



South Warwickshire
NHS Foundation Trust



safe, effective, compassionate, trusted

South Warwickshire NHS Foundation Trust

Annual Report and Accounts for 2017/18

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paragraph 25 (4) (a) of the National Health Service Act 2006

Contents

Performance Report

Overview: pages 6-27

- Chairman's Message
- Chief Executive's Message
- About the Trust
- Trust Structure
- Service Profile / Principal Activities
- 2018/19 Objectives
- Partnerships, Stakeholders and Key Strategic Relationships
- Risks and Uncertainties
- Trends and Factors affecting the Trust
- Key Developments in 2017/18

Performance Analysis: pages 28-49

- Review of 2017/18 objectives
- Trust performance against national targets
- Activity for the Trust over the last three years
- Financial Performance Review
- Current and Future Developments
- Environmental and Sustainability
- Quality
- Patient Experience

Accountability Report

Directors' Report: pages 50-71

- Directors' Statement
- Appointments and Roles
- Board Profiles and Register of Interest
- Executive Leadership Structure
- Disclosure of Corporate Governance Arrangements
- Board Statements
- Board Committees
- Board and Committee Membership

NHS Improvement's Single Oversight Framework: page 72

Remuneration Report: pages 73-77

- Directors' Remuneration and Pension Benefits

Staff report: pages 78-95

- Staff Survey
- Workforce information
- Social, Community and Human Rights

Council of Governors and Membership: pages 96-112

- Council of Governors Structure
- Governor Profiles
- Map of Constituencies
- Meetings of the Council of Governors
- Sub-committees of the Council of Governors
- Trust Membership

Quality Report

Pages 113-200

Accounting Officer's Responsibilities Statement and Annual Governance Statement: pages 201-214

Summary of Financial Statements and Auditor's Statement: page 215

Performance Report

- **Overview**
- **Performance Analysis**

Overview

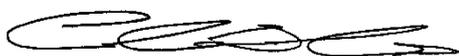
The purpose of the Overview is to give the user a short summary that provides them with sufficient information to understand the organisation, its purpose, the key risks to the achievement of its objectives and how it has performed during the year.

The Board of Directors has prepared this annual report to provide a fair, balanced and understandable analysis of the Trust. This includes the strategy moving forward as well as a review of last year's progress.

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

The accounts have been prepared under a direction issued by NHS Improvement (previously known as Monitor) under the National Health Service Act 2006.

Approved by the Board of Directors and signed on their behalf:



Glen Burley, Chief Executive

Date: 23/05/18

Chairman's message

It has been another demanding year for our Trust. The combined challenges of limited funding, a tough winter and making the necessary improvements to ensure we remain a Trust our community is proud of should not be underestimated. Given this backdrop I believe the Trust has performed extremely well, continuing to deliver safe, effective and compassionate care whilst achieving a good financial surplus.

Throughout 2017/18, there were a number of particularly noteworthy achievements for the Trust, including opening our new Cancer and Eye hospital in Stratford upon Avon, expanding our Out of Hospital services to ensure we are a leader in providing integrated services for our communities, meeting the majority of the national operational targets, continuing to work in partnership with Wye Valley NHS Trust and receiving the news that we were rated 'Good' by the Care Quality Commission.

All of these exceptional achievements have been made possible thanks to the talent and goodwill of all of our staff, for which we should all be grateful. It is also in no small part due to the quality of the Executive team we have at the Trust under Chief Executive, Glen Burley's leadership.

Despite 2017 being an excellent year it is essential that we remain relentless in our endeavours to improve the way we do things to ensure we deliver better outcomes for the communities we serve. At the heart of our strategy of 'Helping you to Help yourself' are the beliefs of collaborative working, integration of services and attracting and retaining the best people we can. Only through focusing on each of these areas will we be able to cope with the challenges of a rising and ageing population, managing long term health conditions and limited funding. The Trust's Board of Directors is acutely aware of the scale of challenges we face and are working with partners across health and social care to ensure we continue to deliver first class services.

I would like to place on record my thanks to all at the Trust for their hard work. Without our exceptional workforce and dedicated volunteers, we would not be the organisation we are with the capabilities to make a positive difference to those depending on us. I would like to thank my Board of Directors and Council of Governor colleagues who collectively ensure we are a well led organisation.



Russell Hardy, Chairman

Date: 23/05/18

Chief Executive's message

The past year has been a truly remarkable one for the Trust. We have seen the successful realisation of a number of key indicators within our strategic plan. All of our teams have contributed to this success and should take great pride in the achievements that this report highlights.

We continually strive to be the best we can be and over the past decade the Trust has grown, in both size and complexity. As well as having teams across the whole of Warwickshire, we also now deliver services in Coventry and Solihull. The Trust continues to share knowledge and new ways of working with other organisations, inviting them to see first-hand our team's great work. Our formal partnership with Wye Valley NHS Trust is a great opportunity to share skills and learning with Herefordshire.

In order to constantly improve the services we provide, it is important that we are able to develop our sites and invest in new state of the art equipment. As you can see from our annual accounts we have been in a strong position to re-invest, and during 2017/18 the most significant example of this was opening Stratford Hospital. The new hospital has enabled us to deliver more services to local populations and ease pressure on Warwick Hospital. Its impressive design and enhanced environment have been commended by patients and other key stakeholders. The hospital is a state-of-the-art facility and these high standards would not have been possible without the support of partners and fundraisers, which we are extremely grateful for.

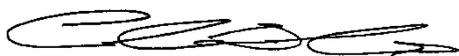
Every day patients and relatives contact me to praise our hardworking, caring and compassionate staff. This dedication and passion has once again been highlighted in the recent publication of the 2017 national staff survey. The results demonstrate how engaged and motivated our workforce is and once more the Trust stands out as one of the best employers in the NHS, which is core to our vision and values.

Although as a Trust we have been able to celebrate some fantastic achievements, it has been a tough year for the NHS nationally and a challenge to meet the key performance standards. The most significant issue for the NHS this year has been the very challenging winter period, which has placed extreme pressures on services, in particular A&E. As a result of this we have not met the A&E four hour waiting times target and achieved a position of 91.5% against the 95% target. Whilst this was one of the best overall positions in the NHS, and certainly the best in the West Midlands, our aim is to improve this next year.

To enable us to deliver against this target, we are developing our 'Out of Hospital' services. This year we were awarded the contract to be the lead provider of these services in Warwickshire for at least the next three years. This has been a great achievement for the organisation and a realisation of one of our strategic aims. We recognise how important it is for people to be treated in the right setting and often this is not in a hospital. At the heart of our strategy, vision and values is keeping people healthy and enabling them to maintain normal lives, supported by our hard working community teams.

For me the perfect end to the year was the Care Quality Commission announcing they rated us as a 'Good' trust. It is rare to achieve this rating in our region and it is most definitely a reflection of the dedicated and talented people we employ.

I hope that you enjoy reading this report.



Glen Burley, Chief Executive

Date: 23/05/18

About the Trust

The Trust employs 4,901 members of staff and delivers services to half a million people across Warwickshire. In addition Young People and Family services are provided in Coventry and Solihull.

- **Ellen Badger Hospital** – Continued rehabilitation and assistance with medicines management and reduced mobility is provided at this site which includes inpatient beds and a Day Hospital. At the beginning of 2018 the Trust created a new, enhanced in-patient facility at Ellen Badger Hospital.
- **Leamington Spa Hospital** – This site offers rehabilitation services to adults, as well as a number of outpatient services. This hospital houses the Central England Rehabilitation Unit (CERU). Champion and Chadwick wards contain 42 beds to provide specialist neuro-rehabilitation for patients with acquired brain injuries.
- **Out of Hospital Services** - Teams situated in clinics across Warwickshire provide Out of Hospital Services. Cape Road Clinic, Camp Hill Clinic and the Orchard Centre are some of the larger ones. Staff also provide a range of services to children, young people and families in Coventry and Solihull.
- **Stratford-upon-Avon Hospital** – An Intermediate Care Ward and Minor Injuries Unit are used to provide care alongside Outpatients and Radiology departments. Major development work has expanded the hospital to include an ophthalmology unit and The Rigby Cancer Unit.
- **Warwick Hospital** – This is the location from where the majority of the Trust's acute services are provided. This includes; Accident and Emergency services, Diagnostic and Pathology departments, Maternity and Special Care Baby Unit, Main and Day Surgery Theatres together with an Intensive Care Unit and Coronary Care Unit.

Vision - *“Together with others we will use all of our expertise and resources to support and improve the wellbeing of our communities.”*

Values

Safe - We put safety above everything else

- Keep patients, service users and staff safe
- Take personal responsibility
- Deliver high quality care
- Listen, value and support our staff

Effective - We will do the right thing at the right time

- Proactively seek to make improvements
- Work in partnership
- Deliver evidence based care
- Engage and involve

Compassionate - We offer compassionate care to everyone

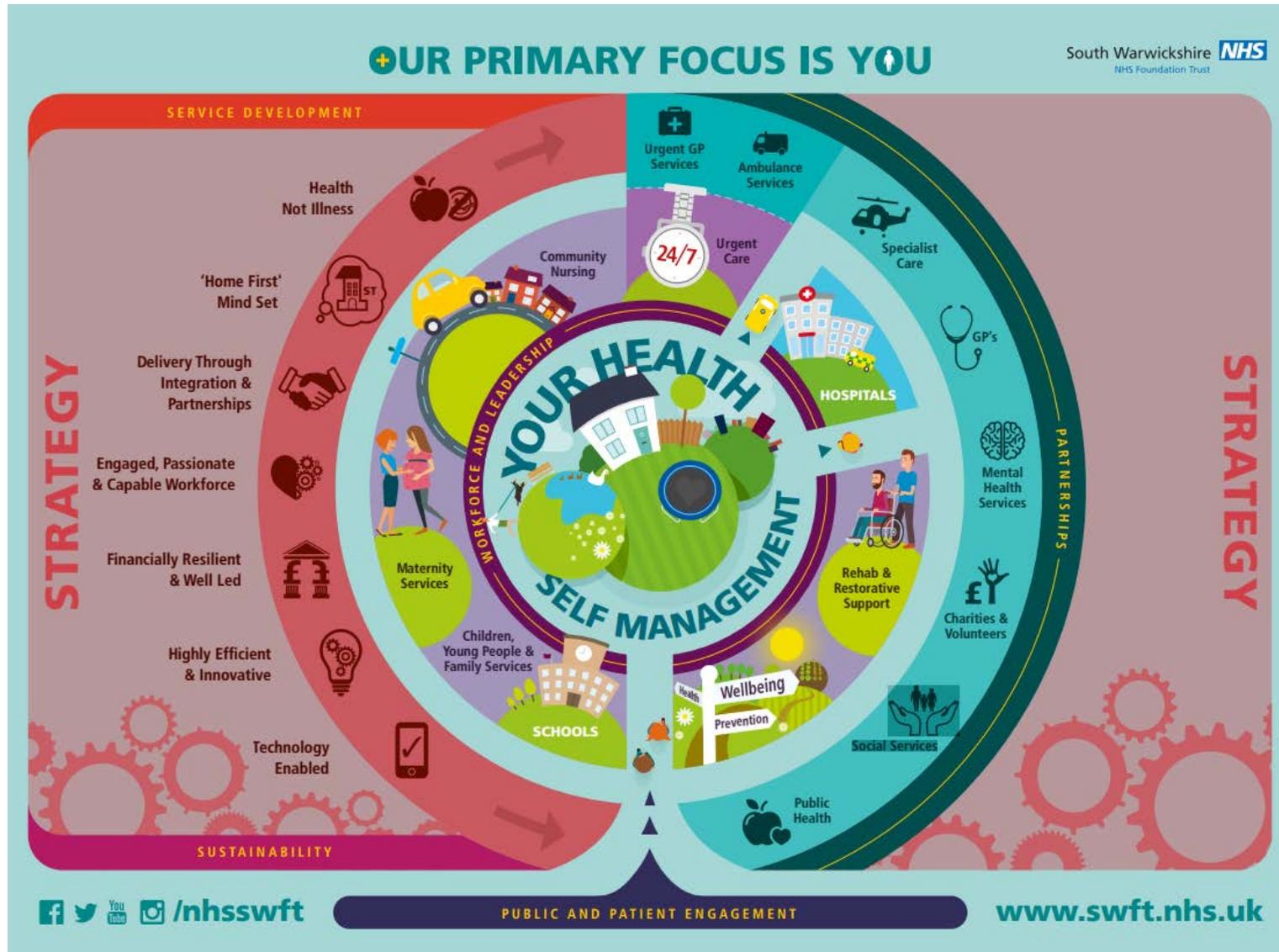
- Friendly, helpful and courteous
- Sensitive to individual needs
- Respect privacy, dignity, diversity and choice
- Offer care we would want for ourselves and our loved ones

Trusted - We will be open and honest

- Treat everyone with openness, honesty and respect
- Decisions driven by our local communities and a public service ethos
- Commitment to excellence
- Maintain professional standard

Strategy

In April 2016 we launched our Trust strategy. Together with others we will use all of our expertise and resources to support and improve the wellbeing of our communities. Our strategy focuses on health not illness with an emphasis 'Helping You to Help Yourself' and is delivered through our engaged and passionate workforce. From 1 April 2018 the Trust launched a revised strategy, more information on this can be found under Partnerships/Stakeholders/Key Strategic Relationships.



Trust Structure

South Warwickshire NHS Foundation Trust (SWFT) is an integrated organisation that provides acute and community NHS health services across the whole of Warwickshire. The Trust is comprised of four operational divisions - elective care, emergency care, support services and women's and children's – the Out of Hospital Care Collaborative and a social enterprise named South Warwickshire Foundation Trust Clinical Services Ltd (SWFT Clinical Services Ltd).

The Trust is regulated by a separate independent body, NHS Improvement (previously known as Monitor), who awarded the organisation a licence to operate as a Foundation Trust (FT) on 1 March 2010. This was done under terms of authorisation which outline the core services provided by the Trust. Monitor oversees the work of the Trust to ensure it is meeting all of its commitments.

The Trust is accountable to a Membership base made up of employees and members of the public. The Membership has an input into the Trust's activities by electing a Council of Governors to whom the Board of Directors is accountable.

The Board of Directors consists of a Chairman, six Non-Executives and six voting and two non-voting Executive Directors. Further information on the Board of Directors and details about the Council of Governors is in the Accountability Report.

Foundation Group

During 2017/18 the Trust solidified its partnership with Wye Valley NHS Trust through the creation of a Foundation Group. Wye Valley NHS Trust (WVT) has a similar set of challenges and strengths to the Trust. The Foundation Group model retains the identity of individual Trusts, reporting separate accounts and supports each to move to a model of accountable care with local partners.

Through this arrangement the Group Strategy Committee was established which is a joint Board Committee to advise the Boards of the Trust and Wye Valley NHS Trust on all matters relevant to the development and implementation of strategy. This includes looking at areas such as service improvement and to formalise sharing of best practice. It also created a platform for both organisations to work closer with health and care professionals, moving towards accountable care systems, delivering truly integrated services.

SWFT Clinical Services Ltd

SWFT Clinical Services Ltd is an established wholly owned subsidiary of the Trust which when awarded Foundation Trust status in 2010 became one of the first in the country to set up a limited company as a business subsidiary. Since then, many other Foundation Trusts have gone on to set up similar businesses, utilising a model that is now well established.

The company commenced its operations in March 2011. The company has been founded using a traditional business sector model which gives it the ability to identify and deliver a flexible approach across a range of non-clinical estates and facilities services and private health provision.

The primary purpose of the organisation is to make a profit through commercial activities. All profits made by the company's trading activities are either reinvested in to the business, gifted to charitable organisations or returned to the Trust.

In 2013 SWFT Clinical Services was formally registered as a Social Enterprise and received the Social Enterprise Mark in January 2014. Its Board of Directors is made up of; Jayne Blacklay, Chair, Tony Boorman, Kim Li, Ann Pope, John Coyne, Andy Phalp and David Moon.

Please note in 2017/18 SWFT Clinical Services Ltd accounts have been consolidated into the Trust's overall financial statements.

Organisational Structures

Foundation Group



Council of Governors

Stakeholder Council

South Warwickshire
NHS Foundation Trust

Wye Valley NHS Trust

Group Strategy Committee

Clinical
Benchmarking

Innovation &
Service
Improvement

South Warwickshire NHS Foundation Trust

Operational
Divisions

SWFTCS
(Social Enterprise)

Out of Hospital
Care
Collaborative

Elective

Women's &
Children's

Emergency

Support Services

Service Profile/Principal Activities

Services provided by the Trust are shown below.

| | |
|----------------------------------|--|
| <p>Elective Care Division</p> | <ul style="list-style-type: none"> - Acquired Brain Injury Services - Acute & Chronic Pain Services - Anaesthetics - Audiology - Cancer Services - Community Neuro-Rehabilitation - Critical Care - Dental - Dermatology - Endoscopy - Orthopaedics - Pre-operative Assessments - Theatres - Urology - Gastroenterology |
| <p>Emergency Care Division</p> | <ul style="list-style-type: none"> - A&E - Ambulatory Care - Cardiology - Radiology - Resuscitation Service - Acute Medicine - Respiratory - Specialities - Medical Measurement - Care of the Elderly - Community Diabetes Nurse Specialist - Endocrinology - Rheumatology - Stroke Outreach |
| <p>Support Services Division</p> | <ul style="list-style-type: none"> - Back Pains Management - Chaplains Corner - Clinical Psychology - Dietetic Service - Electro-Biomedical - Engineering (EBME) - Facilities - Occupational Therapy - Outpatients |

| | |
|------------------------------------|--|
| | <ul style="list-style-type: none"> - Pharmacy - Physiotherapy - Podiatry - Speech & Language Therapy - Stoma and Internal Pouch Care - Wheelchair Services |
| Out of Hospital Care Collaborative | <ul style="list-style-type: none"> - Adult Community Teams - Community Tissue Viability - Continence - District Nursing - Diabetes - Family Nurse Partnership - Falls Service - Health Visiting - HomeFirst - Neighbourhood Teams - Palliative Care Nurse Specialists - Parkinson Disease Nurse Specialists - Rheumatology - School Nursing - Stroke Outreach - Community Hospitals - Discharge to Assess Beds - Complex Discharge Team - Child Health Information System |
| Women's and Children's | <ul style="list-style-type: none"> - Maternity - Paediatrics - Gynaecology and Obstetrics - Community Paediatricians - Safeguarding Children - Community Children's Nursing - Child and Adolescent Community Cardiac Nurse Specialist - Looked After Children - Paediatric Occupational Therapy - Paediatric Physiotherapy - Child Development - Birth to Three Portage - Paediatric Speech and language Therapy |

* In September 2017 the Trust started delivering Solihull's Healthy Child Programme Service. As part of the collaboration with Solihull Council, the service supports infants, children and young people aged from 0-19.

Objectives 2018/19

The performance of each objective is monitored throughout the year. A status update for each objective goes to the Council of Governor meeting and Business Performance and Investment Committee quarterly and there is a 6-month and full year Board review of performance.

| Objectives 2018-19 | Key pillars of our Strategy | | | | |
|---|-----------------------------|----------------|-------------------------------|-------------|--------------------------|
| | Quality Improvement | Sustainability | Public and Patient Engagement | Integration | Workforce and Leadership |
| Improve staff retention rates | X | x | | | x |
| Work with partners to improve the pathways for adults and children who experience a mental health crisis | X | | | X | |
| Agree integration opportunities with Warwickshire County Council (WCC) using the Out of Hospital contract and WCC Transformation Plans | X | X | | X | |
| Work with primary care to streamline pathways and develop more efficient referral processes | X | X | | X | |
| Introduce and embed technology across the organisation; <ul style="list-style-type: none"> - Develop a patient portal - Implement digital strategy - Embed technology to deliver out of hospital model - Enhance mobile working | X | X | X | X | X |
| Explore and implement plans to increase non-NHS income generation | X | X | | | |
| Further implement integrated care across Warwickshire including the development of a specification for a population health system | X | X | X | X | X |

| | Key pillars of our Strategy | | | | |
|--|-----------------------------|---|---|---|---|
| Work with partners to improve end of life care | X | | X | X | X |
| Embed a culture of innovation throughout the whole organisation | X | | x | | X |
| Develop a strategy for volunteering across the organisation | X | | x | | x |
| Increase capacity in the following areas; <ul style="list-style-type: none"> - Radiology - Theatres - Maternity services – open a midwifery led unit - Beds - Car parking for patients, visitors and staff | x | x | x | | x |

Partnerships/Stakeholders/Key Strategic Relationships

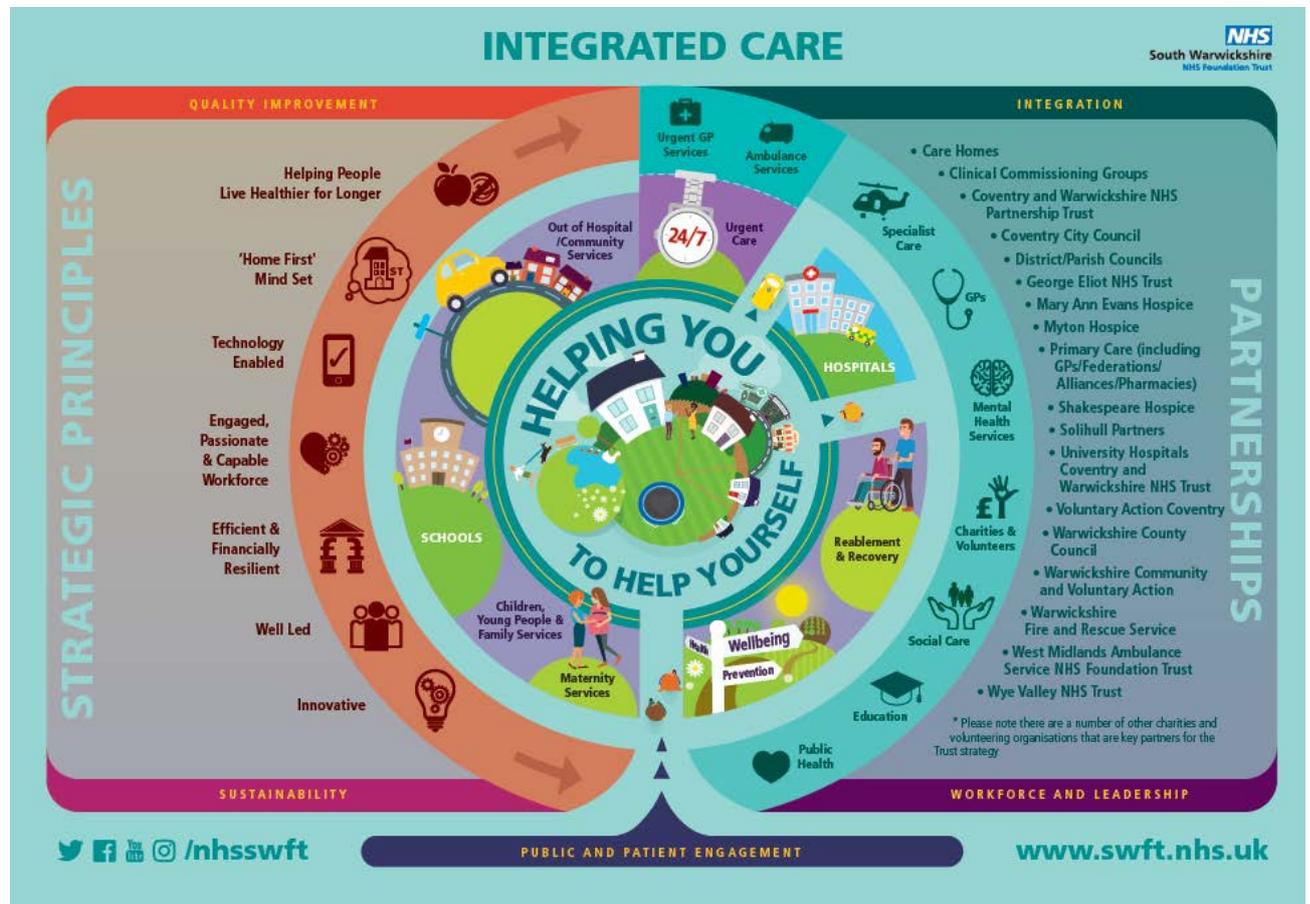
During 2017/18 three Working Together Boards were launched to implement the Out of Hospital (OOH) Programme in Rugby, North Warwickshire and South Warwickshire. As the lead provider for Out of Hospital Services across Warwickshire, SWFT set up these boards in line with the Trust's strategy for an integrated care system. These boards have membership from a wide range of partners as illustrated below;

| North Warwickshire Working Together Board | South Warwickshire Working Together Board | Rugby Working Together Board |
|--|---|---|
| <ul style="list-style-type: none"> • Care homes representative • Coventry and Rugby Clinical Commissioning Group (CCG) • George Eliot Hospital NHS Trust • Mary Ann Evans Hospice • Myton Hospice • North Warwickshire CCG • North Warwickshire GPs • Warwickshire Community and Voluntary Action (CAVA) • Warwickshire County Council Public Health • Warwickshire County Council Social Care • West Midlands Ambulance Service • Coventry and Warwickshire Partnership NHS Trust | <ul style="list-style-type: none"> • Care homes representative • Coventry and Warwickshire Partnership NHS Trust • Myton Hospice • Shakespeare Hospice • South Warwickshire CCG • South Warwickshire GP Federation • Warwickshire Community and Voluntary Action (CAVA) • Warwickshire County Council Public Health • Warwickshire County Council Social Care • West Midlands Ambulance Service | <ul style="list-style-type: none"> • Care homes representative • Coventry and Rugby CCG / North Warwickshire CCG • Coventry and Rugby GP Alliance • Myton Hospice • Rugby GPs • University Hospitals Coventry and Warwickshire NHS Trust • Warwickshire Community and Voluntary Action (CAVA) • Warwickshire County Council Public Health • Warwickshire County Council Social Care • West Midlands Ambulance Service |

The Trust updated its strategy towards the end of 2017/18, however there continues to be a firm focus on integration through partnership working to achieve our strategy of 'Helping you to Help yourself' as demonstrated on the right hand side of the following diagram. The Trust

strategy recognises that as more care is delivered outside of hospitals and we move from an illness service to one of prevention, the requirement for partnerships with third sector, charities and other non NHS organisations will become greater.

Updated strategy:



Additional partnerships:

- There are a number of network arrangements that continue to operate across Coventry and Warwickshire including the Pathology Network and Arden Cancer Network.
- Engagement with our local communities continues to be a priority and in the past year we have held a number of events to co-design our services for the future.
- SWFT Clinical Services Ltd is a wholly owned subsidiary of the Trust which operates a number of businesses. It is a social enterprise and all profits generated are reinvested into the Trust's NHS services.
- Public Health commission Young People and Family services and we are working closely to ensure the Trust provides the best possible services. In 2018/19 similar Working Together Boards with partner representation will be set up to manage this work similar to the Out of Hospital programme for adult services.
- There are a number of strategic boards that the Chief Executive is a full member of including the Sustainable Transformation Partnership (STP) which has representation from all partners.

- In October 2017, ISS won the contract to become the Trust's hotel services provider, for catering, cleaning, portering and security services.

Sustainability and Transformation Partnership (STP) - Better Health, Better Care, Better Value programme

Alongside the Trust's relationships to deliver the strategy sits the STP. This refers to the NHS in Coventry and Warwickshire working together with local councils to meet the 'triple challenge' of providing better health, transformed quality of care and sustainable finances, as part of the Better Health, Better Care, Better Value programme.

The aims of the STP are aligned to the Trust strategy to improve the overall health of the local population, help stop people becoming ill in the first place wherever possible and make sure that everyone receives the same high-quality care.

This is an opportunity to improve patients' experiences of health and social care by making sure they have the services they need, in the right place and at the right time, and only have to tell their story once.

It comprises nine organisations: hospitals, mental health and community services; local authorities; and healthcare commissioners. Healthwatch Coventry, Healthwatch Warwickshire, NHS England and NHS Improvement also attend the Board meetings.

In 2018/19 - Better Health, Better Care, Better Value is focusing on the following transformational work programmes:

- Proactive and preventative
- Mental health and emotional wellbeing
- Planned care
- Urgent and emergency care
- Maternity and paediatrics
- Productivity and efficiency

Three other work programmes underpin these and will enable change: estates, workforce and digital health.

Understanding communities will be at the heart of all this work, with local residents being asked to help shape their future health and social care services. 2019 will be a Year of Wellbeing across Coventry and Warwickshire, focusing on prevention and improving people's quality of life which will support the Trust's vision of 'Helping you to Help yourself'.

Trends and factors affecting the Trust

- The elderly population in South Warwickshire continues to increase at a greater rate than national trends. The Trust has responded to this in a number of ways, in line within the preventative approach outlined in our strategy that was adopted in 2015/16. Wherever possible the Trust seeks to treat people in an out of hospital setting. To support this further in July 2017, Commissioners across Coventry and Warwickshire approved a new model of care for OOH services, which was worked on for over 12 months with input from patients, primary care, voluntary sector, hospices and hospitals. The Trust developed this model of care with Coventry and Warwickshire Partnership NHS Trust (CWPT) to deliver better health outcomes for our local communities. The contract starts on 1 April 2018 and has had input from patients, primary care, voluntary sector, hospices and hospitals.
- Nationally there are plans for health and social care organisations to transition into Accountable Care Systems. This move into more formal partnership structures will mean that we can better coordinate our services in order to provide the best care possible and deliver against key targets. The Trust's close partnership working for the OOH model has put us in a strong position to progress this transition.
- In South Warwickshire there have been significant changes to the local maternity landscape with the closure of maternity services at the Alexandra Hospital in Redditch and changes at the Horton Hospital in Banbury. These changes mean that our Trust is likely to see a further increase in births from across the local footprint.

It was also recognised that the Trust needed to provide more choice for women on where to deliver their babies. Evidence shows low risk women are more likely to have better birth outcomes in Midwife Led Units where 'normal' births are promoted.

In response to these factors we are developing a Midwife Led Unit at Warwick Hospital, which is due to open in summer 2018, which will benefit families across South Warwickshire and beyond.

- Coventry and Warwickshire CCGS are currently consulting on changes to stroke services. Although, referenced in the STP, the proposals pre-date this process. They follow the national best practice model for stroke services, consolidating acute beds and investing in community rehabilitation. Consultation is still on-going and plans will be developed following this process.

Risks and uncertainties

- In line with national trends workforce issues across the NHS continues to be a risk for the Trust, particularly with certain hard to recruit to areas and roles. To support recruitment the Trust is exploring different methods such as 'open day events' and utilising social media. There is also ongoing work to identify how roles could be redesigned to appeal to a wider market and the development of positions that will support administration functions in clinical settings, enabling clinicians to focus on patient care.
- Work is ongoing across Warwickshire to reduce delayed transfers of care (DTOC) and ensure people are receiving care in the most appropriate setting. The Trust is working with all partners, including social care and the third sector, to identify where improvements can be made. This system wide approach is being led by the Warwickshire's Care Better Together Board.
- Adverse weather conditions are uncertain and can impact on service provision. The heavy snowfall in December 2017 was challenging for the Trust. The main priority was ensuring areas had safe staffing levels and patients in rural communities were still able to receive the care they needed. During this period the Trust used social media as the main channel for communicating with staff and members of the public. This increased the level of reach and helped to get support, particularly from volunteer drivers who helped members of staff get to and from work safely.
- The pressures in the urgent care system during winter 2017/18 were extremely challenging. Whilst increases in demand during this period were predicted, the acuity was more extreme than anticipated. This resulted in longer treatment episodes and delays in discharge. Although the Trust was well prepared for winter, there are limits to capacity which will continue to be a risk if demand rises. A number of initiatives have been implemented to support these challenging periods including opening the refurbished Ambulatory Care Unit and improvements to flow inside and outside of the hospitals.
- Cyber security attacks are an on-going risk across the NHS. In May 2017 following reports that a number of NHS trusts across the country were experiencing issues with their IT systems, the Trust took precautionary measures to safeguard systems and ensure services were not impacted. The Trust's Information Governance and Information Communications Technology departments continue to work with NHS Digital to ensure robust security measures are in place.

Key Developments in 2017/18

Additional therapy provided at Castle Brook

In April 2017 the Trust started working with WCS Care to provide patients with additional therapy at Castle Brook care home in Kenilworth. The care model supports patients who are medically well, but need on-going therapy and 24-hour care before they can safely go home.

Signing the British Deaf Association Charter

To demonstrate the organisation's commitment to improving the access and rights for Deaf BSL Users, in May 2017 the Trust signed the British Sign Language (BSL) Charter.

The Trust recognises that the adoption of the Charter will bring a new dimension to communication with the people that use their services and members of staff. This will enable equal access to healthcare services for Deaf people.

Colloborative care for patients in Warwick

In May 2017 a joint project between the Trust, GPs and local charities was launched to support proactive care to patients in Warwick.

Warwick Relief in Need Charity, Warwick United Charities, Warwick Provident Dispensary Charity and King Henry VIII Endowed Trust alongside the main benefactor, the Charity of Thomas Oken and Nicholas Eyffler, are supporting the project. The Oken and Eyffler charity awarded funding of £75,000 a year for three years to provide enhanced medical care to patients who live at Park View Care home and Warwick patients who are housebound in their own home.

Patients are being offered care from a small team of GPs from Priory Medical Centre, The New Dispensary and the Trust's dedicated Advance Nurse Practitioners. Visiting once a week, the team offer an initial assessment, give clinical and medication reviews, discuss advanced care planning at end of life, as well as supporting relatives and care home staff.

The team also undertake proactive visits to housebound patients to help prevent unnecessary trips into hospital and support those returning from hospital.

Stratford Hospital Open

Stratford Hospital welcomed its first patients in August 2017.

In 2014 plans were approved to develop the new £22 million hospital. The building is approximately twice the size of the current hospital and houses a cancer services unit on the top floor. The Rigby Cancer Unit includes 12 chemotherapy treatment chairs and a range of facilities to support patients such as a complimentary therapy room.

The first floor of the hospital is a dedicated eye unit which includes 8 outpatient consulting rooms, 3 treatment rooms with associated investigation rooms. The ground floor is home to Café Lomas, a health and wellbeing hub. Café Lomas provides information and advice on a range of health and wellbeing services in Stratford upon Avon and the surrounding areas.

Providers of Solihull's Healthy Child Programme

From 1 September 2017 the Trust started delivering Solihull's Healthy Child Programme Service. As part of the collaboration with Solihull Council, the service supports infants, children and young people aged from 0-19.

New Mobility Garden

In September 2017 the Linda Gee Mobility Garden was opened at Leamington Spa Hospital to help patients regain their independence. Each obstacle within the garden is designed to simulate everyday hazards around the home and garden as well as outdoors, while helping to improve balance and mobility and increase confidence.

New overnight service to provide expert end of life care locally

On 1 November 2017 a new service was launched to provide specialist overnight care for people in North Warwickshire who are approaching the end of their lives.

Working in partnership, the Trust and Mary Ann Evans Hospice developed a rapid response service that assesses patients and provides the care and support required between 10pm and 8am. The service is staffed by experienced Registered Nurses and Senior Health Care Assistants who have received the necessary training to meet the care needs of people approaching the end of their lives. They provide advice on physical symptoms like pain and sickness and administer injections to ease these problems if needed. In addition to helping to manage physical symptoms, staff offer emotional support for patients and their families.

Enhancing Care for Queensway Court Patients

A pilot to provide enhanced care for patients on the District Nurse caseload at Queensway Court launched in November 2017. This was a collaborative effort between the Trust, GP practices in Leamington, Queensway Court and Warwickshire County Council.

The two nurses started in post in November 2017, with the overall aim of improving the quality of life for residents with complex needs and to minimise their risk of an unplanned hospital admission. They are also supporting the development of closer working relationships between health and social care in supported care facilities.

Refurbished Ambulatory Care Unit

In December 2017 the Trust opened a refurbished Ambulatory Care Unit at Warwick Hospital. The unit supports early diagnosis and access to treatment in the most appropriate setting, without patients having to stay in hospital any longer than necessary. It also enhances patient experience and helps staff to deliver care in the most efficient and safe way. The refurbishment work included the creation of a new waiting and reception area, implementing four new consulting rooms and a multidisciplinary office and a refurbishment of the whole unit.

Patients' positive feedback on Cancer Care

Cancer care at the Trust received extremely positive results in a national survey of patients commissioned by NHS England.

Designed to drive quality improvements, the National Cancer Patient Experience Survey asked patients to score different elements of their treatment. Patients were also asked to provide an average rating of care whereby zero indicates very poor care and 10 very good

care - patients scored the Trust 9 out of 10. This, like with many other key measures of the Trust's care, was above the national average for similar NHS organisations.

System for Electronic Notification and Documentation (SEND)

A new system for recording National Early Warning System (NEWS) observations for identifying deteriorating patients was implemented throughout 2017/18. After extensive testing and input from clinicians, an electronic system called SEND was rolled out across our acute areas, replacing paper charts. Developed by Oxford University Hospitals NHS Foundation Trust and the University of Oxford, SEND has been shown to improve patient safety by reducing errors and improving the escalation process of a deteriorating patient.

Performance Analysis

Review of 2017/18 objectives

Public and Patient Engagement

| | |
|---|---|
| Embed the integrated care delivery model we have with Social Care to deliver improved outcomes for patients | <ul style="list-style-type: none"> • Latest data (February 2018) show that 52.3% of patients received their HomeFirst assessment on the day of referral. Plans are in place to improve performance. These include; accurate coding for delays, focus on this via the Delayed Transfer of Care program. |
| Improve the patient experience when booking visits, appointments or operations | <ul style="list-style-type: none"> • Work streams have been identified and key performance indicators have been agreed for immediate monitoring. • Delays in implementing Netcall 2 due to software issues. |

Workforce and Leadership

| | |
|---|---|
| Develop teaching and training capacity within the Trust and prepare for Buckinghamshire Medical School placements | <ul style="list-style-type: none"> • The first cohort of placements started in March 2018. The General Medical Council visited in September 2017 and gave positive overall feedback. |
| Embed processes to review elective capacity to inform future plans for operating theatre staffing and investment | <ul style="list-style-type: none"> • Referral to Treatment (RTT) Recovery Board established, and plan in place. Improvement in RTT position noted. • Theatre Capacity plan completed. Outpatient capacity plan in progress. |

Service Development

| | |
|---|---|
| Open the new Stratford Hospital which will include a Health and Wellbeing Centre, promoting self-care | <ul style="list-style-type: none"> • Stratford Hospital and Health and Wellbeing Centre (Café Lomas) opened in August 2017. • Care Navigators for Café Lomas appointed. Partnerships with Voluntary sector are well established. Working with Warwickshire County Council on developing success measures. |
| Subject to commissioner support, mobilise the Out of Hospital (OOH) Service model achieving key transitional milestones | <ul style="list-style-type: none"> • Outcome measures agreed and all milestones achieved • Contract signed in November 2017 and mobilisation of contract on plan for April 2018. • Working Together Boards launched and meetings progressing. |
| Open a Midwife-Led Unit (MLU) at | <ul style="list-style-type: none"> • Building work started on site in January 2018 and due to be |

| | |
|--|---|
| Warwick Hospital and review maternity capacity requirements | <p>completed in August 2018.</p> <ul style="list-style-type: none"> • Dedicated fundraising appeal launched to fund enhancements, it is progressing well. • Revised activity assumptions and financial flows presented to Board of Directors. |
| Enhance patient safety through the use of technology to record and escalate patient observations | <ul style="list-style-type: none"> • Twelve wards now use SEND (System for Electronic Notification and Documentation) for recording National Early Warning System (NEWS) observations for identifying deteriorating patients. Full roll out of the system continues. |
| Improve medicines management, efficiency and safety through the implementation of a prescribing system | <ul style="list-style-type: none"> • A pilot of Lorenzo e-prescribing has successfully taken place on Feldon Ward. Full roll-out now commencing. |

Partnerships

| | |
|---|--|
| Review and further develop partnership arrangements with local health and social care providers and with Wye Valley NHS Trust | <ul style="list-style-type: none"> • Foundation Group model implemented. Executive appointments made and first meeting of Group Strategy Committee took place in January 2018. SWFT Clinical Services Ltd commissioned to provide strategic financial advice. • Out of Hospital contracts awarded, being mobilised for April 2018 go live. • Proposals developed jointly with CCG and local providers to progress accountable care. • Homefirst objectives reviewed with Warwickshire County Council and relaunched. |
|---|--|

Sustainability

| | |
|---|---|
| Refresh the Corporate IT Strategy to include the development of a population health management system | <ul style="list-style-type: none"> • Refreshed Corporate IT Strategy approved by Board of Directors on 5 July 2017. |
| Redesign 0-19 years services to be the provider of choice for commissioners | <ul style="list-style-type: none"> • Awarded Solihull Healthy Child Programme and successful mobilisation. • Awarded the contract to provide Health Visitor services across Warwickshire. • Engaged in tendering process for other key services. |

Trust performance against national targets

| | |
|--|--|
| 18 weeks referral to treatment target (>92%) | Not achieved – 90.8% Unfortunately the Trust narrowly missed the 92% target. The Trust is working with high volume specialties to ensure they are equipped to manage demand and achieve the target set. |
| A&E target (>95%) | Not achieved – 91.5 % Most NHS providers were set a 90% target for the year but due to our historically strong performance we were required to maintain 95%. The national four hour target is something we always strive to meet, however this winter was a very challenging time for the NHS and we too experienced unprecedented demand on our hospital and community services. The A&E department at Warwick Hospital was exceptionally busy throughout this period but thanks to our system wide approach the Trust continued to be one of the top performing trusts in the West Midlands in 2017/18. |
| 31-Day 'Diagnosis to treatment' target for patients with diagnosed cancer (>85%) | Final March figure will not be published until early May – expected to be 98.3% full year |
| 62-Day 'Diagnosis to treatment' target for patients with suspected cancer (>85%) | Final March figure will not be published until early May – expected to be 85.9% full year |
| Reduction in C.Difficile cases | Achieved – 5 cases |
| Reduction in hospital acquired MRSA cases | Achieved – 0 cases |

Activity for the Trust over the last three years

| Activity | 2017/18 | 2016/17 | 2015/16 |
|---|---------|---------|---------|
| A&E Attendances | 75,052 | 70,394 | 66,730 |
| Ambulatory First Attendances | 3,881 | 3,392 | n/a |
| First Outpatients Attendances | 91,482 | 90,107 | 85,571 |
| Follow-up Outpatients Attendances | 184,230 | 180,178 | 174,889 |
| Non-elective (Emergency) Admissions | 24,623 | 23,536 | 26,394 |
| Elective (Planned) Inpatient Admissions | 4,364 | 4,314 | 4,502 |
| Elective (Planned) Day Cases | 30,418 | 28,137 | 27,729 |
| Births | 2,861 | 2,863 | 2,658 |
| Community Contacts – Adult and Children Services | 615,632 | 609,692 | 580,561 |
| Community Therapy Contacts – Adult and Children Services* | 100,300 | 109,047 | 108,674 |

***Community Therapy Contacts:** Over the past couple of years the attribution of activity within the community contacts section has been amended to reflect changes within the structure of the services. To consolidate some of these changes the Community Therapy Contacts now incorporates both Adult and Children's services. Please note Physiotherapy and Occupational Therapy Community Children's joint assessments are now counted once, previously these were counted as two contacts.

The Outpatient numbers above exclude Physiotherapy, Occupational Therapy, Orthotics, Podiatry and Dietetics; however these numbers are shown below:

| Activity | 2017/18 | 2016/17 | 2015/16 |
|--|---------|---------|---------|
| Therapy - First Outpatient Appointment | 35,202 | 34,892 | 33,782 |
| Therapy – Follow up Outpatient Appointment | 88,020 | 84,188 | 83,782 |

Financial Performance Review

Please note the Trust's financial position for 2017/18 is based on a consolidated financial position of the Trust and its wholly owned subsidiary, SWFT Clinical Services Ltd.

The Trust delivered a £10.183m control total surplus for 2017/18. This is a fantastic achievement for the Trust and enables investment into services and capital developments, which benefit our local communities. The table below reconciles the surplus position reported in the Trust's Statement of Comprehensive Income (SOI) to the performance against its Department of Health and Social Care control total surplus:

| | £'000 |
|--|---------------|
| Retained surplus for the year (per SOI) | 12,009 |
| <i>Control total adjustments:</i> | |
| Less: reversal of impairments | -934 |
| Less: donated assets income and depreciation | -1,296 |
| Add: Prior Period Adjustment for SWFTCS consolidation of retained earnings | 404 |
| Control total surplus | 10,183 |
| Sustainability and Transformation Funding (STF) | 7,058 |
| Control total surplus excluding STF | 3,125 |

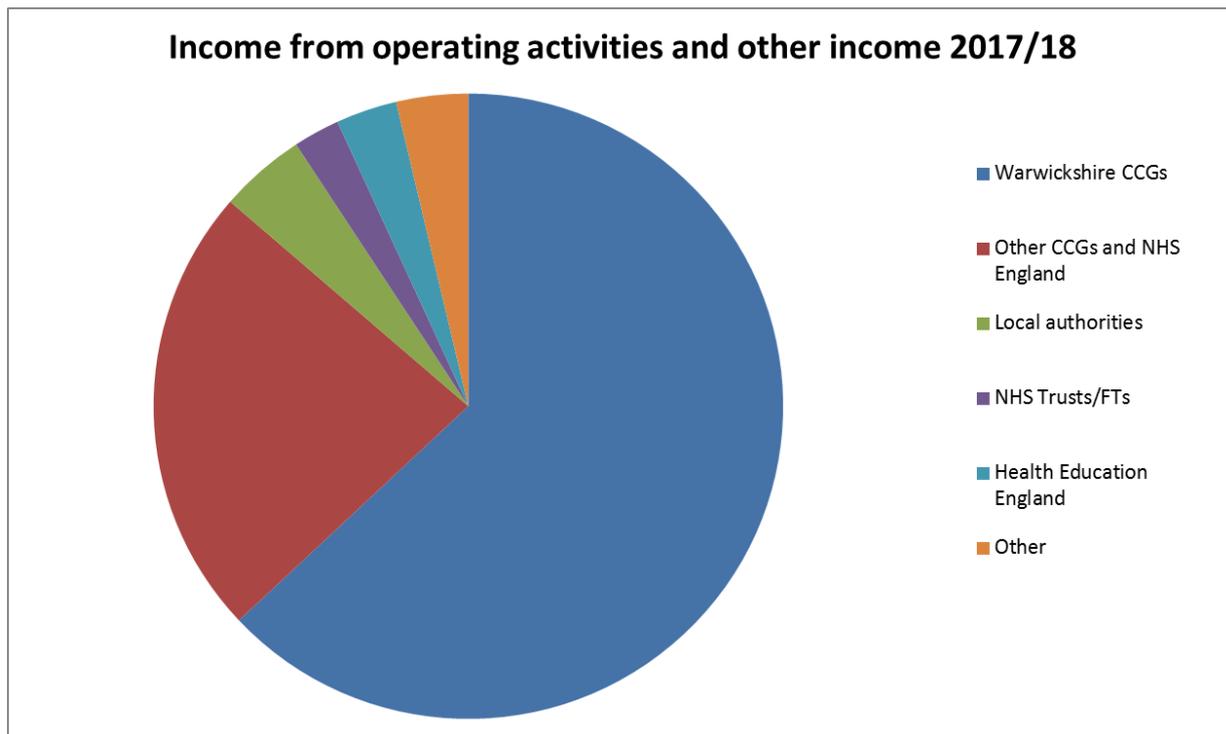
Within the control total £10.183m surplus, the Trust received a total of £7.058m Sustainability and Transformation Funding from NHS England. The purpose of Sustainability and Transformation Funding (STF) is to provide the NHS with the resources it needs as part of the Five Year Forward View to sustain services. The Trust's control total surplus excluding STF monies was £3.125m.

Statement of Financial Position (Balance Sheet)

During the year the Trust increased its net assets by £23.396m (23.9%) from £97.876m to £121.272m. This increase is primarily explained by i) the Trust's £12.009m retained surplus for the year; ii) and a £10.539m valuation increase in the value of the Trust's property following the end of year revaluation exercise.

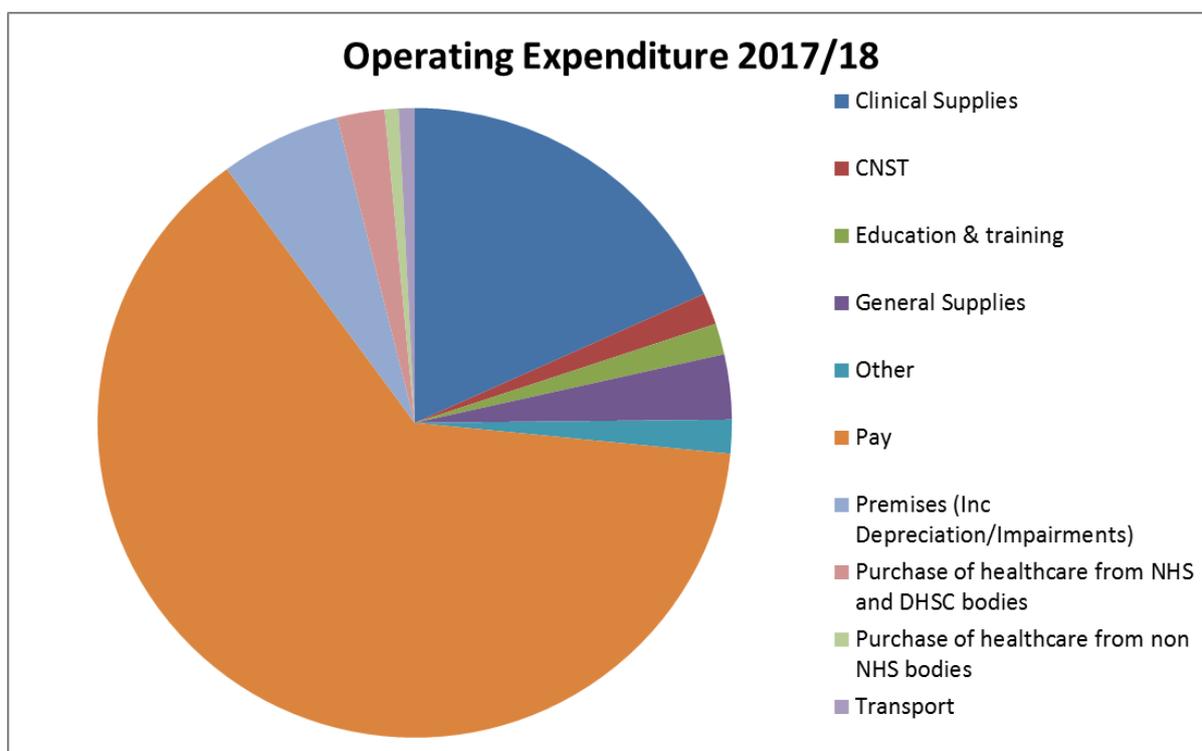
Income

The Trust earned income of £289.6m in 2017/18, a rise of £21.9m (or 8.2%) compared to the previous year (2016/17, £267.7m). Of this, £256.1m arose from patient care activities, with the remaining £33.5m generated as other operating income. The majority of the Trust's income is sourced from its main commissioner, South Warwickshire Clinical Commissioning Group. The following chart shows the split of income by main source.



Operating Expenditure

The Trust incurred operating expenses of £273.78m in 2017/18, a rise of £15.03m (or 5.8%) compared to the previous year (2016/17, £258.75m). Pay costs continue to account for the majority of expenditure, with £173.42m (or 63%) in 2017/18 (2016/17, £166.54m and 64%).



Capital Expenditure

The Trust incurred £9.38m of capital expenditure for 2017/18. The main items of spend

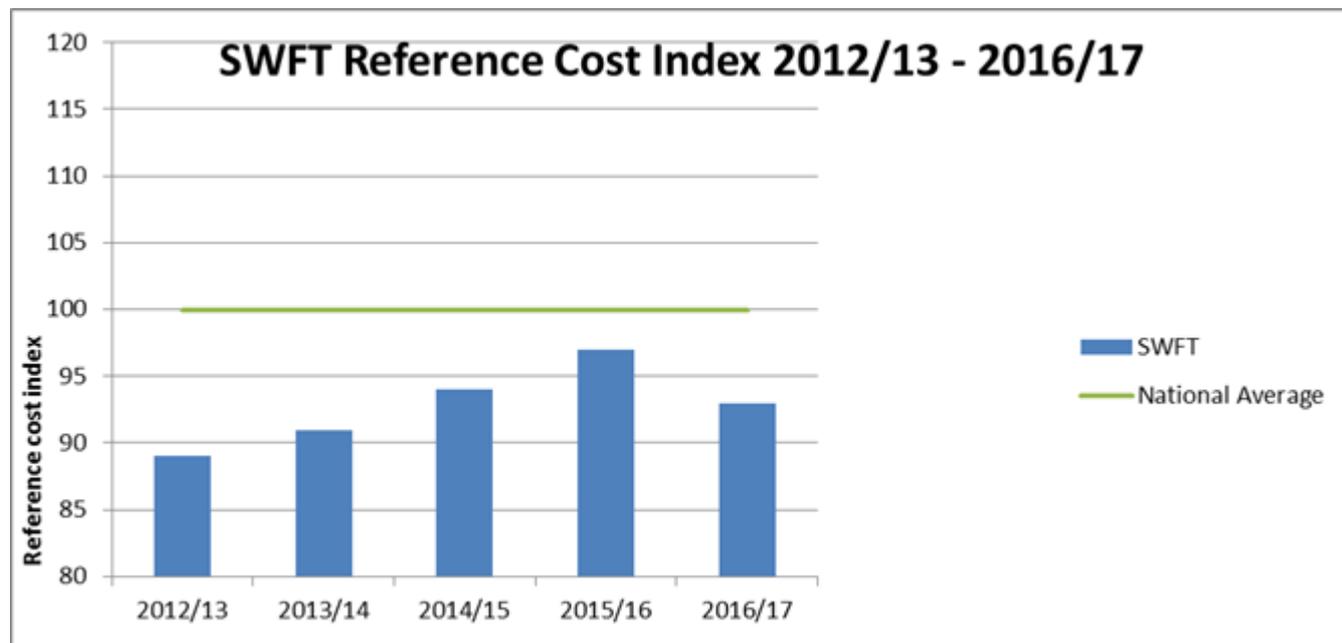
were: £3.4m on the Stratford upon Avon hospital development; £1.1m IT programme; £0.9m on medical equipment; £0.8m on Guy/Oken ward refurbishment (front door); £0.6m midwifery led unit; £0.6m on essential backlog maintenance and £0.4m on A&E staff base refurbishment.

Financial Viability

Unlike many other NHS providers the Trust has continued to generate a surplus in 2017/18 and plans to generate a further surplus again in 2018/19. The widely reported challenges to NHS finances continue to require a focus on reducing waste, waiting and variation in service delivery and the securing of acceptable contractual arrangements with commissioners.

Reference Cost Index

Each June/July, every NHS Trust and Foundation Trust is required to calculate and submit the unit cost of each activity to the Department of Health and Social Care. Costs must be reconciled to the annual Financial Statements. The Department of Health and Social Care uses this data to calculate a national average Reference Cost Index. This index informs the Payment by Results (PbR) National Tariff, to determine how much Trusts are paid for carrying out their services. The national Reference Cost Index (RCI) is published each autumn (usually November) by the Department of Health and Social Care. An RCI of 100 is the national average. Our acute services have consistently been lower than national average for several years, implying that we are a relatively financially efficient provider. The chart below shows the Trust's RCI performance over the last 5 years.



Various work streams and projects continue to run to redesign services for patients to reduce waste, waiting and variation, which in turn lead to reduced costs. The Trust has continued to deliver surpluses, achieved at the planned level, and invest in improvements to facilities, against this challenging backdrop.

Cost Improvement Programme

The Cost Improvement Programme (CIP) for 2017/18 of £8.7m (2016/17, £8.0m) was achieved in full, although only half of this was achieved recurrently (2016/17, 70% achieved recurrently). The CIP for 2018/19 is set at £9.2m.

The Trust is engaged in a number of productivity and efficiency schemes both within the Trust and engaging with the wider health and social care organisations across the region in order to help the Trust deliver its CIP for 2018/19. Schemes include Out of Hospitals transformation plans, Hospital Pharmacy Transformation Programme; the Procurement Transformation Plan; and the Estates and Facilities Productivity and Efficiency Project, as well as utilising benchmarking data from the NHS Improvement Model Hospital portal and internal Service Line Reporting data to identify opportunities for potential efficiencies.

Current and Future Developments

Midwifery Led Unit

In January 2018 construction work started on the new Midwifery Led Unit which is being built on site at Warwick Hospital.

The dedicated Midwifery Led Unit will offer expectant parents the opportunity to have their babies in a comfortable, homely environment, rather than a more clinical setting. The new facility will be open in summer 2018.

Developing Ellen Badger Hospital

At the beginning of 2018 the Trust created a new, enhanced in-patient facility at Ellen Badger Hospital. This was the first phase of longer term developments for the hospital. The Trust is working with key stakeholders, including GPs and members of the local community, to identify future service provision. Expansion plans for the site will be shared for feedback later in the year.

Provider of Health Visitor Services across Warwickshire

In December 2017 the Trust was successful against other bidders in a procurement exercise undertaken by Warwickshire County Council and awarded another two year contract to provide Health Visitor services across Warwickshire.

These are vitally important services for the Trust as they provide a real opportunity to influence good health and wellbeing at an early age for children and their families. We are looking forward to working with the local authority to maximise this opportunity.

Electronic Patient Record

STP capital has been secured to progress the implementation of an electronic patient record for community services and hospices across Warwickshire. This system (EMIS) will also integrate with primary care and start the journey towards an integrated care record. This work will complement the wider digital vision that has been discussed at the Better Health, Better Care, Better Value Board. In line with the national vision we will move all organisations across Coventry and Warwickshire onto one approach so that every member of the public has an integrated care record. At the appropriate point the systems across Warwickshire will be revised in line with this digital vision.

Environmental and Sustainability

The Trust recognises our environmental obligations and we are committed to minimising our impact on the local environment and helping to improve it. The Trust has taken significant action to achieve our aims, investing in spend to save schemes and collaborating with local partners to ensure our services and team are fit for the future.

Sustainability Strategy

A Sustainable Development Management Plan overarches our sustainability efforts. The Strategy is underpinned by the five key principles of sustainable development:

- Living within environmental limits
- Ensuring a strong, healthy and just society
- Achieving a sustainable economy
- Promoting good governance
- Using sound science responsibly

As a significant employer in the region with over 4,400 staff working out of four hospitals and community settings, the Trust can make a significant contribution towards the NHS sustainable development agenda. The way we deliver our services, manage our facilities and consume resources all impact on the local economy, society and the environment. The attitudes and values of our people also have an important bearing on our performance, reputation and ability to meet targets.

2017/18 Highlights

LED Lighting

During the course of the year, the Trust took advantage of the Salix Seels funding opportunity and installed a number of LED lighting schemes throughout the hospital. The accessible areas which benefited during this reporting period were: the Keith Lee Suite, Day Surgery, Catheter Laboratory, Radiology Department, Women's Unit, Colposcopy, Finance Department and Main Corridors. It is estimated that Energy consumption will be reduced annually by 189,775kWh which equates to £24,671. It is anticipated that Carbon emissions will be reduced annually by 85.27 tCO₂. The Trust will be looking to apply for Salix funding in future years to make further reductions in carbon emissions. The Trust has also incorporated LED lighting schemes during the design and construction of the new Stratford Hospital and the recent refurbishment of the Ellen Badger Hospital.

Combined Heat and Power

The Combined Heat and Power unit at Warwick Hospital which provides a renewable supply of hot water and electricity to part of the hospital was successfully commissioned in June 2017. Early indications show that the unit is providing the expected savings in carbon emissions and energy costs which are estimated at 1063 tCO₂ and £40,000 respectively. The unit has been a great success.

e-States

The Estates department has initiated a mobile system for managing maintenance with their asset management system provider, Agility. This is currently in the development stage and is being trialled. This will reduce the volume of printed dockets for breakdown and preventative maintenance. It is estimated that approximately 16,000 dockets are printed each year, when fully implemented this will significantly reduce paper consumption, printing costs and will also increase efficiency and productivity.

Corporate Social Responsibility

We welcomed approximately 30 employees from Jaguar Land Rover to the Central England Rehabilitation Unit at Leamington Spa in the summer for a volunteering and team building day. The team worked in conjunction with the grounds staff and assisted with the trimming of the high level tree lines and general gardening and maintenance. This was a very successful and productive day and we are very grateful to Jaguar Land Rover for their assistance and hope to build on this relationship to do similar events in the future.

Cycling

As part of the national cycle to work day, the Trust took part in the cycle to work scheme this year to encourage active travel to work. The Trust also installed some new cycling shelters in anticipation of the increase in uptake from the scheme.

Food for Life Partnership

Over the last two years, the Trust has worked in partnership with the Soil Association Food for Life, their Catering Services provider, Public Health, Warwickshire County Council and food suppliers to promote and develop better food provision for their staff, patients and visitors. A food and drink strategy has been commissioned to support staff, patients and visitors to improve their health and wellbeing and embed a sustainable healthy food culture. The programme also includes educational guided tours of Warwick Hospital's edible garden.

Heathy Options

The Trust has undertaken healthy cooking sessions in community settings entitled 'Cooking with Care'. These practical cooking sessions help staff support patients to cook at home. A number of audits were undertaken to reduce food wastage and also to support patients to eat their food leading to better clinical outcomes through improved nutritional care.

