence of a director or officer to whom powers have been delegated, those powers shall be exercised by that director or officer's superior unless alternative arrangements have been approved by the Board. If the Chief Executive Officer is absent, powers delegated to him/her may be exercised by the Chairman / Director of Delivery and Performance after taking appropriate advice from the Finance Performance & Risk Committee Chair.

Directors' Ability to Delegate their own Delegated Powers

- 6.4 The Scheme of Delegation shows only the "top level" of delegation within LHP. The Scheme is to be used in conjunction with the system of budgetary control and other established procedures within LHP.

All staff members, including directors should be aware of the Policies and Procedures that underpin all LHP activities.

This document provides a framework for decision-making responsibilities within LHP. Directors are responsible for ensuring that all staff operate within the Scheme of Delegation and in accordance with the Delegation of Financial Authority. The Scheme of Delegation identifies the *lowest* level to which a particular responsibility may be delegated. There is no requirement for Directors to delegate to this level. The levels of management/delegation referred to in this Scheme are as follows:

- The Chief Executive Officer (In the absence of the Chief Executive Officer, urgent matters may be dealt with by the relevant Director and/or the Chairman)
- It is for the Chief Executive Officer to identify those Officers whom they wish to authorise (Authorised Signatories) to exercise delegated authority within this Scheme of Delegation. The appropriate documentation will need to be completed and submitted to the Finance Performance & Risk Committee for approval.

1. Decisions/Responsibilities reserved for the LHP Board of Directors	
i.	To uphold LHP Values
ii.	To agree and review the development and delivery of LHP Strategy
iii.	To review and approve the financial plans and expenditure of LHP in relation to the values and strategy of LHP
iv.	Oversee and be accountable for risks
v.	Establish and be accountable for the LHP Finance Performance & Risk Committee and its associated delegated authorities
vi.	Establish and be accountable for additional committees where it sees fit for the delegation of specific actions e.g. remuneration of accountable officers/directors via the Remuneration & Nominations Committee
vii.	Responsibility for ensuring good governance of LHP affairs and its committees
viii.	To review, and where appropriate revise, the partnership organisations of LHP and their associated subscription contributions
ix.	To approve business cases that have previously been considered at the Finance, Performance & Risk Committee.
x.	To approve entry into agreements with third parties including Non-Disclosure Agreements
2. Decisions/Responsibilities reserved for the Finance Performance & Risk Committee	
i.	To compile and review on-going financial commitments of LHP
ii.	Oversee financial plans to ensure sustainability and minimise risk to LHP
iii.	Establish arrangements for the oversight of financial processes including schemes of delegation and budgetary control
iv.	To put in place a process for and to receive all business cases relating to LHP and ensure their alignment to the LHP strategic plan
v.	Clarify legal status and associated subscription contributions for all existing and future partners of LHP
vi.	Oversee arrangements regarding LHP ownership of intellectual property
vii.	Ensure all tax implications for LHP are understood and action where appropriate
viii.	Ensure appropriate arrangements are in place for external audit, including annual reports and accounts
ix.	Review the Corporate Governance Framework Manual on an annual basis for Board approval
x.	Ensure that appropriate indemnity arrangements are in place for LHP Board members.

3. Duties delegated to the Chairman	
i.	To chair and lead the LHP Board
ii.	To review the performance of the Board and the Chief Executive Officer annually
iii.	To ensure the Board agrees annual strategic objectives
iv.	To chair the annual general meeting of LHP
v.	To receive and monitor Declarations of Interest from the LHP Board members at each meeting
vi.	To receive and monitor the annual Register of Interests from LHP Board members
vii.	To act as a signatory for LHP for contracts in line with the LHP Delegation of Authority
4. Duties delegated to the CEO	
i.	To ensure delivery of the agreed objectives for LHP
ii.	To act as the accountable officer for LHP and its associated activities (such as external bid development)
iii.	With the DoDP, manage the budget and financial plans of LHP and present quarterly financial management reports to the LHP Board
iv.	To ensure that the annual company accounts are produced and submitted in line with the requirements of the host organisation.
v.	With the DoDP, deliver the LHP mid-year strategic plan and periodic updates to the LHP Board
vi.	With the DoDP, deliver annual reports regarding LHP progress to the LHP Board
vii.	To act as a signatory for LHP for contracts (including Non-Disclosure Agreements) and payments in line with the LHP Delegation of Authority

DELEGATION OF FINANCIAL AUTHORITY

Organisational authorisation and signature of agreements with external organisations to LHP (therefore including agreements with Partners) requires specific delegated authority. Such authority is defined and approved by the Chief Executive Officer of LHP on an annual basis. The principles of this delegation are:

- That the level of authority is commensurate with the level of seniority and experience.
- Individual members of clinical and academic staff within partner organisations are not empowered to commit LHP in contract.
- That all agreements should be authorised with the full knowledge of the Director of Delivery and Performance, any other relevant LHP Director, Head of Department / School of employing organisation and where appropriate, Chief Executive of the relevant Trust, after proceeding through LHP's standard approval process (not applicable to Non-Disclosure Agreements where the procedure identified in Section 16 of the Members' Agreement would apply).

Category	Description
A	Letters of support for applications to funding organisations, including but not limited to, Research Councils UK, ERDF, charities etc including agreement to terms and conditions of any grant award
B	Applications to NHSE/NIHR where LHP is lead applicant (e.g. for joint strategic bids where a non-NHS organisation can be named applicant), including agreement to terms and conditions of any grant award
C	Agreements, including sub-contracts, with external organisations for R&D and educational programmes.
D	Procurement agreements for services, consultancy, equipment etc
E	Non-Disclosure Agreements with third parties including collaborators, funders, sponsors and suppliers
F	Intellectual Property-related agreements, e.g. licence agreements and assignment agreements
G	Applications to other organisations, including but not limited to government departments and agencies, and industrial / commercial organisations.

Category	Conditions	Authorised Signatory
A		Chief Executive Officer (CEO)
A, B, C, D, F, G	£1 - £1,000	Head of Delivery & Performance Head of LHP SPARK
A, B, C, D, F, G	£1,000 - £20,000	CEO and LHP Executive Directors
A, B, C, D, F, G	£20,000 - £100,000	CEO
A, B, C, D, F, G	£20,000 - £100,000 and only where CEO is unavailable for signature.	Deputy Chief Executive following FP&R Committee Chair's Action.
A, B, C, D, F, G	> £100,000	CEO only after approval by FP& R Committee and LHP Board.
E		CEO, LHP Executive Team

[illegible]

Agenda Item (Ref)	Consent Agenda	Meeting Date:	27 March 2020
Report To	LHP Board of Directors		
Report Title	Service Level Agreement – LHP/LHCH		
Lead Director	Caroline Keating, Director of Corporate Services/Board Secretary		
Lead Officer			
Action Required	To approve		

<input checked="" type="checkbox"/> Acceptable assurance General confidence in delivery of existing mechanisms/objectives	<input type="checkbox"/> Partial assurance Some confidence in delivery of existing mechanisms/objectives	<input type="checkbox"/> No assurance No confidence in delivery
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Key Points/Messages (2-3 bullet points only on where the Board/Committee should focus its attention)	
<ul style="list-style-type: none"> The requirement for a Service Level Agreement (SLA) between Liverpool Health Partners(LHP) and Liverpool Heart & Chest Hospital (LHCH) NHS FT is identified in Schedule 1 of the Members' Agreement Details have been agreed between LHP and LHCH with detail of the service standards/KPIs for Workforce, Finance and IM&T to be agreed in Q1 2020/21 	
Impact (is there an impact arising from the report on the following – details to be included in main report)	
<ul style="list-style-type: none"> Finance <input type="checkbox"/> Workforce <input type="checkbox"/> Strategy <input type="checkbox"/> 	<ul style="list-style-type: none"> Risk <input type="checkbox"/> Legal <input checked="" type="checkbox"/> Performance <input checked="" type="checkbox"/>

Strategic Objective/s (identify which objective the recommendations will help achieve)	
<input type="checkbox"/> Make Cheshire and Merseyside a more attractive place to do research <input type="checkbox"/> Improve systems capacity and capability <input type="checkbox"/> Improve opportunities for partners to contribute to LHP	<input type="checkbox"/> Improve the recognition and profile of LHP <input checked="" type="checkbox"/> Ensure the continual improvement of LHP <input type="checkbox"/> Develop and support the innovation pipeline <input type="checkbox"/> Focus research on the region's health needs
Next Steps (actions following agreement by Board/Committee of recommendation/s)	
SLA to be signed by CEOs of LHP and LHCH; detailed KPIs including escalation framework to be developed and submitted to the Finance, Performance & Risk Committee in July 2020 or earlier	

REPORT HISTORY

Committee/Group	Date	Lead	Summary of key issues and agreed actions

Dated

27 March 2020

MEMBERS' AGREEMENT

Between

- (1) University of Liverpool
- and
- (2) Liverpool John Moores University
- and
- (3) Edge Hill University
- and
- (4) Liverpool School of Tropical Medicine
- and
- (5) Liverpool University Hospitals NHS Foundation Trust
- and
- (6) The Walton Centre NHS Foundation Trust
- and
- (7) Mersey Care NHS Foundation Trust
- and
- (8) The Clatterbridge Cancer Centre NHS Foundation Trust
- and
- (9) Liverpool Women's NHS Foundation Trust
- and
- (10) Liverpool Heart and Chest Hospital NHS Foundation Trust
- and
- (11) Alder Hey Children's NHS Foundation Trust
- and
- (12) Liverpool Clinical Commissioning Group

Liverpool Health Partners

and

(13) Liverpool Health Partners Limited

Relating to the Academic Health Science Partnership
known as Liverpool Health Partners

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THIS AGREEMENT is made on 27 March 2020

BETWEEN:

- (1) **UNIVERSITY OF LIVERPOOL** of Liverpool L69 3BX (**Liverpool University**);
- (2) **LIVERPOOL JOHN MOORES UNIVERSITY** of Brownlow Hill, Liverpool L3 5UG (**LJM**);
- (3) **EDGE HILL UNIVERSITY** of St Helens Rd, Ormskirk L39 4QP (**EHU**);
- (4) **LIVERPOOL SCHOOL OF TROPICAL MEDICINE** of Pembroke Pl, Liverpool L3 5QA (**LST**);
- (5) **LIVERPOOL UNIVERSITY HOSPITALS NHS FOUNDATION TRUST** of Prescot Street, Liverpool, L7 8XP (**LUH**);
- (6) **THE WALTON CENTRE NHS FOUNDATION TRUST** of Lower Ln, Liverpool L9 7LJ (**TWC**);
- (7) **MERSEY CARE NHS FOUNDATION TRUST** of V7 Building, Kings Business Park, Prescot, L34 1PJ (**MCT**);
- (8) **THE CLATTERBRIDGE CANCER CENTRE NHS FOUNDATION TRUST** of Clatterbridge Rd, Birkenhead, Wirral CH63 4JY (**CCC**);
- (9) **LIVERPOOL WOMEN'S NHS FOUNDATION TRUST** of Crown St, Liverpool L8 7SS (**LWT**);
- (10) **LIVERPOOL HEART AND CHEST HOSPITAL NHS FOUNDATION TRUST** of Thomas Drive Liverpool L14 3PE (**LHCH**);
- (11) **ALDER HEY CHILDREN'S NHS FOUNDATION TRUST** of Eaton Road Liverpool, L12 2AP (**AHC**);
- (12) **LIVERPOOL CLINICAL COMMISSIONING GROUP** of 2 Renshaw St, Liverpool L1 2SA (**LCC**); and
- (13) **LIVERPOOL HEALTH PARTNERS LIMITED** (registered number 08259570) whose registered office is at University of Liverpool, Liverpool L69 3BX (**Company**).

BACKGROUND

- (A) The Company was incorporated in England and Wales as a private limited company limited by guarantee on 18 October 2012 with registered number 08259570 under the Companies Act 2006, for the purpose of operating the Academic Health Science Partnership called Liverpool Health Partners (**LHP**). The Partners were party to a Members' Agreement relating to the Company dated 26 February 2013.
- (B) On the date on which this Agreement takes effect, the business of LHP shall transfer from the Company to LHCH and shall become a hosted business (the **Hosted Business**) within LHCH.
- (C) After completion of this Agreement the Hosted Business shall have twelve members being Liverpool University, LJM, EHU, LST, LUH, TWC, MCT, CCC, LWT, LHCH, AHC, and LCC (which are referred to under the Articles as **Partners**), which have equal Partnership interests.
- (D) The Partners wish to participate as virtual members of the Hosted Business and have agreed to enter into this Agreement for the purpose of recording the terms and conditions of their involvement with the Hosted Business and of regulating their relationship with each other, including with LHCH as host, and certain aspects of the affairs and their dealings with the Hosted Business.
- (E) Notwithstanding the transfer of LHP from the Company to LHCH to become the Hosted Business, the Company will continue to exist. The Partners agree to continue to be members of the Company in accordance with its Articles. Nevertheless, except where stated in this Agreement, the terms of this Agreement applies to the Partners in relation to the Hosted Business from Completion.

