



**South Staffordshire and
Shropshire Healthcare**

NHS Foundation Trust

Annual Report and Accounts 2017-18

South Staffordshire and Shropshire Healthcare NHS Foundation Trust

Annual Report and Accounts
2017-18

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Performance Report

Overview

The overview offers a short summary to provide the user 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.

Our Trust provides mental health, learning disability and specialist children's services across South Staffordshire, Shropshire and Telford & Wrekin. We also provide services on a wider regional or national basis, including perinatal, eating disorder and forensic services. The Trust's Inclusions service provides psychological and drug and alcohol services and has contracts across the country. We are also providers of genitourinary medicine services in South Staffordshire, Shropshire and Telford & Wrekin.

We serve a population of 1.1 million, over a core geography of 2,200 square miles, with around 3,500 staff. Our turnover for the year was around £206 million.

For more information, log on to our website at www.sssft.nhs.uk

Our three core values are;

- People who use our services are at the centre of everything we do, they are our reason for being
- We value our staff, we cannot deliver effective services without well supported and trained staff
- Our partnerships are important to us, services which work together on common goals deliver better results

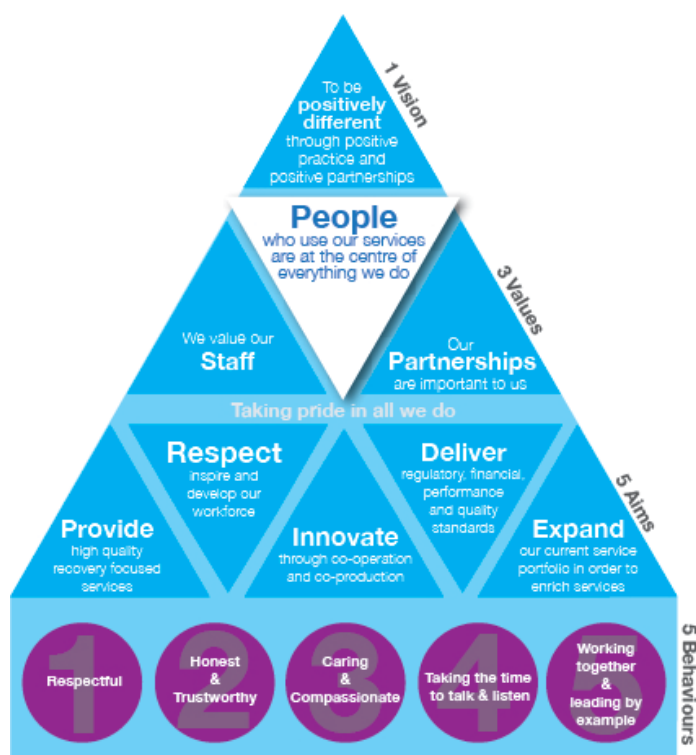
Our vision is to be positively different through positive practice and positive partnerships and we aim to demonstrate that we provide excellent services, based on evidence of good practice, that make a positive difference.

South Staffordshire Healthcare became a Trust in 2001 and achieved NHS Foundation Trust status in May 2006 under the Health and Social Care (Community Health and Standards) Act 2003, securing certain freedoms to develop and improve services and offer more choice to service users. The integration of services from Shropshire was approved by Monitor on 1 June 2007.

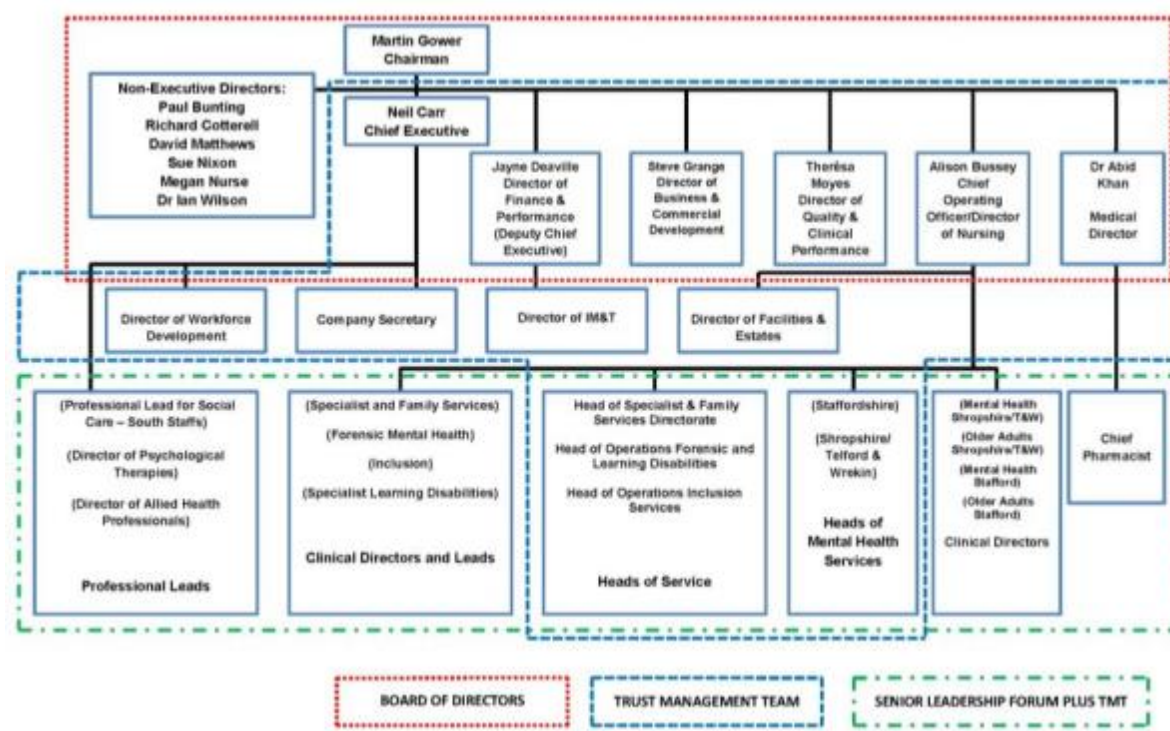
Business Model and Strategy

The Trust's five year strategy 2014-19 aligned its aspirations through five aims, three values and one vision – to be positively different, through positive practice and positive partnerships. As part of this strategy the Board agreed three core values and identified a set of high level aims which represent the five priority areas of delivery. In partnership with service users, carers and staff a set of behaviours was agreed which support the delivery of these objectives.

As part of the work towards the planned merger with Staffordshire and Stoke on Trent Partnership NHS Trust, a new set of vision, values and behaviours has been developed, through engagement with service users, carers, staff and stakeholders across both organisations. These reflect the existing positions of both trusts but build upon them, recognising the ambition of the new organisation to be 'better together'.



Organisation Structure



Introduction from the Trust Chairman

I am delighted to report another positive year for the Trust with continued financial stability, excellent staff feedback and a clean bill of health from NHS Improvement. In a challenging health and social care environment it is pleasing to see that our services are consistently of a high standard.

A key focus for us this year has been our enhanced partnership working with Staffordshire and Stoke on Trent Partnership NHS Trust (SSOTP), which we anticipate will culminate in a formal coming together of the two organisations as a new trust, Midlands Partnership NHS Foundation Trust early in June 2018. We believe this coming together will deliver many benefits including improved access to services, less duplication and confusion, and ultimately more effective and efficient services to manage increasing demand. My Trust Board colleagues and I believe this is a significant opportunity to ensure that quality healthcare is maintained and enhanced and to develop a well led organisation that is sustainable and strong.



Martin Gower

Over the past year we have continued to be outward looking and ready to embrace new opportunities. Our Inclusion services continue to attract new business and to grow and improve existing contracts and we have also further extended our portfolio to include additional sexual health services and the 0-25 Emotional Health and Wellbeing Service in Shropshire. We have also successfully retained the contract with the Ministry of Defence to provide inpatient mental health services to serving personnel.

We have maintained our focus on 'living our values' and engaging our staff. Our involvement in 'Listening into Action' has continued to encourage staff to make both small and large improvements to patient care and working lives, and our latest Staff Opinion Survey results indicate that staff value the Trust's commitment to engaging them in all aspects of Trust life.

As Chairman I am well supported by both the Trust Board and the Council of Governors and am confident of the experience and effective skill mix of our Executive and Non Executive Directors. Under their leadership I believe the Trust is well placed to undertake the significant transaction to acquire SSOTP and become Midlands Partnership NHS Foundation Trust.

On behalf of the Trust Board I would like to extend my thanks to all those involved in ensuring our organisation retains its focus on our service users and carers. This is particularly important during this time of significant change. We have extremely hardworking and committed people working at all levels of our organisation and we would not be able to provide the high quality, effective care that we do without the contribution of both clinical and corporate staff.

A handwritten signature in blue ink that reads 'M. Gower'.

Martin Gower
Chairman

... and from the Chief Executive

I am proud to report on a successful year which has seen positive reports from external bodies, NHS Improvement, and from our staff. During 2017-18 we have maintained our financial position, grown our business and continued to be compliant with external regulation. Importantly we have achieved this whilst retaining a clear focus on high quality care for our service users and supporting and encouraging our workforce.

NHS Improvement has rated the Trust in its top segment, indicating their confidence in our organisation, with the lowest level of oversight applied. This top rating puts SSSFT in the top 16% of trusts nationally. A number of our inpatient mental health wards have also achieved accreditation by the Royal College of Psychiatrists, demonstrating the quality of care provided to service users, carers, the wider organisation and commissioners.

Over the past year we have continued to focus on embedding our Trust values in all that we do. We have continued to apply LEAN methodologies and even more teams have carried out in-depth reviews of the ways that they work - changing and improving practice and policy. Staff engagement has continued to be a priority with staff encouraged to suggest large and small changes and to participate in 'big conversations' to identify what needs to be done and how to solve the knotty problems. Our staff survey results this year prove the value staff put on being involved in this way and put SSSFT (South Staffordshire and Shropshire Healthcare NHS Foundation Trust) at the top of Picker Europe's staff survey league table of mental health and learning disability trusts for the second year running and in the top ten nationally for staff engagement. The Trust is performing better than its peers in the eyes of its staff and showing a positive trend year on year.

The people who use our services and those who care for them are at the heart of all we do and ensuring they have the perfect patient experience motivates all staff, from Board to ward. At Board level we continue to have patient stories at all of our meetings, and to ensure the learning from these is recognised and acted upon. Patient feedback at all levels informs service development and improvement and we are continually looking at how we can better engage with people who have lived experience of our services. We are all delighted at the success of the new post created in our involvement and engagement team for a Service Development & Improvement Support Worker and look forward to more opportunities for peer involvement.

We know we can't stand still and we continue to drive forward improvements to services, both developments to what we offer, and the physical environments they are provided from. Our move into Hall Court in Telford has brought services together in a modern, fit for purpose building with good transport links and parking facilities, important for delivering effective, accessible services and a focus on improving the ward environment has seen a number of small changes that have made a bit difference to the lives of those using services. We have also continued to expand our service portfolio, working in partnership to develop creative and innovative packages of care including sexual health,



Neil Carr

child and adolescent mental health and prison mental health and substance misuse services.

I believe our Trust is a partner of choice for a range of organisations. Working with Stafford Borough Council we have contributed to a significant reduction in the number of rough sleepers in Stafford town centre; we have entered into an innovative partnership agreement with the Armed Forces Institute of Mental Health, Pakistan which we hope will bring additional expertise to the Trust, and in turn will support the development of mental health services in their organisation. We are currently in discussion with a range of other partners including the fire service and YMCA with a view to realising a number of benefits such as training, career development and sharing of data around population at risk.

Of course a major focus of our partnership working is our relationship with colleagues in Staffordshire and Stoke on Trent Partnership NHS Trust (SSOTP) and our plans to come together as one organisation. I am proud that our organisation was identified as the right partner for this significant development and look forward to beginning to deliver the benefits we anticipate as a result of this process, including developing further integrated care teams, working collaboratively with GPs, and re-deploying services as close to patients as we can.

I look forward to the coming year and to continued efforts to provide effective, timely services, where and how people need them. Across our health and social care communities there is much debate as to how we can achieve this through effective partnership working and strategically our new organisation is a key element of developing a future-proof, sustainable health and social care system for local people. Nationally provider organisations and commissioners are being asked to come together to manage the collective resources available for NHS services for their local population through the Sustainability and Transformation Partnerships (STP). Bringing together SSSFT and SSOTP aligns with the aim of Staffordshire's STP and we are committed to continuing to play our part in its successful delivery.

We are also committed to supporting the STP process in Shropshire and contributing to their development of sustainable health services.

The coming year will be an exciting one and I am looking forward to the opportunity to deliver the best possible community health care, mental health, learning disability and social care services to benefit our local communities, staff and the partners we work with.



Neil Carr OBE
Chief Executive

Highlights 2017-18

Our focus on providing quality services whilst maintaining a positive financial position has received significant endorsement from a range of external sources.

We are rated by the CQC as a 'good' Trust with some 'outstanding' services

We are in the top 16% of trusts according to NHS Improvement

We top the national league table for our Staff Opinion Survey Results

The Trust has been rated by the CQC at 'good' overall and 'good' for all five questions that are asked; are services Safe, Effective, Caring, Responsive and Well Led? The latest inspection report was published in July 2017 when SSSFT was only one of four mental health and learning disability trusts in the country to achieve this standard, and the first in the West Midlands. Community based mental health services for older people were rated as 'outstanding'. Inspectors said "staff provided high quality treatment and care. Different professionals worked well together to assess and plan for the needs of patients (and were) focused on helping patients in gaining independence and confidence, avoiding the need for hospital or other residential care".

The Trust has been given a clean bill of health by NHS Improvement under its Single Oversight Framework which is designed to help NHS providers attain and maintain CQC ratings of 'good' or 'outstanding'. Trusts are segmented according to the level of support needed across the five themes of quality of care, finance and use of resources, operational performance, strategic change and leadership and improvement capability. SSSFT is in the top segment and as an organisation rated at 1 is given maximum autonomy, with no potential support need identified and experiences the lowest level of oversight. This top rating puts SSSFT in the top 16% of trusts and one of only two mental health trusts in the Midlands and East of England region in this top segment.

The NHS Staff Survey shows how staff have rated their organisation's leadership and culture over the past year. With 63% of SSSFT staff completing their survey, there are only three other trusts in the country with a higher response rate. Based on a review and analysis of the 32 key findings from the 2016 survey – produced by Picker Europe for the NHS – SSSFT is the top performing mental health and learning disability trust, performing better than its peers in the eyes of staff, and also showing a positive trend year on year. The Trust scored above average in comparison to other similar trusts in 24 of the key findings with staff reporting they feel motivated and positive about their ability to contribute to improvements as well as happy to recommend the organisation as a place to work or receive treatment.

New and Significantly Revised Services

MOD Contract:

SSSFT has successfully retained the contract with the Ministry of Defence to provide inpatient mental health (and specialist mental health) services to serving personnel for a third term. SSSFT is the prime provider in a network of 8 mental health trusts (known as the Joining Forces Network). The Network aspires to provide a culturally sensitive service recognising the specific needs of the military and the unique requirements of the Royal Navy, the British Army and the Royal Air Force. This contract represents excellent partnership working with the Ministry of Defence.

0-25 Emotional Health and Wellbeing Service:

The Specialist and Family Directorate was successful in their bid to provide child and adolescent emotional well being and mental health services across Shropshire and Telford & Wrekin. The service is provided in partnership with The Children's Society, Kooth and Healios in an innovative model which offers a unique combination of established local services, specialist expertise and flexibility. The new service includes online counselling, digital interventions and drop in centres as well as the specialist mental health provision.

Integrated Sexual Health and HIV Services:

In partnership with SH:24 this service is provided across South Staffordshire with 40 staff transferring into the Trust on 1 April 2017. The service provides a range of interventions including sexual health assessments, diagnosis and treatment of sexually transmitted infections, contraceptive options, emergency contraception, HIV treatment and care, health promotion and prevention. SH:24 is an online service which offers access to online testing kits for Chlamydia, Gonorrhoea, Syphilis and HIV enabling access to services for patients who find it difficult to access traditional clinic based services.

New Community Mental Health Hub, Telford:

Fuller House at Hall Court Telford is the new hub for community mental health, Improving Access to Psychological Therapies (IAPT) and learning disability services covering Telford & Wrekin and east Shropshire. Teams from various buildings in Telford, including Castle Lodge, Jubilee House and Longden House, moved to the hub during April 2017. The building offers consulting rooms and clinic spaces as well as administrative offices and enables staff to offer care in comfortable, appropriate surroundings as well as providing opportunities for physical health assessments.

Access Service:

As part of the remodelling of community based adult mental health services, new access services have been launched providing single points of referral into South Staffordshire, and Shropshire/Telford & Wrekin. These access points are available for anyone who is worried about their mental health, anyone concerned about the mental health of a friend or relative, a carer of anyone receiving mental health services and professionals requiring advice. The number also offers an out of hours option for existing service users.

Mental Health Services

Our mental health services include inpatient and community care for adults and older people across South Staffordshire and Shropshire/ Telford & Wrekin.

Community Remodelling

We have worked with staff, service users and carers, statutory partners and local mental health voluntary groups to redesign community mental health services to deliver evidence based packages of care aligned to service user need. Six new pathways have been developed including a simplified point of access into care. Each pathway specifies the process and interventions that a service user should receive during access, assessment and formulation, treatment and discharge. Using new ways of working, new job roles, team structures and skill mixes, and new technology, the aim is to allow clinicians to spend as much time as possible with service users and carers. There is a recovery focus throughout which puts the service user firmly in the centre and by breaking down barriers and working with partners in a more integrated way it is possible to deliver better outcomes and also offer opportunities for further developments in the future.

New Wellbeing Centre

A new Wellbeing Centre was opened at Morston House in Newcastle-under-Lyme with mental health workers from SSSFT and specialist physical health teams from Staffordshire and Stoke on Trent Partnership NHS Trust (SSOTP) based together in the new clinic to provide holistic care for patients. The North Staffordshire Wellbeing Service provides help for any type of emotional problem, or physical symptoms that cause emotional distress. This is an integrated service where workers from Community Health and Social Care Teams such as Diabetes and Respiratory Nurses work alongside Wellbeing Practitioners/Therapists from the Improving Access to Psychological Therapies Service (IAPT). The new Wellbeing Centre is one of the first examples of the wraparound patient-centred care that is being achieved through the closer working relationship between SSSFT and SSOTP.



CEO Neil Carr with Service Lead Dr Mark Kenwright

Inpatient Wards Gain Royal College Seal of Approval

Four more of the Trust's inpatient wards have recently gained accreditation from the Royal College of Psychiatrists. The accreditation of Brocton, Chebsey, Norbury and Pine follows an in-depth review of the services, covering five domains; General Standards, including policies, protocols and staffing related issues; Timely and Purposeful Admission; Safety; Environment and Facilities; Therapies and Activities. To achieve accreditation, staff on



Staff from Brocton and Chebsey Wards

the wards first completed a self assessment which was then peer reviewed. This involved an inspection of the environment, processes, procedures and staffing. Focus groups were also held with staff and carers to gain their views on whether the wards met the standards required. Accreditation enables services to demonstrate the quality of care they provide to service users and carers, their wider organisation and commissioners. Accredited services are also part of a network which encourages the sharing of good practice and learning from others.

Adapting Resources for Visual Impairment

Colleagues at Wellbeing Matters, Tamworth, have been working on resources to help practitioners and service users access Cognitive Behaviour Therapy (CBT) resources. The team offer support to people with mild to moderate mental health difficulties such as depression, anxiety, phobia, obsessive compulsive disorder and trauma. One treatment is CBT which is used to break down a problem into manageable parts which can be focused on within treatment. This process is called formulation. Many people find it helpful to do this using diagrams or graphic representations which can be a problem if you have a visual impairment. High Intensity CBT trainee Maggie Galbarczyk, who is herself completely blind, and Rupal Panchal, Senior Cognitive Behaviour Therapist and Operational Lead have worked together on adapting graphic representations of CBT formulations to meet the needs of people with visual impairments. Maggie and Rupal researched and used colour contrast, lighting and magnification and have used Braille stickers and even a glue gun to create raised lines and arrows.



Maggie and Rupal

Specialist and Family Services

The Directorate provides a range of specialist services including child and adolescent mental health; community paediatric services including audiology and children's learning disability services; children's community nursing, community complex care teams, paediatric psychology; perinatal; eating disorders; and integrated sexual health and HIV services.

CAMHS Intensive Outreach Celebrates First Birthday

The Child and Adolescent Mental Health Service (CAMHS) Intensive Outreach Team works across South Staffordshire with under 18s and their families. This community based service supports those considered to pose the highest risks, including Tier 4 hospital admission. Over



Artwork for the Legacy Book

the first 12 months the service received 58 referrals of which 79% self-rated a significant improvement in their mental health and 100% found it useful to be seen in the community. A reduction in bed days was also noted. The young people have helped design the team leaflet and team pathway and have provided artistic contributions which have been collated into a legacy book to celebrate and capture some of the great coping strategies that they find work for them in their recovery.

Community Support for Brockington

The Mother and Baby Unit at St George's Hospital has been well supported over the past year with donations from past service users and from the community. Donations were received from a local church; Bank worker, Ryan and the Stafford Mobile Soup Kitchen collected baby equipment and clothes; and a local student who aims to study midwifery in the future raised £307 from a sponsored silence.



Brockington staff keeping quiet

Takeover Day

In November 30 young people came into the Trust to learn about what mental health professionals get up to and feedback showed that they would be taking away some valuable knowledge for their future about possible mental health careers.

"Hello, due to my experience with CAMHS and the amount of help I have received it has inspired me to help make change for others. Coming to the mental health day today made me even more interested and I would love to sign up to be a mental health advocate and help young people like myself who have experienced mental health services and how we can make it better. Thank you for the day today, it opened a lot of doors for me and made me realise that paediatric mental nursing is a true passion I want to pursue."

Eating Disorders Services

Staff and service users of the inpatient eating disorders service based in the Kinver Unit marked Eating Disorder Awareness Week by wearing wacky socks and enjoying tea, cakes and live music. Alongside the event the Trust's Wellbeing and Recovery College offered a one day course, co-produced by a staff member and a service user, on understanding eating disorders.



Kinver staff show off their socks

Physical Health Psychology and a New Venture with UHNM

The physical health psychology service is based at Cannock Hospital and provides psychological support to people who are dealing with a range of physical health conditions by working jointly with a number of other health organisations. A new addition

to the range of services provided includes a joint venture with University Hospitals North Midlands (UHNM) to develop a clinical psychology post in the adult cystic fibrosis service. The service has found it useful to gain a better psychological understanding of the impact that a chronic, life limiting condition like cystic fibrosis can have on an individual's mental health and staff have also benefited from psychological support for their emotional wellbeing.

Integrated Children's Service – "one Children's service"

A key priority of the planned merger between South Staffordshire and Shropshire Healthcare NHS Foundation Trust (SSSFT) and Staffordshire and Stoke on Trent Partnership NHS Trust (SSOTP) is the integration of children's services. Colleagues from both organisations have been working together to explore the development of an integrated model for Children's Services across South Staffordshire. The aim of the integration is to create 'one Children's service' which provides easy access, flexible, needs-led community based services for children, young people and families. This programme builds on work undertaken by SSSFT through the Paediatric Remodelling project and SSOTP's work on the Children's Redesign Programme and 0-19 project. Services will deliver everything 'as local as possible', maintaining and further developing close links with local GP practices, local authority place based hubs, school and early years partnerships.

Learning Disability Services

Providing specialist care to people with a learning disability focused on supporting them to live as independent a life as possible, within their local community.

Annual Health Checks in GP Practices

Recognising the importance of physical health, and the difficulties some people with a learning disability have in accessing regular health checks a pilot was carried out with the aim of increasing the number of Annual Health Checks (AHC) being undertaken by GPs in Telford and to support the development of an electronic version of the Annual Health Check tool in

Shropshire. During the pilot, nineteen patients attended clinics which included a patient history and basic observation by a nurse and health care support worker, and physical examination by a doctor. A number of physical health issues were identified such as a need for antibiotics, unstable diabetes, a physio referral and a pain review. Following the pilot the electronic version of the AHC tool is currently being used and audited in Shropshire and Trust staff are facilitating a session at Telford GPs protected learning event in May with the aim of increasing awareness and uptake of the tool over a wider number of GPs.



Elaine Thomas, Jenny Corney & Kath Mills

NHS-I Film

At the invitation of NHS Improvement (NHS-I), colleagues from the learning disability service put forward an idea for a film featuring a service user whose life has changed for the better because of improvements initiated by the Trust. Callum was the proud recipient of the Personal Development Award at the Trust's Service User and Carer



Filming with Callum

Involvement Celebration in recognition of his significant achievement in personal recovery or development. Callum worked hard with the adult community learning disability team and Aspire Day Service to lose a significant amount of weight – 5 stones - and improve his physical fitness. He has overcome his disabilities to be able to engage in a variety of positive activities such as gardening, the gym, football and yoga, as well as attending college. The film, one of four highlighting important learning disability improvements, will be featured on the NHS-I website.

Improving Waiting Times

In November 2018, the directorate took part in its first Rapid Process Improvement Workshop (RPIW) focussing on improving the Duty process in its Lichfield Community Learning Disability Team (CLDT). Participation has helped generate a number of significant quality improvements; not least reducing the waiting time from the point a referral is received by the team to being sent an appointment letter for an initial assessment, from 280 hours to 8 hours. It has also reduced the average amount of time clinicians devote to the duty worker role per month from 165 hours to 44 hours – significantly increasing the amount of face-to-face/clinical contact time available to our service users per month. The duty worker role has also been renamed the “clinical co-ordinator” role and the positive service improvements are being rolled out to our other CLDTs.

Makaton Sign of the Week

This year we have started to do a sign of the week to help all staff to learn more skills in Makaton (a communication system used by lots of people with a learning disability). Sharing the weekly sign in a poster format featuring a member of staff demonstrating the movement required also offers a regular reminder of how to learn more and find out more where required.



Makaton 'where'

Acute Liaison Nurses

A successful pilot saw an Acute Liaison Nurse supporting people with a learning disability who were attending Burton Hospitals NHS Foundation Trust. The aim of acute liaison

nurses is to improve standards in hospitals and to ensure that reasonable adjustments are made for people with learning disabilities so that they are able to access health services. The nurses also work with acute hospital staff to give them the confidence to work with people with learning disabilities.

Forensic Services

These include medium and low secure inpatient services and the forensic liaison service.

Celebration Days

On both Clee and the Hatherton Centre celebration days were held for service users, friends and families. These events provide an opportunity to celebrate the achievements of all present and for friends and family to get to know more about the services provided. The Clee event included a performance by the Clee Band and a number of certificates were presented to service users.



REACHOUT

Reach out to Everyone in the West Midlands with complex mental health difficulties and risk of serious harm And Create Hope, Opportunities, Understanding and Trust.

REACHOUT is a West Midlands wide partnership with forensic mental health services provided by SSSFT, Birmingham and Solihull Mental Health Trust and St Andrew's charity. The aim is to offer more recovery focused services with a focus on repatriation, reducing length of stay and preventing re-admissions. The community team which sits within this model is the Forensic Intensive Recovery Support Team (FIRST) which offers a range of support to individuals and their carers/families to maintain recovery and reduce re-admissions. Key to the success is the involvement of people with lived experience of forensic mental health services and SSSFT has successfully appointed four Peer Recovery Workers who will support inpatient transition into the community and co-produce a community recovery plan.

New Forensic Involvement Representative

There are often barriers to involvement, particularly in acute/forensic mental health services and to break down these barriers, a role was created for a Service Improvement Peer Worker who was employed as a member of staff to design and deliver training for staff and service users on all aspects of involvement. A



further role was then developed for a Forensic Involvement Representative to ensure involvement of this hard to reach group, who designed training packages for forensic service users via co-produced modules. Through these sessions he was able to share this learning with his peers on the forensic units, encouraging others to become involved in shaping our services. This role was supported by the Peer Worker who faced a number of challenges in enabling him to do as much as possible whilst staying within the restrictions placed upon him. She provided him with coaching and training in a number of areas including presentation skills, expectations and meeting etiquette. This approach was recognised with a shortlisting in the Patient Experience Network National (PENN) Awards with the team being named as runners up in the Championing the Public Category.