The Trust meets the sugar reduction target of 70% of drinks lines being sugar free. ISS is aiming for 100% sugar free. 60% of the Confectionery stocked is currently 250 calories or less, of which 20% less than 150 calories. At least 60% of pre-packed sandwiches and other savoury pre-packed meals (wraps, salads, pasties, pasta salads) available contain 400kcal (1680 kJ) or less per serving and do not exceed 5.0g saturated fat per 100g.

Waste Management

The Trust's waste management processes look to engage with the local community to ensure that the staff, patients and visitors see mirrored facilities in both in-patient and public areas of the hospital. Our primary focus is ensuring that the waste hierarchy is applied to all elements of waste produced and supporting the government set targets for waste reduction by 2020. Since our waste management contract changes in 2016, the Trust has been able to

achieve better results against waste reduction targets. One of the key aims that the Trust will look at is increasing our compliance in enhanced auditing in partnership with our waste contractors to drive further compliance in waste management. This should reduce our overall spend as an organisation and be the focus to demonstrate robust waste streams including initiatives to increasing our recycling opportunities, across the organisation.

Sustainability Projects 2017-/8

| Project | Description |
|---|--|
| Salix SEELS | Further LED lighting upgrades across our sites |
| ISO 140001 | Working towards international accreditation for our environmental management system |
| Green Spaces | Improve green space provision near the workplace and setup small growing areas and teams. Also allocate more seating and outdoor areas for patients and visitors to visit. |
| Electric Vans | Introduce electric or hybrid vehicles into the estates fleet to improve our travel footprint and reduce travel costs |
| Heating Systems | Provide new energy efficient boiler systems and identify potential for additional Combined Heating and Power units |
| Building Management Controls Upgrade | Upgrade our building controls to become wireless and reduce risk |
| Corporate Social Responsibility | Further volunteering events at our hospitals to improve the patient environment and engage with local organisations |

Emissions Report

The table below reports on the Trust's annual position with regard to non financial and financial information pertaining to utilities use. Utility consumption is related to emissions of carbon dioxide. The report is sectioned into area of emissions sources, type of utility used/generated, and the resulting carbon footprint measured in tonnes. Also included is the cost of consumption per utility for each reporting year. In future years, other emissions sources will be reported on once data collection is verified, including emissions from business mileage and procurement.

| Area | Type | Reporting Year | Consumption | Annual Spend |
|--|--|---------------------------------|--|---------------|
| Greenhouse Gas Emissions | Scope 1 (Direct) GHG Emissions. This includes gas used for heating and hot water. | 2015/16 | 2636 (Tonnes CO ₂) | £461,284 |
| | | | 14,293,679 (kWh) | |
| | | 2016/17 | 2964 (Tonnes CO ₂) | £434,719 |
| | | | 16,111,885 (kWh) | |
| | | 2017/18 | 2419 (Tonnes CO ₂) | £260,267 |
| | | | 13,144,827 (kWh) | |
| | Scope 2 (Energy Indirect) Emissions. This includes purchased electricity from the national grid. | 2015/16 | 3791 (Tonnes CO ₂) | £956,033 |
| | | | 8,202,845 (kWh) | |
| | | 2016/17 | 3743 (Tonnes CO ₂) | £1,014,283 |
| | | | 8,419,787 (kWh) | |
| 2017/18 | | 2,637 (Tonnes CO ₂) | £532,599 <i>(This figure excludes CHP Electric and CHP Gas as they are reported separately in 2017/18).</i> | |
| | | 5,072,378 (kWh) | | |
| Finite Resources | Water Supply and Sewage | 2015/16 | 88,778 m ³ | £194,082 |
| | | 2016/17 | 89,433 m ³ | £216,042 |
| | | 2017/18 | 85,461 m ³ | £206,388 |
| | Fuel Oil (for backup power generation) | 2015/16 | 50 tonnes CO ₂ | Not available |
| | | 2016/17 | 63 tonnes CO ₂ | Not available |
| | | 2017/18 | 81 tonnes CO ₂ | £17,670 |
| | | 8 | | |
| Onsite Generation | Solar PV Panels | 2015/16 | 74,497 (kWh) | £10,034 |
| | | 2016/17 | 148,024 (kWh) | £12,370 |
| | | 2017/18 | 134,383 (kWh) | £11,153 |
| | CHP Electric | 2017/18 | 4,445,140 (kWh) | £173,360 |
| | | | 2,409 (tonnes CO ₂) | |
| | CHP Gas (used for electricity generation) | 2017/18 | 10,446,079 (kWh) | £206,832 |
| | | | 1,922 (tonnes CO ₂) | |
| Notes: | | | | |
| 1. Emission schedules do not contain data from Stratford Hospital (administered by SWFT Clinical Services) | | | | |
| 2. Higher gas consumptions are due to the combined heating and power (CHP) production of electricity | | | | |
| 3. Lower electricity consumptions from the national grid are due to electrical power being produced on site from the CHP | | | | |

Quality

Quality and patient care is at the core of all of the organisation's activities. A number of mechanisms are in place to govern and monitor Trust performance to ensure high quality services are delivered. These include meeting the regulations and standards set by the Care Quality Commission (CQC), reporting of serious incidents, Commissioning for Quality and Innovation (CQUIN) schemes and Infection Prevention and Control. Further details on these areas can be found in the Quality Report.

CQC

Following inspections during December 2017 and January 2018, the CQC announced their findings in March 2018.

The Trust, despite facing one of the most challenging winters on record and welcoming inspectors at a time when it was experiencing extreme demand, received an overall rating of 'Good'.

Throughout the report, the CQC highlighted lots of areas of outstanding practice which has enabled the Trust to improve its rating from 'Requires Improvement', which it was given following an inspection in March 2016. This new rating sits alongside other national indicators which have continually placed the organisation as one of the top healthcare providers in the country.

Areas of the organisation that have been praised by the CQC are maternity, out of hospital services and the hospital's end of life care. The Trust's bereavement service was described as responsive, compassionate and highly efficient. Maternity services were recognised for implementing an electronic record system, which enables staff and women to access up-to-date information on their care which supports informed decision making. The Trust's Out of Hospital care also received praised, including a new overnight service which provides specialist care for people in North Warwickshire who are approaching the end of their lives.

There were recommendations that the CQC highlighted as important and these are all being addressed, including; the checking of equipment, controlled medicines and medicine storage temperatures are completed daily. Action plans have been developed for all recommendations and are monitored by the CQC monitoring group.

Access to Information

Freedom of Information (FOI) requests

The Freedom of Information Act 2000 (FOIA) gives rights of public access to information held by public authorities and the Trust is classed as a public body under this Act.

Public authorities spend money collected from taxpayers and make decisions that can significantly affect many people's lives. Access to information helps the public make public authorities accountable for their actions and allows public debate to be better informed and more productive. In addition, access to official information can also improve public confidence and trust if government and public sector bodies are seen as being open. Of note, recorded information includes printed documents, computer files, letters, emails, photographs, and sound or video recordings.

As such, the main principle behind FOI legislation is that people have a right to know about the activities of public authorities unless there is a good reason for them not to. This is sometimes described as a presumption or assumption in favour of disclosure.

For 2017/2018 the Trust received 402 requests compared to 363 requests received in 2016/2017, reflecting a 10% increase.

Subject Access Requests (SARs)

Under the right of subject access, an individual is entitled only to their own personal data and not to information relating to other people (unless they are acting on behalf of that person), and it also provides a right to see the information contained in personal data rather than a right to see the documents that include that information.

For 2017/2018 the Trust received 1,189 requests compared to 1,114 requests received in 2016/2017 representing a 6% increase in the number of requests received from the previous year.

SARs include requests from individuals, police, solicitors, insurance companies, other third parties (for children, adults and deceased patients) and other health professionals. During both years, Department of Work & Pensions' requests have been received, these requests are predominantly requests for medical reports, which are undertaken by the clinician involved in the care of the patient and are not classed as SARs.

There continues to be a large number of requests from third parties (such as the police, relatives or other professionals) and these must be thoroughly checked to ensure that the Trust is compliant with the Data Protection Act 1998.

Prompt Payment Code and the Better Payment Practice Code

The Department of Health and Social Care requires that Trusts pay their non-NHS trade creditors in accordance with the Confederation of British Industry (CBI) Prompt Payment Code and Government Accounting Rules. The Trust's payment policy is consistent with the CBI Prompt Payment Code and Government Accounting Rules and its measure of compliance is:

| Categories | 2017/18 | | 2016/17 | |
|---|---------|---------|---------|--------|
| | Number | £'000 | Number | £'000 |
| Total Non-NHS trade invoices paid in the year | 50,795 | 100,654 | 53,583 | 98,668 |
| Total Non-NHS trade invoices paid within target | 41,919 | 75,267 | 46,897 | 82,393 |
| Percentage of Non-NHS trade invoices paid within target | 83% | 75% | 88% | 84% |
| Total NHS trade invoices paid in the year | 969 | 14,696 | 1,352 | 22,512 |
| Total NHS trade invoices paid within target | 686 | 12,054 | 1,136 | 20,147 |
| Percentage of NHS trade invoices paid within target | 71% | 82% | 84% | 89% |

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of the receipt of goods or valid invoice, whichever is later. In March 2010 the Trust signed up to the Prompt Payment Code where the Trust will try and ensure that all suppliers are paid within agreed terms.

Payroll engagements

For all off-payroll engagements as of 31 March 2018, for more than £220 per day and that last for longer than six months:

| | |
|--|---|
| No. of existing engagements as of 31 March 2018 | 9 |
| Of which... | |
| No. that have existed for less than one year at time of reporting. | 7 |
| No. that have existed for between one & two years at time of reporting. | 1 |
| No. that have existed for between two and three years at time of reporting. | 1 |
| No. that have existed for between three and four years at time of reporting. | 0 |
| No. that have existed for four or more years at time of reporting. | 0 |

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018, for more than £245 per day and that last for longer than six months:

| | |
|--|----|
| No. of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018 | 14 |
| Of which... | |
| No. assessed as caught by IR35 | 14 |
| No. assessed as not caught by IR35 | 0 |
| No. engaged directly (via PSC contracted to department) and are on the departmental payroll | 12 |
| No. of engagements reassessed for consistency / assurance purposes during the year. | 0 |
| No. of engagements that saw a change to IR35 status following the consistency review | 0 |

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2017 and 31 March 2018:

| | |
|--|----|
| No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year. (1) | 0 |
| No. of individuals that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure should include both off-payroll and on-payroll engagements. (2) | 16 |

Patient Experience

In order to help patients understand their conditions and the options for treatment, staff draw on their expertise and accepted guidelines to produce a large amount of patient information. To ensure this information is suitable and easy to understand, it is reviewed by a mix of clinical and non-clinical staff members as well as a member of the public who is part of the Patient's Forum. This, the Trust's Patient Information Group meets on a monthly basis and also assesses clinical practice guidelines used by staff.

Patient Safety and Risk Management

Patient safety is fundamental to the services provided by the Trust and is critical for delivery of safe and high quality care. To ensure patient safety is monitored closely, the Trust's Patient Safety Surveillance Group has continued throughout 2017/18. For further information on the Trust's approach and performance in patient safety please refer to the Quality Report.

NHS Core Standards for Emergency Preparedness, Resilience & Response (EPRR)

Following self-assessment, the Trust was able to declare substantial compliance with the EPRR Core Standards assessment for 2017/2018, achieving compliance in 65 out of 66 standards. This was confirmed at the Confirm & Challenge meeting in October 2017. The Trust has a rectification plan to address the standard that is not fully compliant.

Business Continuity Plan

A full review of all the Trust's Business Continuity plans continues and has been well supported by the Associate Directors of Operations within each division. These have been updated to reflect some issues identified during the past financial year.

One live incident involved a national cyber-attack in May 2017. During this time, the Trust took precautionary measures and the Incident Control room was operational for an extended period, to ensure that issues arising from the national incident were managed appropriately. A detailed report of the incident management was submitted as part of the EPRR Core Standards submission.

Other Emergency Planning Activity

The Emergency Planning Lead has been working with other Warwickshire Emergency Planning Leads to develop a training package to be delivered to all strategic and tactical incident commanders. Training commenced in March 2018 and all Trust incident commanders are required to attend one training session per year. The sessions will be held on a rotational monthly basis at partner sites across Coventry and Warwickshire. The training includes an exercise scenario and each session is open to incident commanders. This collaborative working will strengthen incident management across Coventry and Warwickshire.

Managing Claims against the Trust

The Trust is committed to managing all clinical and non-clinical claims in accordance with NHS Litigation Authority (NHSLA) requirements.

The NHSLA schemes relevant to the Trust are:

- the Clinical Negligence Scheme for Trusts (CNST), covering clinical negligence claims; and
- the Liabilities to Third Parties Scheme (LTPS) and the Property Expenses Scheme (PES) - known collectively as the Risk Pooling Schemes for Trusts (RPST), covering non-clinical risks.

The Trust's Legal Services Co-ordinator submits monthly reports to the Trust's Audit and Operational Governance Groups (AOGGs) and Risk, Health and Safety Groups. These reports detail new claims, settled or withdrawn claims, and on-going claims. Also included are lessons learnt from settled or withdrawn claims. An annual report is submitted to the confidential section of the Board of Directors meeting. As well as detailing new claims, settled or withdrawn claims, on-going claims and any lessons learnt, this report also provides details of associated costs.

Complaints

The Trust recognises the value of learning from concerns and complaints, and listening to patients, families and carers enables the Trust to focus on what really matters. Dialogue with staff is encouraged to provide the opportunity for immediate action and resolution where possible. Learning from complaints ensures effective service improvements can be made, providing our patients with the right care, treatment and support. All complaints are taken very seriously and clear learning identified and reported. For a full analysis of the Trust's process and performance in 2017/18 please see the Quality Report.

Community Engagement

Patient Forum

The Patient Forum has acted as an independent body that represents Trust patients since it was established nine years ago. The Forum currently has 15 Members and is always open to new members.

Each member of the Forum is linked with a particular area so they are a familiar face to staff. Much of the Forum's work revolves around improving the patient experience therefore projects involve carrying out cleanliness inspections, food audits, patient surveys, interviews and observations.

Members of the Forum attend the following Trust meetings:

- Patient Information Group
- Patient Safety Surveillance Group
- Patient Experience Group
- Car Park Group
- Community and Hospital Information Exchange Forum (CHIEF)
- Hotel Services Quarterly meetings
- End of Life Strategy meetings
- Patient Care Committee
- Ethnicity and Diversity Group
- Clinical Practice Group
- Maternity Group
- Meetings with Directors
- Board of Directors

This year the Forum has been involved in the Patient Led Assessment of the Care Environment (PLACE) inspections and the Council of Governors' Patient Care Committee.

The Chair and Vice Chair of the Forum also meet with Trust Directors on a monthly basis to exchange information and updates on projects.

Volunteers

Volunteers make a vital contribution to the Trust, assisting in many different areas to improve the experience of our service users. Volunteers are often the first face people see when they enter our hospital sites, greeting visitors and providing directions if necessary. Volunteers are also based on wards to assist with tasks like choosing patient meals and making drinks. An important element of the ward volunteer role is taking part in activities aimed at alleviating boredom and loneliness.

The Trust's Home Support Volunteer programme, launched in January 2016, has had further success throughout 2017/18 with the team growing to include in excess of 30 volunteers. Our Children's Community Nursing Team link volunteers to families who have a child with a

complex healthcare need or life limiting condition. When needed, volunteers carry out a range of different tasks like shopping or helping around the home with gardening or decorating.

The committed team of volunteers at Leamington Spa Hospital play an important part in the rehabilitation of patients who may stay at the facility for extended lengths of time to receive therapy. Central to their varied role is facilitating social interaction. This can be aligned to clinical care, where volunteer assistance results in group therapy sessions being accessible to more patients, or focussed on providing a welcome distraction from rehabilitation through a hospital choir or events like tea parties and film nights. In addition to working with patients, the Leamington Spa Volunteer team provide hand massage sessions in partnership with the Trust Chaplaincy team.

For more information on volunteering for the Trust please see our website:

<https://www.swft.nhs.uk/join-us/volunteer>

Further opportunities are available for students through Kissing it Better, a charitable organisation that works with local community members to make a difference to the care of patients. Kissing it Better volunteers provide patients with company by visiting them on wards throughout the year and performing carol services at Christmas. A popular initiative is the salon created by Kissing it Better at Warwick Hospital. Local beauty students gain experience by providing a range of discounted treatments for patients, visitors and staff. More information can be found at: www.kissingitbetter.co.uk

Community and Hospital Information Exchange Forum (CHIEF)

CHIEF provides members of the local community the opportunity to have an input in the Trust's activities, providing advice and feedback to help to shape services while finding out about developments. Part of the Patient Forum, regular meetings are attended by community leaders, local councils and charities as well as Trust directors who present and answer questions on a range of topics.

Radio Warneford

In patients at Warwick Hospital can listen to a range of music broadcast via hospital radio station Radio Warneford. The station is staffed by volunteers who also fundraise for equipment where necessary.

League of Friends

Each of the hospitals; Warwick Hospital, Stratford Hospital, Leamington Spa Hospital and Ellen Badger Hospital has a League of Friends. These groups support their hospital by organising fundraising activities which have raised significant amounts of money. This enables equipment to be purchased and provides a valuable resource to support staff and enhance patient care.

Fundraising

The Trust has a Fundraising Department that supports individuals and organisations that raise valuable funds. Fundraising makes a big difference to the lives of patients, relatives and staff by enabling us to enhance equipment and the environment we offer. Thanks to generous donations and fundraising efforts some of the items that we have been able to

purchase in 2017/18 include; enhanced level mattresses to provide additional protection against skin damage for intensive care patients, a realistic programmable baby manikin for the Special Care Baby Unit used to train doctors and nurses for different scenarios and specialist falls prevention beds.

In April 2017 we launched a £200,000 fundraising appeal to support the development of an on-site Midwifery Led Unit at Warwick Hospital. Specific branding was developed and the appeal is known to the community as 'Birth and Babies'.

A community committee was established to support the appeal and the Observer series are the media partner, and have committed to running a monthly page on the appeal. Members of the community and local organisations have been extremely supportive of the appeal, making generous donations and hosting fundraising hosting events throughout 2017/18.

Accountability Report

Statement of Disclosure to the Auditor

Each of the individuals that were a Director at the date of this report has confirmed that: So far as the Director is aware, there is no relevant audit information of which the NHS Foundation Trust's auditor is unaware, and the Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the NHS Foundation Trust's auditor is aware of that information.

Board Composition

The Board of Directors comprises a Non-Executive Chairman, six other Non-Executive Directors and six Executive Directors all with voting rights, one of whom is the Chief Executive.

In attendance at Board meetings, without voting rights, were an additional Non-Executive Director, two non-voting Executive Directors; the Director of Human Resources, the Managing Director for the Out of Hospital Care Collaborative and the Trust Secretary.

Appointment and Roles

The key Non-Executive roles within the Board are as follows:

- Chairman – Russell Hardy (from 1 June 2015)
- Vice-Chairman – Alan Harrison (retired on 21 February 2018) – Bruce Paxton as interim Vice-Chairman from 22 February 2018 (term of appointment to 31 January 2019)
- Senior Independent Director – Alan Harrison (retired on 21 February 2018) – Simon Page as interim Senior Independent Director from 22 February 2018 (term of appointment to 8 February 2019)
- Audit Committee Chair – Rosemary Hyde (to 30 December 2018)



Chief Executive

Date: 23/05/18

Board Member Profiles



Russell Hardy
Chairman

Russell Hardy joined the Trust as Chairman of the Board of Directors and Council of Governors from 1 June 2015.

Russell started his career as a business economist for Unilever and then moved into strategy and planning consultancy at Deloitte Haskins & Sells. He then joined retail conglomerate Kingfisher, where he held a number of roles including Deputy Finance Director for Comet. He then joined Safeway as Financial Planning Director before being promoted to become Fresh Food Director. At Safeway he played a key part in the turnaround of the business, which led to an invitation to run Dollond and Aitchison opticians as Chief Executive, ultimately taking that business through to a sale. Following that he joined Blacks Leisure Group as Group Chief Executive Officer leading that business for three years. Russell was appointed Chair of the Board of Governors of Nuffield Health in 2012 and has set up and operated a number of private businesses mainly in the healthcare market.

As well as his role at the Trust, Russell is also Chairman and owner of Maranatha 1 Ltd (trading as Fosse Healthcare Limited and Fosse ADPRAC) and is Chairman of Your Cherished a social enterprise that helps teenage girls with self-esteem issues.

Term of Appointment: until 31 May 2019

Declared Interests: Chairman of Nuffield Health and Nuffield Health Pension Scheme, Chairman and majority owner of Maranatha 1 Ltd (trading as Fosse Healthcare Limited and Fosse ADPRAC), Chair of 'Cherished' and Chairman of Wye Valley NHS Trust.



Glen Burley
Chief Executive

Glen began his NHS career in 1983 as a finance trainee, qualifying as a Chartered Public Finance Accountant in 1990. After reaching the position of Director of Finance for South Warwickshire Mental Health Services NHS Trust, he moved into an acute operational role when he became Director of Operations for the Surgical Division of University Hospitals Coventry and Warwickshire NHS Trust. In 2003 he was appointed as Deputy Chief Executive to Worcestershire Acute Hospitals NHS Trust and joined South Warwickshire in 2006, initially as interim Chief Executive. Since his formal appointment in 2008 the Trust has developed its local and national reputation moving through financial turnaround, achieving Foundation Trust status in 2010, and in 2011 completing the successful acquisition of Warwickshire Community Services.

Declared Interests: Chief Executive of Wye Valley NHS Trust, spouse is Chair of Governors at Myton School and Practice Nurse at Rother House, Medical Centre.



Dr Charles Ashton
Medical Director

Dr Charles Ashton joined the Trust from Worcester Acute Hospitals NHS Trust, where he held the post of Medical Director for 14 years. From a clinical perspective Dr Ashton was a Consultant Physician with a special interest in care of the elderly, stroke and clinical pharmacology. As well as the acute sector he has worked in stroke rehabilitation at Evesham community hospital and has also worked closely with primary care providing clinics at local health centres.

Declared Interests: Member of the Solihull Clinical Commissioning Group Governing Body and Medical Director of Wye Valley NHS Trust.



Jayne Blacklay
Director of Development and Deputy Chief Executive

Jayne trained as a pharmacist and worked at Warwick Hospital for a number of years before moving to the post of Performance Manager in 2000. She took over as Acting Director of Modernisation and Performance Management in 2002 and then moved on to be Director of Service Development and Performance Management in 2003. Jayne also took twelve months sabbatical leave in 2004 to undertake voluntary work in Ghana.

Declared Interests: Director of SWFT Clinical Services Ltd (a wholly owned subsidiary of South Warwickshire NHS Foundation Trust).



Tony Boorman
Non-Executive Director (non-voting from 1 June 2017. Voting from 4 April 2018)

Tony Boorman has wide ranging experience of consumer and regulatory issues. He is presently Managing Director Promontory Financial UK a specialist compliance and governance consultancy. Previously he was the Deputy Chief Executive and Deputy Chief Ombudsman, Financial Ombudsman Service. The Ombudsman, which is based in London's docklands, provides a national service which handles over 600,000 customer complaints and enquiries about financial services issues. He appears regularly on TV and radio programmes dealing with consumer and financial issues. Prior to joining the Ombudsman Service in 2000 Tony was Managing Director of Ofgem, the gas and electricity market regulator. He started his career in the electricity sector working in a variety of posts in the industry and, following a period with a consumer organisation, he became a founding Director of OFFER - the electricity regulator. Tony joined South Warwickshire GH Trust as a non-executive director in 2007. Previously he was a commissioner for judicial appointments overseeing the process used to appoint judges across England and Wales.

Term of Appointment: extended to 31 May 2018

Declared Interests: Director of SWFT Clinical Services Ltd (a wholly owned subsidiary of South Warwickshire NHS Foundation Trust) and employed in a senior position by a subsidiary company of IBM plc.

Spouse is trading as Thinkvivid (a market research consultancy) and is on the Advisory Board of Coventry Rape and Sexual Abuse Centre Ltd.



Dr Angela Brady
Non-Executive Director

Angela is a GP and brings clinical expertise to the board. Angela also has a master's degree in Medical Leadership, as well as extensive knowledge regarding patient safety and improving local services. Angela joined the Trust as a Non-Executive Director in January 2014.

Term of Appointment: extended to 30 December 2018

Declared Interests: Member of the Conservative Party and Chair of local association, Employed GP at Budbrooke Medical Centre, Part-owner of Lisle Court Medical Centre (premises only), Clinical Lead for mental health at Solihull Clinical Commissioning Group and Trustee of Hatton Park Residents' Association. Spouse is a GP partner at Croft Medical Centre.



Fiona Burton
Director of Nursing (from 1 October 2017 to 30 September 2019)

Fiona commenced a 2 year secondment as Director of Nursing for the Trust on 1 October 2017. She has worked at the Trust since 2013 and previously worked as the Deputy Director of Nursing and Head of Acute Nursing. Prior to that Fiona worked as Head of Nursing at Heart of England NHS Trust and a Nurse Consultant at University Hospitals Coventry and Warwickshire NHS Trust. Fiona has also worked at NHS Improvement and as Acting Director of

Nursing at Wye Valley NHS Trust for a short period of time.

Declared Interests: None



Alan Harrison
Non-Executive Director (to 21 February 2018)

Alan was appointed as Vice-Chair of the Trust in 2010 and Senior Independent Director in 2014. He is a former Chairman of the Staffordshire and West Midlands Probation Trust having overseen the merger of the two probation areas and their successful bid for Trust status. Alan became the first Chief Executive of England Athletics, and was responsible for setting up the new governing body for the sport in readiness for the 2012 London Olympics. He has also worked closely with disabled people and is board member of Accord Housing Association and a director of the Albatross Theatre Project, both organisations working with vulnerable people. He spent his early career with Courtaulds plc as a research scientist and following a succession of senior management roles, set up Courtaulds Specialty Fibres with its focus on the medical sector. He has managed a number of business turnarounds and led a worldwide business improvement programme for Courtaulds Fibres.

Term of Appointment: retired on 21 February 2018

Declared Interests: Director and Shareholder of Accord Housing Association, Justice of the Peace, Director of the Albatross Arts Project Ltd, and Board member of the Accord Group Treasury Ltd.



Rosemary Hyde
Non-Executive Director

Rosemary is a Chartered Accountant, and a former partner with PricewaterhouseCoopers. She left the partnership in 2001, since then she has built up a portfolio career, combining community roles with part time finance director and consulting assignments, and Non-Executive roles. Rosemary joined the Trust as a Non-Executive Director in January 2014.

Term of Appointment: extended to 30 December 2018

Declared Interests: Director and Shareholder of RPR Consultants Ltd, Trustee of Stratford upon Avon Arts House Trust, and Director of Stratford upon Avon Arts House (Trading) Ltd.

Spouse is Director and Shareholder of Brian Hyde Ltd, Spouse is Director of RPR Consultants Ltd.



Helen Lancaster
Director of Nursing (to 30 September 2017)
Director of Operations (from 1 October 2017 to 30 September 2019)

Helen commenced a 2 year secondment as Director of Operations for the Trust on 1 October 2017. Helen held the position of Director of Nursing between 1 January 2011 and 30 September 2017 after previously being the Associate Director of Nursing. She has worked in the Trust since 2004.

Helen also worked at the Department of Health as the development lead for 'patient and service user experience'. Helen started in the NHS as a student nurse and later trained as a midwife at University Hospitals of Leicester. She has held a number of Board level positions across the Midlands. Helen is the Trust's lead for a number of areas including single sex accommodation, safeguarding children and adults, privacy and dignity, quality of care and clinical governance, infection prevention and control, and patient experience.

Declared Interests: Board Member of West Midlands Quality Review Service and Specialist Adviser for the Care Quality Commission.



Kim Li
Director of Finance

Kim is a Business Studies graduate and began her public sector career with the Audit Commission as an external auditor. Kim qualified as a Chartered Public Finance Accountant in 1995 and joined Worcestershire Acute Hospitals NHS Trust a year later, working in a number of finance roles, including their Private Finance Initiative business case for a new hospital.

Kim joined South Warwickshire NHS Foundation Trust as Deputy Director of Finance in 2006 and had a key role in the Trust's financial turnaround, its successful Foundation Trust application and the integration of Community services.

Declared Interests: Director of SWFT Clinical Services Ltd (a wholly owned subsidiary of South Warwickshire NHS Foundation Trust).



Simon Page
Non-Executive Director

Simon has over 20 years of wide ranging leadership experience in the private sector as Chairman, Managing Director and Director. Simon's career has centred around retailing and manufacturing businesses operating within the consumer and building products markets. He has a strong background in marketing, sales and commercial leadership, working for some very well-known blue-chip brands, in both the prestige branded and mass-market arenas; these include Aga, Fired Earth, Villeroy & Boch and Rangemaster. This has given him a clear insight into working for complex international organisations, change management, strategy development and delivery, and of the importance of delivering success with and through others, especially in periods of change.

Term of Appointment: until 8 February 2019

Declared Interests: Owner and Director of Weathervane Consulting.



Bruce Paxton
Non-Executive Director

Bruce graduated from Bristol University with a BSc (Hons) in engineering in 1975 and joined Unilever's packaging business in the UK. After several jobs with the ice cream business and head offices, he moved to a leadership role with United Biscuits. His first factory manager role was running a microbiologically secure chocolate refinery, followed by an operations development remit across five factories in four European countries. After time as a business unit general manager and in a strategic development role, Bruce joined PepsiCo's snacks business in the UK, Walkers. This rapidly expanded into an operations role across more than a dozen countries, adding facilities and capacity with a team based in five countries. More recently, Bruce has been managing director of a machinery business supplying the pharmaceutical, food and healthcare devices sectors. He retired from full-time business late in 2011, and now supplies strategic advice part-time to sectors such as packaged goods, technology development and engineering.

Term of Appointment: until 31 January 2019

Declared Interests: Lay Member of the Admissions Steering Group at Warwick Medical School and spouse is an employee of the Trust.

Sue Whelan Tracy



Non-Executive Director (Voting from 1 June 2017)

Sue joined the Trust as a non-voting Non-Executive Director in February 2016 and became a voting Non-Executive Director on 1 June 2017.

Sue has a background in retail and corporate banking in the UK, Europe, the Caribbean and Australia. Her last executive post before embarking on a non-executive career was Marketing and Customer Engagement for Barclays in the UK. Her specialisms are customer experience and marketing, along with commercial leadership of products and channels, including digital. As a non-executive Director Sue works nationally, across sectors with organisations committed to delivering high standards of customer experience.

Term of Appointment: until 8 February 2019

Declared Interests: None

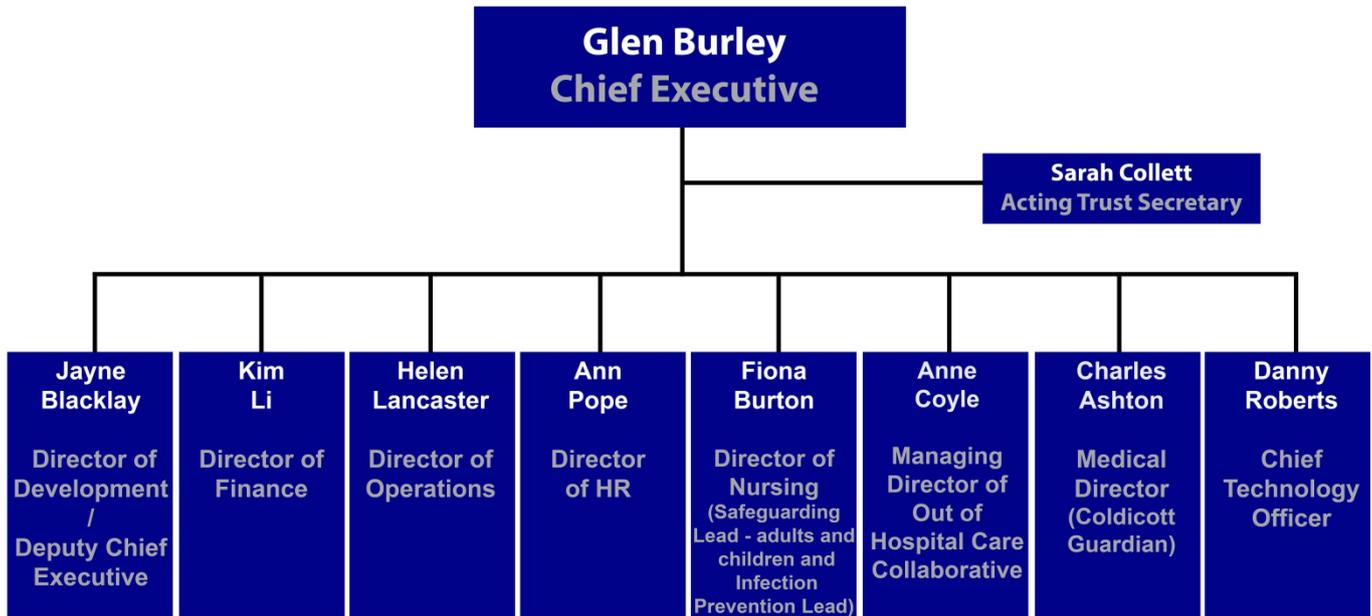
The Register of Interests is available on the Trust's website or by writing to the Trust Secretary. The Register now includes declared interests from non-voting Board members Ann Pope, Director of Human Resources and Anne Coyle, Managing Director of the Out of Hospital Care Collaborative.

Please note that:

- Sue Whelan Tracy became a voting Non-Executive Director on 1 June 2017.

- Tony Boorman became a non-voting Non-Executive Director on 1 June 2017. At the Board meeting on 4 April 2018 the Board agreed that Tony Boorman would be a voting Non-Executive Director with immediate effect.
- Jane Ives was Director of Operations until 30 September 2017 due to a secondment to Wye Valley NHS Trust. Helen Lancaster was appointed as Director of Operations from 1 October 2017 for a two year secondment.
- Helen Lancaster was Director of Nursing until 30 September 2017, Fiona Burton was appointed as Director of Nursing from 1 October 2017 for a two year secondment.
- Alan Harrison retired as Non-Executive Director on 21 February 2018. On 22 February 2018 Bruce Paxton was appointed as interim Vice-Chair. A recommendation was considered by the Board of Directors on 7 March 2018 to appoint Bruce Paxton as the Vice Chair until the end of his term of office on 31 January 2019. This recommendation was supported and would be submitted to the Council of Governors on 17 May 2018 for ratification. On 22 February 2018 Simon Page was appointed as interim Senior Independent Director (SID). A recommendation was considered by the Board of Directors on 7 March 2018 to appoint Simon Page as the SID until the end of his term of office on 8 February 2018. This recommendation was supported and would be submitted to the Council of Governors on 17 May 2018 for consideration and then the appointment of SID would be made at the Board meeting on 23 May 2018.

Executive Structure



Foundation Trust Code of Governance –

Disclosure of Corporate Governance Arrangements

South Warwickshire NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

Statutory Requirements

The Code of Governance contains a number of statutory requirements, which the Trust is compliant with and which do not require disclosure statements in the Annual Report.

Provisions Requiring a Supporting Explanation

The Code of Governance contains a number of provisions that requires the Trust to give a supporting explanation whether the Trust is compliant or not. The relevant disclosure statements are detailed below.

Balance, Completeness and Appropriateness of the Board of Directors

As previously stated the Board of Directors comprises both Non-Executive and Executive Directors. The Executive Directors comprise the Chief Executive, Director of Finance, Medical Director, Director of Development/Deputy Chief Executive, Director of Operations and Director of Nursing.

The Non-Executive Directors comprise one appointment with financial expertise whom is a qualified Accountant; four with business expertise, one of whom has particular marketing and customer service expertise and another one who is a Registered GP. The Chairman has a private sector background at Board/Chief Executive level.

Taking the wide range of experience of the Board of Directors as a whole, the balance and completeness of the Board is felt to be appropriate.

Fit and Proper Persons Requirements

All Directors (both Executive and Non-Executive) and direct-line reports to the Chief Executive (Chief Technology Officer and Trust Secretary) have made their self-declarations against the Fit and Proper Person requirements which came into force under the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.

Statement of Operation of the Board of Directors and Council of Governors

The primary role of the Board of Directors is to lead the Trust within the context of its Strategy, whilst ensuring successful financial stewardship of the organisation. In order to achieve this, the Board receives regular reports on all aspects of its business to enable appropriate decisions to be taken. In addition the Board has a schedule of reserved decisions, which lists out those decisions which only the Board can make and a scheme of delegation which details those areas of responsibility delegated to committees and individual Directors/Managers. One of the key roles of the Council of Governors is to oversee the work

of the Board but particularly hold the Non-Executive Directors to account. The Board and Council have therefore agreed a statement that defines how each will operate and how any disagreements will be resolved which would be through the Chairman who is the Chair of the Board and Council.

Independence of the Non-Executive Directors

The Board reviewed the NHS Foundation Trust Code of Governance at its meeting on 4 April 2018 and took the view that five out of the seven Non-Executive Directors (including the Chairman and non-voting Non-Executive Director) could be deemed independent. Please note one of the Non-Executive Director roles was vacant at the time. Bruce Paxton (Non-Executive Director) was deemed not to be fully independent as his partner is a Consultant at the Trust. Dr Angela Brady (Non-Executive Director) was also deemed not to be fully independent. During 2017/18 Dr Brady stepped down as a County Councillor (under the name of Angela Warner), however she is the Clinical Director of Mental Health for Birmingham and Solihull CCG with effect from 1 April 2018. The Board noted the independence of Tony Boorman (non-voting Non-Executive Director) which increased the collective independence of the Non-Executive Directors.

These interests are declared in the Directors' Register of Interests and should any conflict arise the individuals would be excluded from any discussion and decision relating to the matter in question.

As for all Board Members, Non-Executive Directors declare their interests in the Register of Directors' Interests, which is available on the Trust's website and in paper form from the Trust Secretary. Any conflicts arising would be handled as above.

Board of Directors Meetings and attendance

From 1 April 2017 to 31 March 2018, the Board of Directors met in both private and public sessions on a monthly basis (except in August 2017).

Meetings of the Non-Executive Directors

In accordance with the Foundation Trust Code of Governance, the Chair and Non-Executive Directors have continued to meet outside of the normal Board meetings during 2017/18, with the Chief Executive in attendance as requested.

Appointment and Removal of Non-Executive Directors

In accordance with the Trust's Constitution, the Council of Governors has the power to appoint and remove the Chair and Non-Executive Directors of the Trust. Although authority for the final decision cannot be delegated, much of the business of appointment or removal is carried out by the Council's Nominations and Remuneration Committee.

Trust Secretary

Meg Lambert was appointed as Trust Secretary in August 2007 and is also Secretary to the Council of Governors. Meg is a Chartered Secretary, holds a Masters in Public Administration (MPA) from the University of Warwick and is an Associate Member of the Institute of Chartered Secretaries and Administrators. From 1 May 2017 to 30 June 2018, Meg was on maternity leave and Sarah Collett was appointed as Acting Trust Secretary during this period.

Significant Commitments of the Trust Chairman

Russell Hardy, Trust Chairman, has other significant commitments as Chair of Nuffield Health and Nuffield Health Pension Scheme and Chair/majority owner of Maranatha 1 Ltd (trading as Fosse Healthcare Limited and Fosse ADPRAC) and Chairman of Wye Valley NHS Trust, all of which were fully disclosed to the Nominations and Remuneration Committee/Council of Governors prior to appointment.

Directors' Remuneration

The Appointments and Remuneration Committee of the Board of Directors is responsible for setting the remuneration of the Executive Directors. The Nominations and Remuneration Committee of the Council of Governors is responsible for setting the remuneration of the Chairman and Non-Executive Directors.

Performance Evaluation of the Board, Directors and Committees

The Chairman is responsible for the appraisal of the Non-Executive Directors and the Senior Independent Director is responsible for the appraisal of the Chairman in association with the Council of Governors. The Chief Executive is responsible for the appraisal of the Executive Directors, with the Chairman appraising the Chief Executive and these appraisals are reported to the Appointments and Remuneration Committee.

Board Effectiveness

Further assessments against NHS Improvement's 'Well-Led' Framework were undertaken during 2017/18 which included assessments by the Trust's internal auditors and an external assessment of the Board's effectiveness. The reviews provided the Board with valuable assurance of high standards of governance overall, with numerous examples of good practice. It also identified several areas where improved arrangements could further strengthen Board effectiveness. The latter include some useful new pointers as well as some that have been noted by the Board from previous reviews, which are currently being progressed.

The Trust instructed the internal auditors to undertake the review of the Board's effectiveness against the 'Well-Led' Framework in their capacity as the Trust's internal auditors.

The Audit Committee has undertaken a self-assessment of its performance in line with the provisions of the latest NHS Audit Committee Handbook.

A process has also been introduced to ensure all Board Sub-Committees undertake an annual self-assessment of its performance.

The Trust's key performance measures are detailed in the Integrated Performance Dashboard, which is presented at Board of Directors on a monthly basis. These include; A&E four hour wait targets, 18 weeks referral to treatment target, diagnosis to treatment cancer targets and diagnostic waiting times. Other key performance measures include; local performance targets and measures, access, patient experience, clinical outcomes, reducing harm and workforce measures. Any key performance measures which are of concern would be highlighted to the Board of Directors, a risk assessment would be developed and the risk

would either be added to the Board Assurance Framework or a Divisional Risk Register to ensure actions are implemented to mitigate the risk. In addition Corporate Risk Groups remit is to highlight areas of concern to either the Divisional Risk Management Groups or Board of Directors, for mitigating action to be undertaken. For example previous areas of concern were theatre staffing and capacity to meet the RTT standard, both of these issues are on the relevant Divisional risk register. The Trust is currently in a fortunate position of many national and local standards being business as usual.

NHS Improvement's Well-Led Framework

The Trust has robust processes in place to ensure that services are well-led in accordance with NHS Improvement's Well Led Framework. These processes are discussed in more detail within the Annual Governance Statement and the Quality Report.

As an overview the performance of the Trust is monitored monthly by the Board of Directors through the Integrated Performance Dashboard report. Each division has an Audit and Operational Governance Group which oversees the clinical quality and safety performance and reports into the Clinical Governance Committee. Finance and performance is monitored at the monthly Finance and Performance Executive meetings.

Risks are monitored through the department, divisional and Trust risk registers and through into the Board Assurance Framework (BAF), an audit of the BAF demonstrated that there is an Assurance Framework in place, covering all of the required key components, which is designed and operating to meet the requirements of the Annual Governance Statement.

There have been further assessments of the board effectiveness against NHS Improvement's Well-Led Framework as detailed in the Board Effectiveness section above.

The recent Care Quality Commission (CQC) inspection gave the Trust an overall rating as 'good', the Well-Led Inspection Report for the Trust was also rated as 'good'. Action plans are in place following each assessment and inspection.

The Trust has a 5 year strategy in place supported by annual Trust Objectives. These are developed through engagement across the organisation and with the Governors.

The annual staff survey has provided a positive picture in relation to leadership and engagement year on year.

The Trust undertakes work to tender for services and Out of Hospital services contributing to the Trust being well-led.

Council of Governors – Directors' Attendance

The Chief Executive, Director of Finance and Director of Nursing attend all Council of Governors meetings, and other Executive Directors of the Trust attend Council meetings as required. In addition all Non-Executive Directors are invited to attend each Council meeting.

During 2017/18 the Governors have not exercised their power under paragraph 10C of Schedule 7 to the NHS Act 2006 to formally require one or more of the Directors to attend a governors' meeting for the purpose of obtaining information about the Trust's performance of

its functions or the Directors' performance of their duties.

Board Communication with Governors

During the year the Board and in particular the Non-Executive Directors, have ensured that they are aware of the views of the public by liaising with the Governors that represent their constituency areas and Members through a number of activities, including:

- Two round table meetings between the Board of Directors and the Council of Governors
- Attendance by the Non-Executive Directors and Executive Directors at Council meetings
- Attendance by Board Members at the Members' events, held throughout Warwickshire
- Attendance by Governors at the Board of Directors meetings, including an opportunity to ask questions
- Attendance by the Non-Executive Chairs of the Audit Committee and Business Performance and Investment Committee at the Governors' Business Oversight Committee. Allowing the Governors of that Committee to hold the Non-Executive Directors to account
- Attendance by the Non-Executive Chair of the Clinical Governance Committee, Director of Nursing and Director of Operations at the Governors' Patient Care Committee. Allowing the Governors of that Committee to seek assurance on behalf of the Council of Governors around all aspects of patient care and the patients' experience.
- Informal meetings between the Governors, Chair and Non-Executive Directors before each Board of Directors meeting
- Regular informal meetings between the Lead Governor and the Chair
- Informal meetings between individual Governors and the Chair
- Members' survey to gather views on the priorities that the Trust should focus on.

Accounts 2017/18

The accounts for the accounting period 1 April 2017 to 31 March 2018 have been prepared in accordance with paragraphs 24 and 25 of Schedule 7 of the National Health Services Act 2006 in the form which the Independent Regulator of NHS Foundation Trusts (Monitor) has, with the approval of the treasury, directed.

Quality Governance

A description of the Trust's arrangements in relation to Quality Governance is included in the Quality Report.

Financial Instruments

The Trust's use of financial instruments is in the Annual Accounts.

Provisions Requiring Supporting Information to be made Publicly Available

The Trust is required to make the following information available to the public and does so either on its website or by request:

- Objectives of the Trust – on the website
- A description of each Director's expertise and experience – contained in the Board profile section and on the Trust's website

- Clear statement of the Board's balance, completeness and appropriateness – contained in this chapter
- Main role of the Appointments and Remuneration Committee and the Nominations and Remuneration Committee – contained in this section and in the section on the Council of Governors. Terms of reference, available on request
- Membership Strategy – available on request
- Contact arrangements for Directors and Governors – available on the website

Provisions Requiring Supporting Information to be made available to Governors

The Trust is required to make the following information available to Governors and does so through the Nominations and Remuneration Committee:

- For any Non-Executive Director seeking re-appointment a report from the Chairman confirming the effectiveness of their performance and their commitment to the role

Provisions Requiring Supporting Information to be made available to Members

The Trust is required to make the following information available to Members and does so in the voting packs issued to Members during the course of the election process for any elected Governor position:

- Biographical details and other relevant information of those members submitting themselves for election/re-election

Other Provisions

For the other provisions of the Code of Governance there are no special disclosure requirements and the Trust is required to 'comply' or 'explain'. The Board therefore reviewed these provisions of the Code at its meeting on 4 April 2018 and has confirmed its compliance, with the following exceptions, for which an explanation is provided:

Provision B.1.2 – At least half of the Board of Directors, excluding the Chairman, should comprise non-executive directors determined by the Board to be independent.

At the Board meeting on 4 April 2018, the Board reviewed the independence status of the Non-Executive Directors (NEDs) and agreed that of the five (excluding the Chairman and non-voting Non-Executive Director), three were independent and two were not as follows:

Bruce Paxton – not independent, as his wife is a senior employee (Consultant) at the Trust, and

Angela Brady – not independent, as although Dr Brady had stepped down as a County Councillor (under the name of Angela Warner), she is the Clinical Director of Mental Health for Birmingham and Solihull CCG with effect from 1 April 2018.

The Board noted the independence of Tony Boorman (non-voting Non-Executive Director) which increased the collective independence of the Non-Executive Directors. Please note one of the Non-Executive Director roles was vacant at the time.

Should any conflict of interest arise during Board business, this would be managed in the usual way through withdrawal from any relevant discussions, in accordance with the Trust's Constitution.

Board Committees

The Board has five Committees: the Audit Committee, Clinical Governance Committee, Appointments and Remuneration Committee, Business Performance and Investment Committee and Group Strategy Committee.

The Non-Executive Directors have opportunities to challenge the views of executive management through each Committee and, through the Committee Chair's report, report to the Board on any areas of concern.

Alan Harrison retired as Non-Executive Director on 21 February 2018 and a recruitment process has commenced to appoint to the current vacancy. Once appointed, the Trust will have 6 voting Non-Executive Directors.

There are occasions when the Trust's Directors access independent financial and legal advice in accordance with the Trust's procurement processes.

Audit Committee

Remit - The Audit Committee provides the Board with assurance on the establishment and maintenance of an effective system of integrated governance, risk management and internal control. It is advised and supported by representatives from Deloitte (the Trust's external auditor), CW Audit Services (the Trust's internal auditor), a representative from CW Anti-Fraud Services (the Trust's Anti-Fraud Specialist) and the Director of Finance and Trust Secretary.

The Audit Committee has considered three broad areas of risk during the year, concerning; financial systems that underpin the financial processing, operational reporting of the organisation and also work driven largely by the principal risk areas identified in the Board Assurance Framework (BAF). The Trust has particularly asked internal audit to focus on areas where it was felt improvements were required, to ensure the best value was made of their input, as follows:

- Treasury Management – full assurance
- Creditor Payments – significant assurance
- Asset Management – significant assurance
- Financial Reporting – significant assurance
- Maternity Data Quality Review – significant assurance
- Contracted Out Payroll – significant assurance
- Financial Ledger – significant assurance
- Referral to Treatment (RTT) Outcome Recording – significant assurance
- Site Visits – significant assurance

- Income and Debtors – significant assurance
- Charitable Funds – significant assurance
- Cash Handling – moderate assurance
- Budget Setting and Cost Improvement Programme – moderate assurance
- A&E Activity Recording – moderate assurance
- IT Starters and Leavers Process – moderate assurance
- HomeFirst – moderate assurance

Action plans have been agreed as appropriate and the implementation of these plans will continue to be monitored by the internal auditors over the coming months. In addition all outstanding audit actions are reported at each meeting of the Audit Committee and the Committee takes a proactive approach to monitoring the outstanding actions and requesting follow up audits where there are areas of concern.

The Internal Auditors reported their overall audit opinion to the Audit Committee on 16 May 2018 that they felt significant assurance could be given that the Trust had a general sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently.

External Audit - External Audit Services are provided by Deloitte LLP, who were appointed by the Council of Governors, following a full competitive tender exercise in March to May 2017. The tender process was led by a working group, comprising Audit Committee members, Governors and members of Trust staff, who agreed the audit specification, and evaluated all submitted tenders. The group also interviewed each shortlisted tenderer in order to further test their suitability to the Trust. The group's recommendation to appoint Deloitte was presented to the Council of Governors at its meeting on 18 May 2017 who made the final decision.

The Audit Committee assesses the effectiveness of the external audit process through the progress reports they submit to each Committee meeting and through key performance indicators. Deloitte has provided the Trust with tax advice as a non-audit service in 2017/18.

Internal Audit - The Trust has an internal audit function which is provided by CW Audit Services. The Audit Committee, advised by the Director of Finance, agrees a plan of work for internal audit, with a defined number of days' work. As the year progresses internal audit present their findings of the audits into each of the areas listed in the plan. Audit Committee monitors management responses to the recommendations and actively reviews outstanding actions.

Membership and attendance of the Audit Committee during 2017/18 is indicated in the following table.

| Member | No. of meetings | No. of attendances |
|-----------------------|------------------------|---------------------------|
| Rosemary Hyde (Chair) | 7 | 7 |
| Tony Boorman | 7 | 6 |
| Bruce Paxton | 7 | 7 |
| Simon Page | 7 | 7 |

Clinical Governance Committee

Remit - The Clinical Governance Committee provides the Board with assurance on clinical governance and compliance with related national standards and local objectives.

Membership and attendance during 2017/18 of the Committee is indicated in the table.

| Member | No. of meetings | No. of attendances |
|----------------------|------------------------|---------------------------|
| Bruce Paxton (Chair) | 12 | 10 |
| Alan Harrison | 11 | 9 |
| Dr Angela Brady | 12 | 11 |
| Sue Whelan Tracy | 10 | 8 |

Appointments and Remuneration Committee

Remit - This Committee advises the Board on the remuneration and terms of service of the Chief Executive and Executive Directors, and monitors and evaluates their performance. It is also responsible for the appointment of the Chief Executive in conjunction with the Council of Governors. The Trust Secretary provides advice in relation to governance and administrative support to the Committee. The Director of Human Resources provides professional HR support and advice, and the Chief Executive also attends this Committee. Information to support discussion and decisions around Senior Managers' (i.e. Executives) pay is taken from benchmarking exercises undertaken by NHS Providers. This data looks at roles in relation to headcount and turnover of Foundation Trusts. The Committee uses data from Trusts of a similar size as a benchmark for these discussions.

All Executive Directors are on substantive contracts with a 3 month notice period. There have been no termination payments but contracts do allow for notice to be paid in lieu.

During 2017/18 there have been no significant awards made to past senior managers. There are no plans for Directors remuneration policy changes in 2018/19. Membership and attendance at the committee is indicated in the table below.

| Member | No. of meetings | No. of attendances |
|------------------|------------------------|---------------------------|
| Russell Hardy | 2 | 2 |
| Bruce Paxton | 2 | 2 |
| Angela Brady | 2 | 2 |
| Rosemary Hyde | 2 | 2 |
| Alan Harrison | 2 | 2 |
| Simon Page | 2 | 2 |
| Sue Whelan Tracy | 2 | 2 |

Business Performance and Investment Committee

Remit - This Committee undertakes on behalf of the Board objective scrutiny of the Trust's business/financial strategy, related plans and major investment decisions.

| Member | No. of meetings | No. of attendances |
|--------------------|-----------------|--------------------|
| Simon Page (Chair) | 6 | 6 |
| Alan Harrison | 6 | 6 |
| Sue Whelan Tracy | 6 | 5 |

Group Strategy Committee

Remit - This Committee advises the Boards of the Trust and Wye Valley NHS Trust on all matters relevant to the development and implementation of strategy.

| Member | No. of meetings | No. of attendances |
|-----------------------|-----------------|--------------------|
| Russell Hardy (Chair) | 2 | 2 |
| Simon Page | 2 | 2 |

Terms of Reference

The Board of Directors has approved all Committee terms of reference, and these are reviewed on a regular basis, and amended as and when required.

Board and committee membership table

| Members | Audit Committee | Business Performance and Investment Committee | Clinical Governance Committee | Group Strategy Committee | Appointments and Remuneration Committee | No. of Board of Directors meetings | No. of Board of Directors meetings attended |
|--|-----------------|---|-------------------------------|--------------------------|---|------------------------------------|---|
| Russell Hardy Chairman | | | | ✓ Chair | ✓ Chair | 11 | 11 |
| Tony Boorman Non Executive Director (non-voting from 1 June 2017) | ✓ | | | | ✓ | 3 | 3 |
| Alan Harrison Non Executive Director (until 21 February 2018) | | ✓ | ✓ | | ✓ | 10 | 10 |
| Bruce Paxton Non Executive Director | ✓ | | ✓ Chair | | ✓ | 11 | 10 |
| Rosemary Hyde Non Executive Director | ✓ Chair | | | | ✓ | 11 | 11 |
| Dr Angela Brady Non Executive Director | | | ✓ | | ✓ | 11 | 11 |
| Glen Burley Chief Executive | | | | ✓ | ✓ | 11 | 11 |
| Jayne Blacklay Director of Development/ Deputy Chief Executive | | ✓ | | ✓ | | 11 | 10 |
| Helen Lancaster Director of Nursing to 30 | | ✓ | ✓ | ✓ | | 11 | 10 |

| Members | Audit Committee | Business Performance and Investment Committee | Clinical Governance Committee | Group Strategy Committee | Appointments and Remuneration Committee | No. of Board of Directors meetings | No. of Board of Directors meetings attended |
|--|-----------------|---|-------------------------------|--------------------------|---|------------------------------------|---|
| September 2017 Director of Operations from 1 October 2017 | | | | | | | |
| Fiona Burton Director of Nursing from 1 October 2017 | | | ✓ | | | 5 | 5 |
| Jane Ives Director of Operations to 30 September 2017 | | ✓ | ✓ | | | 6 | 5 |
| Dr Charles Ashton Medical Director | | | ✓ | ✓ | | 11 | 9 |
| Kim Li, Director of Finance | ✓ | | | | | 11 | 11 |
| Simon Page Non Executive Director | ✓ | ✓ Chair | | ✓ | ✓ | 11 | 11 |
| Sue Whelan Tracy Non Executive Director (voting from 1 June 2017) | | ✓ | ✓ | | ✓ | 8 | 7 |

Please note: No Board of Directors was held during August 2017. Also in attendance at the Board meetings during 2017/18 were Ann Pope, Director of Human Resources, Tony Boorman, non-voting Non-Executive Director, Anne Coyle, Managing Director Out of Hospital Care Collaborative and Meg Lambert, Trust Secretary (from 1 May 2017 to 30 June 2018 Meg was on maternity leave and during this time Sarah Collett, Acting Trust Secretary was in attendance),

Single Oversight Framework

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

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability (well-led)

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

Segmentation

As at 31 March 2018, the Trust was in segment 2. In May 2018 the Trust was elevated to the position of a segment 1 provider.

Finance and Use of Resources

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

| Area | Metric | 2017/18 Score |
|------------------------|---------------------------------|------------------|
| Financial Stability | Capital service | 1 |
| | Capacity | |
| | Liquidity | 1 |
| Financial Efficiency | I&E margin | 1 |
| Financial Controls | Distance from Financial Plan | 1 |
| | Agency Spend | 1 |
| | | |
| Overall Scoring | | 1 |

Directors' Remuneration

| 2017/18 | | | | | | |
|--|---|--|---|--|--|-------------------------|
| Name and title | Gross salary paid during the financial year (bands of £5,000) | All taxable benefits (to the nearest £100) | Annual Performance related bonuses (in bands of £5,000) | Long-term performance related bonuses (in bands of £5,000) | All pension-related benefits - the annual increase in pension entitlement (in bands of £2,500) | Total (bands of £5,000) |
| Mr G Burley, Chief Executive* | 155-160 | 4,100 | | | | 160-165 |
| Mrs K Li, Director of Finance | 125-130 | 5,200 | | | | 130-135 |
| Mrs J Blacklay, Director of Development | 110-115 | 5,200 | | | 77.5-80.0 | 195-200 |
| Dr C Ashton, Medical Director* ** | 170-175 | 4,100 | | | 172.5-175.0 | 350-355 |
| Mrs J Ives, Director of Operations from 1 April 2017 to 30 September 2017* | 25-30 | 1,000 | | | 162.5-165.0 | 190-195 |
| Mrs H Lancaster, Director of Nursing until 30 September 2017, Director of Operations from 1 October 2017 | 95-100 | 5,200 | | | 37.5-40.0 | 140-145 |
| Mrs F Burton Director of Nursing from 1st October | 45-50 | 2,600 | | | | 50-55 |
| Mrs A Pope, Director of Human Resources | 90-95 | 5,200 | | | 50.0-52.5 | 150-155 |
| Mrs A Coyle, Managing Director Out of Hospital Care Collaborative from | 85-90 | | | | | 85-90 |
| Mr R Hardy, Chairman | 40-45 | | | | | 40-45 |
| Dr A Harrison, Non Executive Director until 21 February 2018 | 10-15 | | | | | 10-15 |
| Mr T Boorman, Non Executive Director (non-voting from 1 June 2017) | 10-15 | | | | | 10-15 |
| Mr B Paxton, Non Executive Director | 10-15 | | | | | 10-15 |
| Mrs R Hyde, Non Executive Director | 10-15 | | | | | 10-15 |
| Dr A Brady, Non Executive Director | 10-15 | | | | | 10-15 |
| Mr S Page, Non Executive Director | 10-15 | | | | | 10-15 |
| Mrs S Whelan Tracy, Non Executive Director (voting from 1 June 2017) | 10-15 | | | | | 10-15 |

*Remuneration in relation to additional responsibilities at Wye Valley NHS Trust (WVT) has been recharged to WVT and is therefore excluded from this table but is an additional £35-£40k for Mr G Burley, £30-£35k for Dr C Ashton, £100-£105k for Mrs J Ives (1 April 2017 to 30 September 2017 at SWFT, 1 October to 31 March 2018 fully recharged to WVT).

**Included in the Medical Director's Remuneration is £35-£40k in respect of clinical duties.

| 2016/17 | | | | | | |
|---|---|--|---|--|--|-------------------------|
| Name and title | Gross salary paid during the financial year (bands of £5,000) | All taxable benefits (to the nearest £100) | Annual Performance-related bonuses (in bands of £5,000) | Long-term performance related bonuses (in bands of £5,000) | All pension-related benefits - the annual increase in pension entitlement (in bands of £2,500) | Total (bands of £5,000) |
| Mr G Burley, Chief Executive* | 160-165 | 4,800 | | | 7.5-10 | 175-180 |
| Mrs K Li, Director of Finance | 125-130 | 5,300 | | | 245-247.5 | 375-380 |
| Mrs J Blacklay, Director of Development | 105-110 | 5,200 | | | 32.5-35 | 140-145 |
| Dr C Ashton, Medical Director* ** | 185-190 | 4,800 | | | 62.5-65 | 255-260 |
| Mrs J Ives, Director of Operations* | 80-85 | 4,100 | | | 117.5-120 | 200-205 |
| Mrs H Lancaster, Director of Nursing | 95-100 | 5,200 | | | 35-37.5 | 135-140 |
| Mrs A Pope, Director of Human Resources | 90-95 | 5,200 | | | 12.5-15 | 110-115 |
| Mr R Hardy, Chairman | 40-45 | | | | | 40-45 |
| Dr A Harrison, Non Executive Director | 10-15 | | | | | 10-15 |
| Mr T Boorman, Non Executive Director | 10-15 | | | | | 10-15 |
| Mr B Paxton, Non Executive Director | 10-15 | | | | | 10-15 |
| Mrs R Hyde, Non Executive Director | 10-15 | | | | | 10-15 |
| Dr A Brady, Non Executive Director | 10-15 | | | | | 10-15 |
| Mr S Page, Non Executive Director | 10-15 | | | | | 10-15 |
| Mrs S Whelan Tracy, Non Executive Director (non-voting) | 10-15 | | | | | 10-15 |

*Remuneration in relation to additional responsibilities at Wye Valley NHS Trust has been recharged to Wye Valley NHS Trust and is therefore excluded.