- (F) The Company has agreed with the Partners that it will comply with the terms and conditions of this Agreement insofar as they relate to the Company and insofar as it lawfully can do so.

OPERATIVE CLAUSES

1 DEFINITIONS AND INTERPRETATIONS

- 1.1 In this Agreement unless consistent with the context, the following expressions have the following meanings:

Academic Health Science Partnership means the initiative as described in the first Annual Business Plan for LHP;

Account means the bank account of the Hosted Business from time to time;

Agreed Form means in relation to any document, the form agreed by the parties at the date of this Agreement and initialled by or on behalf of the parties for identification;

Annual Business Plan means a business plan in a form to be prepared and adopted pursuant to clause 11.2 in respect of the Hosted Business for each year;

Articles means the Articles of Association as adopted by the Company and references to an **Article** shall mean a specific Article in the Articles as amended from time to time;

Authority means any competent governmental, administrative, supervisory, regulatory, judicial, determinative, disciplinary, enforcement or tax raising body, authority, agency, board, department, court or tribunal of any jurisdiction and whether supranational, national, regional or local;

Bank means the bank from which the Account is opened;

Board means the Directors of the Hosted Business and of the Company, or such of those respective Directors present at a duly convened meeting of the Directors at which a quorum is present in accordance with the (A) the Terms of Reference in respect of the Hosted Business and (B) the Articles in respect of the Company;

Business means the business as described in clause 4 and/or such other business as may from time to time be carried on by the Hosted Business in accordance with this Agreement;

Business Day means any day (other than a Saturday or Sunday or a bank or public holiday in England);

Business Transfer Agreement means the business transfer agreement entered into between LHCH and the Company on the date on which this Agreement takes effect;

Chief Executive means the chief executive of the Hosted Business for the time being to be engaged under that title;

Companies Act 2006 means the Companies Act 2006 (as amended from time to time);

Completion means the performance by the parties of their respective obligations under clause 3;

Conditions means the matters set out in Schedule 1;

Confidential Information has the meaning given to that expression in clause 16.1;

Control means the ability to exercise or control the exercise of in the aggregate more than half of the voting rights or the ability to appoint more than half of the directors and **Change in Control** shall be deemed to have occurred with respect to the Company or Hosted Business, as the case may be, if any person or persons having Control of the Company or Hosted Business ceases to do so or if any person or persons acquire Control of it;

Director means any duly appointed director of the Company or Hosted Business, as the case may be, for the time being or a duly appointed alternate of any Director;

Electronic Form has the meaning given in section 1168 of the Companies Act 2006;

Employees means any person who may be employed by LHCH on behalf of the Hosted Business from time to time in accordance with this Agreement;

Employer means as defined in clause 9.1;

Employment Costs means salary and all other costs including pension contributions, holiday and sickness pay, tax and both employees' and employer's National Insurance contributions connected with the employment of the Employees during the period of employment by the Hosted Business;

Encumbrance includes any interest or equity of any person (including, without prejudice to the generality of the foregoing, any right to acquire, option, right of pre-emption or right of conversion) or any mortgage, charge, pledge, lien or assignment or any other encumbrance, priority or security interest or arrangement of whatsoever nature over or in the relevant property;

Financial Year means any accounting reference period of the Hosted Business or Company (as the case may be) of whatever duration;

Grants means the aggregate of the grants provided by a Partner pursuant to clause(s) 3 or 6 or, as the context requires, the amount from time to time outstanding in respect of such grant(s) and **Grants** means the aggregate of all Grants provided by all Partners pursuant to clause(s) 3 or 6 or, as the context requires, the amount from time to time outstanding in respect of such aggregate loans;

Group Company means any company which is for the time being a Holding Company or a Subsidiary of a Partner;

Holding Company has the meaning given to it by section 1159 of the Companies Act 2006;

Hosted Business means the Hosted Business as a business hosted by LHCH pursuant to the Terms of Reference and the Service Level Agreement;

Intellectual Property means all intellectual and industrial property of any kind whatsoever in connection with the undertaking of the Hosted Business or its activities, in conjunction with other Partners or otherwise, including patents, know-how, registered trade marks, registered designs, utility models, applications for and rights to apply for any of the foregoing, unregistered design rights, unregistered trade marks, rights to prevent passing off or unfair competition and copyright, database rights, topography rights, and any other rights in any invention, discovery or process, in each case in all countries in the world and together with all renewals, extensions, continuations, divisionals, reissues, re-examinations and substitutions;

IP Agreements means any and all agreements entered into whether prior to or after the execution of this Agreement by two or more Partners and/or any Partner or Partners and the Hosted Business regarding the ownership, management and/or commercialisation of Intellectual Property and for the purposes of this definition, **Partner** shall include any wholly owned subsidiaries which acts as a Partner's agent for the ownership and commercialisation of Intellectual Property from time to time;

Liabilities means all costs, expenses, losses, damages, claims, proceedings, awards, fines, orders and other liabilities (including reasonable legal and other professional fees and expenses) suffered or incurred by the Company or Hosted Business as the case may be and/or the Employer in connection with or as a result of any claim or demand by any Employee (whether in contract, tort, under statute, pursuant to European law or otherwise) including without limitation any claim for unfair dismissal, wrongful dismissal, a redundancy payment, breach of contract, unlawful deduction from wages, discrimination on the grounds of sex, race, disability, age, sexual orientation, religion or religious belief, personal injury, a protective award or a claim or any other demand;

Longstop Date means 31 March 2020 or such later date as may be agreed in writing by the parties;

material breach has the meaning given to that expression in clause 15.2;

Partners means persons:

- (a) (i) having subscribed to the Company's memorandum of association and the Articles and any other persons admitted as Partners from time to time in accordance with the Articles and who shall be members of the Company for the purposes of the Companies Acts as defined in section 2 of the Companies Act 2006 and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company Statutes.
- (ii) having agreed by virtue of this Agreement to be virtual members of the Hosted Business, and

Partnership shall be construed accordingly; and

- (b) such persons holding Partnership Interests from time to time;

Partnership Interests means the Partnership interests in the Hosted Business;

recognised investment exchange has the meaning given to the expression by section 285(1) Financial Services and Markets Act 2000;

Relevant Proportions means the proportions in which the Partners own the Partnership Interest from time to time, which as at Completion are equal Partnership Interests;

Service Level Agreement means the agreement for the provision of services entered into between LHCH and the Hosted Business by the Longstop Date;

Statutes means the Companies Acts as defined in section 2 of the Companies Act 2006 and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company;

Subsidiary has the meaning given to it by section 1159 of the Companies Act 2006;

Tax Losses means trading losses and other amounts eligible for relief under section 402 of the Taxes Act;

Taxes Act means the Income and Corporation Taxes Act 1988;

Terms of Reference means the terms of reference governing the Hosted Business as set out in Appendix 1;

VAT means Value Added Tax;

voting rights has the meaning given to the expression in Schedule 6 of the Companies Act 2006; and

in writing means hard copy form or, to the extent agreed (or deemed to be agreed by virtue of a provision of the Statutes) Electronic Form or website communication.

- 1.2 References to any statute or statutory provision include a reference to that statute or statutory provision as modified, re-enacted or consolidated and in force from time to time, whether before or after the date of this Agreement and any subordinate legislation made pursuant to it whether before or after the date of this Agreement.
- 1.3 References to persons will be construed so as to include bodies corporate, unincorporated associations and partnerships.

- 1.4 All covenants, agreements, undertakings and warranties by a Partner to do or refrain from doing anything shall be deemed to include an obligation to procure that each of its Group Companies will do or refrain from doing anything which the Partner has agreed to do or refrain from doing.
- 1.5 References to clauses and the Schedules are to clauses of and the Schedules to this Agreement, and references to paragraphs are to paragraphs in the Schedules in which such references appear and references to this **Agreement** include the Schedules and any documents in the Agreed Form.
- 1.6 Any phrase introduced by the term **include, including, in particular** or any similar expression will be construed as illustrating and will not limit the sense of the words preceding that term.
- 1.7 The word **connected** has the meaning given in relation to both a director and shareholder to it by section 252 of the Companies Act 2006.
- 1.8 The word **address** where it appears in this Agreement includes postal address and electronic address.
- 1.9 The headings to the clauses of this Agreement and to the paragraphs of the Schedules will not affect its construction.

2 **CONDITIONS**

- 2.1 All clauses in this Agreement will be taken to refer to the Hosted Business, unless expressly stated otherwise.
- 2.2 Completion is conditional on the Conditions being satisfied or waived and each party hereto shall use all reasonable endeavours to procure that each Condition is satisfied.
- 2.3 If any of the Conditions have not been waived or satisfied on or before 1 February 2020 (or such later date as may be agreed), this Agreement will automatically terminate and shall be null and void and of no effect and no party shall have any liability to any other party.

3 **COMPLETION**

- 3.1 Forthwith upon the Conditions having been satisfied, Completion shall occur by Liverpool University, LJM, EHU, LST, LUH, TWC, MCT, CCC, LWT, LHCH, AHC, and LCC becoming virtual members of the Company.
- 3.2 Forthwith following the due performance of clause 3.1 the Hosted Business shall procure that the Board procures:
 - 3.2.1 a suitable person is appointed as Chief Executive of the Hosted Business;
 - 3.2.2 each of the Partners shall appoint a director in accordance with the Terms of Reference to the extent not already done so;
 - 3.2.3 that the registered office of the Hosted Business shall be at LHCH's registered address;
 - 3.2.4 that the accounting reference date and the auditing arrangements of LHP will be in accordance with those of LHCH;
 - 3.2.5 an appropriate bank shall be appointed as the bankers to the Company from time to time and the Hosted Business shall have an Account which may be LHCH's account;
 - 3.2.6 a suitable person shall be appointed the secretary to the Hosted Business and Company; and
 - 3.2.7 that appropriate agreements are entered into by the Hosted Business with Partner(s) and/or third parties under which agreements the Hosted Business can operate.
- 3.3 a review of the membership of the Hosted Business annually and shall confirm the membership is still appropriate as part of the Annual Business Plan.

- 3.4 In relation to the Company only, for the avoidance of doubt, the Company will continue to operate in accordance with the Articles (from time to time).

4 BUSINESS OF THE COMPANY

- 4.1 The undertaking of the Hosted Business shall be the advancement of education, health, learning and research and (without prejudice to the generality of the foregoing) in furtherance thereof:

4.1.1 to bring together world class researchers and clinicians to focus on preventing and treating diseases in order to translate research and teaching excellence in the most efficient way into patient benefits; and

4.1.2 to apply for and maintain official recognition from the Government of its status as an Academic Health Science Centre in accordance with the criteria which may be set from time to time by Government (provided that the Directors consider that such status is in the best interest of the Hosted Business).

- 4.2 Such undertaking shall be carried on either directly by the Hosted Business itself or in collaboration with such third parties or Partners as the Board may decide.

- 4.3 The Hosted Business will oversee the development of clinical academic themes accepted into the Academic Health Science Partnership managed by the Company. In respect of projects undertaken by the Company, the Hosted Business will have responsibility for overseeing the operation and implementation of the Academic Health Science Partnership and aligning strategic leadership between and across the Partners (as appropriate). The Hosted Business will also ensure that each Partner will contribute in the Relevant Proportions (unless otherwise agreed by the Partners). Each Partner will promptly carry out its services/role in respect of any project undertaken by the Hosted Business in accordance with the decisions of the Board and report to the Board in such form and at such times as the Board may decide.

5 HOSTING ARRANGEMENTS

- 5.1 LHCH will provide the Services to the Hosted Business as set out in the Service Level Agreement and the Terms of Reference attached at Appendix 1. The Hosted Business will operate under hosting arrangements as set out in the Service Level Agreement and the Terms of Reference.

6 FINANCE

- 6.1 In consideration for the Partners being or becoming members of the Hosted Business, the Partners agree to be bound by the obligations contained in this Agreement.

- 6.2 The Partners may make available to the Hosted Business Grants (as the Partners may agree from time to time in writing). The Hosted Business may only use Grants in accordance with its Annual Business Plan or as otherwise agreed in accordance with this Agreement.

- 6.3 In the event that the Hosted Business requires additional finance from time to time, whether for working capital or otherwise, the Board will use reasonable endeavours to agree how such requirement shall be met. No Partner shall be required to guarantee or provide any security or accept any other liability with respect to any borrowings by, or loan facilities made available to, the Hosted Business.

- 6.4 The Partners intend that they should participate equally in the financing of the Hosted Business. Accordingly if the Hosted Business requires additional funds or financial support from the Partners (whether through the making of grants/loans, the giving of guarantees or otherwise), no Partner shall seek to agree terms with the Hosted Business in relation to such matters which differ from those on which any other Partner is providing equivalent finance or support.