Reading for Wellbeing

Reading for wellbeing sessions were delivered with service users based in the Trust's low secure forensic inpatient unit at The Redwoods Centre. Reading for wellbeing has been one of the most well received occupational therapy treatments on the unit with service users enjoying sessions which has increased their willingness to engage with other therapies. Some service users have also reported that by using the techniques used for reading for wellbeing sessions they have been better prepared for Multi Disciplinary Team meetings and felt more able to present their thoughts and enquiries. The sessions were delivered by occupational therapy support workers using the Vona du Toit Model of Creative Ability and they were invited to present their work at an international conference.

Inclusion Services

Inclusion is a specialist arm of the Trust and is a national organisation working with individuals, families and communities who are affected by drugs, alcohol, crime and mental health.

Award Winning Services

National recognition has included the Health Business Awards where the team was commended in the Outstanding Achievement in Healthcare category. Inclusion has also been shortlisted for the HSJ Patient Safety Award for the Quality Improvement Initiative of the Year Award for a service offering support for people with Hepatitis C. Working in partnership with local health services the teams developed access to uncomplicated, convenient and compassionate testing/treatment across Hampshire and Buckinghamshire, underpinned, supported and co-delivered by people who themselves have personal experience of Hepatitis. This innovative approach has resulted in an improved uptake of treatment and reduced both the potential complications of chronic liver disease, and potential future infections/reinfections. Hampshire colleagues are also proud to have been nominated for an NHS70



At the Health Business Awards

Parliamentary Award for their work in implementing the life-saving Naloxone project and Mark Prescott, from One Recovery Bucks has also received a nomination for the NHS70 Awards in conjunction with the BBC for their nursing award.

New and Retained Contracts

With services continually up for tender Inclusion has had success in retaining contracts in Buckinghamshire, Hampshire, the Isle of Wight and Telford. The services in Telford and Buckinghamshire are greatly expanded.

New services include Thurrock Drug and Alcohol Service which is in addition to Thurrock IAPT and Recovery College and Inclusion has also won the contract for the Psychologically Informed Planned Environment (PIPE) in Long Lartin prison.



Promotional items

Investment in Facilities

Significant investment in our facilities in Hampshire has included a new hub in Gosport, a new office in Eastleigh and refurbishment in Winchester demonstrating a real commitment to invest in quality environments for our staff and service users.

NHS Substance Misuse Providers Alliance

Inclusion have been at the forefront of developing the NHS Substance Misuse Providers Alliance which brings together trusts from across the country who still deliver substance misuse services to discuss common themes and to present a shared voice to central government. The team hosted an event in September on behalf of the Alliance to launch the new national drug strategy in Stafford.

Celebration of Recovery

Inclusion Recovery Hampshire Winchester hub hosted a Celebration of Recovery in partnership with local charities and through the wonderful support of the public. The ideal venue, in the heart of Winchester, on the Cathedral grounds was also supported by the Mayor of Winchester and the Dean who opened the event with a Blessing. A large marquee was



Winchester Recovery Event

organised which hosted a stage for Guest Speakers such as the Hep C P2P project, Naloxone Awareness, Music and Poetry and other Health Information. Blood Borne Virus testing and other Health Checks were offered from the mobile outreach bus and saw a good number of referrals being made to GPs for follow up. A recovery tree with messages and wishes was available to remember those who had passed away through addiction. Partnership agencies presented on the day included the Street Pastor Team, Local Catering, Local Hostels, Family and Carer Support PSL, Mutual Aid Groups and Mind who were all given stalls to display information on for the public. Overall around 500 people visited the Cathedral Grounds that day, all showing interest in what the event was about and obtaining information on the services provided.

Research and Innovation

The Research and Innovation is a central part of the Trust. The team oversees research projects and promotes and encourages research within the Trust.

Successful recruitment and engagement with research

We have exceeded our target of 811 recruits onto National Institute for Health Research (NIHR) studies for 2017/18 and by the end of March 2018 our research delivery team will have recruited over 1300 research participants. Research activity has been extended into new specialty areas within the Trust, including sexual health, eating disorders and children's services; this is in addition to the well-established research links within the Trust's other mental health and dementia services. Our portfolio of research studies has grown in its range and diversity, offering service users, carers and staff the opportunity to participate in observational and interventional studies throughout 2017/18. We continue to engage with the pharmaceutical industry and during 2017/18 we increased our portfolio of industry sponsored studies, allowing service users the opportunity to access novel treatments. We continue to identify and trial innovative strategies to strengthen the research culture within the Trust and develop further opportunities for service users to participate in research including the appointment of Research Champions within dementia and sexual health services who have successfully engaged with clinical teams and assisted with the selection and delivery of new studies. We are also currently developing a new research post in collaboration with primary care.



Welcome to Research and Innovation

Funding achieved for projects

During the last year the Academic Psychiatry Team have completed two projects funded by the NIHR School for Primary Care Research on (1) medically unexplained symptoms and (2) co-morbid diabetes and depression. Members of the team have led and supported a number of successful funding applications; Dr Saeed Farooq is leading a grant of £500,000 from the MRC Global Alliance for Chronic Disease to develop and evaluate a new intervention for Schizophrenia outpatients, Professor Sumathipala is leading a grant awarded of £200,000 from the Medical Research Council (MRC) to establish a new twin cohort and conduct patient and public involvement work in Sri Lanka and Dr Paul Campbell is Principal Investigator for a £145,000 grant from the Dunhill Medical Trust (in collaboration



Promoting research

with SSSFT, and Keele, Warwick, UCL and Sheffield Universities) to examine markers of dementia progression using primary care data.

Local, Regional, National and International Recognition

- Our eating disorders research team received the Clinical Research Network (CRN) Emerging New Team award in 2017, reflecting their success in setting up and recruiting into new studies within that specialty.
- Professor Sumathipala has been appointed to the Planning Committee of Global Forum on Bioethics in Research (an initiative supported by an initiative by the Wellcome Trust, NIHR, UK Medical Research Council and the Bill & Melinda Gates Foundation) and has also been appointed to the Editorial Board of the British Journal of Psychiatry.
- Professor Carolyn Chew-Graham has been invited to deliver the key note address at the Primary Care Mental Health conference in Southampton (April 2018) and has contributed to the second edition of the Royal College for Psychiatry (RCPsych) Primary Care Mental Health publication.
- Dr Saeed Farooq has been appointed Secretary for RCPsych, West Midlands and Dr Rashi Negi has been appointed lead for the Dementias and Neurodegeneration (DeNDRoN) speciality.
- We also ran a successful "New Horizons in 3D (Delirium, Dementia, and Depression) Clinical Research in Older Adults" full day event with external guest speakers Professor Peter Crome, Professor Paul Kingston and Dr Kate Walters, presentations from service users, and presentations from both Keele and SSSFT.

Key Issues and Risks

The Trust promotes a positive risk culture that encourages its employees to consistently use its risk management policies, Assurance Plan and Risk Register to identify and control risks which may adversely affect the Trust's operational ability to meet its principle objectives and where possible, eliminate or transfer risks or reduce them to an acceptable and cost effective level.

The Trust Board currently has four identified strategic risks that are monitored and reviewed by a lead Executive Director and the appropriate Trust Board committee. Additionally these strategic risks are also reviewed by the Trust Board and Audit Committee. The four key strategic risks are detailed below.

Principal Risk	Key Controls
The tightened economic environment has the potential to affect our ability to remain competitive when local economies require greater efficiencies	<ul style="list-style-type: none"> Competitive tendering processes in place that are monitored through Business Development & Investment Committee Cost Improvement Programmes are applied to all aspects of Trust business. The Trust has been successful in a number of competitive areas and tenders. This growth has always revolved around our ability to make a positive difference within our services.
Reform and structural changes to the NHS creates a changing systems and political environment which creates the risk of not being able to effectively plan strategically with our partners over a longer period of time	<ul style="list-style-type: none"> Engagement in national forums such as Chief Executives and CQC and horizon scanning at Trust Board Engagement with stakeholders at local and regional level Development of sophisticated partnerships and new ways of working with general practice and primary care The Trust is a key player within the STP and a number of national fora focussed on mental health and learning disability services. Partnerships are a key value of the existing Trust and will be within our new organisation. This is based on our understanding that services should be holistic and include a range of partners to support the patient and their carer. The Trust has a significant range of partnerships that include education, private sector and charities. We have a successful network of sub contractors that deliver partnership and joint services together.
Increase in local and national competition, including a significant change in commissioning processes and scoring affects our ability to pursue new contracts	<ul style="list-style-type: none"> Co-ordinated robust approach to competitive tendering The Trust has a robust commercial and strategic framework that is supported by business plans and a commercial strategy The Trust deploys services across a range of markets and has developed expertise in these areas over many years.
Failure to maintain and improve the morale of the Trust workforce. The risks include: <ul style="list-style-type: none"> Increased sickness Reduced productivity Increased turnover Challenges in recruiting 	<ul style="list-style-type: none"> Monthly HR Reports Vacancy rates Staff Opinion Survey

Going Concern Disclosure

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.

Performance Analysis

The Trust has well defined performance management processes. These are linked to the operational and strategic objectives of the directorates and their business plans.

Performance against these plans is measured in a number of ways:

- Through regular progress updates at the Trust Board of Directors and/or its Sub Committees
- Bi-weekly Executive meetings and Bi- weekly Trust Management meetings
- Establishment of programme/project management boards
- Monthly directorate senior management meetings
- Performance reviews against the identified Trust 'Must Do' areas, with regular updates via our electronic performance system

The Trust uses a number of different processes for monitoring and acting on performance issues. Examples include; directorate governance processes; reporting on mandated indicators monthly at Finance and Performance Committee; routine service line reporting including finance and operational performance information (trajectories, benchmarking) which is used to track current and future performance. In addition Statistical Process Control charts are used to track the performance and highlight issues around patient safety data and complaints.

The Trust also employs a number of different approaches to provide assurance in relation to performance such as an annual programme of audit and clinical audit, peer review, benchmarking and LEAN.

The Trust Performance Review process is an example of how the Trust brings together and links various information about a service area to provide a comprehensive and 'rounded' picture of performance. The Performance Reviews look at a wide range of the 'Must Do' information about a service including both quantitative (finance, KPIs, workforce data etc) and qualitative information (service user feedback, incidents, complaints etc).

Important events since the end of the financial year affecting the Foundation Trust

During 2017/18 the Trust declared its intention to acquire Staffordshire and Stoke on Trent Partnership Trust (SSOTP). Subject to the agreement of the Trust's Regulatory Body this acquisition will be enacted on 1 June 2018. SSSFT will be responsible for the publication of the audited 2017/18 accounts and annual report and for the production, agreement and publication of the 2018/19 part year accounts.

Performance, Risk, Uncertainty

Robust risk management is central to the effective running of the organisation and therefore it is the responsibility of all managers and staff throughout the Trust. The Risk Management Framework therefore lays out the Trust's systematic approaches to risk management. There are a number of strategic aims of the Risk Management Framework including:

- To integrate risk management into all business decision making, planning, performance reporting and delivery processes to support the Trust in achieving a rigorous basis for decision making.

The Trust Board is responsible for driving South Staffordshire and Shropshire Healthcare NHS Foundation Trust forward to achieve its organisational objectives. This risk management strategy and its guiding framework are intended to support the Trust Board in achieving this aim by identifying any potential risks that could threaten achievement of its objectives and ensuring robust processes are in place to manage or mitigate any gaps identified in assurance.

The risk register is derived from a number of sources and is a dynamic working log which covers all risks. The Trust operates a three tier Risk Register system which includes a trust level risk register, directorate risk registers and team risk registers.

Key risks identified by the Trust Board, senior leaders, directorates and teams include areas of uncertainty and issues which may impact on the performance of the Trust including KPIs and regulatory frameworks such as the Single Oversight Framework.

High level risks are routinely monitored and challenged by senior leaders at Trust Management Team meetings. The trust level risk register is presented to the Trust Board on a quarterly basis and is monitored by each of the Board committees at each of their meetings where they consider both current and future risks. Directorate risk registers are monitored through the directorate governance groups on a monthly basis. Team level risk registers are monitored by the directorate leads with exceptions being reported through to the directorate governance groups.

Sustainability Report

Introduction

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

In order to fulfil our responsibilities for the role we play, SSSFT has the following sustainability mission statement located in our sustainable development management plan (SDMP):

As a part of the NHS, public health and social care system, it is our duty to contribute towards the level of ambition set in 2014 of reducing the carbon footprint of the NHS, public health and social care system by 34% (from a 1990 baseline) equivalent to a 28% reduction from a 2013 baseline by 2020. It is our aim to supersede this target by reducing our carbon emissions 5% by 2018/19 using as the baseline year.

Policies

In order to embed sustainability within our business it is important to explain where in our process and procedures sustainability features.

Area	Is sustainability considered?
Travel	Yes
Business Cases	Yes
"Procurement (environmental & social aspects)"	No
Suppliers' impact	No

One of the ways in which an organisation can embed sustainability is through the use of an SDMP. The board approved our SDMP in the last 12 months so our plans for a sustainable future are well known within the organisation and clearly laid out.

The Sustainable Development Assessment Tool has been completed with an overall score of 48%.

We have not assessed the social and environmental impacts of the Trust.

Our statement on Modern Slavery is, People who use service are at the centre of everything we do. We value the people who work for us. Our partnerships are important to us. (Modern Slavery Act 2015)

Adaptation

Climate change brings new challenges to our business both in direct effects to the healthcare estates, but also to patient health. Examples of recent years include the effects of heat waves, extreme temperatures and prolonged periods of cold, floods, droughts etc.

Our board approved plans to address the potential need to adapt the delivery of the organisation's activities and infrastructure to climate change and adverse weather events.

Events such as heatwaves, cold snaps and flooding are expected to increase as a result of climate change. To ensure that our services continue to meet the needs of our local population during such events we have developed and implemented a number of policies and protocols in partnership with other local agencies these include:

Air Conditioning Standard Operating Procedure (SOP), Energy Management SOP and Water Resource Conservation SOP

Green space & biodiversity

Currently the organisation has not got a formal approach to unlock the opportunity and benefits of natural capital within a healthcare environment in supporting the health and wellbeing of patient, staff and the community and to protect biodiversity.

Partnerships

The NHS policy framework already sets the scene for commissioners and providers to operate in a sustainable manner. Crucially for us as a provider, evidence of this commitment will need to be provided in part through contracting mechanisms.

We have not currently established any strategic partnerships. For commissioned services here is the sustainability comparator for our CCGs:

Organisation Name	SDMP	GCC	SD Reporting score
NHS Stafford and Surrounds CCG	No	No	Minimum
NHS South East Staffordshire and Seisdon Peninsula CCG	No	No	Minimum
NHS Telford and Wrekin CCG	No	No	Good
NHS Shropshire CCG	No	No	Minimum
NHS East Staffordshire CCG	Yes	No	Good
NHS Cannock Chase CCG	No	No	Minimum
NHS North Staffordshire CCG	No	No	Minimum
NHS Stoke On Trent CCG	No	No	Minimum

More information on these measures is available here: www.sduhealth.org.uk/policy-strategy/reporting/organisational-summaries.aspx

Performance

Organisation

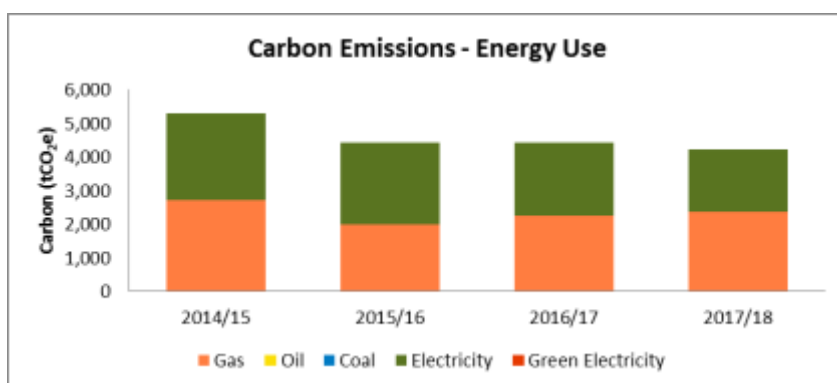
Since the 2007 baseline year, the NHS has undergone a significant restructuring process and one which is still on-going. Therefore in order to provide some organisational context, the following table may help explain how both the organisation and its performance on sustainability has changed over time.

Context info	2014/15	2015/16	2016/17	2017/18
Floor Space (m ²)	50,712	50,409	50,305	50,000
Number of Staff	2,956	2,893	3,106	3,334

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

Energy

SSSFT has spent £857,697 on energy in 2017/18, which is a 10.1% decrease on energy spend from last year.



Resource		2014/15	2015/16	2016/17	2017/18
Gas	Use (kWh)	12,929,685	9,544,642	10,736,369	11,117,304
	tCO ₂ e	2,713	1,998	2,244	2,357
Oil	Use (kWh)	0	0	0	0
	tCO ₂ e	0	0	0	0
Coal	Use (kWh)	0	0	0	0
	tCO ₂ e	0	0	0	0
Electricity	Use (kWh)	4,172,732	4,219,596	4,220,000	4,163,689
	tCO ₂ e	2,584	2,426	2,181	1,856
Green Electricity	Use (kWh)	0	0	0	0
	tCO ₂ e	0	0	0	0
Total Energy CO ₂ e		5,297	4,423	4,425	4,213
Total Energy Spend		£ 1,208,808	£ 871,214	£ 953,766	£ 857,697

Performance

0% of our electricity use came from renewable sources in 2017/18.

Commentary

Re-use

The re-use of goods and community equipment in the NHS has several key co-benefits, reducing cost to the NHS, it also reduces emissions from procuring and delivery of new goods and can provide social value when items are re-used in the community;

Category		2014/15	2015/16	2016/17	2017/18
Internal reuse of durable goods	£	0	0	0	0
External reuse of durable goods	£	0	0	0	0

Commentary

Paper

The movement to a Paperless NHS can be supported by staff reducing the use of paper at all levels, this reduces the environmental impact of paper, reducing cost of paper to the NHS and can help improve data security;

Paper		2014/15	2015/16	2016/17	2017/18
Volume used	Tonnes	0	0	0	0
Carbon emissions	tCO ₂ e	0	0	0	0

Commentary

Travel

We can improve local air quality and improve the health of our community by promoting active travel – to our staff and to the patients and public that use our services.

Every action counts and we are a lean organisation trying to realise efficiencies across the board for cost and carbon (CO₂e) reductions. We support a culture for active travel to improve staff wellbeing and reduce sickness. Air pollution, accidents and noise all cause health problems for our local population, patients, staff and visitors and are caused by cars, as well as other forms of transport.

Category	Mode	2014/15	2015/16	2016/17	2017/18
Patient and visitor own travel	miles	0	0	0	0
	tCO ₂ e	0.00	0.00	0.00	0.00
Staff commute	miles	2,839,585	2,779,067	2,984,866	3,202,699
	tCO ₂ e	1,043.35	1,005.01	1,078.76	1,141.20
Business travel and fleet	miles	0	0	0	0
	tCO ₂ e	0.00	0.00	0.00	0.00
Active & public transport	miles	0	0	0	0
	tCO ₂ e	0.00	0.00	0.00	0.00
Owned Electric and PHEV mileage	miles	0	0	0	0
	tCO ₂ e	0.00	0.00	0.00	0.00
Total cost of business travel	£	0.00	0.00	0.00	0.00

Performance

Waste

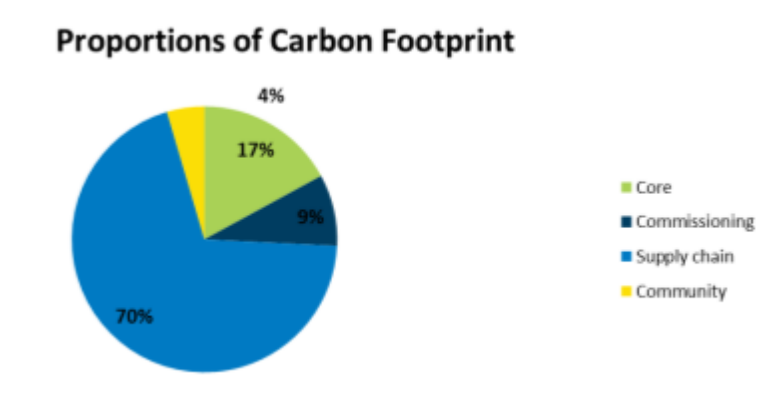
Waste		2014/15	2015/16	2016/17	2017/18
Recycling	(tonnes)	321.00	319.00	315.00	0.00
	tCO ₂ e	6.74	6.38	6.62	0.00
Other recovery	(tonnes)	0.00	0.00	2.11	0.00
	tCO ₂ e	0.00	0.00	0.04	0.00
High Temp disposal	(tonnes)	0.00	0.00	0.00	0.00
	tCO ₂ e	0.00	0.00	0.00	0.00
Landfill	(tonnes)	0.00	30.00	16.00	0.00
	tCO ₂ e	0.00	7.33	4.96	0.00
Total Waste (tonnes)		321.00	349.00	333.11	0.00
% Recycled or Re-used		100%	91%	95%	
Total Waste tCO ₂ e		6.74	13.71	11.62	0.00



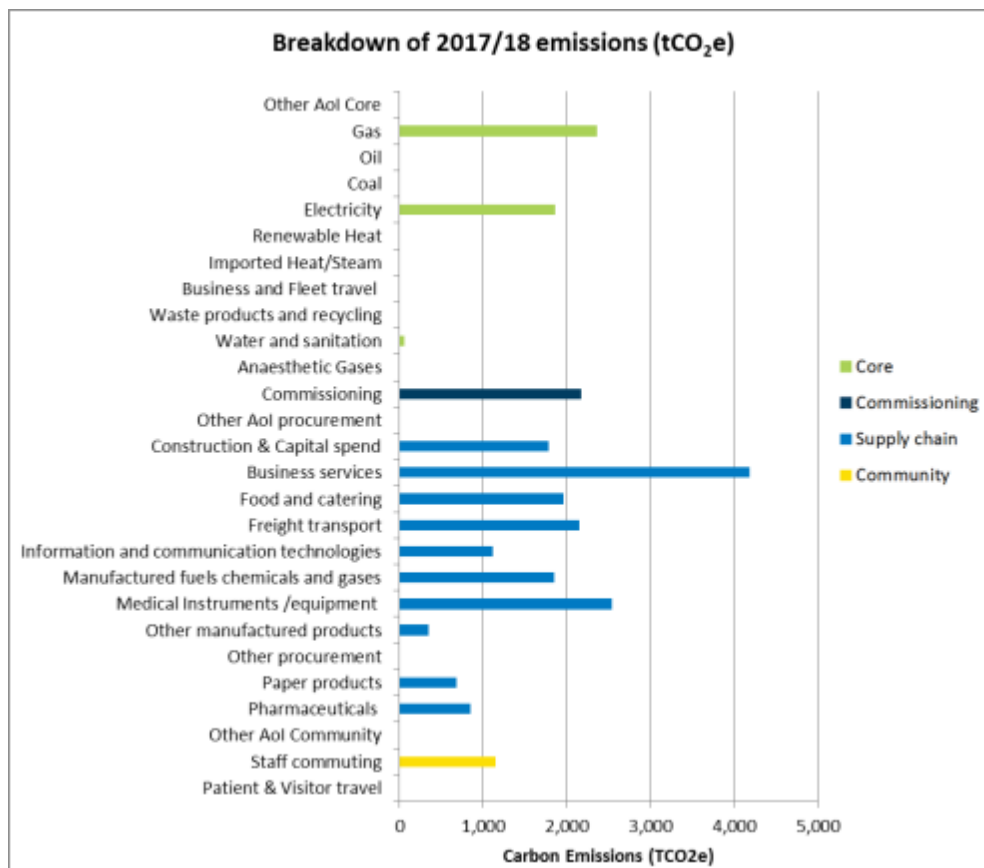
Finite resource use – Water

Water		2014/15	2015/16	2016/17	2017/18
Mains Water	m ³	53,746	38,864	47,584	59,517
	tCO ₂ e	49	35	43	54
r & Sewage Spend		£ -	£ -	£ 124,395	£ 156,636

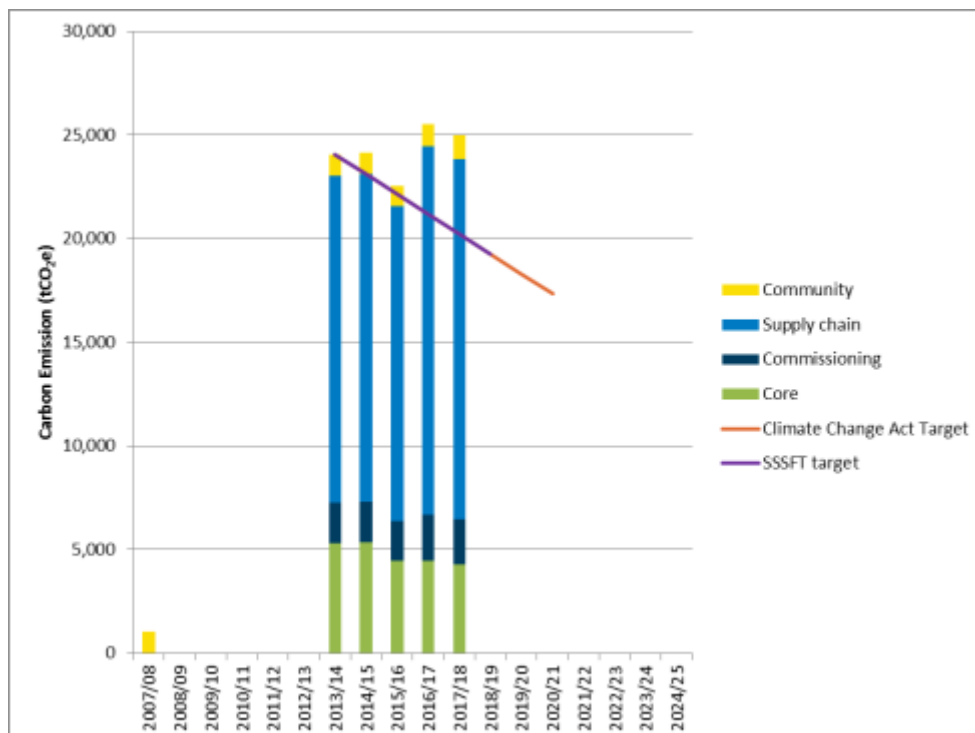
Modelled Carbon Footprint



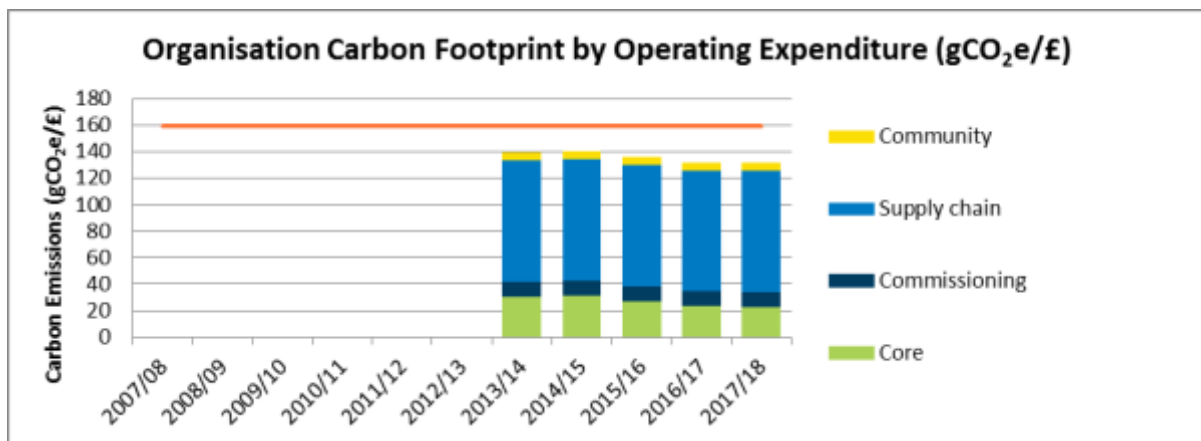
Resulting in an estimated total carbon footprint of 24,987 tonnes of carbon dioxide equivalent emissions (tCO₂e). Our carbon intensity per pound is 126 grams of carbon dioxide equivalent emissions per pound of operating expenditure (gCO₂e/£). Average emissions for mental health and learning disability services is 160 grams per pound.