**Included in the Medical Director's Remuneration is £35-£40k in respect of clinical duties.



Glen Burley, Chief Executive

Date: 23/05/18

The banded remuneration of the highest-paid director in South Warwickshire NHS Foundation Trust in the financial year 2017/18 was £175k-£180k (2016/17, £190k-£195k). This was 6.15 times (2016/17, 6.7) the median remuneration of the workforce, which was £28,779 (2016/17, £28,464). In 2017/18, 6 employees (2016/17, nil) received remuneration in excess of the highest paid director.”

Remuneration ranged from £10k to £180k (2016/17 £10k to £195k). Total remuneration includes salary, non-consolidated performance related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. There have been no significant changes to the calculation of the ratio between 2017/18 and 2016/17. It has not been possible to include the whole time equivalent annualised cost of agency as the data is not held in a format that allows this detail of analysis.

Directors' Expenses

| Name and title | Expenses 2016/17 £ |
|---|--------------------|
| Mr G Burley Chief Executive | 0 |
| Mrs C Li Director of Finance | 0 |
| Mrs J Blacklay Director of Development | 0 |
| Dr C Ashton Medical Director | 0 |
| Mrs J Ives Director of Operations until 30th September 2017 | 0 |
| Mrs H Lancaster Director of Operations Director of Nursing until 30th September 2017 | 0 |
| Mrs F Burton Director of Nursing from 1st October 2017 | 0 |
| Mrs A Pope Director of Human Resources | 102 |
| Mrs A Coyle Managing Director Out of Hospital Care Colloborative* | 2,844 |
| Mr R Hardy Chairman | 119 |
| Mr T Boorman Non Executive Director | 0 |
| Dr A Brady Non Executive Director | 0 |
| Dr A Harrison Non Executive Director until 21st February 2018 | 679 |
| Mrs R Hyde Non Executive Director | 157 |
| Mr S Page Non Executive Director | 436 |
| Mr B Paxton Non Executive Director | 208 |
| Mrs S Whelan Tracy | 0 |

Any travel by rail booked via rail warrants is paid directly by the Trust and is therefore excluded from the table above; all other rail travel submitted as an expense is included above.

Executive Directors receive an allowance for expenses which is included within their salary.

* Please note due to the nature of the role, the Managing Director is required to frequently travel to visit all of our services.

Pension Benefits

| | a | b | c | d | e | f | g | h |
|--|---|--|---|---|---|--|--|--|
| Name and title | Real increase in pension at pension age (bands of £2,500) | Real increase in lump sum at pension age (bands of £2,500) | Total accrued pension at pension age at 31 March 2018 (bands of £5,000) | Lump sum at pension age related to accrued pension at 31 March 2018 (bands of £5,000) | Cash Equivalent Transfer Value (CETV) at 1 April 2017 | Real increase in Cash Equivalent Transfer Value (CETV) | Cash Equivalent Transfer Value (CETV) at 31 March 2018 | Employer's contribution to stakeholder pension |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Mr G Burley Chief Executive | 0 | 0 | 65-70 | 200-205 | 1260 | 0 | 1260 | 0 |
| Mrs J Blacklay Director of Development | 2.5-5.0 | 10.0-12.5 | 40-45 | 130-135 | 755 | 126 | 889 | 17 |
| Mrs J Ives Director of Operations | 7.5-10.0 | 22.5-25.0 | 50-55 | 155-160 | 875 | 211 | 1095 | 18 |
| Mrs H Lancaster Director of Nursing | 0-2.5 | 5.0-7.5 | 35-40 | 120-125 | 680 | 85 | 771 | 14 |
| Mrs A Pope Director of Human Resources | 2.5-5.0 | 7.5-10.0 | 25-30 | 85-90 | 546 | 90 | 641 | 13 |
| Dr C Ashton Medical Director | 7.5-10.0 | 25.0-27.5 | 90-95 | 270-275 | 1826 | 292 | 2136 | 28 |
| Mrs K Li Director of Finance | 0 | 0 | 35-40 | 110-115 | 633 | 42 | 681 | 18 |
| Mrs F Burton Director of Nursing | - | - | 25-30 | 75-80 | - | - | 431 | 7 |
| Mrs A Coyle, Managing Director Out of Hospital Care Colloborative from | - | - | 15-20 | 55-60 | - | - | 309 | 12 |

Staff Report

NHS 2017 Staff Survey

The results of the national staff survey were released in March 2018. There are 32 areas which are assessed as part of the survey and the Trust scored above the national average in 22 of those areas. These included;

- The level of positive recognition of staff by managers and the organisation
- Management and organisational interest in health and well-being
- The opportunities available for flexible working
- Career development opportunities available
- The quality of communications between managers and staff

Response rate

The Trust's response rate was 48%, compared to 53% in 2016.

Summary of Performance

The survey is a great opportunity for the Trust to understand areas of improvement and the last year has been spent particularly focusing on encouraging staff to report incidents using the formal systems the Trust has in place.

The Trust continues to perform well in relation to staff engagement with a score of 3.93 against a national average of 3.78. This score is made up of staff contributions to questions that ask about their recommendation of the Trust as a place to work or receive treatment, the extent to which they are motivated at work and their ability to contribute towards improvements at work.

Overall this year's staff survey is a positive indicator of a staff population which is engaged in delivering excellent care for patients. As with many areas of the NHS and the wider health and social care system, the Trust has been under considerable pressure and some of the scores reflect the growing challenge of delivering high levels of service and maintaining engagement at the highest possible level. While many of the problems are system wide, we will work with leaders and staff over the coming year to ensure we are doing everything possible to make sure the experience of working here is as good as it can be.

The staff survey report contains a detailed breakdown of each of the key findings by division, occupational staff group and staff demographic. This will allow us to produce targeted action plans to address areas of concern. Specific actions for the Trust's bottom ranking scores can be found within the table.

The following two grids show the Trust's Top 5 and Bottom 5 ranking scores, compared to the national average score for 2017 and the Trust's score for 2016.

Top five ranking scores:

| Question | Trust 2017 | Trust 2016 | National Average 2017 |
|---|---------------|---------------|-----------------------|
| Percentage of staff attending work despite feeling unwell because they felt pressure from their manager, colleagues or themselves (The lower the score the better) | 48% | 47% | 53% |
| Percentage of staff experiencing physical violence from staff in last 12 months (The lower the score the better) | 1% | 0% | 2% |
| Recognition and value of staff by managers and the organisation (The higher the score the better) | 3.59 | 3.64 | 3.44 |
| Staff motivation at work (The higher the score the better) | 3.99 | 4.07 | 3.91 |
| Organisation and management interest in and action on health and well-being (The higher the score the better) | 3.78 | 3.89 | 3.63 |

Bottom five ranking scores:

| Question | Trust 2017 | Trust 2016 | National Average 2016 | Action Plan |
|---|------------|------------|-----------------------|---|
| <p>Percentage of staff working extra hours.</p> <p>(The lower the score the better)</p> | 74% | 72% | 71% | <ul style="list-style-type: none"> Explore payroll data to understand whether additional hours are being paid or not. Spend time with managers and budget holders about additional hours held in lieu and being worked in practice. Continue to promote health and well-being messages, through internal communication channels, encouraging staff to take breaks, regular annual leave and to manage time effectively. Ensure that training for managers on management of sickness and stress reinforces health and wellbeing messages. |
| <p>Percentage of staff agreeing that their role makes a difference to patients / service users</p> <p>(The higher the score the better)</p> | 89% | 93% | 90% | <ul style="list-style-type: none"> Explore the data to understand the mix of staff responding to the survey are representative of the roles that directly impact with patients. Ensure that the most representative mix of staff are encouraged to respond to the staff survey in 2018. Ensure that all roles in the Trust are encouraged to consider how they impact on patients and how their service makes a difference to outcomes. This will be delivered through leadership and team interventions. |
| Percentage of staff experiencing | 12% | 7% | 10% | <ul style="list-style-type: none"> Explore with staff including those from the BAME community as to their experience of working for |

| | | | | |
|--|-----|------------|-----|--|
| discrimination at work in the last 12 months. (The lower the score the better) | | | | the Trust. Establish actions to reduce and eliminate any discrimination following these investigations. |
| Percentage of staff reporting errors, near misses or incidents witnessed in the last months (The higher the score the better) | 90% | 92% | 91% | <ul style="list-style-type: none"> Continue to explore where issues are occurring, reasons for reporting and to identify further support for staff. |
| Percentage of staff experiencing physical violence from patients, relatives or the public in the last 12 months. (The lower the score the better) | 15% | 15% | 14% | <ul style="list-style-type: none"> Continue to explore where issues are occurring, reasons for incidents occurring and to identify further support for staff. |

Staff Retention

The Trust has launched and is embedding a retention strategy, focussing on four key elements in how we support, develop, reward and engage our staff. An associated action plan has been developed to focus attention on our workforce data and the reasons why people might leave the organisation. Additionally the strategy focusses on how we develop our organisational culture to continue to make the Trust a great place to work.

Leadership

We continue to expand and offer a suite of leadership development opportunities to staff at all levels within the Trust, medical, clinical and non-clinical. This includes a key partnership with the NHS Leadership Academy in delivering a local version of the Mary Seacole programme which develops individual leadership capability for first time and aspiring leaders across a range of areas including increasing self-awareness, successful teams and leading for improvement. To date 73 people over 6 cohorts have accessed the programme within our local health system.

We continue to deliver team training sessions which include the use of self awareness tools to help staff understand themselves and their colleagues. In the past 12 months over 300 staff have accessed these opportunities.

Practice Development

Recruitment, development and retention of both non registered and registered nursing and therapy staff is key to providing excellent care for our patients. The practice development team, working in partnership with learning and development and recruitment, also provide various programmes to support clinical support workers including a bespoke induction programme, the National Care Certificate, clinical apprenticeships and are part of the national pilot for Trainee Nursing Associate roles which commenced January 2017. This helps to support the development of new and exciting roles in health care.

Registrants are supported through the Trust preceptorship programme which is available for all newly qualified health care professionals across the organisation. The programme is organised, managed and delivered by the practice development team. There are currently approximately 84 health care professionals on the programme. The majority of the delegates are acute or community nursing staff, however there are also operating department practitioners and midwives on the course.

A development pathway is now available to all band five nursing staff that have been in post for over 18 months, and where appropriate have completed their preceptorship programme. Nurses who have completed this pathway have gained experience and skills regarding leadership and management. A number of these individuals from acute and community teams have progressed into band six roles.

The Trust also continues to support work experience programs, working with local schools and colleges.

Appraisal

The annual NHS Staff Survey results for 2017 continue to show that a high percentage of staff are participating in annual staff appraisals. The March 2018 quarter report shows that 91% of our staff have received an appraisal. These results continue to confirm that managers and staff are engaged in good communication, feedback and development of the workforce and services.

Undergraduate and Postgraduate Medical Education

The Trust continues to provide high quality teaching to medical students during their studies. Students in their first, second and third years from the University of Buckingham are now joining those from the University of Warwick in receiving their undergraduate education. Work continues to ensure that facilities are in place to meet all aspects of the curriculum.

The Trust delivers education to doctors in training allocated by Health Education England. The number of doctors allocated was increased this year following successful bids for additional posts by the Anaesthetic and Emergency Medicine departments. The Trust supports doctors in training at all grades, from those who have just qualified to those who are in their final years of training and are preparing to apply for their hospital consultant or general practitioner posts.

The network of General Medical Council accredited trainers and supervisors has been strengthened over the last 12 months, with new consultants undertaking training to become supervisors of doctors in training. This role is essential to ensure that the doctors in training are well supported, and that the training provided by the Trust meets national standards.

The Trust has completed the introduction of the national new junior doctor' contract, which included the appointment of a guardian of safe working whose role is to protect patients and doctors by making sure doctors are not working unsafe hours.

Apprenticeships

With the introduction of the apprenticeship levy and new regulation for delivery of apprenticeship standards, the Trust has continued to offer opportunities for both new and existing staff to undertake apprenticeships in; administration, finance, estates roles and clinical roles.

The new standards will provide opportunities for staff to develop up to degree level. These include clinical roles such as Assistant Practitioner Higher Apprenticeship with nine staff successfully graduating in October 2017 and a further 18 on programmes which complete October 2018 and January 2019. The Trust is also the lead employer for the Coventry and Warwickshire pilot of nursing associates, a national programme to provide over 5,000 new nursing roles across the country by 2019. We are also working in partnership with other health providers and education providers to develop degree apprenticeship route for staff.

Work Experience

Work experience plays a key role in providing people from our local community the opportunity to see the variety of job roles there are in health. Demand remains high for placements in both clinical and administrative areas. Interactive workshops to showcase clinical and non clinical roles has been expanded with excellent feedback from participants. The Trust apprenticeship co-ordinators now attend career workshop and careers fairs at schools and colleges to demonstrate the links and opportunities that work experience can lead too. The Trust is also working with local colleges to develop a rotational work experience programme for students undertaking health related access courses to further support their employability.

Internal Communications and Staff Engagement

Internal communications is used to engage staff with a wide range of campaigns aimed at enhancing the services provided. Important information and updates are shared with staff who work across both acute and community settings. This is done centrally by the Communications Team who utilise digital channels as well as traditional print media, selecting the most effective methods to reach the diverse and dispersed workforce.

Upon joining the Trust staff are invited to monthly induction events. Existing staff provide useful information and an insight in to the culture of the organisation, highlighting the Trust values. This is done through presentations and an interactive 'market place'.

An electronic bulletin called ePulse is emailed to staff weekly to share positive news stories and patient feedback, important information, events and development opportunities. In addition, a magazine named Pulse is sent out to staff and Members on a quarterly basis.

In situations where brief messages need to be shared with staff quickly, the Communications Team has the ability to create screen savers. These can be targeted to specific locations to ensure they are applicable to the viewer.

Staff also have the opportunity to anonymously ask questions via an online platform called the Rumour Mill. These questions are then directed to the relevant individuals or teams to answer. The Rumour Mill is a useful communications channel because it facilitates information sharing and an honest culture, providing a method for staff to raise issues openly without fear of reprisal.

As the Trust has a dispersed workforce, with teams based in locations across Coventry, Warwickshire and Solihull, it is important to ensure communications reach all areas. Digital platforms support engagement with teams that are geographically spread out, in particular the use of videos to share strategic updates and messages, this has become a key communications channel.

The Trust has an active social media presence with many teams operating Facebook and/or Twitter accounts. The Communications Team monitor these and manage the overarching corporate Facebook and Twitter accounts. Staff are encouraged to engage with the Trust by following @nhsswft. Social media has proved to be an effective tool to communicate with staff during the adverse weather conditions during the winter of 2017/18. Glen Burley, Chief Executive, uses the corporate Twitter account to engage with staff as well as partners and the public using the hashtag #SWFTceo.

Recognition Group

The Recognition Group is made up of a mix of staff representing acute and community teams. One of its main responsibilities is the management of the GEM Awards (Going the Extra Mile). Following submissions from members of staff or the public, GEM Award nominations are reviewed by the Recognition Group. From a shortlist, winners are picked by Glen Burley, Chief Executive and Ann Pope, Director of HR. Each quarter a non-clinical, clinical and team is selected to win the award.

A selection of the GEM Award winners in 2017/18 were:

Rachel Mason, non-clinical summer GEM winner - A member of the public nominated Rachel Mason after she helped to put her and her family at ease on several occasions over a period of time. The patient commended the accident and emergency receptionist for being efficient and compassionate. Rachel was also praised for going above the call of duty to ensure patient visit are as painless as can possibly be.

Integrated Health Team 7 (IHT7) for Warwick and Kenilworth, team Autumn GEM winner - IHT7 were nominated by a member of staff for continually performing at a high level across two separate bases - Warwick & Kenilworth. The team, who were a hugely successful 12 week wound care pilot, redesigned the core documentation and assessments of leg ulcers

within the community. They also developed a self-assessment tool allowing the patient to be even more involved in planning and implementing their care. The nominator added that IHT7 are a very supportive team who are always professional, welcoming and hold a warm, kind supportive core.

Eva Buxton, clinical Winter GEM winner - Eva was nominated for her dedication during heavy snowfall in December 2017. After seeing the predicted severe weather forecast, she arrived to work the night before her shift armed with supplies to ensure she could work her two long days.

Social, Community and Human Rights

Workforce Health and Wellbeing

The Trust recognises that the health and wellbeing of staff is central to the delivery of high quality, safe and effective patient care. The Trust has signed the Department of Health and Social Care's national health and wellbeing pledges covered under the responsibility deal scheme and was independently assessed against the national workplace charter where it achieved excellence across every indicator.

Health and wellbeing priorities were developed in partnership with Trade Unions, Warwickshire Public Health Department and the Health and Wellbeing Group. They focus on:

- Excellent staff engagement, building a sense of belonging and involvement.
- Effective leadership and management across the organisation to support the integration of health and wellbeing into everyday activity.
- A culture where health and wellbeing is truly valued and staff are encouraged to maintain a healthy lifestyle to improve their physical and emotional wellbeing.
- Personal and team resilience through practical strategies, training and support to manage stress.
- Early intervention to support staff with health problems or disabilities to remain at work or to return as soon as possible after a period of absence.

The Health and Wellbeing Group is responsible for developing an annual action plan that supports the implementation and integration of health and wellbeing related policies, training, campaigns, health checks and Public Health initiatives.

Over the last 12 months health and wellbeing campaigns have been rolled out through internal communication channels. The Fitter Future referral system commissioned by Public Health Warwickshire has been widely promoted to staff and the local community and referral rates have increased.

In partnership with Warwickshire Public Health department, the Trust has developed two new training packages for staff:

- Five ways to Mental Health and Wellbeing
- Up-dated package for Making Every Contact Count

The five ways to mental health and well-being training was launched 10 months ago, it has been well received with hundreds of staff completing the training. The training encourages staff to identify their own mental health and wellbeing pledges, working towards adopting healthy lifestyles choices. A number of staff shared their mental health and wellbeing pledges and their case studies have been published in the quarterly wellbeing newsletter which was launched last year.

There have been five staff health and wellbeing sessions held over the last 12 months at different venues across the Trust. Additional sessions have also been provided for the new intake of junior doctors and several bespoke wellbeing workshops have been delivered to Warwickshire wide teams. In addition a range of events and campaigns have taken place, supported by internal and external stakeholders including: Public Health, Dieticians, Food for Life Partnership, Occupational Health, Chaplaincy Team, Staff Counselling Service, Physiotherapy Department, Benefits Team and our Trade Unions.

The campaigns programme included:

- Measured mile walks
- Promoting and delivering mindfulness training
- Five steps to mental health wellbeing training
- Stoptober campaign
- Dry January campaign
- Workout at work campaigns
- Promotional days where we encouraged healthy eating and drinking
- Training to support staff on how to deal with stress
- Harvest days where staff shared extra produce they had grown
- Weight Buster Classes
- Fitter Futures Campaign
- Staff App

Equality and Diversity

The last 12 months have been a very busy time for the Equality and Diversity Steering Group. There have been many local initiatives taken forward to improve accessibility and remove barriers for patients, visitors and carers. Our local partners and the Patient Forum has helped us identify local priorities and equality actions to improve patient outcomes.

Joint Carer's Strategy

There are currently six work streams in the joint Carer's Strategy and Warwickshire County Council has asked the Trust to take a lead in three areas which are:

- Implementing the redesigned support service for carers
- Empowering carers
- Early identification of carers

The carers group is looking to roll out awareness training to staff with a focus on identifying carers and signposting them to services.

Public Engagement

The Trust has held a number of public engagement events to share information and gather

views on the Out of Hospital Services. During 2017/18 five events were held in different localities to reach as many members of the public as possible. Events were held in; Coventry, Rugby, North Warwickshire and South Warwickshire.

European Health Diversity Project

This three year project involves seven partners from six European countries and has successfully attracted ERASMUS+ funding from the European Union. The aims of the project are to improve the capacity of health professionals and institutions in meeting the needs of culturally diverse patient groups, thereby reducing the barriers to accessing services and alleviating different forms of discrimination within the health sector.

The project has included a series of transnational project meetings. There are five Intellectual Outputs (IO) which are each led by one of the partners and the project is managed and coordinated by the Equality and Inclusion Partnership (EquIP), formerly Warwickshire Race Equality Partnership (WREP).

The Trust is the only health care provider partner and has gathered many of the critical incidents/cultural shocks for inclusion in a journal which will be published and launched in July 2018 at an international conference in Hungary. Articles about the work of the project have been published over the last two years in the Healthy Diversity newsletters and on the Healthy Diversity website which has reached over 200,000 people across Europe.

Accessibility Audit

A programme of local accessibility audits continue to be carried out across Trust sites to identify barriers faced by service users, carers and visitors. The Trust is very fortunate to have expert knowledge from two members of the Equality and Diversity Steering Group who carry out a programme of site visits each year and identify actions for the work plan.

Accessible Information Standard

The Accessible Information Standard aims to make sure that people who have a disability, impairment or sensory loss get appropriate information and communication support from NHS organisations.

All NHS organisations must identify record, flag, share and meet the information and communication support needs of patients, service users, carers and parents with a disability, impairment or sensory loss. Successful implementation will lead to improved outcomes and experiences, and the provision of safer and more personalised care and services to those individuals who come within the scope of the standard.

In order to fully implement these national requirements, a task and finish group was set up and is chaired by the Director of Nursing.

The task and finish group has delivered the following:

- Communication needs are now in the top five alerts in Lorenzo;
- Revised nursing and clinical documentation will ensure communication needs are recorded consistently across the organisation;
- Signed the British Deaf Association Charter, making a public commitment to the five pledges;

- Audit of hearing loop system which has resulted in the purchase of 30 new systems;
- The piloting of Language \Line telephones and blue tooth technology for interpreting services and signing;
- Deaf Equality Awareness training for staff and training in British Deaf Association signing.

Recruitment of Overseas Nurses

In 2017/18 the Trust did not undertake a specific recruitment campaign for International Nurses. This was because the political situation surrounding Britain's withdrawal from the European Union meant that the market for EU Nurses coming to the UK had reduced to zero.

The Trust is considering recruiting from India and the Philippines as there has been a market highlighted where we could recruit more Nurses, however this would be a long term solution which would not come to fruition until early 2019.

A summary of the Trust's equality and diversity data can be seen below.

Please note this table measures the average whole time equivalent (WTE) between 1 April 2017 – 31 March 2018.

| Reporting staff group | 2017/18 | 2017/18 | 2017/18 | 2016/17 | 2016/17 | 2016/17 |
|---|-------------|-------------|------------|-------------|-------------|------------|
| | Total | Permanent | Other | Total | Permanent | Other |
| Medical and dental | 451 | 303 | 148 | 466 | 312 | 154 |
| Administration and estates | 865 | 865 | | 837 | 837 | |
| Healthcare assistants and other support staff | 743 | 743 | | 706 | 706 | |
| Nursing, midwifery and health visiting staff | 1236 | 1236 | | 1227 | 1227 | |
| Nursing, midwifery and health visiting learners | 21 | 21 | | 28 | 28 | |
| Scientific, therapeutic and technical staff | 529 | 529 | | 515 | 515 | |
| Healthcare science staff | 16 | 16 | | 18 | 18 | |
| Agency and contract staff | 441 | | 441 | 404 | | 404 |
| Total average numbers | 4302 | 3713 | 589 | 4201 | 3643 | 558 |

The equality and diversity information in the tables below is a breakdown of the total headcount of staff at the year-end (31 March 2018).

| Type | Male | Female |
|--------------------|------|--------|
| Executive Director | 2 | 6 |
| Senior Manager | 28 | 50 |

| Age band | 2017/18 | % | 2016/17 | % |
|----------|---------|---|---------|---|
| 16-24 | 217 | 5 | 244 | 6 |

| | | | | |
|-------------------------------|----------------|----------|----------------|----------|
| 25-44 | 1962 | 44 | 1937 | 45 |
| 45-64 | 2200 | 49 | 2088 | 48 |
| 65+ | 92 | 2 | 72 | 2 |
| Ethnicity | 2017/18 | % | 2016/17 | % |
| White | 3773 | 84 | 3651 | 84 |
| Mixed | 68 | 2 | 74 | 2 |
| Asian or Asian British | 379 | 8 | 358 | 8 |
| Black or Black British | 117 | 3 | 125 | 3 |
| Chinese or other Ethnic Group | 51 | 1 | 48 | 1 |
| Not Disclosed | 83 | 2 | 85 | 2 |

| Disabled | 2017/18 | % | 2016/17 | % |
|-----------------|----------------|----------|----------------|----------|
| No | 3579 | 80 | 3410 | 79 |
| Not declared | 733 | 16 | 776 | 18 |
| Yes | 159 | 4 | 155 | 4 |

| Gender | 2017/18 | % | 2016/17 | % |
|---------------|----------------|----------|----------------|----------|
| Female | 3818 | 85 | 3711 | 85 |
| Male | 653 | 15 | 630 | 15 |

The Trust has a robust Recruitment Process where in addition to assessing technical skill we recruit to values to ensure candidates match the Trust Values of delivering safe, effective, compassionate and trusted care.

In the recruitment process, candidates have the opportunity to declare a disability on the application form whether they apply on NHS Jobs or directly to the Trust's Careers page.

Current data shows that 4% of people who apply for positions with the Trust declared a disability on their application form. 4.9% of shortlisted candidates declared a disability and 4.6% of those appointed declared a disability.

The Trust has obtained the status of Disability Confident Employer which is level 2 of the Disability Confident Scheme. We are working towards the highest level of Level 3 Disability Confident Leader.

By being a Disability Confident Employer, we ensure we promote opportunities throughout the Trust for people with disabilities and ensure candidates with a disability are offered an interview if they meet the personal specification of the role applied for.

The Trust has a sickness absence management policy which refers to how we support our employees who have or acquire a disability. We also have a study leave policy and the learning development team discuss with employees any additional training they may require to undertake their role within the organisation. Our training policies are equality impact assessed to ensure that no staff group is disadvantaged.

Staff costs

| | 2017/18 Total £000 | 2017/18 Permanently employed total £000 | 2017/18 Other total £000 | | 2016/17 Total £000 | 2016/17 Permanently employed total £000 | 2016/17 Other total £000 |
|---|--------------------------|--|--------------------------------|--|--------------------------|--|-----------------------------------|
| Salaries and wages | 137,546 | 3,379 | 140,925 | | 131,763 | 129,530 | 2,233 |
| Social security costs | 13,149 | - | 13,149 | | 12,837 | 12,837 | 0 |
| Apprenticeship levy | 673 | - | 673 | | n/a | | |
| Pension cost - defined contribution plans employer's contributions to NHS pensions | 16,751 | - | 16,751 | | 16,050 | 16,050 | 0 |
| Pension cost - other | 7 | - | 7 | | 10 | 0 | 10 |
| Other post employment benefits | - | - | - | | 0 | 0 | 0 |
| Other employment benefits | - | - | - | | 0 | 0 | 0 |
| Termination benefits | - | - | - | | 0 | 0 | 0 |
| Temporary staff - external bank | | 5,538 | 5,538 | | 0 | | 0 |
| Temporary staff - agency/contract staff | - | - | - | | 6,147 | | 6,147 |
| NHS charitable funds staff | - | - | - | | 0 | 0 | 0 |
| TOTAL GROSS STAFF COSTS | 168,126 | 8,917 | 177,043 | | 166,807 | 158,417 | 8,390 |
| Recoveries in respect of seconded staff | (294) | - | (294) | | -290 | -290 | 0 |
| TOTAL STAFF COSTS | 167,832 | 8,917 | 176,749 | | 166,517 | 158,127 | 8,390 |
| of which capitalised | 100 | - | 100 | | 100 | 100 | 0 |

Disclosures on Trade Union Facility Time

Relevant union officials

| | |
|--|--------------------------------------|
| Number of employees who were relevant union officials during 2017/18 | Full-time equivalent employee number |
| 6 | 1.8 |

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0% | 0 |
| 1-50% | 3 |
| 51%-99% | 2 |
| 100% | 1 |

Percentage of pay bill spent on facility time

| | |
|---|--------------|
| The total cost of facility time | £81,281 |
| The total pay bill | £171,505,000 |
| Percentage of the total pay bill spent on facility time | 0.05% |

Paid trade union activities

| | |
|---|-----|
| Time spent on paid trade union activities as a percentage of total paid facility time hours | 33% |
|---|-----|

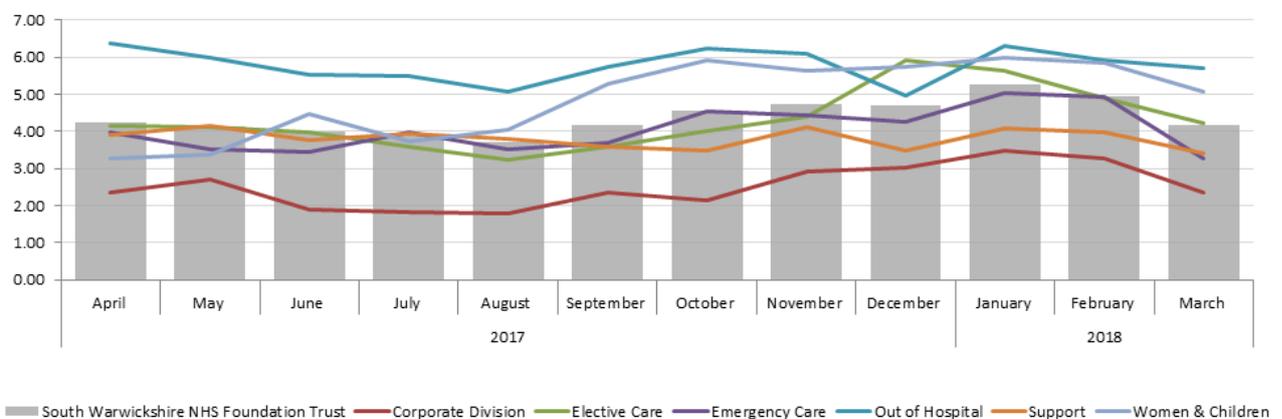
Early retirement on ill health

During 2017/18 there was one retirement from the Trust on the grounds of ill health.

Policies

The Trust has a rolling programme for review of its Human Resource policies, in partnership with staff side, through the Joint Negotiation and Consultative Committee Policy Sub Group. All human resource policies include a section related to monitoring and compliance. The Joint Negotiation and Consultative Committee (JNCC) receive a twice-yearly report on the application of the disciplinary, grievance, performance and capability, sickness absence management and dignity at work policies.

Sickness Data



Health and Safety

The Trust has a robust health and safety culture and processes are embedded in our risk management approach.

The Trust continues to review its Health and Safety Management system to ensure appropriate governance arrangements are in place to assure the Board of Directors that good health and safety standards for the protection of staff and others are afforded. This can be evidenced by the self-assessment against the Workplace Health and Safety Standards, with any gaps being reported to the Health and Safety Committee on a bi-annual basis.

Departmental bi-annual audits are used to highlight any health and safety issues. These audits have demonstrated extremely high levels of compliance with health and safety legislation. The Associate Directors of Operations report into the Health and Safety Committee on a range of issues, including monitoring of their Division's health and safety performance which includes detailed information on incidents and lessons learnt.

Tackling Fraud

The Trust continues to be committed to the elimination of any form of fraud, bribery or corruption, and adheres to the NHS Anti-Fraud Standards. There are now two Anti-Fraud Specialists (AFSs) employed within the Trust, to raise awareness and promote the anti-fraud, bribery and corruption culture and investigate allegations.

This year the emphasis has been on raising staff awareness on fraud, bribery and corruption. To this end the fraud, bribery and corruption Policy and Whistleblowing Policy have been reviewed and refreshed detailing the changes recently made from NHS Protect to NHS Counter Fraud Authority, and a new Sanction and Redress Policy has been written. The AFSs have continued to attend monthly staff induction sessions to inform new staff about fraud issues, and reporting routes for concerns, and have also delivered departmental face to face fraud awareness sessions. The Trust Intranet has been revamped and for the first time fraud, bribery and corruption information is now available on the Trust's internet site. Newsletters and screen savers have been distributed, and four surveys have been circulated for completion. The AFS has also liaised with a local bank to undertake a joint cyber fraud awareness session.

Prevention arrangements are a key part of an organisation's defence against fraud, bribery or corruption. Therefore deterring and preventing dishonesty is a key component in combating internal or external fraud, bribery and corruption.

Anti-bribery

All employees of the Trust are required to ensure they fully understand the Trust's Fraud, Bribery and Corruption Policy and the procedure for reporting suspicions or matters of possible concern. The Trust's Fraud, Bribery and Corruption Policy is updated regularly by the Director of Finance.

The Local Counter Fraud Specialist (LCFS) reports to the Director of Finance and works with staff in the NHS Counter Fraud Authority in accordance with the NHS Anti-Fraud Manual.

The LCFS provides a written report, at least annually, on counter fraud work within the Trust which includes compliance of the Trust's Fraud and Corruption Policy SWH 00327.

The Trust has a 'Whistle Blowing' policy (SWH 00310 Whistleblowing Policy – Raising Issues of Concern) which details the mechanism to report any suspected or actual fraud, bribery or corruption matters and internally publicise this, together with the national fraud and corruption reporting line provided by NHS Counter Fraud Authority (formerly NHS Protect). This policy was ratified by the Policy Review Group.

Other related policies are the SWH 01783 Managing Conflicts of Interest Policy and SWH 01656 Gifts, Hospitality and Sponsorship Policy. Compliance against these two policies is reported to the Audit Committee on a six monthly basis.

Council of Governors and Membership

Council of Governors

Structure and Members

The Council of Governors comprises a total of 28 members; 16 of these members are duly elected to represent public constituencies, 7 members are elected as staff representatives, and 5 members are appointed from key local stakeholders and partners.

In accordance with the Constitution, Public and Staff Governors were elected through a formal election process and Appointed Governors were nominated by their respective organisations. Elected and appointed governors may hold office for a period of up to 3 years.

The role of a Governor is an important one, providing a direct link between the Trust, local communities and staff. Governors engage with their Members to gather feedback and views to ensure their voice is heard by the Trust. They have the opportunity, as part of the Council of Governors, to work with the Board of Directors to help shape the Trust's plans for the future.

Key aspects of the Governors' role include:

- Engaging with the local community and staff to represent their views
- Contribution to the development of the Trust's Annual Plan
- Appointing Non-Executive Directors and Chair of the Trust and setting their terms and conditions
- Overseeing the work of the Trust
- Contributing thoughts, views and opinions at the Council of Governors meetings

| Name | Constituency |
|------------------------|---|
| Cllr Susan Adams | Appointed (Stratford District Council) |
| Mrs Jean Arrowsmith | Warwick District and Borders |
| Mr Robert Ashby | Warwick District and Borders |
| Mr Jon Bolger | West Stratford and Borders |
| Cllr Felicity Bunker | Appointed (Warwick District Council) |
| Mr Norman Byrne | Warwick and Leamington Towns |
| Cllr Les Caborn | Appointed (Warwickshire CC) |
| Mrs Ruth Cowan | Warwick and Leamington Towns |
| Miss Helena Darcy-Cope | Staff (Nursing and Midwifery Community) |
| Mr David Gee | East Stratford and Borders |
| Mr Peter Gregory-Hood | East Stratford and Borders |
| Dr Richard Grimes | Warwick District and Borders |
| Dr Cally Harrison | Northern Warwickshire and Rugby |
| Mr Phil Harvey | Warwick District and Borders |
| Mrs Pamela Hemsley | Staff (Nursing and Midwifery Acute) |
| Mrs Jagjit Kaur Kohli | Northern Warwickshire and Rugby |
| Mr Roger Lloyd | West Stratford and Borders |
| Mrs Mary Malloy | West Stratford and Borders |
| Mrs Jane Mason | Staff (Clinical Support) |
| Mrs Lara McCarthy | Appointed (University of Warwick) |
| Dr Adrian Parsons | Appointed Governor (GP rep SWCCG) |
| Dr Shirley Rigby | Staff (Medical and Dental) |
| Ms Penny Smith | Warwick and Leamington Towns |
| Mr Matthew Statham | Warwick and Leamington Towns |
| Miss Kathy Wagstaff | Staff (Nursing and Midwifery Acute) |
| Ms Sue Warner | Staff (Nursing and Midwifery Community) |
| Mrs Jane Wheelan | Staff (Non- Clinical Support Staff) |
| Vacancy | East Stratford and Borders |

During the year there have been changes to the Membership of the Council of Governors arising from elections. Changes due to elections are identified in the table:

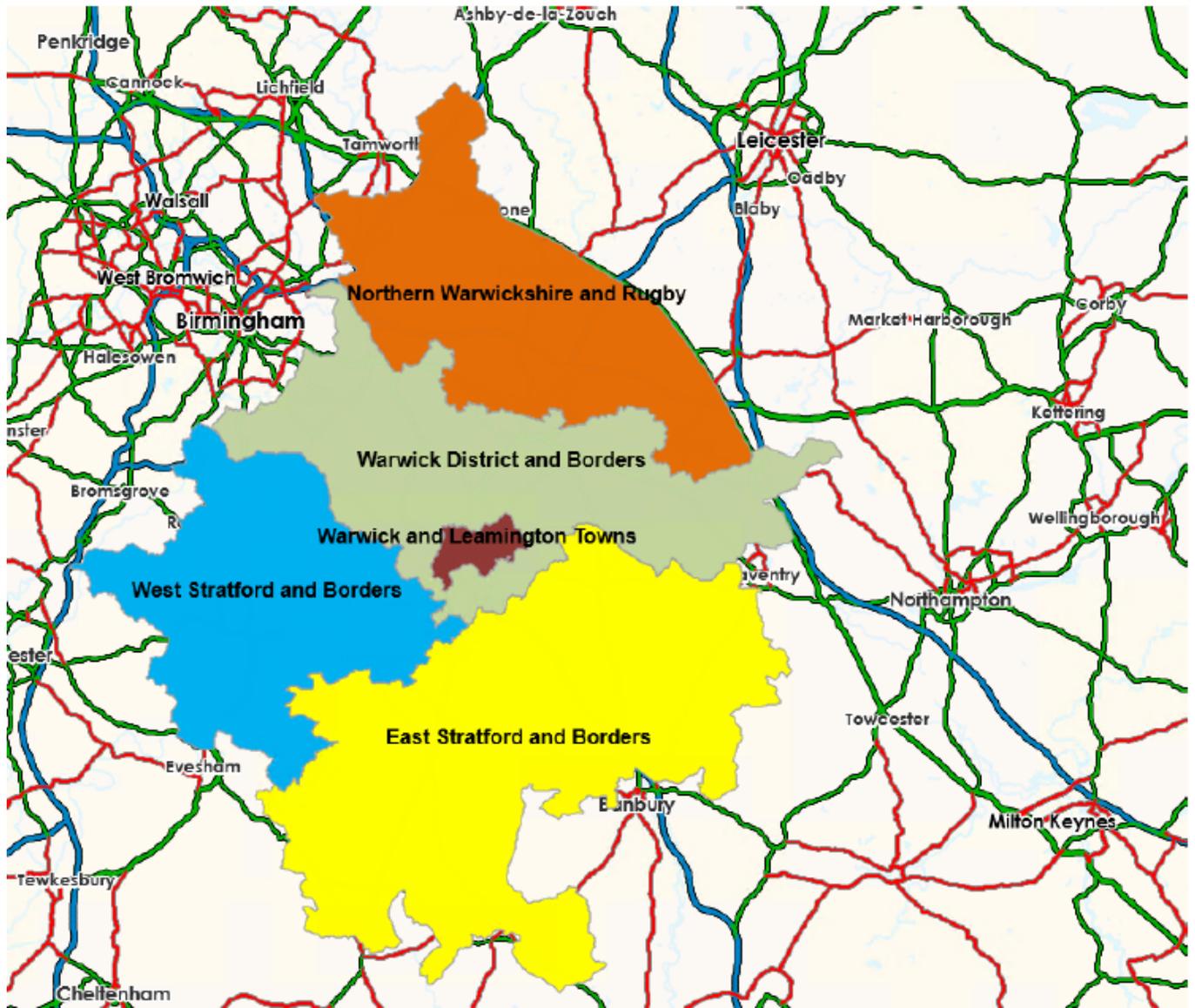
| Constituency | Previous Governor | New/Replacement Governor |
|---|--------------------------|---------------------------------|
| Public – Northern Warwickshire and Rugby | Sandra Milbourne | Jagjit Kaur Kohli |
| Nursing and Midwifery Community | Chantelle Walker | Sue Warner |
| Clinical Support | Carol Credgington | Jane Mason |
| Public – Warwick District and Borders | Gillian Waterhouse | Phil Harvey |
| Public – East Stratford and Borders | Alan Akeister | Vacancy |

The members of the Council of Governors who served during the 2017/18 are as follows:

| Public Governors | Name | Number of CoG meetings required to attend between 1 April 2017 – 31 March 2018 | Number of CoG meetings attended between 1 April 2017 - 31 March 2018 | Expenses 2017/18 £ |
|---------------------------------|------------------------|---|---|-------------------------------|
| East Stratford and Borders | Mr Alan Akeister | 2 | 0 | |
| East Stratford and Borders | Mr David Gee | 4 | 4 | £817.96 |
| East Stratford and Borders | Mr Peter Gregory-Hood | 4 | 4 | |
| Warwick and Leamington Towns | Mr Norman Byrne | 4 | 3 | |
| Warwick and Leamington Towns | Mrs Ruth Cowan | 4 | 3 | |
| Warwick and Leamington Towns | Ms Penny Smith | 4 | 3 | £ |
| Warwick and Leamington Towns | Mr Matthew Statham | 4 | 4 | |
| Warwick District and Borders | Mr Robert Ashby | 4 | 4 | |
| Warwick District and Borders | Mrs Jean Arrowsmith | 4 | 2 | £41.86 |
| Warwick District and Borders | Dr Richard Grimes | 4 | 4 | |
| Warwick District and Borders | Mrs Gillian Waterhouse | 1 | 1 | |
| Warwick District and Borders | Mr Phil Harvey | 2 | 2 | |
| West Stratford and Borders | Mr Jon Bolger | 4 | 2 | |
| West Stratford and Borders | Mr Roger Lloyd | 4 | 4 | £701.40 |
| West Stratford and Borders | Mrs Mary Malloy | 4 | 3 | £351.88 |
| Northern Warwickshire and Rugby | Mrs Jagjit Kaur Kholi | 3 | 1 | |
| Northern Warwickshire and Rugby | Dr Cally Harrison | 4 | 3 | £320.20 |

| Staff Governors | Name | Number of CoG meetings required to attend between 1 April 2017 – 31 March 2018 | Number of Attendances at 4 CoG meetings between 1 April 2017 - 31 March 2018 | Expenses 2017/18 £ |
|---|------------------------|---|---|-------------------------------|
| Nursing and Midwifery Acute | Mrs Pamela Hemsley | 4 | 3 | |
| Nursing and Midwifery Acute | Miss Kathy Wagstaff | 4 | 2 | |
| Non-Clinical Support | Mrs Jane Wheelan | 4 | 2 | |
| Clinical Support | Mrs Carol Credgington | 1 | 1 | |
| Clinical Support | Mrs Jane Mason | 2 | 2 | |
| Medical and Dental | Dr Shirley Rigby | 4 | 3 | |
| Nursing and Midwifery Community | Miss Helena Darcy-Cope | 4 | 3 | |
| Nursing and Midwifery Community | Ms Sue Warner | 3 | 3 | |
| Appointed Governors | Name | Number of CoG meetings required to attend between 1 April 2017 – 31 March 2018 | Number of Attendances at 4 CoG meetings between 1 April 2017 - 31 March 2018 | Expenses 2017/18 £ |
| Stratford District Council | Cllr Susan Adams | 4 | 1 | |
| Warwick District Council | Cllr Felicity Bunker | 4 | 3 | |
| University of Warwick | Mrs Lara McCarthy | 4 | 4 | 118.50 |
| South Warwickshire Clinical Commissioning Group | Mrs Anna Hargrave | 1 | 1 | |
| GP Consortium Rep SWCCG | Dr Adrian Parsons | 4 | 2 | |
| Warwickshire County Council | Cllr Les Caborn | 4 | 3 | |

Constituency Map



Elected Governors

The profiles of the Governors that have served on the Council of Governors from 1 April 2017 until 31 March 2018 are detailed below. The Governors have been divided into the constituencies that they represent.

Public: Warwick and Leamington Towns

Norman Byrne is a passionate supporter of the principles underlying the NHS but he accepts that, to stay relevant and efficient, some change is essential. But change must not come at the expense of NHS's core principles. Norman spent 40 years in business, most recently, as a director of sales and operations for a major international company. He offers his management skills, organisational experience and common sense to help ensure that the Trust maintains the best of this wonderful service. His wife spent all of her working life as a nurse in the NHS. He also has a daughter who is a senior nurse at Warwick Hospital and a daughter-in-law who is a Health Care Assistant. Norman has the greatest respect for the staff within the service and he wishes to ensure that the Trust fully supports those individuals as well as the patients they serve. He will continue to support both the users of the NHS and those working within it.

Ruth Cowan is a Chartered Physiotherapist and has been living in Leamington Spa for over 40 years. She has worked in the NHS, Education (Coventry University) and the private sector. She attends regular meetings of other volunteer working groups within the Trust and she states that the main focus is to always represent and support patients and staff. Ruth is proud to be part of South Warwickshire NHS Foundation Trust.

Penny Smith is a local resident who has worked for many years as an economist at a senior level in the public and private sectors and is therefore, well equipped to understand and guide the financial management of the Trust. Her experience of volunteering on similar boards will help ensure she makes a positive contribution to the work of the Governors.

Matthew Statham has lived in the Leamington/Warwick area for most of his life and likes to take an active role in the community. As a Governor he brings a fresh perspective, with 20 years industry experience from outside the healthcare profession.

Public: Warwick District and Borders

Jean Arrowsmith trained as a nurse at Warwick Hospital and worked in a variety of roles for 15 years. She believes that the knowledge and experience gained both in a hospital and community setting will assist her with achieving the full potential of being a Governor. Her clinical experience will also help in gaining the respect of clinicians, important in developing the credibility around the role of Governor.

Richard Grimes became a Governor because he wanted to see the Trust continue to build upon these improvements. He is passionate about maintaining the principles upon which the NHS was founded and, as a Governor, ensures that the Trust is held to those principles and that the Trust's actions are to the benefit of the community.

Robert Ashby was a public governor when the hospital first became a Foundation Trust and helped to establish the authority of governors. Over the last 50 years, his family and grandchildren have lived locally in Kenilworth. He believes that we should get involved with our health services and he is pleased to offer his time and energy. Never having private medical insurance, he has a personal interest in the NHS and is pleased to be representing his constituency again. His working life as a chartered engineer and a corporate senior manager provides directly relevant experience for the job.

Phil Harvey has worked either in, or with the NHS most of his adult life. On leaving college, where he studied photography, he was employed by Coventry and Warwickshire Hospital as a trainee Medical Photographer. In 1974 he set up a commercial photography and design studio in Warwick and was invited to become medical photographer for Warwick Hospital, on a freelance basis. In 1988 he applied for the post of Audio Visual Supervisor at St Georges Hospital Medical School in London, where he became a member of the medical photography team, video team and lecture theatre manager, which served St Georges Hospital. He retired in 2009 and having been a work place first aider at St Georges, he volunteered for the British Red Cross as an event first aider. He served as a volunteer council chair for Warwickshire for three years. He would welcome the opportunity to give something back to the NHS.

Public: West Stratford and Borders

Jon Bolger strongly believes that his commercial and operational background in providing procurement services to large and often complex organisations will be of value in the role of Governor. His contact with the Trust has been as a patient and he is passionate about the benefits the NHS brings to the whole community and has the desire to help how the Trust can continue to deliver these in times of austerity.

Roger Lloyd has lived in the area for 40 years and he has always used Warwick Hospital when the need has arisen for his family and himself. Roger is delighted to have been elected as a Governor. He believes this is the perfect time since his retirement for him to give back to the community the benefit of his experience of life with knowledge of the workings of the hospital from the receiving end. Roger has worked as a lawyer both in the Private and Public Sectors, listening to and advising both private clients and the departments of a large local authority. This is in addition to his main expertise in property and development.

Roger feels, in order to be most effective, the Governors need the ability to understand the issues facing the Trust and he believes that he has not only the skills and expertise but also the right degree of diplomacy to ask the challenging questions and search out the answers that will help ensure that the best service possible is delivered to the Community at large whilst maintaining regulatory compliance.

Mary Ann Malloy has 37 years NHS experience as a clinician and a manager. She was a hospital pharmacist for 20 years before moving into primary care as a Pharmaceutical Adviser and Head of Medicines Management. Her experience in primary and community care includes professional advice on prescribing and medicines management, public health, commissioning, strategy, service redesign, partnership working, risk management, and clinical governance. She was a member of the ethics committee and an inspector of nursing

homes. She has a special interest in the care of older people and is a Director of Warwickshire Care Services running 12 care homes in Warwickshire. Mary is passionate about maintaining the principles of the NHS. She became a Governor to use her experience to support the NHS locally in adhering to these principles and in providing best quality services.

Public: East Stratford and Borders

David Gee was the last Chair of the South Warwickshire Public and Patient Involvement (PPI) Forum; he has been actively involved in representing the interests of patients throughout South Warwickshire for many years. David is experienced in the needs of the residents of South Warwickshire and will use this experience to ensure that the Trust continues to deliver an improving healthcare service.

Peter Gregory–Hood has often been to Warwick Hospital as a patient both to A&E and to Outpatients, as well as staying on a ward and would now like to be more involved. Peter has been a civil servant in the Foreign and Commonwealth office for over 30 years and hopes very much that he can act as an Ambassador for the Trust and the NHS in the wider community. He believes public relations for the NHS in general and for hospitals in particular have never been more important than at the moment with both funding and government relations top priorities. Peter feels that he could really contribute here and bring the skills of coordination to the role of Governor. Peter intends to use his negotiating skills on behalf of the community and especially the NHS. **(From February 2017)**

Public: Northern Warwickshire and Rugby

Cally Harrison has a clinical, academic and managerial background and lengthy experience in the NHS. After working for different trusts around the country (primary/community services and secondary care), she felt that one of the best ways to improve and maintain high standards of care locally was to become a Foundation Trust Governor. She believes that as it has been shown by many national and international think tanks, quality should be the organising principle of any credible healthcare organisation, hence she would like to use her knowledge, skills and expertise to ensure that the local NHS continues to successfully serve its patients. Being of a mixed ethnic background, she also has a strong interest in ensuring that all patients, carers, staff members, partners and affiliates do feel valued and are treated with integrity, dignity, honesty, fairness, empathy, compassion and respect. She has been a public governor since July 2012 and she believes this role gave her the opportunity to participate and constructively contribute to a number of committees and forums around a variety of issues from performance, governance and finance to IT innovation projects, partnership working within the local Health Economy and patient involvement initiatives.

Jagjit Kaur Kohli is a retired Warwickshire Senior Librarian and has lived in Leamington, Coventry and Rugby. She has worked as a librarian and an interpreter throughout Warwickshire. She also has a long association with Warwick Hospital as a patient since 1980.

Staff: Medical and Dental

Dr Shirley Rigby has worked at the Trust for the past 15 years; she has a strong loyalty to the organisation and wishes to see the Trust succeed in providing high quality care to the local population of Warwickshire. As a Consultant Physician (General Internal Medicine and Rheumatology) she knows many of the staff group that she will represent. She hopes to use her knowledge and experience of being a front line clinician to help the board of governors in their important role.

Staff: Nursing and Midwifery Acute

Pamela Hemsley through a mixture of both life experiences and her 12 years, spent helping the public in the role of a health care assistant she feels that her election to the role of staff governor will benefit and enhance the decision making process within the Trust.

Kathy Wagstaff has worked for the NHS for 24 years and been employed at the Trust since 2009 firstly as a matron and now as Clinical Lead Nurse for Central England Rehabilitation Unit. She is passionate about providing safe, effective, compassionate nursing care to all patients. Although this is not her local hospital she has a family that lives in the area that use the Trust's services and she feels it's important to feel proud of the Trust and the services it offers. She believes it is paramount that patients have a voice into the services they require, want and use. Kathy feels she brings her experience and skills to the role of a Governor.

Staff: Clinical Support (including Scientific, Technical and Therapeutic Groups)

Jane Mason joined the Trust as an Occupational Therapist 14 years ago, spending nearly 9 years working in the community hospitals before moving across to the acute setting at Warwick as the Occupational Therapy Medical Team Lead in 2011. Since January 2015, Jane has been the Principal Occupational Therapist for the Medical, Trauma, Orthopaedic, and Surgical flows across Warwick Hospital and the Community Hospital sites. Jane is responsible for the operational day to day management of the OT team and the implementation of changes to service delivery in line with OT and Trust objectives such as the rollout of 7 day working.

Carol Credgington has worked in the Trust as a Physiotherapist for over 30 years. During this time she has experienced many changes in the environment, the staffing and ways of working both professionally and within the Trust. Being part of the Physiotherapy team she is in a position to have some insight into the different Trust Departments and Teams, as the team work across most clinical areas within the Trust. Her managerial role has enhanced this further working on several different projects and with staff of all levels and from a cross section of teams. Carol believes the opportunity to be a Staff Governor will enable her to use her extended knowledge to ensure that the Trust continues to provide a quality service to meet the needs of the patients and support the staff to enable them to do so.

Staff: Non-Clinical Support (including Managerial and Administrative Staff)

Jane Wheelan has worked for the Trust for 20 years and in that time held various positions, working in many different departments at Warwick Hospital including a service which was part acute and part primary care. She has been working in Patient Experience for 10 years, which incorporates the Trusts Patient Advice Liaison Service, Bereavement and Formal Complaint services. She is a local resident and Warwick Hospital has been her local hospital all her life.

Staff: Nursing and Midwifery Community

Helena Darcy-Cope has worked in Community Services for over 20 years. She looks forward to supporting the Trust in their future challenges and to highlight the value of community integrated teams and how they play a pivotal role in the whole system approach to healthcare.

Sue Warner worked in the NHS for 41 years, mostly within the community, as a district nurse, practice teacher, a manager of specialist nursing and now a health visitor in Warwickshire. She has always had a keen interest in the art and science of nursing and continuous professional development. She is a Council Member of the Royal College of Nursing, joint chair of the RCN Nursing Practice and Policy Committee and Chair of the RCN West Midlands Regional Board.

Appointed Governors

The Trust also has a number of Appointed Governors, who represent local stakeholder organisations and put forward the views of their organisations at the Council of Governors meetings. The Trust's Appointed Governors for 2016/17 are detailed in the list below, which also includes the date of any appointments and resignations that happened during 2016/17.

- Susan Adams – Stratford District Council
- Felicity Bunker – Warwick District Council
- Lara McCarthy – University of Warwick
- Adrian Parsons – GP representative SWCCG
- Les Caborn – Warwickshire County Council

Contact Details

Governors can be contacted in the following ways:

Call: 0800 085 2471

Post: Freepost RRUR-BBAH-CAJA

Email: Governors@swft.nhs.uk

To access the Governors' Register of Interests please visit www.swft.nhs.uk or alternatively contact the Trust Secretary at Warwick Hospital on 01926 495 321 ext 8040.

Meetings of the Council of Governors

During the period 1 April 2017 to 31 March 2018 the Council of Governors has met on five occasions including the Annual Members' Meeting. A summary of its business is outlined below.

18 May 2017

At this meeting the Council received the Patient Experience, Finance and Quarterly Status Reports. The Council received a Stratford Hospital Operational Update.

The Council also received Reports from other Committees, including the Patient Care Committee.

The Council received the revised Constitution (including the Lead Governor Election Process), Council of Governors Schedule of Business, Annual Board Declaration on Governor Training, Register of Governors and Governors' Interests and the Report on Resignation and Appointment of Governors.

This meeting was also attended by the Chairman, Chief Executive, Acting Trust Secretary, Director of Finance, Director of Nursing and two Non-Executive Directors.

6 July 2017 (Annual Members' Meeting)

The Council of Governors met for the 2017 Annual Members' Meeting, which was attended by members of the public. The meeting received presentations on the Annual Report Summary Accounts and Auditor's Statement for 2016/17.

The Council presented the Annual Report of the Council of Governors 2016/17.

The Council and the public received a presentation of GEM Awards and Best Clinical Practice Awards.

14 September 2017

At this meeting the Council received the Patient Experience, Finance and Quarterly Status Reports.

The Council received the Annual Report from the Lead Governor.

The Council also received reports from other committees.

The Council received a Report on Resignation and Appointment of Governors and Appointment of Lead Governor report. The Council and public received a presentation on major developments including the New Stratford Hospital and Midwifery Led Unit.

This meeting was also attended by the Chairman, Chief Executive, Acting Trust Secretary, Director of Finance, Director of Nursing, Director of Development and four Non- Executive Directors.

16 November 2017

At this meeting the Council received the Finance Report and Quarterly Status Report

The Council also received the Audit Committee Annual Report.

The Council received Reports from Committees including the Business Oversight Committee, Patient Care Committee and Nominations and Remuneration Committee.

The Council received the annual self-assessment of the Council of Governors.

The Council received the Report on Resignation/ Appointment of Governors.

The External Auditors presented a summary of the External Audit Planning Report for 2017/18 to the Council. The appointment of the Lead Governor was confirmed.

This meeting was also attended by the Chairman, Chief Executive, Acting Trust Secretary, Associate Director of Finance, Quality Assurance Manager, five Non-Executive Directors.

15 February 2018

At this meeting the Council received the Finance Report and Quarterly Status Report.

The Council received the Report on Resignation/Appointment of Governors.

The Council received Reports from Committees including the Business Oversight Committee, Patient Care Committee and Nominations and Remuneration Committee.

The Council approved all Terms of Reference for its sub-committees

This meeting was also attended by the Chairman, Chief Executive, Acting Trust Secretary, Associate Director of Finance, Quality Assurance Manager and five Non-Executive Directors.

Sub-Committees of the Council of Governors

At the inaugural meeting on 4 March 2010, the Council of Governors appointed four sub-committees to help the Council discharge its functions. These Committees were reappointed at the inaugural meeting of the new Council of Governors on 7 March 2013. At the Council of Governors meeting on 16 November 2017, it was agreed to disband the Membership Development Committee and membership recruitment would be overseen by the General Purposes Committee.

Nominations and Remuneration Committee

The Nominations and Remuneration Committee makes recommendations to the Council of Governors on the appointment or re-appointment of the Chairman and Non-Executive Directors, and on the terms of appointment and remuneration for these positions. This Committee met on four occasions during the period of 2017/18 and made recommendations to the Council of Governors on procedures for the Reappointment of NEDs, Extension of Terms of Office and Remuneration Review and approved the appraisals of the Chairman and Non-Executive Directors.

The Nominations and Remuneration Committee considers appropriate recruitment support for the appointment of the Chairman and Non-Executive Directors. The recommendations take into account the views of the Board and the Nominations and Remuneration Committee on the qualifications, skills and experience required for each position. The Committee then makes recommendations to the Council of Governors for approval.

For the period April 2017 – March 2018 the Chair of the Committee was:

- Matthew Statham (Public Governor: Warwick District and Borders)

The Committee has been led by a Public Governor in accordance with its terms of reference, however this would be reviewed at the next meeting to ensure accordance with The NHS Foundation Trust Code of Governance that the Committee be led by the Chairman or an independent Non-Executive Director.

Other members of the Committee included:

- Jean Arrowsmith (Public Governor: Warwick District and Borders)

- Felicity Bunker (Appointed Governor: Warwick District Council)
- Norman Byrne (Public Governor: Warwick and Leamington Towns)
- David Gee (Public Governor: East Stratford and Borders)
- Mary Malloy (Public Governor: West Stratford and Border) – Lead Governor from November 2017

For the period April 2017 – October 2017 the Lead Governor member was Lara McCarthy (Appointed Governor: University of Warwick). The Committee is advised by the Director of Human Resources, Trust Secretary and Trust Chairman who attend the meetings but are not members of the Committee.

General Purposes Committee

The General Purposes Committee is responsible for overseeing the arrangements for the conduct of business of the Council of Governors. The Committee has agreed to meet at least three weeks before a Council of Governors' meeting, to review the business conducted at the last Council meeting and to consider and agree the agenda items for the next meeting. The Committee also considers the format and content of reports received by the Council and the Council agreed that the membership of its Committees would be agreed by the General Purposes Committee. Following the decision at the Council of Governors meeting on 16 November 2017 to transfer the remit of the Membership Development Committee to the General Purposes Committee, the Committee also reviews the Membership and Engagement report.

For the period April 2017 – October 2017 the Chair of this Committee was Lara McCarthy (Appointed Governor: University of Warwick). For the period November 2017 – March 2018 the Chair of this Committee was Mary Malloy (Public Governor: West Stratford and Borders).

Other Members of this Committee include:

- Norman Byrne (Public Governor: Warwick and Leamington Towns)
- David Gee (Public Governor: East Stratford and Borders)
- Richard Grimes (Public Governor: Warwick District and Borders)
- Cally Harrison (Public Governor: Northern Warwickshire and Rugby)
- Roger Lloyd (Public Governor: West Stratford and Borders)
- Lara McCarthy (Appointed Governor: University of Warwick)
- Matthew Statham (Public Governor: Warwick and Leamington Towns)

The Chairman and Trust Secretary also attend these meetings but are not Members of the Committee.