- 6.5 The Partners agree that, subject to clauses 6.4, 6.6 and 6.7, the aggregate amount of any actual liability incurred by any or all of them pursuant to:

6.5.1 this Agreement;

- 6.5.2 any joint and several guarantee or indemnity given by any or all of them to any third party in respect of any liabilities or obligations of the Hosted Business; and/or
- 6.5.3 any sole or several guarantee or indemnity given in respect of such obligations or liabilities by any of them with the consent in writing of the others,
- shall be borne by each of the Partners jointly and severally and each Partner shall indemnify and keep indemnified the others accordingly.
- 6.6 If any liability incurred as aforesaid is solely attributable to the act or default of one Partner then, notwithstanding clause 6.5, the whole of such liability shall be borne by such Partner who shall indemnify and keep indemnified the other Partners accordingly.
- 6.7 In the event that a Partner ceases to have a Partnership Interest then the other Partners will use all reasonable endeavours to obtain the release of the other Partner from any guarantees or indemnities which the other Partner may have given pursuant to this Agreement in respect of any of the liabilities or obligations of the Hosted Business to third parties.
- 6.8 Save as set out above there shall be no obligation upon the Partners to provide, or procure to be provided, to the Hosted Business finance, grants, loans or loan facilities.
- 6.9 The Chief Executive will be authorised to move or transfer Hosted Business monies whether electronically in accordance with the LHCH Scheme of Delegation and LHCH Standing Financial Instructions as identified in the corporate governance framework manual (each document as may be updated or superseded from time to time).
- 6.10 No new accounts will be opened by the Hosted Business or Company, or amendments made to the mandate under which the Hosted Business or Company operates its account with the Bank or any other account or facility opened with the Bank or any other bank or financial institution without the prior approval of the Board.
- 6.11 If a new Partner is admitted as a Partner in accordance with clause 14 during the course of a Financial Year, the Board shall determine and inform the prospective Partner of the Grants which such Partner would need to make in the course of such Financial Year following its admission as a new Partner. The level of Grants shall be determined by the Board on a pro rata basis of the Grants made by the then current Partners and the date of admission of such new Partner. A person shall only be admitted as a new Partner provided that it has formally agreed to provide such Grants to the Hosted Business by entering into a deed of adherence in the form set out at Schedule 3 with this members' agreement.

7 CONDUCT OF THE HOSTED BUSINESS' AND COMPANY'S AFFAIRS

- 7.1 Each Partner covenants with the others that so long as this Agreement remains in full force and effect it will:
- 7.1.1 be just and true to, and act in good faith towards, the others;
- 7.1.2 promptly notify the others of any matters of which it becomes aware which may materially affect the Hosted Business;
- 7.1.3 generally do all things necessary to give effect to the terms of this Agreement;
- 7.1.4 take all steps available to it to ensure that any meeting of the Board or any committee of the Board or any general meeting has the necessary quorum throughout;
- 7.1.5 exercise all voting and other rights and powers of control as are from time to time respectively available to it under this Agreement and the Terms of Reference in relation to the Hosted Business and the Articles in relation to the Company, and will execute and deliver such waivers and shall take or refrain from taking all other appropriate action within its power so as to procure that the provisions of this Agreement binding on it are duly observed and complied with and given full force and effect and all actions required by it are carried out promptly;

- 7.1.6 without prejudice to the generality of clause 7.1.5, procure that (subject to their fiduciary duties) each of the Directors of the Company and Hosted Business appointed or deemed to be appointed by it under the Terms of Reference and Articles will execute and do all acts and things and give and confer all powers and authorities as they would have been required to execute, do, give or confer had they been a party to this Agreement and had consented in the same terms as the Partner which appointed them (if a Director);
- 7.1.7 if it shall not be possible to secure the operation of this Agreement as set out in clauses 7.1.5 and 7.1.6 by reason of any contrary provision of the Terms of Reference, exercise all voting and other rights and powers respectively available to it to procure the alteration of the Terms of Reference or Articles to the extent necessary to permit the affairs of the Hosted Business or Company to be so operated; and
- 7.1.8 subject to the preceding provisions of this clause 7.1, observe the provisions of the Terms of Reference and Articles.
- 7.2 The undertakings of each Partner under this clause 7 shall in each case be several so that each Partner shall only be liable for its own actions or failures to act in accordance with them, and none of them shall be liable for a failure to procure anything required by this clause 7 where such failure is attributable to any action or failure to act by another Partner, but without prejudice to the liability of such other Partner.
- 7.3 The Hosted Business and Company and all the Partners acknowledge that each Partner has its own distinctive sense of purpose and identity. Nothing in this Agreement shall oblige a Partner to do anything or refrain from doing anything which would:
 - 7.3.1 limit the discretion of any Partner to act in its own interests and to conduct its respective operations and activities as it sees fit; or
 - 7.3.2 limit the discretion of any Partner to pursue its own fundamental mission or impose on any Partner a change in such mission (without such Partner's express approval).
- 7.4 Notwithstanding clause 7.3, the Hosted Business and Company and all the Partners acknowledge that, over time, through their collaboration in and with the Hosted Business and Company, an evolving redistribution of their individual services may occur. The Hosted Business and Company and the Partners will ensure that such process will be subject to objective criteria and transparent decision making processes to be developed by the respective Boards to build confidence both amongst the Partners and within the Hosted Business Company.
- 7.5 Notwithstanding any other provision of this Agreement, should any Partner or any other person connected with it be in dispute with or have a conflict of interest with the Hosted Business or Company, such Partner shall not, and shall procure the respective Director or Directors appointed or deemed to be appointed by it shall not, do or omit to do anything which would or would be likely to prevent the Hosted Business or Company from exercising or from deciding whether or not to exercise such rights as it may have against the Partner in dispute with it, or in respect of the matter in relation to which the conflict of interest arises.
- 7.6 The management of the Hosted Business and Company shall be vested in their respective Boards provided that the day to day management of the Hosted Business and Company will be the responsibility of the Chief Executive, in accordance with the Terms of Reference and Articles, as the case may be. The job specifications and responsibilities of the Chief Executive shall be determined by the Boards from time to time. Without prejudice to the generality of the foregoing and subject to the express provisions of this Agreement, the Boards will determine the general policy of the Hosted Business and Company and the manner in which that is to be carried out and will reserve to itself all matters involving major or unusual decisions and will procure that the Hosted Business and Company will:
 - 7.6.1 transact all their respective businesses on arm's length terms;
 - 7.6.2 maintain adequate insurance against all risks usually insured against by companies carrying on the same or a similar business; and

7.6.3 comply with the provisions of clause **Error! Reference source not found..**

- 7.7 Each Director of the Hosted Business and Company will be entitled while he holds that office to make full disclosure to the Partner appointing him of any information relating to the Hosted Business or Company which that Partner may reasonably require.
- 7.8 The Partners through the Board shall procure that the Hosted Business and Company shall not do any of the matters set out in Schedule 2 otherwise than in accordance with the provisions of Schedule 2.
- 7.9 The Boards of the Hosted Business and Company shall be entitled to contract with a Partner for that Partner to provide administrative or other support and/or infrastructure to the Hosted Business or Company on terms agreed from time to time but so that such support and/or infrastructure shall be at cost unless the Board otherwise agree.

8 **DIRECTORS AND BOARD MEETINGS**

- 8.1 Subject to Schedule 2 and the Articles in respect of the Company and Terms of Reference in respect of the Hosted Business, questions arising at a meeting shall be decided by consensus led by the respective chairperson. In the absence of consensus, the chairperson will determine in discussion with the Directors the process for reaching agreement or deciding a matter. If the chairperson considers that a matter shall be determined by voting, each Director shall have one vote. In the case of an equality of votes, the chairperson shall not have a casting vote.
- 8.2 Unless otherwise agreed, the parties shall procure that Board meetings of the Hosted Business and Company shall be convened and held as determined by the Board and each such meeting shall be convened by a notice sent to all respective Directors (or their alternates) entitled to receive notice of such meetings as set out in the Terms or Reference and Articles, as the case may be, prior to the meeting and every such notice shall be accompanied by a written agenda specifying the matters to be raised at the meeting together with copies of all papers to be laid before the meeting. Upon receiving notification of a meeting of either Board, any Director shall be entitled to require the inclusion on the agenda of any matter which he would like raised at the meeting provided that he notifies all the other Directors and their alternates of such inclusion not later than three clear days prior to the meeting. Unless otherwise agreed by the parties in writing in a particular case, no resolution relating to any business may be proposed or passed at any Board meeting unless the nature of the business is specified in the agenda for such meeting.
- 8.3 If any Partner ceases to be a Partner or becomes an Outgoing Partner for the purposes of clause 14 such Partner shall:
- 8.3.1 be deemed to have served notice pursuant to the Articles or Terms of Reference, as the case may be, to remove from office any Director appointed by it and shall not be entitled to appoint any persons as a Director in his or her place; and
- 8.3.2 (if applicable) procure that any Director appointed by it shall resign as an employee of the Hosted Business or Company.

9 **EMPLOYEES**

- 9.1 All Employees are or will be employed by the LHCH on behalf of the Hosted Business (**Employer**) unless the Board otherwise agrees.
- 9.2 Employees shall be recruited to fill such administrative and management posts (as may be agreed from time to time by the Board on such terms and conditions as may be agreed from time to time). The Employment Costs and any known Liabilities associated will so far as possible be factored into the Annual Business Plan.

10 INTELLECTUAL PROPERTY

Background IP

- 10.1 This Agreement does not affect the ownership of any Intellectual Property which belongs to any Partner prior to or after the date of this Agreement (**Background IP**). No right to use any Background IP belonging to another Partner is granted or implied by this Agreement and any use must be expressly licensed by the relevant Partner in writing. Save as is expressly set out in this Agreement, this Agreement does not affect the ownership of any other Intellectual Property which belongs to any Partner.
- 10.2 This clause 0 is subject to the provisions of any and all IP Agreements which, as between each of the parties thereto, shall take precedence in the event of any inconsistency.

Hosted Business Owned IP

- 10.3 Any Intellectual Property created by an employee of the Hosted Business (**Hosted Business Owned IP**) will, unless otherwise agreed in writing by the Company, as between each of the Partners and the Company, be owned by the Company.
- 10.4 Any know-how forming part of the Hosted Business Owned IP will, unless otherwise agreed in writing by the Company, as between each of the Partners and the Company, be the Confidential Information of the Company.
- 10.5 The Hosted Business hereby grants to each of the Partners which were involved (directly or through their employees) in creating such Hosted Business Owned IP an exclusive, perpetual, irrevocable, royalty-free licence to use on a non-commercial basis and/or for research any Hosted Business Owned IP and any know-how which forms part of such Intellectual Property which shall include a right to sub-license to companies whilst they remain wholly-owned Subsidiaries (if any) of the Partner. The Hosted Business hereby grants to each of the Partners which were not involved in creating such Hosted Business Owned IP the right to use but not license, assign, enforce, or otherwise commercialise the such Intellectual Property without the consent of all other Partners for as long as such Partners remain members of the Company.
- 10.6 The Hosted Business will at its own cost take steps to prosecute, maintain and/or renew any registrations of the Hosted Business Owned IP in the United Kingdom and in such other territories as the Partners may unanimously agree.
- 10.7 The Hosted Business shall take whatever action the Partners deem advisable to in respect of any infringement or alleged infringement of the Hosted Business Owned IP. The Partners' decision must be taken unanimously or, where the alleged infringer is a Partner or Partners, unanimously but for such allegedly infringing Partner or Partners. The Partners (other than any Partner who is a defendant or proposed defendant to the action) will, at the cost of the Company, provide to the Hosted Business all information and assistance reasonably requested by the Hosted Business in taking such action, and may request the Hosted Business to take action. The Hosted Business shall bear the cost of any such proceedings and shall be entitled to retain any and all damages, account of profits and/or award of costs recovered in such proceedings.
- 10.8 If the Hosted Business does not commence appropriate action in respect of any infringement or alleged infringement of the Hosted Business Owned IP within 14 days of being requested to do under clause 10.7 and/or does not appropriately pursue such action, any Partner (or Partners) may (but shall not be obliged to) take whatever action it deems (or they deem) advisable in respect of such infringement or alleged infringement in its own name (or their joint names) or in the joint names of itself (or themselves) and the Hosted Business (either with or without the involvement of the Company, as appropriate). The Hosted Business will at the cost of the Partner (or joint cost of the Partners) provide to the Partner(s) all information and assistance reasonably requested by the Partner(s). The Partner(s) shall bear the cost of any such action and/or proceedings and shall be entitled to retain any and all damages, account of profits and/or awards of costs recovered in such proceedings. In the case of joint action by the Partners, they shall bear such cost and share such damages or awards equally or in such proportions as they may otherwise agree.