Climate Change Act target



Benchmarking



Good Corporate Citizen

One of the ways in which we measure our impact as an organisation on corporate social responsibility is through the use of the Good Corporate Citizenship (GCC) tool.

Other community initiatives

The Trust is keen to play its part in the life of the local community and particularly recognises the importance of helping to reduce the stigma traditionally associated with mental ill health. For example, colleagues have contributed to features in the local media about the five ways to wellbeing and radio interviews about local services. Governor Members and the Membership Office have hosted events such as World Mental Health Day in the Redwoods Centre and Mental Health Awareness Week in Stafford and Telford ASDA. We've also attended community events such as Tamworth Mental Health and Wellbeing alongside the Samaritans and Staffordshire County Council and a Safe + Sound event in Stafford Market with various local agencies hosted by Staffordshire Fire and Rescue.

As a major local employer we understand the responsibility, and benefit, of supporting young people with work experience and access to training. Our work experience website offers help and guidance to anyone hoping to spend time in any of the Trust's services and colleagues have supported local careers fairs and events. We are committed to offering a range of apprenticeships and development opportunities.

Students from schools across Staffordshire and Shropshire have once again had the opportunity to attend our popular Aspiring Doctors Programme. Open to students aged 14+ who are considering a career in medicine, the programme aims to inspire and inform the young people about psychiatry. In addition this year we held our first Aspiring Allied Health Professionals day which was also very well received.

South Staffordshire and Shropshire Healthcare NHS Foundation Trust (SSSFT) is one of the first NHS organisations in the region to sign up to Step Into Health, a programme which encourages organisations to support Armed Forces leavers with recruitment into the NHS. Following a successful pilot, NHS Employers has taken on a national roll out of

the programme which helps prospective service leavers and veterans see the potential for a second career in health. Managers at SSSFT have recognised the benefits that serving personnel, veterans and military families bring to the workforce and have signed up to the programme, agreeing to recruit more members from the Armed Forces community into our organisation. As part of its commitment to the Step Into Health programme, the Trust will offer a range of additional support such as advertising vacancies directly to the armed forces and offering insight days and work placements.



At Step Into Health launch

Colleagues across the Trust also contribute time and money to local and national charities through various fundraising activities. This year these have included; a colour fun run and obstacle course, bake sales, fayres, Christmas elf days and moustache growing for Movember.

Signed:
Neil Carr
Chief Executive

Date: 25th May 2018

Accountability Report

Directors' Report:

The Directors of the Trust are:

Chairman:
Martin Gower

Chief Executive
Neil Carr

Non Executive Directors
Paul Bunting
Richard Cotterell
David Matthews
Sue Nixon (until 31 March 2018)
Megan Nurse
Ian Wilson

Executive Directors
Alison Bussey
Jayne Deaville
Steve Grange
Abid Khan
Theresa Moyes

Directors
Robert Graves
Greg Moores

More information about all the Directors can be found in the section on the NHS Foundation Trust Code of Governance from page 87.

It is the view of the Directors that this Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy. (C1.1)

A register of interests is maintained in relation to all Trust Board members. This is available on the Trust website or by application to the Company Secretary at Trust Headquarters.

The NHS foundation trust has complied with the cost allocation and charging guidance issued by HM Treasury.

Better Payment Practice Code

The Trust's performance against the policy has remained consistently high throughout 2016/17. The cumulative Public Sector Payment Policy (PSPP) for the financial year 2016/17 was 88.32% of invoices paid within 30 days.

The Trust paid £0 interest under the Late Payment of Commercial Debts (Interest) Act 1998.

NHS Improvement's Well Led Framework

In light of the proposed merger with Staffordshire and Stoke-on-Trent Partnership Trust (SSOTP), the self-assessment review was undertaken in partnership with SSOTP colleagues. This supported the sharing of good practice in advance of the merger, the opportunity for the findings of the review to be used to support the pre-merger due diligence work and in order that any gaps or risks could be identified and an action plan

implemented to address them. In addition, the reviews specifically considered the criteria for an “outstanding” rating so that the action plan could also identify actions focused on achieving this target. The NHSI guidance provided a template for the self-assessment and was populated for both organisations with evidence and a supporting narrative against each of the eight key lines of enquiry. The template also included a section for each sub question to be scored and given a priority rating. This was completed based on a peer review of SSOTP’s self-assessment by SSSFT and vice versa. The scoring methodology used reflected the NHS Improvement well led framework based on a RAG rating.

Based on the outcomes and any identified gaps in evidence or assurance from both self-assessments, an action plan was developed to address any gaps or make improvements where required, focusing on:

- Identification of priority actions required in the lead up to the merger to ensure that any gaps or risks identified were addressed or mitigated.
- Identification of additional actions and steps required to support the Trust’s “journey to outstanding” both pre and post-merger.

The action plan was designed to be iterative to enable any outcomes of the pre-merger due diligence work to be included and addressed and to be incorporated into the Post Transaction Implementation Plan with a clear focus on improving the governance of quality.

Enhanced quality governance reporting:

The Trust’s Quality Accounts, which can be found at the end of this document, provide more detail on the Trust’s approach to quality and how we assure ourselves that we continue to provide high quality services at the same time as identifying areas for improvement.

The accounts include detail of our performance against key healthcare targets. Details of performance against mandated national measures can be found on page 40 of the Quality Accounts. Locally we have identified three quality improvement priorities for the year that have been aligned to our Commissioning for Quality and Innovation (CQUIN) schemes and were chosen following a process of reviewing our current services, consulting with our key stakeholders and listening to the views of our service users. These are;

- 1 Reducing restrictive practices within adult low and medium secure services
- 2 Healthy food for NHS patients, visitors and staff
- 3 Effective communication between SSSFT clinicians and primary care clinicians for patients with severe mental illness

More detail about these targets can be found from page 16 of the Quality Accounts.

There are no material inconsistencies between the annual governance statement, annual and quarterly board statements required by the Compliance Framework; the quality report and the annual report or reports arising from Care Quality Commission planned and responsive reviews of the NHS foundation trust and any consequent action plans developed by the NHS foundation trust.

The Trust received 1 improvement notice following a review of acute inpatient wards on 8th September 2017. CQC have confirmed they are satisfied with the action taken and have closed the enquiry.

The Trust Board receives monthly Assurance Reports containing updates from each Executive Director aligned to their portfolios and the key delivery areas as set out in the Trust's Strategy.

The Trust Board receives regular updates in relation to Trust compliance with the CQC assessment framework. This includes updates following external compliance assessments, such as those undertaken by CQC for Mental Health Act compliance and updates from internal programmes such as clinical audit and quality standards assurance visits.

Delivery of high quality care remains our Trust priority against a backdrop of high acuity and significant challenge. We are committed to delivering safe, effective, compassionate care that strives for good clinical outcomes across all the healthcare communities that we serve. If at any point we fall short of delivering the high standards that we expect then we take immediate and robust action to investigate and learn lessons.

The Trust Board gives the Trust Quality Governance Committee authority to track the strategic delivery of the following Trust objectives;

- *Provide high quality, recovery focused services*
- *Deliver all regulatory, financial, performance, quality standards*

The Committee supports the delivery and monitoring of the quality of services. As part of this role the Committee receives and reviews annual reports and thematic reviews that provide detailed scrutiny of the quality of care provided, and any actions required to address areas for improvement. More detail on all aspects of our quality monitoring can be found in the Quality Accounts at the end of this report.

The Trust has a Quality Strategy that sets out the Trust's approach to quality and the eight enabling components it uses to achieve its quality aim. The document also clearly sets out staff's personal and team based roles and responsibilities for providing high quality services.

Patient care:

Being a foundation trust enables us to;

- Build on and improve positive relationships with service users, carers, staff, partners and local people and be more accountable to the communities we serve.
- Strengthen our internal processes and systems to meet the challenges of modern health services
- Develop locally based specialist services
- Respond better to market opportunities
- Continue to invest in capital developments

Information on the Trust's performance against key health targets and arrangements for monitoring improvements in quality of healthcare and progress towards targets can be found in the Single Oversight Framework section on page 93

The Quality Accounts section of this document offers a review of the priorities for quality improvement for 2017-18 which were identified in last year's Quality Accounts. This can be found from page 12 of the Quality Accounts.

The Highlights section of this report from page 6, offers a broad overview of service developments and improvements during the year including any new or significantly revised services.

Improving Services Based on Feedback

South Staffordshire and Shropshire Healthcare NHS Foundation Trust (SSSFT) is committed to ensuring service users have the best experience of care. Service user and carer involvement is key to developing and delivering responsive services.

The Trust uses a range of methodologies to capture feedback from service users and carers.

Through our programme of Quality Standard Assurance Visits service user, family and carer views are sought by the visiting teams and action taken to make service improvements where required. Members of the visiting team encourage service users, family and carers to be open and honest about the feedback they give.

The Trust's real-time feedback system has shown satisfaction levels above 92% during the year. The system is configured to align questions within the surveys to the Trust's five key values as an illustration of the extent to which service users and carers believe that staff are adhering to the values in practice and provide valuable insight into the service user and carer experience, which is monitored on a quarterly basis through reports to the Trust's Quality Governance Committee and Board.

During the past year the Trust Board has continued to hear directly from service users and carers through its programme of patient stories. These provide Board members with a valuable opportunity to gain further insights into the patient experience. Board members agree actions to be taken in response to the story heard and ensure that the learning from the stories is shared and disseminated widely.

Improvements in patient/carers information

We continue to use our website and associated microsites to provide information on our organisation and services. This is continually amended and updated in response to service changes and feedback.

This year we have focussed on improving the information for carers on the Trust website, improving the "Getting Involved" microsite and on improving access to information about raising concerns, complaints or compliments. We have also introduced a monthly involvement page in the Trust magazine with contributions from service users and carers.

The Involvement and Experience Team have developed their social media presence via Twitter and Facebook. A Facebook page has been developed for service user and carer involvement representatives and staff which will be used for advertising involvement opportunities, communication between involvement representatives and to provide updates on service user and carer experience activities.

Staff have been doing a lot of work to embed the sense of wellness and self-management in services, and incorporated this in the 'Wellness Plan Booklet'. The Wellness booklet is aimed at supporting someone throughout their journey which includes transitions and leaving services. Many of the ideas, for example a weekly planner from previous conversations about discharge, have been included. It is available now and people are being encouraged to use it. We will be loading it on the website but it is currently available to staff on the intranet.

Another focus has been on promoting people's involvement in care planning. This resulted in a poster to publicise that people should have a say in their care plan and can have a copy. We hope this will encourage people to get involved in their care plan. The posters have been distributed to team bases for display in waiting rooms.

Mental health staff have also been working with service users and carers on a raft of information including Pathway leaflets, a first appointment leaflet for community patients, a general information leaflet (e.g., confidentiality, access to health records, PALS) and ward information leaflets.

Service User and Carer Involvement – "Involvement for Impact"

The Trust recognises that service users and carers are 'experts by experience', and therefore should be making a vital contribution to all aspects of the work undertaken within the services provided by the Trust. For effective involvement, people need to feel supported and for their contribution to be valued, respected and have an impact. By using service user, carer and family experiences, enthusiasm and ideas, this can bring a whole new point of view to the planning and delivery of those services. It is really important to us that the people who use our services have the opportunity to get involved in shaping those services and influencing the Trust's work.

In January 2017 the Board ratified a new, Trust-wide framework for involvement – "Involvement for Impact".

There was already work at a national level led by NSUN (National Service User Network) and NIP (National Involvement Partnership), that was beginning to have an impact locally. The aim of this work was to hardwire the service user and carer voice and experience into the planning, delivery and evaluation of health and social care services. The 4Pi National Involvement Standards were the result of this work.

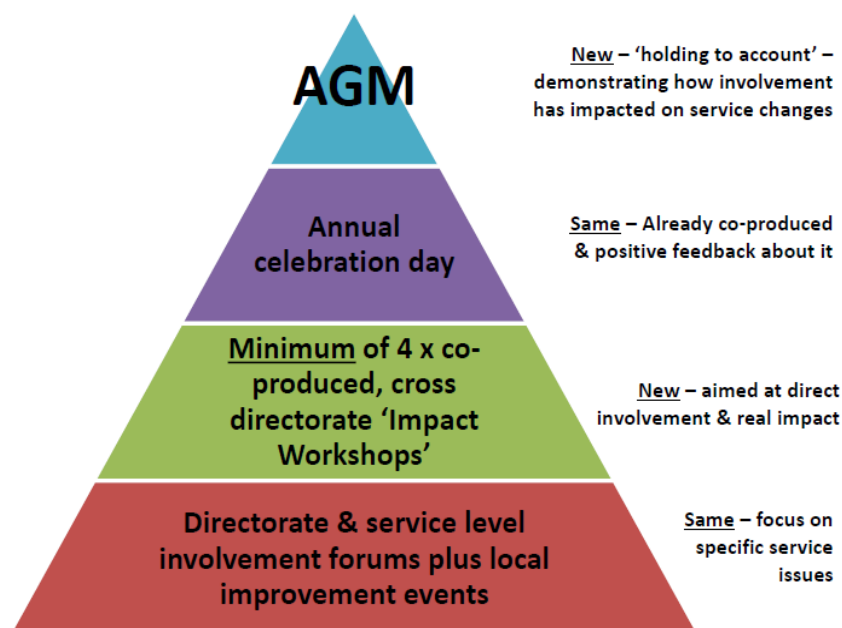
4Pi is a framework for the involvement of service users and carers - in our own care, in our communities, in service delivery and evaluation and in organisational governance and strategy.

- 4Pi is a simple framework on which to base standards for good practice, and to monitor and evaluate involvement.
- The framework builds on the work of many people: mental health service users and carers and others who have lived and breathed involvement and shared their experiences in various ways, both written and unwritten.
- Meaningful involvement means making a difference: it should improve services and improve the mental health, wellbeing and recovery of everyone experiencing mental distress.



Involvement for Impact – A Strategic Framework

“Involvement for Impact” describes a commitment to service users and carers that there would be more, but different, involvement activities at this level: the overarching aim being to create more impact. The changes are shown in the diagram below.



- The Trust Festival (Annual Members/ General Meeting)
The Trust Festival focussed on the ways in which teams have involved service users and carers in service improvements and the directorates hosted stands including presentations to showcase their involvement activities.
- Annual Celebration Day
The theme for this year's Celebration Day was 'Celebrating the Impact of Involvement' which focused our attention on what can be achieved through engagement with service users and carers.
- Impact Workshops
Impacts need to be planned for if they are going to make a real difference and measurements need to be put in place during the planning stage. The 4Pi model was used in planning and delivering workshops during this which asked the impact questions from the 4Pi model:

What are the intended outcomes?

- How will you identify what actual differences have been made?
- How will you assess how everyone feels about the process?
- How will you know if involvement makes a difference to the end result?
- How will you know if involvement makes a difference beyond the activity itself?

To make sure that new Impact Workshops could be evaluated as making a positive difference, the Service User and Carer Committee drafted rules that were tested during the course of the year. These were that workshops must;

- Be designed and led in co-production, including by at least one service user or carer and at least one staff member or manager
- Be relevant to more than one directorate and/or service type
- Have goals that can be measured for impact over time
- 'Live our Values' through our service users and carers charter and include 4Pi National Involvement Standards' principles
- Be representative. The size of workshops will depend on the themes, but participants (both staff and people with lived experience) must have relevant experience of what's being explored and commit to sharing the outcomes with others.

To demonstrate how the draft rules and evaluation criteria could be met, a template was developed to help workshop leaders focus on impact.

Directorate and Service Level Improvement Forums

In addition to the Impact Workshops, directorate and service level involvement forums continued in addition to local improvement events.

We adapted methods used in our Quality Improvement model to measure impact and make sure there are lasting effects. Considerable work was done during 2017 in order to deliver the backbone of the new model.

The following are examples of further co-produced involvement projects that were developed in an equal partnership with service users, carers and staff:

- **Care planning** - posters publicising that people should have a say in their care plan have been distributed to team bases and are now displayed in waiting rooms.
- **Welcome Packs** - pathway leaflets, a first appointment leaflet for community patients, a general information leaflet (e.g. confidentiality, access to health records, PALS) and ward information leaflets have been co-produced. These have been made available via the Trust website.
- **Survey** – the community mental health survey has been revised to include fewer and more specific questions relating to the new community pathways.
- **Wellness Plan booklet** – this has been developed and complements the care plan and supports keeping well following discharge. It has been launched as a tool for all service users to keep in their possession and write in themselves. In addition, a poster informing about care planning was requested and has now been co-produced with service users and distributed to service locations. This is available on the intranet and is being made available on the Trust website.
- **Monthly Involvement Page** - we have introduced a monthly involvement page in the Trust magazine with contributions from service users and carers
- **Introduction to Involvement Training** - Training dates have been set for the next year until January 2019 for service users, carers and staff
- **Recruitment and Selection Training** - New recruitment and selection training aimed at service users and carers is being developed.
- **PLACE Training** - The PLACE (Patient Led Assessment of the Care Environment) inspections on the ward environment are now supported by a training module
- **Patient Stories** - patient stories have been presented to the Board on a regular basis over the year.
- **Involvement Packs and Re-Branding** - Launch of the new involvement packs and re-branding of involvement. As part of this project, some tools have been developed for staff to use including a form to complete, so we can link service users and carers with opportunities for involvement. The database that sits behind this process will be improved to record people's skills and experience, so they can be better matched to opportunities.

Complaints Handling

Our Complaints and Patient Advice and Liaison Service (PALS)

We strive to put service users and carers at the centre of everything we do. The Trust welcomes the opportunity to learn from feedback received via formal complaints, PALS concerns, compliments and surveys which often results in service improvements.

We are an organisation which considers the learning from complaints a valuable opportunity to share good working practice and also improve standards of service delivery. To this end, information is presented to the Trust Board's Quality Governance Committee, as part of the quarterly Combined Risk Management Report, where learning is reviewed. On an annual basis, a thematic review of the complaints, concerns and

compliments functions of the Trust is undertaken, which includes examples of both service improvements and the learning that has taken place over the year.

PALS provides information and support to service users, carers and families, aiming to resolve any concerns promptly and to ensure that, where appropriate, policies and working practices are amended so that the issues do not arise again.

During 2017/18, the Patient Advice and Liaison Service (PALS) saw an overall 3% decrease in contacts¹, with a 15.5% increase in the number of concerns received and a 31% decrease in the numbers of compliments.

The Trust saw an overall 12% decrease in formal complaints received.

The types of contacts received are detailed in Table 1.

Table 1

Contact Type	2016-17	2017-18	% difference
Formal Complaint	109	96	12%↓
PALS-Concern	687	794	15.5%↑
PALS-Feedback/Suggestion	41	43	5%↑
PALS-Information Request	37	43	16%↑
PALS-Compliment	495	342	31%↓
Grand Total	1369	1318	4%↓

Examples of learning from formal complaints and PALS are as follows:

- Inclusion Services have implemented a process involving Personalised Access Plans (PAPs) for service users and patients where there are accessibility issues. These involve sitting down and agreeing a plan with the service user and recording it on a specific form.
- Triangle of Care/Standards of Care for Community Mental Health Teams - process of implementation/deployment agreed at Quality Assurance and Improvement Group
- "Help is at Hand" and other relevant information for bereaved families attached to Duty of Candour Letter
- Initial appointment letter amended to ensure that this provides individuals referred to the service with a short explanation/information regarding what to expect at the first appointment.
- Development of an information leaflet detailing the process from referral onwards. The leaflet will also include relevant websites that might be helpful.
- The pathway will now change and all referrals regardless of age will follow an agreed pathway during assessment ensuring that all assessments are concluded before diagnosis is offered.

¹ Includes PALS concerns, feedback/suggestions, information requests and compliments

- As an interim change, those under the age of 65 years are being visited at home by an assistant practitioner who will undertake an initial assessment and provide the required support during the remaining period of assessment.
- All assessments and contacts, (face to face/telephone) per policy which states that all documented within healthcare records within 24 hours.
- Section 117 aftercare meeting to be arranged for all service users on Section 3 of the Mental Health Act, prior to discharge from hospital, to include care co-ordinator and family perspectives.
- All staff assess need for an adjustable bed and document the rationale appropriately
- Protocol implemented for contacting medical specialty colleagues to ensure care plans contain an overall picture, including any physical health issues
- Review of the use of DMI techniques including ensuring staff are suitably trained and supervised in their use
- Fluid and food intake observed and both maintained as part of daily engagement between service users and staff
- Welcome pack revised to include that clean bedding can be requested and an explanation that service users will be encouraged as part of their recovery to make their beds outside normal house-keeping duties.
- When inpatient consultants are considering a change in diagnosis for a service user that is well known to a community consultant, a discussion is now held between the two consultants regarding future treatment plan.
- Community team undertook a review of practice in relation to sharing of care plans to ensure Trust care planning standards are met.
- A poster is now displayed in service areas encouraging service users and carers to ask staff for a copy of their care plan.
- Benzodiazepine Prescribing Standard Operating Procedure developed including addition of a contract to formalise treatment regimen with service users
- Welcome pack developed to provide to service users on entry to the service (including providing information about Benzodiazepine detox prescribing guidance)
- Service users are provided as part of the plan of care with mechanisms for support as part of any referral
- Engaged service user in co-producing future complaints training for investigating officers
- Leaflet and poster developed informing service users of the need to be seen alone as part of consultation so they are aware of this practice in advance.

PALS Concerns

Patient care (21% of total), values and behaviours (13% of the total), communications (12.5% of the total) and appointments (11% of the total) were the highest categories of concerns received. These are demonstrated in table 2.

493 concerns were received for community services, with 301 for in-patient services. 540 of concerns raised were for mental health services (Shropshire 180, Staffordshire 360).

The highest numbers of concerns received were for Staffordshire in-patient services, with a high number of concerns in the 0-25 Wellbeing Shropshire, Telford and Wrekin and across both Staffordshire and Shropshire in the Non-Psychosis Pathways.

Table 2

Subject	2016-17	2017-18	% difference	% of total (2017-18)
Access To Treatment Or Drugs	28	45	61%↑	6%
Admission And Discharges	46	49	6.5% ↑	6%
Appointments	36	89	147% ↑	11%
Clinical Treatment	55	48	13% ↓	6%
Commissioning	2	1	50% ↓	0.1%
Communications	87	100	15% ↑	12.5%
Consent	1	0	100% ↓	0.1%
Facilities	69	50	27.5% ↓	6%
Integrated Care	2	1	50% ↓	0.1%
Other*	36	38	5.5% ↑	5%
Patient Care	118	169	43% ↑	21%
Prescribing	27	21	22% ↓	3%
Privacy, Dignity & Wellbeing	36	34	5.5% ↓	4%
Restraint	7	1	86% ↓	0.1%
Staff Numbers	8	4	50% ↓	0.5%
Transport	1	1	-	0.1%
Trust Admin/Policies /Procedures Including Patient	51	28	45% ↓	3.5%
Values And Behaviours (Staff)	72	101	40% ↑	13%
Waiting Times	5	14	180% ↑	2%
Grand Total	687	794	15.5% ↑	100%

* "Other" consists of concerns received about aggression/assault/abuse, loss/damage of personal property etc)

Compliments

There has been a decrease of 31% in compliments received when compared with last year. The following are some examples of the compliments that have been received during the year, in their own words ...

- "Tireless efforts by ward staff to understand borderline personality disorder in helping a service user, which has had a huge impact on the service user's feelings and behaviour".
- "Thanks to the staff who have been very good in helping [a service user] back to a reasonable state of mind and she now feels relaxed".

- “I would like to thank the ward staff for their care, and was impressed in their ability and warmth exhibited towards all of the patients”
- “Thank you for everything can’t grumble about anything. Been very caring all of you - enjoyed the stay”.
- “Thank you so much for all you have done for me - I am a totally different person and owe it all to you”.
- “CAMHS has really helped our family with my son and made a huge difference to all our lives”.
- “All of the nurses are always friendly, respectful and professional”.
- “Thank you for your continued help and support. You are very special and have made a big difference [to the service user] by treating her as an equal and boosting her confidence and need to take control of “this wicked illness”. Amazing, caring, talented lady!”
- “Today, I am a man that no longer needs to rely on alcohol”.
- “When I first went into treatment I was an alcoholic and drug dependent and never thought I could change. But now after a few years I can say that I'm drug free and working full-time”.
- “When I first went to the group I could not talk to anyone or make eye contact with anyone. But the longer I went the more I talked to people and opened up about my anxiety and depression. I thought the group was helpful for me and has helped me a lot”.
- “Me and my partner are now 8 weeks’ clean and find the service very motivating and friendly. Our lives have changed for the better”.
- “I valued the attention given by the therapist who spent time with me and helped identify issues to be addressed. I found the initial telephone assessment, when I was at a very vulnerable point, very encouraging and supportive. There was no sense of being rushed through the questions”.
- “I was having panic attacks after having a traumatic birth - I cannot recommend/thank my support worker enough. He made me feel comfortable and I felt that I could tell him anything without being embarrassed”.

The highest numbers of compliments received are for Staffordshire in-patient services who received 27% of compliments.

Complaints

The Trust has always welcomed receiving complaints, as this gives the organisation opportunities to learn and improve service delivery and fosters a culture of listening, responding and improving.

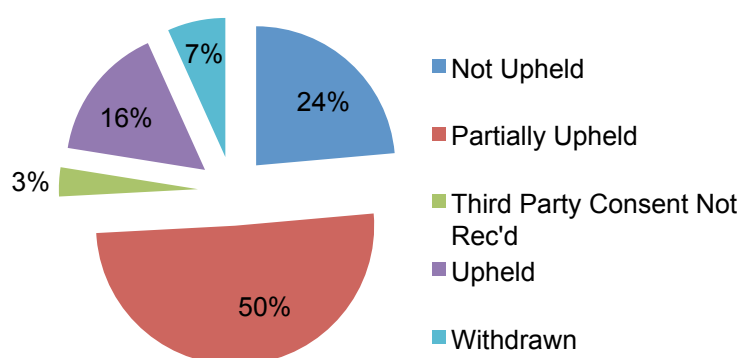
Patient care (26% of total), communications (18% of total) and clinical treatment (18% of total) were the top 3 categories for formal complaints received, representing 61% of the total complaints received.

Table 3 demonstrates complaints received per subject (NB these are recorded separately from PALS concerns):

Table 3

Subject	2016-17	2017-18	% difference	% of total (2017-18)
Access To Treatment Or Drugs	2	2	0%	2%
Admission And Discharges	11	10	9% ↓	10%
Appointments	6	2	66% ↓	2%
Clinical Treatment	14	17	21% ↑	18%
Commissioning	0	1	0	1%
Communications	28	17	39% ↓	18%
Facilities	0	1	0	1%
Integrated Care	0	1	0	1%
Patient Care	10	25	150% ↑	26%
Prescribing	6	0	100% ↓	0%
Privacy, Dignity & Wellbeing	1	3	200% ↑	3%
Restraint	2	0	100% ↓	0%
Trust Admin/Policies/Procedures	8	0	100% ↓	0%
Values And Behaviours (Staff)	18	16	11% ↓	17%
Waiting Times	3	1	66% ↓	1%
Grand Total	109	96	12% ↓	100%

At the time of writing, the Trust had concluded 80 complaints, with the outcomes shown in the pie chart on the right.



During 2017/18, the Parliamentary and Health Service Ombudsman (PHSO) requested 6 sets of casework in connection with complainants who had requested an independent review of their complaint against the Trust.

Two outcome reports were received during the year; 1 case was not upheld, one upheld.

One draft report has been received in which the PHSO intends to partially uphold the complaint – the final report is awaited. Three are currently under investigation.

Stakeholder relations

We believe that partnerships are our future, both for the way in which we deliver services and also in the way that we deliver the 'business'. We deploy a robust framework in order to assess our current and potential partners which protects our organisation and ensures we fully understand what kind of relationship we are getting into. All formal partnerships and potential partners are tested against a core set of values based qualities and these partnerships are then detailed legally in contracts and sub contracts.

An illustration of our key relationships;

- Local Authorities, including county and borough councils
- Clinical Commissioning Groups (CCGs)
- NHS Trust Development Agency
- NHS Improvement
- Care Quality Commission
- Third sector (social enterprise and community interest companies), voluntary and charitable organisations
- Healthwatch
- Health Overview and Scrutiny Committees
- Universities
- Local MPs
- Ministry of Defence
- Home Office and Prisons
- Other trusts, including NHS foundation trusts
- Independent sector
- NHS Vanguard partners

The Trust is working in partnership with stakeholders across the health and care economy to develop new models of care which will work independently but at the same time be inter-dependable and form a single approach to the delivery of enhanced primary and community care. The framework includes general practice, locality care hubs and multi-speciality community providers which work together to develop new pathways of integrated care that support local people.