Patient Care Committee

The Patient Care Committee has been established by the Council of Governors to scrutinise patient care, quality and dignity within the Trust. Representatives of the Patient Forum and the Trust's senior nursing and operational teams are also members of the Committee.

The Chair of this Committee from April 2017 to December 2017 was:

- Richard Grimes (Public Governor: Warwick District and Border)

The Chair of this Committee from January 2018 – 31 March 2018 was:

- Penny Smith (Public Governor: Warwick and Leamington Towns)

Other Members of this Committee include:

- Jean Arrowsmith (Public Governor: Warwick District and Borders)
- Ruth Cowan (Public Governor: Warwick District and Borders)
- Peter Gregory-Hood (Public Governor: East Stratford and Borders)
- Dr Cally Harrison (Public Governor: Northern Warwickshire and Rugby)
- Pamela Hemsley (Staff Governor: Nursing and Midwifery Acute)
- Charles Hart (Patient Forum Member)
- Ronald Grant (Patient Forum Member)
- William Hall (Patient Forum Member)
- Pamela Hemsley (Staff Governor: Nursing and Midwifery Acute)
- Mary Malloy (Public Governor: West Stratford and Borders)
- Sue Warner (Staff Governor: Nursing and Midwifery Community)
- Jane Wheelan (Staff Governor: Non – Clinical Support Staff)
- Charles Hart (Patient Forum Member)
- Ronald Grant (Patient Forum Member)
- William Hall (Patient Forum Member)
- Geoff Raine (Patient Forum Member)
- Bruce Paxton (Non-Executive Director)
- Fiona Burton (Director of Nursing)
- Helen Lancaster (Director of Operations)

The Trust Secretary also attends these meetings but is not a Member of the Committee.

Business Oversight Committee

The Business Oversight Committee has been established by the Council of Governors to receive assurance from the Trust in relation to performance issues. The Committee receives assurances from Non–Executive Directors.

The Chair of this Committee is:

- Felicity Bunker (Appointed Governor: Warwick District Council)

Other Members of this Committee include:

- David Gee (Public Governor: East Stratford and Borders)
- Roger Lloyd (Public Governor: West Stratford and Borders)
- Penny Smith (Public Governor: Warwick and Leamington Towns)
- Sue Warner (Staff Governor: Nursing and Midwifery Community)

The Trust Secretary and two Non-Executive Directors support these meetings but are not Members of the Committee.

Trust Membership

The Trust's Membership is split into two categories, staff Membership and public Membership. Membership is open to anyone aged 16 or over who lives within the public constituency areas or is an employee of the Trust, providing none of the exclusions in the constitution apply.

Staff Membership

In the case of staff Membership, the following staff are eligible to become Members:

- Staff on a permanent contract
- Staff on a fixed-term contract of 12 months or more
- Staff who have been employed continuously for 12 months, and
- Staff employed by an independent contractor working on the Trust's behalf who have done so for 12 months or more

All eligible Trust staff automatically become Members unless they actively decide to opt out. For those staff acting on the Trust's behalf but who are not employees of the Trust, including contractors' staff and registered volunteers, are invited to become Members through an 'opt-in' arrangement.

Public Membership and Constituencies

The Trust Membership is made up of five public constituencies:

- East Stratford and Borders
- Northern Warwickshire and Rugby
- Warwick and Leamington Towns
- Warwick District and Borders
- West Stratford and Borders

Public Membership has increased from 6,166 at the beginning of April 2017 to 6,361 at 31 March 2018.

Public Membership analysis as at 31 March 2018 is as follows:

| Age Group | Total Membership (Public) As at 31 March 2018 |
|------------------|--|
| 16-24 | 210 |
| 25-44 | 893 |
| 45-64 | 1686 |
| 65+ | 3504 |
| Unknown | 68 |
| Total | 6361 |

| Gender | Total Membership (Public) As at 31 March 2018 |
|---------------|--|
| Male | 2546 |
| Female | 3715 |
| Unknown | 100 |
| Total | 6361 |

| Ethnicity | Total Membership (Public) As at 31 March 2018 |
|---|--|
| White (including British White and Other) | 5647 |
| Mixed (including Other) | 59 |
| Asian or Asian British | 311 |
| Black or Black British | 43 |
| Chinese or Other Ethnic Group | 48 |
| Arab or Any Other Ethnic Group | 17 |
| Not supplied | 236 |
| Total | 6361 |

| Constituency | Total Membership (Public) As at 31 March 2018 |
|---------------------------------|--|
| East Stratford and Borders | 1014 |
| Northern Warwickshire and Rugby | 419 |
| Warwick and Leamington Towns | 1948 |
| Warwick District and Borders | 1522 |
| West Stratford and Borders | 1405 |
| Unknown | 53 |
| Sub-Total | 6361 |

Membership and Engagement Strategy

The Membership Development Committee has developed a new strategy for 2016-19.

Membership Priorities

In January 2018 a new team took responsibility for engaging and developing our Membership. This providing opportunities to re-prioritise some key areas of development;

Younger Members - Further work needs to take place to reflect our growth in Young People and Family services. The Trust now provides these services across Coventry, Warwickshire and Solihull and the teams will need to look at new ways to recruit and engage with this different audience across a wider geographical base.

Engagement - Further opportunities need to be provided for Members and our wider population to engage with Trust services and plans, wherever possible this will be combined with ongoing recruitment and Sustainability and Transformation Partnership (STP) activities. The team will also look to increase the variety of ways Members can engage with the Trust and there will be a need for more non face to face activities.

Member relationship with the Trust - Work needs to be completed to review existing processes in place to maximise the value of each Member for the Trust as well as provide that Member with the best possible opportunity to fulfil their requirements. For example if a Member signs up and is interested in volunteering then a process must be in place to maximise this interest level.

Membership Engagement

Since authorisation, the Trust has focused its attention on developing an engaged Membership base. To support this the Membership Office in conjunction with Governors have held a number of events for Members and potential new Members. These have included a series of medical presentations, such as Age Related Problems / Osteoporosis and Social Prescribing.

One of the key ways for the Trust to engage with younger members is through social media. Social media graphics promoting the benefits of being a Member of the Trust have been created and are being used to reach this audience.

Membership Recruitment

The Trust continues to work on projects to increase the level of Public Membership in all constituencies to reflect at least 1% of population. The Membership Office has held Membership stalls in local hospitals and at local healthcare events to recruit new Members.

The Trust has also continued the initiative to include a Membership application form with appointment letters sent out by Warwick Hospital and some community settings. Information on Membership will continue to be included in staff new starter packs, and also in leaver and retiree information to provide these groups the opportunity to sign up as Public Members. Membership application forms can also be found at various Trust sites and volunteer manned helpdesks.

Quality Report

Part 1: Statement on Quality

I have great pleasure in introducing this year's Quality Report. Despite the significant challenges with the operating environment of the NHS our report demonstrates another year of improvement across the Trust. We are now considered as one of the leading Trusts in the NHS on improving and sustaining patient flow whilst ensuring high quality care. In addition to meeting the majority of the national standards and targets we have continued to focus on local priorities, steered by our Governors and Members making significant progress against our quality priorities. In a year in which the quality of the NHS has been under the spotlight it is very reassuring to see such positive performance against markers of quality, but also through the direct feedback from patients, through mechanisms such as the Friends and Family Test. On this particular indicator, it has been extremely reassuring that throughout the year a tremendous volume of our patients continued to recommend the Trust.

The Trust had a formal CQC inspection during December 2017 and January 2018 and received an overall rating of 'good'. This was a significant achievement giving the challenges of an extremely difficult Winter. There were several examples of best practice identified, however some recommendations for improvement were also made and the Trust is currently implementing action plans against these. Evidence of progress against these recommendations has been submitted to the CQC. This information has also been used to determine next year's quality priorities.

Infection control continues to be at the core of the Trust and it is pleasing to report that there were no Trust acquired cases of MRSA during 2017/18 and we also saw a reduction in the number of Clostridium Difficile infection. There are also a number of other positive improvements in this report, such as reduction in the number of pressure ulcers reported with a notable number of teams and wards now reporting over 1,000 days free of pressure ulcers. In addition it is pleasing to report that performance against the Safety Thermometer, which is a nationally used tool for analysing and reducing harm to patients, continues to be better than the national average and is still improving.

Safety and good patient outcomes are vital components of quality, but patient experience can often relate to wider factors. Evidence shows that the most significant factor is the level of staff engagement and staff satisfaction. This year's Staff Survey results placed the Trust amongst the best performing Trusts in the country demonstrating positive staff morale and engagement.

Our full annual report and accounts show that we were one of only a small number of providers of acute services who did not breach the duty to manage within our public expenditure limits. We feel that this demonstrates that by getting things right first time and by meeting patients' needs and expectations we also operate efficiently.

I hereby state that to the best of my knowledge the information contained within the Quality Report is accurate.



Glen Burley, Chief Executive

Date: 23/05/18

Part 2: Priorities for Improvement for next year

Each year the Trust sets annual objectives and within these objectives, a selection of quality priorities are agreed. These are detailed below and progress will be reported against these quality priorities in next year's Quality Report.

Patient Outcomes

- Embed the integrated care delivery model currently in place with social care to deliver improved outcomes for patients
- Increase normal birth rates
- Enhance patient safety and organisational learning by implementing the national learning from deaths process

Patient Experience

- Improve patient satisfaction levels of those who use our end of life care
- Improve the experience of our patients with a mental health concerns
- Improve our patients' experience when booking visits, appointments or operations

Patient Safety

- Enhance patient safety through the use of technology to record venous thromboembolisms risk assessments
- Improve medicines management, efficiency and safety through the implementation of an electronic prescribing system
- Implement an Out of Hospital electronic patient record system

How these priorities were decided and why they are our priorities

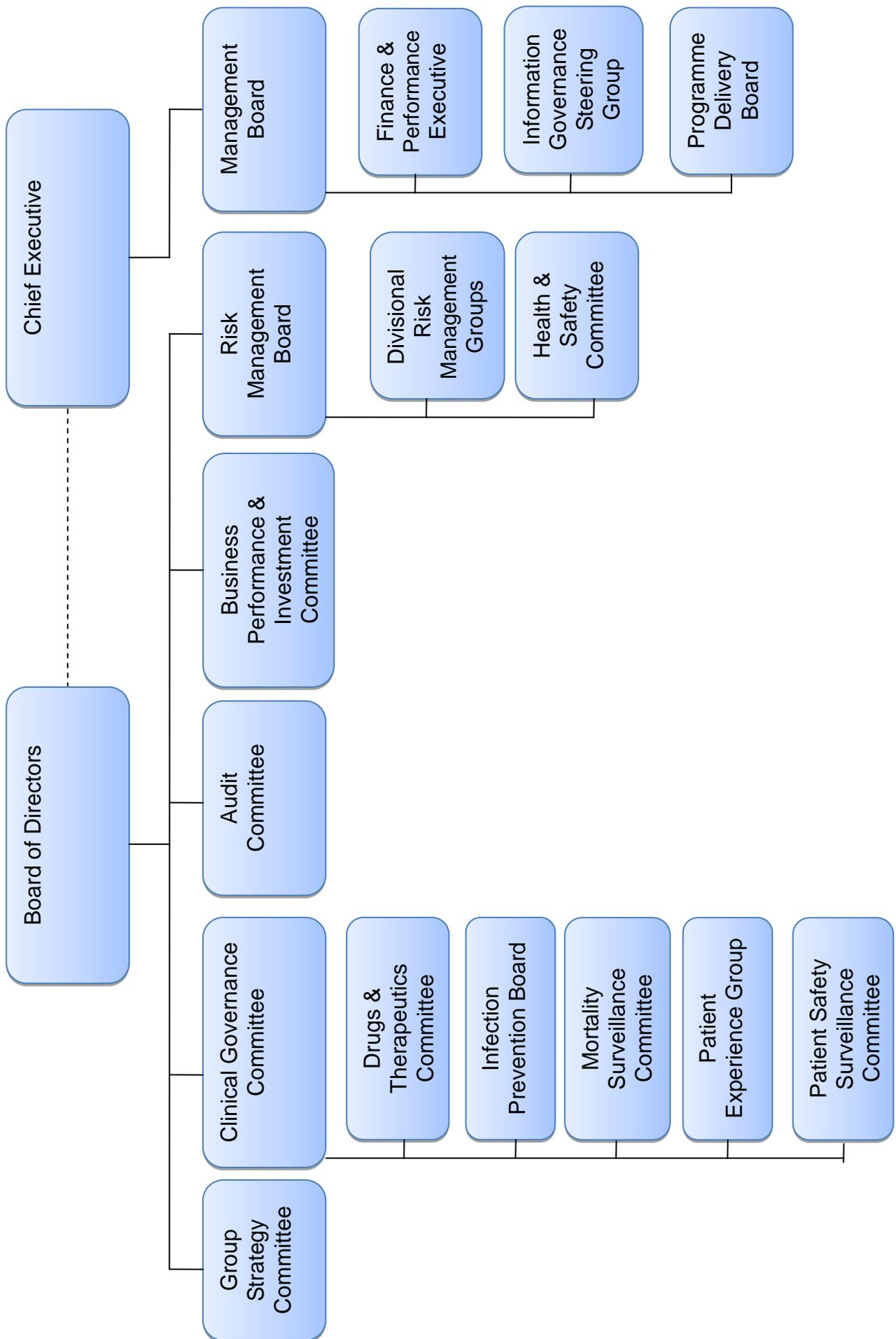
- During the year a number of Round Table events occurred with our Council of Governors. During these sessions the key priorities and objectives for the Organisation are identified and discussed. As part of our process to identify Quality Priorities the information taken from these events and feedback from external sources, such as the Care Quality Commission, were used to identify the Quality Priorities for the coming year.

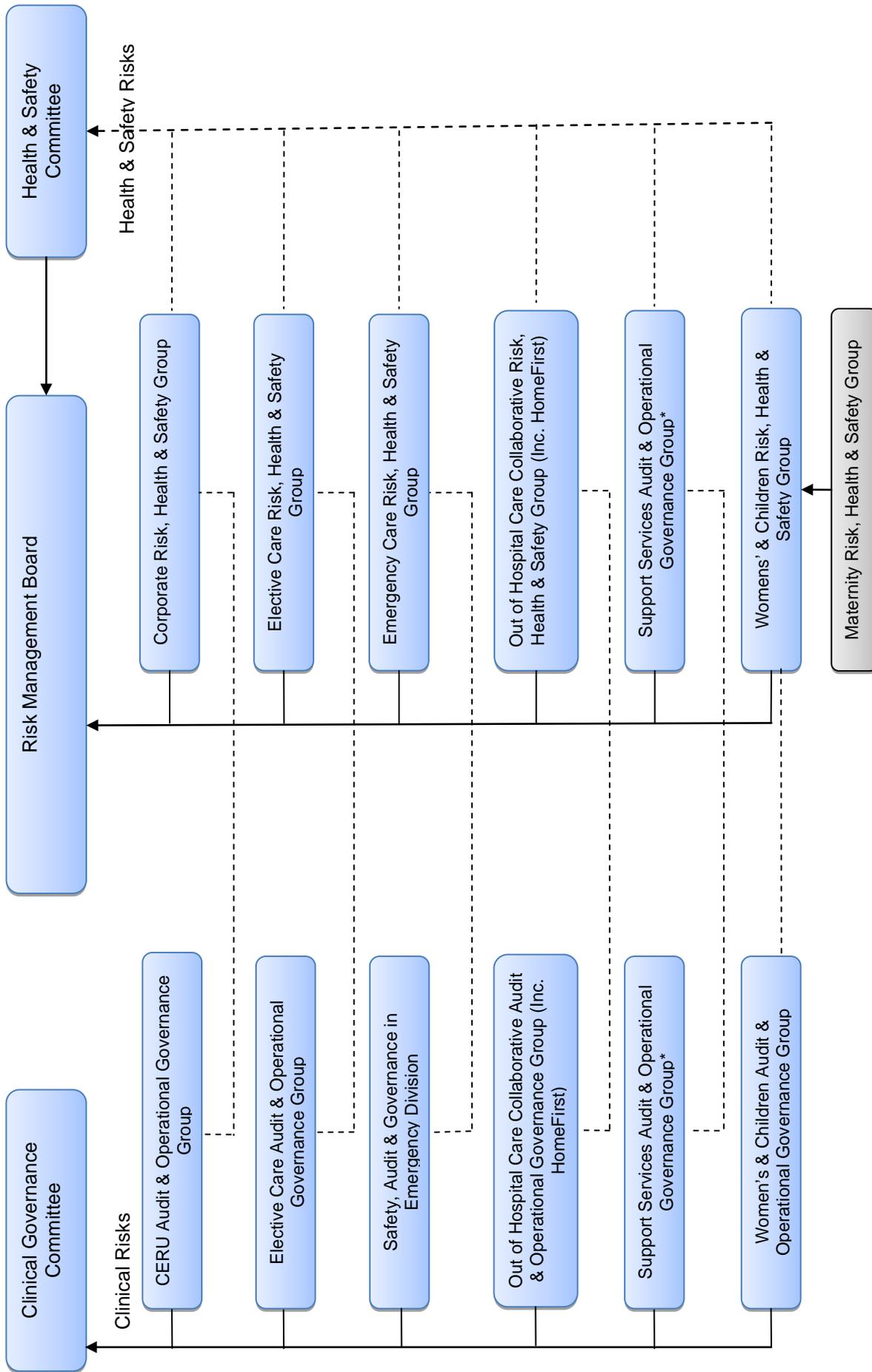
How we measure, monitor and report Quality

- Our Board of Directors receive a monthly integrated performance dashboard from the Executive Directors which contains a broad range of performance measures including progress against the annual objectives and the quality priorities. The Board Assurance Framework provides assurance to the Board for delivery of all key objectives inclusive of our quality priorities. Each objective has a lead director who is accountable for the delivery of that objective. Our management and governance structures provide a mechanism for reporting progress against these priorities, for implementing change and assurance on risk.

- As part of strengthening quality and visibility of the board at ward and department level, the 'Board to Ward' initiatives have continued throughout the year. The Board of Directors visit wards and departments across the hospital and community settings on a regular basis to improve communication. Members of the Executive Team visit ward and department areas on a regular basis outside of 'Board to Ward' activities however this is not formally recorded.
- As part of these visits patient safety, incidents, complaints and issues that impact on the quality of care are discussed. As a result of these discussions, action is taken by either the Executive Team or by the ward and department managers to ensure the high quality of care.

High Level Committees





Statements of Assurance from the Trust

Review of Services

During 2017/18 the Trust provided and/or sub-contracted 71 NHS services. The Trust has reviewed all the data available to them on the quality of care in 100 percent of these NHS services.

The income generated by the NHS services reviewed in 2017/18 represents 96% of the total income generated from the provision of NHS services by the Trust for 2017/18.

Participation in Clinical Audits

During that period the Trust participated in 35 (100%) national clinical audits and 5 (100%) national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

| National Clinical Audits that the Trust is eligible to participate in 2017-18 | National Clinical Audits that the Trust were eligible for and participated in 2017-18 | National Clinical Audits that the Trust participated in and for which data collection completed, % completion |
|---|---|---|
| A & E | | |
| Pain in Children | ✓ | 100% |
| Procedural Sedation in Adults | ✓ | 100% |
| Fractured Neck of Femur | ✓ | 100% |
| Acute Care | | |
| Cardiac Arrest (National Cardiac Arrest Audit) | ✓ | 100% |
| Case Mix Programme (CMP) | ✓ | 100% |
| National Emergency Laparotomy Audit (NELA)Year 4 | ✓ | 100% |
| Blood Transfusion | | |
| National Comparative Audit of Blood Transfusion Programme: | ✓ | |
| Transfusion Associated | ✓ | 100% |

| National Clinical Audits that the Trust is eligible to participate in 2017-18 | National Clinical Audits that the Trust were eligible for and participated in 2017-18 | National Clinical Audits that the Trust participated in and for which data collection completed, % completion |
|--|---|---|
| Circulatory Overload (TACO) Re-audit of red cell and platelet in adult Haematology patients | | 100% |
| Cancer | | |
| Lung cancer (National Lung cancer Audit) | ✓ | 100% |
| Bowel cancer (National Bowel Cancer Audit) | ✓ | 100% |
| Oesophago-gastric cancer (National O-G Cancer Audit) | ✓ | 100% (Initial diagnosis and referral to UHCW) |
| Prostate cancer | ✓ | 100% |
| National Audit of Breast Cancer in Older Patients (NABCOP) | ✓ | 100% |
| Cardiology | | |
| Acute Myocardial Infarction and other ACS (MINAP) | ✓ | 100% |
| Heart Failure (Heart Failure Audit) | ✓ | 100% |
| Cardiac arrhythmia (Cardiac Rhythm Management Audit) | ✓ | 100% |
| Elective Procedures | | |
| Elective surgery (National PROM's Programme) | ✓ | 100% |
| National Joint Registry | ✓ | 100% |
| Endocrine | | |
| Endocrine and Thyroid National Audit | ✓ | 100% |

| National Clinical Audits that the Trust is eligible to participate in 2017-18 | National Clinical Audits that the Trust were eligible for and participated in 2017-18 | National Clinical Audits that the Trust participated in and for which data collection completed, % completion |
|---|---|---|
| Learning Disabilities | | |
| Learning Disability Mortality Review Programme (LeDeR) | ✓ | 100% |
| Intermediate Care | | |
| National Audit of Intermediate Care (NAIC) | ✓ | 100% |
| Long Term Conditions | | |
| National Diabetes Audit Programme: National Diabetes Audit National In-patient Audit Diabetes in Pregnancy Audit Diabetes Foot Care Audit | ✓ ✓ ✓ ✓ ✓ | 100% 100% 100% 100% 100% |
| National Audit of Dementia | ✓ | 100% |
| Inflammatory Bowel Disease(National IBD Audit) | ✓ | 100% |
| UK Parkinson's Audit | ✓ | 100% |
| Chronic Obstructive Pulmonary Disease (COPD) Audit Programme: Secondary Care Rehabilitation | ✓ ✓ | 100% 100% |
| Maternity and Paediatrics | | |
| Neonatal Intensive and Special Care (NNAP) | ✓ | 100% |

| National Clinical Audits that the Trust is eligible to participate in 2017-18 | National Clinical Audits that the Trust were eligible for and participated in 2017-18 | National Clinical Audits that the Trust participated in and for which data collection completed, % completion |
|---|--|--|
| Paediatric Pneumonia (BTS audit) | ✓ | 100% |
| Diabetes (RCPH National Paediatric Diabetes Audit) | ✓ | 100% |
| Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRACE-UK) | ✓ | 100% |
| National Maternity and Perinatal Audit | ✓ | 100% |
| Older People | | |
| Falls and Fragility Fractures Programme: National Hip Fracture Database National In-patient Falls audit | ✓ | 100% |
| Sentinel Stroke National Audit Programme (SSNAP) | ✓ | 100% |
| Ophthalmology | | |
| National Ophthalmology Audit | ✓ | 100% |
| Rehabilitation | | |
| Specialist rehabilitation for patients with complex needs | ✓ | 100% |
| Serious Hazards of Transfusion (SHOT) | | |
| Serious Hazards of Transfusion (SHOT); UK national haemovigilance scheme | ✓ | All required data submitted directly |

| National Confidential Enquiries that the Trust is eligible to participate in 2017-18 | National Confidential Enquiries that the Trust were eligible for and participated in 2017-18 | National Confidential Enquiries that the Trust participated in and for which data collection completed, % completion |
|--|--|--|
| Chronic Neurodisability | ✓ | No cases selected |
| Young People's Mental Health | ✓ | 50% |
| Cancer in Children, Teens and Young Adults | ✓ | No cases selected |
| Acute Heart Failure | ✓ | 57% |
| Perioperative Diabetes | ✓ | Data collection in Progress |

The reports of 12 National Clinical Audits were reviewed in 2017/18 and the Trust is taking the following actions to improve the quality of healthcare provided.

National Bowel Cancer Audit

- Increase % patients seen by a clinical nurse specialist following a bowel cancer diagnosis
- Increase the proportion of patients who have performance status recorded

National Joint Registry (NJR) Data Quality Audit

Continue monitoring our systems to ensure Minimum Data Set (MDS) forms are completed and submitted to the NJR.

National Emergency Laparotomy Audit (NELA)

- To ensure a formal risk assessment becomes a routine part of clinical practice
- Recruitment or job plan a specialist in the care of older people to provide input for patients >70 years and admitted to a surgical ward

Royal College of Emergency Medicine (RCEM) Moderate and Acute severe Asthma

- Teaching of both doctors and nurses in asthma treatment/management to be included in the programme
- Asthma discharge care bundle form to be completed for all discharges
- Written asthma action plan/leaflet to be provided for patients/families

RCEM Consultant Sign Off

- To make all new doctors aware at induction of all conditions needing consultant sign off.
- Add abdominal pain to the list of conditions that requires consultant sign off.

National Paediatric Diabetes Audit

- Ensure the database is capturing eye data and thyroid treatment accurately by cross checking audit report and database for next audit
- Continue to work on reducing the % of patients with high HbA1c and increasing % achieving target HbA1c
- Increase number of structured education sessions offered

National Neonatal Audit Programme (NNAP)

- New National Institute for Health and Care Excellence (NICE) guidance to be implemented: impact will be assessed in future

Case Mix Programme

- To liaise with the bed managers in order to streamline patient flow. This will improve the discharge of patients from wards

National Cardiac Arrest Audit (NCAA)

- Explore enhanced training to Clinical Support Workers to aid understanding of patient deterioration and introduce multi-disciplinary high fidelity simulation training in clinical areas
- Monitoring of peri arrest and cardiac arrest calls in relation to days of week and out of hours needs to be continued. Benchmarking versus national data to identify trends
- Learning about the Recommended Summary Plan for Emergency Care and Treatment (ReSPECT) process will be included within all induction and annual mandatory update training

National Audit of In-patient falls

- Email sent to ward managers to raise awareness of Lying and Standing Blood Pressure measurement and champions in preventing falls
- Raising awareness of the falls proforma 'assessment after an in-patient fall' and making it easily accessible for staff to use
- Continue to audit the completion of Blood Pressure charts as part of the Nurse Care Indicators
- Focus on visual assessment on patients who have had a fall
- Continual programme of falls prevention training to target nurses, student nurses and Health Care Assistants

The reports of 100 local clinical audits were reviewed by the provider in 2017/18. A selection of actions from the local audits that will have a beneficial outcome on patient care are described below:

- Development of a post-surgery pathway, to improve patients' post hip replacement physical activity levels
- Continuing education and emphasis on documenting inspired oxygen concentration for all especially if they are on room air
- Patients improving knowledge of their medication by establishing standards/ counselling checklist and increased awareness of the patient and carer medicines helpline
- Making the booking clerk part of the orthopaedic team
- Updating the current guideline on how to avoid 'drug not found' missed doses
- Further specific Safeguarding Children training sessions to be targeted to the Accident and Emergency Department workforce including Identification and Referral to Improve Safety (IRIS), child protection referrals, process and quality, child sexual exploitation
- Continuing to improve the uptake of the 'Holistic Assessment and Individual Plan of Care for the Dying Person' (HAIPCDP)
- Education and training for staff to realise the benefits of using the HAIPCDP and of anticipatory prescribing
- Education into use of palliative care medication algorithms
- Creation of a proforma to go in the front of notes for Downs' Syndrome patients in order to trigger surveillance and improve documentation
- Redesign and implementation of a new Admission to Discharge pathway for long and short stay admissions for neonates

- To ensure that the Looked After Children's team request and receives the young person's health history, immunisation, blood screening and test results from the GP; this information is required to complete the Health Passport
- To update, revise and simplify the dietetic service treatment guidelines in line with national recommendations regarding weight management support
- Organise training for ward staff focusing on dysphagia education. Link in with dysphagia link Health Care Assistant
- Working group to be formed to review wound care documentation, guidance, training, photography etc

The outcomes of audits are reported to the relevant divisional audit operational governance groups (AOGGs) where action plans and progress are monitored. Quarterly progress is reported to the Trusts Clinical Governance Committee.

Participation in Clinical Research

The number of patients receiving health services provided or sub-contracted to the Trust in 2017/18 that were recruited during that period to participate in research approved by a Research ethics committee as part of the Health Research Authority was 964.

Participation in clinical research demonstrates the Trust's commitment to improving the quality of care we offer and to making our contribution to wider health improvement.

The Trust was involved in conducting 75 clinical research studies during 2017/18. Of these, 68 were supported by the National Institute for Health Research (NIHR) through its research networks. The Trust aims to approve 100% of studies within the 40 day benchmark set by the NIHR/Clinical Research Network West Midlands (CRNWM).

| NIHR Portfolio Studies | Number of Studies | Total Number of Patients Recruited |
|--|--------------------------|---|
| Speciality | | |
| Cancer | 9 | 38 |
| Diabetes | 6 | 148 |
| Musculoskeletal | 6 | 56 |
| Anaesthetics and Critical Care | 5 | 199 |
| Reproductive Health and Childbirth | 1 | 382 |
| Gastroenterology and Hepatology | 3 | 17 |
| Injuries & Emergencies | 1 | 11 |
| Health Services and Delivery Research | 1 | 100 |
| Cardiology | 1 | 2 |
| Dermatology | 1 | 5 |
| Primary Care | 1 | 1 |
| Surgery | 1 | 5 |

| Non- Portfolio Studies | Number of Studies | Total Number of Patients Recruited |
|------------------------------------|--------------------------|---|
| Speciality | | |
| Educational (PhD, MSc etc.) | 2 | n/a |
| Other | 2 | n/a |

The Trust continues to partake in multi-centred studies supporting high quality research for the benefit of our patients. Our involvement in research has resulted in over 20 publications in the past three years, helping to improve patient outcomes and experience across the NHS.

Goals Agreed with Commissioners

A proportion of the Trust's income in 2017/18 was conditional on achieving quality improvement and innovation goals agreed between the Trust and South Warwickshire CCG, through the Commissioning for Quality and Innovation payment framework (CQUINs). The total value of income in 2017/18 conditional upon achieving quality improvement and innovation goals was £3,619,223 for Acute services and £1,169,987 for Community Services. The value of income for the associated payment in 2016/17 was £3,692,329 for Acute Services and £1,125,971 for Community services. Further details of the agreed goals for 2017/18 and for the following 12-month period are available electronically at <https://www.england.nhs.uk/nhs-standard-contract/cquin/cquin-17-19/>

Whilst all the final quarter 4 CQUIN results are not available at time of reporting, the Trust has made very good progress with the CQUIN Scheme expectations and so far been successful in achieving most of the quarter 1, 2 and 3 milestone expectations.

Care Quality Commission (CQC)

The Trust is required to register with the CQC and its current registration status is registered without conditions. The CQC has not taken enforcement action against the Trust during 2017/18.

The Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

Registration confirms that the Trust meets all regulations and standards stipulated by the CQC. It also confirms that the Trust is authorised to provide all registered services across all locations registered under the Trust.

In March 2016 the Trust was inspected by CQC and rated as 'requires improvement'. During 2017/18 the Trust requested a reinspection which took place in December 2017 and January 2018. The Trust was awarded an overall rating of 'good' with no enforcement actions stipulated. Examples of outstanding practice were reported in maternity and community and acute end of life services. There were areas identified for improvement across the Trust for which the Trust has taken action to improve. Evidence of progress against the action plans has been submitted to the CQC, NHS Improvement and the lead Commissioners (South Warwickshire CCG).

Data Quality

The Trust submitted records during 2017/18 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data.

| The percentage of records in the published data which included the patient's valid NHS Number was: | | |
|---|--------------------------|-------------------------|
| | Trust Performance | National Average |
| Admitted patient care | 99.7% | 99.4% |
| Outpatient care | 99.9% | 99.5% |
| Accident and Emergency care | 98.9% | 97.1% |

| The percentage of records in the published data which included the patient's valid General Practitioner Registration Code was: | | |
|---|--------------------------|-------------------------|
| | Trust Performance | National Average |
| Admitted patient care | 100% | 99.9% |
| Outpatient care | 100% | 99.8% |
| Accident and emergency care | 100% | 99.3% |

Clinical Coding

The Trust was not subject to the Payment by Results (PbR) clinical coding audit during 2017/18 by NHS Improvement. We did however undertake our annual coding audit in support of Information Governance requirements during February 2018. There were 200 episodes of care audited which covered five specialties; Cardiology, General Surgery, Respiratory, Trauma and Orthopaedics and Urology.

Audit Findings

There were eighteen Healthcare Resource Groups where payments would have changed; this in general related to issues with documentation.

The overall financial value of the errors identified would have led to an increase in income to the Trust of £9,872 from the sample size of £162,913.

| | |
|-------------------------------------|----------|
| Provider episodes tested in sample | 200 |
| % episodes changing payment | 9% |
| Pre audit commissioner payment | £162,913 |
| Post audit commissioner payment | £172,785 |
| Net change in payment – undercharge | £9,872 |
| Net change in payment % | 6% |

Overall performance had improved from the previous report;

| Key Metrics | | |
|---------------------|--------------------------|--------------------------|
| | % correct 2017/18 | % correct 2016/17 |
| Primary Diagnosis | 96.5% | 92.5% |
| Secondary Diagnosis | 98.9% | 92.8% |
| Primary Procedure | 96.5% | 96.4% |
| Secondary Procedure | 98.6% | 89.9% |

Report Conclusions

The audit report was very positive with the Trust being acknowledged as demonstrating an excellent standard of coding accuracy, attaining an accuracy score for Information Governance requirement of level 3.

South Warwickshire NHS Foundation Trust has continued to experience issues regarding recruitment and retention of qualified coding staff over the last 2 years and as a result continues to rely heavily on external contract coding resources. We have however been successful in recruiting coding trainees. Our plan is to be fully staffed without needing additional input from external support by March 2020.

The clinical engagement strategy continues to make progress and we are reviewing any additional opportunities to discuss issues and concerns with clinical staff ensuring that clinical documentation is full and complete to accurately derive codes.

The Trust will be taking the following actions to improve data quality:

Out of Hospital Care Collaborative

A full data quality programme is in place with the division to support the implementation of the community electronic patient record during 2018/19. Improved monitoring and reporting will allow data to be used more fully for both performance and planning giving a higher profile for data quality.

Elective Division

Following a difficult year for the division in respect of referral to treatment times (RTT), a comprehensive action plan is being supported together with the introduction of a new Electronic System to monitor and report patient pathways reducing manual processes and providing a single point of validation. This is being monitored by the RTT Recovery Board and this is chaired by the Director of Operations.

Emergency Division

Following the introduction of the Emergency Care Data Set (ECDS) in October 2017, the division is working through plans to improve the quality and completeness of the coding for A&E activity. In addition, monitoring of admissions, discharges and transfers (ADT) is being improved to support electronic systems to manage patient's clinical condition and to maintain effective patient "flow". These actions are being monitored by the A&E Delivery Board, chaired by the Director of Operations.

Women's and Children's Division

Following the internal audit which identified some issues with consistency of data held in the maternity system, the data quality team routinely meet with the maternity staff. Data Quality reporting is now in place to cross reference the maternity Badger system with Lorenzo to ensure that all mothers and babies are correctly reported.

Information Governance

Information Governance is the way organisations 'process' or handle information. It covers personal information, i.e. that relating to patients/service users and employees, and corporate information, e.g. financial and accounting records.

The Information Governance Toolkit is a performance tool produced by the Department of Health and Social Care. It draws together legal rules and central guidance and presents them in one place as a set of information governance standards/requirements.

There are different sets of information governance requirements for different organisational types. However all organisations have to assess themselves against requirements for:

- Management structures and responsibilities (e.g. assigning responsibility for carrying out the IG assessment, providing staff training, etc.)
- Confidentiality and data protection
- Information security

Each Trust must undertake an annual assessment to identify and evidence its current level of compliance against these standards/requirements to see whether information is handled correctly and protected from unauthorised access, loss, damage and destruction. For the Trust there are 45 standards/requirements in total (based on the law and central guidance).

Where partial or non-compliance is revealed, organisations must take appropriate measures, (e.g. assign responsibility, put in place policies, procedures, processes and guidance for staff), with the aim of making cultural changes and raising information governance standards through year on year improvements. The aim is to demonstrate that the organisation can be trusted to maintain the confidentiality and security of personal information. This in-turn increases public confidence that 'the NHS' and its partners can be trusted with personal data.

The Trust's Information Governance Assessment Report overall score for 2017/18 is 69% and is graded green ('satisfactory').

The final publication assessment scores reported by organisations have been used by the CQC when identifying how well organisations are meeting the fundamental standards of quality and safety, which care must never fall below.

However, it is now clear that version 15 of the toolkit will be completely different to previous versions. In March 2018 NHS England revealed that the Information Governance Toolkit will be replaced in April 2018, including undergoing a name change and will be subsequently referred to as the Data Security and Protection Toolkit (DSP Toolkit).

The DSP Toolkit is part of a new approach to measure progress against ten data security standards for organisations set out by Dame Fiona Caldicott. The ten data security standards will apply to all health and care organisations. When considering data security the CQC will look at how organisations are assuring themselves, if they are implementing the ten data security standards and meeting their statutory obligations on data protection and data security.

In addition, there is an expectation that the DSP Toolkit will include references to the new EU 2016 General Data Protection Regulation (GDPR), by mapping existing IG Toolkit requirements to the GDPR and highlighting new obligations. The GDPR is a regulation by which the European Parliament, the European Council and the European Commission intend to strengthen and unify data protection for individuals within the European Union. The GDPR will become directly applicable as law in the UK from 25 May 2018. The current Data Protection Bill 2018, which will become the Data Protection Act 2018 (DPA 2018), fills in the gaps of the GDPR. Whilst the GDPR will not be directly applicable in the UK post Brexit, it is expected that the DPA18 will ensure continuity by putting in place the same data protection regime in the UK law pre and post Brexit.

Hospital Mortality Rates

Mortality rates have been described as “a smoke alarm” which should always be checked even if the trigger is thought to be already known. A variety of mortality indicators have been developed, which take in to account patient factors such as age, gender, whether an admission was emergency or elective, diagnosis when first admitted to hospital, important co-morbidities, whether receiving palliative care, and any socioeconomic deprivation in the area where the patient lived.

During April 2017–February 2018, 842 of the Trust’s patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period: 215 in the first quarter; 181 in the second quarter; 250 in the third quarter; 196 in the fourth quarter (excluding deaths in March).

By February 2018, 391 case record reviews (mortality reviews) and 27 investigations (follow up incidents/mortality review, initial management review or serious incident) have been carried out in relation to 842 of the deaths*.

In 418 cases a death was subjected to a case record review or an investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 148 in quarter 1
- 106 in quarter 2
- 105 in quarter 3
- 59 in quarter 4

* Not all deaths require a case record review - deaths for mortality reviews are selected in line with the criteria specified in the National Guidance on Learning from Deaths
<https://www.england.nhs.uk/wp-content/uploads/2017/03/nqb-national-guidance-learning-from-deaths.pdf>

Two, representing 0.24% of the patient deaths during the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient.

In relation to each quarter, this consisted of: one representing 0.47% for the first quarter; zero representing 0% for the second quarter; one representing 0.51% for the third quarter; zero representing 0% for the fourth quarter.

These numbers have been estimated using the serious incident investigation process which includes a root cause analysis investigation and a mortality review.

Five investigations completed after 31 March 2017 related to deaths which took place before the start of the reporting period.

One representing 20% of the patient deaths before the reporting period, are judged to be more likely than not to have been due to problems in the care provided to the patient. This number has been estimated using the serious incident investigation process which included a route cause analysis investigation and a mortality review.

Three representing 0.4% of the patient deaths during 2016/17 are judged to be more likely than not to have been due to problems in the care provided to the patient.

Trends for the Trust are similar on all these indicators, and over the last year there has been an encouraging reduction in the overall mortality rates for the Trust which continue to remain within the expected range for NHS Trusts in England.

What is a Standardised Mortality Ratio?

A simple count of deaths alone does not take in to account the difference in size of hospitals. Unadjusted mortality is a calculation created by dividing the number of deaths by the number of patients treated in a given hospital, for a given period, which generates a percentage rate of patients who die in that hospital. This is perhaps the simplest way to judge hospital mortality performance.

Unadjusted mortality has only a limited role in looking at deaths within hospital. Apart from the obvious differences in size between hospitals, it also depends on the seriousness of the conditions that patients are admitted with, commonly referred to as case mix. This has led to the development of a number of models which adjust for this to help understand an organisation's comparative position. Collectively these models produce a statistic known as a Hospital Standardised Mortality Ratio (HSMR). Another example of a hospital standardised mortality ratio which is widely used is the Risk Adjusted Mortality Indicator (RAMI).

Standardised mortality ratios have been used for a long time in public health medicine, often to examine regional variations in death for specific causes. They produce a figure by comparing the number of actual deaths (often referred to as 'observed deaths') with the number of deaths that the statistical model would predict after adjusting for the population characteristics (often referred to as 'expected deaths'). Hospital standardised mortality ratios adjust for a wider range of variables which take into account the patient factors described in the first paragraph above. A trusts standardised mortality ratios are often compared with those of its peer group of similar trusts.

Using a Mortality Ratio:

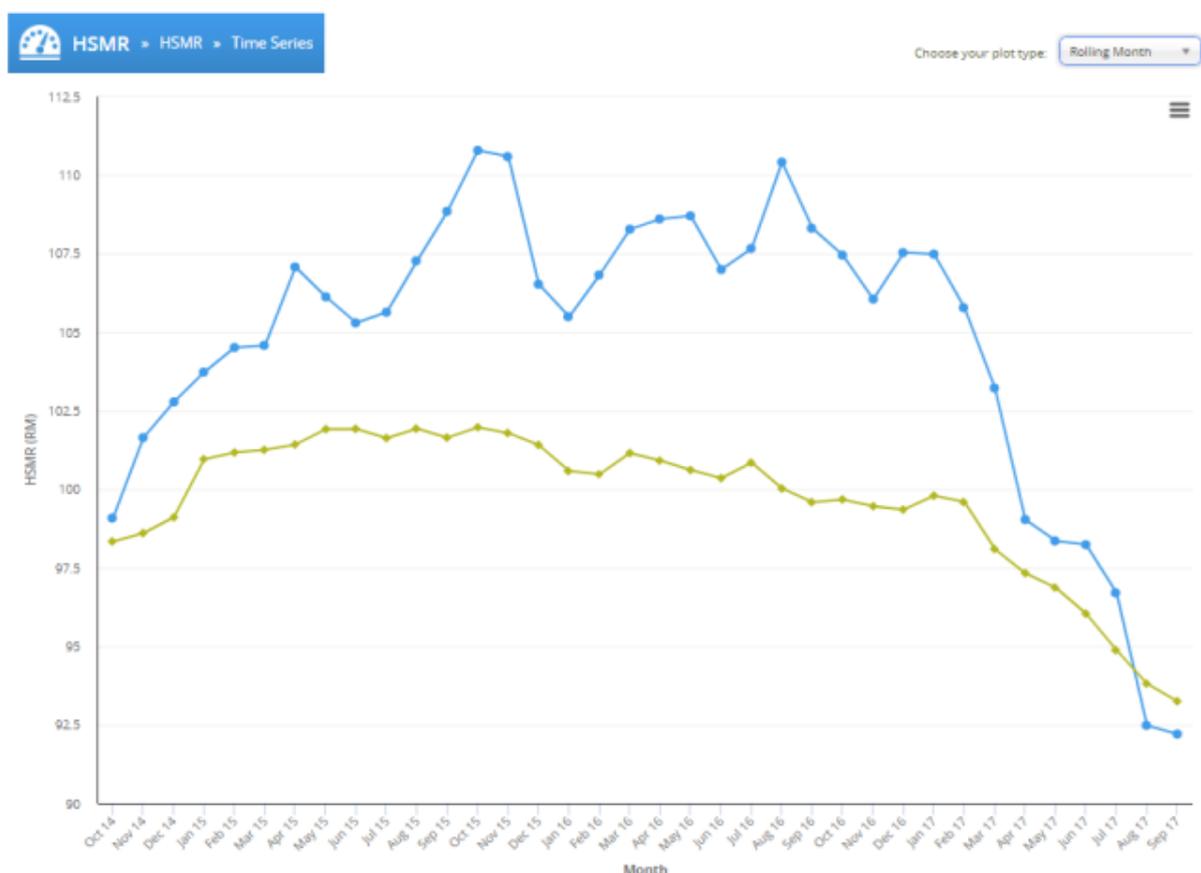
HSMR & RAMI

The Department of Health and Social Care has said that:

“A high HSMR is a trigger to ask hard questions. Good hospitals monitor their HSMR data actively and seek to understand where performance may be falling short and action should not stop until the clinical leaders and the Board at the hospital are satisfied that the issues have been effectively dealt with.”

Over the last year there has been an encouraging reduction in the overall mortality rates, HSMR and RAMI, for the Trust which continue to remain within the expected range for NHS Trusts in England and which currently fall below our peer group.

HSMR: SWFT vs Peer Group 2014/17



KEY

SWFT = Blue

Peer = Green

described as being either “as expected”, “lower than expected” or “higher than expected”. All Trusts are encouraged to explore and understand the activity which underlies their SHMI from their own data collection sources.

What the Trust has achieved:

The Trust monitors trends in mortality, and discuss contributing factors at our monthly Mortality Surveillance Committee. The Mortality Surveillance Committee reports to the Trust’s Clinical Governance Committee and in its latest quarterly report has provided assurance that:

- Mortality rates for all deaths remain in the “as expected” range with a continuing fall in both the HSMR and RAMI since the beginning of 2017;
- The Mortality Surveillance Committee continues to monitor risk adjusted mortality at speciality and diagnosis level, and commissions further detailed work when appropriate;
- Learning is shared – the single most common theme for learning emerging from not only local but also regional and national mortality reviews, is that of the earlier identification of patients who are End of Life;
- The Trust complies with the national guidance on learning from deaths, and is working to further improve the mortality review process.

The Mortality Surveillance Committee is chaired by the Trust’s Medical Director, and includes external representation from the local CCG. The Mortality Surveillance Committee initiates work relating to patient mortality e.g. it has recently received assuring reports on deaths with zero length of stay, and deaths associated with heart failure.

The Mortality Surveillance Committee has the following standard agenda items enabling discussion and triangulation of any lessons learned from patient deaths to improve care:

- The mortality scorecard is monthly data which compares mortality rates by condition with other similar sized organisations and with past performance. The Trust compares well in most areas. Where mortality rates for specialties are high compared to the previous year or with peers, the Trust has undertaken specialty mortality reviews, and developed comprehensive action plans, leading to reductions in mortality rates;
- The mortality page from the patient safety monthly report details the lessons learned from mortality reviews to improve patient care, and monitoring the completion of mortality reviews and the numbers of any preventable deaths;
- Junior Doctor feedback;
- Reports from the Elective and Emergency Divisions Audit and Operational Governance Groups (AOGGs);
- Serious Incident Root Cause Analyses (SI RCAs) with reference to any potentially avoidable deaths;
- Initial Management Review (IMR) minutes for unexpected deaths (non-serious incidents).

Mortality Reviews and Learning from Deaths:

The Trust complies with the standards for mortality reviews set by the national guidance on learning from deaths and is working to further improve the mortality review process. Systems

to support compliance with these standards have been introduced, as well as making participation in mortality reviews part of Consultants' job plans and an essential requirement for revalidation. This has allowed Consultants the time to complete mortality reviews and participate in departmental morbidity/mortality meetings, facilitating learning from deaths.

Any areas identified by these reviews where patient care may be improved are widely shared within the Trust and actions taken. Oversight of mortality reviews through our AOGGs which report monthly to the Mortality Surveillance Committee have been strengthened, ensuring greater surveillance of deaths and the sharing of learning.. The AOGGs and Mortality Surveillance Committee report to the Clinical Governance Committee on a quarterly basis, which reports to the Board of Directors. The Board of Directors also receive a monthly report of mortality figures in the Integrated Quality dashboard, and a quarterly mortality update.

Recent Learning from Mortality Reviews:

- Hospital admission is potentially preventable with advanced care planning or end of life care planning in place in the community;
- Full and clear completion of the Recommended Summary Plan for Emergency Care and Treatment (ReSPECT) documentation – ensure patient/carer discussions and wishes with regards to the ceiling of care and DNACPR decisions are clearly documented;
- Early diagnosis of the dying patient may prevent inappropriate observations, investigations and treatment;
- Advanced care planning prior to discharge may have prevented readmission and allowed a patient to die at home;
- Review opiate use in patients with respiratory failure;
- Remember the NICE guidance on the prescribing of IV fluids and avoid overloading patients with normal saline;
- Escalation of the deteriorating patient.

Lessons from coding:

- Case notes and discharge summaries must clearly state the patient's primary diagnosis or describe the treatment plan in terms of 'treat as....' Or 'probable....' The use of terms such as 'likely' 'possible' or '?' or using the heading 'impression' cannot be used to code patients and therefore should be avoided;
- Mortality indicators such as SHMI, HSMR are compiled using the coding of the primary diagnosis for the first consultant episode and therefore may not reflect the final diagnosis of the cause of death as recorded on the death certificate for example.

The learning regarding advanced care planning/end of life care planning has fed in to the Trust's ongoing end of life work streams.

The learning around the escalation of the deteriorating patient has led to the ongoing introduction of an electronic observation system into the Trust – an ongoing action which will continue following the report period.

The lessons from coding have encouraged the general surgeons to work together with the information department to code the deaths under their care.

The learning from mortality reviews is shared within the Trust via the AOGGs, grand rounds, multidisciplinary mortality meetings, speciality department governance meetings, patient safety monthly reports, patient safety newsletters and via internal communication channels.

Action plans from IMRs and SI RCAs are monitored by the Patient Safety team and reported to the relevant AOGG, and Clinical Governance Committee.

Learning from mortality reviews is to be shared more widely across the West Midlands through the West Midlands Mortality Leads Meetings, with feedback through the Mortality Surveillance Committee.

Actions Proposed following the Reporting Period

- Work to further improve the mortality review process:
 - A pilot to assess introducing a screening tool to select deaths at an early stage for the Royal College of Physicians Structured Judgement Review
- To Progress Mortality Reviews for Patients with Learning Disabilities:
 - The Learning Disabilities Mortality Review (LeDeR) Programme has been established as a result of one of the key recommendations of the Confidential Inquiry into the premature deaths of people with learning disabilities (CIPOLD).
 - The Programme is delivered by the University of Bristol. It is commissioned by the Healthcare Quality Improvement Partnership (HQIP) on behalf of NHS England. Work on the LeDeR programme commenced in June 2015 for an initial three-year period. A key part of the LeDeR Programme is to support local areas to review the deaths of people with learning disabilities. The Programme is developing and rolling out a review process for the deaths of people with learning disabilities, helping to promote and implement the new review process, and providing support to local areas to take forward the lessons learned in the reviews in order to make improvements to service provision. The LeDeR Programme will also collate and share the anonymised information about the deaths of people with learning disabilities so that common themes, learning points and recommendations can be identified and taken forward into policy and practice improvements
 - Within the Governance framework a local steering group has been established chaired by the Director of Quality and Performance at South Warwickshire CCG. The steering group is responsible for implementing the LeDeR programme; local

NHS and Social Care providers have been asked to identify staff to support the programme by becoming reviewers. To date four members of staff from SWFT have completed the reviewer training and are responsible for undertaking reviews of the deaths of people with learning disabilities who are registered with a GP in their local area. Local Area Coordinators based in the Clinical Commissioning Groups are responsible for allocating mortality reviews to trained staff across Coventry and Warwickshire. The reviews will be undertaken using the web-based LeDeR review system, with all review documents completed on line and any additional case notes and supporting paperwork stored securely within the LeDeR review system. The Reviewer's role is to:

- Conduct an initial review of each death;
 - Conduct a multiagency review of a death if appropriate;
 - Write and submit completed documentation;
 - Build and maintain relationships to ensure knowledge and information is shared;
 - Involve family members of people with learning disabilities in the review wherever possible
- The introduction of the reporting of Maternal and Child Deaths to the Mortality Surveillance Committee
 - Closer working with primary care to jointly review deaths and share learning; The Trust have met with the NHS South Warwickshire CCG Head of Nursing and Quality, and Mortality Lead who attends the Mortality Surveillance Committee, to develop links to facilitate the reviews of patients who have died within 30 days of leaving hospital. The CCG Mortality Lead attends the Mortality Surveillance Committee. The first meeting to jointly review a sample of these deaths took place on 9th May 2018 and the findings are being presented to the Mortality Surveillance Committee on 16th May 2018

National Guidance on Learning from Deaths

The national guidance on learning from deaths provides a framework for NHS Trusts' and NHS Foundation Trusts' on identifying, reporting, investigating and learning from deaths in care. The background to the guidance lies in the Francis Report, and the CQC report 'Learning, Candour and Accountability', and emphasises learning from deaths, and engaging with families and carers.

The national guidance on learning from deaths was reviewed at the Mortality Surveillance Committee in April 2017.

A briefing paper for information including an action plan to address the guidance with recommendations was presented to and accepted by the Board of Directors meeting in May 2017. A mortality update to include a six monthly update on the Trust's performance against

the national guidance on learning from deaths was presented to the Board of Directors meeting in December 2017.

The Mortality Review Policy is now available on the Trust's intranet.

The Trust complies with the guidance.

Following the guidance, there have been many events over the last quarter at which the Trust has been represented which have included:

- NHS Improvement Mortality Learning Events;
- The Royal College of Physicians National Mortality Review Structured Judgement Review Training sessions;
- West Midlands Mortality Leads Meeting;
- Browne Jacobson Information Sharing and Networking Forum;
- NHS Improvement/Department of Health Learning from Deaths: One Year On.

The feedback from these events has stimulated ongoing discussions in the Trust to develop a vision for learning from deaths for the future which will further improve the current processes in place, under the auspices of the Mortality Surveillance Committee.

Reporting against core indicators

Since 2012/13 NHS foundation Trusts have been required to report performance against a core set of indicators using data made available to the trust by NHS Improvement (NHSI) and NHS Digital (NHSD).

For each indicator the number, percentage, value, score or rate (as applicable) for at least the last two reporting periods should be presented in a table. In addition, where the required data is made available by the HSCIC, a comparison should be made of the numbers, percentages, values, scores or rates of each of the NHS foundation Trust's indicators with:

- The national average for the same
- Those NHS Trusts' and NHS foundation Trusts' with the highest and lowest for the same

| Indicator | Performance of two reporting periods | National average | Highest score and lowest score |
|--|--|-------------------------------|--------------------------------|
| The value and banding of the summary hospital-level mortality indicator ('SHMI') for the trust for the reporting period; and | October 15 – September 16 – 1.06 October 16 – September 17 – 1.03 | 1.0 | Not traceable on NHSI or NHSD |
| (b) The percentage of patient deaths with palliative care coded at either diagnosis or specialty level for the trust for the reporting period. | October 15 – September 16 – 22.0% October 16 – September 17 – 20.5%* *This is the most recently data | Not traceable on NHSI or NHSD | Not traceable on NHSI or NHSD |

| | | | |
|---|--|--|--------------------------------------|
| | <p>The Trust considers that this data is as described for the following reasons: -The Trust acknowledges that these percentages are within the expected range. The Trust has taken the following actions to improve these percentages, and so the quality of its services by: - Any areas identified by mortality reviews where patient care may be improved will be widely shared across the Trust. Oversight of mortality reviews through our Audit and Operational Governance Groups which report monthly to the Mortality Surveillance Committee will continue and the process will consistently reviewed for improvement. The Audit and Operational Governance Groups and the Mortality Surveillance Committee will report to the Clinical Governance Committee on a quarterly basis, which reports to the Trust Board of Directors. Mortality figures will continue to be reported to Trust board on a monthly basis in the Integrated Quality dashboard</p> | | |
| <p>The Trust's patient reported outcome measures scores for:</p> <p>(i) groin hernia surgery (ii) varicose vein surgery (iii) hip replacement surgery and (iv) knee replacement surgery during the reporting period.</p> <p>*Note data shown is latest released: it has been refreshed since publication of 2016/17 accounts</p> | <p>2015/16</p> <p>(i) Groin hernia surgery: 0.155 (ii) Varicose vein surgery: 0.137 (iii) Hip replacement (primary): 0.418 (iv) Hip replacement (revision): 0.222 (v) Knee replacement (primary): 0.278 Knee replacement (revision): 0.227</p> <p>2016/17</p> <p>(i) Groin hernia surgery: 0.104 (ii) Varicose vein surgery: 0.061 (iii) Hip replacement (primary): Data Not available on NHS Digital Hip replacement (revision): Procedure Data not released by NHS Digital (iv) Knee replacement (primary): Procedure Data not released by NHS Digital Knee replacement (revision): Procedure Data not released by NHS Digital</p> | <p>England Average health gain scores</p> <p>2015/16</p> <p>(i) 0.088 (ii) 0.096 (iii) Primary: 0.438 Revision: 0.283 (iv) Primary: 0.320 Revision: 0.258</p> <p>2016/17</p> <p>(1) 0.086 (i) 0.092 (ii) Procedure Data not released by NHS Digital (iii) Procedure Data not released by NHS Digital</p> | <p>Not traceable on NHSI or NHSD</p> |
| | <p>The Trust considers that this data is as described for the following reasons: The Trust acknowledges the results vary across the four procedures.</p> <p>The Trust has taken the following actions to improve these scores, and so the quality of its services by: -The Trust regularly monitors and audits the pre- and postoperative healthcare of all patients. Surgical operative outcomes are consistently of high quality and safety, with excellent patient satisfaction for these procedures. The health gains that PROMs measure are of a more generic nature and are not exclusively linked to secondary healthcare provision and will need the consideration of a health economy-wide group to influence. PROMS data will be reported to the Clinical Governance Committee on an annual basis next year.</p> | | |
| <p>The percentage of patients aged:</p> <p>(i) 0 to 14 and (ii) 15 or over</p> <p>Readmitted to a hospital which forms part of the trust within 28 days of being discharged from a hospital which forms part of the trust during the reporting period.</p> | <p>2016/17:</p> <p>(i) 0-15 years 2.6% (ii) 16 years and over 3.5%</p> <p>2017/18:</p> <p>(i) 0-15 years 4.5% (ii) 16 years and over 3.2%</p> | <p>Not traceable on NHSI or NHSD</p> | <p>Not traceable on NHSI or NHSD</p> |
| | <p>The Trust considers that this data is as described for the following reasons: -Since the national published figures (across) are considerably historical, we have looked at our recent data the overall Trust average for all ages groups is comparable to our peer group of similar hospitals. Based on data from CHKS. The Trust intends to take the following actions to reduce this percentage, and so the quality of its services by: -Continuing to expand and develop the Acute Medicine and Acute Surgery service by employing more senior decision makers in the initial assessment units, for longer, some unnecessary/avoidable admissions are prevented Continuing to develop the community virtual ward service. More proactive, risk based management of virtual ward patients is already having an effect on avoidable admission reduction</p> | | |

| | | | |
|--|--|-------------------------------|-------------------------------|
| The Trust's responsiveness to the personal needs of its patients during the reporting period. | 2015 – 6.5 (latest data) 2016 – 6.1 The latest in-patient Surrey was related to 2015 | Not traceable on NHSI or NHSD | Lowest: 5.2 Highest: 7.6 |
| <p>The Trust considers that this data is as described for the following reasons: Performance is on-par with national data published and is within expected range. The Trust has taken the following actions to improve these scores, and so the quality of its services by: The survey identified some areas where patients were less satisfied. The trust has compiled these into an action plan and these will be monitored quarterly by the Patient Experience group</p> | | | |
| The percentage of staff employed by, or under contract to, the trust during the reporting period who would recommend the trust as a provider of care to their family or friends. | 2016: 83% (latest data period released by NHSE at time of reporting) 2017: 80% | 69% | Not traceable |
| <p>The Trust considers that this data is as described for the following reasons: As part of the NHS Staff survey Staff are required to respond to the FFT questions within the survey.</p> <p>The Trust has taken the following actions to improve these scores, and so the quality of its services by: The staff survey report contains a detailed breakdown of each of the Key Findings by Division and occupational staff group, which will allow us to produce targeted action plans to address areas of concern. Will be incorporated into the Trust's Workforce Action Plan. Clearly the Trust will be focusing on its lowest ranking scores, in particular the patient experience measures.</p> | | | |
| The percentage of patients who were admitted to hospital and who were risk assessed for venous thromboembolism during the reporting period. | 2016/17 -97.9% 2017/18 – 86.4% | Not traceable on NHSI or NHSD | Not traceable on NHSI or NHSD |
| <p>The Trust considers that this data is as described for the following reasons: The Trust acknowledges this performance is lower than expected due to non compliance in completing the paper based assessments.</p> <p>The Trust has taken the following actions to improve these scores, and so the quality of its services by: -Continuing the educational sessions with each junior doctor intake -Continuing with a variety of promotional activities to staff and patients -Implementing the use of technology to assist in the recording of the risk</p> | | | |
| The rate per 100,000 bed days of cases of C. Difficile infection reported within the Trust amongst patients aged 2 or over during the reporting period. | 2016/17 – 12.5 2017/18 – 9.69 | Not traceable on NHSI or NHSD | Not traceable on NHSI or NHSD |
| <p>The Trust considers that this data is as described for the following reasons: Please refer to Infection control section of the Quality report The Trust has taken the following actions to improve these scores, and so the quality of its services by: Please refer to Infection control section of the Quality report</p> | | | |

| | | | |
|---|---|--------------------------------------|--------------------------------------|
| <p>The number and, where available, rate of patient safety incidents reported within the Trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death.</p> | <p>2016/17: A total of 7401 patient safety incidents, of which 0.13% resulted in severe harm/death</p> | <p>Not traceable on NHSI or NHSD</p> | <p>Not traceable on NHSI or NHSD</p> |
| | <p>2017/18 A total of 8299 patient safety incidents, of which 0.20% resulted in severe harm/death</p> | | |
| | <p>The Trust considers that this data is as described for the following reasons: As organisations that report more incidents usually have a better and more effective safety culture, the Trust is pleased to note it has higher than average reporting rates for one of the reporting periods specified. The Trust has taken the following actions to improve these scores, and so the quality of its services by: - Continual raising of awareness of what constitutes as an incident and how to report. -Continual improvement of quality investigations and learning. -Reviewing the severity coding of all incidents to ensure accuracy and consistency of reporting. <i>Please refer to the Patient safety section of the Quality report for reporting rates and the initiatives taken to encourage reporting.</i></p> | | |

Part 3: Review of Quality Performance

The Trust agreed 9 priorities for quality improvement for 2017/18 and in this section of the report we review the performance of the Trust against these priorities. As an integrated Trust providing both acute hospital based services and community services, this report covers progress across the Trust, unless specifically identified as either acute or out of hospital.