11 ACCOUNTING MATTERS, BUSINESS PLANS

11.1 The Partners shall procure that:

- 11.1.1 the Hosted Business and the Company shall maintain accurate and complete accounting and other financial records for the Hosted Business and the Company in accordance with the requirements of all applicable laws and generally accepted accounting practices applicable in the United Kingdom;
- 11.1.2 the accounting reference periods of the Hosted Business and the Company and each of their Subsidiaries (if any) shall be consecutive periods of 12 months commencing on 1 April and they shall prepare their audited accounts accordingly;
- 11.1.3 the Hosted Business and the Company shall prepare monthly management accounts and reports containing such information as each party shall reasonably require and which shall be despatched by the Hosted Business and the Company to each of the parties within 30 days of the end of the month concerned; and
- 11.1.4 each Partner and their respective authorised representatives shall be allowed access at all reasonable times to examine the books and records of the Hosted Business and the Company and each of their Subsidiaries (if any) and to discuss their affairs with their directors and senior management.

11.2 The Partners shall procure that the Hosted Business and the Company shall prepare a business plan for the Company and their Subsidiaries (if any) for each Financial Year in accordance with clause 11.3.

11.3 Each Annual Business Plan shall include the following:

- 11.3.1 an estimate of the working capital requirements of the Hosted Business and the Company and their Subsidiaries (if any) incorporated within a cashflow forecast together with an indication of the amount (if any) which it is considered prudent to retain out of the profits of the previous Financial Year to meet such working capital requirements;
- 11.3.2 a projected profit and loss account;
- 11.3.3 an operating budget (including estimated capital expenditure requirements) and balance sheet forecast;
- 11.3.4 a review of projected business;
- 11.3.5 a summary of business objectives; and
- 11.3.6 a financial report which includes an analysis of the results of the Hosted Business and the Company and their Subsidiaries (if any) for the previous Financial Year compared with the business plan for that Financial Year, identifying variations in sales, revenues, costs and other material items.

11.4 Annual Business Plans for each Financial Year shall be submitted for approval by the Board not later than 60 days before the commencement of the Financial Year to which they relate.

- 11.5 This clause 11 is subject to further agreement and variation by the Partners. The Partners acknowledge that the accounting matters and Annual Business Plans of the Hosted Business will be in accordance with the accounting matters and annual business plan requirements of LHCH.

12 VALUE ADDED TAX

The Board will procure that the Company will take appropriate VAT and transfer pricing advice in respect of its activities and proposed activities.

13 PROMOTION OF THE HOSTED BUSINESS

- 13.1 Subject to clause 13.3, each of the Partners covenants with each of the other Partners and, as a separate undertaking, to the Hosted Business to use all reasonable endeavours to promote and develop the business of the Hosted Business to the best advantage in accordance with good business practice and the highest ethical standards.
- 13.2 The undertakings of each Partner under this clause 13 shall in each case be several so that each Partner shall only be liable for its own actions or failures to act in accordance with them, and none of them shall be liable for a failure to procure anything required by this clause 13 where and to the extent that such failure is attributable to any action or failure to act by another Partner, but without prejudice to the liability of such other Partner.
- 13.3 Subject to clause 13.4, each of the Partners covenants with each of the other Partners and, as a separate undertaking, to the Hosted Business that such Partner will not (and will procure that none of its Group Companies will), without the prior consent in writing of the other Partners, whether directly or indirectly and whether alone or in conjunction with, or on behalf of, any other person and whether as principal, shareholder, director, employee, agent, consultant, partner or otherwise during the Relevant Period and during a period of six months commencing on the Relevant Date:
- 13.3.1 solicit or entice, or endeavour to solicit or entice, away from the Hosted Business or employ any person employed in an administrative, academic, managerial, supervisory, or technical capacity by, or who is or was a consultant to, the Company; and
- 13.3.2 use in connection with any business which is competitive with the business of the Hosted Business any name (in whatever form) which includes the name of the Hosted Business or any trading style or get up which is confusingly similar to that used by the Company.
- 13.4 Nothing contained in this clause 13 will prevent any Partner from holding for investment purposes only not more than one per cent of any class of securities which are listed or dealt in on a recognised investment exchange.
- 13.5 Each of the Partners agrees that (after taking legal advice) it considers the undertakings contained in this clause 13 are reasonable and are entered into for the purpose of protecting the goodwill of the business of the Company.
- 13.6 Each of the undertakings contained in this clause 13 will be, and is, a separate undertaking by each of the Partners and will be enforceable by the Hosted Business and the other Partners separately and independently of each other and if one or more of the undertakings contained in clauses 13.1 and clause 13.3 is held to be against the public interest or unlawful or in any way an unreasonable restraint of trade the remaining undertakings will continue to bind each of them.
- 13.7 If any undertaking contained in clauses 13.1 or 13.3 would be void as drawn but would be valid if the period of application were reduced or if some part of the undertaking were deleted, the undertaking in question will apply with such modifications as may be necessary to make it valid and effective.
- 13.8 In this clause 13:
- 13.8.1 **Relevant Period** means the period commencing on the date of this Agreement and ending on the Relevant Date; and
- 13.8.2 **Relevant Date** means the date on which the relevant Partner ceases to be a Partner in the Company.

14 PARTNERSHIP, TRANSFER OF PARTNERSHIP INTERESTS AND PARTNER'S RESIGNATION

14.1 Admission of Partners

- 14.1.1 Subject to clause 14.1.2, the Board of the Hosted Business shall have an absolute discretion in determining whether to accept or reject any application for Partnership and shall not be bound to assign any reason for their decision.

14.1.2 It shall be a condition of any person who was not previously a Partner becoming a Partner entering into a deed of adherence with the remaining Partners in the form set out in Schedule 3 and entering into any Grant arrangements as the other Partners shall specify so that such incoming Partner is treated equally with all other Partners.

14.1.3 Each of the Partners undertakes that it will not create or permit to exist any Encumbrance over or in respect of all or any part of its Partnership Interest nor assign or otherwise purport to deal with its beneficial ownership in, or any right relating to, its Partnership Interest separate from the legal ownership of such Partnership Interest.

14.2 **Transfer of Partnership Interest**

No Partner may transfer any Partnership Interest.

14.3 **Partner's Resignation**

Each Partner is committed to an initial membership term of five years from the date of this Agreement with a rolling subscription thereafter. A Partner will be entitled to resign from the Hosted Business and the Company on giving at least one years' notice, after the initial membership term, in writing to the Hosted Business and the Company provided that after such resignation the number of Partners remaining is not less than two.

14.4 **Exclusion of Partner**

14.4.1 Partnership is not transferable and will terminate if the Partner:

14.4.1.1 ceases to exist or operate; or

14.4.1.2 becomes insolvent, enters into receivership or administration or makes any arrangement or composition with its creditors generally.

14.4.2 Partnership shall terminate if all of the Partners (except the Partner affected, the **Outgoing Partner**) resolve that it is in the best interests of the Hosted Business and Company to terminate such Partnership following a material breach by that Partner of the terms of these Articles or any agreement between the affected Partner and the Hosted Business and/or Company and/or some or all of the Partners relating to the Hosted Business or Company, in which event clause 8.3 shall apply to the Outgoing Partner.

14.4.3 For the purposes of clause 14.4.2 the expression **material breach** means:

14.4.3.1 a breach, of any of the terms of any of this Agreement (not including a failure to attend, or procure the Directors nominated by it to attend, meetings), which is serious in the widest sense of having a serious effect on the benefit which any other Partner would otherwise derive from this Agreement (for the avoidance of doubt, a failure of a Partner to provide such funding to the Hosted Business as the Partner has formally agreed to provide shall constitute a material breach); and

14.4.3.2 which a Partner fails effectively to remedy within 45 Business Days of receipt of a notice in writing from at least two other Partners specifying the breach and requiring remedy. In deciding whether any breach is material no referral shall be had to whether it occurs by some accident, mishap, mistake or misunderstanding.

14.5 **Consequences of termination of Partnership**

14.5.1 Termination of Partnership shall not affect any rights or liabilities that the Outgoing Partner has accrued during its Partnership.

14.5.2 The Hosted Business agrees to indemnify and keep indemnified the Outgoing Partner, its officers, directors, employees and agents (each, a **Claiming Party**) from and against any liability (including costs, claims, demands, liabilities, expenses, damages or losses

(including reasonable legal and other professional costs and expenses) that the Claiming Party may have to a third party if and to the extent that such liability accrued after the effective termination date of the Outgoing Partner's Partnership.

- 14.5.3 Subject to clause 14.5.1, the Board shall determine from time to time the applicable policy regarding the consequences of an Outgoing Partner leaving the Company.

15 **TERMINATION**

- 15.1 This Agreement shall terminate when:

- 15.1.1 all the Partners agree in writing to its termination;
- 15.1.2 all of the Partnership Interests become beneficially owned by any one Partner; and
- 15.1.3 the Hosted Business or Company passes a resolution for its winding up, is subject to an order or notice issued by a court or other authority of competent jurisdiction for its winding up or striking off or has an administrator appointed in respect of it.

- 15.2 The following provisions of this Agreement remain in full force after termination:

- 15.2.1 clause 1;
- 15.2.2 clause 0;
- 15.2.3 clause 12;
- 15.2.4 clause 13;
- 15.2.5 this clause 15;
- 15.2.6 clauses 14.5.1, 14.5.2 and 14.5.3;
- 15.2.7 clause 16;
- 15.2.8 clause 17;
- 15.2.9 clause 18;
- 15.2.10 clause 22;
- 15.2.11 clause 24;
- 15.2.12 clause 25;
- 15.2.13 clause 27; and
- 15.2.14 clause 33.

- 15.3 Termination of this Agreement shall not affect any rights or liabilities that the Partners have accrued under it.

- 15.4 In relation to the Company only, where the Company is to be wound up the Partners shall agree a suitable basis for dealing with the interests and assets of the Company and shall endeavour to ensure that:

- 15.4.1 all existing contracts of the Company are performed to the extent that there are sufficient resources;
- 15.4.2 the Company shall not enter into any new contractual obligations; and

15.4.3 the Company is dissolved and its assets are distributed as soon as practicable in accordance with its Articles.

15.5 If at any time a Partner ceases to hold a Partnership Interest this Agreement (save for clauses referred to in clause 15.2 above) shall terminate with respect to that Partner.

16 CONFIDENTIALITY AND ANNOUNCEMENTS

16.1 In this clause the expression **Confidential Information** means any information:

16.1.1 which any of the Partners may have or acquire (whether before or after the date of this Agreement) in relation to the customers, business, assets or affairs of the Hosted Business (including any information provided pursuant to clause 11 as a consequence of the negotiations relating to this Agreement or the performance of this Agreement) or patients of any Partner of the Company;

16.1.2 which any Partner or any of its Group Companies may have or acquire (whether before or after the date of this Agreement) in relation to the customers, business, assets or affairs of another Partner, or any Group Companies of another Partner, as a consequence of the negotiations relating to this Agreement or the performance of this Agreement;

16.1.3 which any the Hosted Business or any Partner may receive from a third party collaborator, funder, sponsor or supplier; or

16.1.4 which relates to the contents of this Agreement (or any agreement or arrangement entered into pursuant to this Agreement),

but excludes the information in clause 16.2.

16.2 Information is not Confidential Information if:

16.2.1 it is or becomes public knowledge other than as a direct or indirect result of the information being disclosed in breach of this Agreement;

16.2.2 any Partner can establish to the reasonable satisfaction of the other Partners that it found out the information from a source not connected with the other Partners or their respective Groups and that the source was not under any obligation of confidence in respect of the information;

16.2.3 any Partner can establish to the reasonable satisfaction of the other Partners that the information was known to it before the date of this Agreement and that it was not under any obligation of confidence in respect of the information; or

16.2.4 the Partners agree in writing that it is not confidential.