We have a track record of working in partnership to develop and deliver services.

Our contract with the Ministry of Defence to provide inpatient mental health care for serving military personnel has been successfully retained and is now in its eleventh year. This service is delivered as part of a network with the Trust acting as the lead for the seven participating NHS organisations.

An innovative partnership has been established with the Armed Forces Institute



Major General Salim with
CEO Neil Carr

of Mental Health Pakistan to discuss the possibility of Pakistani military doctors spending time in the Trust to gain additional skills in mental health and psychiatry. The Trust would also benefit from the knowledge and skills of the military doctors who would bring a fresh perspective and also provide additional medical capacity to local mental health services.

A partnership with Stafford Borough Council has contributed to halving the number of rough sleepers in the town. Community Matron, Suzanne Rigby is employed by SSSFT to provide support for the emotional wellbeing needs of the homeless alongside their physical health and other support requirements. Speaker of the House of Commons, John Bercow visited the Borough at the invitation of MP Jeremy Lefroy and met with Suzanne, SSSFT Chief Executive Neil Carr and representatives of Stafford Borough Council and Eagle House which has been instrumental in delivering the new 'Housing First' project to get homeless people into long term, sustainable accommodation.



John Bercow visiting Stafford

Colleagues from the Trust have met with the local fire service and agreed a partnership based on our shared role supporting our communities. The partnership includes sharing of data around prevention and population at risk and working jointly on initiatives such as falls prevention.

Our Arts for Health team partners with a range of local people and organisations to deliver a wide ranging and very well received programme of arts activities which have a positive impact on the wellbeing of service users and carers. Some external funding comes from grants such as the People's Postcode lottery; local businesses; councillor support; and general fundraising activities.



Author Joanna Cannon supports the Reading for Wellbeing programme

In March 2017 South Staffordshire and Shropshire Healthcare NHS Foundation Trust (SSSFT) and Staffordshire and Stoke-on-Trent NHS Partnership Trust (SSOTP) announced that the two organisations were entering into an 'enhanced partnership' arrangement to ensure improved patient care for the people of Staffordshire and Stoke-on-Trent. By coming together as one organisation we will break down some of the barriers that currently exist and make sure that we continue providing high quality care which remains affordable. Together we can:

- Improve access to physical and mental health, learning disability and social care services.
- Design a single joined up service around the service user and their family - creating less confusion when individuals are at their most vulnerable.
- Reduce duplication and enable better care co-ordination.

- Improve information sharing between professionals.
- Create a more effective and efficient service to manage increasing demand.
- Provide greater opportunities to support staff recruitment and retention.

The expectation is that the two organisations will be merged on 1 June 2018.

Formal Consultation

The Trust participated in a formal consultation led by Staffordshire County Council (SCC) to seek views on the plans to enter into a new Section 75 Agreement with one provider. The consultation was launched on 29th November 2017 and ran for 8 weeks, ending 24th January 2018. Following this SCC agreed that SSSFT should provide adult mental health social care support across Staffordshire.

In addition, the Trust remains committed to ensuring all stakeholders are given the opportunity to be engaged in improving and developing services. Service users, carers, commissioners, representatives of partner and local third sector organisations regularly contribute to discussion and debate around future plans and feedback is welcomed and acted upon.

Public and patient involvement activities

Seeking the views of the people who use Trust services is important to us as it enables us to improve the care we provide and meet the needs of service users and their families and carers. A number of patient forums help us to gather views and during 2016 we have set up more local forums to reach out into communities. The issues raised are reported to clinical teams and senior managers to respond.

These are some of the areas where service users and carers have helped us to improve services over the last year, more detail on the Trust approach to involvement for impact can be found from page 33:

- running our patient forums
- interviewing new staff
- redesigning community mental health services
- approving patient information leaflets
- inspecting the ward environment
- training staff, service user and carers

Celebrating Involvement

The Service User and Carer Involvement Celebration Day is an annual event to highlight some of the involvement taking place across the Trust. A record 160 people attended this year's event which included presentations, workshops and creative activities. The event is also an



Celebration Day

opportunity to recognise individual achievements with awards for personal development, a contribution to learning, involvement in service development and a commitment to volunteering. Amongst the winners this year were a group of nine young people who have worked to shape Child and Adolescent Mental Health Services, taking part in interviews, consultations, conferences and influencing a number of service developments. Two service users from forensic services in Shropshire were also commended for co-producing and delivering courses within the Trust's Recovery College.

Wellbeing and Recovery College

The Trust's Wellbeing and Recovery College offers recovery-focused education and training with all courses co-produced and co-delivered by a peer trainer (with lived experience of either mental health challenges, learning disabilities and/or caring) and a trainer with relevant professional experience, working in partnership. There are now over 20 courses to choose from, providing an inspiring and friendly environment for students to share experiences and learn together.

Statement as to disclosure to auditors

For each individual who is a director at the time that the report is approved, 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.

Income disclosures required by Section 43(2A) of the NHS Act 2006

The Trust has met the requirement of Section 43(2A) of the NHS Act 2006 requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes.

Remuneration Report:

Senior managers' remuneration policy

All Executive Directors have permanent contracts and notice periods of six months. All other Trust employees, including senior managers, are employed on Agenda for Change pay bands and terms and conditions of service. There have been no changes made to existing components of the remuneration package for 2017/18 other than those listed above. With regard to the requirement to outline payments to those staff earning above the threshold of £150,000 this currently applies to the Chief Executive Officer.

Service contracts obligations

There is no obligation on the foundation trust which:

- is contained in all senior managers' service contracts;
- is contained in the service contracts of any one or more existing senior managers (not including any obligations in the preceding disclosure); and/or
- the foundation trust proposes would be contained in senior managers' service contracts to be entered into and which could give rise to, or impact on, remuneration payments or payments for loss of office but which is not disclosed elsewhere in the remuneration report.

The Fit and Proper Persons test is applied to executive, non-executive directors and associate members of the Trust Board. All members of the Board have declared their compliance with this and their contracts reflect the requirements of the test.

Policy on payment for loss of office

Agenda for Change terms and conditions regarding loss of office apply to all senior managers other than Executive Directors, who are entitled to six months' notice.

Where loss of office (dismissal) occurs, payments will be paid in accordance with the senior manager's contract, including notice and contractual redundancy pay (if applicable).

The circumstances of the loss of office and the senior manager's performance are not relevant to any exercise of discretion.

Summary of Remuneration Committee Role and annual statement from the Committee Chairs

Executive Directors

Key areas discussed by the Executive Director Remuneration and Nominations Committee *in support of the strategic objectives of the Trust and to ensure the Board attracts and retains high calibre personnel with the skills to deliver the organisation's objectives* were as follows:

- the basic remuneration and allowances of Executive Directors was agreed to be competitive and benchmarked against trusts of a similar size.
- the achievement of executive director objectives was reviewed.
a 1% inflationary increase awarded to staff on agenda for change terms and conditions was also applied to executive director remuneration for 2017/18
- a performance related pay element of 7.5% of basic pay (non-pensionable and non-recurrent) was agreed for Executive Directors, plus the Director of Workforce and Development, and the Director of Facilities and Estates for 2017/18 in line with the same arrangements implemented for 2016/17. This was agreed by the Remuneration and Nominations Committee on 22nd February 2018 where it was confirmed that it would be based on the achievement of financial balance, Care Quality Commission compliance, and recognising the individual directors' role in supporting the delivery of system change in the local health economy and therefore would be applied retrospectively after the end of the 2017/18 financial year.

Non-Executive Directors

The Remuneration and Nominations Committee, established to consider the remuneration of Non-Executive Directors, comprises Governor Members and is chaired by the Lead Governor/Deputy Chair of the Council of Governors. The committee met once during 2017/18. The Committee received benchmark information on the remuneration of Chairs and Non-Executive Directors across the Foundation Trust sector. The Committee agreed a 1% inflationary pay uplift to be awarded to the Chairman and Non-Executive Directors for 2017/18, in line with the uplift given to staff on Agenda for Change terms and conditions.

Non-Executive Director Remuneration and Nominations Committee (B2.1)

Remuneration: The Remuneration and Nominations Committee (Non-Executive Director) is appointed and authorised by the Council of Governors, to set appropriate remuneration and terms of appointment for the Chair and Non-Executive Directors, and is guided by best practice and market trends. It may also be called upon to provide advice to the Council of Governors on other contractual issues relating to Non-Executive Director appointments in the Foundation Trust, such as remuneration, which includes all aspects of remuneration (including any allowances), provisions for other benefits, as well as arrangements for termination of appointment. Main functions include:

- To receive advice as necessary on overall remuneration and terms and conditions of appointment for Non-Executive Directors
- To set levels of remuneration and terms of appointment for Non Executives
- To advise the Board of appropriate remuneration strategies for Non-Executive Directors
- To monitor the performance of Non-Executive Directors through the Trust Chair
- To monitor the performance of the Trust Chair

Nominations: The Remuneration and Nominations Committee have a fundamental role to assist the Board of Directors with its oversight role by:

- Periodic review of the numbers, structure and composition (including the person specifications) of Non-Executive Directors, to reflect the expertise and experience required, and to make recommendations to the Council of Governors.
- Developing succession plans for Non-Executive Directors, taking into account the challenges and opportunities facing the trust
- Identifying and nominating candidates to fill Non-Executive Director posts
- Keeping the leadership requirements of the Trust under review, to ensure the continued ability to provide cost effective, high quality and appropriate health services.

The Non-Executive Director Remuneration and Nominations Committee met during 2017/2018. In December 2017, the Council of Governors approved the Remuneration and Nominations Committee's recommendation to extend Sue Nixon's term of office until 31 March 2018.

Nominations Committee (NED)	20/11/2017	12/03/2017
Martin Gower (Chairman)	✓	✓
Dave Gill (Lead Governor)	✓	✓
Helen Allen (Governor member)	✓	✓
Ravi Bhakhri (Governor member)	✓	✓
Lilian Owens (Governor member)	✓	✓
Steve Morris (Governor member)	✓	✓

Remuneration and Nominations Committee (ED)	25/07/2017	24/08/2017	22/02/2018	19/03/2018	28/03/2018
Martin Gower (Chairman)	✓	✓	x	✓	✓
Paul Bunting (Vice Chair)	x	✓	✓	✓	✓
Ian Wilson (Senior Independent Director)	✓	x	✓	✓	✓
Sue Nixon (Non-Executive Director)	x	✓	✓	✓	✓
Richard Cotterell (Non-Executive Director)	x	✓	✓	x	✓
Megan Nurse (Non-Executive Director)	✓	✓	✓	✓	✓
David Matthews	✓	✓	✓	✓	✓

Salaries and Allowances of Senior Managers

See table on page 52.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in South Staffordshire & Shropshire Healthcare NHS FT in the financial year 2017/18 was £170,943 (2016/17, £169,000). This was 6.43 times (2016/17, 6.43) the median remuneration of the workforce, which was £26,565 (2016/17, £26,302).

In 2017/18, 1 (2016/17, 1) employee received remuneration in excess of the highest-paid director. Remuneration ranged from £10,804 to £211,785 (2016/17 £6,560 - £204,902)

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.

The performance related pay element is contingent on two conditions being met; delivery of the 2017/18 Financial Plan, and the Trust not receiving any formal Warning Notices from the Care Quality Commission. Provided these two conditions are met the element will be paid in full to all Executive Directors, the Director of Workforce and Development, and the Director of Facilities and Estates. Partial performance will not be recognised, ie if either the Financial Plan is not delivered and/or a Warning Notice is received from the CQC, no performance related element will be paid to any eligible Director.

In accordance with Department of Health guidance on Very Senior Manager remuneration all remuneration over £142,500 is referred to the Secretary of State for approval following benchmarking of national comparators.

(nb Median Remuneration Disclosure has been subject to audit).

Director and Governor Expenses

Name	Position	2017/18 Total
		£00
N Carr	Chief Exec	92
J Deaville	Exec	7
A Khan	Exec	60
T Moyes	Exec	86
A Bussey	Exec	13
S Grange	Exec	10
M Gower	Chair	70
P Bunting	Non Executive Director	1
I Wilson	Non Executive Director	10
E Nicholson	Non Executive Director	0
R Cotterill	Non Executive Director	9
R Hilton	Non Executive Director	0
D Matthews	Non Executive Director	25
M Mcquade	Non Executive Director	0
S Nixon	Non Executive Director	6
M Nurse	Non Executive Director	21
G Moores	Senior Manager	27
R Graves	Senior Manager	17
T Price	Lead Governor	0
D Gill	Lead Governor	0
R Ward	Governor Member	0
R Bhakhri	Governor Member	8
L Owens	Governor Member	6
S Morris	Governor Member	0
K Bailey	Governor Member	13
F Doran	Governor Member	7
A England	Governor Member	5
J Gill	Governor Member	3
K Jackson	Governor Member	1
P Jetson	Governor Member	9
J Smith	Governor Member	7
		513

Pension Benefits

See table on page 53.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any

pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

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



Signed: Neil Carr
Chief Executive

Date: 25th May 2018

Salaries and Allowances of Senior Managers

Name and title	2017-18						2016-17							
	Salary & Fees (bands of £5,000)	Taxable Benefits (to the nearest £100)	Annual Performance- Related Bonuses ** (bands of £5,000)	Long Term Performance Related Bonuses (bands of £5,000)	Pension-related Benefits (bands of £2,500)	Other (bands of £5,000)	Total (bands of £5,000)	Salary & Fees (bands of £5,000)	Taxable Benefits (to the nearest £100)	Annual Performance- Related Bonuses (bands of £5,000)	Long Term Performance Related Bonuses (bands of £5,000)	Pension-related Benefits (bands of £2,000)	Other (bands of £5,000)	Total (bands of £5,000)
	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
M Gower - Chairman, commenced 1st July 2014	55-60	0	0	0	0	0	55-60	55-60	0	0	0	0	0	55-60
E Nicholson - Non Executive, commenced 1/5/10, left 30/04/16	0	0	0	0	0	0	0	0-5	0	0	0	0	0	0-5
R Hilton - Non Executive, left 30/04/16	0	0	0	0	0	0	0	0-5	0	0	0	0	0	0-5
S Nixon - Non Executive, commenced 1/1/12	15-20	0	0	0	0	0	15-20	15-20	0	0	0	0	0	15-20
I Wilson - Non Executive commenced 1/1/12	15-20	0	0	0	0	0	15-20	15-20	0	0	0	0	0	15-20
P Burling - Non Executive, commenced 1/1/13	15-20	0	0	0	0	0	15-20	15-20	0	0	0	0	0	15-20
M McQuade - Non Executive, commenced 1/8/13, left 31/08/16	0	0	0	0	0	0	0	5-10	0	0	0	0	0	5-10
R Cottrell - Non Executive, commenced 28/5/16	15-20	0	0	0	0	0	15-20	10-15	0	0	0	0	0	10-15
M Nurse - Non Executive, commenced 13/6/16	15-20	0	0	0	0	0	15-20	10-15	0	0	0	0	0	10-15
D Matthews - Non Executive, commenced 1/09/16	20-25	0	0	0	0	0	20-25	10-15	0	0	0	0	0	10-15
N Carr - Chief Executive****	120-125	4,300	10-15	0	0	0-5	140-145	160-165	6,400	10-15	0	0	5-10	185-190
J Daville - Director of Finance & Performance **	75-80	2,300	5-10	0	0	0	90-95	105-110	3,600	5-10	0	27.5-30	0	150-155
A Bussay - Chief Operating Officer, commenced 19/12/13	115-120	4,600	5-10	0	280-282.5	0	405-410	110-115	4,600	5-10	0	72.5-75	0	200-205
A Khan - Medical Director - Commenced 8/11/15*	210-215	0	0-5	0	0	15-20	230-235	200-205	0	0	0	85-87.5	0	290-295
S Grange - Director of Strategy & Strategic Transformation, commenced 1/4/10 ***	130-135	4,600	5-10	0	82.5-85	5-10	235-240	115-120	4,600	5-10	0	115-117.5	0	245-250
T Moyes - Director of Quality & Clinical Performance, commenced 1/7/10	105-110	0	5-10	0	302.5-305	0-5	420-425	105-110	0	5-10	0	62.5-65	0-5	180-185
R Graves - Director of Facilities & Estates, commenced 22/7/15	100-105	0	5-10	0	50-52.5	0	155-160	95-100	0	5-10	0	17.5-20	0	120-125
G Moores - Director of Workforce Development, commenced 9/8/10	95-100	2,100	5-10	0	0	0	105-110	90-95	2,000	5-10	0	0	0	95-100

Taxable Benefits* relates to motor vehicles
 * Medical Director Salary & Fees is split £66k in relation to his Director Role and £165k in relation to his clinical duties within the organisation
 ** All Annual Performance Related Bonuses are deferred until the accounts have been completed and signed off
 *** Director of Finance commenced November 2016 as Interim Director of Finance at Staffordshire & Stoke On Trent Partnership Trust (SSOTPT) in addition to her substantive role within SSFT. The remuneration for this role is reflected in these accounts and the balance is reflected within SSOTPT's accounts.
 **** Director of Strategy & Strategic Transformation commenced August 2016 as Programme Director - Enhanced Primary and Community Care Transformation, Staffordshire STP in addition to his substantive role within SSFT. An additional payment of £20k per annum has been allocated to the additional role of Programme Director in support of system change and delivery of the Sustainability and Transformation Plan within Staffordshire.
 ***** Chief Executive commenced August 2017 as Interim Chief Executive at Staffordshire & Stoke On Trent Partnership Trust (SSOTPT) in addition to his substantive role in SSFT. The remuneration for this role is reflected in these accounts and the balance is reflected within SSOTPT's accounts.

Senior Manager Remuneration Table has been
subject to audit

Pension Benefits		2017-18						2016-17							
Name and title	Normal Retirement Age	Real increase in pension age (bands of £2,500)	Real increase in pension lump sum at (bands of £2,500)	Total accrued pension at 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 at 1 April 2017 (to the nearest £1,000)	Real Increase in Cash Equivalent Transfer Value (to the nearest £1,000)	Cash Equivalent Transfer Value at 31 March 2018 (to the nearest £1,000)	Real increase in pension at age (bands of £2,500)	Real increase in pension lump sum at age (bands of £2,500)	Total accrued pension at age at 31 March 2017 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2017 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2016 (to the nearest £1,000)	Real Increase in Cash Equivalent Transfer Value (to the nearest £1,000)	Cash Equivalent Transfer Value at 31 March 2017 (to the nearest £1,000)

Note: Non-Executive members do not receive pensionable remuneration. A Khan Medical Director employments are non-pensionable and N Carr is not in the Pension Scheme. J Deaville and G Moores left the pension scheme in 2017-18

Senior Manager Pensions Table has been subject to audit

Staff Report:

The Trust has around 3,500 members of staff, based in our services across the country. We are committed to ensuring they are properly equipped and supported to carry out their roles effectively.

Note 4.2 Average number of employees (WTE basis)		2017/18	2017/18	2017/18
		Total Number	Permanent Number	Other Number
Medical and dental		151	127	24
Ambulance staff		0	0	0
Administration and estates		579	548	31
Healthcare assistants and other support staff		1,376	1,234	142
Nursing, midwifery and health visiting staff		957	893	64
Nursing, midwifery and health visiting learners		0	0	0
Scientific, therapeutic and technical staff		439	422	17
Healthcare science staff		0	0	0
Social care staff		60	60	0
Agency and contract staff		0		
Bank staff		0		
Other		0	0	0
Total average numbers		3,562	3,284	278

	Total	Permanently employed total	Other total
	£000	£000	£000
Salaries and wages	111,380	111,380	0
Social security costs	10,888	10,888	0
Pension cost - defined contribution plans employer's contributions to NHS pensions	13,841	13,841	0
Apprenticeship Levy	540	540	
Pension cost - other	113	113	0
Termination benefits	0		0
Temporary staff - external bank	6,588		6,588
TOTAL STAFF COSTS	143,350	136,762	6,588

Sickness Absence Data		Male/Female Breakdown		
Staff Group	Absence % (FTE)	Role	Female	Male Grand Total
Add Prof Scientific and Technic	3.28%	Board Level Director	3	3 6
Additional Clinical Services	5.97%	Senior Manager	6	10 10
Administrative and Clerical	3.57%	Employee	2879	865 3744
Allied Health Professionals	4.10%	Grand Total	2888	878 3766
Estates and Ancillary	4.74%			
Healthcare Scientists	2.68%			
Medical and Dental	2.87%			
Nursing and Midwifery Registered	5.00%			
Students	0.00%			

Over the course of the year, the Trust has continued to apply the principles of the 'Two Ticks' scheme, offering a guaranteed interview to candidates with a disability that meet the essential criteria for any advertised post. The Trust has also, through its Managing Attendance Policy and close working with occupational health specialists, supported staff whose health poses a challenge to their work. The Trust has continued to make provisions for the access of training by staff with disabilities, for example provision of equipment and materials for staff with visual impairment.

The Trust has worked in partnership with local community groups and staff to maintain compliance with the equality agenda. The Public Sector Equality Reports have been published and are available on the Trust's Respect and Dignity pages. Alongside this the Trust has undertaken a review of its Equality and Inclusion function and requirements and developed a strategy which will further enhance the work programme of equality and inclusion across the Trust for the next 3 years.

The Strategy has identified 6 Equality Objectives. The Objectives within the strategy will each have a compliance plan so that progress can be captured and monitored in a co-ordinated approach. This places the Trust in a stronger position to lead on the compliance of the equality agenda and develop initiatives that influence and accommodate the transformation of services across the health and social care economy in partnership with local service users, staff, members and Governors. The equality objectives support the Equality Delivery System² (an equality performance tool) and the Trust's quality and workforce priorities.

The Trust has complied with the Gender Pay Reporting Regulations 2018 and this will be incorporated into the equality work programme. The Trust has reviewed the current provision for Interpreting and Translation services to ensure they are fit for purpose: meet the Accessible Information Standard, efficient, provide a high quality service and are cost effective.

The Trust is keen to ensure that our services recognise and deliver culturally sensitive, inclusive, accessible and appropriate services which make a difference to individual lives and to ensure that the services provided do so without discrimination. We are committed to ensuring that our approach to our staff is the same as our approach to our service users: being open and transparent, focussed and based on our values.

The Trust has continued to provide information to staff through its intranet, regular communications through an e-staff magazine (ePoD), a CEO video blog, all recipient emails and desktop messaging as well as growing use of social media.

Staff are consulted about changes through engagement events (eg on remodelling of services), Rapid Process Improvement Workshops (as part of the Trust's Lean Quality Improvement approach), Listening into Action (LiA) events and discussions on our intranet forum, as well as more formal consultation processes involving staff side organisations where Management of Change or TUPE may be involved.

Engaging and Involving Staff

Staff engagement is very important to us. We work hard to ensure all our staff are kept well informed and that there are lots of opportunities for listening and responding. We

have continued to use Listening into Action to actively encourage staff to get involved and raise the issues and questions which are most important to them.

A significant theme of our staff engagement this year has been around the planned merger with Staffordshire and Stoke on Trent Partnership Trust and joint staff events, a dedicated website, regular newsletters and briefings have sought to ensure colleagues feel well informed and able to contribute to the process.

There are six staff governors on the Trust's Council of Governors who represent the views of colleagues from the various professional groups. The Trust senior managers meet monthly with staff side representatives via the Joint Staff Partnership. These meetings include consultations on proposed changes that may affect staff. Outside of these meetings, managers ensure informal consultation and engagement takes place with staff over potential changes.

Supporting Health and Wellbeing

The health and wellbeing of our staff is paramount to ensuring they are fit and able to provide care for others and the Trust is committed to ensuring it has the right mechanisms in place to support staff when they are not feeling well, be that through the management structure, policies or procedures, occupational health, health promotion etc. The Trust is committed to preventing ill health and works hard to ensure that staff within the Trust recognise that their health and wellbeing is taken seriously.

Our Employee Occupational Health and Well Being Service is primarily provided by Team Prevent UK Ltd. Over the financial year 2017/18 over 2600 referrals were made to this service through the form of Management/Self-Referrals, Health Surveillance requests and assessment of Work Health questionnaires. The service provides prompt access to a wide range of Occupational Health and Employee Well Being services including an Employee Assistance Programme (EAP), Counselling and Physiotherapy which resulted in over 6250 interactions between the service and the Trust's workforce. During this time, there were over 300 interactions with the Physiotherapy Services resulting in 30 individuals being in receipt of c130 "hands on physiotherapy" sessions and over 480 Staff accessed the Employee Assistance Programme.

As a Trust we also work towards the delivery of the Health and Wellbeing CQUIN introduced by NHS England, and have designed a scheme with a number of indicators, focused on key priorities from the CQUIN. For 2016/17, this was established through the Health and Wellbeing Enabler group set up through 'Listening into Action'. As we moved into 2017/2018 and have looked to attain Year One of the CQUIN, we have continued to work with members of the Enabler Group and engage with our staff in many other ways such as surveys and conversational events. This feedback has allowed us to further enhance how we support staff wellbeing. A focus for the Trust has been around work related stress, staff coming into work when not well enough, and also feeling pressures from within to do this, therefore we are seeking to provide staff with support in relation to resilience and positivity, and time out to think about this. The Trust has successfully achieved a 75% payment of the National Health and Wellbeing CQUIN for Year One, which the Trust is extremely proud of, especially in the context of other requirements within the NHS following the Five Year Forward View.

Valuing our staff is one of our key principles and we work hard to celebrate and recognise their commitment, dedication and achievement. Our Care and Compassion Awards (undertaken in partnership with Combined Healthcare) go to those who show these characteristics in their daily working lives and our annual PoD awards provide an opportunity to celebrate those teams and individuals who have made an exceptional contribution over the year. The value and recognition of our staff will continue to be an important part of the way we do things within SSSFT to further increase morale.

Health and Safety

Health and safety is an important part of everything we do. As a Trust, we adopt a proactive and inclusive approach to ensure health and safety is embedded within our governance processes and structures for risk management. This enables us to keep the focus clearly on supporting our staff to promote health, safety and wellbeing at all levels.

Health and safety training is provided to all staff and new starters. This is achieved through the use of electronic training packages and includes a range of topics such as general health and safety, fire safety and manual handling.

Advice on health, safety, security and risk management is fulfilled by the Trust's Risk Management Team. The team manages the web based incident reporting system which has reported over 10000 incidents in the past year. By proactively encouraging the reporting of incidents we receive a good response from teams and this open and transparent nature of reporting means we can learn lessons from incidents and help prevent these from occurring again in the future. To share this learning, the team produces a quarterly learning lessons bulletin which is sent to all clinical teams and is based on a particular theme. Each bulletin highlights a range of best practice through learned lessons which can be shared and spread amongst teams.

The majority of incidents are reported by our in-patient services, although the continued growth of community services within the Trust has meant these incidents have also increased. Notification rules built in to the system allow appropriate managers to be informed each time an incident is reported in their area(s) of responsibility so they can take any necessary actions.

Incident data is reported through a number of channels within the Trust on a daily, weekly, monthly and quarterly basis to suit business needs and individual requirements. Reports of data and relevant incidents are sent to the Trust's Health and Safety Committee and quarterly reports to the Quality Governance Committee. The quarterly report in particular is a combined Risk Management Report and covers incidents, serious incidents, complaints, patient advice and liaison service reports (PALS) and claims.

The Trust seeks to ensure that a comprehensive counter fraud and anti-bribery culture exists throughout the organisation as detailed in the Trust Policy for Fraud and Corruption and through the work undertaken by the Local Counter Fraud Specialist (LCFS). All such policy and procedure is subject to review by the LCFS to ensure all documentations is maintained in accordance with Service Condition 24 (SC24) of the NHS Standard Contract 2017/19. Fraud information is available on the Trust intranet and is effectively signposted on the Trust website, including a direct link to the Trust's Whistleblowing

Policy. Regular articles appear in staff newsletters highlighting this important issue. The LCFS actively promotes such policies at all induction events and other awareness events.

The Trust actively promotes the See Something Say Something campaign which encourages staff to raise concerns about wrongdoing in the workplace. We are also responding to the Freedom to Speak Up (F2SU) review by Sir Robert Francis QC and have appointed a F2SU Guardian to manage the development and implementation of the scheme and to encourage and support staff to speak up if they wish to raise concerns.