Overview of Quality Priorities Achievements

| |
|--|
| Patient Safety |
| Enhance patient safety through the use of technology to record and escalate patient observations. |
| Improve medicines management, efficiency and safety through the implementation of an electronic prescribing system |
| Review systems and processes to improve Delayed Transfer of Care (DTC) |
| Patient Experience |
| Improve patient satisfaction levels of those who use our end of life care |
| Improve the experience of our patients with a dementia |
| Improve our patients experience when booking visits, appointments or operations |
| Patient Outcomes |
| Embed the integrated care delivery model we have with social care to deliver improved outcomes for patients |
| Increase normal birth rates |
| Further improve practice and staff skills to improve leg ulcer healing rates |

Data sources: All data provided in the Quality report derives from internal data systems managed by the Trust. Where data has been sourced from an external source, this has been stated.

Patient Safety

Patient safety concerns everyone in the NHS, whether you work in a clinical or a non-clinical role. Every day more than a million people are treated safely and successfully in the NHS, but the evidence tells us that in complex healthcare systems things will and do go wrong, no matter how dedicated and professional the staff. When things go wrong, patients are at risk of harm. The effects of harming a patient are widespread. There can be devastating emotional and physical consequences for patients and their families. For the staff involved too, incidents can be distressing and members of clinical teams can become demoralised and disengaged. Safety incidents also incur costs through litigation and extra treatment.

Patient safety incorporates broad ranges of areas from using the latest technology such as electronic prescribing to washing hands correctly. Many of the features of patient safety do not involve financial resources; they involve commitment of individuals to practise safely. Individual staff members can improve patient safety by engaging patients and their families, checking procedures, learning from errors and communicating effectively with the health care team.

Safety Culture

A safety culture is one where safety is embedded in all activities and where staff have a constant and active awareness of the potential for failure. Staff are able to acknowledge their mistakes, learn from them and take action to put things right.

The Trust recognises the importance of encouraging a climate of openness in which all employees and other workers within the Trust can freely express their concerns without any fear of reprisal. This can contribute constructively to the development and continuous improvement of the Trust's services. As a result, if a member of staff raises such a concern the matter will be dealt with positively, quickly and reasonably.

As part of open and transparent working which is supported with the Being Open Policy, staff are encouraged to report incidents on the Trust's electronic system which permits an effective risk management mechanism. There will be no adverse consequences for a member of staff who raises a concern in accordance with the Being Open policy unless the concern was raised with malicious intent. By following this Policy staff will be eligible for the protection set out in The Public Interest Disclosure Act 1998.

The Trust has also appointed a Freedom to Speak Up Guardian, to support staff to raise a concern. The Trust's Freedom to Speak Up Guardian is Sue Pike. Staff can contact Sue by emailing ftsug@swift.nhs.uk

Patient Safety Initiatives

Patient Safety Newsletter

The Patient Safety Team compiles a bi-monthly newsletter which is published electronically and made available to all staff. It includes examples of good practice, lessons learnt and changes in practice that occur as the result of an incident investigation. It contributes to the feedback that staff receive from incident reporting, and demonstrates that reporting incidents does result in changes in practice for the benefit of patients.

Monitoring Patient Safety

To ensure patient safety is at the core of the Trust's business, the following processes are in place:

- Data is triangulated to all appropriate committees or groups as part of the reporting structure
- National data regarding patient safety is validated by cross-checking against data released in the public domain by any governing health body
- Board reports depict ward level performance and are required to facilitate data and performance monitoring
- Ward to Board dashboards have been introduced across the organisation, which depict ward performance against a range of quality and safety measures
- Dashboards comprise of validated data and are benchmarked against any national targets or Trust agreed targets

The Safety Thermometer

The Safety Thermometer is a tool for analysing and reducing harm to patients. It records any harm which patients in a ward or team have suffered and is carried out on a specific date, every month. This focuses on four key areas, which have been identified by NHS England as areas of preventable harm detailed below;

Falls – records the severity of any fall that the patient has experienced within the previous 72 hours.

Pressure ulcers - records the patient's worst old pressure ulcer and worst new pressure ulcer.

Catheter-acquired urinary tract infection (UTI) – records information about any UTI acquired whether the patient had a urinary catheterisation or a urinary catheter in place.

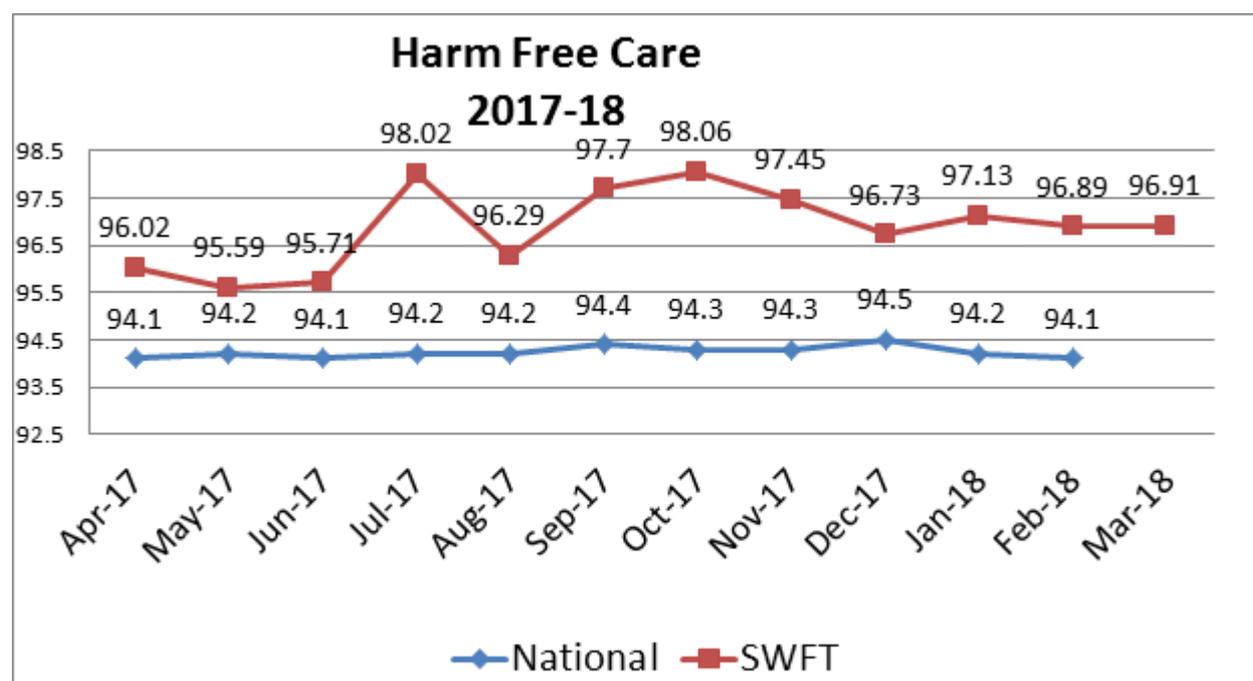
Venous thromboembolism (VTE) assessment, prophylaxis and treatment – records whether the patient has had a VTE assessment completed and if applicable, the patient is receiving treatment.

The Patient Safety Team, Compliance Team and the Matrons have provided training to Ward Managers and Professional Team Leaders throughout the year and have assisted with

the data collection. Each team receives a copy of their data, which they must analyse, share with colleagues and develop interventions to improve their rate of harm-free care.

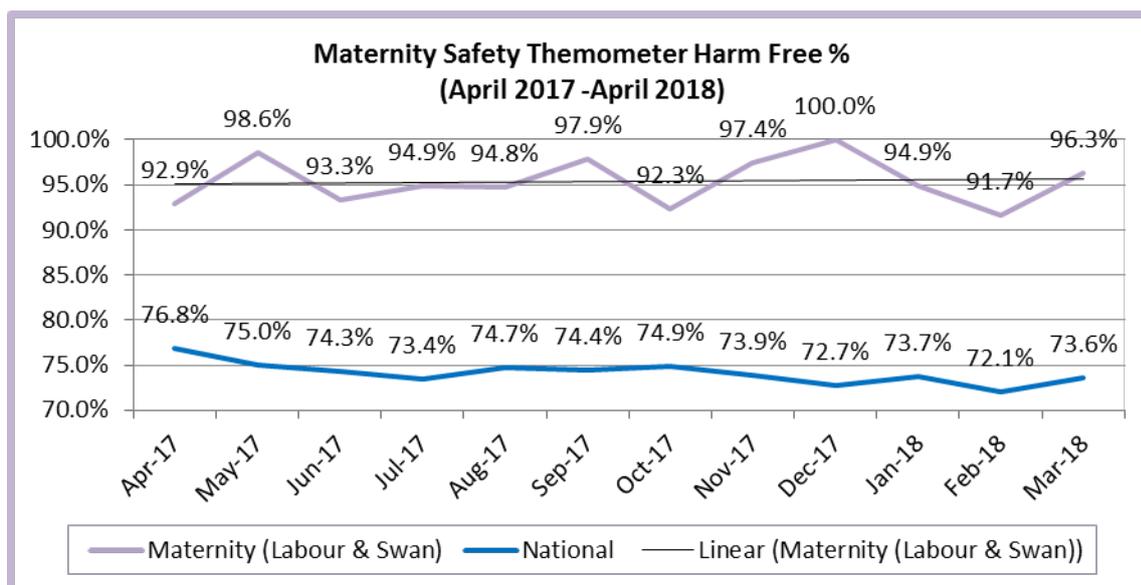
The data is published monthly and is available to the public. The Trust sets a quality priority to achieve 96% harm free care against the Safety Thermometer. This Trust level target is slightly above the national target of 95%. It is pleasing to report that during the course of the year, the Trust has consistently performed better than the national average;

Safety Thermometer
Harm Free Care (National and Trust performance)
2017/18



During 2017/18 the largest rate of harm was in connection with those pressure ulcers that are acquired from outside of the Trust. The safety thermometer has been successfully embedded across the Trust and its importance has been further evidenced by the overall achievement of 96% harm free care.

The Trust uses specific national Safety Thermometer data collection tools for maternity and for children and young people. These were rolled out in 2016/17 and ensure that information collected in these areas is targeted to the needs of these particular groups.



Patient Safety Incidents

“A patient safety incident is any unintended or unexpected incident, which could have or did lead to harm for one or more patients receiving NHS care.” *Definition from the National Patient Safety Agency (NPSA)*

The Trust monitors these incidents at the Patient Safety Surveillance Committee which has continued to meet on a regular basis throughout 2017/18. This multi-disciplinary group coordinates, supports and monitors the implementation of the associated patient safety work-streams. The group also monitors the implementation of patient safety alerts and provides assurance to the Clinical Governance Committee through monthly quality and safety reports.

Incident Reporting

The overall aim is to reduce incidents resulting in patient harm and increase incident reporting in a fair and no blame culture. As per national requirements, NHS organisations should have a centralised system for collecting data on patient safety incidents. This enables organisations to analyse the type, frequency and severity of the incidents and to use this information to improve systems and clinical care. For such systems to be effective, organisations need to encourage and support staff to report patient safety incidents.

There are three types of incidents that should be reported:

- Incidents that have occurred
- Incidents that have been prevented (also known as near misses)
- Incidents that might happen (usually followed up via risk assessment)

Information from all these incidents and from risk assessments can identify potential problem areas and lead to preventative strategies to protect patients. In line with national requirements to have a centralised system for collecting data on patient safety incidents, the Trust's electronic incident reporting system, 'Datix' is the single reporting system across the organisation and has been continuously improved by the Trust since its implementation in

November 2012. This electronic system enables real-time monitoring of incidents and prompt action to be taken.

Since the introduction of electronic incident reporting in November 2012, incident reporting has been embedded across the Trust with staff reporting incidents actively. 2017/18 saw the 50,000th incident being reported electronically. This indicates that there is a strong patient safety culture across the organisation and that being open and honest is at the heart of the Trust.

Monthly divisional patient safety reports are presented to each of the Divisional Audit and Operational Governance Groups. A monthly Trust wide patient safety report summarises the data collected and is presented to the Patient Safety Surveillance Committee and Clinical Governance Committee.

Serious Incidents

A serious incident (SI) requiring investigation is defined as an incident that occurred in relation to NHS services and care resulting in:

- The unexpected or avoidable death of one or more patient, staff member, visitor or member of the public
- Permanent harm to one or more patients, staff, visitors or members of the public or where the outcome requires life-saving intervention or major surgical/medical intervention, or will shorten life expectancy (this includes incidents graded under the NPSA definition of severe harm)
- A scenario that prevents or threatens to prevent a provider organisations ability to continue to deliver health care services, for example, actual or potential loss or damage to property, reputation or the environment
- A person suffering from abuse
- Adverse media coverage or public concern for the organisation or the wider NHS.

SIs in healthcare are relatively uncommon, but when they do occur the NHS has a responsibility to ensure that there are systemic measures in place for safeguarding of people, property, NHS resources and reputation. This includes the responsibility to learn from these incidents in order to minimise the risk of them happening again.

Following a thorough investigation of all SIs, it may be deemed that the cause of the incident is not as initially recorded or reported; therefore the incident is then downgraded. For example; an incident initially reported as a pressure ulcer, may be downgraded from SI status if there is found to be a moisture lesion and not pressure damage following investigation.

During 2017/18, there have been 35 serious incidents (SIs) reported. Following investigation, 6 of these incidents were downgraded, leaving 29 SIs.

The table below illustrates the categories of reported incidents;

At the Trust, once the incident has been closed by the assuring committee (e.g. Clinical Governance Committee), the lessons learnt are included in the patient safety report for each of the Audit and Operational Governance Groups. Themes are then monitored by the Patient Safety Team. During 2017/18, functionality within Datix was further developed and embedded to allow actions arising from SIs to be logged and tracked more effectively.

The actions arising from SIs are monitored by the Patient Safety Team, and a monthly report is reviewed by the Clinical Governance Committee to ensure that actions are completed and root cause analysis (RCA) are reviewed and monitored for implementation of actions.

| SI Category | Feb-17 | Mar-17 | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Grand Total |
|-------------------------|----------|----------|----------|-----------------|----------|--------------------------|----------|--------------------------|----------|-----------------------------------|----------|----------|----------|-------------|
| 4th degree tear | | | | | | 1 | | | | | | | | 1 |
| Birth injury | | | | | | | | | | 1 | | | | 1 |
| C diff associated death | | | | | | | | | | 1 | | | | 1 |
| Delayed diagnosis | | | | | | | 1 | | | | 1 | | | 2 |
| Drug incident | | | | 1 | | | | | | | | | | 1 |
| Fall | 1 | 1 | 1 | 3 | | 2 | 1 | | 1 | 2 | 2 | 2 | | 16 |
| Gynae perforation | | 1 | | | | | | | | | | | | 1 |
| Intrapartum stillbirth | | | | | | | | 1 | | | | | | 1 |
| NICU | | 1 | | | | | | | | | | | | 1 |
| PU3 | | | | | 1 | 1 | | 1 | 1 | | 1 | | | 5 |
| Surgical Error | | | | | | 1 | | | | | | 1 | 1 | 3 |
| Unexpected death | | | | | 1 | | | | 1 | | | | | 2 |
| Total | 1 | 3 | 1 | 4 | 2 | 5 | 2 | 2 | 3 | 4 | 4 | 3 | 1 | 35 |
| Downgrades | | 1 | | 1 | | 2 | | 1 | | 1 | | | | 6 |
| Downgrade category | | (fall) | | (drug incident) | | (4th degree tear, G3 PU) | | (intrapartum stillbirth) | | (c diff death - request with CCG) | | | | |
| Grand total | 1 | 2 | 1 | 3 | 2 | 3 | 2 | 1 | 3 | 3 | 4 | 3 | 1 | 29 |

Duty of Candour

The Trust is required to demonstrate that a duty of candour has been applied to all SIs reported from April 2013. The Trust reports against the Duty of Candour for service users and their families and is part of our governance process and 'Being Open' policy. Families should be informed by the Trust of any severe harm or death to a service user. This information has been made mandatory for all patient safety incidents.

| Duty of candour requirement | Compliance | | | | |
|---|------------|------|------|------|------|
| | Target | Q1 | Q2 | Q3 | Q4 |
| Patient /Next of kin/carers were informed | 100% | 100% | 100% | 100% | 97%* |
| Statutory requirement is to confirm the discussion in writing | 100% | 100% | 100% | 100% | 100% |

*One incident reported retrospectively and although the patient has since been informed it is not possible to say if this took place at the start

Never Events

Never Events are serious, largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented. Once an incident is categorised as a Never Event, the Trust follows a formal thorough investigation process to understand the root causes and to put actions in place to prevent it happening again in the future. During 2017/18, the Trust reported no Never Events.



‘Sign up to Safety’ – national programme update

‘Sign up to Safety’ is a campaign introduced by NHS England in 2015 with the ambition to reduce avoidable harm in the NHS over the next three years and to build on the recommendations of the Berwick Advisory Group.

As part of the ‘Sign up to Safety’ campaign NHS Trusts are encouraged to submit pledges under the mandated categories which comprised of:

Pledge 1 - Put safety first

Commit to reduce avoidable harm in the NHS by half and make public the goals and plans developed locally.

We will: aim to reduce harm in the following key areas, by strengthening existing patient safety initiatives around:

- Medication errors, in particular where harm occurs
- Analysis of Nurse staffing gaps and measures to address these gaps
- Patient falls in hospital - understanding why and developing appropriate prevention strategies
- Pressure Ulcers – reasons these happen and how to help staff, patients and partner organisations to help avoid these
- Improving care for certain conditions through the use of documentation specific for each type of condition

Pledge 2 - Continually learn

Make our organisation more resilient to risks, by acting on the feedback from patients and by constantly measuring and monitoring how safe our services are.

We will: continue to review the measurement and validation of patient safety incidents using the following mechanisms;

- Report – Utilise local and national reporting systems to report incidents providing assurance to patients that safety issues are acted upon and reported
- Recognise – Monitor and investigate incidents to identify themes and trends involving patients and families in the process
- Respond – Act on findings from investigations to improve processes and procedures to improve patient outcomes and experience
- Relay- Ensure that the outcomes of investigations and complaints will be shared with both staff and patients as necessary and explain how the Trust is working to avoid future incidents
- Reduce- Continue to educate staff to ensure they are up to date with both national and Trust guidelines and provide staff, patients and families with information about interventions to reduce harm and how they can help achieve this
- Review – Through continuous improvement and education with staff and patients, review processes and establish if these have had an impact in the reduction of harm associated incidents

Pledge 3 - Honesty

Be transparent with people about our progress to tackle patient safety issues and support staff to be candid with patients and their families if something goes wrong.

We will:

- Through discussion with patients and their families, ensure transparency by providing information about patient safety and risk
- Ensure that wards and departments have an open and honest culture, by displaying information about how they are performing in relation to patient safety measures
- As a Trust, publicise accurate information that impacts on the safety of our patients and ensure this is accessible, in a format that patients can understand

Pledge 4 - Collaborate

Take a leading role in supporting local collaborative learning, so that improvements are made across all of the local services that patients use.

We will:

- Share lessons learned by forging collaborative working with local partners, to improve care
- Improve engagement with community forums led by third sector organisations, patients and carers to ensure care provisions reflect the needs of our population
- Continue to engage with lead commissioners, the community, primary and social care services and actively contribute to the evolving strategies relating to urgent care, dementia and long-term terms conditions and end of life care

Pledge 5 - Support

Help people understand why things go wrong and how to put them right. Give staff the time and support to improve and celebrate the progress.

We will:

- Develop and sustain the necessary culture to support delivery of the highest standards of care and treatment through a strong organisation focus on improvement
- Strengthen existing mechanisms to communicate and share good practice and learning
- Through our Board to Ward programme of work, we continue to promote a culture of patient safety
- Improve the support we offer to patients who have been involved in Serious incidents
- Reinforce our culture of learning and leading change to equip leaders at every level to change care for the better

The Trust reviewed the current safety work programme and gave full commitment to reducing avoidable harm by making safety pledges as part of the Sign up to Safety campaign. This will build on existing safety improvement activities and achievements identified by the Trust.

The key areas for improvement identified are listed below. The Trust's performance and progress against these are reported in the Trust's internal monthly Patient Safety Report;

1. Medication Errors

Through the analysis of medication related incidents, in particular those with associated harm to patients the Trust will continue to work with staff to ensure guidance and best practice is adhered to. In addition, the Trust has built on existing improvement work to identify rate and causation of incidents and implement further prevention strategies. As a result, the Trust is pleased to see an improvement in the volume of harm events and a downwards trend is noted. Work is on-going to ensure best practice is adhered to and future occurrence is minimal.

2. Nurse Staffing

The Trust continuously assesses the gap between the planned staffing levels and the actual levels to identify trends and ensure measures are put in place to address any risks identified on a continuous basis. Data is closely scrutinised and reviewed at Board level as staffing levels are an integral element of operational and quality discussions. Significant in roads have been made and better analysis of data has enabled the trust to continuously monitor staffing levels and maintain the patient safety and quality of care.

3. Falls

Through the analysis of incident reporting and working with stakeholders, the Trust is further developing and implementing its falls prevention strategy. Significant improvements have been made with the rate of injury monitored closely to identify prevention and interventions.

4. Pressure Ulcers

The Trust continues to learn from incidents of pressure ulcers by identifying themes and trends. This information is then used to further inform staff, patients and families. Work continues with our partner organisations to develop a prevention strategy. We are pleased to note that a downwards trend (at the time of reporting) has been noted in avoidable pressure ulcers (measured by per 1,000 bed days for the Acute and by per 10,000 contacts for the Out of Hospital Care Collaborative), with these nominal cases being investigated thoroughly to identify learning.

5. Care Bundles

We have introduced care bundles for a selection of conditions and have embedded processes to monitor the usage and compliance and more significantly, to monitor outcomes related to specific conditions. Significant progress has been made to develop and implement care bundles and we have continued to see improvements in completion and accuracy. Continuous review of the care bundles continues through the Deteriorating Patient Group to identify learning and improvements to practice.

Monitoring Progress and Improvements

These five improvement areas enable the measuring and monitoring of how safe the Trust's services are. Progress and outcomes are closely monitored for delivery at the Patient Safety Surveillance Committee as part of an assurance process. This campaign builds on the work already on-going in the Trust and compliments upcoming patient safety campaigns, as part of the 'Board to Ward' engagement weeks.

Infection Prevention

The Trust continues to be proud of its strong commitment to reducing harm to patients, through both reducing rates of healthcare associated infections, and improving outcomes for those patients who have infections.

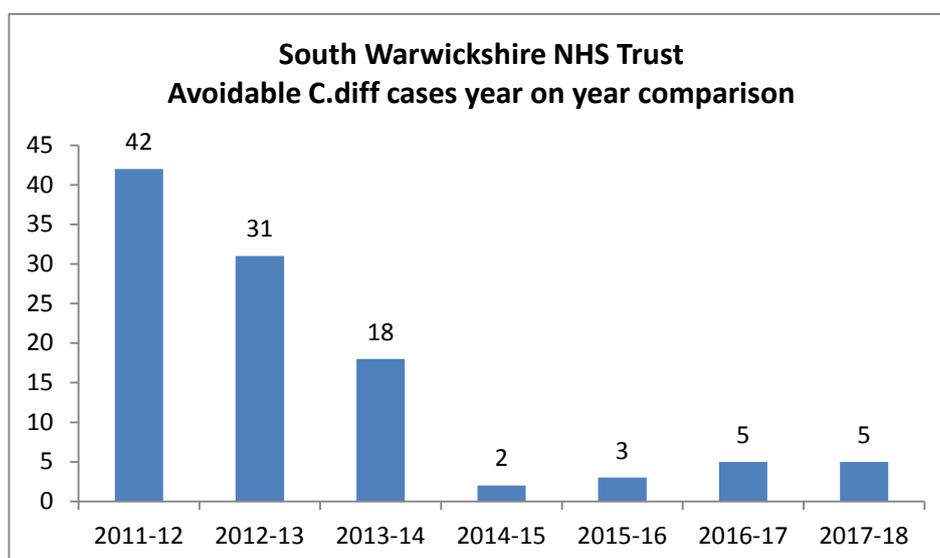
We continue to ensure the Root Cause Analysis (RCA) process is rigorously applied by the Infection Prevention Team and their clinical colleagues, for the investigation of cases of Methicillin-Resistant *Staphylococcus Aureus* (MRSA) blood infections, Methicillin-Sensitive *Staphylococcus Aureus* (MSSA) blood infections, Clostridium Difficile (C.diff) outbreaks, deaths where C.diff has been certified as a leading cause of death, every case of Trust-attributed C.diff and other outbreaks of infection. Learning from these investigations has developed our knowledge of risks, themes and trends, which has enabled us to ensure our strategy for reducing infections is a targeted one.

Clostridium Difficile (C.diff)

Since 2014, the Department of Health has recognised that as antibiotics and other interventions are required to treat certain conditions, some patients may still develop or acquire C.diff infection. Therefore, we must ensure that any care we deliver to our patients is appropriate, in line with policy and formularies, delivered in a safe and clean environment and evidence based. In essence, we must identify if any 'lapses in care' did lead to, or may have led to, the development of this episode of C.diff.

Each case of C.diff identified as occurring more than 2 days after admission to the Trust was thoroughly investigated by the Trust in conjunction with Infection Prevention experts from South Warwickshire CCG.

Identifying potential lapses in care is now a more stream-lined process since the introduction of the East and West Midlands Joint Tripartite Group's 'Lapse in Care/Quality Assessment tool'. A target of a maximum of 6 C.diff cases associated with one or more Lapses in Care was set for the Trust in 2017/18 and we can report that this was achieved with a total of five such cases being identified.

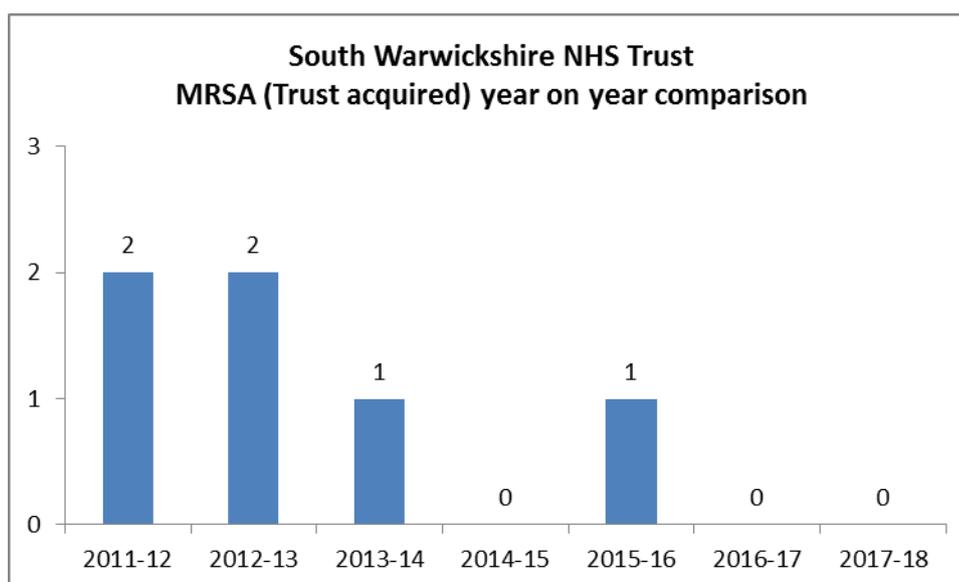


MRSA bacteraemia

Methicillin-Resistant *Staphylococcus Aureus* (MRSA) is a bacterium responsible for several difficult to treat infections in humans.

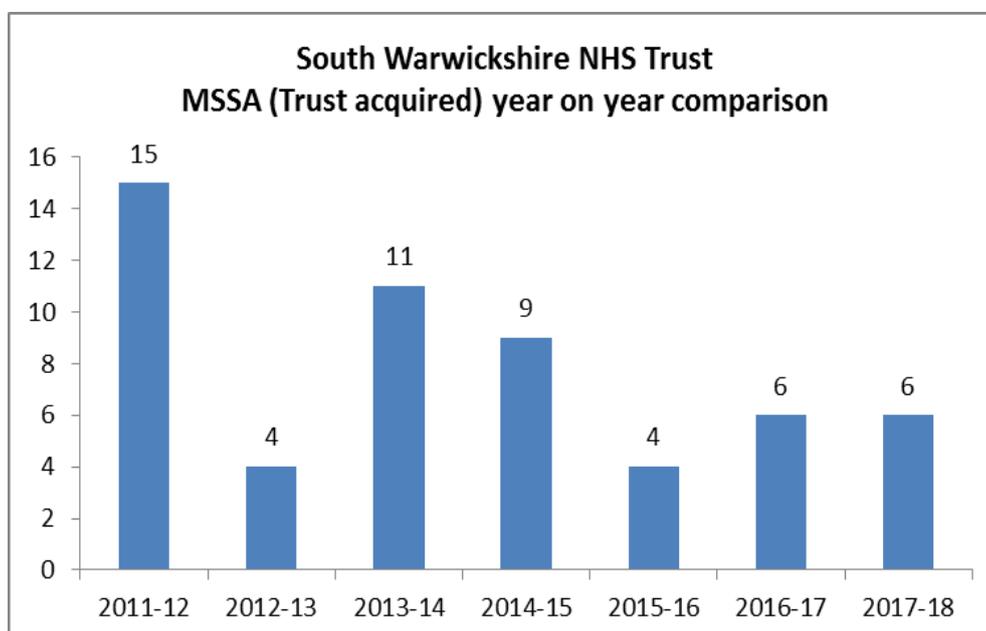
The Department of Health continues to drive a Zero-tolerance approach to MRSA bacteraemia. This means that any avoidable MRSA bacteraemias are deemed unacceptable.

We are pleased to report that there were no Trust attributed MRSA bacteraemias identified in 2017/18.



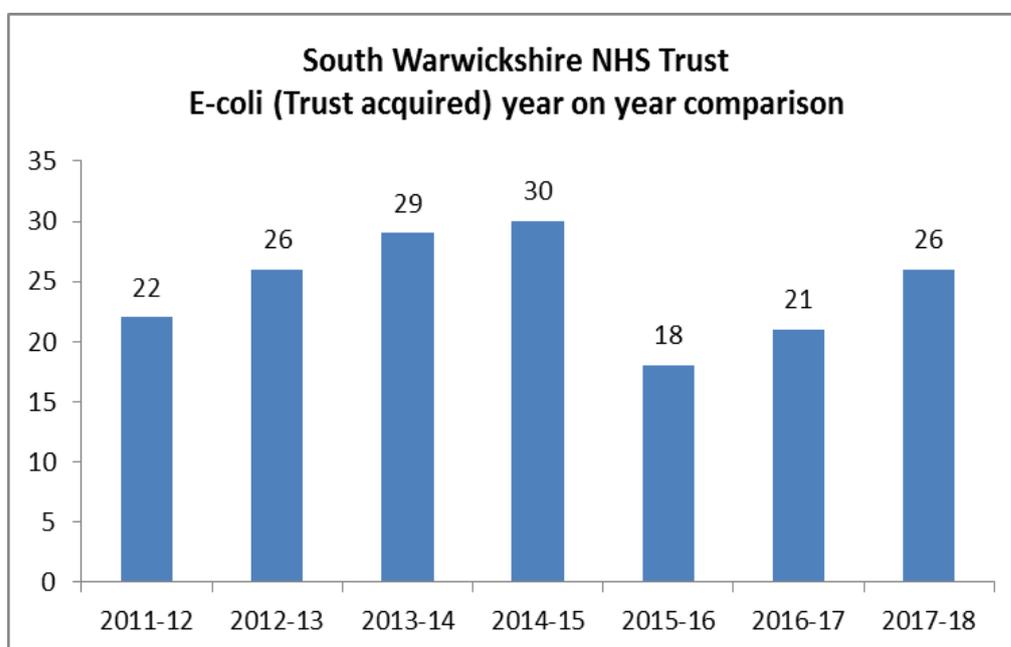
Methicillin-Sensitive *Staphylococcus Aureus* (MSSA)

Surveillance and monitoring of Methicillin-Sensitive *Staphylococcus Aureus* (MSSA) bacteraemias shows that rates of these remain low when compared nationally, however a total of 6 Trust attributed MSSA bacteraemias were identified in 2017/18. As with MRSA and C.diff, each case of MSSA bacteraemia was investigated and analysed, with no themes or trends identified.



E.coli bacteraemias

Unfortunately, E.coli bacteraemias are quite common, especially in the elderly, and usually associated with infections of the urinary tract. Community acquired cases with no previous healthcare interventions represent the largest percentage nationwide. 2017/18 marked the launch of the Department of Health and Social Care's ambition to halve healthcare-associated E.coli bacteraemias by 2021. A large national programme of work, targeted at reducing cases as a health-economy commenced. Despite the Trust working closely with community and regional colleagues to develop a strategy for reducing cases, there were 26 Trust attributed E.coli bacteraemias identified in 2017/18, compared to 21 cases in 2016/17. There were 156 community acquired cases for 2017/18 compared to 137 in 2016/17. More work is required from all partners to achieve this ambition as a health-economy. The vast majority of hospital-attributed cases are due to urinary tract infections where no urinary catheters have been insitu. We have created 'UTI algorithms' to assist Clinicians in the prompt and accurate identification and management of UTIs, which is hoped will prevent the actual bacteraemia occurring. These will be launched in early 2018/19.



Pressure Ulcers

Avoidable pressure ulcers are a key indicator of the quality and experience of patient care. A pressure ulcer is a localised injury to the skin and/or underlying tissue usually over a bony prominence, which has resulted due to pressure. A number of contributing or confounding factors are also associated with pressure ulcers; the significance of these factors is yet to be explained [European Pressure Ulcer Advisory Panel (EPUAP) Guidelines 2014].

Pressure ulcers are also known as bed sores or decubitus ulcers and occur when the skin and underlying tissue is damaged by being put under pressure, usually from lying in bed or sitting in chairs for long periods of time without moving. They can range in severity from areas of discoloured skin to very deep open wounds that expose underlying bones or muscle

and can be very painful, foul smelling and cause long term suffering and in some cases death.

To reduce the number of avoidable pressure ulcers across the Trust a number of initiatives have been implemented during 2017/18.

Overview of Achievements and Initiatives for 2017/18

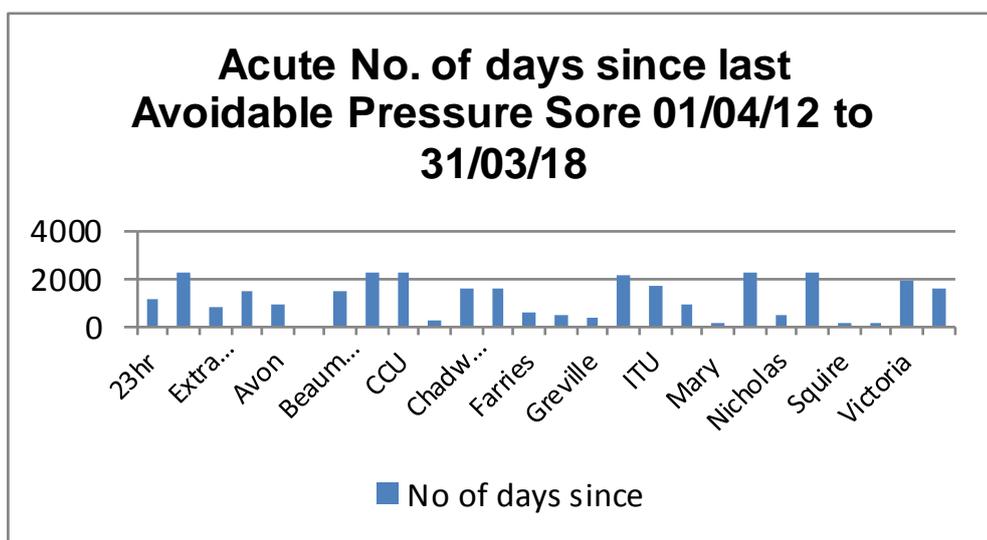
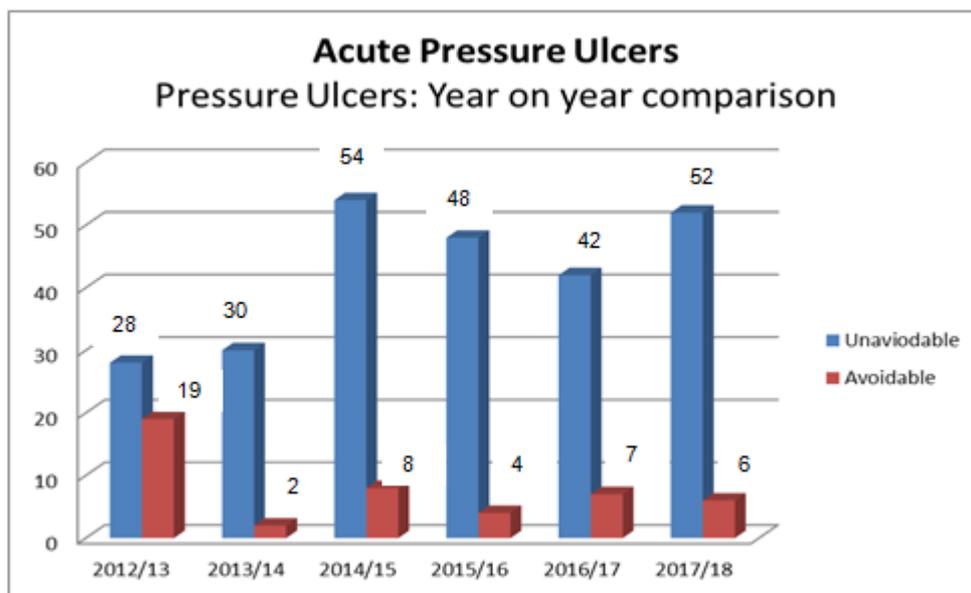
- Tissue Viability teams ran two pressure ulcer awareness weeks in April and November 2017. These include educational study events, Board to Ward visits, posters and information in various formats. Each week focused on a different topic. In April 2017 the focus was on the 'At risk foot' with an emphasis on Grade 2 pressure ulcers and heel ulcers. In November 2017 the team focused on public information and set up information stands at Stratford and Ellen Badger Hospitals
- The community Tissue Viability team were shortlisted as finalists in the Nursing Times Awards 2017 for the development of Priority 123 tool (a risk assessment tool to determine how often patients in the community who are at risk of pressure damage need visiting)
- Delivery of pressure ulcer prevention training to Trust staff and extended health care community including residential and nursing homes - face to face, on line e-learning programme and equipment days
- Roll out of SSKIN (a tool to assess Surface, Skin Inspection, Keep moving, Incontinence, Nutrition) checks to appropriate residential homes in Warwickshire
- Part of the National consensus meeting in Birmingham on pressure ulcers. Setting National criteria and guidelines around pressure ulcer prevention, assessment, grading and treatment
- Dedicated link nurse training for TV link nurses including two Warwickshire link nurse days where staff from acute and community settings across Coventry and Warwickshire met together in July and October 2017 and focused on various topics including motivation in the current health climate
- Tissue Viability team attended regional group and, in collaboration with the West Midlands Tissue Viability Nurses Association, helped to manage the Stop the Pressure website www.nhsstopthepressure.co.uk. The Team are also currently taking part in the national debate on pressure ulcers carried out by NHS England
- CQUIN 10 audit 2017/18 commenced: 'Improving the outcome of chronic wounds' An initial audit was carried out in Q2 July - September 2017 of chronic wounds that had failed to heal within 4 weeks of occurring in community teams. Following the audit areas were noted for improvement and an action plan developed including feedback to teams, training and review of documentation
- New In-patient wound care formulary launched and embedded into practice
- New Pathway developed for equipment selection for In-patients to highlight the risk and appropriate preventative strategy
- Regular TV Newsletters sharing good practice and highlighting concerns, new initiatives, training etc.
- Re-launch of PURA tool in A&E
- Risk tool developed for theatres to address frequency of skin assessments

- Professional leads collate their own pressure ulcer incidents and learning from RCA's in collaboration with TV teams and present and share learning at Quality meetings each month
- The community Wound care dressing evaluations commenced to inform review of formulary. Following the last review of the community formulary, a cost saving of £500,000 has been achieved
- The community nurses have 92.3% compliance to the wound care formulary which is outstanding
- Two research projects reviewing the use of antimicrobials and the use of class 1 compression hosiery in the treatment of leg ulcers
- Joint working between vascular consultant TV teams and leg ulcer clinics commenced to standardise leg ulcer care across Warwickshire

Data overview

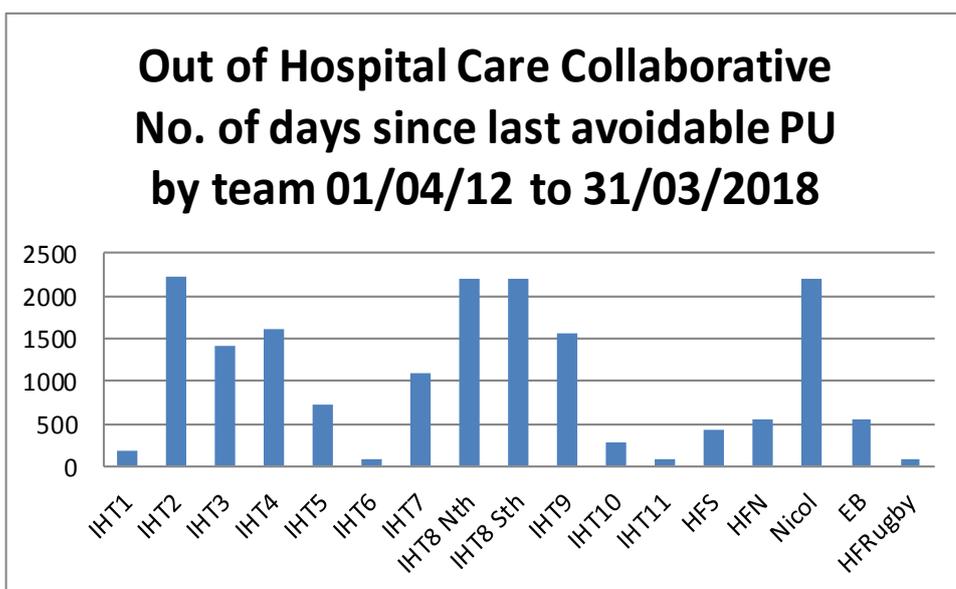
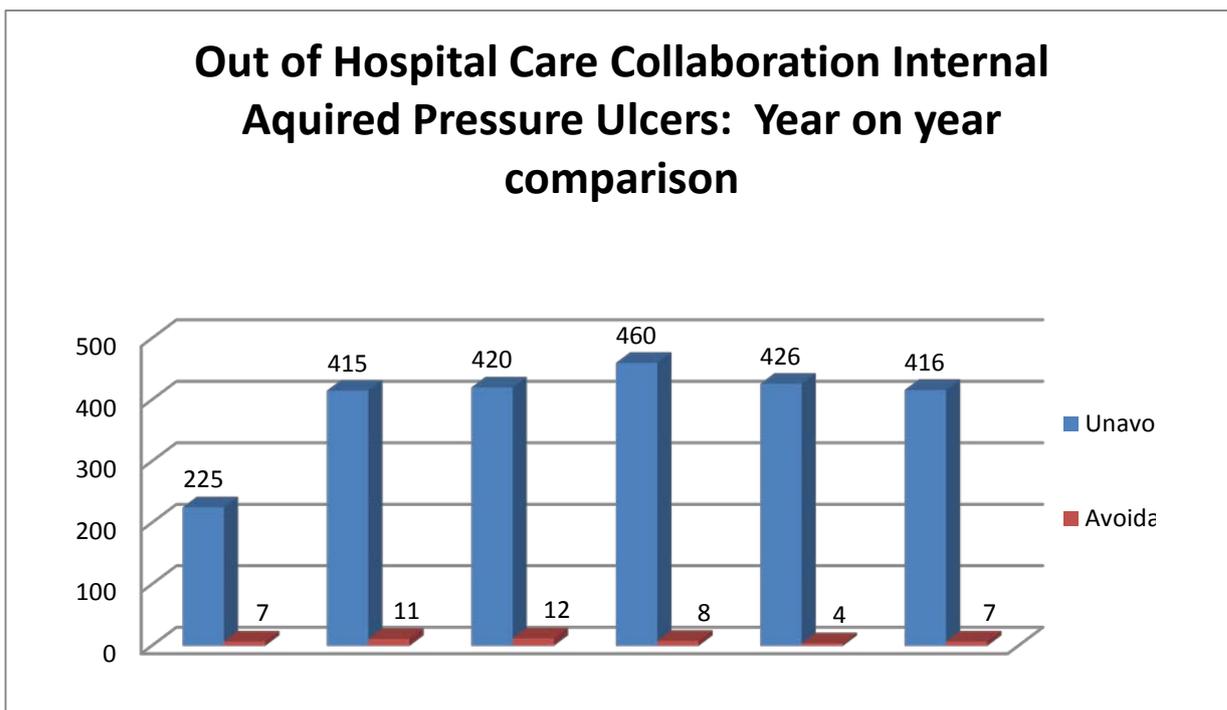
Acute

The charts below show the total number of 'confirmed' pressure ulcers and the avoidable pressure ulcers for acute for the past six years (data has been refreshed since last year's Quality Accounts submission). Data indicates that while the total number of pressure ulcers has increased, there has been a general decrease in the number of avoidable pressure ulcers. This is extremely positive to report.



Out of Hospital Care Collaboration (OHCC)

The OHCC chart shows the total number of reported pressure ulcers and the avoidable pressure ulcers for the community division for the past six years (data has been refreshed since last year's Quality Accounts submission). Data indicates that the total number of pressure ulcers have decreased in the Community and is the lowest total for the last 4 years. There has been an increase in the number of avoidable pressure ulcers this year compared to last year, but the number of avoidable is still the second lowest over a 6 year period.



| | |
|-------------|--|
| IHT 1 | Atherstone |
| IHT 2 | Camphill, Nuneaton |
| IHT 3 | The Manor, Nuneaton |
| IHT 4 | Bedworth |
| IHT 5 | Rugby |
| IHT 6 | Rugby |
| IHT 7 | Warwick and Kenilworth |
| IHT 8 North | Leamington North |
| IHT 8 South | Leamington South |
| IHT 9 | Stratford |
| IHT 10 | Alcester |
| IHT 11 | Shipston |
| HFS | HomeFirst South |
| HFN | HomeFirst North |
| Nicol | Nicol Unit, Stratford Hospital |
| EB | Ellen Badger |
| HFR | HomeFirst Rugby |

This graph shows that four teams have gone over four years without an avoidable pressure ulcer, these are; Camphill, North Leamington, South Leamington and the Nicol Unit.

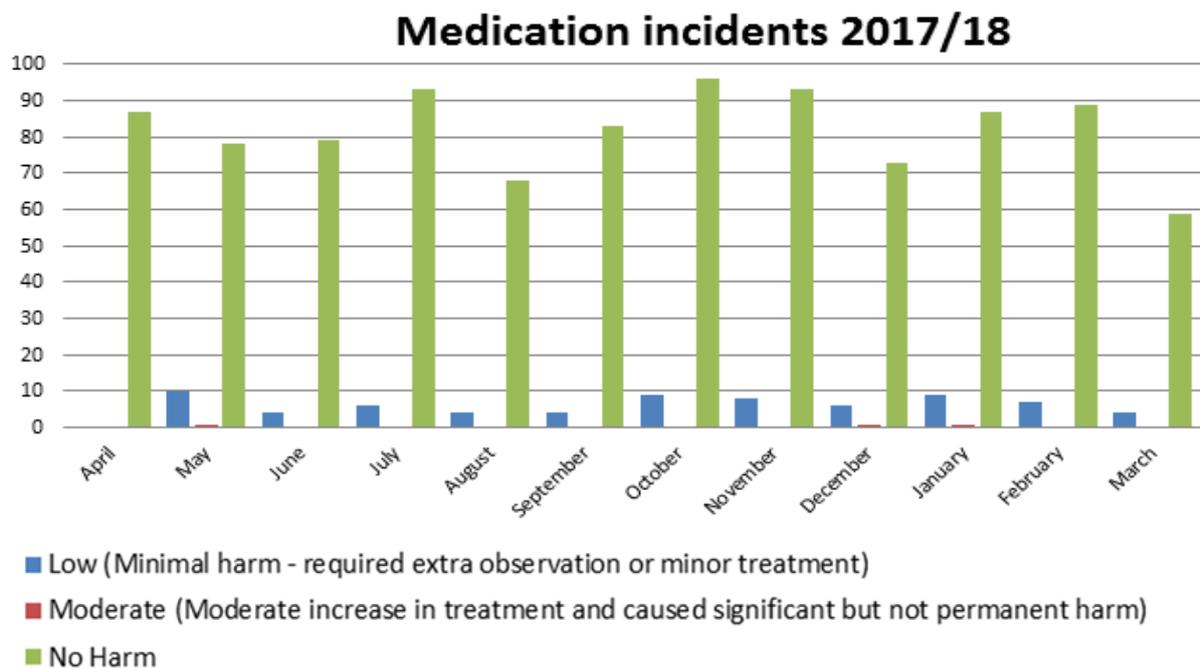
Work planned for the year ahead: 2018/19

- Further work on two year CQUIN 10 2018/19. New documentation developed for pressure ulcer assessment and wound assessment to be embedded into teams and re audit planned for Q2
- Further development of leg ulcer care across Warwickshire
- Two year review of wound care formulary planned for Q3
- Two pressure ulcer awareness weeks planned for April and November 2018
- Wound and Pressure ulcer prevention training planned for the year for SWFT staff and extended health care community including residential and nursing homes - face to face, on line e-learning programme and equipment days
- Dedicated link nurse training for TV link nurses including two Warwickshire link nurse days planned
- Tissue Viability team attending regional group. Tissue Viability Nurse (TVN) secretary for group and another leading on an away day for all West Midlands TVN's in July. The group also continue to manage the Stop the Pressure website in collaboration with the West Midlands TVN Association
- Complete the two research projects reviewing the use of antimicrobials and the use of compression in healing rates and disseminate findings across the Trust and with the wider health community if applicable
- A pilot regarding tissue viability input into 3 nursing homes to be commenced, one tissue viability nurse to be seconded for 1 year, who will be responsible for providing education, wound care assessment and advice and audit across the three nursing homes
- Launch a pilot in 2 residential homes in the community, regarding implementing a pathway for skin tears
- Review maternity procedures and pathways for reducing surgical site infection after caesarean section
- Implementation of new risk tool and skin checks in theatres
- Pressure ulcer prevention equipment audit and review
- Promote and raise awareness of wound assessment for in patients following wound prevalence and care plan audit in 2017/18 and repeat audit
- Raise awareness of first line leg ulcer care within In-patients

Medication Safety

In 2017/18 the Medication Working Group was merged into the Trust Drugs and Therapeutics Committee forming the Drugs and Therapeutics and Medication Safety Committee, to support wider clinician engagement in the Trust medication safety agenda.

Through collaboration from the Patient Safety Team and the Medication Safety Officer (MSO), key learning has been identified from the incidents. The Trust MSO actively participates in the national and regional medication safety networks, and a new medication safety newsletter is produced monthly and disseminated to staff via the Trust intranet. Recent topics have included 'Medicines and Human Factors', 'Insulin Safety' and 'Safe Use of Anticoagulants'.



Ongoing work from Drugs and Therapeutics & Medication Safety Committee and Pharmacy teams include:

- Building on the Allergy Awareness work from last year, and in response to the NICE Drug Allergy Quality statement, there is work to produce a Trust-wide 'Assessing and Recording of Allergic Reactions and Serious Adverse Reactions to Medicinal and Other Products' policy. This will formalise and harmonise documentation practices across the Trust around drug allergy, and form the basis of improving induction training for medical, nursing and pharmacy staff
- Regular audit of delayed and omitted doses at the Trust, and participation in region wide benchmarking and quality improvement
- A new service developed for Swan Ward, has seen an improvement in medication incident reporting in that area leading to significant improvement work around Venous thromboembolism (VTE) prophylaxis prescribing
- Due to the ongoing high reporting of incidents relating to Low Molecular Weight Heparins and anticoagulants, work is underway to review the Trust anticoagulation prescription chart
- This year the Trust base-lined itself against NICE NG46- Controlled drugs: safe use and management and work has been on-going to produce an action plan for work over the next year
- Introduction of Electronic Prescribing (EPMA) was one of the key Trust objectives for 2017/18. Introduction of EPMA has been an objective to help improve medication safety in the Trust. The pilot for EPMA commenced in March 2018. Following evaluation from the pilot phase the Trust has ambition to roll out EPMA to all in-patient areas (Excluding ED and ITU) by end of 2018

In addition, the following National Patient Safety alerts relating to medications have been reviewed and action plans drawn up for local implementation:

- Restricted use of open systems for injectable medication
- Resources to support the safety of girls and women being treated with valproate
- Risk of death and severe harm from failure to obtain and continue flow from oxygen cylinders

The Pharmacy Department continues to manage a programme of audit and monitoring that reviews performance in the following areas:

- Full medicines reconciliation for patients by a pharmacist or pharmacy technician within 24 hours of admission to hospital
- Controlled drugs
- Medicines storage and handling
- Prevalence and use of patient own drugs
- Omitted and delayed doses

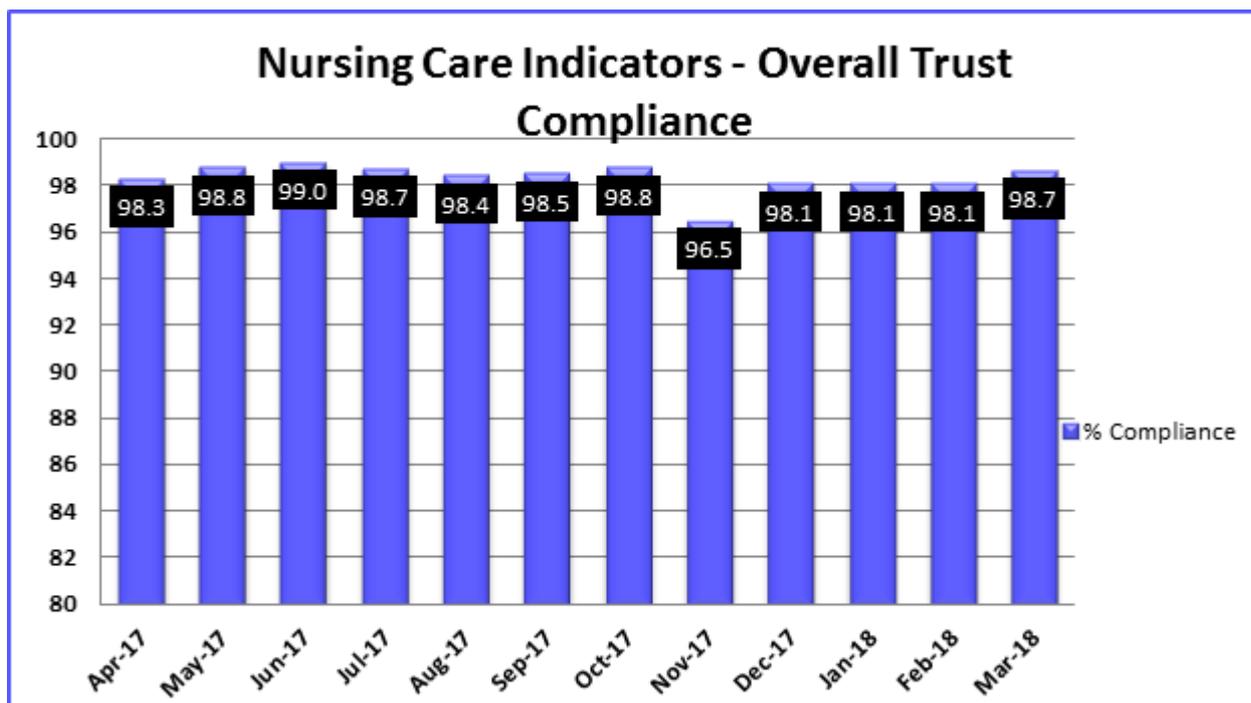
Results are reported to both the Drugs and Therapeutic Committee and Divisional Audit and Operational Governance meetings regularly.

Nurse Care Indicators (NCI)

The monthly NCI audits remain a key element of measuring quality across the clinical wards. Over the last 12 months performance has remained good and overall compliance in March 2018 was 98.7% which is an improved position from March 2017 when it was 97.8%.

The Trust has set an internal target of 97% and within the last 12 months this has been achieved every month except November 2017, when there was a slight drop to 96.5%. However, for ten months out of twelve the overall compliance has exceeded this target and was above 98%

All Divisions have maintained consistently good performance with several wards and departments achieving 100% in January and February 2018 (CCU, Malins, Chadwick and Nicol Unit) and Day Surgery Unit and the Ellen Badger Day Hospital have both maintaining 100% for the entire 12 month period.



The nursing documentation review is nearing completion and the new documents have been designed to ensure the assessment & reassessment tools and care plans remain relevant with additional indicators being considered to capture data which will assist and influence current and future practice.

In addition, adapted Nurse Care Indicators are now fully embedded in specialist areas (Emergency Department, Women's and Children's Division and the Intensive Care Unit). These indicators are much more relevant and specific and help to inform and maintain quality standards in these areas. Compliance in ITU has been consistently good, averaging 99.6% but compliance in A&E is unfortunately variable.

There have however been improvements in the compliance in the Observation Unit and Paediatrics area, within A&E, particularly over the last 3 months.

In the Women's and Children's Division compliance is mostly good averaging around 99.6% with the exception of Swan Ward where scores are currently 94%.

The Compliance Department, Heads of Nursing and Matrons continue to monitor performance and discuss results regularly with the ward teams the continued overall aim of maintaining good quality and safe outcomes for our patients.

Patient Safety

Improving Patient flow

To Embed the flow programme learning principles throughout the Organisation by extending to pathways beyond the urgent Frailty care pathway

- Graduation of all participants in Cohort 2 Flow. Three programmes successfully implemented, applying new tools and techniques to the following clinical pathways:
 - Ambulatory Cardiology Care
 - Early pregnancy assessment
 - Orthodontic outpatients
- As a result of Cohort 2 improvements have been evidenced including, patient satisfaction and length of stay
- The 3rd Cohort of the programme have begun their training (May 2018) and the following pathways will be improved using the Flow approach:
 - Ambulatory Respiratory Care
 - Acute Surgery
 - End of Life
- Monthly Flow Huddle meetings are now business as usual and have been expanded to all FLOW participants to provide corporate and peer support
- The Flow pathways are reported, on a monthly basis, into Programme Delivery Board

Seven Day Services - What we have achieved:

Assess before admission

- We have an ambulatory emergency care clinic 5 days a week which is located alongside the Medical Assessment Unit. Patients are referred to the clinic by GP's A&E department or bought back to expedite discharge if they are safe to be cared for in a non-bedded environment
- GPs can discuss patients with a consultant acute physician 5 days a week. Frailty also has a phone that can be used to discuss patients prior to admission
- We are currently working with local GP's to set up a single point of access for patient referrals

Early Access to Senior Clinicians

- We have A&E consultant presence on site 7 days a week and provide on-call cover 24/7
- We have a team of consultant acute physicians on site 7 days a week providing consultant led care for all emergency patients
- We have a specialist frailty assessment unit for older patients admitted as an emergency with care provided by a multi-disciplinary team of old age specialists.
- There is on the day access to all our specialist teams on weekdays

Standardised care process in hospital wards

- All medical wards now have a consultant of the week model to ensure continuity of patient care
- We have set a standard that all diagnostic tests will be completed within 24 hours of request
- We have implemented standardised board and ward rounds in all areas along with reporting Red2Green delays in order to improve flow and patient experience
- We have undertaken Multi-Agency Discharge Events and point prevalence audits throughout the year to help to understand the blocks in the systems and work with all healthcare colleagues to improve discharge
- 300 patients a month are now seen in the ambulatory emergency clinic and 85% are discharged home on the same day
- Nearly 50% of patients admitted as an emergency are now discharged home within 48 hours
- Over 95% of patients referred for a specialist opinion or diagnostic test are seen within 24 hours of referral
- Length of stay for patients admitted as an emergency has reduced by over 1 day
- Emergency Admitted Length of stay continues to drop and has reduced by over 1 day since 2014/15 (6.5 to 5.46 in 2017/18); Average LOS for 2017/18 dropped slightly by 2.6% year on year – meaning on average patients length of stay was 5 hours less this year compared to 16/17 (this equates to 4,900 less bed days).
- Rising attends & proportionate admissions means the actual number of occupied bed days increased year on year
- In 2017/18 the final figure for seeing and discharging patients within 4 hours was 91.5%. The target was achieved in both Q1 (95.6%) and Q2 (95.0%), but a difficult winter led to a drop to 90.1% in Q3 and 85.1% in Q4
- We also saw a record number of people in the A&E department than ever before. A total of 66,838 attends passed through A&E; this is an increase of 4,330 patients or 6.9% more than 2016/17

Quality Priority – Enhance patient safety through the use of technology to record and escalate patient observations – ***Achieved***

What we have achieved:

The Trust purchased an electronic observation system SEND to record and escalate patient observations. Roll out of the system commenced in October 2017 and to date there are 24 clinical areas live with the system. This equates to 68% of the identified clinical areas. The roll out is due to extend into April, May and June 2018 to complete the community hospital implementation. Unfortunately due to winter pressures there has been a 4 week delay in the roll out. However, the roll out is continuing although at a slightly slower pace than anticipated. The system is easy to use and has been adopted well by staff. Benefits of using the system will be fully demonstrated when the system has been rolled out to all areas. These are anticipated to be:

- Reduction on reported incidents that require investigation specific to failing to escalate the deteriorating patient therefore improving patient safety
- Reduction of errors in recording observations, calculating National Early Warning System (NEWS)
- General efficiency savings in the time taken to record NEWS across all staff groups
- Improved timeliness for taking observations in line with Trust Policy for vital sign monitoring
- Improved timeliness for escalation and senior clinician interaction
- Reduction in unplanned admissions to Intensive Care
- Savings from NEWS paper charts

Work planned for the year ahead:

During 2018 we will continue to roll out the system across all In-patient areas within the Trust. We will then begin to monitor and report the benefits identified. Once the system is established we will be working with the company to look at expanding and developing the system across other areas not currently covered.