16.3 Each Partner shall at all times use all reasonable endeavours to keep confidential any Confidential Information and shall not use or disclose any such Confidential Information except:

16.3.1 to another member of its Group or to a Partner's professional advisers where such disclosure is for a proper purpose related to the operation of this Agreement;

16.3.2 with the consent in writing of such of the Hosted Business or Company, its Subsidiaries (if any), the Partners or any of their respective Group Companies to which the information relates;

16.3.3 as may be required by law or regulation, when the Partner concerned shall, if practicable, supply a copy of the required disclosure to the other Partners, in sufficient time before it is disclosed to enable the other Partners to consider and suggest amendments to it, and incorporate any amendments reasonably required by the others;

- 16.3.4 to any tax authority to the extent required by such authority with respect to the Partner concerned or any of its Group Companies;
 - 16.3.5 if the information comes within the public domain (otherwise than as a result of the breach of this clause 16.3); or
 - 16.3.6 in accordance with clause 16.4.
- 16.4 Where the Partners have agreed that LHP may lead discussions on behalf of one or more of them with third parties such as collaborators, funders, sponsors or suppliers for any reason, the Partners agree that:
- 16.4.1 LHP may receive Confidential Information from such third parties on behalf of the Partners and may disclose such Confidential Information to any of the Partners subject to LHP and the relevant Partners complying with the terms of any non-disclosure agreement signed by LHP in relation to such third party's Confidential Information;
 - 16.4.2 In respect of Confidential Information of any Partner, LHP may disclose such Confidential Information to the third party provided that LHP enters into a non-disclosure agreement requiring the third party to protect the Partners' Confidential Information on terms agreed by LHP and the Partner.
- 16.5 Each Partner shall inform (and shall use all reasonable endeavours to procure that any Group Companies and the Hosted Business shall inform) any officer, employee or agent or any professional adviser advising it in relation to the matters referred to in this Agreement, or to whom it provides Confidential Information, that such information is confidential and shall require them:
- 16.5.1 to keep it confidential; and
 - 16.5.2 not to disclose it to any third party (other than those persons to whom it has already been disclosed in accordance with the terms of this Agreement).
- 16.6 Upon termination of this Agreement, any of the Partners may demand from the others and the Hosted Business the return of any documents containing Confidential Information in relation to that Partner or any of its Group Companies by notice in writing whereupon the other Partners shall (and shall use all reasonable endeavours to ensure that its Group Companies, and the officers, employees, agents and professional advisers of it and those of its Group Companies and of the Company) shall (save for any submission to or filings with any Authority):
- 16.6.1 return such documents; and
 - 16.6.2 destroy any copies of such documents and any other document or other record reproducing, containing or made from or with reference to the Confidential Information.
- 16.7 Any return or destruction pursuant to clause 16.6 shall take place as soon as practicable after the receipt of any such notice.
- 16.8 The obligations of each of the Partners in this clause 16 shall continue without limit in time and notwithstanding termination of this Agreement for any cause.
- 16.9 None of the parties shall make or permit or authorise the making of any press release or other public statement or disclosure concerning this Agreement or any transaction contemplated by it or its termination or cessation without the prior consent in writing of the other parties (except as required by law or regulation) but before any party makes any such release, statement or disclosure it shall where practicable first supply a copy of it to the other parties and shall incorporate any amendments or additions they may each reasonably require.
- 16.10 The parties recognise that each of the Partners may be subject to The Freedom of Information Act 2000 and all parties shall work together to ensure that such Act is complied with and nothing in this Agreement shall override the said Act.

17 **WARRANTIES**

Each Partner warrants to the others that, at the date of this Agreement it has full power and authority, and has obtained the consent of any third party necessary, to enter into and perform this Agreement.

18 **NO PARTNERSHIP OR AGENCY**

18.1 Notwithstanding the use of the term **Partner** to designate the members of the Company, nothing in this Agreement shall constitute a partnership between the Partners, or refer to a partnership under the Partnership Act 1890, a limited partnership established under the Limited Partnerships Act 1907 or a limited liability partnership established under the Limited Liability Partnerships Act 2000.

18.2 Nothing in this Agreement shall constitute one the agent of another and none of the Partners shall do or suffer anything to be done whereby it shall or may be represented that it is the partner or agent of another Partner unless such Partner is appointed partner or agent of that other Partner with the consent in writing of that Partner.

19 **WAIVER**

The waiver by any Partner or by the Hosted Business of any default by any other Partner or by the Hosted Business in the performance of any obligation of such other Partner or the Hosted Business under this Agreement shall not affect such Partner's or the Company's rights in respect of any other default nor any subsequent default of the same or of a different kind nor shall any delay or omission of any Partner or of the Hosted Business to exercise any right arising from any default, affect or prejudice the rights of that Partner or of the Hosted Business as to the same or any future default. For the avoidance of doubt and without prejudice to the generality of the foregoing, any failure by any Partner to comment upon or raise any objection to the fact that any matter referred to in Schedule 2 has been effected without the consent of the Partners shall not be deemed to constitute consent to such action and nor shall the taking of any such action on any two or more occasions without such comment or objection be deemed to constitute accepted general practice.

20 **VARIATION**

Any variation of any term of this Agreement shall be in writing duly signed by the Partners and the Company.

21 **CONFLICT WITH ARTICLES**

Where the provisions of the Articles conflict with the provisions of this Agreement, the Partners agree that the provisions of this Agreement shall prevail, to the intent that they shall if necessary in any case procure the amendment of the Articles to the extent required to enable the Hosted Business and its affairs to be administered as provided in this Agreement.

22 **NOTICES**

Subject to the provisions of the Articles regulating certain types of notices from the Hosted Business to the Partners:

22.1 any demand, notice or other communication given or made under or in connection with this Agreement will be in writing;

22.2 any such demand, notice or other communication will, if given or made in accordance with this clause 22, be deemed to have been duly given or made as follows:

22.2.1 if sent by prepaid first class post, on the second Business Day after the date of posting;

22.2.2 if delivered by hand, upon delivery at the address provided for in this clause 22; or

22.2.3 if sent in Electronic Form, on the day of transmission,

provided however that, if it is delivered by hand or sent in Electronic Form on a day which is not a Business Day or after 4.00pm on a Business Day, it will instead be deemed to have been given or made on the next Business Day.

- 22.3 Any such demand, notice or other communication will, in the case of service by post or delivery by hand, be addressed to the recipient at the recipient's address stated in this Agreement or at such other address as may from time to time be notified in writing by the recipient to the sender as being the recipient's address for service.
- 22.4 Any such demand, notice or other communication will, in the case of service in Electronic Form, be sent to the recipient using an electronic address then used by the recipient.
- 22.5 For the avoidance of doubt, where proceedings have been issued in the Courts of England and Wales, the provisions of the Civil Procedure Rules must be complied with in respect of the service of documents in connection with those proceedings.

23 UNLAWFUL FETTER ON THE COMPANY'S STATUTORY POWERS

- 23.1 Notwithstanding any other provision contained in this Agreement the Hosted Business shall not be bound by any provision of this Agreement to the extent that it would constitute an unlawful fetter on any statutory power of the Company, but any such provision shall remain valid and binding as regards all other parties to which it is expressed to apply.
- 23.2 Nothing in this Agreement shall be construed to be a resolution of all the Partners of the Hosted Business in the absence of a properly passed resolution in accordance with the Articles.

24 COSTS

Each of the Partners will pay their own costs and expenses incurred in connection with the negotiation, preparation, execution, completion and implementation of this Agreement.

25 SEVERABILITY

The illegality, invalidity or unenforceability of any provision of this Agreement will not affect the legality, validity or enforceability of the remainder. If any such provision is found by any competent court or authority to be illegal, invalid or unenforceable the parties agree that they will substitute provisions in a form as similar to the offending provisions as is possible without rendering them illegal, invalid or unenforceable.

26 EXERCISE OF POWERS

- 26.1 Words denoting an obligation on a party to do any act, matter or thing include, except as otherwise specified, an obligation to use all reasonable endeavours to procure that it be done and words placing a party under a restriction include an obligation not to permit or allow so far as the same is possible infringement of that restriction.
- 26.2 Where any Partner is required under this Agreement to exercise its powers in relation to the Hosted Business to procure a particular matter or thing, such obligation shall be deemed to include an obligation to procure that any Director appointed by it shall procure such matter or thing, subject to the Director acting in accordance with his fiduciary duty to the Company.

27 ENTIRE AGREEMENT

This Agreement and the Articles constitute the entire contractual relationship between the parties in relation thereto and there are no representations, promises, terms, conditions or obligations between the parties other than those contained or expressly referred to therein. This clause does not restrict liability of any party arising as a result of any fraud.

28 ASSIGNMENT

None of the Partners shall assign or transfer or purport to assign or transfer any of its rights or obligations hereunder without the prior consent in writing of the other Partners.

29 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

29.1 This Agreement shall be binding on and enforceable by the Partners, by their Subsidiaries (if any) and by any Director.

29.2 Except as provided in clause 29.1, the parties to this Agreement do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

29.3 The parties reserve the right to rescind or vary this Agreement or any of its terms without the consent of any Subsidiary of the Partners or of any Director.

30 FURTHER ASSURANCE

Without prejudice to clause 3, each Partner and the Hosted Business shall promptly execute and deliver all such documents, and do all such things, as the Hosted Business or any other Partner may from time to time reasonably require for the purpose of giving full effect to the provisions of this Agreement.

31 COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which is an original and which together have the same effect as if each party had executed the same document.

32 AGREEMENT SURVIVES COMPLETION

This Agreement (other than obligations that have been fully performed) remains in full force after Completion.

33 GOVERNING LAW AND JURISDICTION

33.1 The formation, existence, construction, performance, validity and all aspects whatsoever of this Agreement or of any term of this Agreement will be governed by the law of England and Wales.

33.2 The courts of England and Wales will have exclusive jurisdiction to settle any dispute which arises out of or in connection with this Agreement. The parties irrevocably agree to submit to that jurisdiction.

This document has been executed and delivered as a deed on the date stated at the beginning of this deed.

SCHEDULE 1 - THE CONDITIONS (CLAUSE 2)

- 1 The Agreement being approved by or on behalf of each of:
 - 1.1 the board of directors of each of, LUH, TWC, MCT, CCC, LWT, LHCH, AHC, and LCC; and
 - 1.2 the council of each of Liverpool University, LJM, EHU, and LST.
- 2 The Business Transfer Agreement being approved by or on behalf of each of the board of directors of LHCH and the Company.
- 3 The Service Level Agreement being approved by or on behalf of each of the board of directors of LHCH and the Hosted Business.

SCHEDULE 2 - MATTERS RESERVED FOR APPROVAL OF PARTNERS (CLAUSE 7)

Any of the following matters require the prior consent of at least a majority of the Partners (including LHCH) present and eligible to vote and no action shall be taken by the Board (except the calling of a general meeting or circulation of a written resolution to seek such consent) without such consent:

- 1 approve, review and amend the corporate governance framework manual;
- 2 change (by whatever means) the nature of the business of the Hosted Business or do anything that is not consistent with its strategy;
- 3 use any name other than the Hosted Business name in relation to the activities of the Company;
- 4 sell or otherwise dispose of the whole or any part of the undertaking, property or assets of the Hosted Business or any interest in them or contract to do so; and/or
- 5 merge or amalgamate the Hosted Business with any other company, organisation or undertaking.

SCHEDULE 3 - DEED OF ADHERENCE

THIS DEED OF ADHERENCE is made on

2020

BY:

[NAME OF NEW PARTY] [(registered number [NUMBER]) whose registered office is at [ADDRESS]] **OR** [of [ADDRESS]] (**New Party**) in favour of the persons whose names are set out in the Schedule to this deed and is supplemental to the [MEMBERS' AGREEMENT] dated [DATE] between [SET OUT NAMES OF PARTIES] **OR** [the persons whose names are set out in the Schedule to this deed] (**Agreement**).

OPERATIVE PROVISIONS:

- 1 The New Party confirms that [it][he] has read a copy of the Agreement and covenants with each person named in Schedule 1 to this deed to perform and be bound [with effect from the date of this deed] **OR** [from the date on which the New Party is registered as a member of [NAME OF COMPANY]] by all the terms of the Agreement [(except for clauses [NUMBERS] of the Agreement) [(subject to clause [NUMBER] of the Agreement)] [which are capable of applying to the New Party and which have not been performed on or before the date of this deed] as if the New Party were named in the Agreement [as a party to it].
- 2 The New Party confirms that it will make the Grants as set out in Schedule 2 to this deed to the Hosted Business in accordance with the Agreement.
- 3 The formation, existence, construction, performance, validity and all aspects whatsoever of this deed or any term of this deed will be governed by the law of England and Wales.

This document has been executed and delivered as a deed on the date stated at the beginning of this deed.

SCHEDULE 1 OF SCHEDULE 3 (DEED OF ADHERENCE)- PARTIES TO THE AGREEMENT

- 1 **[NAME]** of [ADDRESS];
- 2 **[NAME]** of [ADDRESS]; and
- 3 **[NAME]** of [ADDRESS].