Staff Survey Results

The National Staff Survey is carried out each year across the NHS and is designed to collect the views of staff about how they feel about their job, their personal development and the organisation they work for. These views are used nationally and locally to help continually improve patient care and the working lives of those who provide the care, with a particular focus on motivation and involvement at work, advocacy in relation to recommending the Trust as a place to work or be cared for, and moving forward for NHS Trusts, a huge focus on the health and wellbeing of its staff.

Commentary

The Trust's approach to staff engagement centres on empowering front-line teams to focus on improvement in their own areas, for the benefits of its patients and carers.

The Trust continues to develop this cultural change by using a range of approaches to enable this, including;

- Leadership development (at all levels)
- Team development (using tools such as Aston Real Team Profile Plus, MBTI)
- Cultural and Leadership checks to assess Staff Engagement levels
- Living our Values
- LEAN - Quality Improvement approach based on LEAN and Virginia Mason which gives us the tools to help us make and sustain changes
- Listening into Action - Listening to staff and actioning the changes they want to make to fundamentally shift the way we work and lead, and empowering staff to make the changes that they want to see to deliver best patient care

The LiA approach has clearly defined milestones and has enabled a further positive shift of our staff experience. The Survey Results show that the Trust has maintained its positive scores from 2017 in relation to staff engagement through listening to staff and acting on their feedback. This is led by and monitored through Trust Management Team. Evidence of the impact of the approach continues to be tracked via Cultural Checks, over the year, as well as the National Staff Survey.

Summary of Performance

The Trust received a response rate this year of 63%, which was significantly above the national average of 50.9% and a further improvement from our 2016 response rate of 60%. This year was the fourth year we undertook the survey mostly online.

Response Rate				
	2016/17 (previous year)	2017/18 (current year)		Trust improvement/deterioration
	Trust	Trust	Benchmarking group (trust type) average	
Response rate	60%	63%	50.9%	Increase by 3%

This year we have seen the Trust hold its positive scores from 2016, and through the benchmarking report is above average in 24 out of 32 key findings and average in eight. Furthermore, based on a review and analysis of the 32 key findings from the 2016 survey produced by Picker Europe for the NHS, published by Optimise Limited; South Staffordshire and Shropshire Healthcare NHS Foundation Trust (SSSFT) remains the top performing Mental Health and Learning Disability Trust in the country. The Trust is performing better than its peers in the eyes of its staff, however, although this shows no significant improvement on 2016 results, given the pressures within the NHS, for the Trust to have seen a significant positive shift in relation to its peers, has been highlighted as a success.

Below is a list of the five areas where the Trust compares most favourably to Mental Health and Learning Disability Trusts nationally.

Top 5 ranking scores				
	2016/17 (previous year)	2017/18 (current year)		Trust improvement/deterioration
	Trust	Trust	Benchmarking group (trust type) average	
KF17.Percentage of staff feeling unwell due to work related stress in the last 12 months (<i>lower = better</i>)	36%	36%	42%	No change
KF6.Percentage of staff reporting good communication between senior management and staff (<i>higher = better</i>)	42%	45%	36%	Increase
KF22.Percentage of staff experiencing physical violence from patients, relatives or the public in last 12 months (<i>lower = better</i>)	17%	16%	22%	Decrease
KF25.Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months (<i>lower = better</i>)	27%	27%	32%	No change
KF26.Percentage of staff experiencing	17%	18%	21%	Decrease

harassment, bullying or abuse from staff in last 12 months (<i>lower = better</i>)				
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Below (page 48) is a list of the five areas where the Trust compares least favourably to Mental Health and Learning Disability Trusts nationally. It's important to note that four of its lowest performing metrics still do not fall below average for MH & LD Trusts.

Bottom 5 ranking scores				
	2016/17 (previous year)	2017/18 (current year)		Trust improvement/ deterioration
	Trust	Trust	Benchmarking group (trust type) average	
KF29.Percentage of staff reporting errors, near misses or incidents witnessed in the last month (<i>high = better</i>)	92%	93%	93%	Increase
KF32.Effective use of patient / service user feedback (<i>scale 1-5; high = better</i>)	3.72	3.69	3.72	Decrease
KF27.Percentage of staff / colleagues reporting most recent experience of harassment, bullying or abuse (<i>high = better</i>)	61%	61%	61%	No change
KF3.Percentage of staff agreeing that their role makes a difference to patients / service (<i>high = better</i>)	88%	88%	88%	No change
KF11.Percentage of staff appraised in last 12 months (<i>high = better</i>)	89%	90%	89%	Decrease

The Overall Engagement Score, measured through three key findings; KF1 Staff recommendation as a place to work or receive treatment; KF4 staff motivation at work; KF7 staff ability to contribute to improvements at work for 2017 is again at 3.88 as it was in 2016. The average for other MH / LD Trusts in England is 3.79, and this therefore puts the Trust above average. The Trust can also be proud that in all the three key findings that make up this score, it is above average in all three. This result puts the Trust in the top three in relation to staff engagement levels across the country. The National statistics show that all Trusts have seen a reduction in engagement scores, from 2016, whereas SSSFT are the only Trust who has maintained their score. The tables below show how we as a Trust have improved year on year and are now for 2016 above average for the overall score of 3.88 and also above average in all three key findings.

Actions going forward / Areas of concern

A considerable amount of work has already gone into empowering the Trust's front line teams. In practice, this means that staff have greater autonomy in their roles, they contribute towards improving their service and they deliver the high quality care to our service users.

The Trust is aware that its staff are passionate about their work and the ongoing Listening into Action Journey will continue to be the Trust's focus into 2018 and beyond into the merger. These platforms enable changes to be made by the people who best understand the service: staff, service users and carers.

The shape of Listening into Action within the newly merged organisation as of June 2018 will further harness and embed a listening culture where staff feel heard and that feedback is acted upon. In addition, the forthcoming Organisational Development Plan for the merged organisation will bring together the various work streams and initiatives mentioned briefly in this paper to ensure a coherent and consistent approach. The staff survey will remain to be one of the key feedback mechanisms to let the Trust management know how the organisation is performing from the perspective of the staff.

There are considerable challenges for SSSFT and the wider NHS during 2018 and beyond, and as a Trust, the challenge is not only maintaining these results in the next staff survey (launch date October 2018) but improving these are part of the Trust's drive towards 'outstanding' and through the merger with SSOTP. It is essential that every manager in the organisation owns the outcomes from the staff survey and ensures that acting on the feedback for their area is part of their daily business so that the Trust can continue to create a culture within the merged organisation of an 'everyday staff survey approach' through continuous feedback.

The Trust's aim is to be the best; to be 'outstanding'. The staff survey results are probably the most comprehensive feedback the Trust will get as an organisation and therefore will remain a huge focus within SSSFT and going forward as the Trust merges with SSOTP in June 2018.

This list contains the headlines of proposed actions that will be undertaken following the staff survey:

- Further embed a 'we said, we did' approach, utilising engagement plans rather than action plans
- Continue with the Trust's Listening Into Action approach and embed this into the merged Trust as part of work around culture, not just organisational wide but at team level
- Disseminate reports to locality leads, with the requirement for all leads to input into the Trust's wider engagement plan for staff survey results
- Locality leads will be requested to create own internal engagement plans based on the staff survey report for their individual area(s)
- Provide, where required support to managers to act on the results of the staff survey
- Fresh Leadership and Talent Management approach within present and new organisation following merger focusing on leaders and managers at all levels

- Embed the Trust's enhanced staff survey approach into its vision, values and behaviours work, Trust Induction and other engagement forums
- Develop a plan to support an increase in engagement for questions 9a, 9b and 9c within the staff survey supporting the National Health and Wellbeing CQUIN
- Scope out methods and means of staff recognition within SSSFT and new merged Trust from June 2018 to support the value and recognition of staff and ultimately quality of care provided
- Local managers will be asked to report back progress against their staff survey engagement plan on a quarterly basis and this progress will be reported through continuous staff survey communications to demonstrate to all staff that their feedback is taken seriously and results in change (August 2018)

Off Payroll Engagements

Table 1: For all off-payroll engagements as of 31 March 2017, for more than £245 per day and that last for longer than six months	
No. of existing engagements as of 31 Mar 2018	11
Of which:	
Number that have existed for less than one year at the time of reporting	0
Number that have existed for between one and two years at the time of reporting	4
Number that have existed for between two and three years at the time of reporting	5
Number that have existed for between three and four years at the time of reporting	0
Number that have existed for four or more years at the time of reporting	2
Table 2: 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	
Number of new engagements, or those that reached six months in duration between 01 Apr 2017 and 31 Mar 2018	8
Of which:	
Number assessed as caught by IR35	4
Number assessed as not caught by IR35	4
Number engaged directly (via PSC contracted to department) and are on the departmental payroll	4
Number of engagements reassessed for consistency/assurance purposes during the year	8
Number of engagements that saw a change to IR35 status following the consistency review	0
Table 3: For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2017 and 31 March 2018	
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility" during the financial year. This figure should include both off-payroll and on-payroll engagements.	6

The Trust has in place a system whereby senior off payroll engagements are required to be approved by the Director of Workforce and Development and are subsequently reported at Trust Board on a monthly basis and weekly to NHS Improvement.

Expenditure on Consultancy

Expenditure on Consultancy		2017/18	2016/17	2015/16
		£000	£000	£000
Total Costs		220	312	424

Staff Exit Packages Agreed

		Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
Staff Exit Packages Agreed		2017/18	2017/18	2017/18
Exit package cost band (including any special payment element)				
<£10,000		8	0	8
£10,000 - £25,000		2	0	2
£25,001 - 50,000		1	0	1
£50,001 - £100,000		0	0	0
£100,001 - £150,000		0	0	0
£150,001 - £200,000		0	0	0
>£200,000		1	0	1
Total Number of exit packages by type		12	0	12
Total resource cost		473	0	473

There were no other departures agreed other than compulsory redundancies

Trade union facility time reporting

Information on trade union facility time reporting is not available for this annual report and processes are still be established, however, it will be available on the Trust website in line with regulation before the deadline of 31 July 2018.

Directors Report

NHS Foundation Trust Code of Governance



Left to right back row: Richard Cotterell; Paul Bunting; Theresa Moyes; Alison Bussey; Neil Carr, Abid Khan, David Matthews; Ian Wilson; Sue Nixon
Left to right front row: Megan Nurse; Martin Gower; Steve Grange; Jayne Deaville

The role of the Board of Directors (A.1.1)

The Board manages the Trust by:

- setting the overall strategic direction of the Trust within the context of NHS priorities
- regularly monitoring our performance against objectives
- providing effective financial stewardship through value for money, financial control and financial planning
- ensuring that the Trust provides high quality, effective and patient-focused services through clinical governance
- ensuring high standards of corporate governance and personal conduct
- promoting effective dialogue between the Trust and the local communities we serve

Decisions delegated to management are as defined within the Scheme of Delegation which is available via the Trust website or by request from the Company Secretary.

The Council of Governors advises the Trust on how best to carry out its work to meet the needs of service users and the wider community. It has a number of statutory duties, including to appoint the Chairman and Non-Executive Directors, and to ratify the appointment of the Chief Executive. The Council of Governors also determines the remuneration of the Chairman and Non-Executive Directors, receives the Trust's Annual Report and Accounts and Auditor's report, and appoints the Trust's external auditor. In addition the Council of Governors is required to hold the Non-Executive Directors, individually and collectively, to account for the performance of the Board of Directors; approve significant transactions; approve an application by the Trust to enter into a merger, acquisition, separation or dissolution; decide whether the Trust's non-NHS work would significantly interfere with its principal purpose and to approve amendments to the Trust's constitution.

Board of Directors:

The Trust Board recognises that organisational development and effective teams, leadership and management are key strands of sustaining and delivering excellence within our organisation. To this end, the Trust's Workforce and Development Strategy requires action and evidence to demonstrate that the Trust Board is providing visionary leadership, creates a positive organisational culture and acts as an ambassador of change.

The Board of Directors regularly reviews its own performance through a process of self-assessment and peer review. Throughout the year externally facilitated Board Development Sessions have taken place on a regular basis. There has also been a continued focus on ensuring all Board members maintain compliance with mandatory training requirements and that new Non- Executive Directors appointed during the year undertake a comprehensive induction customised to their individual needs. (B6.1)

Board Development

During 2017/18, the Trust Board undertook Board Development workshops on 23rd and 24th August 2017 and the 6th and 7th December 2017.

During these workshops, the Board completed a "Strategic Stocktake" of existing opportunities against its long term strategy including a scanning of the horizon and opportunities over the next few years. This included new opportunities (acquisition growth through new tenders) and organic growth (including contract renewal and partnership work within the STP in line with national and local policy drivers and priorities. Board development activities also focused on exploring the worlds of Primary, General Practice and Community Care in anticipation of the acquisition of community services in Staffordshire and Shropshire. This included a review of the Board's capacity and capability to ensure that post transaction, the Trust was assured that it could fully deliver its enhanced statutory duties and was strengthened to include expertise in the areas of social care, long term conditions and frailty, urgent care and acute care services, community services, nursing home and community hospitals and primary care.

As part of this work the Board has also focused its Board development work on the Care Quality Commission's Well Led Framework through a confirm and challenge process which enabled the Trust Board to reflect on its performance with a detailed self-assessment against the framework to identify any areas in the framework or extra areas outside the framework that require particular focus as part of the review. In light of the proposed merger with Staffordshire and Stoke-on-Trent Partnership Trust (SSOTP), the self-assessment review was undertaken in partnership with and peer reviewed by SSOTP to support the sharing of good practice in advance of the merger and to enable any gaps or risks to be identified and an action plan implemented to address them. The outcome from this work has influenced the Board Development Programme and continues to do so into 2018/19.

Board members also undertake individual programmes or personal development on an annual basis which are agreed and monitored at appraisal. The outcomes of the Non-Executive Director appraisals are reported to the Council of Governors in line with their duty to hold Non-Executive Directors to account. Board members continue to lead

sessions as part of the Trust's Leadership Development Programmes and participate in a rolling programme of "back to the floor" visits on a monthly basis along with Governor Members with the aim of imparting agreed key messages to staff, testing key areas of the Staff Opinion Survey findings.

Board Committees:

South Staffordshire and Shropshire Healthcare NHS Foundation Trust has consistently achieved a rating of green for governance from NHS Improvement and undertakes an annual review of Board and committee governance.

Directors: (B1.1)

Annual performance appraisals are routinely undertaken for all Board members, summaries of which are made available to the Remuneration and Nomination Committees. With respect to Non-Executive Directors, the appraisal processes include an evaluation and assessment of the independence of all Non-Executive Board members.

Based on the expertise and experience listed above, the Foundation Trust is confident that the necessary range of knowledge and skills exists within the Board of Directors and that its balance, completeness and appropriateness to the requirements of the NHS Foundation Trust constitutes a high performing Board. (B1.4)

Non-Executive Directors (NEDs) are normally appointed for a term of three years. If any of the grounds for exclusion or disqualification set out in the Constitution as it may be amended from time to time apply to a NED, then the appointment may be terminated. A NED must immediately notify the Chairman and the Company Secretary if any event occurs which would or may disqualify them from or make them ineligible to continue in the role as a NED. In addition, a NED may be removed as a NED at a general meeting of the Council of Governors at which the removal is approved by three-quarters of its members. (additional requirement)

A register of interests is maintained in relation to all Trust Board members. This is available on the Trust website or by application to the Company Secretary at Trust Headquarters. (additional requirement)

Making Sure the Board Understands the Views of Governor Members and Members (E1.5)

Board members meet with Governor Members prior to each Council of Governors meeting and are encouraged to attend the meeting itself. The Chief Executive delivers a report including an environment scan of key local and national policy developments and issues at each Council of Governors meeting. Summary reports of Council of Governors meetings are received by the Board, and in turn Governor Members receive the minutes and agenda for Board meetings and are encouraged to attend the public section. The Board and Council of Governors hold joint sessions each year and continue to ensure an emphasis is placed on ensuring the involvement of the Council of Governors in developing, shaping and commenting on the Board's strategic vision and forward planning. A Non-Executive Director sits on each Governor Member Engagement Group and two Non-Executive Directors routinely attend the Governor Member Steering Group. (B5.6)

All Directors confirm that so far as they are aware, there is no relevant audit information of which the Trust auditor is unaware and they have taken all the steps required to make themselves aware of any such information and establish that the Trust auditor is aware of it.

The Trust has a policy agreed by the Audit Committee and the Trust Board for the engagement of External Auditors for Non Audit Work. This policy sets out what threats to audit independence theoretically exist and thus provides a definition of non-audit work which can be shared by the Trust and PWC LLP. It then seeks to establish the approval processes and corporate reporting mechanisms that will be put in place for any audit work that PWC is asked to perform.

Compliance with the NHS Foundation Trust Code of Governance

The Board of Directors and the Council of Governors are committed to the principles of good corporate governance as detailed in the NHS Foundation Trust Code of Governance. Following publication of the revised Code of Governance in December 2013, a detailed review of the compliance position was undertaken in preparation for the annual report submission and the evidence to support compliance against each provision is referenced throughout the annual report. The Trust is therefore able to declare compliance with the code provisions with the following exception:

Code Provision (D.2.2) The Remuneration Committee should have delegated responsibility for setting remuneration for all Executive Directors, including pension rights and any compensation payments. The Committee should also recommend and monitor the level and structure of remuneration for senior management. The definition of 'senior management' for this purpose should be determined by the Board but should normally include the first layer of management below Board level.

Explanation

The Remuneration Committee has delegated responsibility for setting the remuneration for Executive Directors only. This is because all senior managers are paid on Agenda for Change pay scales and salaries are set according to the job matching and evaluation processes which are applied to all Trust staff (other than the Executive Directors)

Information on Board Members (B1.4)

Non Executive Directors

Martin Gower Chairman

Start date: July 2014

Current term of office end date: June 2018

Martin Gower, Chairman, joined the Trust in July 2014. He had previously spent 3 years as Chairman of Coventry and Warwickshire Partnership NHS Trust who provided Mental Health, Learning Disabilities and general Community Services. He joined the NHS as a Non Executive Director in August 2009. Previously his career had been in the Media in the UK, Ireland and the USA. He was Managing Director of South West Wales Publications and West Country Publications, then members of the Daily Mail and General Trust plc and later worked in the same capacity for Mirror Group Ireland, based in Belfast and at The Coventry Telegraph. Immediately prior to his work in the Daily Mail Group he was President and CEO of United Syndicated Services in Los Angeles, California. He has also served on the boards of the Prince's Trust in Wales, Young Enterprise Northern Ireland and was Chairman of the Institute of Directors in Coventry and Warwickshire. In his role as Chair of an NHS organisation Martin is committed to ensuring the delivery of safe, high quality services and to developments that will not only better the patient experience but that will be able to sustain these services in the long term. (d,h,i)

The Chairman's other significant commitments are recorded via the register of interests maintained in relation to the Trust Board (B.3.1)

Paul Bunting Non-Executive Director

Start Date: December 2012

Current term of office end date: December 2018 Paul arrived at the Trust in December 2012 with significant leadership experience in Chief Executive and Managing Director roles in the transport sector. Paul is currently Commercial and New Business Director at the Stagecoach Group and has recently completed six years working for the major French transport group, SNCF, in Paris, on a major European transport project.

Previously Paul was Chief Executive of National Express Ltd and Managing Director of the Midland Mainline rail franchise, operating high speed trains between South Yorkshire, the East Midlands and London.

At the Trust, Paul chairs the Quality Governance Committee and sits on the Business Development and Investment Committee, the Audit Committee and Remuneration Committee. Paul is also Vice Chair of the Trust. (a,b,c,d)

Sue Nixon Non-Executive Director

Start Date: 1 January 2012

Current term of office end date: 31 March 2018

Lives in Sutton Coldfield and has a background in local government latterly as Chief Executive of Bromsgrove District Council. Prior to the cessation of the NHS Primary Care Trusts she was a Non-Executive Director of NHS Birmingham East and North Primary Care Trust and a Stakeholder Governor of Birmingham and Solihull Mental Health Foundation Trust. She was a lay advisor to a GP Clinical Commissioning Group advising

on their preparation for authorisation. She has a key commitment to ensuring safe, high quality care for patients and in encouraging society to develop a better understanding of mental health issues and in turn helping to improve mental health services for those individuals and groups in our local communities. Sue chairs the Workforce Development Committee. Sue is also a member of the Trust Quality Governance and Audit Committees as well as the Trust Board. She is also NED lead for MHPS. (a,d, e, f,)

Dr Ian Wilson Non-Executive Director (Senior Independent Director)

Start Date: 1 November 2012

Current term of office end date: 31 October 2018

Dr Ian Wilson was a General Medical Practitioner (GMP) in Stafford for nearly 40 years and a Clinical Endoscopist at Stafford Hospital for 25 years. During that time he was also Chairman/Secretary of the Local Medical Subcommittee and GMP representative on the Area Health Board & District Management Board before becoming a first wave fund holder. He was also Medical Advisor to the Royal Yachting Association Powerboat Division, the local Red Cross and the local Samaritans. Ian is also a Chairman of CASS (Carers Association of South Staffs) and has been a trustee of Katharine House Hospice. He passionately believes patients are entitled to the highest quality of care resources in the NHS can provide. He attends Board meetings, Finance and Performance committee, Audit, Workforce and Development, Quality Governance and, and is Chair of the Business Development and Investment Committee. Ian also attends Mental Health Act Legislation Committee, the Physical Health Forum, the Medicine Optimisation Committee & IMOP meetings as well as doing unit visits (a,b,c,d,e,f)

David Matthews Non-Executive Director

Start Date: 1 September 2016

Current term of office end date: 31 August 2019

A qualified CPFA accountant, David joined the Board from Dudley and Walsall Mental Health Partnership where since 2010 he had been a Non-Executive Director and chair of its Audit Committee. He lives in Walsall and has previously been an Executive Director at two Staffordshire based Housing Associations. (Director of Resources and Deputy Chief Executive) at Stafford and Rural Homes Ltd from 2005 to 2009 and Director of Finance and Company Secretary at Staffordshire Housing Association Ltd from 2002 to 2005). Prior to that he has held roles with Birmingham and Walsall Councils and the Black Country Development Corporation. He was also Chair of Caldmore Area Housing Association in Walsall for 9 years. David has personal experience of mental health services as a result of which he is committed to the provision of high quality services. David chairs the Trust Audit Committee and is a member of the Finance and Performance Committee and Service User and Carer Committee. (a, b, d,)

Richard Cotterell Non-Executive Director

Start Date: 26 May 2016

Current term of office end date: 25 May 2019

Richard Cotterell has been a Managing Director at Caterpillar inc since 2009 where he is responsible for a global Division which designs and manufactures off highway diesel and gas engines. He first started out with Caterpillar Inc in 1997 and has undertaken a number

of global executive roles and prior to joining the company worked in Consultancy, Telecoms and Defence sectors. Richard holds a BSc in Business Studies and an MBA from Warwick University. He is a Governor at Staffordshire University. Richard brings extensive operational, commercial and financial skills to the Board. Since joining the Trust Richard is the Chair of the Finance and Performance Committee and Significant Transaction Committee and attends the Business Development and Investment Committee. (b, c, d, i)

Megan Nurse Non-Executive Director

Start Date: 13 June 2016

Current term of office end date: 12 June 2019

Megan Nurse joined the Board from Calderstones Partnership NHS Foundation Trust where she has served as a Non Executive Director since May 2014. Calderstones provides specialist learning disability services across the North of England. Prior to this, Megan worked in Local Government and the Police Force within Greater Manchester. Megan was Assistant Chief Executive at Tameside Metropolitan Borough Council, where she led a multi-million transformation and change programme, alongside leading on strategy, quality and performance across the authority. Her interest and expertise lie particularly in ensuring the quality of services and in driving improvement in the use of resources and delivery of better services to service users. Megan is the lead for Service Users and Carers, and is a member of the Audit, Quality Governance and Workforce Development committees (a,d, e, f, i)

Executive Directors

Neil Carr OBE Chief Executive

Start date: May 2001

Chief Executive: 16 May 2007

Neil Carr joined the Trust at its inception in 2001 and has successfully led the Trust as CEO since 2007. A nurse by background with significant interest in strategic and transformational leadership and Mental Health strategy. Instrumental in delivering one of the first mental health foundation trusts and in 2007 led the first successful acquisition. A keen advocate of innovative partnerships and using foundation trust freedoms to be positively different, eg partnership with the MoD on national contracts for serving personnel and first national foundation trust network of provision. Neil was awarded the OBE for services to healthcare and holds an Honorary Doctorate for his contribution to leadership in health care. In April 2010 he was awarded a Fellowship of the Royal College of Nursing in recognition of an exceptional contribution to leadership. In July 2017 Neil commenced as Chief Executive at Staffordshire & Stoke On Trent Partnership Trust (SSOTP) in addition to his substantive role within SSSFT. The remuneration for this role is reflected in SSSFT accounts and the balance is reflected within SSOTP's accounts. (d, i)

Alison Bussey Director of Nursing and Chief Operating officer

Start date: December 2013

Director of Specialist Services

Start date: June 2012 End Date: December 2013

Alison Bussey joined the Trust in June 2012. She started her career in the NHS as a Nurse having qualified as both an Adult and Mental Health Nurse. She has held a number of senior operational management positions, including Director of Nursing and Director of Operations in Buckinghamshire. Her particular interests lie in quality improvement and staff engagement.(b,c,e,f,i)

Jayne Deaville Director of Finance and Performance and Deputy Chief Executive
Start date: March 2001

Jayne Deaville is the Executive Director of Finance & Performance/Deputy Chief Executive for South Staffordshire & Shropshire Healthcare NHS Foundation Trust and Executive Director of Finance & Resources/Deputy Chief Executive for Staffordshire & Stoke on Trent Partnership NHS Trust. She has worked locally in Staffordshire in a number of NHS organisations for 28 years. She has experience across a broad range of services including, Ambulance, Acute, Mental Health and Community Sectors. Jayne's particular interests are in organisational governance and the strategic leadership of the finance and performance function, ensuring that excellent services go hand in hand with excellent financial performance. Jayne's experience over the past 18 years has included the merger of 3 organisations into one, programme managing this merged organisation to Foundation Status in May 2006, playing an instrumental role in the acquisition of Shropshire Mental Health and Learning Disabilities Services in June 2007 and developing the business case for the redesign of services in Shropshire including project leadership of a new in-patient facility. Jayne is a Fellow of the Chartered Institute of Management Accountants and holds a Master of Business Administration – Health Executive. In November 2016 commenced as Interim Director of Finance at Staffordshire & Stoke On Trent Partnership Trust (SSOTP) in addition to her substantive role within SSSFT. The remuneration for this role is reflected in SSSFT accounts and the balance is reflected within SSOTP's accounts.(b,c,h,i)

Steve Grange Executive Director of Strategy, Commercial & Strategic Development and Programme Director: Enhanced Primary and Community Care STP Staffordshire
Start date: January 2005
Executive Director: 1 April 2010

Steve started in industry and has worked across many NHS sectors including the Department of Health, Strategic Health Authority, Modernisation Agency, Primary Care Trusts, Specialised Services, Acute Sector and in the USA with the US Veterans. Steve has a background in Specialised Clinical and IT Purchasing, Reforming Emergency Care, the development of Strategic Clinical Networks and a wide experience of general acute management in community, primary, secondary and tertiary care. He lectures on Healthcare Strategy, Programme Management, Partnership working, Clinical Network Development and NHS Commercial development. Steve is also a visiting professor of Wagner College New York. Steve's particular interests revolve around leadership, strategic/organisational and commercial development and the formulation of strategic partnerships. He is formally qualified in Business and Project Management at degree level and has visiting seats in a number of universities including New York, USA. Steve has managed a number of large projects, many of them national and is very proud to have project-led one of the first Mental Health style Foundation Trusts, and a number of

complex acquisitions. Steve has worked with the Military (MOD) and Veterans Agencies for many years, helping to align strategies and services to the UK and USA Military to Mental Health provision. Steve chairs the National NHS MOD Network and a number of military/NHS forums. More recently Steve leads a programme supporting the redesign and enhancement of new models of care, primary care and general practice and alliance partnerships within the Staffordshire STP. Steve has always been committed to network style working and has developed numerous prime and sub-contracting, joint venture and social enterprise models that facilitate improved partnership leading to better care. Steve's personal passion revolves around martial arts and Chinese philosophy. Steve is a qualified martial arts instructor and martial arts author. He has been teaching for over 22 years. (c,i)

Dr Abid Khan Medical Director

Start Date: June 1993 (Medical Director from November 2015)

Dr Abid Khan is a Consultant Psychiatrist and the Clinical Lead for the Psychiatric Intensive Care Unit (PICU) here at Stafford. He has been involved in medical management for a number of years. He has past experience of being a Clinical Director of Mental Health Services for 13 years and held the office of Associate Medical Director and Deputy Medical Director before taking up his current role. He has worked closely with the Royal College of Psychiatrists and holds the office of Regional Officer for the Royal College of Psychiatrists for the West Midlands Region. In addition to the Medical Director role he also oversees the Caldicott Guardian role for the Trust. (c, f,i)

Therèsa Moyes Director of Quality and Clinical Performance

Start Date: September 2005

Executive Director: 1 March 2011

Therèsa's clinical background as a Consultant Clinical Psychologist over many years took her into leadership and management roles, championing changes to local services which resulted in her winning regional and national clinical governance, service transformation and leadership awards. Therèsa has also participated in national working groups influencing how we measure and improve quality and is currently on the CQC NHS coproduction group. As an accredited Healthcare Leadership Academy Facilitator, Therèsa provides 360 facilitation to all levels of staff, as well as coaching and mentoring to senior NHS colleagues. Outside of the NHS, Therèsa has previous experience of working as an independent management consultant, providing bespoke solutions to organisational change processes in FTSE 100 companies. Therèsa demonstrates commitment to all aspects of quality – learning from people's experiences of our services, improving safety and service effectiveness. She is the executive lead on the committees responsible for these areas, including the Quality Governance committee and works closely with other lead clinicians on the Board to ensure that quality comes first in the Trust. (a,b,f,i)

Greg Moores Director of Workforce and Development

Start date: April 2011

Previous Trust roles: Interim Head of Human Resources from August 2010 – April 2011, Greg also undertook a secondment from July 2014 – January 2015 as the Director of

Specialist Services. Since October 2016 Greg has also held the role of Programme Director (Workforce) for the Staffordshire Sustainability and Transformation Partnership, leading a wide ranging and ambitious programme on behalf of the health and social care economy. Greg spent his early career in the private sector before holding Human Resources posts in both local government and the NHS. Greg holds a Master of Arts in Human Resource Management and is a Fellow of the Chartered Institute of Personnel and Development (CIPD). (b,c,d,e)

Committees of the Board: (membership in brackets under individual Board members)

- a. Audit Committee - responsible for ensuring that the Trust Board receives independent assurance
- b. Finance and Performance Committee - creates a control and performance management environment for a high performance organisation
- c. Business Development and Investment Committee - ensures strategy is integrated, contestable and cost effective
- d. Remuneration and Terms of Employment Committee - Non-Executive Directors advise the Board on appropriate remuneration for Directors and staff awards and pay
- e. Workforce Development Committee - ensures a culture of staff engagement and staff learning and development is advanced.
- f. Quality Governance Committee - responsible for developing systems that ensure services are safe, sound and compliant
- h. Nominations Committee (Committee of the Council of Governors)
- i. Significant Transactions Committee - to improve and assure Quality (patient experience, clinical effectiveness, patient safety), Performance (National requirements, Local requirements of commissioners and regulators) and effective Resource management (workforce, finance, estate and information) throughout significant transactions.