Medicines Management

Quality Priority - Improve medicines management, efficiency and safety through the implementation of an Electronic Prescribing System – ***Partially Achieved***

Achievements at a glance:

The Trust has commenced the Pilot for Electronic Prescribing System. Following evaluation from the pilot the Trust has an ambition to have Electronic Prescribing System rolled out to all Trust sites undertaking in patient activity by end of 2018.

What we have achieved:

- Merger of Drugs and Therapeutics Community and Medication Working group into the updated Drugs and Therapeutics and Medication Safety Committee. This has allowed us to strengthen our governance around and increase our focus on Medication Safety
- Continued learning from number of Medication related audits and implementation of the learning into practice
- Strengthening our processes around closing the loop for learning from Controlled Drug Management Audits on the wards
- Update and review of our Non-Medical Prescribing Policy to meet the needs of new workforce
- The Trust's Medication Safety Officer (MSO) has led on hosting National MSO events, allowing her to bring back National learning to the Trust and build the Trust profile at National level as being at forefront of Medication Safety work
- The Head of Pharmacy has been elected on the Royal Pharmaceutical Society (RPS) Hospital Expert Advisory Group (HEAG)
 - HEAG is a consultative group to the Boards of the Royal Pharmaceutical Society (RPS). The Group provides expertise on issues of hospital practice which impact on the pharmacy profession and the public. In this position the Head of Pharmacy will be able to ensure the Trust is at forefront of Medicine Management and Safety issues being discussed at National Level

Work planned for the year ahead:

- MSO to continue building on the work from this year and established her position at local and National level, to ensure Trust is at cutting edge of National work
- Allergy guidance and work against Action Plan for the NICE work as discussed above
- Controlled Drug management as per NICE and with increased focus on the community element of our service
- Controlled Drugs Policy review and update
- Medicine management handbook review and update
- Continue with the work to ensure as a Trust we are ready for the new emerging roles and their interaction with Medicines Management - such as Paramedics in ED, Nursing Associates etc
- Work against 'NICE NG-5: Medicines optimisation: the safe and effective use of medicines' to enable the best possible outcomes and associated Quality Statements
- Update current Medication Safety key performance indicators to focus the work for the next year through the Medication Safety Group
- Review the Pharmacy service against Hospital Pharmacy Standards and ensure medicine management elements impacting the wider Trust are included into the work plan for next year
- Safe and Secure Handling of Medicines guidance (the Previous Duthie Report) is under consultation at the moment. The Pharmacy Team has taken part in the consultation process. Once the final report is released there will need to be a planned piece of work

for the Trust to base line and formulate an action plan for any outstanding areas of concerns.

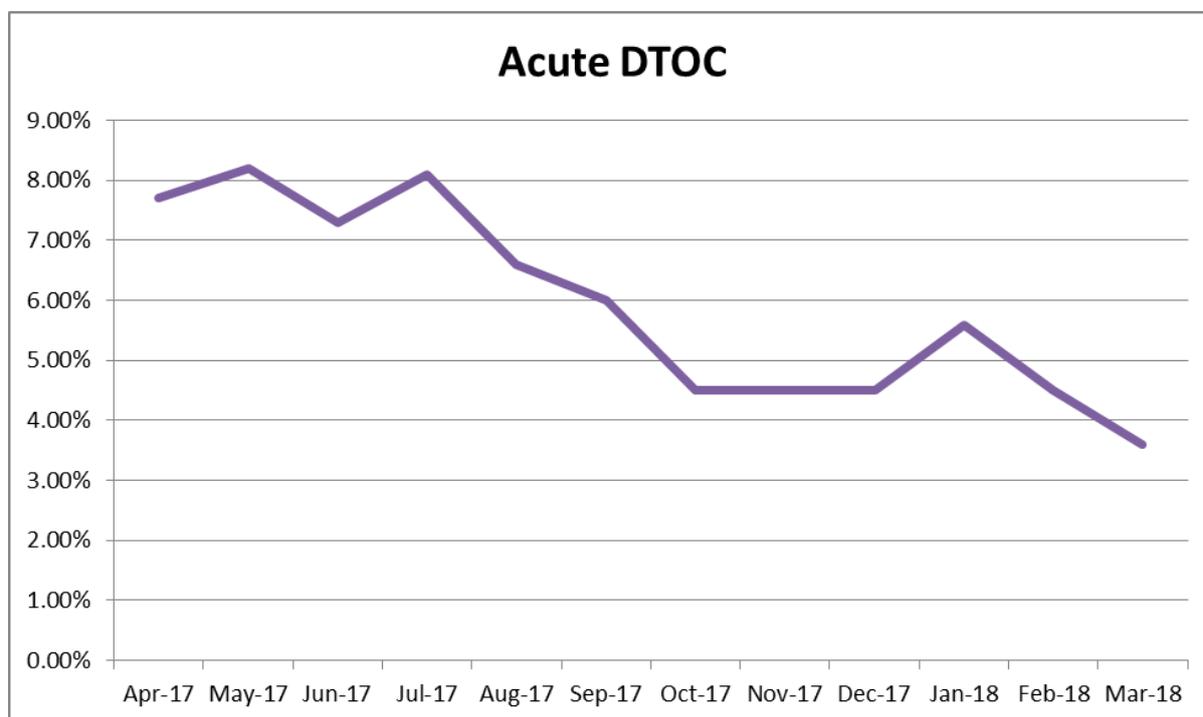
Delayed Transfer of Care (DTOC)

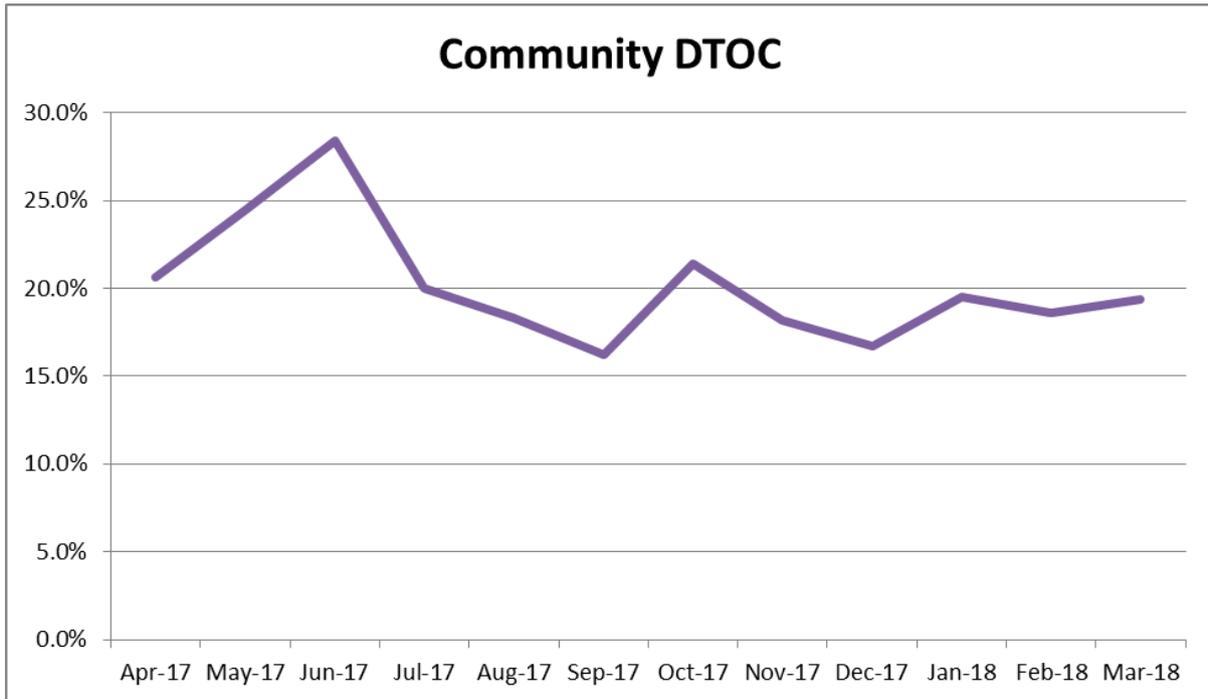
Quality Priority – Review systems and processes to improve Delayed Transfer of Care (DTOC) - **Achieved**

Achievements at a glance:

- DTOC improvement programme in place working with partners across the system
- Reduction in DTOC realised across the system
- Review and stream line of referral process across health and social care
- Visibility of bed status currently being piloted across community hospitals and plans to role out to short stay Local Authority beds in place
- Development and visibility of capacity and demand plans in place, scoping of requirements in development
- Local interim dashboard for demand and capacity rolled out across the HomeFirst service
- Red to Green in progress of roll out across community hospitals and development stage for HomeFirst

What we have achieved:



**Work planned for the year ahead:**

- Deliver and sustain delivery of DTOC trajectory
- Continue to deliver against DTOC agreed work programme

Patient Experience

What some of the Trust's patients and service users said about their experience....

I was kept informed every step of the way and included in all the decisions about my treatment. Superb communications and exemplary care from everyone.

The staff looked after my family as well as myself with great dignity and respect. If I had been paying for my care it would not have been better. First class.

The nursing staff worked so well together as a team. They were friendly, approachable and had a great sense of humour which goes a long way when you are feeling under par. Without fail everyone was helpful and very caring.

Everyone was very attentive and caring. I received excellent care. Meals were very good and balanced and it was nice to have a different menu each day. The area was very clean and tidy. Nothing was too much trouble. An uncomfortable problem / experience was made very comfortable. Could have done with a television though.

I was very scared when I was admitted but the nurse's and the doctor's reassured me and made me feel safe. After the operation the nurse's made me comfortable and bought me painkillers whenever I needed them.

I was on a very busy ward with some very difficult patients but all the staff remained very professional, polite and courteous. The nurses handle them with kindness and respect and dignity and even made time to make me a cup of tea.

The staff took time to listen to me and answered all my questions as fully as they could. The ward staff in particular are very polite and professional and always introduce themselves. They are always calm and reassuring.

Nurses were fantastic and very kind and took time to comfort me after a long wait in the A&E department. Staff made sure that I knew who was coming to see my son and why. The clarity of the treatment plan made my expectations clear. They could not do enough to help us through this difficult time.

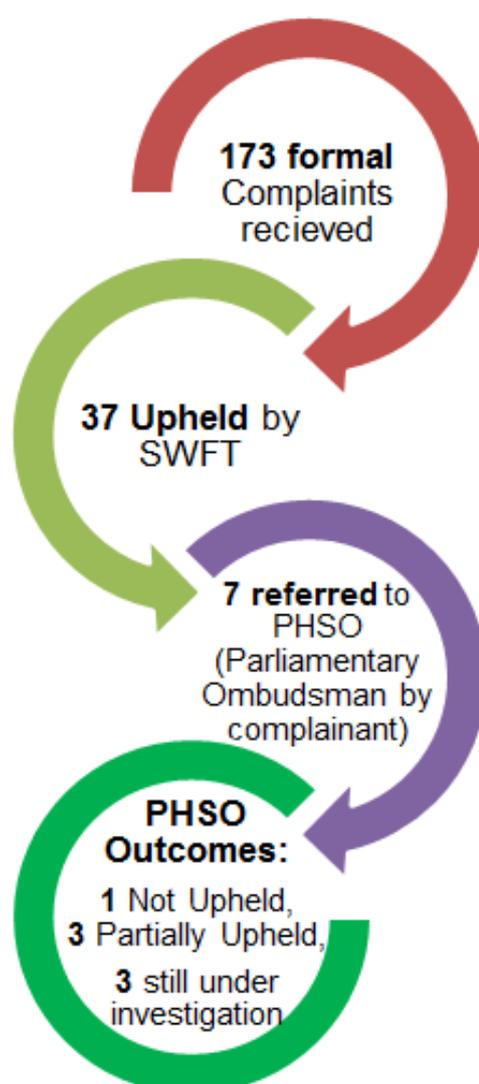
An exceptionally positive experience. Many thanks for your great help and support. I would be very happy to come back to this hospital regardless of what the problem was. This hospital is a credit to the NHS. (or rather the staff in this hospital!!)

The Patient Experience Team comprises of Complaints, Patient Advice Liaison Service (PALS) and the Bereavement Service.

Complaints

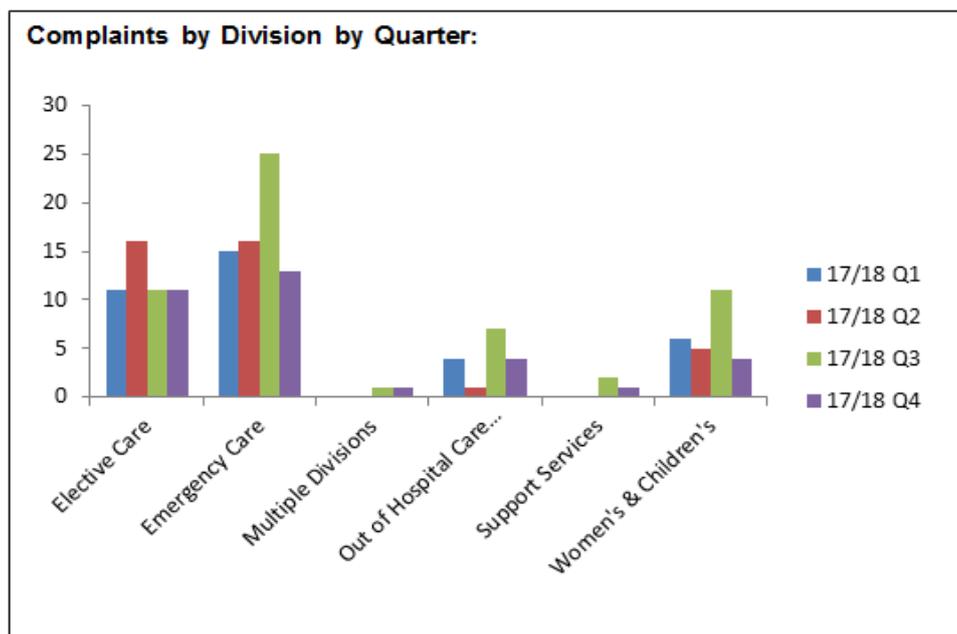
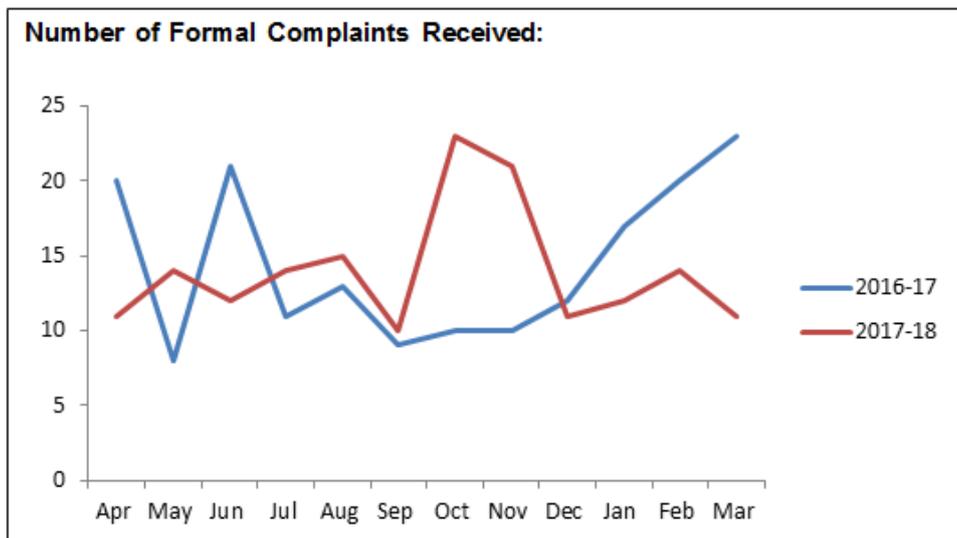
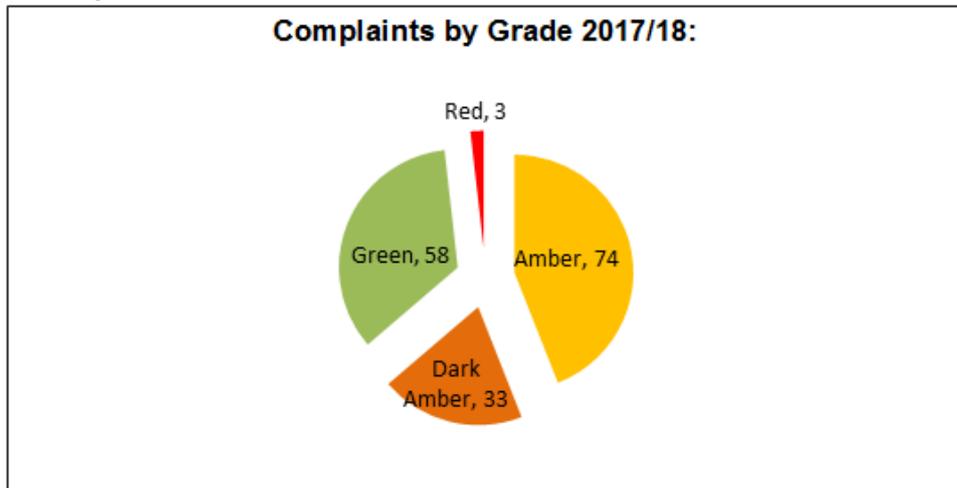
SWFT recognises the value of learning from concerns and complaints, and listening to patients, families and carers enables the Trust to focus on what really matters. Dialogue with staff is encouraged to provide the opportunity for immediate action and resolution where possible. Learning from complaints ensures effective service improvements can be made, providing our patients with the right care, the right treatment and the right support. All complaints are taken very seriously and clear learning identified and reported.

Complaints – 2017/18 year at a glance



There were 173 formal complaints received in 2017/18. A lead investigator is appointed for every formal complaint and provides a response to the Patient Experience Officer within the timescale agreed with the complainant.

Complaints data overview



Parliamentary and Health Service Ombudsman (PHSO)

The emphasis of the NHS complaints procedure is to make every effort to resolve complaints at a local level. However there are times when a complainant remains dissatisfied with our response and in these instances the complainant is entitled to contact the PHSO to request a review of their complaint. The PHSO will take an initial look at the complaint and then make a decision whether they will investigate the complaint. When they have completed an investigation into a complaint they will write a final report advising of the outcome and recommendations that they have made.

There were 7 complaints referred to the PHSO during 2017/18. We have received the PHSO outcome on 4 complaints, of these 3 were partially upheld and 1 was not upheld. The Trust continues to work very closely with the PHSO this year and responded immediately to any initial requests made or subsequent advice given.

PHSO Investigation Outcomes

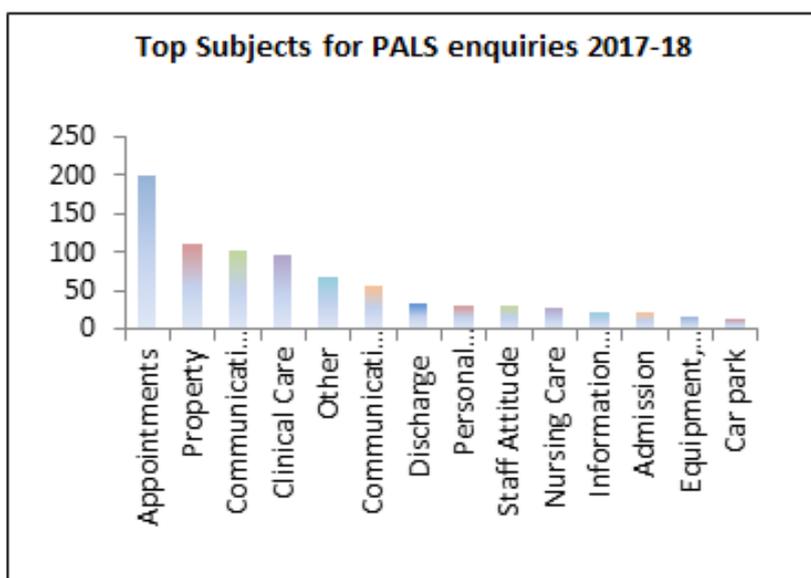
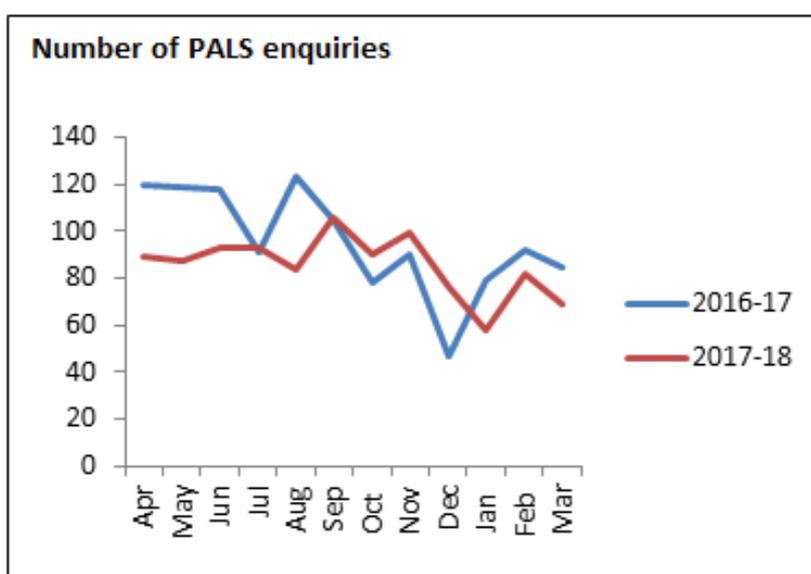
| Outcome | Count | Recommendations | Actions |
|-------------|-------|--|---|
| Upheld | 0 | None | N/A |
| Part Upheld | 3 | 1. To apologise, pay £500 and prepare an action plan | To ensure appropriate records are kept to demonstrate care of insertion site of a Hickman Line in accordance with guidance. To follow good practice to explain to patient the seriousness of their condition and to make sure they have realistic expectations about what the benefits and limitations of the treatment will be. When an Oncology patient on treatment is admitted to hospital the Clinical Team should immediately inform the Acute Oncology Team and formally agree if patient is in the final stage of life and agree a pathway of care. |
| | | 2. To apologise, pay £500 and tell the complainant what actions we have taken. | All staff involved in using the equipment notified of the incidents and a laminated poster was put up in the theatre informing staff and asking them to be vigilant when using the syringe combination. |
| | | 3. To apologise, pay £750 and prepare an action plan. | West Midlands Ambulance Service (WMAS) have a procedure of arranging an ambulance to take a person home when it is recognised that it may be the patient's last journey. When the hospital requests transport they must advise WMAS of the circumstances. The ReSPECT process was developed to help ensure that decisions are made correctly, and as far as possible in accordance with a person's own wishes. |
| Not Upheld | 1 | Whilst these complaints were not upheld by the PHSO, they had gone through the Trust's local resolution process, and lessons learnt were identified. These lessons and outcomes were cascaded to the relevant Divisions. | |

Patient Advice Liaison Service (PALS)

PALS provide ‘on the spot’ advice, support and information to patients, relatives and visitors. PALS receive enquiries regarding a range of issues and these are logged on the Datix Risk Management System in order to identify the subjects of enquiries received. PALS dealt with 1026 recorded contacts for the year 2017-18. Personal concerns patients may have, that the service can help with, such as benefit applications

The PALS Officers will liaise with staff involved in a patients care to ensure early intervention to resolve concerns regarding their treatment. At times it is necessary to arrange a meeting with the family and treating clinicians so they can receive communication regarding the management plan.

PALS data overview



Bereavement

The Trust's Bereavement Service co-ordinates matters following the death of an in patient. The Bereavement Officers meet with relatives to hand over the medical certificate of cause of death. During the meeting the relatives are advised what has been recorded as the cause of death, and ensure this is understood by the family. We also ask the family if they have any concerns regarding the care the deceased received and if any concerns are raised, this is escalated to the clinical team so they can be addressed in the most appropriate way.

During the period of April 2017 to March 2018 the Bereavement Officers dealt with 902 Hospital deaths.

A Bereavement Listening Service has been set up, which offers bereaved people the opportunity to talk to someone about the emotions they are experiencing and talk about their loss. This service is being provided by Ian Furlong, hospital chaplain and is offered to any person who has experienced bereavement.

Following the recent CQC Inspection the Trust's Bereavement Service was described as responsive, compassionate and highly efficient.

Friends and Family Test

The aim of the Friends and Family Test (FFT) is to give the people who require the services that the Trust provides a voice to tell us about their experience. The goal is to not only use those comments to continually improve the clinical care, the environment and all the services that are used but also to shape future services with a '*you said – we did*' approach.

The Patient Experience Group who meets monthly receives a comprehensive report on the feedback that the Friends and Family co-ordinator generates. At this meeting, a different area is required each month to deliver a presentation on the feedback from patients and how these comments have been used to make improvements. Each manager or clinician is expected to provide action plans for improvement. Patient feedback and performance data is accessible to all patients via the display board on wards.

The implementation of the FFT across all NHS services was an integral part of *Putting Patients First*, NHS England's Business Plan for 2013/14 – 2015/16, and was designed to help service users, commissioners and practitioners. Whilst FFT is no longer a mandated CQUIN the Trust has decided to maintain this valuable feedback tool. In order to deliver the FFT survey requirements the Trust has been working with a third party patient organisation that generates the following monthly reports:

- **Trust level report:** this includes a summary of feedback scores for each area by month, and helps identify top performers and outliers
- **Ward level report:** This shows comparative scores across wards. Ward reports include all free text comments from patients
- **An alert online review:** this is emailed to the co-ordinator for a response on any review that scores 2 or less in any one question.

Patients and their families/carers are asked '*How likely would you be to recommend this service to your friends and family if they needed similar care or treatment?*'

This means every patient that uses our services has the opportunity to give feedback on the quality of the care they receive providing us with a better understanding of their experience and where necessary enable improvements to be made.

Performance of FFT for 2017/18

From 1 April 2017 to 31 March 2018, 18,279 patients have participated in the FFT and provided feedback on their experience. 95% of those patients would recommend the Trust. Whilst this is a positive achievement, the Trust is determined to engage with as many patients as possible. Recently the Accident and Emergency department has trialled a dedicated week where they focus their efforts to return >20% for the week, once per month. An iPad was placed in the A&E department but was damaged fairly quickly by a member of the public. Another initiative has been Friends and Family Friday where the housekeepers on the acute wards are asked to give every appropriate person in their area a survey card on a Friday. The Outpatient department has worked hard to encourage its staff to have the confidence to engage with every patient to provide feedback.

| Positive themes | Improvement themes |
|---------------------------------|-------------------------|
| Attentive attitude of the staff | Noise at night |
| Good communication skills | Long wait for discharge |
| High standards of care | Staffing levels |

Improvement actions taken

The majority of patients and their families provide very positive feedback that is both complimentary and encouraging, stating that the care they have received throughout the Trust has been delivered by kind; caring, friendly and knowledgeable staff in a clean and organised environment. However, one of the recurrent negative themes is noise at night. Originally it was throughout the whole trust but has now been reduced to just 3 areas. Examples of comments:

- *“The care on this ward is excellent except at night time”.*
- *“The care is great but the ward is noisy at night – not only does it sound like the outside bins are being emptied but the ticking of the clock is so loud”*
- *‘The only complaint I had was it was difficult to sleep at night due to outside noise’*

The following actions have been implemented to address dissatisfaction raised in surveys:

- Actions against noise at noise:
 - Soft closing bins and soft soled shoes
 - Night transfers to be kept to a minimum
 - Muffled telephones
 - Use of low lighting
 - Conversations and general chatting to be kept to a minimum
 - Ear defenders and eye masks have been tried but have not been hugely successful
 - Notices put on the entrances of wards on a nightly basis to tell staff to observe that patients may be sleeping and to be quiet
 - Noise monitors were used to register the decibel level at night
 - The night co-ordinators are constantly monitoring and identifying good practice

- Cleanliness improved in A&E
- The management of the appointment booking process in the eye unit
- Timeliness of receiving medications improved
- Minor repairs attended to
- Liaison with Hotel Services and the Matron team to monitor the quality of the food and menu choices and the delivery of meals to ensure that standards are maintained.

Night Charter

The Night Charter has been a successful campaign led by senior nurses within the Hospital 24/7 Team, that aimed to focus attention on improving patients' experience overnight, by reducing noise and disturbance in clinical areas and promoting a restful night's sleep to assist recovery and improve patient outcomes.

The Night Charter is 12 simple principles informing staff of how to achieve an improved experience for their patients overnight. There are practical solutions in how to reduce noise levels on wards as well as systems to improve and maintain the high standards of quality care.

In 2016, the Night Charter steering group reviewed the Night Charter and redesigned it to incorporate a peaceful moon image. As a result of this review a new principle was included which focuses on communication at night. It encourages staff to use the online system to request clinical tasks to be undertaken and therefore reduces the noise associated with phone calls and bleep systems.

Looking back at 2017/18 we have continued to promote the Night Charter and have monitored the level of noise at night on all wards. These results were presented at the senior nurses meeting and the Patient Experience Group. We have designed a poster which is displayed outside all wards overnight to remind us all to reduce levels of noise at night.

From the Friends and Family results we can see that complaints have reduced in relation to noise at night during 2017/18.

Looking forward to 2018, reducing noise will continue to be the main focus. The steering group will be looking at monitoring the level of noise on individual ward areas.

The steering group will discuss with individual ward managers to appoint a 'noise champion' who will be responsible to ensure the Night Charter principles of reducing noise levels at night are adhered to and to cascade any new innovation or ideas to the rest of the ward team.

Single Sex Accommodation (SSA)

During 2017/18 there were 11 single sex accommodation breaches reported. The Trust carried out a full and extensive root cause analysis and ensured actions were taken. Details have been summarised as follows:

| Date of breach | Recommendations / Actions | Status |
|--------------------------|--|---|
| June 2017 1 patient | <ul style="list-style-type: none"> • Site co-ordinator be informed of the breach and the necessary requirements detailed in the recommendations, to be sustainably implemented and implement a zero tolerance to mixed sex accommodation • Implement DIGIT within ICU • Ensure ICU discharges are prioritised in operational and capacity planning daily • Review and refresh ICU SSA and discharge standard operating procedure (SOP) • Transfers out of ICU will be avoided between 10pm and 8am to maintain patient safety, except extenuating circumstances | Complete Complete Complete Complete Complete |
| August 17 5 patients | <ul style="list-style-type: none"> • SOP SSA for Nicol unit • Labelling of side rooms to match with the same sex of the bay • Understand what constitutes an SSA breach • Reiterate zero tolerance policy to SSA breaches • All staff to read SSA policy and be aware of requirements • Clarity re escalation of issues associated with maintaining full bed occupancy • Review escalation process and how to avoid risk of further breaches • Explore review of toilet/bathroom facilities on the unit | complete complete complete complete complete complete complete Ongoing exploring capital funds |
| October 17 1 patient | <ul style="list-style-type: none"> • ICU to ensure dissemination of procedure and SOP to any nurses that take charge of the unit and that they are aware of the process of requesting ward beds • Amend ITU SOP delayed discharges and single sex accommodation to include the use of bed space 7 as a means to avoid mixed sex breach • Nurse in charge to communicate at all times with staff re plans and progress to early identify any changes • Be clear on the sex type of bed required and re iterate at each communication | Complete Complete Ongoing Ongoing |
| December 17 1 patient | No further action would have resulted in bed becoming available in single sex accommodation within the specified time frame due to winter pressures | |

| | | |
|--|--|-----------------|
| <p>January 18</p> <p>1 patient</p> <p>2 patients</p> | <ul style="list-style-type: none"> • Standard Operating Procedure for 'Delayed CCU discharges and Single Sex Accommodation' to be circulated to all cardiology nurses • SOP to be amended to include 'document the time of actions taken to avoid same sex breach in the patient record' | <p>Complete</p> |
|--|--|-----------------|

End of Life

Quality Priority: Improve patient satisfaction levels of those who use our end of life care - *Achieved*

Achievements at a glance:

- Continued use of Care of the Dying Evaluation Tool (CODE) Survey in Acute Setting
- Roll out of CODE survey in the Community Setting July 2017
- Specialist Palliative Care Patient Satisfaction survey commenced July/Aug 2017
- Feedback from Patient Representatives as standing item at End of Life Operational Group
- Education Programme includes advanced communication day to enable staff to deal with difficult conversations in a safe environment

What we have achieved:

Embedding the use of CODE survey across Acute and Community Settings has given us real time feedback from carers which is used to inform and ultimately improve patient experience.

The introduction of the Macmillan Specialist Palliative Care Patient Satisfaction Survey. This was suspended previously as it was thought it could be incorporated into the Friends and Family Test Data. This proved not to be practicable for this client group.

End of Life Education Programme commenced in June 2017 and has been well evaluated. The success and strength of the programme is that is delivered by experienced Macmillan Nurses and the programme is ever evolving as a result of continuous evaluation.

Work planned for the year ahead

Continuation of CODE Survey in both Acute and Community settings. It is imperative that we use the results of our surveys to inform and educate staff who deliver end of life care. At present the results are shared at Community Quality/Governance meetings as well as the End of Life Operational Group.

In the year ahead the role of Ward and Community Team End of Life Champions will be relaunched. The plan is to hold joint meetings to encourage integration across Acute and Community. The format of the meetings will be to share experience and cascade learning points from the CODE surveys and other initiatives to the frontline staff. By giving feedback directly to the teams it will highlight areas of good practice as well as supporting areas which may have experienced less favourable results.

Experience has shown that using real patient/carer experience enhances good practice.

The importance of patient/carer satisfaction feedback is re enforced during the Foundations in Palliative Care Course.

In February 2018 the Acute Specialist Palliative Care Team introduced a new electronic referral and triage process which will lead to a leaner way of working and freed up capacity within the team to target education and support directly to ward areas. This will increase the confidence and competence of the staff to provide high quality End of Life Care through improved communication and symptom control.

To review and improve the availability of end of life medicines in the community.

Dementia

Quality Priority: Improve the experience of our patients with a Dementia – ***Partially achieved***

Achievements at a glance:

- There is now funding for a Dementia Specialist Practitioner to expedite achieving our priorities and enhance support and training to the clinical areas
- Round 3 of National Audit of Dementia completed and has generated clear goals for improvement
- We have Signed up to John's Campaign - support for Carers
- Continued multi-disciplinary engagement with Dementia Links across disciplines and specialities
- SWFT has represented at South Warwickshire Dementia Strategy Meetings, confirming that our Strategy aligns with that of the region

What we have achieved:

Dementia Incidents: In light of the Report Fix Dementia Care (Alzheimer's Society 2015) there are now 3 Datix categories where it is mandatory to state whether it is known if the patient has a dementia. These are falls, violence and aggression and Deprivation of Liberty. The Clinical Lead for Dementia can access this as a dashboard on Datix and reports this to Dementia and Elderly Care Action Alliance (DECAA).

Round 3 of the National Audit of Dementia: The results of this informed the revision of the SWFT Dementia Strategy which was agreed at Board with a new review date of 2020. This Audit has provided clear goals for improvement around Delirium screening and reporting and support for staff and carers.

John's Campaign: The Trust has signed up to John's Campaign, a national campaign pledging to support the carers of a person with a dementia and make carers welcome in the Organisation. <http://johnscampaign.org.uk/#/>

“At SWFT we aim to work in partnership with carers, acknowledging the value of the support that you provide. As such, you can stay outside of regular visiting hours and will be made welcome. Please speak to the Nurse in charge about Carers support at SWFT.”

Two initiatives; Tea for Two and Lets Do Lunch, were relaunched in Nutrition and Hydration week promoting the benefits to patients of drinking and eating in company and having a cup of tea together providing a therapeutic interaction.

Flagging on Lorenzo: IT and the lead for dementia have developed a standard operating procedure for flagging dementia on Lorenzo. There will also now be a facility to generate an in patient list for people with a dementia to enable targeted support.

Link Practitioner Days: Another round of multi- disciplinary dementia link days covering a variety of topics such as medication, falls, mental capacity and consent, behavioural and psychological symptoms of distress and specialising were carried out with very positive feedback from the participants.

My Improvement Network (www.myimprovementnetwork.com) has been in to clinical areas to provide refresher training on using dementia reminiscence and therapy screens that are in place on four of the wards and support therapeutic specialising.

The Trust has been represented at South Warwickshire Dementia Strategy meetings, confirming that our Strategy aligns with that of the region.

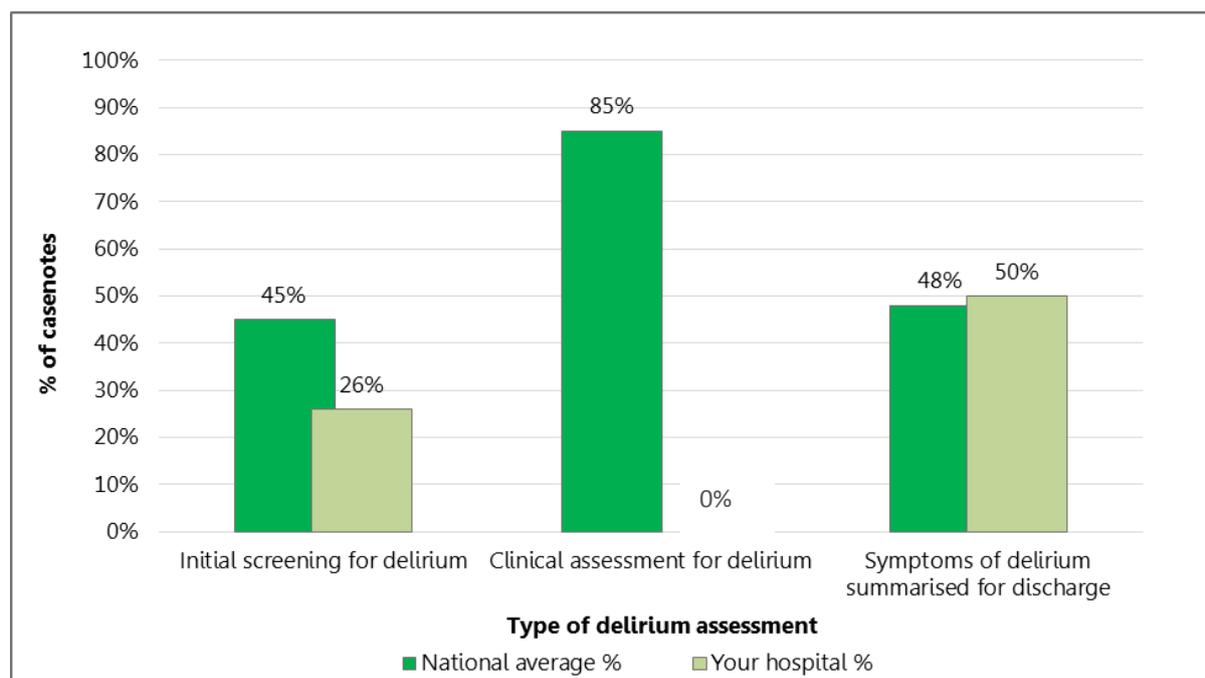
Funding for dementia specialist posts have been confirmed with a permanent band 7 Dementia Specialist Practitioner currently being recruited and further monies for a part time band 6 confirmed. This will strengthen support to the clinical areas, raise and maintain the profile of dementia care in the organisation and facilitate successful implementation of objectives.

DECAA (Dementia and Elderly Care Action Alliance), continues bi-monthly and has multi-disciplinary representation as well as a patient forum member. The Medical Director provides a clinical lead.

Work planned for the year ahead

Delirium screening: recording and referral on discharge require improvement for people with a delirium. A Delirium Awareness Week is planned with Frailty in September 2018.

(National Audit of Dementia RCP Round 3 2016-17)



DECAA is planning on reviewing the dementia pathway to ensure that it is current, includes the offer of support to carers and promotes a safe discharge. The nursing dementia / delirium care bundle is also going to be reviewed, as part of the nursing documentation.

The theme for Dementia Awareness Week in May 2018, will be promoting John's campaign. As well as supporting carers and 'remembering the person', encouraging use of the Butterfly Scheme© and 'This is Me' document to provide person centred care.

For national sight awareness week and national sight day (September 2018), the Machen Eye Unit is promoting the new dementia clinics.

Multi-disciplinary link training sessions will be based upon feedback from previous sessions as to what they would find useful. This year the Trust will be registered to participate in round four of the National Audit of Dementia (2018/19) commencing in April 2018.

Local auditing by the Compliance Unit has restarted, and has highlighted the need to revitalise the use of the Dementia Risk Assessment and screening tool as its use has declined with the removal of the associated CQUIN.

| March 2017 | | March 2018 | |
|---|----------------------|---|----------------------|
| Number of patients over 75 audited | 138 Patients Audited | Number of patients over 75 audited | 108 Patients Audited |
| % of patients over 75 with a Dementia Risk Assessment Completed | 39% | % of patients over 75 with a Dementia Risk Assessment Completed | 37% |
| % already with a formal diagnosis of dementia | 79% | % already with a formal diagnosis of dementia | 25% |
| % with a clinical diagnosis of Delirium on admission | 12% | % with a clinical diagnosis of Delirium on admission | 22% |
| % being more forgetful in the last 12 months | 9% | % being more forgetful in the last 12 months | 0% |

A sudden drop in compliance relates to a change in the screening tool used and will need re-embedding across all teams to ensure compliance is met.

Compliance will also generate a baseline measure to improve on in regards to use of personal information and the Butterfly Scheme ©.

Patient Led Assessments of the Care Environment (PLACE): As with every year, dementia friendly environments are reviewed as part of the PLACE audit and this is supporting wards in making improvements in signage and orientation, highlighting wards with the greater number of patients with a dementia as a priority.

As of this year, the Dementia Lead has been invited to 'redesign and refurbishment planning meetings' so will be able to advise on dementia friendly environments where appropriate at planning stages.

DECAA will continue bi-monthly, monitoring actions resulting from audits, incidents and complaints relating to dementia care and promoting innovations.

John's Campaign Carers Conference: Dementia Lead will be attending the Carers Conference in June 2018 to talk about our organisations' sign up to John's Campaign and how the Trust will offer support to carers of a person with a dementia in hospital.

Booking visits, appointments or operations

Quality Priority: • Improve our patients experience when booking visits, appointments or operations – *Partially Achieved*

Achievements at a glance:

We continue to develop the booking service through the “improving the patient experience booking” project. We have focused on developing training and customer service skills and aim to develop this further when we have completed the tender for the FFT service, currently managed for us on behalf of iwantgreatcare.

Work planned for the year ahead:

- Deliver a project to review and enhance patient communication
 - Using patient representatives we will review the content of all patient correspondence sent from the booking centres, with a view to removing any unnecessary jargon
 - We will review the content of the NetCall voice reminder to ensure that messages are sent with clarity
- Embed customer service training through the employment of the new Quality Assurance (QA) manager
 - We will use call centre management techniques to improve the quality of calls, using NetCall for training purposes
 - We will create a quality dashboard which will monitor the improvements made by the QA manager
 - We will aim to reduce the number of reasons that patients need to use the call centre
- Set up a process to routinely review patient experience feedback through quarterly patient experience audits
 - Develop a patient satisfaction process, run monthly, to collect and understand experiences of patients with regards to their appointments and clinical management
 - Data collection will aim to focus on understanding
 - Whether the patient had gained any value from their hospital attendance
 - Whether we could reasonably provide different opportunities to enable patients to better manage their own care
 - What was positive and negative about their experience of the booking process
 - Using this data we will develop a dashboard to monitor improvements

Patient Outcomes

Quality priority – Embed the integrated care delivery model we have with social care to deliver improved outcomes for patients – **Achieved**

Achievements at a glance:

1. In 2017/18 we embedded co-location of Community Emergency Response Team (CERT) with Reablement services in two bases across Warwickshire and launched HomeFirst.
2. Daily communication is in place between HomeFirst and Warwickshire County Council brokerage services to support smooth transition of patients.
3. Named Social Worker attachment to community hospitals is now in place.
4. Engagement of social care in design and delivery of Out of Hospital model.

What we have achieved:

Foundations on which to build integration opportunities with social care aligned to Out of Hospital programme.

Work planned for the year ahead

Development of a low level reablement service in support of patients waiting for support worker services within the community.

Building on achievements to date we plan strengthening partnership working with social care in the delivery of Out of Hospital model through Working Together Boards.

Delivery of Trust objective to agree integrated opportunities with Warwickshire County Council using the Out of Hospital contract and Warwickshire County Council transformation plans

Quality Priority: Increase normal birth rates – **Partially Achieved**

The Trust has not consistently achieved an increase in their normal birth rates but has progressed a number of schemes that will assist in us achieving this next year.

Achievements at a glance:

1. The project plan for the opening of a Midwife Led Unit (MLU) is on track to open in summer 2018. The environment of where a woman births matters and each of the rooms in the MLU will have a pool, homely décor and furnishings with partners encouraged to stay. The Birth Place Study showed that women on a low risk pathway had better clinical outcomes if they birthed in a low risk setting. Higher maternal satisfaction is also a known benefit.
2. A transformation plan for a new model of midwifery care based on a continuity of care pathway, enhanced antenatal and postnatal education will be implemented on a phased approach from summer 2018. It is thought that this will impact on normal birth, as the evidence suggests that women will feel more confident, supported and in control when they go into labour which is associated with better outcomes. Warwickshire and

Coventry Local Maternity System (LMS) have submitted a bid to Maternity Transformation Programme Board for £330K to support implementation of these changes.

3. The birthing pool on the obstetric unit has been replaced and the room re-decorated to enhance the birthing environment.
4. Midwives continue to have 'supporting normality' as part of their mandatory training.

What we have achieved:

Figure 1: Normal birth rates from April 2017–Mar 2018

| April 2017 | May 2017 | June 2017 | July 2017 | Aug 2017 | Sept 2017 | Oct 2017 | Nov 2017 | Dec 2017 | Jan 2018 | Feb 2018 | March 2018 |
|------------|----------|-----------|-----------|----------|-----------|----------|----------|----------|----------|----------|------------|
| 62% | 63% | 51% | 60% | 58% | 58% | 55% | 56% | 59% | 53% | 54% | 60% |

The target on our Dashboard for normal birth is 60%. In the 12 months from April 2017 to March 2018 SWFT achieved this target 33.33% of the time. The range was from 51.31-63.30, variance of 11.99%.

The Trust has participated in the Getting It Right First Time (GRIFT) quality improvement pilot, which is a benchmarking data package which includes a wide range of relevant information about the clinical department and its performance. It is important to recognise that the data pack is not used to 'performance-manage' the unit but is expected to provide fresh insights into the way the department functions through the use of comparative data. The Trust sits on the lower control limit, however it is not an outlier.

Our slightly lower than expected normal birth rate maybe attributable to our higher acuity, especially in category III; (this categorisation is based on an acuity tool which looks at the amount of clinical time required to spend with a patient, the highest being a category V). It is anticipated that when the MLU opens there will be a positive rebalancing of women in category I and II who will choose to birth at Warwick Hospital once the MLU opens.

| Category | I | II | III | IV | V |
|----------|------|------|------|------|------|
| Warwick | 5.7% | 15.6 | 21.2 | 32.3 | 25.2 |
| UHCW | 5.0 | 14.2 | 19.9 | 26.0 | 34.9 |
| GEH | 12.7 | 27.2 | 18.4 | 22.2 | 19.5 |

Work planned for the year ahead will include:

1. Continual monitoring of the normal vaginal birth on the maternity dashboard
2. Increased training for Midwives and Obstetricians around supporting and promoting normal birth on the MLU and the Obstetric Unit

3. Introduction of an opt out model for women on a low risk pathway to automatically be offered the MLU or home as a preferred choice
4. Implementation of a transformation plan with continuity of care at the core
5. Implementation of enhanced antenatal care, better preparing women for birth
6. Concurrently working alongside the action plan to reduce the rates of caesarean sections

Quality Priority: Further improve practice and staff skills to improve leg ulcer healing rates
– **Achieved**

Achievements at a glance:

Healing rates above 80% for leg ulcer patients in the north community leg ulcer service.

Training undertaken for all levels of staff in all teams.

What we have achieved:

- Healing rates above 80% for leg ulcer patients in the north community leg ulcer service
- Band 6 nurse appointed to the hospital based Tissue Viability team with extensive experience in leg ulcer assessment and training
 - This band 6 nurse has undertaken additional training at Birmingham City University
- Collaborative working group has been set up with the intention of streamlining leg ulcer care within community and hospital based teams

Work planned for the year ahead: acute and community tissue viability and leg ulcer services

1. Continuation of collaborative care to include discussions with the vascular surgeon and the CCG with regard to streamlining leg ulcer care in south and north Warwickshire. Plan to introduce a similar service that is already working well in the north and proposing a contract which will allow the GP leg ulcer patients in the south to have assessments and reassessments carried out within the Trust's specialist leg ulcer clinic. This will enhance the service received by patients, making it more consistent throughout. Referrals to vascular service will then come through leg ulcer specialist or tissue viability specialist to the vascular surgeon ensuring a more efficient and appropriate service.
2. Pilot studies are also taking place regarding antimicrobials and class one hosiery to determine if using the above sooner on a wound on the leg can reduce the risk of a leg ulcer developing.
3. The leg ulcer teams in the north and south will have one manager running all the clinics to reduce any variations in practice.
4. Ongoing specialist training for nurses working within leg ulcer care to enhance practice.

- 5 The leg ulcer pathway is being altered to include quality of life assessments and also to be reduced from a 12 month document down to a 6 month document, because of increased healing times.
- 6 Amendment of pathways and referrals for community and acute to ensure consistency.

Trust-wide Quality Performance Overview

This section of our quality accounts provides information on our compliance with national standards and targets and locally derived targets not covered elsewhere in the quality report.

| Indicator | Threshold | Actual 2017/18 |
|---|-------------------|----------------------|
| Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway I | 92% | 90.8 |
| A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge (D) | 95% | 91.5% (full year) |
| All cancers: 62-day wait for first treatment I from: <ul style="list-style-type: none"> - urgent GP referral for suspected cancer - NHS Cancer Screening Service referral | 85% 90% | 85.9% 91.4% |
| All cancers: 31-day wait for second or subsequent treatment (F), comprising: <ul style="list-style-type: none"> - surgery - anti-cancer drug treatments - radiotherapy | 94% 98% 94% | 94.3% 100% N/A |
| Cancer: two-week wait from referral to date first seen (H), comprising: <ul style="list-style-type: none"> - all urgent referrals (cancer suspected) - for symptomatic breast patients (cancer not initially suspected) | 93% 93% | 96.7% 98.3% |
| C. difficile – meeting the C. difficile objective (O) – avoidable cases | 6 | 5 |
| Outpatients appointments booked 3 weeks in advance | 80% | 75.45% |

Data assurances and actions for improvement

RTT: The Trust saw deterioration in the referral to treatment position during 2017/18. Our risks and weaknesses were externally assessed and we were supported in developing a comprehensive recovery plan which included a significant validation project together with the increase in resourcing for the patient access team.

Progress was made and the Secretary of State for Health and Social Care commending the Trust on being the most improved trust for the December 2017 performance.

Progress against data quality issues for each clinical division is routinely reported through the Trust's Finance and Performance Executive.

Outpatient appointments booked 3 weeks in advance: The Trust are aware that the performance against this target is slightly lower than 80%; as a measure going forward this is being monitored monthly on the Patient Access Dashboard. This lower than expected performance is partly due to patient choice or the clinical need to book patients more urgently than 3 weeks e.g. fracture clinic. Going forward the audit and reporting of this indicator will be broken down by specialty to help managers take appropriate action locally.

Glossary

| | |
|---------------|--|
| AHP | Allied Health Professional |
| AMBER | Assessment Management Best practice Engagement Recovery uncertain (end of life patients) |
| AMT4 | Abbreviated Mental Test – 4 items |
| APER | Abdomino-perineal excision of the rectum |
| BAPEN | British Association for Parenteral and Enteral Nutrition |
| BFI | Baby Friendly Initiative |
| BSI | British Standards Institution |
| BTS | British Thoracic Society |
| C.diff | Clostridium Difficile |
| CAMHS | Child and Adolescent Mental Health Services |
| CARE | Care, Attitude, Responsiveness and Environment |
| CCG | Clinical Commissioning Group |
| CCNT | Community Children’s Nursing |
| CEPOD | Confidential Enquiry into Patient Outcome and Death |
| CERT | Community Emergency Response Team |
| CERU | Central England Rehabilitation Unit |
| CHC | Continuing Healthcare Checklist |
| CHKS | Caspe Healthcare Knowledge System |
| CODE | Care of the Dying Evaluation Tool |
| CNS | Brain & Central Nervous System |
| CQC | Care Quality Commission |
| CTMS | Clinical trial management system |
| D2A | Discharge to Access |
| DECAA | Dementia and Elderly Care Action Alliance |
| DNACPR | Do Not Attempt Cardiopulmonary Resuscitation |

| | |
|---------------|---|
| DoH | Department of Health |
| DOLS | Deprivation of Liberty Safeguards |
| DTOC | Delayed Transfer of Care |
| E.Coli | Escheria Coli |
| EBME | Electro-Biomedical Engineering |
| ECDS | Emergency Care Data Set |
| eCAT | electronic Common Assessment Tool |
| EOL | End of Life |
| EPUAP | European Pressure Ulcer Advisory Panel |
| EWS | Early Warning Scores |
| FNP | Family Nurse Partnership |
| HCA | Healthcare Assistant |
| HCAI | Healthcare Associated Infection |
| HCP | Healthy Child Programme |
| HIA | Higher Impact Action |
| HV | Health Visiting |
| LTC | Long Term Condition |
| MDS | Multi-disciplinary system |
| MDT | Multi-Disciplinary Team |
| MRSA | Methicillin-Resistant Staphylococcus Aureus |
| MSSA | Methicillin-Sensitive Staphylococcus Aureus |
| MUST | Malnutrition Universal Screening Tool |
| NDS | National Drug System |
| NEWS | National Early Warning Score |
| NHLSA | National Health Service Litigation Authority |
| NICE | National Institute for Health and Care Excellence |
| NIHR | National Institute for Health Research |
| NJR | National Joint Registry |

| | |
|--------------|---|
| NMC | Nursing & Midwifery Council |
| NPSA | National Patient Safety Agency |
| OHCC | Out of Hospital Care Collaborative (Community services) |
| PALS | Patient Advice Liaison Service |
| PEAT | Patient Environment Action Team |
| PEG | Patient Experience Group |
| PHSO | Parliamentary Healthy Service Ombudsman |
| PHW | Public Health Warwickshire |
| POD | Patients Own Drug |
| PROM | Patient Reported Outcome Measures |
| PURA | pressure ulcer risk assessment |
| RCA | Root Cause Analysis |
| RCPH | Royal College of Paediatrics and Child Health |
| RTT | Referral to Treatment Targets |
| SHA | Strategic Health Authority |
| SHMI | Summary Hospital-Level Mortality Indicator |
| SSI | Surgical Site Infection |
| SSKIN | Surface, Keep Moving, Incontinence, Nutrition/Surface, Skin Inspection, Incontinence, Nutrition |
| SWFT | South Warwickshire NHS Foundation Trust |
| TRUS | Transrectal ultrasound scan |
| TTO | To Take Out |
| TV | Tissue Viability |
| UHCW | University Hospitals Coventry and Warwickshire |
| UTI | Urinary Tract Infection |
| VTE | Venous thromboembolism |
| WCC | Warwickshire County Council |

Stakeholder engagement

Where 50% or more of the relevant health services that the NHS foundation trust directly provides or sub-contracts during the reporting period are provided under contracts, agreements or arrangements with NHS England, the trust must provide a draft copy of its quality accounts/report to NHS England for comment before publication and should include any comments made in its published report. NHS foundation trusts must also send draft copies of their quality accounts/report to their local Healthwatch organisation and overview and scrutiny committee (OSC) for comment before publication, and should include any comments made in their final published report. The commissioners have a legal obligation to review and comment, while local Healthwatch organisations and OSCs will be offered the opportunity to comment on a voluntary basis.

Stakeholder statement from NHS South Warwickshire Clinical Commissioning Group – *received 10.05.2018*

Following our review of the draft version of the South Warwickshire NHS Foundation Trust Quality Account we are pleased to state that this is representative of the work the Trust has undertaken to further develop the quality of its services during 2017/18.

NHS South Warwickshire Clinical Commissioning Group (as lead commissioner for the South Warwickshire NHS Foundation Trust contract) continues to work in partnership with the Trust with the overarching aim of ensuring that service users, carers and their families receive excellent quality of care and treatment throughout their healthcare experience, whether this is in the acute sector or in community services.

We are delighted that following the formal CQC Inspection during December 2017 and January 2018 South Warwickshire NHS Foundation Trust (SWFT) achieved an overall Trust rating of 'good' for the quality of care that it provides. This rating reflects the continuing quality improvement work undertaken by the Trust. The CQC report noted areas of outstanding practice in maternity services and end of life care although there were some recommendations for improvement, particularly in the acute sector where the rating for Warwick Hospital remains 'Requires Improvement'. The CCG looks forward to on-going improvement as a result of the Trust's delivery of its improvement plan.

In respect of infection control targets, there were no Trust acquired cases of MRSA during 2017/18. The Trust has been fully engaged in the health economy C. Difficile Reduction Strategy and, whilst reported C. Difficile cases at South Warwickshire NHS Foundation Trust (SWFT) for 2017/18 were higher than during 2016/17, thorough root cause analysis revealed that 5 cases were deemed avoidable (i.e. the same number as during 2016/17). The C Difficile Strategy Group has agreed to continue to meet during 2018/19 but it seems the health system in south Warwickshire is reaching the stage where further reduction is unlikely.

Patient Safety is always a joint priority and the CCG is pleased to be an active member of the Trust's Serious Incident Review Group, supporting its role in assuring the quality of serious incident investigations and dissemination of learning within the Trust.

During 2017/18 risk assessment for Venous Thromboembolism (VTE) emerged as a joint priority to be addressed given a reduction in assessment rates. The Trust now has in place a rectification plan which will be subject to regular joint monitoring. The CCG is fully supportive of the Trust's plan to use technology to improve the recording of VTE risk assessments.

The NHS Friends and Family Test (FFT) remains a valuable opportunity for patients to provide feedback on the care and treatment received from their healthcare providers. Scores for recommending care received by SWFT have fluctuated during 2017/18 although have generally been higher than the NHSE average for the A&E department, in particular, and scores for not recommending care have generally been lower than NHS England average scores in all areas. The CCG expressed concern during 2017/18 that response rates in inpatient areas, the A&E department and Maternity Services had reduced. The Trust has reassured the CCG that it considers the survey an important feedback mechanism and has taken action to address this issue. We therefore remain optimistic that response rates will increase, giving greater confidence that the reported scores are more representative of the overall patient view.

The Staff Friends and Family test continued throughout 2017/18 with the Trust scoring well against the two questions: "how likely are you to recommend your organisation to your friends and family as a place to work?" and "how likely are you to recommend your organisation to your friends and family if they need care or treatment?" The 2017 National Staff Survey results were also very positive for the Trust. We remain assured that the Trust is seen as a good employer and a good place to work, giving confidence to us that quality of care is good, as 'happy staff' generally equate with 'happy patients'.

The Trust has worked hard to put sound processes in place to address recommendations in the national guidance on Learning from Deaths (published March 2017), including a paper to a public board as from Q3 of 2017/18. A CCG Governing Body GP attends the Trust's Mortality Group meeting both to seek assurance on processes and to support partnership working in respect of reviewing deaths of patients in primary care who have recently received secondary care (or vice versa), as appropriate.

2017/18 saw a significant increase in demand on A&E services from both the local south Warwickshire population and further afield. This proved to be a key challenge for the Trust during the winter period and highlighted some necessary improvement areas for the A&E team which are being addressed through an A&E action plan. CCG 'walk around' visits to A&E during this period however, identified that patients were well cared for. We will review delivery of the A&E action plan during 2018/19.