SCHEDULE 2 OF SCHEDULE 3 (DEED OF ADHERENCE) – GRANTS

[◆]

**THE COMMON SEAL of UNIVERSITY
OF LIVERPOOL** was hereunto affixed
as its deed in the presence of:

)
)
)

Authorised Signatory

Authorised Signatory

**THE COMMON SEAL of LIVERPOOL
JOHN MOORES UNIVERSITY** was
hereunto affixed as its deed in the
presence of:

)
)
)
)

Authorised Signatory

Authorised Signatory

**THE COMMON SEAL of EDGE HILL
UNIVERSITY** was hereunto affixed as
its deed in the presence of:

)
)
)
)

Authorised Signatory

Authorised Signatory

**THE COMMON SEAL of LIVERPOOL
SCHOOL OF TROPICAL MEDICINE**
was hereunto affixed as its deed in the
presence of:

)
)
)
)
)

Authorised Signatory

Authorised Signatory

**THE COMMON SEAL of LIVERPOOL
UNIVERSITY HOSPITALS NHS**

)
)

FOUNDATION TRUST was hereunto
affixed as its deed in the presence of:

)
)
)

Authorised Signatory

Authorised Signatory

**THE COMMON SEAL of THE WALTON
CENTRE NHS FOUNDATION TRUST**
was hereunto affixed as its deed in the
presence of:

)
)
)
)

Authorised Signatory

Authorised Signatory

**THE COMMON SEAL of MERSEY
CARE NHS FOUNDATION TRUST**
was hereunto affixed as its deed in the
presence of:

)
)
)
)

Authorised Signatory

Authorised Signatory

**THE COMMON SEAL of THE
CLATTERBRIDGE CANCER CENTRE
NHS FOUNDATION TRUST** was
hereunto affixed as its deed in the
presence of:

)
)
)
)

Authorised Signatory

Authorised Signatory

EXECUTED AS A DEED by
LIVERPOOL WOMEN'S NHS
FOUNDATION TRUST acting by:

)
)
)

Director

Director/Secretary

EXECUTED AS A DEED by
LIVERPOOL HEART AND CHEST
HOSPITAL NHS FOUNDATION
TRUST acting by a director in the
presence of:

)
)
)
)

Director

Witness signature

Witness name

Witness address

Witness occupation

EXECUTED AS A DEED by **ALDER**
HEY CHILDREN'S NHS FOUNDATION
TRUST acting by a director in the
presence of:

)
)
)
)

Director

Witness signature

Witness name

Witness address

Witness occupation

EXECUTED AS A DEED by
LIVERPOOL CLINICAL
COMMISSIONING GROUP acting by a
director in the presence of:

)
)
)
)

Director

Witness signature

Witness name

Witness address

Witness occupation

EXECUTED AS A DEED by
LIVERPOOL HEALTH PARTNERS
LIMITED acting by a director in the
presence of:

)
)
)
)

Director

Witness signature

Witness name

Witness address

Witness occupation

APPENDIX 1 – TERMS OF REFERENCE

These terms of reference set out the rules, obligations, operation and responsibility of the Board for Liverpool Health Partners, a business hosted by LHCH.

These terms of reference must be read in conjunction with the Service Level Agreement this Agreement, and LHCH's Scheme of Delegation.

KEY PRINCIPLES

The key principles of the LHP Board are as follows:

To make decisions on issues within the remit of the LHP Board as set out in these terms of reference and to ensure such decisions are made at the most appropriate level of the hosted arrangement;

To ensure that the Partnership is committed to the principle of joint working and cooperation;

To ensure the Partnership will seek to achieve consensus in so far as possible when making recommendations and decisions about LHP business, whilst respecting each other's views and statutory accountabilities.

To ensure the partners assure themselves through Board business that LHP is developing and delivering its aims, objectives and strategy.

DEFINED TERMS

The following definitions apply in these terms of reference.

"LHCH": means Liverpool Heart and Chest Hospital NHS Foundation Trust, Thomas Drive, Liverpool, L14 3PE.

"LHCH Board": means the board of directors of LHCH;

"LHP": means Liverpool Health Partners

"LHP Board": means the board of LHP.

"Partner Organisation Representative": means an individual appointed as a member of the LHP Board on behalf of a Partner Organisation.

"Partnership/Partners": means the members of LHP Board as listed in clause 5.1.

"Partners' Agreement": means the agreement between the Partner Organisations set out in Schedule 2.

"Partner Organisation": means the organisations listed in clause 5.1.1 (a) – (l).

"ToR": means these terms of reference.

CONSTITUTION

The LHCH Board has delegated full accountability on all matters relating to LHP business to the LHP Board.

The LHP Board will review these ToR on an annual basis as part of a self-assessment of its own effectiveness, and agree any changes brought about as a result of the yearly review, including changes to the ToR.

REMIT AND FUNCTIONS OF THE LHP BOARD

The LHP Board provides strategic direction, and monitors operational planning and delivery for LHP.

LHP Board functions consist of the following:

to secure the delivery of the services of LHP, and in so doing the LHP Board will formulate and operate within a strategic framework for the hosted arrangement agreed with LHCH

to develop positive relationships between partner organisations and take account of their views, in accordance with the Partners' Agreement; and

to assure themselves on LHP's operational delivery and strategic development.

MEMBERSHIP

The LHP Board Membership comprises:

a representative from each partner organisation currently being¹:

- a. University of Liverpool;
- b. Liverpool John Moores University;
- c. Edge Hill University;
- d. Liverpool School of Tropical Medicine;
- e. Liverpool University Hospitals NHS Foundation Trust;
- f. The Walton Centre NHS Foundation Trust;
- g. Mersey Care NHS Foundation Trust;
- h. The Clatterbridge Cancer Centre NHS Foundation Trust;
- i. Liverpool Women's NHS Foundation Trust;
- j. Liverpool Heart and Chest Hospital NHS Foundation Trust;
- k. Alder Hey Children's NHS Foundation Trust;
- l. Liverpool Clinical Commissioning Group; and

an independent Chair.

The LHCH CEO, or his / her representative, shall attend as both partner organisation representative and host organisation representative.

Pursuant to clause 5.1 each Partner Organisation will nominate a board-level representative and

¹ As at January 2020

inform the Chair of their selection.

LHP Board will review the membership annually and confirm the membership is still appropriate as part of the Annual Report.

The partner organisations will ensure at all times that those appointed to the LHP Board have the appropriate delegated authority from their Board to take decisions on behalf of their organisation. Should a partner organisation representative no longer be an employee or have delegated authority from their organisation to remain part of the Partnership, then the representative must serve seven days' written notice of their resignation to the Chair of the Partnership. The Partner Organisation must promptly appoint a new representative in accordance with clause 5.3.

THE CHAIR

The Chair will be independent and appointed by the partners.

The Chair, in conjunction with the Remuneration & Nominations Committee, will appoint the Chief Executive and be responsible for his/her pay, conditions of service and any other staff matters.

The Chair will provide leadership to the LHP Board, ensuring its effectiveness as governed by the LHP 3-year strategy and annual business plan.

The Chair will ensure that regular reports on LHP performance are prepared and made available to the Board including the production of an Annual Report, providing information on the use of the budget and achievement of the targets set in the annual business plan.

The Chair is responsible for chairing each LHP Board meeting, facilitating the effective contribution of Board members and ensuring constructive relations. The Chair's objectives will be set and reviewed annually, aligned to the LHP strategy and business plan. The appraisal process will be agreed by the Remuneration & Nominations Committee.

The Chair will arrange the regular evaluation of the performance of the Board, committees and the Chief Executive. The CEO objectives will be set and reviewed annually in line with available resource.

The Chair will hold the Chief Executive to account for the activities and overall performance of LHP and take any necessary action required regarding the Chief Executive's performance. Through the Chief Executive, the Chair will ensure the provision of accurate, timely and clear information to the Board.

Through the Board Secretary the Chair will give all members notice of Board meetings and to provide them with the agenda prior to such a meeting and circulate the minutes after such a meeting.

The Chair will be appointed for a term of three years, renewable for a further term of three years with the agreement of the Partners, in accordance with Paragraph 19 of the UK Corporate Governance Code 2018.

The Chair may recommend governance and Board membership changes for consideration by the

Board.

THE CHIEF EXECUTIVE

The role of the Chief Executive shall include:

Delivering LHP strategy within the approved annual budget.

Formally reporting to the Board and other interested parties on the scope, adequacy, delivery and strategic development of LHP.

Produce the annual business plan and Annual Report.

BOARD POWERS AND RESPONSIBILITIES

Board's Authority

- 8.1. In accordance with the Corporate Governance Framework, including the Scheme of Reservation & Delegation (SORD), Standing Orders (SOs) and Standing Financial Instructions (SFIs), the Board shall be responsible for the overall management and strategic direction of LHP and, in particular, the Board shall:
 - 8.1.1 approve the three year Strategy and annual business plan
 - 8.1.2 approve the Annual Report
 - 8.1.3 determine the annual stakeholder contribution
 - 8.1.4 approve the use and distribution of cash reserves
 - 8.1.5 monitor LHP's performance against its business plan (and any in year amendments to the plan) and any directions of the Partners
 - 8.1.6 approve the appointment of a Chief Executive, on the recommendation of the Chair and Remuneration & Nominations Committee

Member Reserved Matters

Any of the following matters require the prior consent of at least a majority of the Partners (including the representative of the host organisation, LHCH) present and eligible to vote and no action shall be taken by the Board (except the calling of a general meeting or circulation of a written resolution to seek such consent) without such consent:

Approve, review and amend the Corporate Governance Framework Manual

Change (by whatever means) the nature of the business of LHP or do anything that is not consistent with its Strategy

Use any name other than LHP in relation to the activities of LHP

Sell or otherwise dispose of the whole or any part of the undertaking, property or assets of

LHP, or any interest in them or contract to do so

Merge or amalgamate LHP with any other company, organisation or undertaking.

Scheme of Delegation

Subject to the Scheme of Delegation, the LHP Board may delegate any of the powers conferred on it to such person or committee as they think fit, but the terms of any delegation must be recorded in the minute book.

The Board will set up standing committees, including a finance & governance committee, and a remuneration & nominations committee. Their terms of reference, including the quorum, will be approved by the LHP Board on an annual basis, following an evaluation of their effectiveness.

The Board may impose conditions when delegating, including the conditions that:

The relevant powers are to be exercised exclusively by the committee to whom they delegate, and

No expenditure may be incurred on behalf of LHP except in accordance with a budget previously agreed with the Board or delegated authority in the terms of reference

All acts and proceedings of any committees must be reported to the Board at the next available opportunity.

HOSTING ARRANGEMENTS

LHCH will provide the services to LHP (in accordance with the Service Level Agreement) which will include but is not limited to IM&T, HR support and finance support.

ACCOUNTABILITY

The LHP Board will assure themselves on the operational delivery and strategic development of LHP.

CONDUCT OF MEETINGS

The quorum for any Membership meeting of the LHP Board must consist of:

at least seven partners; and
the Chair, or Vice Chair .

LHP Board will meet formally as determined by the Board.

Each partner organisation representative will be expected to attend at least 75% of scheduled LHP Board meetings annually. Attendance will be noted in the Annual Report.

Should the meeting not be quorate, the Chair will determine the best means of transacting the

business on the agenda.

Before each meeting of the LHP Board, a written notice specifying the business proposed to be transacted will be delivered to each Partner, either via email or via post to their usual place of residence. The notice must be signed by the Chair (or VC in absence of the Chair) and sent to each Partner at least seven days prior to the meeting scheduled date.

Matters which are confidential on the grounds of commercial sensitivity or involving staff or patient issues will be discussed in a separate private session, the minutes of which will not be made available to the public

DECISION-MAKING

The LHP Board's powers are set out in detail in the Scheme of Delegation.

LHP Board will have autonomy in relation to providing the organisation with strategic direction and purpose, and oversight of operational delivery and strategic development of LHP. However, in the case of emerging concerns with the operational plans and future strategy of LHP, the Chair and Partners will agree and put in place arrangements to resolve any adverse strategic and operational issues. The meeting must be quorate for any decision taken in this regard. This will include an escalation framework in line with accountability arrangements agreed with LHCH.

PARTNER CONDUCT AND MANAGEMENT OF CONFLICTS OF INTERESTS

If a Partner has been disqualified by the Chair from participating in the discussions on any matter and/or voting on any matter by reason of a declaration of a conflict of interest that person shall no longer count towards the quorum.

Agenda Item (Ref)	Consent Agenda	Meeting Date:	27 March 2020
Report To	LHP Board of Directors		
Report Title	Service Level Agreement – LHP/LHCH		
Lead Director	Caroline Keating, Director of Corporate Services/Board Secretary		
Lead Officer			
Action Required	To approve		

<input checked="" type="checkbox"/> Acceptable assurance General confidence in delivery of existing mechanisms/objectives	<input type="checkbox"/> Partial assurance Some confidence in delivery of existing mechanisms/objectives	<input type="checkbox"/> No assurance No confidence in delivery
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Key Points/Messages (2-3 bullet points only on where the Board/Committee should focus its attention)

- The requirement for a Service Level Agreement (SLA) between Liverpool Health Partners and Liverpool Heart & Chest Hospital NHS FT is identified in Schedule Following Board approval in January, the Agreement has been amended to incorporate changes in relation to Non-Disclosure Agreements (Para 16.4) to ensure LHP has sufficient flexibility to enter into discussions with commercial organisations but, at the same time, provide assurance that LHP could not exceed its authority

Impact (is there an impact arising from the report on the following – details to be included in main report)

<ul style="list-style-type: none"> Finance <input type="checkbox"/> Workforce <input type="checkbox"/> Strategy <input checked="" type="checkbox"/> 	<ul style="list-style-type: none"> Risk <input checked="" type="checkbox"/> Legal <input checked="" type="checkbox"/> Performance <input type="checkbox"/>
--	---

Strategic Objective/s (identify which objective the recommendations will help achieve)

<input type="checkbox"/> Make Cheshire and Merseyside a more attractive place to do research <input type="checkbox"/> Improve systems capacity and capability <input type="checkbox"/> Improve opportunities for partners to contribute to LHP	<input type="checkbox"/> Improve the recognition and profile of LHP <input type="checkbox"/> Ensure the continual improvement of LHP <input type="checkbox"/> Develop and support the innovation pipeline <input type="checkbox"/> Focus research on the region's health needs
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Next Steps (actions following agreement by Board/Committee of recommendation/s)

Members' Agreement to be circulated to LHP Partners for signature

REPORT HISTORY

Committee/Group	Date	Lead	Summary of key issues and agreed actions
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LHP Board	January 2020	Director of Corporate Services	Members Agreement approved. Board noted submission of SLA to Marhc meeting
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DATED

20/03/2020

SUPPLY OF SERVICES AGREEMENT

between

LIVERPOOL HEART AND CHEST HOSPITAL NHS FOUNDATION TRUST

and

LIVERPOOL HEALTH PARTNERS

THIS AGREEMENT is dated 20/03/2020

PARTIES

- (1) LIVERPOOL HEART AND CHEST HOSPITAL NHS FOUNDATION TRUST, authorised by Monitor as a Foundation Trust on 1st December 2009, with registered address at Thomas Drive, Liverpool, L14 3PE (hereafter referred to as “LHCH”); and
- (2) LIVERPOOL HEALTH PARTNERS being a hosted business within LHCH (hereafter referred to as “LHP”).

collectively referred to as “the Parties”

BACKGROUND

- LHP has become a hosted business within LHP. LHCH is the host organisation and agrees to provide the effective management and operation of its corporate support services. These services include but are not limited to the areas of finance, human resources/payroll, contract management and procurement, information management and technology (IM&T), governance, insurance, legal and other administrative services.
- LHCH has considerable expertise in providing these services in its own right and, as a founder member of LHP, is familiar with the operational requirements of LHP.
- The Parties agree that LHCH shall provide the Services to LHP in accordance with the terms of this Agreement.