Audit Core Membership Attendance	22/05/2017	19/06/2017	16/10/2017	11/12/2017	19/03/2018
Paul Bunting	✓	✓	✓	✓	x
David Matthews	✓	✓	✓	✓	✓
Sue Nixon	x	✓	✓	✓	✓
Megan Nurse	✓	✓	✓	✓	✓
Neil Carr	✓	x	x	x	x
Jayne Deaville	✓	✓	✓	✓	✓
Therèsa Moyes	✓	x	x	x	x

(A1.2)

Summary of Audit Committee Role (C2.2) (C3.9)

The Audit Committee is responsible for ensuring the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the Organisation's activities in support of the achievement of the Organisation's objectives. It achieves this by:

- ensuring that there is an effective internal audit function providing appropriate independent assurance to the Audit Committee, Chief Executive and Board
- reviewing the work and findings of the External Auditor
- reviewing the findings of other significant assurance functions, both internal and external to the organisation
- reviewing the work of other committees within the organisation, whose work can provide relevant assurance to the Audit Committee's own scope of work
- requesting and reviewing reports and positive assurances from directors and managers on the overall arrangements for governance, risk management and internal control
- reviewing the Annual Report and Financial Statements before submission to the Board and ensuring that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided

The Committee submits annual reports to the Board on the work that has been undertaken during the year, and undertakes a review of its effectiveness incorporating the views of the External and Internal Auditors.

Our external auditors have not undertaken any non-audit services during 2017/18.

Trust Board Committee Attendance

	05/2017	07/2017	09/2017	11/2017	01/2018	03/2018
Martin Gower Chairman	✓	✓	✓	✓	x	✓
Paul Bunting Non-Executive Director	✓	✓	✓	✓	x	✓
Richard Cotterell Non-Executive Director	✓	✓	✓	✓	✓	✓
David Matthews Non-Executive Director	✓	✓	✓	✓	✓	✓
Sue Nixon Non-Executive Director	✓	✓	x	✓	✓	✓
Megan Nurse Non-Executive Director	✓	x	✓	✓	✓	✓
Ian Wilson Non-Executive Director	✓	x	✓	✓	✓	✓
Neil Carr Chief Executive	✓	✓	✓	✓	✓	✓
Alison Bussey Chief Operating Officer /Director of Nursing	✓	✓	✓	x	✓	✓
Jayne Deaville Director of Finance and Performance	✓	x	✓	✓	✓	✓
Steve Grange Director of Strategy and Strategic Transformation	✓	✓	✓	✓	✓	✓
Dr Abid Khan Medical Director	x	✓	✓	✓	✓	✓
Therèsa Moyes Director of Quality and Clinical Performance	✓	✓	✓	✓	✓	✓
Greg Moores Director of Workforce and Development (non-voting)	✓	x	✓	✓	x	✓
Jane Landick Company Secretary	✓	✓	x	✓	✓	✓

**indicates not in post or
core member*

Additional requirement

Workforce and Development Core Membership Attendance	10/05/17	12/01/17	21/09/17	8/11/17	24/1/18	21/03/18
Alison Bussey	✓	x	✓	✓	x	✓
Jayne Deaville	x	✓	x	x	x	x
Sue Nixon	✓	✓	✓	✓	✓	✓
Ian Wilson	x	x	x	x	x	x
Megan Nurse	✓	✓	✓	✓	✓	✓

Quality Governance Committee	13/04/17	11/05/17	08/06/17	13/07/17	10/08/17	14/09/17	12/10/17	09/11/17	14/12/17	11/01/18	08/02/18	08/03/18
Paul Bunting	✓	✓	✓	x	x	x	✓	x	✓	✓	✓	✓
Megan Nurse	✓	✓	x	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ian Wilson	x	x	✓	x	✓	✓	✓	✓	✓	x	x	✓
Sue Nixon	✓	✓	✓	✓	✓	✓	x	✓	✓	✓	✓	✓
Therèsa Moyes	✓	✓	✓	✓	x	✓	✓	✓	✓	✓	✓	x
Alison Bussey	✓	✓	✓	✓	✓	✓	x	✓	x	✓	x	✓
Jayne Deaville	x	x	x	x	x	x	x	x	x	x	x	x

Finance & Performance Core Membership Attendance	21/04/2017	12/05/2017	09/06/2017	14/07/2017	08/09/2017	13/10/2017	10/11/2017	08/12/2017	19/01/2018	09/02/2018	09/03/2018
Richard Cotterell	✓	✓	✓	x	x	✓	✓	✓	✓	x	✓
David Matthews	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ian Wilson	✓	✓	✓	x	✓	✓	✓	x	✓	✓	x
Alison Bussey	✓	✓	✓	x	✓	x	✓	✓	✓	x	x
Jayne Deaville	x	✓	✓*	x	✓	✓	✓	✓	✓	✓	✓
Therèsa Moyes	✓	x	✓	✓	x	✓	✓	✓	x	x	x

Significant Transactions Committee	08/08/17	30/08/17	22/09/17	09/10/17	24/10/17	16/11/17	23/01/18	23/02/18	11/04/18
Richard Cotterell	✓	✓	✗	✓	✓	✓	✓	✓	✓
Neil Carr	✓	✓	✓	✗	✗	✗	✗	✗	✗
Martin Gower	✓	✓	✓	✓	✓	✓	✓	✗	✓
Abid Khan	✗	✗	✗	✗	✓*	✓*	✗	✗	✗
Alison Bussey	✓	✗	✗	✓	✓	✓	✗	✓	✓
Jayne Deaville	✓	✓	✗	✗	✓	✓	✓	✓	✓
Steve Grange	✓	✓	✓	✓	✓	✓	✗	✓	✓
Therèsa Moyes	✗	✓	✗	✓	✓	✓	✓	✗	✓
Megan Nurse	✓	✗	✓	✓	✓	✓	✓	✗	✗

*Representative attended on member's behalf

Business Development and Investment Committee	24/04/17	22/05/17	25/09/17	23/10/17	22/01/18	25/02/18	26/03/18
Paul Bunting	✓	✓	✓	✗	✗	✓	✓
Richard Cotterell	✓	✗	✓	✗	✓	✓	✗
Ian Wilson	✓	✓	✗	✓	✓	✓	✓
Alison Bussey	✗	✗	✗	✗	✗	✗	✗
Jayne Deaville	✓	✓	✓	✓	✓	✓	✓
Steve Grange	✗	✓	✓	✓	✗	✓	✓
Abid Khan	✗	✗	✗	✗	✗	✗	✗
<i>Dr De (attended for Dr Khan)</i>	✓						
<i>Dr Gul (attended for Dr Khan)</i>		✓			✓		

Trust Board Member Attendance at Council of Governors	26/04/2017	21/06/2017	13/09/2017	13/12/2017	21/03/2018
Martin Gower	x	✓	x	✓	✓
Paul Bunting	✓	x	x	x	x
Richard Cotterell	✓	✓	x	✓	x
David Matthews	✓	✓	✓	✓	✓
Sue Nixon	✓	✓	✓	✓	✓
Megan Nurse	✓	✓	✓	x	✓
Ian Wilson	✓	x	x	✓	x
Neil Carr	✓	✓	✓	✓	✓
Alison Bussey	✓	✓	✓	x	x
Jayne Deaville	✓	x	✓	✓	✓
Steve Grange	✓	✓	x	✓	x
Abid Khan	x	✓	x	✓	x
Theresa Moyes	✓	x	✓	✓	x
Jane Landick	✓	✓	✓	✓	✓

Council of Governors

Governor Member	Constituency	Sub Division	Term of Office (if elected)	End date	26/04/2017	21/06/2017	13/09/2017	13/12/2017	21/03/2018
Karl Bailey	Public/Service User/Carer	Shropshire, Telford and Wrekin	3	09/2018	✓	✓	✓	✓	✓
Ravi Bhakhri	Public/Service User/Carer	South Staffordshire	3	09/2018	✓	✓	✓	✓	✓
Mark Boylan	Public/Service User/Carer	Shropshire, Telford and Wrekin	2	09/2018	x	x	x	x	x
Frances Carlin	Public/Service User/Carer	South Staffordshire	3	09/2018	x	x	x	x	x
David Clements	Public/Service User/Carer	Shropshire, Telford and Wrekin	3	09/2020	*	*	*	✓	x
Peter Cross	Public/Service User/Carer	South Staffordshire	3	09/2019	✓	✓	✓	✓	✓
Fiona Doran	Public/Service User/Carer	Shropshire, Telford and Wrekin	3	09/2018	✓	✓	✓	✓	✓
Gareth Ecclestone	Public/Service User/Carer	South Staffordshire	3	09/2018	✓	x	✓	✓	✓
Dave Gill	Public/Service User/Carer	Shropshire, Telford and Wrekin	3	09/2018	✓	✓	✓	✓	x
Mohammad Haroon	Public/Service User/Carer	South Staffordshire	3	09/2019	✓	✓	x	✓	✓
Kenneth Jackson	Public/Service User/Carer	South Staffordshire	3	09/2018	x	x	✓	✓	x
Peter Jetson	Public/Service User/Carer	Shropshire, Telford and Wrekin	3	09/2019	✓	✓	x	✓	✓
Ian McComiskie	Public/Service User/Carer	South Staffordshire	3	09/2020	x	x	x	✓	✓
Steve Morris	Public/Service User/Carer	South Staffordshire	3	09/2018	x	x	x	✓	✓
Helen Smart	Public/Service User/Carer	North Staffordshire	3	09/2020	x	x	x	✓	x
Janet Smith	Public/Service User/Carer	Regional/National	3	09/2020	✓	x	✓	x	✓
Paul Stanley	Public/Service User/Carer	Shropshire, Telford and Wrekin	3	09/2019	x	x	x	x	✓
Kathryn Taylor	Public/Service User/Carer	South Staffordshire	3	09/2018	x	x	✓	✓	✓
Pauline Pearsall	Public/Service User/Carer	South Staffordshire	3	09/2017	x	✓	✓	*	*
Monica Hall	Public/Service User/Carer	North Staffordshire	3	09/2017	x	x	x	*	*
Jill Bedford	Public/Service User/Carer	Shropshire, Telford and Wrekin	3	09/2017	x	x	x	*	*
Helen Allen	Staff	Nursing	3	09/2019	✓	✓	x	✓	x
Rubina Anjum	Staff	Medical	3	09/2019	x	x	✓	✓	x
Nicola Sherwood	Staff	Non-clinical support	3	09/2020	*	*	*	✓	✓
Sunita Roberts	Staff	Non-clinical support	3	09/2017	✓	x	✓	*	*
David Banks	Staff	Clinical Support	3	09/2020	*	*	*	✓	x
Rachael Ward	Staff	Clinical Support	3	09/2017	✓	✓	✓	*	*
Jenni Hodson	Staff	Social Care	3	09/2019	x	x	x	x	✓
Frances Virden	Staff	Allied Health Professionals	3	09/2018	x	x	x	x	x
Gillian Burnett	Partner	Staffordshire County Council	n/a	n/a	*	*	*	x	x

Mike Sutherland	Partner	Staffordshire County Council	n/a	n/a	*	x	x	*	*
Mark Sutton	Partner	Staffordshire County Council	n/a	n/a	x	*	*	*	*
Naomi Pay	Partner	Age UK	n/a	n/a	x	x	x	x	x
Arnold England	Partner	Telford and Wrekin County Council	n/a	n/a	✓	✓	✓	✓	x
Simon Jones	Partner	Shropshire County Council	n/a	n/a	✓	✓	x	x	✓
Lilian Owens	Partner	Telford and Wrekin Voluntary Sector Forum	n/a	n/a	✓	✓	✓	✓	✓
Mac Cock	Partner	Carers UK (South Staffordshire)	n/a	n/a	✓	x	✓	✓	x

Membership Report

This is my first contribution to the annual report as Lead Governor and I am happy to be able to report that governors have continued to support the work of the Trust by giving freely and consciously of their time and commitment to the various groups and sub-groups that contribute towards the governance of the Trust by holding the Board Members and NED's to account, acting as critical friends.

This has been a particularly busy year for all, not only addressing the normal business of the Trust but also dealing with the complexity of the proposed merger with SSOTP. A busy time ahead for all with the changes in structures, procedures and services and a greatly increased staff and membership.

I am grateful for the dedication, support and professionalism of the Governor's, Board Members, NED's, Staff and Membership Team.



Simon Jones, Lead Governor (A5.3)

Contact us: (E.1.4)

The Membership Office
Freepost RLUS_GBES_KBYL
Trust Headquarters
Corporation Street
Stafford
ST16 3SR

Telephone: 01785 783068 or 01785 783069

Email: membership@sssft.nhs.uk

Website: membership.sssft.nhs.uk

Deputy Company Secretary/Membership Manager – Jenny Smit
Membership Co-ordinator – Phoebe Wickens
Membership Co-ordinator – Megan Page
Membership Co-ordinator – Millie McMahon

Membership

To be eligible for membership of the public, service user and carer constituency, an individual needs to be aged 11 or over and live within South Staffordshire, North Staffordshire, Shropshire, Telford/Wrekin; or in other parts of England and Wales. (additional requirement)

The staff constituency is divided into six classes: medical, nursing, allied health professionals, clinical support staff, non-clinical support staff and social care staff.

For the purposes of membership the constituency boundaries are South Staffordshire, North Staffordshire, Shropshire, Telford/Wrekin; England and Wales as boundaries of the Regional/National Constituency. (additional requirement)

Number of members and in each constituency (additional requirement)

Constituency	Number of members
South Staffordshire	6432
Shropshire, Telford and Wrekin	3341
North Staffordshire	272
Regional/National	1743
Total Public/Service User/Carer	11788
Staff	4276
Total	16064

Membership Strategy (additional requirement)

The purpose of this Strategy is to demonstrate how the Trust plans to retain its membership base, but more importantly to plan and evidence meaningful engagement with its members.

The Trust values the contribution of its membership and focuses on qualitative rather than quantitative membership levels and engagement. Our membership strategy outlines the various ways the Trust ensures we have a coherent and consistent approach to implementing the vision and objectives of the Trust and to how we maintain good governance of the organisation.

We aim to develop an active, progressive and developmental Membership base, which is representative of our geography and population. The strategy outlines a strong emphasis on using communication and engagement tools to deliver this objective with the support of our existing members, Governors, service users and carers.

The Strategy will be supported by a detailed implementation plan, a live document which is regularly updated. The implementation of the strategy is closely monitored and supported by the Membership Steering Group, reporting where appropriate to the Council of Governors.

The membership strategy aims to:

- Ensure that membership is representative of the community it serves and that all staff groups are given equal opportunity to become involved. This is supported by a governor working group focussing on membership recruitment.

- Enable varying levels of participation according to the needs and wishes of individual members.
- Ensure that there is a consistent approach to the development of the membership, ensuring active engagement with the current membership and the recruitment of new members and to also ensure that the membership is of sufficient size to deliver credible elections to the Council of Governors.

The membership strategy is a public document available on the Trust's website and by printed copy via the membership office. The strategy outlines the involvement of members, service users (via the involvement strategy) and the local community. (E.1.1)

The Trust has made progress in growing the membership and making this more representative of the communities we serve. The Board is confident that progress has been made in delivering the membership strategy and with regards to the effectiveness of members' engagement.(E.1.6 E1.5)

The Council of Governors comprises 32 Governors led by the Foundation Trust Chairman. The Deputy Chair and Lead Governor of the Council of Governors is Cllr Simon Jones, Partner Governor representing Shropshire County Council.

Constituency Meetings

The Council of Governors, with Trust support, run a series of public constituency meetings each year. These meetings are open and chaired by a Governor Member. They are advertised widely and key speakers are provided by the Trust, if so required. This programme of meetings allows Governor Members to engage with their constituents in an open environment. Feedback is taken from each meeting and acted upon as appropriate. These meetings take place across the Trust's geography in order to engage the public and members to whom the Trust is accountable. Examples of the themes for these meetings include Dementia; our local health economy – where are we now; Children's Services and Mental Health awareness. These meetings allow Governors to canvas the opinions of the Trust's members and the public on a whole range of matters including the Trust's forward plan, objectives, priorities and strategy. Community engagement workshops also allow governors to canvas the opinions of members in areas such as service user and carer involvement. These can be communicated back to the Trust Board by Governors through the Strategic Engagement Group, the Community engagement group or directly to the Board of Directors. (B.5.6)

Governors attending and/or participating in Trust events such as Board meetings, events, committees or engagement groups as agreed or invited by the Trust, and whose expenses are not paid by another organisation, are entitled to claim expenses including mileage or public transport costs, car parking, subsistence allowance and carer's allowance. The current rates payable are outlined in the Policy for the Reimbursement of Expenses of Governors and Members.

A register of interests is maintained in relation to all Governor Members on the Council of Governors. This is available from the Trust website or by application to the Company Secretary.

About the Council of Governors

The Council of Governors works in partnership with the Trust Board to ensure that the needs of the local communities are met.

The Council of Governors represents the views of the Trust's membership and the wider public; they seek assurance from the Board and in turn hold the Board of Directors to account through the Non-Executive Directors.

Whilst the Council of Governors meets 5 times per year, Governor led (and chaired) engagement groups deliver the duties, as follows;

Strategic Direction Group

The Trust's Strategic Direction Group continues to provide Governor Members an opportunity for engagement and influence on the strategic direction of the Trust. The group aims:

- to support the Trust Board's decisions to be commercially competent in strategic direction
- to be engaged and provide an external strategic focus on the direction of travel of the organisation
- to evaluate and provide mitigates to the risks associated with the above.

Over the past year there has been a focus on the future direction of the Trust and through this group Governors have been involved, informed and engaged and have had the opportunity to comment, influence and gain assurance with regards to future plans.

Membership Steering Group

The Membership Steering Group has a range of responsibilities including advising on Governor Development and Training, Governor engagement, ensuring effective joint working with the Board of Directors and effective Council of Governors' meetings, contributing to and approving Council of Governors meeting agendas and monitoring delivery of the Membership Strategy and implementation plan as well as other key tasks.

Performance and Assurance Group

The Performance and Assurance Group continues to seek assurance on key performance areas, where the Trust provides Governors with assurance regarding the Trust's performance.

The group plays an integral part in the Annual Quality Accounts process by commenting on how the Trust is performing against the essential standards of quality and safety as set out in the current CQC registration regulations.

Governor Training and Development

In addition to the Governors having access to training offered by the Trust for trust staff, the Trust provide an extended training and development plan designed specifically for Governors.

During 2017 and 2018 training has been offered to Governors in many areas such as financial management, Trust constitution, accountability, board governance, assurance, commercial development and strategic direction, media approach, Customer Services PALS, Quality and Performance, Quality accounts, Quality Assurance Visits, Patient

Involvement, Quality Improvement, Social Media and presentation skills, in addition to a joint development session and meeting held in June 2017 with the Board of Directors.

In addition, the Council of Governors are offered external training and development by attending network meetings and the GovernWell programme facilitated/provided by NHS Providers.

Holding the Board to account

The Trust endeavour to create and offer many opportunities to support and allow Governors the opportunity to hold the Board, to account through the Non-Executive Directors.

Examples include:

- Appraising the performance of the Chairman and Non-Executive Directors
- Receiving the Trust's Annual Report and accounts
- Gaining assurance and considering performance reports from the Board of Directors
- Receiving regular briefings from the Chief Executive at Council of Governors meetings
- Attending Board meetings and reviewing Board papers and minutes
- Listening to the views of service users, carers and the general public, and escalating when appropriate
- Regular attendance at engagement groups and the Council of Governors meetings by the Board of Directors
- A Non-Executive Director is assigned to each Governor engagement group
- Shadowing programme of Non-Executive Directors for Governors
- Public Board meetings
- Service ambassadors
- Joint Non-Executive Director and Governor visits to services
- Board attendance at constituency meetings
- Interview style questions between a Governor and a Non-Executive Director at Council of Governors meetings.

Governors also take part in a number of initiatives that enable the Trust to monitor and ensure the quality of services that it provides.

Examples include:

- Quality Assurance visits to teams, wards and services across the Trust
- Participation in Patient Led Assessment of the Care Environment (PLACE) inspections
- Joint Trust Board and Council of Governors meetings are held annually. This year the meeting was held prior to the Council of Governors meeting in June 2017. This was an interactive session between the Board of Directors and the Council of Governors.
- Both executive directors and non-executive directors are invited to and regularly attend the Council of Governors meetings.
- Non-Executive Director membership of Governor Engagement Groups, with invitations extended to Executive Directors

Elections to Council of Governors 2017

Constituency	Date	Seats	No. of Candidates	No. of Eligible Voters	Turnout
South Staffordshire	21/07/2017	1	5	6359	6.6%
Shropshire, Telford and Wrekin	21/07/2017	1	3	3340	10.2%
Staff (Clinical Support)	21/07/2017	1	2	931	4.5%
Staff (Non Clinical Support)	21/07/2017	1	2	1055	14.2%
North Staffordshire	21/07/2017	1	1	n/a	n/a
Regional/National	21/07/2017	1	1	n/a	n/a

NHS FT Code of Governance disclosures

South Staffordshire and Shropshire Healthcare 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.

Part of schedule A (see above)	Relating to	Code of Governance reference	Summary of requirement	Page
2: Disclose	Board and Council of Governors	A.1.1	The schedule of matters reserved for the board of directors should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the board of directors.	64
2: Disclose	Board, Nomination Committee(s), Audit Committee, Remuneration Committee	A.1.2	The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the board and those committees and individual attendance by directors. <i>Part of this requirement is also contained within paragraph 7.25 as part of the directors' report.</i>	48 75
2: Disclose	Council of Governors	A.5.3	The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.	82
Additional requirement of FT ARM	Council of Governors	n/a	The annual report should include a statement about the number of meetings of the council of governors and individual attendance by governors and directors.	79 80
2: Disclose	Board	B.1.1	The board of directors should identify in the annual report each non- executive director it considers to be independent, with reasons where necessary.	66

2: Disclose	Board	B.1.4	The board of directors should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust.	66
Additional requirement of FT ARM	Board	n/a	The annual report should include a brief description of the length of appointments of the non-executive directors, and how they may be terminated	66
2: Disclose	Nominations Committee(s)	B.2.10	A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to board appointments.	47
Additional requirement of FT ARM	Nominations Committee(s)	n/a	The disclosure in the annual report on the work of the nominations committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of a chair or non-executive director.	n/a
2: Disclose	Chair / Council of Governors	B.3.1	A chairperson's other significant commitments should be disclosed to the council of governors before appointment and included in the annual report. Changes to such commitments should be reported to the council of governors as they arise, and included in the next annual report.	68
2: Disclose	Council of Governors	B.5.6	Governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	66 84
Additional requirement of FT ARM	Council of Governors	n/a	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance	n/a

			of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance). ** As inserted by section 151 (6) of the Health and Social Care Act 2012)	
2: Disclose	Board	B.6.1	The board of directors should state in the annual report how performance evaluation of the board, its committees, and its directors, including the chairperson, has been conducted.	65
2: Disclose	Board	B.6.2	Where there has been external evaluation of the board and/or governance of the trust, the external facilitator should be identified in the annual report and a statement made as to whether they have any other connection to the trust.	n/a
2: Disclose	Board	C.1.1	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report). See also ARM paragraph 7.92 .	29
2: Disclose	Board	C.2.1	The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls.	95
2: Disclose	Audit Committee / control environment	C.2.2	A trust should disclose in the annual report: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	75
2: Disclose	Audit Committee / Council of Governors	C.3.5	If the council of governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the	n/a

			council of governors has taken a different position.	
2: Disclose	Audit Committee	C.3.9	<p>A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include:</p> <ul style="list-style-type: none"> the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded. 	75
2: Disclose	Board / Remuneration Committee	D.1.3	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.	n/a
2: Disclose	Board	E.1.5	The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.	66 84
2: Disclose	Board / Membership	E.1.6	The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.	84
2: Disclose	Membership	E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the annual report.	82
Additional requirement of FT ARM	Membership	n/a	<p>The annual report should include:</p> <ul style="list-style-type: none"> a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership; 	83

			<ul style="list-style-type: none"> • information on the number of members and the number of members in each constituency; and • a summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members. 	
Additional requirement of FT ARM (based on FReM Requirement)	Board / Council of Governors	n/a	<p>The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report.</p> <p>See also ARM paragraph 2.22 as directors' report requirement.</p>	66
Comply or explain	Remuneration Committee	D 2.2	<p>The remuneration committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments.</p>	67

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 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.

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's Risk Assessment Framework (RAF) was in place. Information for the prior year and first two quarters of 2016/17 relating to the RAF has not been presented as the basis of accountability was different. This is in line with NHS Improvement's guidance for annual reports.