Delivery of the Referral to Treatment Targets (RTT) was also challenging for the Trust during 2017/18 and, although frequently close to the target performance levels, RTT delivery was not fully rectified until January and February 2018 following implementation of improvement actions at the Trust.

Trust performance against the 2 week cancer wait for first outpatient appointment following urgent referral by a GP target was good during 2017/18 however performance for the 62 day cancer wait target has remained inconsistent. This is a key cause for concern for the CCG who are working collaboratively with the Trust to help rectify this. Cancer breaches are robustly reviewed and learning is disseminated within both primary and secondary care in order to support improvement in delivery. Root Cause Analysis, Clinical Harm Review and applicable Serious Incident reporting processes for cancer breaches have all been agreed and the processes have been implemented during 2017/18.

Caesarean section rates at the Trust continue to be a cause for concern however the CCG is reassured by the work being undertaken to 'normalise' birth. This will be supported in 2018/19 by work on midwifery continuity of care and the new Midwife Led Unit, which is scheduled to open in the summer of 2018, giving local women more choice about their maternity care.

During 2017/18 the Trust worked hard to deliver the national CQUIN schemes and has made very good progress to date against the majority of the relevant quarter 1 to 3 milestone expectations. Sepsis Screening and Antibiotic Administration will continue as national CQUIN goals for 2017/19.

To conclude, there is very good evidence that the vast majority of patients are happy with the services they receive, staff opinion of the Trust is high and patients feel able to raise issues of concern with the Trust, if and when required. The Trust continues to deliver high quality services and its quality priorities for 2018/19 in the areas of patient outcomes, patient experience and patient safety are welcomed by the CCG.

We look forward to a further year of partnership and cooperation and continued improvement in the quality of services for our local population.

Stakeholder statement from local Healthwatch organisation and overview and scrutiny committee (OSC) - *Received 14.05.2018*

Thank you for sight of the South Warwickshire Foundation Trust (SWFT) Quality Account (QA) document.

Previously, the County Council, working in partnership with colleagues at Coventry City Council and the respective Healthwatch organisations contributed in detail to the formulation of these QA documents through task and finish review working with each of the service providers.

This year the Committee decided to focus instead on thematic reviews. An example of this is the recently completed review of GP Services. This has meant that Warwickshire County Council has not been able to contribute to the QA process in detail this year. However, all members of the Adult Social Care and Health Overview and Scrutiny Committee did receive the QA document and were given the opportunity to submit comments. Similarly, a copy has been provided to our Director of Public Health. I have not received any comments on your QA for this year.

Thank you once again for the opportunity to comment on the SWFT QA document.

Statement of directors' responsibilities for the quality report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year. NHS Improvement has issued guidance to NHS Foundation Trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS Foundation Trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- The content of the Quality Report meets the requirements set out in the NHS foundation trust annual reporting manual 2017/18 and supporting guidance
- The content of the Quality Report is not inconsistent with internal and external sources of information including:
 - board minutes and papers for the period April 2017 to March 2018
 - papers relating to quality reported to the board over the period April 2017 to March 2018
 - feedback from commissioners dated 10.05.2018
 - feedback from governors dated 09.05.2018
 - feedback from local Healthwatch organisations dated – 14.05.2018
 - feedback from Overview and Scrutiny Committee dated – 14.05.2018
 - the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 23.05.2018
 - the latest national patient survey 2016
 - the latest national staff survey 2017
 - the Head of Internal Audit's annual opinion of the trust's control environment dated
 - CQC inspection report dated 05.03.2018
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered
- the performance information reported in the Quality Report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and
- the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the

Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

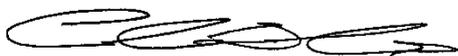
The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

By order of the board



Chairman

Date 23/05/18



Chief Executive

Date: 23/05/18

Limited Assurance Report on the content of the Quality Reports and Mandated Performance Indicators

Independent auditor's report to the council of governors of South Warwickshire NHS Foundation Trust on the quality report

We have been engaged by the council of governors of South Warwickshire NHS Foundation Trust to perform an independent assurance engagement in respect of South Warwickshire NHS Foundation Trust's quality report for the year ended 31 March 2018 (the 'quality report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the council of governors of South Warwickshire NHS Foundation Trust as a body, to assist the council of governors in reporting South Warwickshire NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2018, to enable the council of governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the council of governors as a body and South Warwickshire NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Scope and subject matter

The indicators for the year ended 31 March 2018 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement:

- Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge; and
- Number of patients on incomplete pathways who have been waiting no more than 18 weeks, as a percentage of the total number of patients on incomplete pathways.

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

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the 'NHS foundation trust annual reporting manual' issued by NHS Improvement.

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

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation trust annual reporting manual' and supporting guidance;
- the quality report is not consistent in all material respects with the sources specified below
 - Board Minutes for the period April 2017 to March 2018;
 - Papers relating to the quality report reported to the board over the period April 2017 to March 2018;
 - Feedback from Commissioners on the draft quality report 10 May 2018;
 - Feedback from Governors on the quality report dated 9 May 2018;
 - Feedback from local Healthwatch organisations on the quality report dated 14 May 2018;
 - Feedback from Overview and Scrutiny Committee dated 14 May 2018;
 - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 dated 23 May 2018;
 - The latest National Patient Survey results;
 - The latest National Staff Survey 2017 results;

- The Head of Internal Audit's annual opinion of the trust's control environment dated 18 April 2018; and
 - Care Quality Commission Inspection Report for December 2017 to January 2018 inspection dated 5 March 2018.
- the indicators in the quality report identified as having been the subject of limited assurance in the quality report are not reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports'.

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

We read the other information contained in the quality report and consider whether it is materially inconsistent with the documents listed above and specified in the detailed guidance for external assurance on Quality Reports (collectively the 'documents').

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

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

Assurance work performed

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

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the 'NHS foundation trust annual reporting manual' to the categories reported in the quality report; and
- Reading the documents.

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

Limitations

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

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

The scope of our assurance work has not included testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2018:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation trust annual reporting manual';
- the quality report is not consistent in all material respects with the sources specified in 2.1 of the 'NHS Improvement Detailed requirements for external assurance for quality reports 2017/18' for foundation trusts; and
- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and supporting guidance.



Deloitte LLP
Birmingham
United Kingdom
25 May 2018

Statement of the Chief Executive's responsibilities as the accounting officer of South Warwickshire NHS Foundation Trust

The NHS Act 2006 states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of the Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS Improvement.

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require South Warwickshire NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of South Warwickshire NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health Group Accounting Manual and in particular to:

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

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Glen Burley, Chief Executive

Date: 23/05/18

Annual Governance Statement

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of South Warwickshire NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in South Warwickshire NHS Foundation Trust for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

As Accounting Officer I have overall responsibility for risk management and am accountable for the effective implementation of risk management and the internal control processes.

The capacity of the Trust to handle risk is achieved through the delegated responsibilities in place as defined in the Trust's Risk Management Strategy. The Strategy sets out the Trust's approach to risk, the accountability arrangements including responsibilities of the Board and its sub-committees, Directors, specialist leads and individual employees. It defines the risk management process including risk identification, analysis and evaluation, which will be undertaken to ensure delivery of the Strategy and the capacity to handle risk across the Trust.

Risk management training is mandatory for all new starters band 6 and above and is also provided for existing staff with designated responsibility for undertaking risk assessments. The training is designed to provide an awareness and understanding of the risk management strategy, process and experience of completing the risk assessment paperwork.

Board and Senior Managers are required to participate in risk management awareness training, pertinent to their needs, every two years. On 26 January 2017 Mills & Reeve Solicitors, facilitated this training and provided an update on the Mental Capacity Act and Deprivation of Liberty (DOLs). Additional training has been provided, to all levels of staff, covering areas such as fire safety, health & safety, moving and handling, resuscitation and conflict resolution. The Trust continues to provide the Institution of Occupational Safety and Health (IOSH) Managing Safely course to staff, Band 7 and above. All staff receive information on risk management and incident reporting during the Trust induction process.

The Trust has a number of measures in place to disseminate learning from good practice. The sixth Annual Clinical Conference in October 2017 focused on Challenge. Guest speaker Jess Thom, co-founder of Touretteshero, gave a presentation which challenged the preconceptions about disability, reconceptualising the condition as a springboard for creativity and spontaneity, and demonstrated the benefits of diversity for companies and society as a whole. Trust staff also displayed information and gave presentations. There is also a regular 'Grand Round' for doctors to discuss specific topics highlighting best practice. Best practice is also discussed at Board of Directors Workshops, where a patient story focuses on what went well and what could be improved.

The risk and control framework

A Trust wide Risk Management Strategy 2016-21 was approved by Risk Management Board and ratified by Board of Directors in January 2017. A minor amendment was made to the Risk Management Strategy in February 2018 and ratified by Risk Management Board in March 2018. The Strategy explains how risks are identified, evaluated, scored and monitored within the organisation. The Trust has in place a risk matrix, which is used to evaluate all risks, both clinical and non-clinical, as well as incidents and complaints within the organisation. All risks are included in the Divisional Risk Registers and monitored by the relevant Divisional Risk Management Group in accordance with the Strategy. In addition, all risks with a score of 8-12 (dark amber) and 15-25 (red) are presented, quarterly, via the Associate Director of Operations/Managing Director reports, to the Risk Management Board and risks scoring 15-25 (red) are also presented to the Board of Directors on a quarterly basis.

In the autumn and spring of each year the Board of Directors hold a 'Round Table' event with the Council of Governors which ensures that the Trust's annual plan meets national and local priorities and which also provides an opportunity to determine the organisation's risk appetite relevant to strategic challenges. The Board of Directors has rated its overall risk appetite as 15; therefore any risk of 15-25 (red) is reported to the Board. In relation to the Board Assurance Framework (BAF), the Board has requested sight of those risks rated 8-12 (dark amber) and 15-25 (red), these risks are submitted quarterly for consideration.

The Organisational Risk Register and BAF were subject to quarterly review by the Board to consider any gaps in either the assurance or controls. Where required, further action was taken by managers to mitigate the risk.

Extreme risks (risks scoring 15-25), with agreed mitigation plans, listed on the Trust's Risk Register during 2017/18 are outlined below:

- Lack of obstetric ultrasound scan capacity due to changes to guidance which has increased activity resulting in delays in arranging scan appointments, not offering women the choice to have the appropriate anomaly screening at the optimal gestation and women instead being offered inferior screening that is less reliable. Ultimately compromising the choices that are available to women following the results of the screening and any options they may have moving forward with the pregnancy. End of year score was 16;
- Suboptimal training accommodation to deliver Statutory Moving and Handling training across the organisation due to the inadequate size and sharing the room with other users resulting in the potential for inadequately trained workforce leading to staff and/or patient harm and equipment damage. End of year score was 16;
- Temporary labour costs continue to be high due to the volume of temporary labour and costs leading to an overspend on divisional budgets. End of year score was 15;
- National quality measures require South Warwickshire NHS Foundation Trust (SWFT) to provide a hospital Cancer Unknown Primary (CUP) service and ensure ALL CUP patients are identified and discussed at the joint CUP Multi-Disciplinary Team hosted by University Hospitals Coventry & Warwickshire NHS Trust. This service requires dedicated Oncology Consultant PA's that timetabled to ensure that CUP patients are assessed and managed appropriately. This is part of the Acute Oncology Service. Only 20% of the required PA's are covered by Oncology within the Trust. This resource issue is impacting on the provision of the CUP service. End of year score was 15;
- Staff shortages on Nicholas Ward due to a high Register General Nurse vacancy factor (65%) resulting in potential patient harm, poor patient experience and increase in sickness /staff attrition due to staff fatigue. End of year score was 15.

The Executive Team identify future corporate risks, which will be managed and mitigated as part of the Board Assurance Framework (BAF) process. Measures to assess whether the outcomes have been achieved have been linked to the organisational strategic objectives and the Quality Improvement Priorities.

Areas of risk identified to date are predominantly linked to the changing age profile of the population across Warwickshire. The demographic distribution is resulting in an increasingly elderly and frail population living with Long Term Conditions and Dementia. As a result the Trust is committed to developing different staffing solutions, such as Advanced Clinical Practitioners; Clinical Nurse Lead; and Assistant Practitioners.

The risks associated with these are based on systems, processes, financial frameworks and the skills of the workforce to meet this increasing demand. Underpinning the identified risks it is highlighted that the current IT infrastructure requires further development to support real time data capture to optimise Trust productivity and service developments.

The 2017/18 BAF has been updated, by the Executive Team and reviewed on a quarterly basis by the Risk Management Board and Board of Directors. The Audit Committee was responsible for providing independent assurance on the robustness of governance and risk management in the Trust. The BAF was the key process used by the Board to ensure that all principal risks were controlled, that the effectiveness of those key controls was assured and that there was sufficient evidence to support the Annual Governance Statement.

Internal Audit have undertaken a Final Review of the BAF 2017/18, which reported that the Trust has a BAF in place, covering all of the required key components, which is designed and operating to meet the requirements of the Annual Governance Statement. Internal Audit's testing, by sample, confirmed that the controls on which the Board rely are in place and made two minor recommendations, which will be implemented in the 2018/19 BAF.

The Trust has in place, a Programme Management Office (PMO) function and Programme Delivery Board (PDB) to oversee programmes/projects and manage programme/project risks. The PDB is a monthly meeting, administered by the PMO and chaired by the Chief Executive. The PDB monitors the progress of all programmes/projects across the Trust including Cost Improvement Plans and ensures alignment to Trust Objectives. This forum provides the opportunity to constantly evaluate programmes/projects, in particular any risks impacting on the delivery of the required outcomes and benefits.

Risk management is embedded within the Trust and this includes being open with patients, relatives and carers when patients are exposed to harmful events. The Trust has a formal process in place for Duty of Candour when a patient suffers moderate harm or worse. All patient safety incidents are reported nationally through the National Reporting Learning System (NRLS) and compared nationally with similar organisations. Any work programmes to reduce and learn from incidents are monitored by the Patient Safety Surveillance Committee.

The Care Quality Commission reported in their Intelligent Monitoring Report that staff reporting of errors, near misses and incidents is as expected and comparable with similar Trusts. All patient safety and non-clinical incidents are reviewed by the relevant manager, investigated where necessary and improvements implemented as required. The Board is assured that all incidents are reported and managed in a timely manner via the Trust's electronic incident reporting system and the internal governance committee structure.

The Trust has an independent Patient Forum which works with the Trust's Council of Governors on patient related issues. Members of the Forum sit on the Council of Governor's Patient Care Committee to ensure the work of both bodies is aligned. Where possible the Trust proactively works with all stakeholders.

As a Foundation Trust, the organisation operates under a licence, issued on 1 April 2015 by Monitor (now NHS Improvement), the independent regulator of Foundation Trusts. The existing control and reporting mechanisms described in this Annual Governance Statement are used to ensure that the Trust is compliant with the terms of its licence.

With respect to condition FT4 (NHS Foundation Trust governance arrangements) the Board reviews the terms of reference of its committees on an annual basis to ensure their effectiveness and last did so on 4 April 2018. In addition, the Audit Committee undertakes an annual self-assessment of its own effectiveness using a proforma from the NHS Audit Committee handbook, which is reported to the Board. The Audit Committee also submits an

Annual Report to the Council of Governors. The terms of reference also serve to define the responsibilities, accountabilities and reporting lines of each Committee. The Board receives a report following each Committee meeting, written by the Non-Executive Director Chair, and is therefore able to both receive assurance but also challenge any of the decisions made. The responsibilities of the Board and its Directors are defined in the Trust's Constitution.

The Board has a detailed schedule of business, agreed annually, which defines when reports will be submitted, ensuring the Board can operate timely and effective scrutiny of its operations. Key performance reports covering quality of care, nurse staffing, finance and operational performance are received on a monthly basis to ensure sufficient rigour is applied. Internal Audit was commissioned to undertake a review of NHS Improvement's 'Well-Led' Framework against Key Line of Enquiry (KLOE) 6 to ensure appropriate and accurate information was effectively processed, challenged and acted upon, as the Board's review of effectiveness in 2017/18. Internal Audit concluded that a relatively low number of suggestions to strengthen arrangements based on assessment against the framework, this outcome was reported to the Board on 7 March 2018. Of the six areas reviewed, five were rated green and one rated amber/green.

Also during 2017/18 an external review was commissioned to assess whether the Board had the skills and capability to lead the organisation. A report was subsequently considered by the Board on 25 January 2018.

CQC Compliance

The Foundation Trust is fully compliant with the requirements of registration with the Care Quality Commission.

The Trust is required to register with the Care Quality Commission (CQC) and is registered without conditions. Registration confirms that the Trust meets all regulations and standards stipulated by the CQC. It also confirms that the Trust is authorised to provide all registered services across all locations registered under the Trust.

The CQC visited the Trust in December 2017 and carried out an unannounced inspection of A&E, Medical Care (including older people's care), Maternity and End of Life Care. The CQC undertook a further planned visit in January 2018 to inspect Community End of Life Care. As a result of this re-inspection, where updated ratings were applied to the full inspection carried out in 2016, the Trust has received an overall rating of 'good'. The well led inspection report for the Trust was also rated as 'good'.

The CQC report identifies many examples of excellent practice from our leadership team, our hospital services and our community teams. It also provides some recommendations for future improvement. Action plans have been developed and will be monitored and implemented throughout the coming year, via the CQC Monitoring Group, chaired by the Director of Nursing.

The Trust's bereavement service was described as responsive, compassionate and highly efficient. Maternity services were recognised for implementing an electronic record system, which enables staff and women to access up-to-date information to support informed decision making. The Trust's Out of Hospital Care Collaborative division also received praise, including a new overnight service which provides specialist care for people in North Warwickshire who are approaching the end of their lives.

Assurance Process and Reporting of Assessment

- A compliance overview report is presented to the Finance and Performance Executive and at Board, in accordance with an agreed reporting schedule. This includes the summary results of any ward inspections conducted. This report will provide assurance that any actions to improve compliance are being progressed.
- The Clinical Governance Committee receives the Action Plan (Post Inspection) report to inform the Committee of the Trust's compliance with the CQC standards and provides assurance to the Committee that appropriate actions and service improvements have been made or are in progress to ensure safe and high quality services are in place.
- The Clinical Governance Committee, in particular, reviews all aspects of the Trust's Clinical Governance arrangements, including CQC compliance, on behalf of the Board. The Non-Executive Chair of the Committee provides each Board meeting with a written report on the Committee's business, providing assurance and also highlighting issues of concern for the Board's attention.

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

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

The Foundation Trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, and the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

I have drawn on the content of the Performance Report contained within this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. The performance of the organisation is monitored monthly at Board through the Integrated and Performance dashboards. Each division has an Audit and Operational Governance Group which oversees the clinical quality and safety performance and reports into Clinical Governance Committee. Finance performance is monitored monthly by the Finance & Performance Executive. A plan to address weaknesses and ensure continuous improvement of the system is in place.

The Trust gains assurance of quality and accuracy of elective waiting time data in a number of ways:

- Monthly audit of RTT compliance using a sample of 100 patients
- Weekly performance management via WLP meeting
- Monthly validation of all patients waiting over 18 weeks
- Use of routine Data Quality (DQ) reports to focus attention on possible DQ areas
- RTT on line training package
- Embedding RTT training into doctors induction
- Training and support for all booking staff across the 3 main booking office teams (Patient Access, Ophthalmology and T&O)

The Trust employs a number of processes to deliver economy, efficiency and effectiveness of the use of its resources. The Board of Directors sets the standards and has specified within the Standing Financial Instructions and Scheme of Delegation the appropriate delegated authority levels throughout the Trust. Executive Directors and managers therefore have responsibility for the effective management and deployment of their staff and other resources to optimise the efficiency of their division/department. Further information can be found within the Directors Report section of the Annual Report.

The Board receives performance and financial reports at each of its meetings and receives reports from the chairs of its committees to which it has delegated powers and responsibilities. At the end of the 2017/18 financial year the Trust has met its objective of achieving its agreed surplus financial control total for the year and overall performance against key operational targets.

A Non-Executive Director of the Board chairs the Audit Committee with regular attendance by representatives from the Trust's internal and external auditors. The Committee has reviewed and agreed audit plans for both the internal and external auditors during the year (which has informed this accounting period), progress against which is regularly reviewed by the Audit Committee.

The Board's Committee Structure is documented in the High Level Committees within the Quality Account. The process for how the Trust manages public money is referred to within the Directors Report section of the Annual Report.

The provision of the Trust's payroll function is outsourced to NHS Shared Business Services Ltd (SBS). We have received their Independent Service Auditor's Report for 2017/18 which

gives an unqualified opinion and the Trust are assured that internal controls are in place to ensure that any issues do not significantly impact on our control environment.

Information Governance and Security

Risks to IT, data security and data governance are reviewed, scrutinised and challenged at Audit Committee. The Trust has an Information Security Policy that was comprehensively reviewed, updated and ratified in February 2016, which supports the Information Governance Strategy.

The Trust participates in NHS Digital's Information Governance Toolkit (IGT) and achieved a Level 2 (or above)/Satisfactory rating against Version 14.1. The IGT is a performance tool which allows NHS organisations and partners to assess themselves against Department of Health (DH) Information Governance policies and standards. The purpose of the assessment is to enable organisations to measure their compliance against the law and central guidance and to see whether information is handled correctly and protected from unauthorised access, loss, damage and destruction. The ultimate aim is to demonstrate the organisation can be trusted to maintain the confidentiality and security of personal information and this, in turn, increases public confidence that the NHS and its partners can be trusted with personal data.

In addition, the IGT requires organisations to report Serious Information Governance incidents against the Department of Health's (DH) IG Incident Reporting Tool (updated and revised in May 2015). These revisions followed the initial publication of the DH's Checklist Guidance for Reporting, Managing and Investigating Information Governance Serious Incidents Requiring Investigation (IG SIRI), on 1st June 2013. This guidance document covers the reporting arrangements and describes the actions that need to be taken in terms of communication and follow up when an IG SIRI or Cyber SIRI occurs in Health, Public Health and Adult Social Care services. The Tool is very useful in enabling organisations, through its functionality, to assess the severity of an incident prior to it being notified to the Information Commissioner's Office, Department of Health and NHS England.

Cyber Security attacks continue to cause concern in the NHS and the Trust continues to use and benefit from the cyber security services, launched by NHS Digital in 2016, that is: CareCERT Knowledge, focusing on staff training; CareCERT Assure, to assess cyber security measures in place and CareCERT React, to offer professional guidance and advice.

There continues to be an improvement in the awareness of, and progress with, information risk requirements in this financial year but there is always more that can be done to raise the profile of information security generally and cyber security in particular through training and communications. The very nature of information risk management means that existing good practice must be maintained in order to provide the Trust with an appropriate level of assurance in the currently intense and high-scrutiny information governance environment.

The Information Governance team continued during 2017/18 to take the opportunity to share learning from reported IG-related incidents and near misses via the Trust's Patient Safety Newsletter. The message communicated generally was one of clarifying lessons that can be learnt from those incidents and near misses as a Trust - whether processes need to be changed to improve the Trust's approach to Information Governance, Data Protection and Information Security; whether the Trust needs to understand any gaps and/or vulnerabilities and how this information can help formulate IG-related risks for the Trust's risk registers. These messages complement the awareness raising messages that feature regularly in the Trust's weekly e-Bulletin to staff.

In March 2018, NHS England revealed that the Information Governance (IG) Toolkit will be replaced in April 2018. However, it has been made clear that this new version 15 will be completely different to previous versions; not least undergoing a name change and will be subsequently referred to as the Data Security and Protection Toolkit (DSP Toolkit).

The DSP Toolkit is part of a new approach to measuring progress against ten data security standards for organisations set out by Dame Fiona Caldicott, the National Data Guardian for Health and Social Care. The ten data security standards will apply to all health and social care organisations, and seek to ensure that confidential data collected by the NHS and social care services is properly safeguarded and used appropriately to improve care. When considering data security the Care Quality Commission (CQC) will look at how organisations are assuring themselves (as part of the CQC inspection process, considering it as part of the 'Well Led' element of their inspections) that they are implementing the ten data security standards and meeting their statutory obligations on data protection and data security.

In addition, there is an expectation that the DSP Toolkit will include references to the new EU 2016 General Data Protection Regulation (GDPR), by mapping existing IG Toolkit requirements to the GDPR and highlighting new obligations. The GDPR is a Regulation by which the European Parliament, the European Council and the European Commission intend to strengthen and unify data protection for individuals within the European Union. The GDPR will become directly applicable as law in the UK from 25 May 2018. The current Data Protection Bill 2018, which will become the Data Protection Act 2018 (DPA 2018), fills in the gaps of the GDPR. Whilst the GDPR will not be directly applicable in the UK post Brexit, it is expected that the DPA18 will ensure continuity by putting in place the same data protection regime in the UK law pre- and post- Brexit.

Annual Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement (in exercise of the powers conferred on Monitor) has issued guidance to NHS Foundation Trust Boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the *NHS Foundation Trust Annual Reporting Manual*.

The Quality Report (QR) 2017/18 represents a balanced declaration of the quality of services, risk management and governance processes that underpin the Trust. The QR demonstrates that the Trust has a systematic application of policies, procedures and practices that establishes the context. The report provides insight and assurance into the monitoring, communication and improvement of quality, risk and patient safety. The Executive lead for the QR is the Trust's Director of Nursing.

The Board is assured that appropriate controls are in place to ensure that the data included in the QR is accurate and balanced through the structure of committees and groups which have key roles in the delivery of the risk management agenda. Each committee and group focuses on specific areas of activity and provides assurance the Board requires that all areas of risk are being adequately managed. The Board has ultimate responsibility for determining the governance arrangements of the Trust, agreeing the necessary policy framework and for monitoring performance within these areas. The Board manages governance affairs efficiently and effectively through the implementation of internal controls.

Further assurance is provided through our main commissioners, South Warwickshire Clinical Commissioning Group and the Health Overview and Scrutiny Committee of Warwickshire

County Council, who are both given the opportunity to comment on the QR and their statements are included in the report prior to publication

The final draft QR is reviewed and amended by the Audit Committee before final sign off by the Board and publication.

We have presented our QR as part of our Annual Report and Accounts based on a range of quality metrics, which are routinely reported internally and externally through the Integrated Performance Dashboard and Quarterly Patient Experience Report.

The quality metrics are reported on a monthly basis and performance is compared to previous month's performance with any exceptions supported by validated data and performance improvement plans.

The Board is satisfied that the content of the report reflects the regular information received throughout the year. The Council of Governors has reviewed the QR and felt that it was representative of the quality, risk and governance agenda.

The Board has taken assurance on quality of data included in the report from the following sources:

- External audit testing and certification, which encompasses
 - reviewing the content of the Quality Report against the requirements set out in the NHS Foundation Trust Annual Reporting Manual,
 - reviewing the content of the Quality Report for consistency against the other internal and external information sources,
 - a signed limited assurance report by the External Auditors on whether anything has come to the attention of the auditor that leads them to believe that the Quality Report has not been prepared in line with the requirements set out in the NHS Foundation Trust Annual Reporting Manual and is not consistent with the other internal and external information sources.
- Internal audit reports
- The Information Governance Toolkit assessment
- The National NHS Information centre

In addition to the above, data has also been subjected to scrutiny by commissioners and the Commissioning Support Unit (CSU) on their behalf.

Data Quality reviews are undertaken with every division and these feed into the Data Quality report that is presented to the Finance & Performance Executive. The Director of Finance is developing the Informatics Strategy to fully integrate quality assurance.

For the 2017/18 Quality Accounts external audit reported RTT performance at 90.8%. At the time of writing an opinion concerning the error rates and performance recalculation has not been received from the external auditors.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this Annual report and other performance information available to me. My

review is also informed by comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, Risk Management Board, Clinical Governance Committee, Divisional Audit and Operational Governance Groups and the Divisional Risk Management Groups. A plan to address weaknesses and ensure continuous improvement of the system is in place.

During the year the Board regularly reviewed progress against a number of action plans including the Board Assurance Framework (BAF) to ensure that identified actions were implemented in a timely manner. The Audit Committee received regular reports on assessments undertaken by the Trust's internal and external auditors, and the Trust's Finance and Performance Executive monitored the Trust's system of financial control. The annual report produced by the Trust's internal auditors identified that significant assurance could be given and that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. A separate report provided assurance regarding the work of the internal audit function regarding Counter Fraud Activities.

The Trust achieved 78% of staff flu vaccination compliance compared to 79% in 2016/17.

Improvements have been made to the pathology turnaround times for cancer and pathways in place have been reviewed to aim to meet the 38 day referral rule to tertiary centres.

In January 2017 the Trust implemented HomeFirst a new health and social care service, which integrates Warwickshire County Council's Reablement and the Trust's Community Emergency Response Team (CERT). The service aims to either prevent admissions or assist in facilitating timely discharges from hospital. The service has been further developed throughout 2017/18 to realise the opportunities and benefits to both patients and staff. The focus for 2018/19 will be to concentrate on stabilising the co-location of the teams.

In April 2017 the Red2Green (R2G) approach was implemented across the Trust. R2G is a visual management system to assist in the identification of wasted time in a patient's journey. In both in-patient wards in the acute and community settings, this approach is used to reduce internal and external delays as part of the SAFER* patient flow bundle, which was introduced by NHS Improvement and includes five elements.

R2G is designed to be undertaken daily for each in-patient. During the board/ward review, each member of the Multi-Disciplinary Team (MDT) may provide challenge regarding the reason for the patient's continued inpatient stay, to agree whether they are experiencing a 'Red' or 'Green' day.

**S – Senior Review; A – All patients will have an expected date of discharge; F – Flow of patients: any delays to patient discharge will be challenged; E – Early discharge – patients should be discharged as early in the day as possible; R – Review: all patients will have systematic multi-disciplinary team review*

The aim is to:

- Improve Length of Stay (LoS)
- Effectively apply the use of 'Expected Date of Discharge (EDD) which should be set alongside 'Clinical Criteria for Discharge' (CCD);
- Ensure external agencies such as social services are actively involved in the discussions and action meetings;
- Understand why patients are in hospital for 7 days or more and where possible identify themes;
- Identify areas of good practice and identify areas requiring focus where there may be an opportunity for improvement;
- Identify patient characteristics so patient groups can be identified early.

In November 2017 the Trust commenced the roll-out of SEND, an electronic system to record patient National Early Warning Score (NEWS) observations for identifying deteriorating patients.

The aim is to:

- Reduce errors, resulting in improved patient safety;
- Improve the escalation process of the deteriorating patient;
- Automatically calculate the NEWS score.

The process that has been applied in maintaining and reviewing the effectiveness of the system of internal control is summarised below:

- The Board oversees risk and governance assessments regularly;
- The Audit Committee ensures that systems and processes are in place;
- The Risk Management Board and assuring committees review and manage risk on a routine basis;
- Directors/Managers lead on defined areas of risk; and
- Internal Audit provides an opinion on the system of internal control and the BAF.

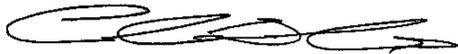
Regular reports regarding clinical and non-clinical incidents, complaints, legal claims and other risks identified were submitted to the Clinical Governance Committee and the Health and Safety Committee (which reports to the Risk Management Board), which monitored progress and suggested action to be taken as appropriate. Directors and senior managers of the Trust have specific responsibilities for reviewing the risks and controls for which they are responsible and for maintaining internal control systems.

The Trust received an overall significant assurance opinion from the Head of Internal Audit on from reviews carried out by Internal Audit. We have agreed action plans with management and will continue to monitor the implementation of these plans over the coming months. All outstanding Audit actions are reported at each meeting of the Audit Committee which takes a proactive approach to monitoring the outstanding actions and requesting follow up audits where there are areas of concern.

The Trust will continue to monitor its governance processes and make any appropriate changes to strengthen process.

Conclusion

No significant internal control issues have been identified.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

Chief Executive
Date: 23/05/18

Summary of Financial Statements and Auditor's Statement

Statement of Comprehensive Income

This statement provides a summary of the income we have received for providing healthcare, education and research services and expenditure we have incurred in delivering these services.

| | 2017/18 | Group 2016/17 |
|--|----------------|------------------|
| Note | £000 | £000 |
| Operating income from patient care activities | 3 256,105 | 237,122 |
| Other operating income | 4 33,475 | 30,668 |
| Operating expenses | 5, 7 (273,782) | (258,754) |
| Operating surplus from continuing operations | 15,798 | 9,036 |
| Finance income | 10 54 | 41 |
| Finance expenses | 11 (1,082) | (834) |
| PDC dividends payable | (2,761) | (2,406) |
| Net finance costs | (3,789) | (3,199) |
| Other gains | 12 - | 9 |
| Corporation tax expense | - | (64) |
| Surplus for the year from continuing operations | 12,009 | 5,782 |
| Other comprehensive income | | |
| Will not be reclassified to income and expenditure: | | |
| Reversal of impairments / (Impairments) | 6 8,718 | (17,647) |
| Revaluations | 19 1,821 | 709 |
| Total Other comprehensive income / (expense) for the period | 10,539 | (16,938) |
| Total comprehensive income / (expense) for the period | 22,548 | (11,156) |

The notes on pages 9 to 59 form part of these accounts.

All income and expenditure is derived from continuing operations.

There are no minority interests in the Group therefore the surplus for the year of £12.009m (2016/17 £5.782m surplus) and total comprehensive surplus for the year of £22.548m (2016/17 £11.156m comprehensive expense) is wholly attributable to the Group.

Note the Group is the consolidation of the Trust and its wholly owned subsidiary, SWFT Clinical Services Ltd (see note 1.3)

Statement of Financial Position

This statement provides a summary view of the net worth of the Trust represented by its assets and liabilities and how this worth is represented in terms of taxpayers' equity.

| | Note | Group | | Trust | |
|--|---------|------------------|------------------|------------------|------------------|
| | | 31 March 2018 | 31 March 2017 | 31 March 2018 | 31 March 2017 |
| | | £000 | £000 | £000 | £000 |
| Non-current assets | | | | | |
| Intangible assets | 14 & 15 | 2,086 | 2,096 | 2,063 | 2,096 |
| Property, plant and equipment | 16 & 17 | 135,287 | 119,859 | 110,735 | 119,828 |
| Investment in subsidiary | 20 | - | - | 7,141 | 250 |
| Loan to subsidiary | 21 | - | - | 15,664 | - |
| Trade and other receivables | 24 | 1,011 | 997 | 1,011 | 997 |
| Total non-current assets | | 138,384 | 122,952 | 136,614 | 123,171 |
| Current assets | | | | | |
| Inventories | 23 | 4,010 | 3,847 | 3,385 | 3,235 |
| Trade and other receivables | 24 | 34,119 | 24,207 | 34,641 | 24,193 |
| Loan to subsidiary | 21 | - | - | 318 | - |
| Cash and cash equivalents | 25 | 21,185 | 13,717 | 20,806 | 13,549 |
| Total current assets | | 59,314 | 41,771 | 59,150 | 40,977 |
| Current liabilities | | | | | |
| Trade and other payables | 26 | (42,733) | (31,916) | (42,482) | (31,846) |
| Borrowings | 28 | (1,473) | (1,497) | (1,587) | (1,497) |
| Provisions | 30 | (399) | (423) | (371) | (322) |
| Other liabilities | 27 | (2,200) | (1,941) | (1,961) | (1,941) |
| Total current liabilities | | (46,805) | (35,777) | (46,401) | (35,606) |
| Total assets less current liabilities | | 150,893 | 128,946 | 149,363 | 128,542 |
| Non-current liabilities | | | | | |
| Trade and other payables | 26 | (391) | (333) | (391) | (333) |
| Borrowings | 28 | (27,262) | (28,624) | (28,080) | (28,624) |
| Provisions | 30 | (1,968) | (2,113) | (1,969) | (2,113) |
| Total non-current liabilities | | (29,621) | (31,070) | (30,440) | (31,070) |
| Total assets employed | | 121,272 | 97,876 | 118,923 | 97,472 |
| Financed by | | | | | |
| Public dividend capital | | 64,957 | 64,109 | 64,957 | 64,109 |
| Revaluation reserve | | 16,105 | 5,566 | 14,253 | 5,566 |
| Income and expenditure reserve | | 40,210 | 28,201 | 39,713 | 27,797 |
| Total taxpayers' equity | | 121,272 | 97,876 | 118,923 | 97,472 |

The notes on pages 9 to 59 form part of these accounts.

Note the Group is the consolidation of the Trust and its wholly owned subsidiary, SWFT Clinical Services Ltd (see note 1.3)



Glen Burley, Chief Executive

Date : 23/05/18

Statement of Cash Flows

This statement provides a summary view of how the Trust has made use of the cash it has received and how it has sought additional and repaid existing capital.

| | Note | Group | | Trust | |
|---|------|-----------------|-----------------|-----------------|-----------------|
| | | 2017/18 £000 | 2016/17 £000 | 2017/18 £000 | 2016/17 £000 |
| Cash flows from operating activities | | | | | |
| Operating surplus | | 15,798 | 9,036 | 14,952 | 8,715 |
| Non-cash income and expense: | | | | | |
| Depreciation and amortisation | 5 | 5,440 | 4,826 | 5,232 | 4,812 |
| Net impairments | 6 | (934) | 4,307 | (612) | 4,307 |
| Income recognised in respect of capital donations | 4 | (1,592) | (392) | (1,592) | (392) |
| (Increase)/decrease in receivables and other assets | | (10,144) | (5,572) | (10,655) | (5,572) |
| (Increase)/decrease in inventories | | (163) | (174) | (150) | (174) |
| Increase/(decrease) in payables and other liabilities | | 11,044 | (165) | 11,000 | (165) |
| Increase/(decrease) in provisions | | (259) | 756 | (185) | 756 |
| Tax paid | | (63) | - | - | - |
| Other movements in operating cash flows | | 15 | (172) | (107) | (5) |
| Net cash flows from operating activities | | 19,142 | 12,450 | 17,883 | 12,282 |
| Cash flows from investing activities | | | | | |
| Interest received | | 52 | 41 | 423 | 41 |
| Loan Repayment from SWFT CS Ltd | | - | - | 202 | - |
| Purchase of intangible assets | | (137) | (95) | (113) | (95) |
| Purchase of PPE and investment property | | (8,711) | (12,739) | (8,159) | (12,739) |
| Sales of PPE and investment property | | - | 9 | - | 9 |
| Receipt of cash donations to purchase assets | | 1,058 | 278 | 1,058 | 278 |
| Net cash flows (used in) investing activities | | (7,738) | (12,506) | (6,589) | (12,506) |
| Cash flows from financing activities | | | | | |
| Public dividend capital received | | 848 | - | 848 | - |
| Receipt of loans from DHSC | | - | 8,713 | - | 8,713 |
| Repayment of loans from DHSC | | (1,428) | - | (1,428) | - |
| Receipt of other loans | | 123 | - | 123 | - |
| Repayment of other loans | | (81) | (106) | (81) | (106) |
| Capital element of finance lease rental payments | | - | - | (77) | - |
| Interest paid on finance lease liabilities | | - | - | (24) | - |
| Other interest paid | | (943) | (750) | (943) | (750) |
| PDC dividend paid | | (2,455) | (2,803) | (2,455) | (2,803) |
| Net cash flows from / (used in) financing activities | | (3,936) | 5,054 | (4,037) | 5,054 |
| Increase in cash and cash equivalents | | 7,468 | 4,998 | 7,257 | 4,830 |
| Cash and cash equivalents at 1 April - b/f | | 13,717 | 8,719 | 13,549 | 8,719 |
| Cash and cash equivalents at 31 March | 25 | 21,185 | 13,717 | 20,806 | 13,549 |

Auditor's Statement

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS AND BOARD OF DIRECTORS OF SOUTH WARWICKSHIRE NHS FOUNDATION TRUST

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of South Warwickshire NHS Foundation Trust (the 'foundation trust') and its subsidiaries (the 'group'):

- **give a true and fair view of the state of the group's and foundation trust's affairs as at 31 March 2018 and of the group's and foundation trust's income and expenditure for the year then ended;**
- **have been properly prepared in accordance with the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts; and**
- **have been prepared in accordance with the requirements of the National Health Service Act 2006.**

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial positions;
- the statement of cash flows;
- the statement of changes in equity; and
- the related notes 1 to 36.

The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the foundation trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

| | |
|--|--|
| Key audit matters | <p>The key audit matters that we identified in the current year were:</p> <ul style="list-style-type: none"> • NHS revenue and provisions • Capital developments and valuations <p>Key audit matters are consistent with those identified in the prior year.</p> |
| Materiality | <p>The materiality that we used for the group financial statements was £5.8m which was determined on the basis of 2% of revenue.</p> |
| Scoping | <p>The focus of audit work was on the Trust, with work performed at the Trust's head offices in Warwick directly by the audit engagement team, led by the audit partner. Our audit covered all of the entities within the Group, including the Trust's subsidiaries.</p> |
| Significant changes in our approach | <p>There has been no significant change in our approach.</p> |

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the accounting officer's use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the accounting officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the foundation trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| NHS revenue and provisions | |
|--|---|
| <p>Key audit matter description</p>  | <p>As described in note 1, Accounting Policies there are significant judgements in recognition of revenue from care of NHS service users and in provisioning for disputes with commissioners due to:</p> <ul style="list-style-type: none"> • the complexity of the Payment by Results regime, in particular in determining the level of overperformance and revenue to recognise; • the judgemental nature of provisions for disputes, including in respect of outstanding overperformance income for quarters 3 and 4; and • the risk of revenue not being recognised at fair value due to adjustments agreed in settling current year disputes and agreement of future year contracts. <p>Details of the Group's income, including £188m of Commissioner Requested Services, is shown in note 3.2 to the financial statements. NHS debtors are shown in note 24.1 to the financial statements.</p> <p>The vast majority of the Groups income comes from South Warwickshire Clinical Commissioning Group. The settlement of income with Clinical Commissioning Groups continues to present challenges.</p> |
| <p>How the scope of our audit responded to the key audit matter</p>  | <p>We evaluated the design and implementation of controls over recognition of NHS revenue and provisions.</p> <p>We performed detailed substantive testing on a sample basis of the recoverability of overperformance income and adequacy of provision for underperformance through the year, and evaluated the results of the agreement of balances exercise.</p> |

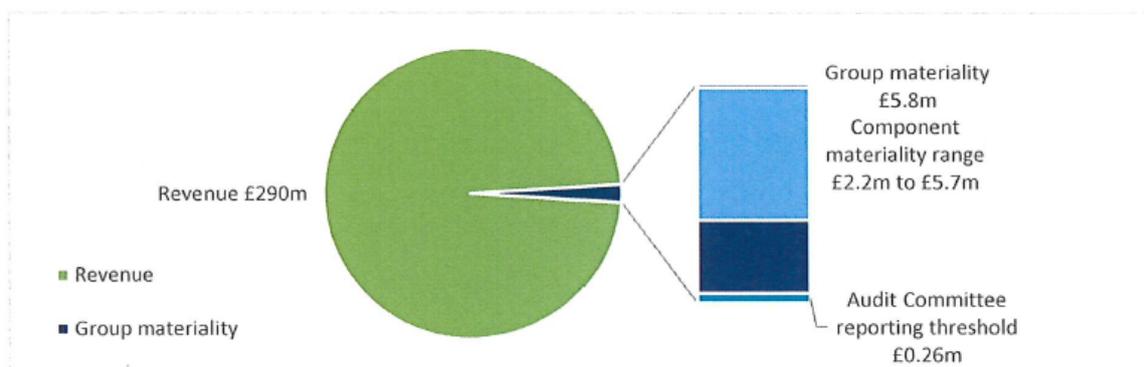
| | |
|---|---|
| | <p>We challenged key judgements around specific areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted. In doing so, we considered the historical accuracy of provisions for disputes and reviewed correspondence with commissioners.</p> |
|  | <p>Key observations Based on the audit evidence obtained, we concluded that NHS revenue is appropriately recognised. We consider management judgements to be within the reasonable range.</p> |
| Capital developments and valuation | |
|  | <p>Key audit matter description</p> <p>The Group holds property assets within Property, Plant and Equipment at a modern equivalent use valuation of £122m. The valuations are by nature significant estimates which are based on specialist and management assumptions (including the floor areas for a Modern Equivalent Asset, the basis for calculating build costs, the level of allowances for professional fees and contingency, and the remaining life of the assets) and which can be subject to material changes in value.</p> <p>The Group had a £12.8m capital programme for the year. During the year, the Stratford Development was completed and subsequently sold to SWFT Clinical Services Ltd, the Trust's subsidiary, and is in use by the Trust under a lease arrangement.</p> |
|  | <p>How the scope of our audit responded to the key audit matter</p> <p>We evaluated the design and implementation of controls over property valuations, and tested the accuracy and completeness of data provided by the Group to the valuer.</p> <p>We have reviewed the disclosures and evaluated whether these provide sufficient explanation of the basis of the valuation and the judgements made in preparing the valuation.</p> <p>We assessed whether the valuation and the accounting treatment of the impairment were compliant with the relevant accounting standards, and in particular whether impairments should be recognised in the Income Statement or in Other Comprehensive Income.</p> <p>We reviewed the capital programme and the status of individual projects to evaluate whether they have been depreciated from the appropriate point.</p> |
|  | <p>Key observations Based on the audit evidence obtained, we conclude that the valuation of the Trust's estate is appropriate. We did not identify any material misstatements with the capital additions.</p> |

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

| | Group financial statements | Foundation Trust financial statements |
|--|---|---|
| Materiality | £5.8m | £5.7m (2016/17: £5.3m) |
| Basis for determining materiality | 2% of revenue | 2% of revenue (2016/17: 2% of revenue) |
| Rationale for the benchmark applied | Revenue was chosen as a benchmark as the Trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements. | Revenue was chosen as a benchmark as the Trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements. |



We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £260,000 (2016/17: £250,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our group audit was scoped by obtaining an understanding of the Group and its environment, including group-wide controls, and assessing the risks of material misstatement at the Group level.

The focus of our audit work was on the Trust, with work performed at the Trust's head offices in Warwick directly by the audit engagement team, led by the audit partner.

Our audit covered all of the entities within the Group, including SWFT Clinical Services Limited, which account for 100% (2016/17: 100%) of the Group's net assets, revenue and surplus.

Our audit work was executed at levels of materiality applicable to each individual entity which were lower than group materiality. The range of materiality used was £2.2m to £5.7m.

At the Group level we also tested the consolidation process.

Other information

The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

We have nothing to report in respect of these matters.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of accounting officer

As explained more fully in the accounting officer's responsibilities statement, the accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the group's and the foundation trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the group or the foundation trust or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the parts of the Directors' Remuneration Report and Staff Report to be audited have been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Annual Governance Statement, use of resources, and compilation of financial statements

Under the Code of Audit Practice, we are required to report to you if, in our opinion:

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit;
- the NHS Foundation Trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- proper practices have not been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

Reports in the public interest or to the regulator

Under the Code of Audit Practice, we are also required to report to you if:

- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit; or
- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the foundation trust, or a director or officer of the foundation trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

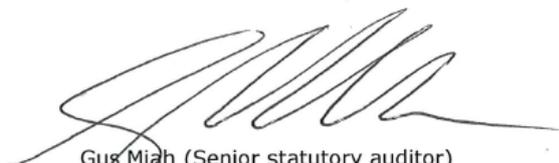
We have nothing to report in respect of these matters.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

This report is made solely to the Council of Governors and Board of Directors ("the Boards") of South Warwickshire NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the foundation trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.



Gus Miah (Senior statutory auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
25 May 2018

South Warwickshire NHS Foundation Trust

Annual accounts for the year ended 31 March 2018

Foreword to the accounts

South Warwickshire NHS Foundation Trust

These accounts, for the year ended 31 March 2018, have been prepared by South Warwickshire NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed

Name

Job title

Date **23 May 2018**

Statement of Comprehensive Income

| | Note | Group | |
|--|------|-----------------------|------------------------|
| | | 2017/18 | 2016/17 |
| | | £000 | £000 |
| Operating income from patient care activities | 3 | 256,105 | 237,122 |
| Other operating income | 4 | 33,475 | 30,668 |
| Operating expenses | 5, 7 | <u>(273,782)</u> | <u>(258,754)</u> |
| Operating surplus from continuing operations | | <u>15,798</u> | <u>9,036</u> |
| Finance income | 10 | 54 | 41 |
| Finance expenses | 11 | (1,082) | (834) |
| PDC dividends payable | | <u>(2,761)</u> | <u>(2,406)</u> |
| Net finance costs | | <u>(3,789)</u> | <u>(3,199)</u> |
| Other gains | 12 | - | 9 |
| Corporation tax expense | | - | <u>(64)</u> |
| Surplus for the year from continuing operations | | <u>12,009</u> | <u>5,782</u> |
| Other comprehensive income | | | |
| Will not be reclassified to income and expenditure: | | | |
| Reversal of impairments / (Impairments) | 6 | 8,718 | (17,647) |
| Revaluations | 19 | <u>1,821</u> | <u>709</u> |
| Total Other comprehensive income / (expense) for the period | | <u>10,539</u> | <u>(16,938)</u> |
| Total comprehensive income / (expense) for the period | | <u>22,548</u> | <u>(11,156)</u> |

The notes on pages 9 to 59 form part of these accounts.

All income and expenditure is derived from continuing operations.

There are no minority interests in the Group therefore the surplus for the year of £12.009m (2016/17 £5.782m surplus) and total comprehensive surplus for the year of £22.548m (2016/17 £11.156m comprehensive expense) is wholly attributable to the Group.

Note the Group is the consolidation of the Trust and its wholly owned subsidiary, SWFT Clinical Services Ltd (see note 1.3)

Statement of Financial Position

| | Note | Group | | Trust | |
|--|---------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | 31 March 2018 £000 | 31 March 2017 £000 | 31 March 2018 £000 | 31 March 2017 £000 |
| Non-current assets | | | | | |
| Intangible assets | 14 & 15 | 2,086 | 2,096 | 2,063 | 2,096 |
| Property, plant and equipment | 16 & 17 | 135,287 | 119,859 | 110,735 | 119,828 |
| Investment in subsidiary | 20 | - | - | 7,141 | 250 |
| Loan to subsidiary | 21 | - | - | 15,664 | - |
| Trade and other receivables | 24 | 1,011 | 997 | 1,011 | 997 |
| Total non-current assets | | 138,384 | 122,952 | 136,614 | 123,171 |
| Current assets | | | | | |
| Inventories | 23 | 4,010 | 3,847 | 3,385 | 3,235 |
| Trade and other receivables | 24 | 34,119 | 24,207 | 34,641 | 24,193 |
| Loan to subsidiary | 21 | - | - | 318 | - |
| Cash and cash equivalents | 25 | 21,185 | 13,717 | 20,806 | 13,549 |
| Total current assets | | 59,314 | 41,771 | 59,150 | 40,977 |
| Current liabilities | | | | | |
| Trade and other payables | 26 | (42,733) | (31,916) | (42,482) | (31,846) |
| Borrowings | 28 | (1,473) | (1,497) | (1,587) | (1,497) |
| Provisions | 30 | (399) | (423) | (371) | (322) |
| Other liabilities | 27 | (2,200) | (1,941) | (1,961) | (1,941) |
| Total current liabilities | | (46,805) | (35,777) | (46,401) | (35,606) |
| Total assets less current liabilities | | 150,893 | 128,946 | 149,363 | 128,542 |
| Non-current liabilities | | | | | |
| Trade and other payables | 26 | (391) | (333) | (391) | (333) |
| Borrowings | 28 | (27,262) | (28,624) | (28,080) | (28,624) |
| Provisions | 30 | (1,968) | (2,113) | (1,969) | (2,113) |
| Total non-current liabilities | | (29,621) | (31,070) | (30,440) | (31,070) |
| Total assets employed | | 121,272 | 97,876 | 118,923 | 97,472 |
| Financed by | | | | | |
| Public dividend capital | | 64,957 | 64,109 | 64,957 | 64,109 |
| Revaluation reserve | | 16,105 | 5,566 | 14,253 | 5,566 |
| Income and expenditure reserve | | 40,210 | 28,201 | 39,713 | 27,797 |
| Total taxpayers' equity | | 121,272 | 97,876 | 118,923 | 97,472 |

The notes on pages 9 to 59 form part of these accounts.

Note the Group is the consolidation of the Trust and its wholly owned subsidiary, SWFT Clinical Services Ltd (see note 1.3)

Name
Position
Date

23 May 2018

Statement of Changes in Equity for the year ended 31 March 2018

| Group | Public dividend capital £000 | Revaluation reserve £000 | Income and expenditure reserve £000 | Total £000 |
|--|---------------------------------|-----------------------------|--|----------------|
| Taxpayers' and others' equity at 1 April 2017 - brought forward | 64,109 | 5,566 | 28,201 | 97,876 |
| Surplus for the year | - | - | 12,009 | 12,009 |
| Reversal of Impairments | - | 8,718 | - | 8,718 |
| Revaluations | - | 1,821 | - | 1,821 |
| Public dividend capital received | 848 | - | - | 848 |
| Taxpayers' and others' equity at 31 March 2018 | 64,957 | 16,105 | 40,210 | 121,272 |

Statement of Changes in Equity for the year ended 31 March 2017

| Group | Public dividend capital £000 | Revaluation reserve £000 | Income and expenditure reserve £000 | Total £000 |
|--|---------------------------------|-----------------------------|--|----------------|
| Taxpayers' and others' equity at 1 April 2016 - brought forward | 64,109 | 22,504 | 22,419 | 109,032 |
| Surplus for the year | - | - | 5,782 | 5,782 |
| Impairments | - | (17,647) | - | (17,647) |
| Revaluations | - | 709 | - | 709 |
| Taxpayers' and others' equity at 31 March 2017 | 64,109 | 5,566 | 28,201 | 97,876 |

Statement of Changes in Equity for the year ended 31 March 2018

| Trust | Public dividend capital £000 | Revaluation reserve £000 | Income and expenditure reserve £000 | Total £000 |
|--|---------------------------------------|--------------------------------|--|----------------|
| Taxpayers' and others' equity at 1 April 2017 - brought forward | 64,109 | 5,566 | 27,797 | 97,472 |
| Surplus/(deficit) for the year | - | - | 11,583 | 11,583 |
| Reversal of Impairments | - | 8,503 | - | 8,503 |
| Revaluations | - | 517 | - | 517 |
| Transfer to retained earnings on disposal of assets | - | (333) | 333 | - |
| Public dividend capital received | 848 | - | - | 848 |
| Taxpayers' and others' equity at 31 March 2018 | 64,957 | 14,253 | 39,713 | 118,923 |

Statement of Changes in Equity for the year ended 31 March 2017

| Trust | Public dividend capital £000 | Revaluation reserve £000 | Income and expenditure reserve £000 | Total £000 |
|--|---------------------------------------|--------------------------------|--|-----------------|
| Taxpayers' and others' equity at 1 April 2016 - brought forward | 64,109 | 22,504 | 22,272 | 108,885 |
| Surplus/(deficit) for the year | - | - | 5,525 | 5,525 |
| Impairments | - | (17,647) | - | (17,647) |
| Revaluations | - | 709 | - | 709 |
| Taxpayers' and others' equity at 31 March 2017 | 64,109 | 5,566 | 27,797 | 97,472 |

Information on reserves

Public dividend capital

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

Revaluation reserve

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

Income and expenditure reserve

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

Statement of Cash Flows

| | Note | Group | | Trust | |
|---|------|-----------------|-----------------|-----------------|-----------------|
| | | 2017/18 £000 | 2016/17 £000 | 2017/18 £000 | 2016/17 £000 |
| Cash flows from operating activities | | | | | |
| Operating surplus | | 15,798 | 9,036 | 14,952 | 8,715 |
| Non-cash income and expense: | | | | | |
| Depreciation and amortisation | 5 | 5,440 | 4,826 | 5,232 | 4,812 |
| Net impairments | 6 | (934) | 4,307 | (612) | 4,307 |
| Income recognised in respect of capital donations | 4 | (1,592) | (392) | (1,592) | (392) |
| (Increase)/decrease in receivables and other assets | | (10,144) | (5,572) | (10,655) | (5,572) |
| (Increase)/decrease in inventories | | (163) | (174) | (150) | (174) |
| Increase/(decrease) in payables and other liabilities | | 11,044 | (165) | 11,000 | (165) |
| Increase/(decrease) in provisions | | (259) | 756 | (185) | 756 |
| Tax paid | | (63) | - | - | - |
| Other movements in operating cash flows | | 15 | (172) | (107) | (5) |
| Net cash flows from operating activities | | 19,142 | 12,450 | 17,883 | 12,282 |
| Cash flows from investing activities | | | | | |
| Interest received | | 52 | 41 | 423 | 41 |
| Loan Repayment from SWFT CS Ltd | | - | - | 202 | - |
| Purchase of intangible assets | | (137) | (95) | (113) | (95) |
| Purchase of PPE and investment property | | (8,711) | (12,739) | (8,159) | (12,739) |
| Sales of PPE and investment property | | - | 9 | - | 9 |
| Receipt of cash donations to purchase assets | | 1,058 | 278 | 1,058 | 278 |
| Net cash flows (used in) investing activities | | (7,738) | (12,506) | (6,589) | (12,506) |
| Cash flows from financing activities | | | | | |
| Public dividend capital received | | 848 | - | 848 | - |
| Receipt of loans from DHSC | | - | 8,713 | - | 8,713 |
| Repayment of loans from DHSC | | (1,428) | - | (1,428) | - |
| Receipt of other loans | | 123 | - | 123 | - |
| Repayment of other loans | | (81) | (106) | (81) | (106) |
| Capital element of finance lease rental payments | | - | - | (77) | - |
| Interest paid on finance lease liabilities | | - | - | (24) | - |
| Other interest paid | | (943) | (750) | (943) | (750) |
| PDC dividend paid | | (2,455) | (2,803) | (2,455) | (2,803) |
| Net cash flows from / (used in) financing activities | | (3,936) | 5,054 | (4,037) | 5,054 |
| Increase in cash and cash equivalents | | 7,468 | 4,998 | 7,257 | 4,830 |
| Cash and cash equivalents at 1 April - b/f | | 13,717 | 8,719 | 13,549 | 8,719 |
| Cash and cash equivalents at 31 March | 25 | 21,185 | 13,717 | 20,806 | 13,549 |

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2017/18 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to accounts.

Note 1.1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment.

Note 1.1.2 Going concern

These accounts have been prepared on a going concern basis.

The Trust maintains both a 5-year plan and a detailed annual business plan. After making enquiries that include examining the period of at least one year from the date of the approval of the accounts, the Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing these accounts.

Note 1.2 Critical judgements in applying accounting policies

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements are: the sale of the new Stratford hospital land and buildings to SWFT Clinical Services Ltd and the lease back to the Trust has been assessed as an operating lease under IAS 17 Leases; and the recognition of Section 106 income from property developers via Stratford and Warwick District Councils under IAS 18 Revenue.

Note 1.2.1 Sources of estimation uncertainty

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

Provisions include an estimate of future liabilities based on information available when the accounts are approved (see note 30). Provision is made for the impairment of receivables based on the information available when the accounts are approved (see note 24.2). Income includes an estimate of the value of partially complete spells of patient activity at 31 March 2018 and estimates for activity data for overperformance. The annual leave accrual is calculated on annual leave balances as at the time of the production of the accounts. The revaluation of property, plant and equipment, which is described in note 19.

Note 1 Accounting policies and other information (cont.)

Note 1.3 Consolidation

2017/18 is the first year that Trust has produced a consolidated set of Group accounts. The Group is made up of the Trust and its wholly owned subsidiary, SWFT Clinical Services Ltd (incorporated in England and Wales). Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines.

Where subsidiaries' accounting policies are not aligned with those of the trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

Note 1.3.1 Other entities

The Trust is the corporate trustee to South Warwickshire NHS Charitable Fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund (Note 21).

The Charitable Fund are not material to the Trust's accounts, and therefore have not been consolidated in the Trust's financial statements.

Note 1.4 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of health care services. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

Where income is received for a specific activity which is to be delivered in a subsequent financial year, that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

Revenue grants and other contributions to expenditure

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1 Accounting policies and other information (cont.)

Note 1.5 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme are not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. There, the schemes are accounted for as though they are defined contribution schemes.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

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

In line with the Governments auto enrolment pension roll out, the Trust also offers the NEST pension scheme to employees who may not be eligible to join the NHS Pension Scheme. The NEST pension scheme is a defined contribution scheme.

Note 1.6 Expenditure on other goods and services

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

Note 1 Accounting policies and other information (cont.)

Note 1.7 Property, plant and equipment

Note 1.7.1 Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably;
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control; or
- forms part of the initial equipping and setting-up cost of a new building, ward or unit irrespective of their individual or collective cost.

Expenditure on IT equipment such as desktop or laptop computers and associated peripherals is not capitalised and is instead charged as revenue expenditure as it is incurred, as these assets have a value below £5,000 individually and are not considered to be functionally interdependent or under single managerial control.

Note 1.7.2 Measurement

Valuation

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

All assets are measured subsequently at valuation.

Land and buildings used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the Statement of Financial Position date. Fair values are determined as follows:

Land and non specialised buildings – market value for existing use

Specialised buildings – depreciated replacement cost

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Plant and Machinery, Transport equipment, Information Technology and Fixtures and Fittings are held at depreciated historic costs as this is not considered to be materially different from fair value.

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Note 1 Accounting policies and other information (cont.)

Note 1.7.2 Measurement (cont.)

Subsequent expenditure

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

Depreciation

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

Property, plant and equipment which have been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

The depreciation method is straight line depreciation.