AGREED TERMS

1. INTERPRETATION

The following definitions and rules of interpretation apply in this Agreement.

1.1 DEFINITIONS

Deliverables: all documents, products and materials developed by LHCH or its agents, subcontractors, consultants and employees in relation to the Services in any form, including computer programs, data, reports and specifications.

LHP's Manager: LHP's manager for the Services appointed in accordance with clause 4.1 and who in the first instance shall be a director of one of the Partners of the Hosted Business (as determined in accordance with the governance processes set out in the ToR).

Pre-existing Materials: all documents, information and materials provided by LHCH relating to the Services which existed prior to the commencement of this agreement.

Services: the services to be provided by LHCH under this Agreement as set out in Schedule 1 together with any other services which the parties may agree from time to time.

ToR: the terms of reference that govern the procedures and practices of LHP (as a hosted business within LHCH).

LHCH's Manager: the LHCH organisation's Manager for the Services appointed under clause 3.3 and who in the first instance shall be the Director of Research & Innovation.

VAT: value added tax chargeable under English law.

2. COMMENCEMENT AND DURATION

LHCH shall provide the services to LHP on the terms and conditions of this agreement.

LHCH shall provide the services to LHP from 1 February 2020 for a period of three years with effect from 1 February 2020. The agreement will be subject to formal review upon renewal, and every three years thereafter subject to continued satisfactory performance.

3. LHCH'S OBLIGATIONS

- 3.1 LHCH shall provide the Services, and deliver the Services to LHP, in accordance with Schedule 1 in all material respects. The LHP Manager and LHCH Manager shall review the performance of the Services in accordance with the ToR.
- 3.2 LHCH shall arrange monthly operational liaison meetings with LHP to discuss the performance of the Services. The venue of these meetings will be agreed in year.
- 3.3 LHCH shall use reasonable endeavours to ensure that the same person acts as the LHCH's Manager throughout the term of this Agreement but may replace him/her from time to time where reasonably necessary in the interests of the LHCH's business.
- 3.4 LHCH shall observe that all health and safety rules and regulations and any other reasonable security requirements that apply at LHP's premises, provided that it shall not be liable under this Agreement if, as a result of such observation, it is in breach of any of its obligations under this Agreement.

4. LHP'S OBLIGATIONS

- 4.1 LHP shall co-operate with LHCH in all matters relating to the Services and appoint LHP's Manager in relation to the Services who shall have the authority contractually to bind LHP on matters relating to the Services. LHP's Manager will meet with LHCH's Manager on a six monthly basis in order to review performance under this SLA;
- 4.2 LHP will agree with LHCH the service standards to be monitored including the Key Performance Indicators identified under this SLA in accordance with the ToR.
- 4.3 Provide, for LHCH, its agents, subcontractors, consultants and employees, in a timely manner and at no charge, access to LHP's premises, relevant data and other facilities as required by LHCH;
- 4.4 Inform LHCH of all health and safety rules and regulations and any other reasonable security requirements that apply at any of LHP's premises; and
- 4.5 Obtain and maintain all necessary licences and consents and comply with all relevant legislation in relation to the Services.

5. CHANGE CONTROL

- 5.1 If either party wishes to change the scope or execution of the Services, it shall submit details of the requested change to the other in writing.
- 5.2 If either party requests a change to the scope or execution of the Services, LHCH shall, within a reasonable time, provide a written estimate to LHP of:
 - (a) the likely time required to implement the change;
 - (b) any necessary variations to LHCH's charges arising from the change;
 - (c) any other impact of the change on this agreement.
- 5.3 If LHP wishes LHCH to proceed with the change, LHCH has no obligation to do so unless and until the Parties have agreed the necessary variations to its charges, the Services and any other relevant terms of this Agreement to take account of the change and this Agreement has been varied in accordance with clause 11.
- 5.4 Notwithstanding clause 5.3, LHCH may, from time to time and without notice, change the Services in order to comply with any applicable safety or statutory requirements, provided that such changes do not materially affect the nature, scope of, or the charges for the Services.

6. CHARGES AND PAYMENT

- 6.1 In consideration of the provision of the Services by LHCH, LHP shall pay the charges as set out in Schedule 2, on a fixed price basis.

- 6.2 As LHCH will hold LHP's funding as part of its own accounts as part of the hosting service, fees will be paid quarterly in arrears by internal transfer within LHCH authorised by LHP.

Schedule 1

Services

1. Finance

Service Description

LHCH will provide a comprehensive financial processing service including the following core elements:

Service	Core Requirements
1. Financial Accounts	<input type="checkbox"/> General ledger processing, accounts payable/receivable <input type="checkbox"/> Banking and cash management including provision and reconciliation of credit card <input type="checkbox"/> Maintain a separate embedded cost centre within the LHCH's financial system for the reporting of LHP income, expenditure, balance sheet and reserves <input type="checkbox"/> Cash-flow management, monitoring and forecasting <input type="checkbox"/> Ring-fenced reserves and tailored reserves policy ensuring adherence to agreed risk reserve provision <input type="checkbox"/> Year-end closure
2. Management Accounts	<input type="checkbox"/> Monthly management accounts in a format to be informed by and agreed with LHP <input type="checkbox"/> Accruals/prepayments processing <input type="checkbox"/> Recharges for staff between LHP and member organisations <input type="checkbox"/> Budget setting and budgetary management <input type="checkbox"/> Financial forecasting
3. Financial Governance	<input type="checkbox"/> Ensuring adherence to LHCH's financial policies and agreed Scheme of Delegation with LHP <input type="checkbox"/> Audit and counter fraud
4. Financial Reporting	<input type="checkbox"/> Internal financial performance reporting to LHP members <input type="checkbox"/> External financial reporting of LHP as part of the Trust's standard external reporting

Service	Core Requirements
5. Other	<input type="checkbox"/> Named finance business partner for direct liaison and dealing with queries with arrangements for absence cover <input type="checkbox"/> Appropriate access to general ledger system <input type="checkbox"/> LHP staff training on finance processes and systems <input type="checkbox"/> Retention of required documentation for legal or regulatory compliance and external audit purposes <input type="checkbox"/> Support with business planning / financial forecasting

Key Performance Requirements

- Robust financial governance and control over all aspects of financial management on behalf of LHP.
- Accurate monthly reporting on income, expenditure, surplus/deficit and reserves.
- Effective cash-flow management and monthly reporting, including monitoring of reserves.
- Adherence to LHP's internal finance reporting timescales and external reporting deadlines.
- LHCH shall provide timely responses to day-to-day queries from LHP (which shall be acknowledged within 2 hours and responded to within 24 hours).

2. Human Resources and Payroll

Service Description

LHCH will be the employing authority for LHP's staff and will provide comprehensive HR and payroll services including the following core elements:

Service	Core Requirements
1. Core HR services	<input type="checkbox"/> All aspects of HR administration <input type="checkbox"/> Maintaining employee files in ESR <input type="checkbox"/> Absence management (annual leave/sickness/other). <input type="checkbox"/> Employee relations <input type="checkbox"/> Reference requests
2. Payroll and expenses	<input type="checkbox"/> Monthly and weekly payroll processing for permanent and temporary staff <input type="checkbox"/> Processing payroll amendments, e.g. starters/leavers, maternity pay, terminations

Service	Core Requirements
	<ul style="list-style-type: none"> <input type="checkbox"/> Managing payment of staff under contractor arrangements (none currently but potential future requirement) <input type="checkbox"/> Expenses processing ensuring compliance with HMRC limits. LHP to have access to LHCH's e-expenses system. <input type="checkbox"/> Production of P11Ds, P60s <input type="checkbox"/> Liaison with HMRC and NHS Pensions for those staff who choose to join the NHS Pension Scheme <input type="checkbox"/> Administration of staff travel and cycle loan schemes
3. Recruitment	<ul style="list-style-type: none"> <input type="checkbox"/> Job descriptions/person specifications <input type="checkbox"/> Advertising <input type="checkbox"/> Recruitment checks and visas for sponsorship of overseas employees (minimal at this time) <input type="checkbox"/> Support with interviews, job offers and contracts of employment <input type="checkbox"/> Issue of identification badges <input type="checkbox"/> Temporary staffing
4. Workforce Information	<ul style="list-style-type: none"> <input type="checkbox"/> Regular workforce monitoring information (from ESR) including sickness/absence, appraisal and mandatory training compliance (quarterly)
5. Learning and Development	<ul style="list-style-type: none"> <input type="checkbox"/> Access to mandatory training which is proportionate to LHP's needs <input type="checkbox"/> On-line booking system for training <input type="checkbox"/> Monitoring of compliance with mandatory training <input type="checkbox"/> Access to other training and development opportunities which are relevant to LHP staff; for example leadership, organisational development, appraisal training for managers, administrative courses.
6. Other	<ul style="list-style-type: none"> <input type="checkbox"/> Named HR business partner/advisor for direct liaison and dealing with queries, with arrangements for absence cover <input type="checkbox"/> Ensure adherence to LHCH's HR policies <input type="checkbox"/> LHP staff training on HR processes and systems <input type="checkbox"/> Access to Occupational Health and Wellbeing services <input type="checkbox"/> Access to participation in NHS Staff Survey <input type="checkbox"/> Appropriate access to ESR and Learning and Development system <input type="checkbox"/> Travel and health insurance for staff working outside the UK (minimal at the present time)

Key Performance Requirements

- Robust governance and control over all aspects of human resources management on behalf of LHP.
- Application of HR policies correctly and consistently across all staff.
- Accurate monthly processing of payroll and amendments.
- Accurate maintenance of employee files.
- Quarterly reporting on agreed workforce information and metrics.
- Adherence to LHP's reporting timescales relating to the provision of workforce information.
- LHCH shall provide timely responses to day-to-day queries from LHP (which shall be acknowledged within 2 hours and responded to within 24 hours).

3. Contract Management and Procurement

Service Description

LHCH will provide comprehensive contract management and procurement services including the following core elements:

Service	Core Requirements
1. Income and expenditure contract management	<input type="checkbox"/> Maintain an income and expenditure contracts register, including property and car leases
2. Transactional buying and sourcing	<input type="checkbox"/> Day to day ordering and purchasing of supplies, e.g. stationery, IT equipment <input type="checkbox"/> Supplier liaison <input type="checkbox"/> Invoice query management <input type="checkbox"/> Obtaining quotes <input type="checkbox"/> Tenders to an indicative annual workplan <input type="checkbox"/> Contract award and associated documentation/agreements
3. Other	<input type="checkbox"/> Named commercial business partner/advisor for direct liaison and dealing with queries, with arrangements for absence cover <input type="checkbox"/> Access to ordering/procurement system <input type="checkbox"/> Ensure adherence to LHCH's procurement policy, including reporting of waivers.

Key Performance Requirements

- Robust governance and control over all aspects of contract management and procurement on behalf of LHP.
- Provision of evidence and reporting to support grant expenditure claims within 24 hours of LHP's reasonable request.
- LHCH shall provide timely responses to day-to-day queries from LHP (which shall be acknowledged within 2 hours and responded to within 24 hours).