South Staffordshire and Shropshire Healthcare NHS FT has been placed in segment 1 and there are no enforcement actions being taken by NHS Improvement (Monitor). This segmentation information is the trust's position as at 31st March 2018. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

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 Scores				2016/17 Scores	
		Q4	Q3	Q2	Q1	Q4	Q3
Financial sustainability	Capital service capacity	1	1	1	1	1	1
	Liquidity	1	1	1	1	1	1
Financial Efficiency	I&E margin	1	1	1	1	1	1
Financial controls	Distance from financial plan	1	1	1	1	1	1
	Agency spend	2	2	2	2	3	3
Overall scoring		1	1	1	1	1	1

Statement of Chief Executive's Responsibilities as Accounting Officer of South Staffordshire & Shropshire Healthcare NHS Foundation Trust:

The National Health Service Act 2006 states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of 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 Staffordshire and Shropshire Healthcare 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 Staffordshire and Shropshire Healthcare 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.



Signed: Neil Carr
Chief Executive

Date: 25th May 2018

South Staffordshire & Shropshire Healthcare NHS Foundation Trust Annual Governance Statement:

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of South Staffordshire & Shropshire Healthcare 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 Staffordshire & Shropshire Healthcare 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

Leadership arrangements for risk management are clearly documented in the Risk Management strategy, and further supported by Trust Business Plan objectives and individual job descriptions. Leadership starts with the Chief Executive having overall responsibility, and delegation to named Executive Directors and Trust Clinical Directors. The leadership is further embedded by ownership at a local level by managers taking responsibility for risk identification, assessment and analysis. In addition, the risk management system provides a holistic approach to risk, and terms of reference clearly outline the responsibilities of the overarching committee for risk management and other supporting risk committees and groups.

All new members of staff are required to attend a mandatory induction that covers key elements of risk management. This is further supplemented by local induction. The organisation provides mandatory and statutory training that all staff must attend, and in addition to this, specific training appropriate to individuals' responsibilities as detailed within the Risk Management Strategy, is also provided. All training courses are available to all staff, and managers are encouraged to support further risk management training for all. There are many ways that the organisation seeks to learn from good practice and this includes incident reporting procedures, complaints and pro-active risk assessment. This information is filtered to frontline staff via the intranet, social media, directorate reports and staff newsletters.

The risk and control framework

The Risk Management Strategy clearly defines leadership, structure and the risk management process and is closely linked to the performance management system in operation within the Trust. Risks within the organisation are identified in many ways using many different methods. Once identified each risk is assessed and evaluated using the Australian / New Zealand 5 x 5 matrix (likelihood x impact, where 1 is low and 5 high). This method is the recognised NHS Risk Management Standard. The risk management process ensures that the practice is an ongoing exercise with a rolling programme of risk identification, assessment and analysis. Each Directorate maintains its own risk register and any risk identified with a risk-rating factor of 15 or over is included in the Trust Risk Register, which is monitored by the Trust Board.

During the year board members have participated in a robust programme of board development which has demonstrated a strong commitment to maintaining an engaged and effective unitary board.

In December 2017 the Board undertook a comprehensive assessment alongside a neighbouring trust, assessing each other against the Well Led Framework. This was reviewed together and moderated accordingly. Minor improvements were suggested and necessary actions taken.

The Trust's risk appetite was last formally reviewed during autumn 2016. This continues to be applied by the Trust Board and indicates how much, or little the Trust wishes to commit in terms of risk when reviewing service changes or investment. The trusts risk appetite will continue to be reviewed regularly.

Risk management is embedded within the organisation. An open culture aids the confident use of the incident reporting procedures throughout the organisation without stifling innovation. The Trust is conscious that this culture needs to be owned and supported by staff and has therefore introduced many opportunities for staff to be trained not only in the mandatory and statutory areas but also risk management, including how to undertake risk assessments and how to report incidents. The Trust has a performance management system that measures performance monthly against Trust Business Plan objectives, which ensures that the risk management process is ongoing and embedded. Along with regular Trust wide and Directorate reports on Incidents, Complaints and Claims, the Trust also produces a comprehensive quarterly Risk Management report.

The Trust continually seeks to improve its Assurance Framework, refine its Principal Objectives, and further develop the Assurance Plan in order to assess the potential risks that threaten the achievement of the organisational objectives, the existing control measures in place, where assurances are gained and any gaps in the same. The Trust has maintained its assurance plan which has been subject to regular review to support the 2017/18 Business Plan objectives. Assurance for 2017/18 can further be drawn from regular performance reporting, review of the risk register and specific Board and Committee reporting on key issues and assurances which provides assurance to the Chief Executive to enable sign off of the Annual Governance Statement. The organisation is involved with a multitude of partners including Clinical Commissioning Groups, Social Services, Education, Police, Prisons and the voluntary sector. The Trust Executive, Clinical and Divisional Directors and operational Heads of Services work

closely with the above partners, to provide a local integrated service to our public and stakeholders.

The foundation trust is fully compliant with the registration requirements of the Care Quality Commission.

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

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

The trust has undertaken risk assessments and 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

The trust has a dynamic process for setting business objectives across the whole organisation which is documented and reviewed on an ongoing basis in order to drive forward improvements in clinical and non-clinical services. The Trust engages with its partners both individually and on a grouped basis. In particular the Trust makes full use of its Membership Council to influence and drive service improvements. All objectives are quantifiable and measurable and are regularly reviewed via the performance management arrangements embedded within the organisation. The Performance Plus System and dashboards in use in the Trust more simply enable key performance indicators, targets, business and improvement objectives to be effectively monitored, enabling all Directorates and Divisions to take forward required actions and to deposit evidence that work has been delivered. These are subsequently used to provide evidence to third parties where required but also to the Board so that they have assurance with evidence. The systems support the internal performance reviews where Directorates and Divisions are held to account for those areas that they are expected to deliver on.

During the year the Trust proactively used internal audit in an advisory capacity to look at the following six areas:

1. Information Governance Toolkit;
2. Data Quality Deep Dive Review – IAPT;
3. Governance Arrangements – Significant Transactions Committee;
4. Governance Reporting – Feeds into and out of the Quality Governance Committee;
5. General Data Protection Regulations;

The Trust has a dynamic strategy to communicate effectively with its staff, service users and carers and partners. The sharing of this information drives forward the delivery of business objectives and ensures action is taken on feedback from any quarter. The Trust has worked hard to communicate with all its population including hard to reach groups.

The Membership Council has played a significant role in the sharing and dissemination of such information.

The Trust has an embedded performance management, monitoring and improvement system. All performance areas based around the Care Quality Commission's domains are evidenced and centrally collected. Risks to any area are entered onto risk registers and actions plans to resolve issues developed, managed and monitored for delivery through the Performance Plus system. The Audit Committee has reviewed these systems and approved them as being appropriate and sufficient for purpose.

During the last year the Trust further embedded Service Line Management which is used to ensure that services operate within the income available to them and will inform management of areas that require cost improvement. The inclusion of the patient experience and quality assessments continue to deliver a more rounded approach to service quality, delivery and improvement. The Trust has strong evidence of delivery against cash releasing improvement plans (CRIP) and the Finance and Performance Committee regularly reviews the delivery of all finance plans and pays particular attention to the delivery of recurrent CRIP. This enables demonstrable sustainability and regular improvements in economy and efficiency.

Continual evaluation is an embedded function of service delivery in both clinical and non-clinical areas, where services are regularly reviewed and benchmarked to provide evidence of improvements. The trust continues to use the Virginia Mason System of LEAN, known locally as QI (Quality Improvement) which seeks to identify areas that require improvement and provides tools to address these areas. All executive directors and a significant number of key managers and leaders are now fully trained and active in this methodology. We have 27 fully certified leaders with a further 23 in training and over a thousand staff who have received core training and been involved in QI projects. Several areas have been subject to review resulting in quality improvement at no increased cost and 100% efficiency metrics are at their targeted levels. 94% of improvements made during Rapid Process Improvement Workshops have been sustained at their 12 months review. Service users and carers are involved in all the lean processes being implemented in clinical areas as equal partners in improving services.

Information governance

The Trust uses the Information Governance Toolkit to identify and manage information risks and reports all incidents regularly to the Trust Board. The trust achieved a score of 95%, which has been assessed as "satisfactory" in the year-end assessment against the Information Toolkit submission.

Data Security risks are managed as part of a comprehensive framework of risk management concerning IM&T and Information Governance within the Trust. Risks are managed through use of a risk register. Action plans are developed where necessary. Specific issues are also raised through the Information Governance Group. This group reports to the Finance and Performance Committee, which in turn reports to the Trust Board. Assurance is also provided through a comprehensive programme of internal and external audit which provides assurance on the effectiveness of security controls. Data security risks are further managed through close working with the Health Informatics Service and regular Information Security reviews.

Annual Quality Account

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.

Quality is central to the delivery of our Trust strategy and through the hard work and commitment of our staff we continue to deliver safe, effective and high quality services whilst at the same time targeting priority areas for improvement. Quality of service is monitored through our clinical directorate/division structure through to the Board committee tasked with ensuring Quality Governance. Directors have taken steps to satisfy themselves that the content of the quality report is consistent with internal and external sources of information including feedback from commissioners, Health Scrutiny committees and Healthwatch, the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints regulations 2009, the Community Mental Health Survey, the National NHS Staff Survey 2017, CQC's regular feedback processes, and the Head of Internal Audit annual opinion over the Trust's control environment. External audit have issued an unqualified limited assurance report in respect of the content of the Quality Report and on both the mandated indicators.

Trust policies are available on the website and all staff are encouraged to participate in consultation around new and updated policies through regular updates on the intranet. Newly approved policies are published through a network of policy leads and also in the monthly briefing issued to staff. Engaging staff is at the heart of this organisation's culture – they facilitate and empower rather than control or restrict and they treat others with appreciation and respect showing commitment to development and improvement. Learning and development opportunities are available for all staff, at all stages of their learning journey. A comprehensive menu of formal and self-directed and innovative approaches are offered to equip individuals with the knowledge and skills they need to lead and manage effectively. The Trust celebrates achievement through the annual staff awards ceremony launched to recognise and celebrate individuals and teams who have made an exceptional contribution to patient care. The Trust aims to keep staff informed about finance and performance issues, what's on, opportunities and examples of good practice, by a range of briefings and newsletters produced regularly in a number of ways. The Trust has an extensive website and an intranet which reaches all staff. The well-being of staff is of key importance and as part of its commitment to providing comprehensive support services as an Exemplar Employer, the Trust has a Staff Health and Wellbeing service. The Trust had an over arching engagement strategy in place for the year, which sets out how it engages with partners and staff, and an involvement strategy which sets out how it involves service users and carers. The staff opinion survey is carried out each year across the NHS and is designed to collect the views of staff about how they feel about their job, their personal development and the organisation they work for. Their views are used nationally and locally to help provide better care for patients and improve the working lives of those providing the care. The Trust has also improved processes for engaging with staff by implementing the Listening into Action methodology.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the 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 and Quality Governance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Positive opinions in respect of the work undertaken in 2017/18 by internal audit have been issued where either substantial or reasonable assurance opinions have been issued.

During the year the following internal audits have received substantial assurance; Cost Improvement Programme Stage 1 and Cost Improvement Programme Stage 2.

Reasonable Assurance has been assigned to the following internal audits; Follow up of Previous Internal Audit Recommendations, Libraries, IT Disaster Recovery & Business Continuity Planning, Data Quality – Governance and Performance Reporting Processes, Safe Care Live, Consultant Job Planning and Assurance Plan and Trust Risk Register.

A consistently high level of sound internal control has been demonstrated with positive opinions being issued for the Trust's Key Financial Systems, achieving substantial assurance for the Asset Management and General Ledger audits and reasonable assurance for the Charitable Funds and Payroll audits.

The Trust regularly reviews the interface and terms of reference of each of the committees and groups mentioned above that support internal control. The last review was concluded during the second quarter of the 2016/17 financial year and recommended changes were in place thereafter.

Conclusion

No significant internal control issues have been identified.



Signed:
Neil Carr
Chief Executive

Date: 25th May 2018

Financial Report

Financial performance 2017/18

The Trust was authorised as an NHS foundation trust on 1st May 2006. The financial review below covers the organisations achievements during the eleventh financial period as a NHS Foundation Trust. The review finally highlights key service and financial issues across the year as a whole, before taking a forward look into 2018/19.

NHS Improvement's Single Oversight Framework

This provides the framework for overseeing the trusts and foundation trusts and identifies potential support needs. The framework looks at five themes quality of care, finance use of resources, operational performance, strategic change and leadership and improvement capability (well-led). The five measures are scored from 1 to 4 where '1' reflects the strongest performance. The trust scored a 1 and therefore is able to operate – and plan to operate – flexibly so long as those elements of the single oversight framework are adhered to. The Trusts outturn position shows a £8.5m surplus. This is above the £3.5m control total set by NHS Improvement and includes a non-recurrent STF income bonus of £3.4m.

In terms of long term borrowing – ie, for capital investment purposes, the Trust has received a loan of £30m from the Foundation Trust Financing Facility for the Redwoods Centre capital scheme. £15m of this was drawn down in 2011/12, with the balance being drawn down in 2013/14. Capital investment of £1.5m was funded through internally generated resources in 2017/18.

The Trust's cash position during 2017/18 increased from £51.8m to £64.1m. The increase in the cash position is due to slippage in capital investment the trust was intending to make in year when the plan was set.

Operational review, 2017/18

During the year the Trust continues implementing the LEAN approach to our systems and processes with the objective of creating value for the users and carers of health services. The Trust delivered its Cost Improvement Programme Targets in the year reducing costs by £6.9m but has recognised that future reductions will require strategic change.

The Trust has been working on a number of significant projects that will impact in future years:

- Taking account of the overall National and Local financial position the Trust updated its future financial plans.
- The changes to NHS commissioning as GP clusters developed has required the Trust to focus on providing services that are valued both by service users and carers and commissioners. The Trust has gained contracts but has also been unsuccessful with some tenders across the country.

During 2017/18 the Trust declared its intention to acquire Staffordshire and Stoke On Trent Partnership Trust (SSOTP). Subject to the agreement of the Trusts Regulatory

Body this acquisition will be enacted on 1 June 2018. SSSFT will be responsible for the publication of the audited 2017/18 accounts and annual report and for the production, agreement and publication of the 2018/19 part year accounts.

2018/19 - Forward Look

As mentioned above the Trust financial plans continue to take account of the overall NHS financial outlook and in particular of that in the local health economy. This requires us to both make greater operational efficiencies and disinvest from some elements of service.

The Trust will be continuing use of the LEAN approach to develop future service and workforce plans that meet the requirements of the planned reductions in income from commissioners.

The Trust is refreshing its estates strategy to ensure that the estate is fit for purpose and offers a high quality environment. Phase one of the “Inpatient and Community Estates Modernisation Project” (ICEMP) (and formerly known as “Right Service, Right Place”) was completed in 2015/16 with a new hub being opened at the end of 2016/17. This continues into 2018/19 with further individual cases to be approved in 2018/19 which will commit resources over a 5 year programme.

The organisation will also continue to seek market opportunities in terms of expanding its service and contract portfolio. The Trust will continue to respond to Tenders in areas where it has clinical expertise.

Auditors Report

Independent auditors' report to the Council of Governors of South Staffordshire and Shropshire Healthcare NHS Foundation Trust

Report on the audit of the financial statements

Opinion

In our opinion, South Staffordshire and Shropshire Healthcare NHS Foundation Trust's financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2018 and of the Trust's income and expenditure and cash flows for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2017/18.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise:

- the Statement of Financial Position as at 31 March 2018;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Taxpayers' Equity for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the National Health Service Act 2006, the Code of Audit Practice and relevant guidance issued by the National Audit Office on behalf of the Comptroller and Auditor General (the "Code of Audit Practice"), International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Context

Our audit for the year ended 31 March 2018 was planned and executed having regard to the fact that the Trust's operations and financial stability were largely unchanged in nature from the previous year. In light of this, our approach to the audit in terms of scoping and areas of focus was largely unchanged.

Overview



- Overall materiality: £4.134 million which represents 2% of total revenue.
- Our work did not include the South Staffordshire Community and Mental Health Charity, which is not consolidated on the grounds of materiality.
- Our areas of focus are:
 - Risk of fraud in revenue and expenditure recognition.
 - Valuation of property, plant and equipment

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the 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) identified by the auditors, including 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, and any comments we make on the results of our procedures thereon, 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. This is not a complete list of all risks identified by our audit.

<i>Key audit matter</i>	<i>How our audit addressed the Key audit matter</i>
<p>Risk of fraud in revenue and expenditure recognition</p> <p>See note 1.1 and 1.3 to the financial statements for the directors' disclosures of the accounting policies relating to the recognition of income and expenditure as well as notes 2 and 3 for further information.</p> <p>We focused on this area because there is a heightened risk due to:</p> <ul style="list-style-type: none">• inherent complexities in the contracts with commissioners. These are negotiated annually, with equal monthly instalments and a 'true up' receipt, which is negotiated at the end of the year. The 'true up' is subject to management judgement regarding its value and recoverability;• the timing and complexity of the intra-NHS balance reconciliation process which requires any disputes to be resolved between the parties; and• a potential incentive to recognise revenue and expenditure in incorrect periods, given the uncertainty of the economy and incentives to realise control total targets and receive additional Sustainability and Transformation Funding.	<p>We evaluated and tested the accounting policy for revenue and expenditure recognition to check that it is consistent with the requirements of the Department of Health Group Accounting Manual and we noted no issues.</p> <p>We evaluated the controls in place for revenue and expenditure, and did not identify any deficiencies with regards to the design of controls.</p> <p>We tested a sample of contracts covering both NHS and non-NHS income, reviewing contract terms and considering the accounting implications. We identified no issues.</p> <p>We reconciled contract values to reported income and identified that, for the majority of the contracts, values had varied since the start of the year. We investigated a sample of variances, and agreed these to signed contract variations, invoices, credit notes or other source documentation. We identified no issues.</p> <p>We tested for each contract, a sample of monthly invoices which had been raised and the cash receipts received to ensure that these agreed to the invoicing schedule supporting the contract value recognised in the financial statements. We identified no issues.</p> <p>We tested a sample of 'other operating income' transactions to invoices and did not identify any issues.</p> <p>We agreed the value of the Trust's STF, including additional bonus funding to communications from NHS Improvement. We agreed the accounting treatment for this funding and the recognition in the financial statements.</p> <p>We tested a sample of deferred income balances by checking that the income had been received and, by understanding the terms and conditions associated with the income, considered that the performance obligations were unlikely to be met until future periods. We identified no material issues with our testing of the deferred income balance.</p> <p>We tested invoices pre and post year end, and credit notes raised post year end to confirm that the income had been accounted for in the correct accounting year. We did not identify any issues.</p> <p>We tested a sample of expenditure transactions back to invoices or other source documentation, focusing on the areas we considered to be of greatest risk including accruals and expenditure close to the year end</p>

Key audit matter

How our audit addressed the Key audit matter

Valuation of property, plant and equipment

See note 1.4 and 1.15 to the financial statements for the directors' disclosures of the accounting policies, judgements and estimates relating to the revaluation of property, plant and equipment as well as note 6 for further information.

We focussed on this area because property, plant and equipment ("PPE") represents the largest balance in the Trust's Statement of Financial Position.

All PPE assets are measured initially at cost, with land and buildings subsequently measured at fair value based on periodic valuations. This involves a range of assumptions and the use of external valuation expertise, provided by the Trust's expert valuer. Valuations are required to be performed with sufficient regularity to ensure that the carrying value is not materially different from fair value at the reporting date.

The Trust undertook a significant revaluation exercise in 2016/17, and did not undertake a full revaluation exercise in 2017/18. Instead the Trust made an assessment of PPE valuation changes to consider whether the valuations made in the prior period remain appropriate as at 31 March 2018.

Our work focused on whether the assumptions and judgements made by management with regards to the valuation at the 31 March 2018 were appropriate.

We challenged the assumptions made by management for accruals using invoices and cash payments made to confirm the accuracy of the accrual recorded. Where invoices had not been received we obtained supporting documentation for the method of calculation, and considered what information had been used to form the estimate and where this information had been received from. We did not identify any issues.

We tested cash payments and credit notes received post year end to confirm that the expenditure had been accounted for in the correct accounting year. We did not identify any issues.

We tested a sample of the provisions balances across all of the categories to supporting documentation. We understood the judgements applied in setting the provisions, obtained evidence on these judgements and evaluated the evidence against the criteria set out within the Department of Health Group Accounting Manual. We identified no material issues with our testing of the provisions balance.

We tested additions and repairs and maintenance expenditure to ensure that this had been appropriately classified, and did not identify any issues.

The NAO provided mismatch reports for income, expenditure, debtors and creditors which identified where there are any differences between the Trust and by the counterparty. We tested all differences over £0.198 million to supporting evidence and transaction listing, including correspondence with the counterparties. We did not identify any issues.

We tested journals using a risk based approach. We used data analysis to identify the journals that had higher risk characteristics and traced these journal entries to supporting documentation. We did not identify any issues.

We considered management's assessment that its property assets (land and buildings) had not increased in value during the year.

We have challenged the assumptions made by management in recognising this estimate, primarily through comparing the assessment against indices prevalent in the sector and our knowledge of what we have seen in valuations performed across the region. We also consulted with our own valuation specialists. We identified no material issues.

We tested a sample of assets by agreeing that the data used by valuer as the basis for the valuation performed in 2016/17 was consistent with the underlying estates and property asset information. We did not identify any issues.

We tested a sample of capital expenditure transactions during the year to supporting documentation to confirm they had been appropriately classified as revenue or capital. We did not identify any issues.

We confirmed that the downwards revaluation included in the financial statements for the asset classified as held for sale during the year had been correctly input into the Fixed Asset Register and that the accounting treatment was appropriate.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the accounting processes and controls, and the environment in which the Trust operates.

In establishing our overall approach we assessed the risks of material misstatement, taking into account the nature, likelihood and potential magnitude of any misstatement. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

We conducted the audit work on the financial statements at the Trust Headquarters on the St George's Hospital site in Stafford.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	£4.134 million (2017: £3.9 million)
How we determined it	2% of revenue (2017: 2% of revenue)
Rationale for benchmark applied	Consistent with last year, we have applied this benchmark, a generally accepted auditing practice, in the absence of indicators that an alternative benchmark would be appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £198,550 (2017: £175,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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. We have nothing to report based on these responsibilities.

With respect to the Performance Report and the Accountability Report, we also considered whether the disclosures required by the NHS Foundation Trust Annual Reporting Manual 2017/18 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) and the Code of Audit Practice require us also to report certain opinions and matters as described below.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Accountability Report set out on page 29, the directors are responsible for the preparation of the financial statements in accordance with the Department of Health and Social Care Group Accounting Manual 2017/18, and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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 directors are responsible for assessing the 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 directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The Trust is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Auditors' 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 auditors' 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 auditors' report.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism.

We are required under Schedule 10(1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report to you where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively. We have undertaken our work in accordance with the Code of Audit Practice, having regard to the criterion determined by the Comptroller and Auditor General as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

We will prepare an annual audit letter which will cover the Trust's key risks in securing economy, efficiency and effectiveness in its use of resources, how these have been discharged by the Trust, and our actions to review these. The Trust is responsible for publishing this annual audit letter, and ensuring that it is available to the public.

Use of this report

This report, including the opinions, has been prepared for and only for the Council of Governors of South Staffordshire and Shropshire Healthcare NHS Foundation Trust as a body in accordance with paragraph 24 of Schedule 7 of the National Health Service Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Opinions on other matters prescribed by the Code of Audit Practice

Performance Report and Accountability Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Performance Report and Accountability Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we did not identify any material misstatements in the Performance Report or Accountability Report.

In addition, the parts of the Remuneration and Staff Reports to be audited have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2017/18.

Arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report, by exception, if we conclude we are not satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018. We have nothing to report as a result of this requirement.

Other matters on which we report by exception

We are required to report to you if:

- the statement given by the directors on page 29, in accordance with provision C.1.1 of the NHS Foundation Trust Code of Governance, that they consider the Annual Report taken as a whole to be fair, balanced and understandable, and provides the information necessary for members to assess the Trust's performance, business model and strategy is materially inconsistent with our knowledge of the Trust acquired in the course of performing our audit.
- the section of the Annual report on page 74, as required by provision C.3.9 of the NHS Foundation Trust Code of Governance, describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.
- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2017/18 or is misleading or inconsistent with our knowledge acquired in the course of

performing our audit. We have not considered whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

- we have referred a matter to Monitor under Schedule 10 (6) of the National Health Service Act 2006 because we had reason to believe that the Trust, or a director or officer of the Trust, was about to make, or had made, a decision which involved or would involve the incurring of expenditure that was unlawful, or was about to take, or had taken a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.
- we have issued a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006.
- we have not received all the information and explanations we require for our audit.

We have no exceptions to report arising from this responsibility.

Certificate

We certify that we have completed the audit of the financial statements in accordance with the requirements of Chapter 5 of Part 2 to the National Health Service Act 2006 and the Code of Audit Practice.



Lynn Pamment (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

25 May 2018

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31st MARCH 2018

STATEMENT OF COMPREHENSIVE INCOME		
	2017/18	2016/17
	£'000	£'000
Operating income from patient care activities	182,351	172,122
Other operating income	24,215	21,908
Operating expenses of continuing operations	-196,291	-189,213
Operating Surplus/(Deficit)	10,275	4,817
Finance Costs		
Finance income	153	104
Finance Costs – Financial Liabilities	-990	-1,012
PDC Dividends Payable	-875	-1,232
Net Finance Costs	-1,712	-2,140
Gains/(losses) on disposal of assets	-51	0
Surplus/(deficit) for the year	8,512	2,677
Other Comprehensive (Expenses)/Income		
Will not be reclassified to Income and Expenditure:		
Revaluations	-314	-15,072
Remeasurements of net defined benefit pension scheme liability/asset	200	243
Total Comprehensive Income/(Expenses) for the Period	8,398	-12,152

STATEMENT OF FINANCIAL POSITION AS AT 31st MARCH 2018

STATEMENT OF FINANCIAL POSITION		
	31st March 2018 £'000	31st March 2017 £'000
Non Current Assets		
Property, plant & equipment	69,442	72,126
Intangibles	92	119
Trade & other receivables	1,095	352
Other Assets	1,123	955
Total Non Current Assets	71,752	73,552
Current Assets		
Inventories	257	221
Trade & other receivables	26,110	20,846
Non-current assets for sale and assets in disposal groups	0	2,000
Cash and cash equivalents	64,193	51,801
Total Current Assets	90,560	74,868
Current Liabilities		
Trade & other payables	-28,009	-25,166
Borrowings	-1,332	-1,332
Provisions	-7,255	-6,377
Other liabilities	-8,978	-5,891
Total Current Liabilities	-45,574	-38,766
Total Assets less Current Liabilities	116,738	109,654
Non-Current Liabilities		
Provisions	-228	-210
Borrowings	-22,674	-24,006
Other liabilities	0	0
Total Non-Current Liabilities	-22,902	-24,216
Total Assets Employed	93,836	85,438
Financed by (taxpayers equity):		
Public dividend capital	75,956	75,956
Revaluation reserve	9,329	12,496
Pensions reserve	435	235
Income and expenditure reserve	8,116	-3,249
Total Taxpayers Equity	93,836	85,438



Signed: Neil Carr
Chief Executive

Date: 25th May 2018

STATEMENT OF CHANGES IN TAXPAYERS EQUITY FOR THE YEAR ENDED 31st MARCH 2018

STATEMENT OF CHANGES IN TAXPAYERS EQUITY FOR THE YEAR ENDED 31 st MARCH 2018					
	Public Dividend Capital £'000	Revaluation Reserve £'000	Income & Expenditure Reserve £'000	Pension Reserve £'000	Total Tax Payers Equity £'000
Taxpayers equity at 1st April 2016	75,698	27,660	-6,018	-8	97,332
Surplus for the year	0	0	2,677	0	2,677
Revaluations – Property, Plant & Equipment	0	-15,072	0	0	-15,072
Public dividend capital received	258	0	0	0	258
Transfers between reserves	0	-92	92	0	0
Remeasurements of defined net benefit pension scheme liability/asset	0	0	0	243	243
Taxpayers Equity at 31st March 2017 / 1st April 2017	75,956	12,496	-3,249	235	85,438
Surplus for the year	0	0	8,512	0	8,512
Transfer to retained earnings on disposal of assets	0	-2853	2,853	0	0
Revaluations – Property, Plant & Equipment	0	-314	0	0	-314
Remeasurements of defined net pension scheme liability/asset	0	0	0	200	200
Taxpayers Equity at 31st March 2018	75,956	9,329	8,116	435	93,836

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31st MARCH 2018

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31st March 2018		
	2017/18	2016/17
	£'000	£'000
Cash Flows from Operating Activities		
Operating surplus/(deficit) from continuing operations	10,275	4,817
Non Cash Income and Expense:		
Depreciation and amortisation	2,333	2,716
Impairments	0	3,478
On SoFP Pension liability – employer contributions paid less net charge to the SOCI	32	2
(Increase)/Decrease in trade and other receivables	-6,300	-9,310
(Increase)/Decrease in inventories	-36	-50
(Decrease) in trade and other payables	2984	624
(Decrease) in other liabilities	3087	878
Increase/(Decrease) in provisions	896	-971
Other movements in operating cash flows	-31	-1
Net cash Generated from/(Used in) Operations	13,240	2,183
Cash Flows from Investing Activities		
Interest received	153	104
Purchase of property, plant and equipment	-1,487	-4,361
Sale of property, plant and equipment	3,360	1,121
Net Cash Generated from/(Used in) Investing Activities	2,026	-3,136
Cash Flows from Financing Activities		
Loans repaid to the Independent Trust Financing Facility	-1,332	-1,332
Interest paid	-960	-1,011
PDC Dividend Received	0	258
PDC Dividends paid	-582	-1,605
Net Cash Generated from/(Used in) Financing Activities	-2,874	-3,690
Increase/(Decrease) in Cash and Cash Equivalents	12,392	-4,643
Cash and Cash Equivalents at 1st April 2016/7	51,801	56,444
Cash and Cash Equivalents at 31st March 2017/8	64,193	51,801



**South Staffordshire and
Shropshire Healthcare**

NHS Foundation Trust



Quality Accounts

2017-18

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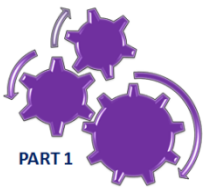
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About our Quality Accounts 2017/18

Our Quality Account is our annual report to the public about the quality of healthcare services we deliver and is an opportunity for the Trust to offer its approach to quality up for scrutiny, debate and reflection by the public.