Revaluation gains and losses

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

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

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

Impairments

At each Statement of Financial Position date, the Trust checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

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

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

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

Component Accounting - Buildings

The Trust applies component accounting to buildings as follows: buildings are held on the fixed asset register in components with separate asset values for Structure, Engineering and External Works (where appropriate). The values and asset lives for each of these components are derived from the latest valuation of the estate and from subsequent enhancement expenditure, depreciation or impairment. Each of these components is divided in the valuer's calculations into a number of lower-value components. Our valuers value the appropriate lower-value components and calculates the asset lives of Structure, Engineering, External Works based on the equated asset lives of the appropriate lower value components. The Trust does not record and account for these lower level components separately as there will be no material difference between the capital accounting entries derived from component accounting at this more detailed level and component accounting at the level of Structure, Engineering and External Works.

Note 1 Accounting policies and other information (cont.)

Note 1.7.3 De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable ie:
 - management are committed to a plan to sell the asset;
 - an active programme has begun to find a buyer and complete the sale;
 - the asset is being actively marketed at a reasonable price;
 - the sale is expected to be completed within 12 months of the date of classification as 'held for sale'; or
 - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

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

Note 1.7.4 Donated and grant funded assets

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

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

Note 1 Accounting policies and other information (cont.)

Note 1.7.5 Useful Economic lives of property, plant and equipment

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

| | Min life Years | Max life Years |
|--------------------------------|---------------------------|---------------------------|
| Land | - | - |
| Buildings, excluding dwellings | 5 | 106 |
| Dwellings | 21 | 52 |
| Plant & machinery | 2 | 34 |
| Transport equipment | 5 | 15 |
| Information technology | 4 | 10 |
| Furniture & fittings | 3 | 15 |

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

Note 1.8 Intangible assets

Note 1.8.1 Recognition

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

Internally generated intangible assets

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

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits, eg, the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset and
- the Trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Note 1 Accounting policies and other information (cont.)

Note 1.8.2 Measurement

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

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

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

Amortisation

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

Note 1.8.3 Useful economic life of intangible assets

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

| | Min life Years | Max life Years |
|-------------------|---------------------------|---------------------------|
| Software licences | 4 | 8 |

Note 1 Accounting policies and other information (cont.)

Note 1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

Note 1.10 Cash and cash equivalents

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

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

Note 1.11 Financial instruments and financial liabilities

Financial assets

Financial assets are recognised on the Statement of Financial Position when the Trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value.

Financial assets are classified into the following categories: financial assets 'at fair value through income and expenditure'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques. The Trust has no financial assets held at a valuation, as the cost represents fair value.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the Statement of Financial Position date, the Trust assesses whether any financial assets other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which have an impact on the estimated future cash flows of the asset.

Note 1 Accounting policies and other information (cont.)

Note 1.11 Financial instruments and financial liabilities (cont.)

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced directly, or through a provision for impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Comprehensive Income to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities

Financial liabilities are recognised on the Statement of Financial Position when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Financial liabilities are initially recognised at fair value.

Financial liabilities are classified as either financial liabilities 'at fair value through profit and loss' or other financial liabilities.

After initial recognition, financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

Note 1 Accounting policies and other information (cont.)

Note 1.12 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Note 1.12.1 The trust as lessee

Finance leases

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

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

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

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

Note 1.12.2 The Trust as lessor

Finance leases

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

Operating leases

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

Note 1 Accounting policies and other information (cont.)

Note 1.13 Provisions

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the Trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 29.3 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

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

Note 1 Accounting policies and other information (cont.)

Note 1.14 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 31 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 31, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.15 Public dividend capital

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

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for:

- donated assets (including lottery funded assets);
- average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility; and
- any PDC dividend balance receivable or payable.

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

Note 1.16 Value added tax

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

Note 1.17 Corporation tax

SWFT Clinical Services Ltd is a wholly owned subsidiary of South Warwickshire NHS Foundation Trust and is subject to corporation tax on its profits. Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities, for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted on the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Note 1 Accounting policies and other information (cont.)

Note 1.18 Foreign exchange

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the Statement of Comprehensive Income. At the Statement of Financial Position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the Statement of Financial Position date. These are taken to the Statement of Comprehensive Income.

Note 1.19 Third party assets

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

Note 1.20 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

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

Note 1.21 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.22 Associates

Associate entities are those over which the Trust has the power to exercise significant influence. Associate entities are recognised in the Trust's financial statements using the equity method. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the Trust's share of the entity's profit/loss or other gains/losses following acquisition. It is also reduced when any distribution e.g. share dividends are received by the Trust from the associate. Associates which are classified as "held for sale" are measured at the lower of their carrying amount of fair value less costs to sell.

Note 1.23 Joint operations

Joint operations are arrangements in which the trust has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The Trust includes within its financial statements its share of the assets, liabilities, income and expenses.

Note 1.24 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2017/18.

Note 1 Accounting policies and other information (cont.)

Note 1.25 Standards, amendments and interpretations in issue but not yet effective or adopted

The DHSC GAM does not require the following Standards and Interpretations to be applied in 2017/18. These standards are still subject to HM Treasury FReM adoption, with IFRS 9 and IFRS 15 being for implementation in 2018/19, and the government implementation date for IFRS 16 still subject to HM Treasury consideration.

- IFRS 9 Financial Instruments – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted.

- IFRS 15 Revenue from Contracts with Customers – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted.

- IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.

- IFRIC 22 Foreign Currency Transactions and Advance Consideration – Application required for accounting periods beginning on or after 1 January 2018.

- IFRS 12 Fair Value Measurement.

- IFRIC 21 Levies.

The potential impact of these accounting standards is still being assessed.

Note 2 Operating Segments

The analysis by business segment is presented in accordance with IFRS 8 Operating segments, on the basis of those segments whose operating results are regularly reviewed by the Board of Directors (the Chief Operating Decision Maker as defined by IFRS 8) as follows:

2.1. Healthcare services:

NHS Healthcare is the core activity of the Trust - the 'mandatory services requirement' as set out in the Trust's Terms of Authorisation issued by Monitor/NHS Improvement and defined by legislation. This activity is primarily the provision of NHS healthcare, either to patients and charged to the relevant NHS commissioning body, or where healthcare related services are provided to other organisations by contractual agreement.

The Group's principal segment, Healthcare provision, is shown in the table below:

| | Healthcare Provision | Healthcare Provision |
|----------------------|---------------------------------|-------------------------|
| | 2017/18 | 2016/17 |
| | £000 | £000 |
| Income | <u>286,427</u> | <u>267,464</u> |
| Expenditure | 274,844 | 261,939 |
| Surplus for the year | <u>11,583</u> | <u>5,525</u> |
| Segment net assets | <u>118,923</u> | <u>97,472</u> |

2.2. Commercial Trading (SWFT Clinical Services Ltd):

SWFT Clinical Services Limited (the Company) is a wholly owned subsidiary of the Trust, whose main supplies and services comprise of i) an outpatient pharmacy dispensary service; ii) provision of a fully managed healthcare facility in the form of the new Stratford hospital to the Trust; iii) a private patient clinic at Stratford, iv) a continence service and v) estate management services to the Trust for the Trust's older existing Stratford hospital. As a trading company, subject to additional legal and regulatory regime (over and above that of the Trust), these activities are considered to be a separate business segment.

A significant proportion of the Company's revenue is inter segment trading with the Trust, which is eliminated upon the consolidation of these group accounts.

The segment of commercial trading is below the material thresholds of IFRS 8 and is therefore not disclosed.

Note 3 Operating income from patient care activities (Group)

| Note 3.1 Income from patient care activities (by nature) | 2017/18 | 2016/17 |
|--|----------------|----------------|
| | £000 | £000 |
| Acute services | | |
| Elective income | 33,941 | 30,065 |
| Non-elective income | 53,848 | 47,864 |
| First outpatient income | 16,686 | 15,511 |
| Follow up outpatient income | 16,156 | 16,885 |
| A & E income | 9,104 | 7,947 |
| High cost drugs income from commissioners (excluding pass-through costs) | 23,198 | 21,328 |
| Other NHS clinical income | 37,637 | 39,056 |
| Community services | | |
| Community services income from CCGs and NHS England | 51,745 | 48,268 |
| Income from other sources (e.g. local authorities) | 12,115 | 10,027 |
| All services | | |
| Private patient income | 623 | 171 |
| Other clinical income | 1,052 | - |
| Total income from activities | 256,105 | 237,122 |

Note 3.2 Income from patient care activities (by source)

| | 2017/18 | 2016/17 |
|---|----------------|----------------|
| | £000 | £000 |
| Income from patient care activities received from: | | |
| NHS England | 28,776 | 27,502 |
| Clinical commissioning groups | 212,928 | 198,023 |
| Other NHS providers | 1,661 | 1,632 |
| NHS other | 3 | - |
| Local authorities | 11,224 | 9,077 |
| Non-NHS: private patients | 623 | 171 |
| Non-NHS: overseas patients (chargeable to patient) | 102 | 94 |
| NHS injury scheme | 474 | 578 |
| Non-NHS: other | 314 | 45 |
| Total income from activities | 256,105 | 237,122 |
| Of which: | | |
| Related to continuing operations | 256,105 | 237,122 |
| Related to discontinued operations | - | - |

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

| | 2017/18 | 2016/17 |
|--|----------------|----------------|
| | £000 | £000 |
| Income recognised this year | 102 | 94 |
| Cash payments received in-year | 53 | 61 |
| Amounts added to provision for impairment of receivables | 26 | 10 |
| Amounts written off in-year | 13 | 31 |

Note 4 Other operating income (Group)

| | 2017/18 | 2016/17 |
|---|----------------|----------------|
| | £000 | £000 |
| Research and development | 409 | 426 |
| Education and training | 9,308 | 8,796 |
| Receipt of capital grants and donations | 1,592 | 392 |
| Non-patient care services to other bodies | 11,077 | 6,880 |
| Sustainability and transformation fund income | 7,058 | 7,441 |
| Income in respect of staff costs where accounted on gross basis | 654 | - |
| Other income | 3,377 | 6,733 |
| Total other operating income | 33,475 | 30,668 |
| Of which: | | |
| Related to continuing operations | 33,475 | 30,668 |
| Related to discontinued operations | - | - |

The other revenue total above £3.377m (2016/17 £6.733m) consists of staff and patient car parking income £1.565m (2016/17 £1.573m), accommodation rentals £0.222m (2016/17 £0.234m) and other smaller items.

Note 4.1 Income from activities arising from commissioner requested services

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

| | 2017/18 | 2016/17 |
|--|----------------|----------------|
| | £000 | £000 |
| Income from services designated as commissioner requested services | 187,568 | 174,412 |
| Income from services not designated as commissioner requested services | 68,537 | 62,710 |
| Total | 256,105 | 237,122 |

Note 4.2 Sustainability and Transformation Fund Income

| | 2017/18 | 2016/17 |
|-----------------------|----------------|----------------|
| | £000 | £000 |
| Core Fund Income | 3,938 | 5,800 |
| Incentive Fund Income | 248 | 753 |
| Bonus Fund Income | 2,872 | 888 |
| Total | 7,058 | 7,441 |

Note 5 Operating expenses (Group)

| | 2017/18 | 2016/17 |
|---|----------------|----------------|
| | £000 | £000 |
| Purchase of healthcare from NHS and DHSC bodies | 6,615 | 5,806 |
| Purchase of healthcare from non-NHS and non-DHSC bodies | 1,928 | 1,497 |
| Staff and executive directors costs | 173,287 | 163,338 |
| Remuneration of non-executive directors | 136 | 133 |
| Supplies and services - clinical (excluding drugs costs) | 21,704 | 20,395 |
| Supplies and services - general | 9,414 | 9,234 |
| Drug costs (drugs inventory consumed and purchase of non-inventory drugs) | 27,898 | 25,689 |
| Inventories written down | 142 | 55 |
| Consultancy costs | 721 | 216 |
| Establishment | 2,206 | 1,965 |
| Premises | 10,133 | 8,875 |
| Transport (including patient travel) | 2,234 | 2,330 |
| Depreciation on property, plant and equipment | 4,791 | 4,268 |
| Amortisation on intangible assets | 649 | 558 |
| Net impairments | (934) | 4,307 |
| Increase in provision for impairment of receivables | 2,601 | 715 |
| Increase in other provisions | (145) | 228 |
| Change in provisions discount rate(s) | 29 | 722 |
| Audit fees payable to the external auditor: | | |
| audit services- statutory audit | 59 | 55 |
| other auditor remuneration (external auditor only) | 33 | 80 |
| Internal audit costs | 99 | 120 |
| Clinical negligence | 4,452 | 3,432 |
| Legal fees | 315 | 146 |
| Insurance | 96 | 51 |
| Education and training | 4,362 | 3,823 |
| Redundancy | - | 15 |
| Car parking & security | 261 | 309 |
| Hospitality | 35 | 28 |
| Donations to external organisations | 35 | - |
| Losses, ex gratia & special payments | 75 | 6 |
| Other services, eg external payroll | 211 | 202 |
| Other | 340 | 156 |
| Total | 273,782 | 258,754 |
| Of which: | | |
| Related to continuing operations | 273,782 | 258,754 |
| Related to discontinued operations | - | - |

Note 5.1 Other auditor remuneration (Group)

| | 2017/18 | 2016/17 |
|---|------------------|------------------|
| | £000 | £000 |
| Other auditor remuneration paid to the external auditor: | | |
| 1. Audit-related assurance services | 11 | 12 |
| 2. All taxation advisory services not falling within item 1 above | 12 | 68 |
| 3. All assurance services not falling within items above | 10 | - |
| Total | <u><u>33</u></u> | <u><u>80</u></u> |

Note 5.2 Limitation on auditor's liability (Group)

The limitation on auditor's liability for external audit work is £1m (2016/17: £1m).

Note 6 Impairment of assets (Group)

| | 2017/18 | 2016/17 |
|---|-----------------------|----------------------|
| | £000 | £000 |
| Net impairments charged to operating surplus resulting from: | | |
| Changes in market price | (934) | 4,307 |
| Total net impairments charged to operating surplus | <u><u>(934)</u></u> | <u><u>4,307</u></u> |
| Impairments charged to the revaluation reserve | (8,718) | 17,647 |
| Total net impairments | <u><u>(9,652)</u></u> | <u><u>21,954</u></u> |

In 2016/17 the Trust undertook an alternative site modern equivalent asset valuation of its four hospital sites (land and buildings), which gave rise to a net impairment of £21.954m for 2016/17. The Trust's year end valuation for 31st March 2018, as a result of an increase in building price indices, saw a reversal of £9.437m of this impairment.

Note 7 Employee benefits (Group)

| | 2017/18 | 2016/17 |
|--|----------------|----------------|
| | Total | Total |
| | £000 | £000 |
| Salaries and wages | 140,925 | 131,763 |
| Social security costs | 13,149 | 12,837 |
| Apprenticeship levy | 673 | - |
| Employer's contributions to NHS pensions | 16,751 | 16,050 |
| Pension cost - other | 7 | 10 |
| Temporary staff (including agency) | 5,538 | 6,147 |
| Total gross staff costs | 177,043 | 166,807 |
| Recoveries in respect of seconded staff | (294) | (290) |
| Total staff costs | 176,749 | 166,517 |
| Of which | | |
| Costs capitalised as part of assets | 100 | 100 |

Note 7.1 Retirements due to ill-health (Group)

During 2017/18 there was 1 early retirement from the Trust agreed on the grounds of ill-health (4 in the year ended 31 March 2017). The estimated additional pension liabilities of these ill-health retirements is £124k (£131k in 2016/17).

The cost of ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 8 Pension costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2016 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

Note 9 Operating leases (Trust)**Note 9.1 South Warwickshire NHS Foundation Trust as a lessee**

This note discloses costs and commitments incurred in operating lease arrangements where South Warwickshire NHS Foundation Trust is the lessee.

The Trust commenced leasing the new Stratford Hospital building, car park and surrounding land from SWFT Clinical Services in July 2017, for a 25 year lease term.

The rental charge is based on a 4.3% rental yield of the building valuation.

At the end of the 25 year lease there is a put and call option on the site whereby the Trust can purchase the site from SWFT Clinical Services Ltd at fair value.

| | 2017/18 | 2016/17 |
|--|-----------------|-----------------|
| | £000 | £000 |
| Operating lease expense | | |
| Minimum lease payments | 657 | - |
| Total | <u>657</u> | <u>-</u> |
| | 31 March | 31 March |
| | 2018 | 2017 |
| | £000 | £000 |
| Future minimum lease payments due: | | |
| - not later than one year; | 944 | - |
| - later than one year and not later than five years; | 3,777 | - |
| - later than five years. | 18,216 | - |
| Total | <u>22,937</u> | <u>-</u> |

The Trust's lease is with SWFT Clinical Services Ltd and therefore is eliminated on consolidation.

Note 10 Finance income (Group)

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

| | 2017/18 | 2016/17 |
|---------------------------|-----------|-----------|
| | £000 | £000 |
| Interest on bank accounts | 54 | 41 |
| Total | 54 | 41 |

Note 11.1 Finance expenditure (Group)

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

| | 2017/18 | 2016/17 |
|---|--------------|------------|
| | £000 | £000 |
| Interest expense: | | |
| Loans from the Department of Health and Social Care | 992 | 755 |
| Total interest expense | 992 | 755 |
| Unwinding of discount on provisions | 90 | 79 |
| Total finance costs | 1,082 | 834 |

Note 11.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

| | 2017/18 | 2016/17 |
|--|---------|---------|
| | £000 | £000 |
| Amounts included within interest payable arising from claims made under this legislation | - | 1 |

Note 12 Other gains (Group)

| | 2017/18 | 2016/17 |
|--|----------|----------|
| | £000 | £000 |
| Gains on disposal of assets | - | 9 |
| Total gains on disposal of assets | - | 9 |
| Total other gains | - | 9 |

Note 13 Trust income statement and statement of comprehensive income

In accordance with Section 408 of the Companies Act 2006, the Trust is exempt from the requirement to present its own income statement and statement of comprehensive income. The Trust's surplus for the period was £11.583 million (2016/17: £5.525 million). The Trust's total comprehensive income for the period was £20.603 million (2016/17: £11.413 million total comprehensive expense).

Note 14.1 Intangible assets - 2017/18

| Group | Software licences | Development expenditure | Total |
|---|----------------------|----------------------------|--------------|
| | £000 | £000 | £000 |
| Valuation / gross cost at 1 April 2017 - brought forward | 4,443 | 108 | 4,551 |
| Additions | 618 | - | 618 |
| Reclassifications | 7 | - | 7 |
| Disposals / derecognition | - | (108) | (108) |
| Valuation / gross cost at 31 March 2018 | 5,068 | - | 5,068 |
| Amortisation at 1 April 2017 - brought forward | 2,347 | 108 | 2,455 |
| Provided during the year | 649 | - | 649 |
| Reclassifications | (14) | - | (14) |
| Disposals / derecognition | - | (108) | (108) |
| Amortisation at 31 March 2018 | 2,982 | - | 2,982 |
| Net book value at 31 March 2018 | 2,086 | - | 2,086 |
| Net book value at 1 April 2017 | 2,096 | - | 2,096 |

Note 14.2 Intangible assets - 2016/17

| Group | Software licences | Development expenditure | Total |
|---|----------------------|----------------------------|--------------|
| | £000 | £000 | £000 |
| Valuation / gross cost at 1 April 2016 - brought forward | 4,427 | 108 | 4,535 |
| Additions | 95 | - | 95 |
| Reclassifications | (79) | - | (79) |
| Valuation / gross cost at 31 March 2017 | 4,443 | 108 | 4,551 |
| Amortisation at 1 April 2016 - as previously stated | 1,850 | 108 | 1,958 |
| Amortisation at 1 April 2016 - restated | 1,850 | 108 | 1,958 |
| Provided during the year | 558 | - | 558 |
| Reclassifications | (61) | - | (61) |
| Amortisation at 31 March 2017 | 2,347 | 108 | 2,455 |
| Net book value at 31 March 2017 | 2,096 | - | 2,096 |
| Net book value at 1 April 2016 | 2,577 | - | 2,577 |

Note 15.1 Intangible assets - 2017/18

| Trust | Software licences £000 | Development expenditure £000 | Total £000 |
|---|------------------------------|------------------------------------|---------------|
| Valuation / gross cost at 1 April 2017 - brought forward | 4,443 | 108 | 4,551 |
| Additions | 594 | - | 594 |
| Reclassifications | 7 | - | 7 |
| Disposals / derecognition | - | (108) | (108) |
| Valuation / gross cost at 31 March 2018 | 5,044 | - | 5,044 |
| Amortisation at 1 April 2017 - brought forward | 2,347 | 108 | 2,455 |
| Provided during the year | 648 | - | 648 |
| Reclassifications | (14) | - | (14) |
| Disposals / derecognition | - | (108) | (108) |
| Amortisation at 31 March 2018 | 2,981 | - | 2,981 |
| Net book value at 31 March 2018 | 2,063 | - | 2,063 |
| Net book value at 1 April 2017 | 2,096 | - | 2,096 |

Note 15.2 Intangible assets - 2016/17

| Trust | Software licences £000 | Development expenditure £000 | Total £000 |
|---|------------------------------|------------------------------------|---------------|
| Valuation / gross cost at 1 April 2016 - brought forward | 4,427 | 108 | 4,535 |
| Additions | 95 | - | 95 |
| Reclassifications | (79) | - | (79) |
| Valuation / gross cost at 31 March 2017 | 4,443 | 108 | 4,551 |
| Amortisation at 1 April 2016 - brought forward | 1,850 | 108 | 1,958 |
| Provided during the year | 558 | - | 558 |
| Reclassifications | (61) | - | (61) |
| Amortisation at 31 March 2017 | 2,347 | 108 | 2,455 |
| Net book value at 31 March 2017 | 2,096 | - | 2,096 |
| Net book value at 1 April 2016 | 2,577 | - | 2,577 |

Note 16.1 Property, plant and equipment - 2017/18

| Group | Land | Buildings excluding dwellings | Dwellings | Assets under construction | Plant & machinery | Information technology | Furniture & fittings | Total |
|---|---------------|-------------------------------------|--------------|------------------------------|----------------------|---------------------------|-------------------------|----------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Valuation/gross cost at 1 April 2017 - brought forward | 9,796 | 83,754 | 2,070 | 15,424 | 22,022 | 3,972 | 483 | 137,521 |
| Additions | - | 2,627 | 6 | 3,390 | 2,089 | 272 | 383 | 8,767 |
| Impairments | - | (61) | - | - | - | - | - | (61) |
| Reversals of impairments | 307 | 9,406 | - | - | - | - | - | 9,713 |
| Revaluations | 187 | (1,540) | 142 | - | - | - | - | (1,211) |
| Reclassifications | (1) | 15,623 | - | (15,388) | (159) | (1) | (81) | (7) |
| Disposals / derecognition | - | - | - | - | (161) | - | - | (161) |
| Valuation/gross cost at 31 March 2018 | 10,289 | 109,809 | 2,218 | 3,426 | 23,791 | 4,243 | 785 | 154,561 |
| Accumulated depreciation at 1 April 2017 - brought forward | - | - | - | - | 14,183 | 3,357 | 122 | 17,662 |
| Provided during the year | - | 3,009 | 83 | - | 1,514 | 128 | 57 | 4,791 |
| Revaluations | - | (2,949) | (83) | - | - | - | - | (3,032) |
| Reclassifications | - | - | - | - | (10) | 24 | - | 14 |
| Disposals / derecognition | - | - | - | - | (161) | - | - | (161) |
| Accumulated depreciation at 31 March 2018 | - | 60 | - | - | 15,526 | 3,509 | 179 | 19,274 |
| Net book value at 31 March 2018 | 10,289 | 109,749 | 2,218 | 3,426 | 8,265 | 734 | 606 | 135,287 |
| Net book value at 1 April 2017 | 9,796 | 83,754 | 2,070 | 15,424 | 7,839 | 615 | 361 | 119,859 |

Note 16.2 Property, plant and equipment - 2016/17

| Group | Land | Buildings excluding dwellings | Dwellings | Assets under construction | Plant & machinery | Information technology | Furniture & fittings | Total |
|--|---------------|-------------------------------------|--------------|------------------------------|----------------------|---------------------------|-------------------------|----------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Valuation / gross cost at 1 April 2016 - as previously stated | 18,972 | 96,284 | 1,784 | 7,485 | 20,503 | 3,420 | 532 | 148,980 |
| Additions | - | 2,052 | 82 | 8,379 | 2,733 | 473 | 250 | 13,969 |
| Impairments | (9,570) | (15,369) | - | - | - | - | - | (24,939) |
| Reversals of impairments | 325 | 2,660 | - | - | - | - | - | 2,985 |
| Revaluations | 69 | (2,313) | 204 | - | - | - | - | (2,040) |
| Reclassifications | - | 440 | - | (440) | - | 79 | - | 79 |
| Disposals / derecognition | - | - | - | - | (1,214) | - | (299) | (1,513) |
| Valuation/gross cost at 31 March 2017 | 9,796 | 83,754 | 2,070 | 15,424 | 22,022 | 3,972 | 483 | 137,521 |
| Accumulated depreciation at 1 April 2016 - as previously stated | - | - | - | - | 13,966 | 3,218 | 411 | 17,595 |
| Provided during the year | - | 2,667 | 82 | - | 1,431 | 78 | 10 | 4,268 |
| Revaluations | - | (2,667) | (82) | - | - | - | - | (2,749) |
| Reclassifications | - | - | - | - | - | 61 | - | 61 |
| Disposals/ derecognition | - | - | - | - | (1,214) | - | (299) | (1,513) |
| Accumulated depreciation at 31 March 2017 | - | - | - | - | 14,183 | 3,357 | 122 | 17,662 |
| Net book value at 31 March 2017 | 9,796 | 83,754 | 2,070 | 15,424 | 7,839 | 615 | 361 | 119,859 |
| Net book value at 1 April 2016 | 18,972 | 96,284 | 1,784 | 7,485 | 6,537 | 202 | 121 | 131,385 |

All impairments and reversals of impairments are due to changes in property prices only.

The Trust's specialised hospital property assets are valued at depreciated replacement cost.

The Trust's non specialised assets, such as houses, are valued at market value.

In 2016/17 the Trust undertook an alternative site modern equivalent asset valuation as at the 1 April 2016 for its four hospital sites (land and buildings), which resulted in a reduction in asset values and impairments of £24.925m. Subsequent year end valuations have seen in an increase in valuation as a result of increases in land and building indices, and have therefore reversed some of these impairments.

In 2017/18 the impairment of £0.556m relates to the valuation of the Group's new Stratford Hospital facility, which opened in August 2017.

Note 16.3 Property, plant and equipment financing - 2017/18

| Group | Land £000 | Buildings excluding dwellings £000 | Dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|--|----------------------|---|---------------------------|---|---|--|--|-----------------------|
| Net book value at 31 March 2018 | | | | | | | | |
| Owned - purchased | 10,237 | 106,503 | 1,980 | 3,426 | 7,182 | 717 | 514 | 130,559 |
| Owned - donated | 52 | 3,246 | 238 | - | 1,083 | 17 | 92 | 4,728 |
| NBV total at 31 March 2018 | 10,289 | 109,749 | 2,218 | 3,426 | 8,265 | 734 | 606 | 135,287 |

Note 16.4 Property, plant and equipment financing - 2016/17

| Group | Land £000 | Buildings excluding dwellings £000 | Dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|--|----------------------|---|---------------------------|---|---|--|--|-----------------------|
| Net book value at 31 March 2017 | | | | | | | | |
| Owned - purchased | 9,745 | 82,085 | 1,861 | 15,146 | 7,244 | 611 | 361 | 117,053 |
| Owned - donated | 51 | 1,669 | 209 | 278 | 595 | 4 | - | 2,806 |
| NBV total at 31 March 2017 | 9,796 | 83,754 | 2,070 | 15,424 | 7,839 | 615 | 361 | 119,859 |

Note 17.1 Property, plant and equipment - 2017/18

| Trust | Land £000 | Buildings excluding dwellings £000 | Dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|---|--------------|---|-------------------|--------------------------------------|------------------------------|-----------------------------------|---------------------------------|----------------|
| Valuation/gross cost at 1 April 2017 - brought forward | 9,796 | 83,754 | 2,070 | 15,424 | 21,956 | 3,972 | 483 | 137,455 |
| Additions | - | 2,628 | 6 | 2,479 | 2,892 | 272 | 570 | 8,847 |
| Impairments | - | (556) | - | - | - | - | - | (556) |
| Reversals of impairments | 307 | 9,364 | - | - | - | - | - | 9,671 |
| Revaluations | 57 | (2,533) | 142 | - | - | - | - | (2,334) |
| Reclassifications | (1) | 15,623 | - | (15,388) | (159) | (1) | (81) | (7) |
| Disposals / derecognition | (2,720) | (19,288) | - | - | (981) | - | (187) | (23,176) |
| Valuation/gross cost at 31 March 2018 | 7,439 | 88,992 | 2,218 | 2,515 | 23,708 | 4,243 | 785 | 129,900 |
| Accumulated depreciation at 1 April 2017 - brought forward | - | - | - | - | 14,148 | 3,357 | 122 | 17,627 |
| Provided during the year | - | 2,816 | 83 | - | 1,500 | 128 | 57 | 4,584 |
| Revaluations | - | (2,767) | (83) | - | - | - | - | (2,850) |
| Reclassifications | - | - | - | - | (10) | 24 | - | 14 |
| Disposals / derecognition | - | (49) | - | - | (161) | - | - | (210) |
| Accumulated depreciation at 31 March 2018 | - | - | - | - | 15,477 | 3,509 | 179 | 19,165 |
| Net book value at 31 March 2018 | 7,439 | 88,992 | 2,218 | 2,515 | 8,231 | 734 | 606 | 110,735 |
| Net book value at 1 April 2017 | 9,796 | 83,754 | 2,070 | 15,424 | 7,808 | 615 | 361 | 119,828 |

Note 17.2 Property, plant and equipment - 2016/17

| Trust | Land £000 | Buildings excluding dwellings £000 | Dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|--|---------------|---|-------------------|--------------------------------------|------------------------------|-----------------------------------|---------------------------------|-----------------|
| Valuation / gross cost at 1 April 2016 - as previously stated | 18,972 | 96,284 | 1,784 | 7,485 | 20,437 | 3,420 | 532 | 148,914 |
| Additions | - | 2,052 | 82 | 8,379 | 2,733 | 473 | 250 | 13,969 |
| Impairments | (9,570) | (15,369) | - | - | - | - | - | (24,939) |
| Reversals of impairments | 325 | 2,660 | - | - | - | - | - | 2,985 |
| Revaluations | 69 | (2,313) | 204 | - | - | - | - | (2,040) |
| Reclassifications | - | 440 | - | (440) | - | 79 | - | 79 |
| Transfers to / from assets held for sale | - | - | - | - | (1,214) | - | (299) | (1,513) |
| Valuation/gross cost at 31 March 2017 | 9,796 | 83,754 | 2,070 | 15,424 | 21,956 | 3,972 | 483 | 137,455 |
| Accumulated depreciation at 1 April 2016 - as previously stated | - | - | - | - | 13,945 | 3,218 | 411 | 17,574 |
| Provided during the year | - | 2,667 | 82 | - | 1,417 | 78 | 10 | 4,254 |
| Revaluations | - | (2,667) | (82) | - | - | - | - | (2,749) |
| Reclassifications | - | - | - | - | - | 61 | - | 61 |
| Disposals/ derecognition | - | - | - | - | (1,214) | - | (299) | (1,513) |
| Accumulated depreciation at 31 March 2017 | - | - | - | - | 14,148 | 3,357 | 122 | 17,627 |
| Net book value at 31 March 2017 | 9,796 | 83,754 | 2,070 | 15,424 | 7,808 | 615 | 361 | 119,828 |
| Net book value at 1 April 2016 | 18,972 | 96,284 | 1,784 | 7,485 | 6,492 | 202 | 121 | 131,340 |

All impairments and reversals of impairments are due to changes in property prices only.

The Trust's specialised hospital property assets are valued at depreciated replacement cost.

The Trust's non specialised assets, such as houses, are valued at market value.

In 2016/17 the Trust undertook an alternative site modern equivalent asset valuation as at the 1 April 2016 for its four hospital sites (land and buildings), which resulted in a reduction in asset values and impairments of £24.925m. Subsequent year end valuations have seen an increase in valuation as a result of increases in land and building indices, and have therefore reversed some of these impairments.

In 2017/18 the impairment of £0.556m relates to the valuation of the the new Stratford Hospital facility, which was completed in July 2017 and sold to SWFT Clinicial Services Ltd.

Note 17.3 Property, plant and equipment financing - 2017/18

| Trust | Land £000 | Buildings excluding dwellings £000 | Dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|--|--------------|---|-------------------|--------------------------------------|------------------------------|-----------------------------------|---------------------------------|----------------|
| Net book value at 31 March 2018 | | | | | | | | |
| Owned - purchased | 7,387 | 86,821 | 1,980 | 2,515 | 6,370 | 717 | 341 | 106,131 |
| Finance leased | - | - | - | - | 778 | - | 173 | 951 |
| Owned - donated | 52 | 2,171 | 238 | - | 1,083 | 17 | 92 | 3,653 |
| NBV total at 31 March 2018 | 7,439 | 88,992 | 2,218 | 2,515 | 8,231 | 734 | 606 | 110,735 |

Note 17.4 Property, plant and equipment financing - 2016/17

| Trust | Land £000 | Buildings excluding dwellings £000 | Dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|--|--------------|---|-------------------|--------------------------------------|------------------------------|-----------------------------------|---------------------------------|----------------|
| Net book value at 31 March 2017 | | | | | | | | |
| Owned - purchased | 9,745 | 82,085 | 1,861 | 15,146 | 7,213 | 611 | 361 | 117,022 |
| Owned - donated | 51 | 1,669 | 209 | 278 | 595 | 4 | - | 2,806 |
| NBV total at 31 March 2017 | 9,796 | 83,754 | 2,070 | 15,424 | 7,808 | 615 | 361 | 119,828 |

Note 17.5 Economic Useful Lives

Economic useful lives for property, plant and equipment and intangible assets is as follows:

| | Min life Years | Max life Years |
|--------------------------------|-------------------|-------------------|
| Land | - | - |
| Buildings, excluding dwellings | - | - |
| Dwellings | - | - |
| Plant & machinery | - | - |
| Transport equipment | - | - |
| Information technology | - | - |
| Furniture & fittings | - | - |
| Software licences | - | - |

Note 18 Donations of property, plant and equipment

During the year the Trust received £1.592m of donated assets (2016/17: £0.392m), £0.534m in the form of physical assets (non cash) (2016/17: £0.392m) and £1.058m from cash donations for the purchase of assets (2016/17: £0m). These donations were made by South Warwickshire NHS Foundation Trust Charitable Fund, the Trust's League of Friends and Macmillan.

Note 19 Revaluations of property, plant and equipment

All of the Group's land and building assets have been revalued as at 31 March 2018. The valuations were undertaken by a qualified independent valuer from DVS. The Group undertakes quinquennial valuations, with annual interim valuations. The last full valuation was undertaken in March 2015 by a qualified independent valuer from DVS.

For the Group's specialised properties (hospitals) the valuation is based on depreciated replacement cost and where this is used, the Modern Equivalent Asset (MEA) principle has been applied; it being the underlying use for which the asset is being used that determines the valuation treatment.

The Group's non specialised properties (houses) are valued at market value in existing use.

Note 20 Investment in subsidiary

| | Group | | Trust | |
|--|----------|----------|--------------|------------|
| | 2017/18 | 2016/17 | 2017/18 | 2016/17 |
| | £000 | £000 | £000 | £000 |
| Carrying value at 1 April - brought forward | - | - | 250 | 250 |
| Acquisitions in year | - | - | 6,891 | - |
| Carrying value at 31 March | <u>-</u> | <u>-</u> | <u>7,141</u> | <u>250</u> |

The Trust's investment relate to SWFT Clinical Services Ltd, a wholly owned subsidiary which is consolidated in the Group accounts.

Note 21.1 Loan to Subsidiary (Non-current)

| | Group | | Trust | |
|--|----------|----------|---------------|----------|
| | 2017/18 | 2016/17 | 2017/18 | 2016/17 |
| | £000 | £000 | £000 | £000 |
| Carrying value at 1 April - brought forward | - | - | - | - |
| Loan to SWFT CS Ltd | - | - | 15,644 | - |
| Carrying value at 31 March | <u>-</u> | <u>-</u> | <u>15,644</u> | <u>-</u> |

Note 21.2 Loan to Subsidiary (current)

| | Group | | Trust | |
|---|----------|----------|------------|----------|
| | 31 March | 31 March | 31 March | 31 March |
| | 2018 | 2017 | 2018 | 2017 |
| | £000 | £000 | £000 | £000 |
| Carrying value at 1 April - brought forward | - | - | - | - |
| Loan to SWFT CS Ltd | - | - | 318 | - |
| Total current investments / financial assets | <u>-</u> | <u>-</u> | <u>318</u> | <u>-</u> |

Note 22 Disclosure of interests in other entities

The Trust is the Corporate Trustee for the South Warwickshire Foundation Trust Charitable Fund, registered charity number 1056424.

In applying the principles of IAS 27 (revised) (Consolidated and Separate Financial Statements) the charity would be considered a subsidiary. However the charity balance and in year transactions are not significant for 2017/18 and therefore a decision was taken not to consolidate the funds. Details of the charity can be obtained from the Trust.

Note 23 Inventories

| | Group | | Trust | |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 31 March 2018 £000 | 31 March 2017 £000 | 31 March 2018 £000 | 31 March 2017 £000 |
| Drugs | 1,987 | 1,992 | 1,388 | 1,380 |
| Consumables | 1,990 | 1,819 | 1,965 | 1,819 |
| Energy | 33 | 36 | 33 | 36 |
| Total inventories | 4,010 | 3,847 | 3,386 | 3,235 |

Inventories recognised in expenses for the year were £40,633k (2016/17: £26,091k). Write-down of inventories recognised as expenses for the year were £142k (2016/17: £55k).

Note 24.1 Trade receivables and other receivables

| | Group | | Trust | |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | 31 March 2018 £000 | 31 March 2017 £000 | 31 March 2018 £000 | 31 March 2017 £000 |
| Current | | | | |
| Trade receivables | 26,469 | 18,682 | 26,879 | 18,533 |
| Accrued income | 7,303 | 3,882 | 7,045 | 4,195 |
| Provision for impaired receivables | (3,945) | (2,843) | (3,874) | (2,838) |
| Prepayments (non-PFI) | 3,301 | 3,162 | 3,342 | 3,151 |
| Interest receivable | 3 | 1 | 28 | 1 |
| PDC dividend receivable | - | 220 | - | 220 |
| VAT receivable | 988 | 1,103 | 1,221 | 931 |
| Other receivables | - | - | - | - |
| Total current trade and other receivables | 34,119 | 24,207 | 34,641 | 24,193 |
| Non-current | | | | |
| Other receivables | 1,011 | 997 | 1,011 | 997 |
| Total non-current trade and other receivables | 1,011 | 997 | 1,011 | 997 |
| Of which receivables from NHS and DHSC group bodies: | | | | |
| Current | 27,098 | 19,371 | 27,337 | 19,371 |
| Non-current | - | - | - | - |

Note 24.2 Provision for impairment of receivables

| | Group | | Trust | |
|--|--------------|--------------|--------------|--------------|
| | 2017/18 | 2016/17 | 2017/18 | 2016/17 |
| | £000 | £000 | £000 | £000 |
| At 1 April as previously stated | 2,843 | 2,439 | 2,838 | 2,434 |
| Increase in provision | 2,601 | 944 | 2,535 | 944 |
| Amounts utilised | (1,499) | (311) | (1,499) | (311) |
| Unused amounts reversed | - | (229) | - | (229) |
| At 31 March | 3,945 | 2,843 | 3,874 | 2,838 |

Note 24.3 Credit quality of financial assets

| Group | 31 March 2018 | | 31 March 2017 | |
|--|-----------------------------|--------------------------------------|-----------------------------|--------------------------------------|
| | Trade and other receivables | Investments & Other financial assets | Trade and other receivables | Investments & Other financial assets |
| | £000 | £000 | £000 | £000 |
| Ageing of impaired financial assets | | | | |
| 0 - 30 days | - | - | 189 | - |
| 30-60 Days | 171 | - | 986 | - |
| 60-90 days | 742 | - | 513 | - |
| 90- 180 days | 221 | - | 183 | - |
| Over 180 days | 4,122 | - | 1,401 | - |
| Total | 5,256 | - | 3,272 | - |

Ageing of non-impaired financial assets past their due date

| | | | | |
|---------------|---------------|----------|---------------|----------|
| 0 - 30 days | 10,201 | - | 4,707 | - |
| 30-60 Days | 1,795 | - | 1,540 | - |
| 60-90 days | 779 | - | 907 | - |
| 90- 180 days | 5,829 | - | 3,619 | - |
| Over 180 days | 5,659 | - | 1,867 | - |
| Total | 24,263 | - | 12,640 | - |

| Trust | 31 March 2018 | | 31 March 2017 | |
|--|-----------------------------|--------------------------------------|-----------------------------|--------------------------------------|
| | Trade and other receivables | Investments & Other financial assets | Trade and other receivables | Investments & Other financial assets |
| | £000 | £000 | £000 | £000 |
| Ageing of impaired financial assets | | | | |
| 0 - 30 days | - | - | 189 | - |
| 30-60 Days | 158 | - | 812 | - |
| 60-90 days | 42 | - | 9 | - |
| 90- 180 days | 221 | - | 161 | - |
| Over 180 days | 4,122 | - | 1,401 | - |
| Total | 4,543 | - | 2,572 | - |

Ageing of non-impaired financial assets past their due date

| | | | | |
|---------------|---------------|----------|---------------|----------|
| 0 - 30 days | 8,335 | - | 4,707 | - |
| 30-60 Days | 1,795 | - | 1,540 | - |
| 60-90 days | 779 | - | 907 | - |
| 90- 180 days | 5,829 | - | 3,619 | - |
| Over 180 days | 5,659 | - | 1,867 | - |
| Total | 22,397 | - | 12,640 | - |

Note 25.1 Cash and cash equivalents movements

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

| | Group | | Trust | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 2017/18 £000 | 2016/17 £000 | 2017/18 £000 | 2016/17 £000 |
| At 1 April | 13,717 | 8,719 | 13,549 | 8,719 |
| Net change in year | 7,468 | 4,998 | 7,257 | 4,830 |
| At 31 March | 21,185 | 13,717 | 20,806 | 13,549 |
| Broken down into: | | | | |
| Cash at commercial banks and in hand | 484 | 266 | 105 | 98 |
| Cash with the Government Banking Service | 20,701 | 3,451 | 20,701 | 3,451 |
| Deposits with the National Loan Fund | - | 10,000 | - | 10,000 |
| Total cash and cash equivalents as in SoFP | 21,185 | 13,717 | 20,806 | 13,549 |
| Bank overdrafts (GBS and commercial banks) | - | - | - | - |
| Drawdown in committed facility | - | - | - | - |
| Total cash and cash equivalents as in SoCF | 21,185 | 13,717 | 20,806 | 13,549 |

Note 25.2 Third party assets held by the trust

South Warwickshire NHS Foundation Trust held cash and cash equivalents which relate to monies held by the the foundation trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

| | Group and Trust | |
|---------------------------------|--------------------------|--------------------------|
| | 31 March 2018 £000 | 31 March 2017 £000 |
| Bank balances | 1 | 1 |
| Monies on deposit | - | - |
| Total third party assets | 1 | 1 |

Note 26 Trade and other payables

| | Group | | Trust | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| | 31 March 2018 £000 | 31 March 2017 £000 | 31 March 2018 £000 | 31 March 2017 £000 |
| Current | | | | |
| Trade payables | 23,336 | 18,889 | 25,498 | 17,680 |
| Capital payables | 1,694 | 1,691 | 1,318 | 1,691 |
| Accruals | 10,316 | 5,943 | 8,299 | 7,172 |
| Social security costs | 1,797 | 1,668 | 1,778 | 1,668 |
| Other taxes payable | 1,567 | 1,483 | 1,566 | 1,424 |
| PDC dividend payable | 86 | - | 86 | - |
| Accrued interest on loans | 30 | 29 | 30 | 29 |
| Other payables | 3,907 | 2,213 | 3,907 | 2,182 |
| Total current trade and other payables | 42,733 | 31,916 | 42,482 | 31,846 |
| Non-current | | | | |
| Other payables | 391 | 333 | 391 | 333 |
| Total non-current trade and other payables | 391 | 333 | 391 | 333 |
| Of which payables from NHS and DHSC group bodies: | | | | |
| Current | 13,879 | 7,543 | 13,879 | 7,543 |
| Non-current | - | - | - | - |

Note 27 Other liabilities

| | Group | | Trust | |
|--|--------------|--------------|--------------|--------------|
| | 31 March | 31 March | 31 March | 31 March |
| | 2018 | 2017 | 2018 | 2017 |
| | £000 | £000 | £000 | £000 |
| Current | | | | |
| Deferred income | 2,200 | 1,941 | 1,961 | 1,941 |
| Total other current liabilities | 2,200 | 1,941 | 1,961 | 1,941 |

Note 28 Borrowings

| | Group | | Trust | |
|-------------------------------------|---------------|---------------|---------------|---------------|
| | 31 March | 31 March | 31 March | 31 March |
| | 2018 | 2017 | 2018 | 2017 |
| | £000 | £000 | £000 | £000 |
| Current | | | | |
| Loans from DHSC | 1,428 | 1,428 | 1,428 | 1,429 |
| Other loans | 45 | 69 | 45 | 69 |
| Obligations under finance leases | - | - | 114 | - |
| Total current borrowings | 1,473 | 1,497 | 1,587 | 1,498 |
| Non-current | | | | |
| Loans from DHSC | 27,144 | 28,572 | 27,144 | 28,572 |
| Other loans | 118 | 52 | 118 | 52 |
| Obligations under finance leases | - | - | 819 | - |
| Total non-current borrowings | 27,262 | 28,624 | 28,081 | 28,624 |

Note 29 Finance leases

Trust as a lessee

Obligations under finance leases where the Trust is the lessee.

| | Trust | |
|--|--------------------------|--------------------------|
| | 31 March 2018 | 31 March 2017 |
| | £000 | £000 |
| Gross lease liabilities | <u>1,063</u> | <u>-</u> |
| of which liabilities are due: | | |
| - not later than one year; | 145 | - |
| - later than one year and not later than five years; | 580 | - |
| - later than five years. | 338 | - |
| Finance charges allocated to future periods | (126) | - |
| Net lease liabilities | <u><u>937</u></u> | <u><u>-</u></u> |
| of which payable: | | |
| - not later than one year; | 114 | - |
| - later than one year and not later than five years; | 499 | - |
| - later than five years. | 324 | - |

The Trust lessee is with SWFT Clinical Services Ltd and therefore is eliminated on consolidation

Note 30.1 Provisions for liabilities and charges analysis (Group)

| Group | Pensions - | Legal | Other | Total |
|--|-------------------|---------------|--------------|--------------|
| | early | claims | | |
| | departure | | | |
| | costs | | | |
| | £000 | £000 | £000 | £000 |
| At 1 April 2017 | 1,412 | 141 | 983 | 2,536 |
| Change in the discount rate | 11 | - | 18 | 29 |
| Arising during the year | - | 123 | - | 123 |
| Utilised during the year | (135) | (42) | (52) | (229) |
| Reversed unused | (72) | (37) | (73) | (182) |
| Unwinding of discount | 70 | - | 20 | 90 |
| At 31 March 2018 | 1,286 | 185 | 896 | 2,367 |
| Expected timing of cash flows: | | | | |
| - not later than one year; | 134 | 185 | 80 | 399 |
| - later than one year and not later than five years; | 402 | - | 156 | 558 |
| - later than five years. | 750 | - | 660 | 1,410 |
| Total | 1,286 | 185 | 896 | 2,367 |

Legal claims includes the amount informed by the NHS Litigation Authority with respect to employer's and public liability together with any specific provision made by the Trust for known events.

Other mainly relates to injury benefits which are notified to the Trust by the NHS Pensions Agency.

In addition to the above, the NHS Litigation Authority holds provisions to the value of £0.777m in relation to the Employer's Liability Scheme for Trusts at 31 March 2018 (£0.854m at 31 March 2017).

Note 30.2 Provisions for liabilities and charges analysis (Trust)

| Trust | Pensions - | | | Total |
|--|-----------------------|--------------|------------|--------------|
| | early departure costs | Legal claims | Other | |
| | £000 | £000 | £000 | £000 |
| At 1 April 2017 | 1,412 | 141 | 882 | 2,435 |
| Transfers by absorption | | | | - |
| Change in the discount rate | 10 | - | 17 | 27 |
| Arising during the year | - | 123 | - | 123 |
| Utilised during the year | (135) | (42) | (52) | (229) |
| Reversed unused | (72) | (37) | - | (109) |
| Unwinding of discount | 71 | - | 21 | 92 |
| At 31 March 2018 | 1,286 | 185 | 868 | 2,339 |
| Expected timing of cash flows: | | | | |
| - not later than one year; | 134 | 185 | 52 | 371 |
| - later than one year and not later than five years; | 402 | - | 156 | 558 |
| - later than five years. | 750 | - | 660 | 1,410 |
| Total | 1,286 | 185 | 868 | 2,339 |

Legal claims includes the amount informed by the NHS Litigation Authority with respect to employer's and public liability together with any specific provision made by the Trust for known events.

Other mainly relates to injury benefits which are notified to the Trust by the NHS Pensions Agency.

In addition to the above, the NHS Litigation Authority holds provisions to the value of £0.777m in relation to the Employer's Liability Scheme for Trusts at 31 March 2018 (£0.854m at 31 March 2017).

Note 30.3 Clinical negligence liabilities

At 31 March 2018, £33,788k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of South Warwickshire NHS Foundation Trust (31 March 2017: £36,235k).

Note 31 Contingent assets and liabilities

| | Group | | Trust | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| | 31 March 2018 £000 | 31 March 2017 £000 | 31 March 2018 £000 | 31 March 2017 £000 |
| Value of contingent liabilities | | | | |
| NHS Resolution legal claims | (52) | (51) | (52) | (51) |
| Gross value of contingent liabilities | (52) | (51) | (52) | (51) |
| Amounts recoverable against liabilities | - | - | - | - |
| Net value of contingent liabilities | (52) | (51) | (52) | (51) |
| Net value of contingent assets | - | - | - | - |

Note 32 Contractual capital commitments

| | Group | | Trust | |
|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 31 March 2018 £000 | 31 March 2017 £000 | 31 March 2018 £000 | 31 March 2017 £000 |
| Property, plant and equipment | 2,084 | 2,522 | 1,356 | 2,522 |
| Intangible assets | 989 | 62 | 989 | 62 |
| Total | 3,073 | 2,584 | 2,345 | 2,584 |

Note 33 Pathology Service

South Warwickshire General Hospitals NHS Trust (now South Warwickshire NHS Foundation Trust), University Hospitals Coventry and Warwickshire NHS Trust and George Eliot Hospital NHS Trust formed a single Pathology Service at 1 April 2008. The service is hosted by University Hospitals Coventry and Warwickshire NHS Trust and there is an agreement approved by the Trusts, with this Trust's share being 20.11%. Payments for the service are made in accordance with a service level agreement.

The Pathology Service accounts reported by University Hospital Coventry and Warwickshire NHS Trust were:

| | Total Value Reported | | South Warwickshire NHS Foundation Trust's Share | |
|--|----------------------|-----------------|---|-----------------|
| | 2017/18 £000 | 2016/17 £000 | 2017/18 £000 | 2016/17 £000 |
| Revenue from Patient Care Activities | 1,556 | 1,649 | 313 | 332 |
| Other Operating Revenue | 39,097 | 37,064 | 7,862 | 7,454 |
| Operating Expenses | (41,045) | (39,689) | (8,254) | (7,982) |
| Operating Deficit | (392) | (976) | (79) | (196) |
| | | | | |
| | Total Value Reported | | Foundation Trust's Share | |
| | 2018 £000 | 2017 £000 | 2018 £000 | 2017 £000 |
| Non current assets | 641 | 622 | 129 | 125 |
| Current assets | | | | |
| Stocks and work in progress | 735 | 666 | 148 | 134 |
| Debtors-due within 1 year | 5,100 | 1,300 | 1,026 | 262 |
| | 5,835 | 1,966 | 1,174 | 396 |
| Current liabilities | - 8,957 - | 4,677 | - 1,630 - | 769 |
| Net current liabilities | - 3,122 - | 2,711 | - 456 - | 373 |
| Total assets less current liabilities | - 2,481 - | 2,089 | - 327 - | 248 |
| Non current liabilities | - | - | - | - |
| Total assets employed | - 2,481 - | 2,089 | - 327 - | 248 |
| Financed by: | | | | |
| Tax payers' equity | | | | |
| Public dividend capital | 434 | 434 | 259 | 259 |
| Retained earnings | - 2,915 - | 2,523 | - 586 - | 507 |
| Total tax payer's equity | - 2,481 - | 2,089 | - 327 - | 248 |

Note 34 Financial instruments

Note 34.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Foundation Trust has with Clinical Commissioning Groups (CCGs) and the way the CCGs are financed, the NHS Foundation Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Foundation Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors and has received a "significant assurance" opinion during the 2017/18 review.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust has borrowed from the Foundation Trust Financing Facility for the major capital projects at Warwick and Stratford. The borrowings are for a fixed period of 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan, at 3.19%. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2018 are in receivables from customers, as disclosed in the Trade and other receivables note. The Trust's cash deposits are principally held in its Government Banking Service (GBS) account, with smaller working capital balances also being held in the Trust's Lloyds commercial bank. The Trust's credit risk in respect of its cash deposits is therefore low.

Liquidity risk

The Trust's operating costs are incurred under contracts with Clinical Commissioning Groups, Local Authorities and NHS Area Team which are financed from resources voted annually by Parliament. The Trust has a Use of Resources Risk Rating of 1 and holds large cash balances. The Trust is not currently exposed to any significant liquidity risk associated with inability to pay creditors.

Note 34.2 Carrying values of financial assets

| Group | Loans and receivables £000 | Total book value |
|--|---|-----------------------------|
| Assets as per SoFP as at 31 March 2018 | | |
| Trade and other receivables excluding non financial assets | 30,841 | 30,841 |
| Cash and cash equivalents | <u>21,185</u> | <u>21,185</u> |
| Total at 31 March 2018 | <u>52,026</u> | <u>52,026</u> |

| Group | Loans and receivables £000 | Total book value £000 |
|--|---|--------------------------------------|
| Assets as per SoFP as at 31 March 2017 | | |
| Trade and other receivables excluding non financial assets | 21,137 | 21,137 |
| Cash and cash equivalents | <u>13,717</u> | <u>13,717</u> |
| Total at 31 March 2017 | <u>34,854</u> | <u>34,854</u> |

| Trust | Loans and receivables £000 | Total book value £000 |
|--|---|--------------------------------------|
| Assets as per SoFP as at 31 March 2018 | | |
| Trade and other receivables excluding non financial assets | 31,089 | 31,089 |
| Other investments / financial assets | 15,962 | 15,962 |
| Cash and cash equivalents | <u>20,806</u> | <u>20,806</u> |
| Total at 31 March 2018 | <u>67,857</u> | <u>67,857</u> |

| Trust | Loans and receivables £000 | Total book value £000 |
|--|---|--------------------------------------|
| Assets as per SoFP as at 31 March 2017 | | |
| Trade and other receivables excluding non financial assets | 21,123 | 21,123 |
| Cash and cash equivalents | 13,549 | 13,549 |
| Total at 31 March 2017 | <u>34,672</u> | <u>34,672</u> |

Note 34.3 Carrying values of financial liabilities

| Group | Other financial liabilities £000 | Total book value £000 |
|--|---|--------------------------------------|
| Liabilities as per SoFP as at 31 March 2018 | | |
| Borrowings excluding finance lease and PFI liabilities | 28,735 | 28,735 |
| Trade and other payables excluding non financial liabilities | 36,922 | 36,922 |
| Provisions under contract | 2,154 | 2,154 |
| Total at 31 March 2018 | <u>67,811</u> | <u>67,811</u> |

| Group | Other financial liabilities £000 | Total book value £000 |
|--|---|--------------------------------------|
| Liabilities as per SoFP as at 31 March 2017 | | |
| Borrowings excluding finance lease and PFI liabilities | 30,121 | 30,121 |
| Trade and other payables excluding non financial liabilities | 31,818 | 31,818 |
| Provisions under contract | 2,294 | 2,294 |
| Total at 31 March 2017 | <u>64,233</u> | <u>64,233</u> |

| Trust | Other financial liabilities £000 | Total book value £000 |
|--|---|-----------------------------|
| Liabilities as per SoFP as at 31 March 2018 | | |
| Borrowings excluding finance lease and PFI liabilities | 28,735 | 28,735 |
| Obligations under finance leases | 933 | 933 |
| Trade and other payables excluding non financial liabilities | 39,022 | 39,022 |
| Provisions under contract | 2,154 | 2,154 |
| Total at 31 March 2018 | <u>70,844</u> | <u>70,844</u> |

| Trust | Other financial liabilities £000 | Total book value £000 |
|--|---|-----------------------------|
| Liabilities as per SoFP as at 31 March 2017 | | |
| Borrowings excluding finance lease and PFI liabilities | 30,121 | 30,121 |
| Trade and other payables excluding non financial liabilities | 31,818 | 31,818 |
| Provisions under contract | 2,294 | 2,294 |
| Total at 31 March 2017 | <u>64,233</u> | <u>64,233</u> |

Note 34.4 Maturity of financial liabilities

| | Group | | Trust | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| | 31 March 2018 £000 | 31 March 2017 £000 | 31 March 2018 £000 | 31 March 2017 £000 |
| In one year or less | 38,581 | 31,819 | 25,666 | 31,389 |
| In more than one year but not more than two years | 1,659 | 1,677 | 349 | 1,677 |
| In more than two years but not more than five years | 3,288 | 6,488 | 813 | 6,488 |
| In more than five years | 24,283 | 24,249 | 1,748 | 24,249 |
| Total | <u>67,811</u> | <u>64,233</u> | <u>28,576</u> | <u>63,803</u> |

Note 35 Losses and special payments

| Group and trust | 2017/18 | | 2016/17 | |
|--|------------------------------------|---------------------------------|------------------------------------|---------------------------------|
| | Total number of cases Number | Total value of cases £000 | Total number of cases Number | Total value of cases £000 |
| Losses | | | | |
| Cash losses | - | - | 1 | 32 |
| Fruitless payments | 4 | 2 | 3 | 1 |
| Bad debts and claims abandoned | 34 | 15 | 16 | 32 |
| Stores losses and damage to property | 5 | 142 | 3 | 55 |
| Total losses | 43 | 159 | 23 | 120 |
| Special payments | | | | |
| Ex-gratia payments | 22 | 1 | 34 | 4 |
| Total special payments | 22 | 1 | 34 | 4 |
| Total losses and special payments | 65 | 160 | 57 | 124 |
| Compensation payments received | | - | | - |

Note 36 Related parties

During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with South Warwickshire NHS Foundation Trust.

The Department of Health is regarded as a related party. South Warwickshire NHS Foundation Trust has had a significant number of material transactions with the Department of Health, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

| | Receivables | | Payables | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2018 £000 | 2017 £000 | 2018 £000 | 2017 £000 |
| Central Government Departments | | | | |
| Department of Health | 5 | 225 | - | - |
| Clinical Commissioning Groups (CCG's) | | | | |
| NHS South Warwickshire CCG | 9,014 | 5,082 | 2,106 | 1,916 |
| NHS Warwickshire North CCG | 2,082 | 781 | 2,148 | 1,359 |
| NHS Coventry and Rugby CCG | 237 | 1,097 | 519 | 620 |
| NHS Trusts | | | | |
| University Hospitals Coventry and Warwickshire NHS Trust | 5,924 | 2,773 | 7,099 | 1,472 |
| West Midlands Ambulance Service NHS Foundation Trust | 15 | 9 | 79 | 40 |
| George Eliot NHS Trust | 73 | 109 | 236 | 26 |
| Wye Valley NHS Trust | 129 | 171 | 28 | 23 |
| Other Bodies | | | | |
| NHS Resolution (formerly The NHS Litigation Authority) | - | - | - | - |
| The NHS Pension Agency | - | - | 2,331 | 2,211 |
| Castel Froma Ltd | - | 29 | - | - |
| Total | 17,479 | 10,276 | 14,546 | 7,667 |
| | Income | | Expenditure | |
| | 2017/18 £000 | 2016/17 £000 | 2017/18 £000 | 2016/17 £000 |
| Central Government Departments | | | | |
| Department of Health | 20 | 287 | - | 2,131 |
| Clinical Commissioning Groups (CCG's) | | | | |
| NHS South Warwickshire CCG | 165,387 | 145,975 | 1,494 | 1,317 |
| NHS Warwickshire North CCG | 17,030 | 16,506 | 858 | 858 |
| NHS Coventry and Rugby CCG | 19,486 | 17,136 | 519 | 557 |
| NHS Trusts | | | | |
| University Hospitals Coventry and Warwickshire NHS Trust | 2,963 | 2,786 | 5,965 | 5,258 |
| West Midlands Ambulance Service NHS Foundation Trust | - | 15 | 329 | 291 |
| George Eliot NHS Trust | 560 | 528 | 77 | 106 |
| Wye Valley NHS Trust | 549 | 229 | 11 | 3 |
| Other Bodies | | | | |
| NHS Resolution (formerly The NHS Litigation Authority) | - | - | 4,444 | 3,391 |
| The NHS Pension Agency | - | - | 16,751 | 16,050 |
| Castel Froma Ltd | 3 | 27 | - | - |
| Total | 205,998 | 183,489 | 30,448 | 29,962 |