4. IM&T Services

Service Description

LHCH will provide a comprehensive IM&T service including the following core elements:

Service	Core Requirements
1. Networks and infrastructure	<input type="checkbox"/> Maintenance/support <input type="checkbox"/> Purchase of software and hardware
2. Telephony	<input type="checkbox"/> Maintenance of telephone system <input type="checkbox"/> Switchboard infrastructure <input type="checkbox"/> Mobile phones <input type="checkbox"/> Purchase of hardware/software
3. End User Devices	<input type="checkbox"/> PCs, laptops, tablets, printers <input type="checkbox"/> Remote access for LHP employees (laptops and phones) <input type="checkbox"/> Software licences <input type="checkbox"/> Support
4. Service Desk	<input type="checkbox"/> Incident and request processing <input type="checkbox"/> Telephone support (preferably 24 hours, 7 days/week)
5. Security	<input type="checkbox"/> IT security <input type="checkbox"/> Passwords, encryption <input type="checkbox"/> Testing
6. Other	<input type="checkbox"/> Named IM&T business partner/advisor for direct liaison, advice and dealing with queries, with arrangements for absence cover <input type="checkbox"/> Provision of IM&T training to staff

Service	Core Requirements
	<input type="checkbox"/> Ensure adherence to LHCH's IM&T policies <input type="checkbox"/> Provision and management of email domain <input type="checkbox"/> Provide LHP staff with access to LHCH's intranet <input type="checkbox"/> Maintain a register of LHP IM&T assets <input type="checkbox"/> Support LHP specific IM&T developments

Key Performance Requirements

- Robust governance and control over all aspects of IM&T management on behalf of LHP, including data protection and information governance aspects.
- System reliability for staff ensuring minimal system downtime and prompt resolution of issues.
- LHCH shall provide timely responses to day-to-day queries from LHP through a Service Desk (which shall be acknowledged within 2 hours and responded to within 24 hours).

5. Governance and other corporate services

Service Description

LHCH will provide the following Services:

Service	Core Requirements
1. Policies	<input type="checkbox"/> Provide support/training to ensure compliance with LHCH's policies and procedures as applicable to the services provided (Finance, HR, IM&T, Procurement, other) <input type="checkbox"/> Assessment of applicability of policies to LHP's circumstances with agreed variations as applicable <input type="checkbox"/> Communication to the LHP and staff of updates and changes to procedures, for example relating to key legislative/regulatory changes
2. Risk Management	<input type="checkbox"/> Risk register maintenance and reporting. LHP will maintain its own risk register; LHCH will need to ensure an appropriate interface is in place to feed the LHCH's risk register and risk management system <input type="checkbox"/> Ensure compliance with health and safety requirements, for example relating to accommodation with access to health and safety representative for advice <input type="checkbox"/> Appropriate insurance arrangements and renewals
3. Legal Services	<input type="checkbox"/> Access to LHCH's legal services for HR and corporate advice on an ad hoc basis, including contract advice and drafting of legal documents

Service	Core Requirements
	<input type="checkbox"/> Acting as the legal entity on behalf of LHP for all contracts, leases and other agreements and ensuring the obligations under those agreements are met <input type="checkbox"/> Acting as the joint signatory with LHP's Manager, in accordance with LHP's Scheme of Delegation limits.
4. Facilities Management	<input type="checkbox"/> External mail services <input type="checkbox"/> Maintenance and repairs of accommodation and furniture removal services (costs recharged to LHP)
5. Other	<input type="checkbox"/> Named governance business partner/advisor for direct liaison, advice and dealing with queries, with arrangements for absence cover <input type="checkbox"/> Advice and management of Freedom of Information requests (minimal)

Key Performance Requirements

- Robust governance over all aspects of the Services which ensures compliance with legislation and regulation.
- Accurate maintenance of applicable policies and required documents and registers, ensuring up-to-date and regularly reviewed.
- Consistent and proportionate application of policies
- Provision of legal services at best value rates with evidence of this through quotes obtained.
- LHCH shall provide timely responses to day-to-day queries from LHP (which shall be acknowledged within 2 hours and responded to within 24 hours).

Service Standards or KPIs will be agreed in Q1 of the financial year 2020/21 as follows:

1. **Workforce KPIs:** to include sickness management, turnover, mandatory training, time to hire, appraisal compliance.
2. **Finance KPIs:** to include number and value of invoices paid within 30 days, time to raise debtor invoices, level and age of debt.
3. **IM&T KPIs:** including service desk responsiveness and time to resolve issues.

LHP and LHCH will agree the detail of these KPIs, how they will be measured, benchmarked and how regularly they will be reviewed against those benchmarks at the operational liaison meetings and by LHP's Finance, Performance & Risk Committee.

If the service standards fall short of meeting the agreed KPIs, an exception report and improvement plan must be submitted to LHP's Finance, Performance & Risk Committee in the first instance.

The tender submitted by LHCH on 14/06/2019 forms part of this agreement and is attached to this SLA. In case of a conflict, the terms of this agreement shall take precedence.



LHCH Annexe B v1 0
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Schedule 2

Price

£12,000 per annum exclusive of VAT for all Services as set out in Schedule 1.

The fee will be paid quarterly in arrears within 30 days of being issued to LHP.

Where applicable, LHP shall pay any Value Added Tax payable on the relevant sum to LHCH at the rate and in the manner prescribed by law from time to time.

The price for the Services will be reviewed annually. Any variation to the Charges and/or Services will be agreed in accordance with the process set out in clause 5 of this Agreement.

Legal services costs are to be subject to a separate quote by the LHCH for LHP's approval.

SIGNATURES TO THE AGREEMENT

The parties agree to enter into the obligations and responsibilities described, for the provision of Services according to the detailed Service specifications listed in this Agreement.

Signed by
Jane Tomkinson
for and on behalf of
LHCH

.....
Chief Executive Officer, LHCH

Signed by
Dawn Lawson
for and on behalf of
Liverpool Health
Partners

.....
Chief Executive Officer, LHP

Agenda Item (Ref)	Consent Agenda	Meeting Date:	13 March 2020
Report To	LHP Board		
Report Title	Management accounts for the 10 month period to 31 Jan 2020		
Lead Director	Dr Mark Jackson, Director of Delivery and Performance		
Lead Officer	Roger Bickerstaff, UoI Finance Lead / Company Secretary		
Action Required	To approve		

<input checked="" type="checkbox"/> Acceptable assurance General confidence in delivery of existing mechanisms/ objectives	<input type="checkbox"/> Partial assurance Some confidence in delivery of existing mechanisms/ objectives	<input type="checkbox"/> No assurance No confidence in delivery
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Key Points/Messages (2-3 bullet points only on where the Board/Committee should focus its attention)			
<ul style="list-style-type: none"> Accounts prepared up to the date of transfer of LHP's activities to LHCH £1,061k assets to be transferred 			
Impact (is there an impact arising from the report on the following – details to be included in main report)			
<ul style="list-style-type: none"> Finance <input checked="" type="checkbox"/> Workforce <input type="checkbox"/> Strategy <input type="checkbox"/> 		<ul style="list-style-type: none"> Risk <input type="checkbox"/> Legal <input type="checkbox"/> Performance <input type="checkbox"/> 	

Strategic Objective/s (identify which objective the recommendations will help achieve)	
<input type="checkbox"/> Make Cheshire and Merseyside a more attractive place to do research <input type="checkbox"/> Improve systems capacity and capability <input type="checkbox"/> Improve opportunities for partners to contribute to LHP	<input type="checkbox"/> Improve the recognition and profile of LHP <input checked="" type="checkbox"/> Ensure the continual improvement of LHP <input type="checkbox"/> Develop and support the innovation pipeline <input type="checkbox"/> Focus research on the region's health needs
Next Steps (actions following agreement by Board/Committee of recommendation/s)	
LHP Ltd to settle outstanding creditor/accrual balances during February and March 2020	

REPORT HISTORY

Committee/Group (where previously discussed)	Date	Lead	Summary of key issues and agreed actions
Governance Committee	13 March 2020	LHP Company Secretary	Agreed

Management Accounts for the 10 month period to 31 January 2020

KEY POINTS/PROPOSALS

- 1 Management accounts for the 10 month period to 31 January 2020.
- 2 Accounts are prepared up to the date of transfer of LHP's activities to LHCH.
- 3 Agreed with external audit (RSM) that they will audit the LHP accounts for the 10 month period to 31 Jan 2020. LHP's year end will be shortened to this date (from its usual year end of 31 March) in order to enable audit to take place at the date of transfer of LHP's activities to LHCH. Audit is scheduled for May 2020 to fit with external auditor staffing availability.
- 4 Management accounts are draft and may be adjusted by any late accruals. These adjustments will not be material.
- 5 Management accounts show £1,061k of assets which will be transferred to LHCH following completion of audit process.
- 6 LHP Ltd will settle outstanding trade creditor / accrual balances during Feb and March 2020.
- 7 Fixed Asset, Cash, Prepayments and Deferred Income balances will transfer to LHCH and form opening balance sheet for LHP in LHCH's financial statements.

IMPLICATIONS/IMPACT

- 8 £1,061k of assets will transfer to LHCH. This figure is subject to late accruals and audit.

RECOMMENDATION

- 9 Management accounts to be approved.

Author: Roger Bickerstaff
Company Secretary

Date: 9 March 2020

LHP
Income & Expenditure
10 months to 31 Jan 2020

	£ 10 months to 31 Jan 20 Actual	£ 10 months to 31 Jan 20 Budget	Variance - B / (W)	Comments	19-20 Full Year Budget
Subscription Income	1,479,167	1,416,667	62,500	10 mths subscription income released to I&E	1,700,000
Grant Income			-		
Consultancy Income			-		
Sponsorship Income			-		
Other Income			-		
CPD - Education Income					
Total Income	1,479,167	1,416,667	62,500		1,700,000
Senior Management Team	522,587	541,000	18,413		649,200
Programme Directors	100,265	203,000	102,735	Underspend relates to various programme directors not yet recruited	243,600
Core staff	480,361	577,700	97,339	Underspend relates to programme managers not yet recruited	684,900
JRS - Core	123,928	137,000	13,072		164,400
Pay	1,227,141	1,458,700	231,559		1,742,100
Travel & Subsistence	8,133	8,200	67		10,000
Training & Development	168	8,200	8,032		10,000
IT / Office	38,209	16,400	(21,809)		20,000
Consultancy, Legal & Professional	39,342	25,000	(14,342)	Includes £15k fee to MIAA re procurement of hosting service	30,000
Conferences Attendance	15,107	4,000	(11,107)		5,000
LHP / JRO Hosted Events	6,389	16,400	10,011		20,000
Marketing & Advertising	40,879	37,500	(3,379)		45,000
Rent, Service Charge, Electricity & Rates	77,249	71,000	(6,249)		85,200
Audit	9,900	7,500	(2,400)		9,000
Bank Charges	416	-	(416)		
UoL - Service Level Agreement	15,000	15,000	0		18,000
Miscellaneous	1,389	-	(1,389)		
Non Pay	252,182	209,200	(42,982)		252,200
Depreciation	29,061				
Projects	17,826				47,900
Surplus / (Deficit)	(47,043)	(251,233)	251,077		(342,200)
Reserves b/f @ 01/04/2019	1,108,773	1,108,773		Reserves b/f @ 01/04/2019	1,108,773
Surplus / (Deficit) for period	(47,043)	(251,233)		Surplus / (Deficit) for period	(342,200)
Reserves c/f @ 31/10/2019	1,061,730	857,540		Reserves c/f @ 31/03/2020	766,573

LHP
Balance Sheet
As at 31 January 2020

	£	Commentary
Fixed Assets		
Fixtures & Fittings and Leasehold Improvements	64,685	LHP Office refurbishment
Cash at Bank	1,414,255	Balance held at Barclays bank account as at 31 January 2020
Trade Debtors	0	Trade Debtors as at 31 January 2020.
Prepayments & Other	16,693	Rent & Service Charges (Feb & March 2020)
Accrued Income		
Total Debtors & Prepayments	16,693	
Trade Creditors	(56,298)	Recharged salaries from University of Liverpool
Accruals	(81,771)	Accrual for staff salaries, audit etc
Deferred Income	(295,833)	Deferred Subscription Income - 2 mths of Feb & March 2020
Total Creditors	(433,902)	
Net Assets	1,061,730	
P&L Reserve		
Reserves b/f @ 01/04/2019	1,108,773	
Deficit for Period	(47,043)	
Reserves - as at 31 January 2020	1,061,730	

LHP
Cash Flow
10 months to 31 January 2020

Cash Flow	£
Opening Cash Balances - as at 1 April 2019	1,289,839
Net Cash Inflow / (Outflow) from Operating Activities	194,725
Investing Activities - Fixed Assets (Office Refurbishment)	(70,309)
Closing Cash Balances - as at 31 January 2020	1,414,255

Working 1
Operating Activities

Net Contribution / (Deficit)	(47,043)
Changes in Debtors	3,815
Changes in Creditors	208,892
Add Back : Depreciation	29,061
Net Cash Inflow / (Outflow) from Operating Activities	194,725