Each year our Quality Accounts are both retrospective and forward looking. We look back at the year just passed and present a summary of our key quality improvement achievements and challenges. We look forward and set out our quality priorities for the year ahead, ensuring that we maintain a balanced focus on the three key domains of quality:

- **Patient Safety**
- **Clinical Effectiveness**
- **Patient Experience**

Our quality priorities are chosen following a process of review of current services, consultation with our key stakeholders and most importantly through listening to the views of our service users and carers.

Some of the content of the Quality Accounts is mandated by NHS Improvement and /or by The NHS (Quality Accounts) Amendment Regulations 2012, however other parts are determined locally and shaped through the feedback we receive.

The Quality Accounts are split into three main parts:

Part 1

Provides a statement summarising the Trust's view of the quality of health services provided or sub-contracted during 2017/18.

Part 2

Provides a review of performance against the priorities for improvement as identified in our 2016/17 Quality Accounts

Sets out our quality priorities for this year (2018/19)

Provides a series of prescribed statements of assurance from the Trust Board

Provides a report on performance against a set of core indicators using data made available by the NHS Digital Indicator Portal.

Part 3

This section is used to present an overview of the quality of care delivered by the Trust against a number of local indicators as well as performance against relevant indicators set out in NHS Improvement Single Oversight Framework (2017).

Statement on Quality from our Chief Executive

On behalf of the Board of Directors, the Council of Governors and colleagues of South Staffordshire and Shropshire Healthcare NHS Foundation Trust I am delighted to welcome you to our ninth annual Quality Account. Within what has been an exceptionally challenging financial environment, we have maintained our commitment to focus our resources and actions on providing safe, high quality care to our patients and this report is an outline of our achievements and successes against our quality priorities over the past 12 months.


These Quality Accounts will share with you a wealth of information about our quality journey throughout 2017/18. This will include progress against our key quality improvement indicators, local quality indicators and core nationally mandated indicators. It also enables us to share with you our plans for delivering further improvement over the next twelve months.

Some of the key quality achievements over the last twelve months have been:

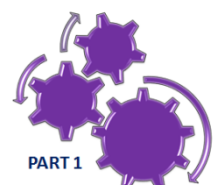
- ❖ We're proud to be able to celebrate our success in harnessing an engaged workforce following the latest National NHS Staff Survey results. SSSFT continues to be one of the top performing Mental Health and Learning Disability Trusts in the country, with above average scores on 24 out of the 32 key findings. This is a great achievement for the Trust given the mounting workforce pressures on the NHS in general
- ❖ In June 2017 we celebrated our 12th annual service user and carer event to celebrate involvement. We had a record turn-out this year of about 160 people, service users, carers, volunteers, Trust staff and partner organisations. Megan Nurse, Non-Executive Director Lead for service user and carer involvement chaired the event for the first time and was ably assisted by service user Rob, who kindly stepped in at the last minute and did a great job
- ❖ On 30th October 2017 the Trust held a Pride in our Practice event, which was a resounding success. Well over 100 people attended the event and it proved an ideal opportunity for the 78 poster presenters to showcase the excellent work underway across the Trust
- ❖ The Trust was named runner up in the Championing the Public category at the Patient Experience Network national awards. With one of our Peer Recovery Workers winning the Simply the Best award in the Best in Class category
- ❖ In February 2018 over 100 staff attended the Making Families Count workshop. Making Families Count is a unique group of families who have suffered complex bereavement, either through mental health homicide or suicide, or lost a family member with a learning disability whilst under the care of the NHS. Feedback from the event from staff was extremely positive and staff felt it had achieved the aim of enhancing the importance of engaging with families.

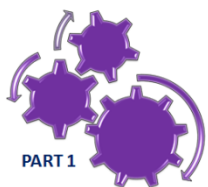
As Chief Executive of South Staffordshire and Shropshire Healthcare NHS Foundation Trust I am proud of this year's quality improvement achievements and confirm that to the best of my knowledge the information provided within this 2017/18 Quality Accounts document is accurate.

Thank you for taking the time to read this report



Neil Carr, Chief Executive





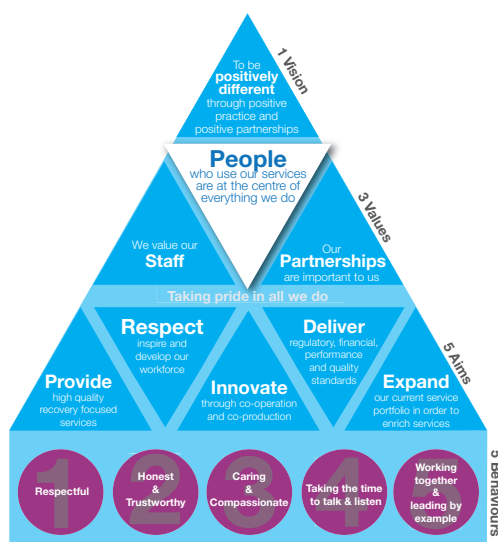
About our Trust

Our Trust Services

Our Trust provides mental health, learning disability and specialist children's services across South Staffordshire, Shropshire and Telford & Wrekin. We also provide services on a wider regional, or national basis, including perinatal, eating disorder and forensic services. The Trust's Inclusions service provides psychological and drug and alcohol services and has contracts across the country. We are now also providers of genitourinary medicine services in South Staffordshire, Shropshire and Telford & Wrekin.

We serve a population of 1.1 million, over a core geography of 2,200 square miles, with around 3,500 staff. Our turnover will be around £205 million.

South Staffordshire Healthcare became a Trust in 2001 and achieved NHS Foundation Trust status in May 2006 under the Health and Social Care (Community Health and Standards) Act 2003, securing certain freedoms to develop and improve services and offer more choice to service users. The integration of services from Shropshire was approved by Monitor on 1 June 2007.



Our Trust Strategy

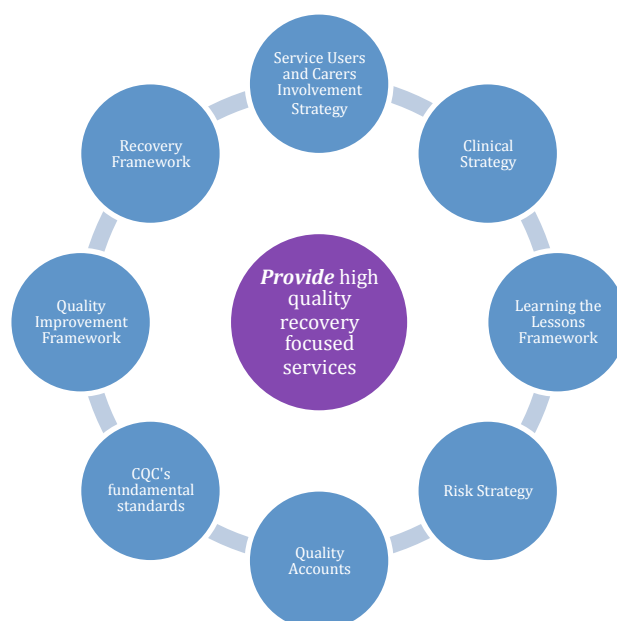
The Trust has a five year strategy that aligns its aspirations through five aims, three values and one vision. This strategy has been aligned to the NHS Mandate and other external drivers and reflects the Trust's ambition to be positively different and take pride in all that we do.

In partnership with our service users, carers and staff we have also identified a set of behaviours which support the delivery of our objectives. Our vision, values, aims and behaviours are presented here in the pyramid diagram.

Our Quality Framework

To further enable us to deliver on this first strategic aim the Trust has in place a Quality Framework. The framework considers eight enabling components to help achieve its quality aim.

As you can see Quality Accounts is a key component of our Quality Framework as it is an opportunity for the Trust to offer its approach to quality up for scrutiny, debate and reflection from the public.

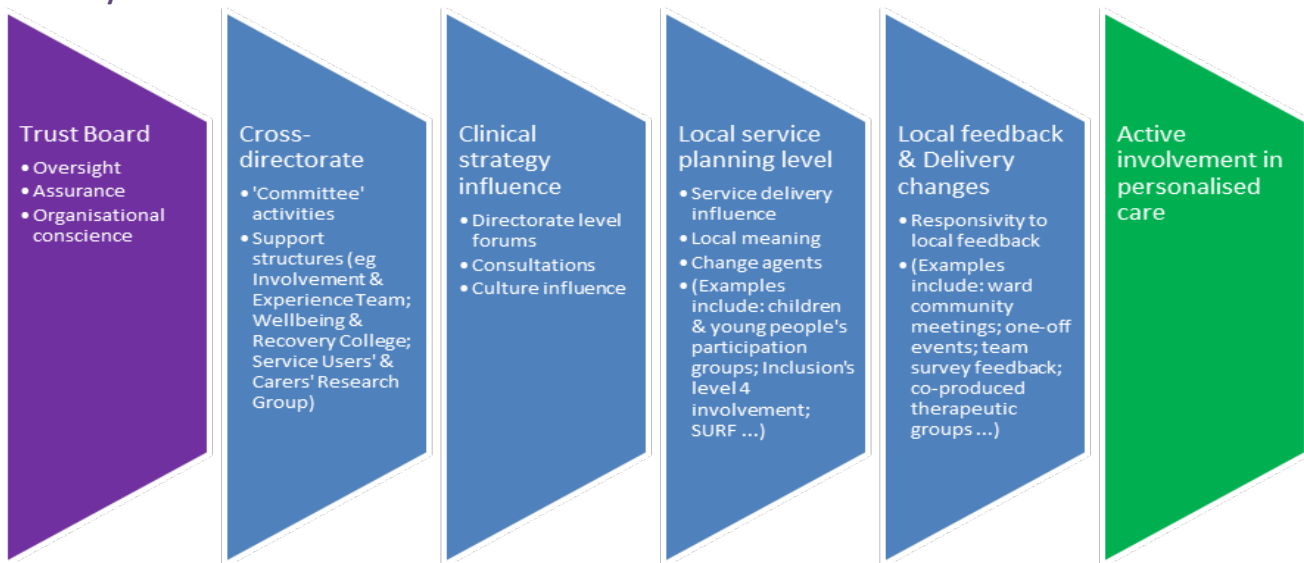


Service User and Carer Involvement for Impact

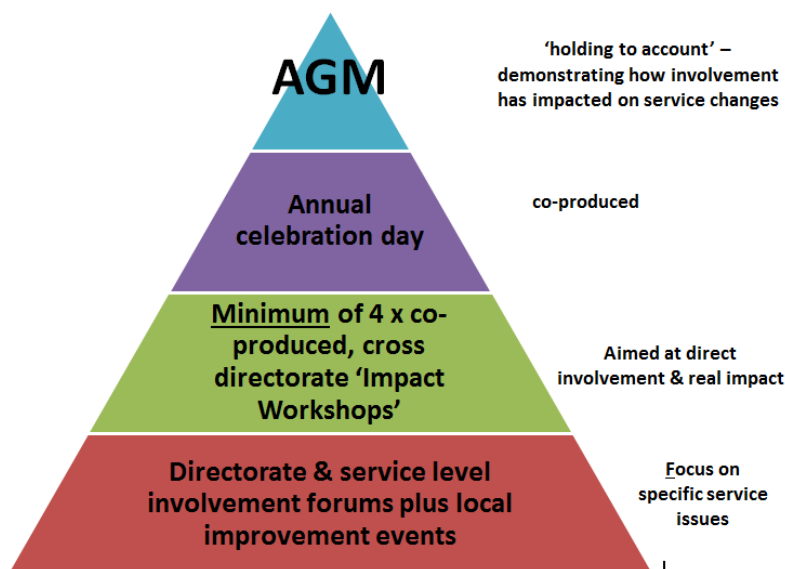
Service user and carer involvement is key to developing and delivering responsive services. The Trust recognises that service users and carers are 'experts by experience', and therefore should be making a vital contribution to all aspects of the work undertaken within the services provided by the Trust. For effective involvement, people need to feel supported and for their contribution to be valued, respected and have an impact. By using service user, carer and family experiences, enthusiasm and ideas, this can bring a whole new point of view to the planning and delivery of those services. It is really important to us that the people who use our services have the opportunity to get involved in shaping those services and influencing the Trust's work.

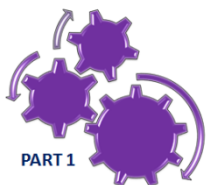
In January 2017 the Trust Board ratified a strategic framework to ensure that people with lived experience are positively involved in influencing and improving our services. A summary of the key element of the framework is presented below:

Summary of Involvement Structures across the Trust



Summary of Involvement events and groups





Duty of Candour

Our Trust believes that communicating honestly and openly with services users and their families when things go wrong is a vital component in dealing effectively with, and learning from errors and mistakes. Even before the Health and Social Care Act Statutory Duty of Candour came into force in November 2014 we expected our staff, through their professional and ethical duties, to be open with services users and their carers when things had gone wrong and/or harm had been caused.

Sir Robert Francis following the Mid Staffs enquiry defined Duty of Candour as *“The volunteering of all relevant information to persons who have or may have been harmed by the provision of services, whether or not the information has been requested and whether or not a complaint or a report about that provision has been made.”*

We expect all staff to report any patient safety incident or near-miss immediately through our electronic reporting system Safeguard. When such an incident has resulted in moderate harm or greater, then staff apply the Statutory Duty of Candour as follows:

- *Notify the service user / carer within 10 working days of the incident being reported*
- *Contact the service user / carer to provide all the facts known about the incident and a way that they can understand*
- *Speak to the service user / carer in a place and at a time when they are best able to understand and retain information*
- *Offering a personalised apology*
- *Ensure that the service user / carer knows who to contact to raise further questions or concerns*
- *Agree and carry out any further investigation which may need to take place*
- *Fully record the details of the apology / discussion in the service users records*
- *Followed up with a written notification*

Quality Improvement (QI)

The Trust has a Quality Improvement programme, which has been in place for five years. This gives everyone in the organisation a consistent approach and structure to improving our practices and services. The programme delivers a suite of resources for staff, service users and carers including:

- training for all staff in our QI methodology (that of the Virginia Mason Production System, a world-wide recognised method for improving healthcare)
- training and support for team leaders and clinicians to become leaders in QI, so enabling their teams to practice QI within their own services and to take part in QI projects
- specialist QI training for senior leaders in the organisations so they may sponsor and support long-term, wide ranging QI programmes

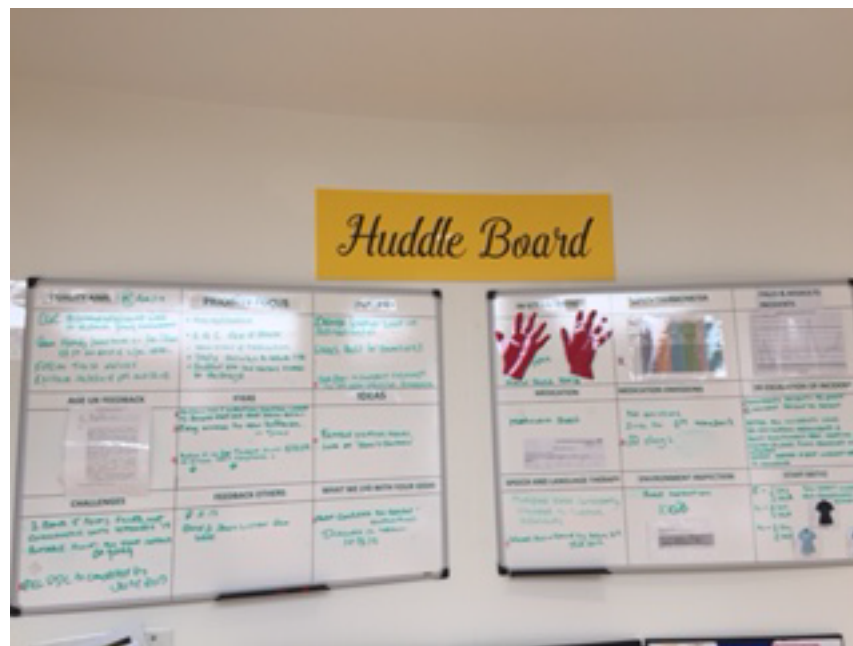
Against this programme described above, we have achieved the following to date:

- 980 staff trained in QI
- 71 leaders trained in Leading QI, and 196 staff trained in First Steps in QI
- 27 senior leaders trained as Certified Leaders in QI, with another 25 in training in 2018/19

This means that we have nearly 1000 staff across the organisation who are embracing the ethos of the QI framework, ‘In Pursuit of the Perfect Patient Experience’. They are practicing aspects of quality improvement which enhance their working environment, improve safety, reduce time spent on wasteful activities (such as

administration), increase service user focused time, and eliminate variation so that all service users and carers receive the right care, in the right way, at the right time.

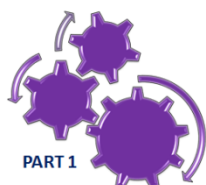
Our major development in 2017 was the roll out of 'Daily Lean Leadership' across the organisation, which provides teams with a focus, direction and a method of management for daily work. Many teams now have 'huddle boards' in place, and you will see teams huddling at these boards every day. They contain all the information the team need to discuss improvement activities, both the challenges and their ideas. There is a clear focus on improvement, planning and problem-solving, and the boards display all the teams' QI work, ideas for future projects and feedback from service users, carers and partners. There are currently 26 boards in use, with another 18 in development.



The QI programme not only delivers training, but also QI events. These can be weeklong events, taking a few months to prepare (called Rapid Process Improvement Workshops (RPIWs) or shorter two or three day events (called 'kaizen events').

So far the organisation has completed:

- 39 Rapid Process Improvement Events (RPIWs)
- 191 improvements have been realised through these RPIWs and sustained for over 12 months
- 14 kaizen events
- 20 QI projects through Leading QI training
- 68 teams have taken part in some sort of QI event



The outcomes of each QI event vary, but commonly they include improvements to:

- Time saved
- Reduction in the number of processes where quality is not perfect
- Improved working environment and increased safety
- Reduced motion and set-up time for staff
- Efficiency gains in time and cost
- Improved patient experience
- Improved customer satisfaction
- Improved staff engagement
- Production of standard work for teams to reduce variation

Recent RPIWs have taken place in the following teams:

Perinatal Community Team

worked on improving the process from referral to the first meaningful outcome for the service user. They reduced the time it takes from the referral being received to it being reviewed by a clinician by 75%, and now all referrals are dealt with as they arrive by the team and all first contacts are attempted and documented within one working day.

Early Intervention in Psychosis Team

worked to meet the national targets for service users in providing a NICE approved package of care within 14 days of referral. They have the time taken to produce a NICE approved package of care from an average of 51 days to just 1 day.

Place of Safety Ward Team

focused on ensuring there is a robust, streamlined process when someone is brought into the 136 Suite by the police, ensuring the patient is assessed and leaves the 136 Suite in a timely, appropriate way. They improved multiple processes and produced a suite of standard work to ensure service users receive a timely package of care.

Laurel Ward

improved the discharge planning process from acute inpatient wards into the community and reduced the time it takes between planning meetings by 77%, ensuring that 100% of patients have their discharge medication faxed to their GP within one working day of discharge and their discharge letters sent within six working days of discharge.

Brockington Perinatal Ward

wanted to improve the referral process in line with NHS England Standards, and so have reduced the time it takes from someone being referred to their arrival at the ward to less than 24 hours, with a new website and information provided about the ward and service prior to arrival.

Lichfield Access Team

are working to improve the process from referral to an appointment being allocated and reduced the time this takes from 34 hours to 6 hours, with 100% of routine referrals having an appointment made within 24 hours of referral.

Community LD Team

focused on improving what happens to referrals when they are received by the team, and have now reduced the time it takes from receiving that referral to sending out the appointment letter to under two hours, with all letters being despatched within 24 hours, so by providing clinicians with more time to spend face to face with service users.

Older Adult Non-Psychosis Team

wanted to improve and standardise how they worked with patients who are identified as being at risk of relapse and needing an admission to hospital. They now are able to avoid admission into hospital for those people who can be cared for in the community, and can assess people within 72 hours of relapse (out of hours) or 8 hours (in hours).

Sign up to Safety



In June 2014 NHS England launched “Sign up to safety”. This campaign was designed to help realise the ambition of making the NHS the safest healthcare system in the world by creating a system devoted to continuous learning and improvement. This ambition is bigger than any individual or organisation, and achieving it requires us all to unite behind this common purpose. We need to give patients confidence that we are doing all we can to ensure that the care they receive will be safe and effective at all times.

The five Sign up to Safety pledges

Organisations and individuals who sign up to the campaign commit to setting out actions they will undertake in response to five key pledges. As a Trust we have committed to the following actions:

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 work towards reducing harm by 30% across our services each year

2) CONTINUALLY LEARN

Make their organisations more resilient to risks, by acting on the feedback from patients and by constantly measuring and monitoring how safe their services are:

- We will use systematic continuous improvement methodology to help us learn and adapt our efforts to improve safety.

3) HONESTY

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

- We will share with our service users, families and the public our progress on reducing harm.
- We will publish publicly our key safety data on a monthly basis

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 support learning and sharing from improvement work across our organisation, and beyond our organisation, through internal events and through the academic health science network

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 ensure that every team in the organisation has space to reflect, listen and learn about the quality and safety of the service being offered

During the next year we will focus our safety improvement work regarding these pledges in the following four key areas:

- Physical violence
- Reducing patient suicides
- Medication safety
- Reducing restrictive practices

Staff Survey Results

In 2017 all our staff were invited to take part again in the Staff survey. The annual survey covers a significant number of key areas including:

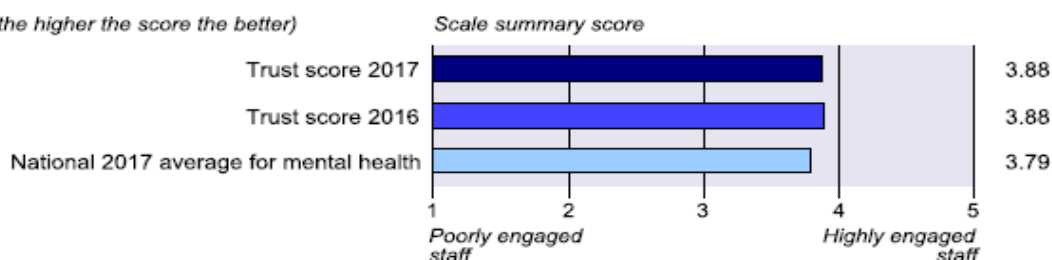
- Percentage of staff who feel engaged
- Percentage of staff who witness and report incidents and near misses
- Percentage of staff contributing towards improvements at work

Key Trust results, benchmarked against the national average for mental health / learning disability Trusts and our previous staff survey results, are as follows:

Staff Engagement

OVERALL STAFF ENGAGEMENT

(the higher the score the better)



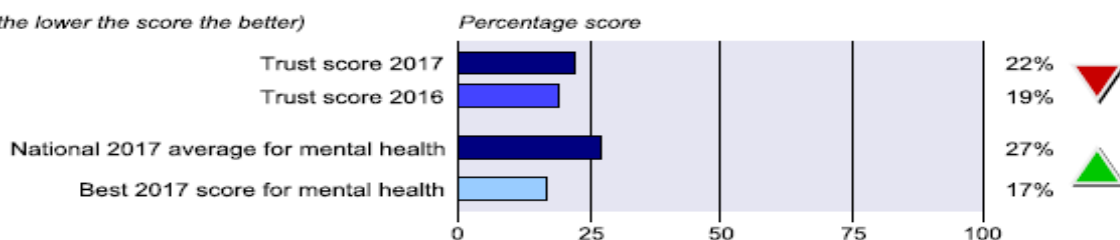
Although the overall Trust scores remained the same as the 2016 results the Trust remains above the average for mental health trusts.

Witnessing and reporting incidents and near misses

The Trust actively encourages staff to report all incidents and near misses. This enables team and ward leaders to respond quickly to address any risks.

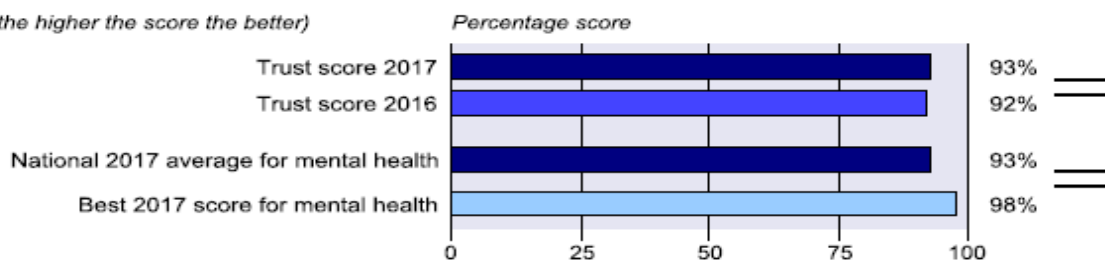
KEY FINDING 28. Percentage of staff witnessing potentially harmful errors, near misses or incidents in last month

(the lower the score the better)



KEY FINDING 29. Percentage of staff reporting errors, near misses or incidents witnessed in the last month

(the higher the score the better)

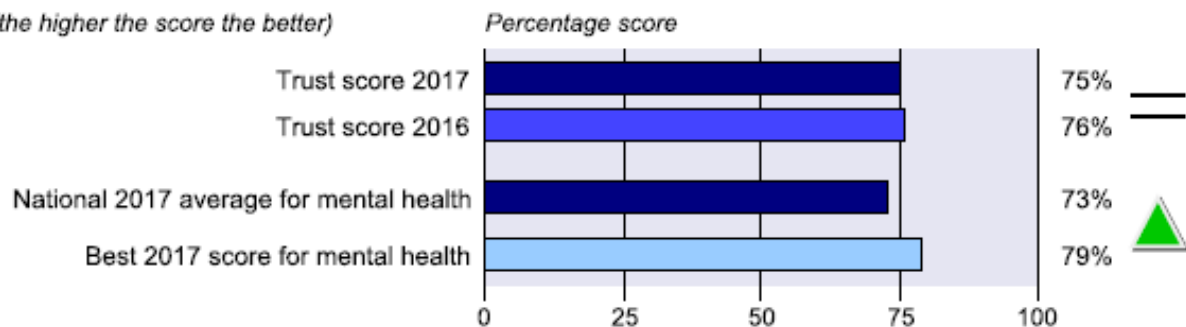


The results show that there has been an increase in the number of staff who reported witnessing incidents or near misses however there was a comparable increase in the percentage of staff who reported these incidents.

Percentage of staff contributing towards improvements at work.

KEY FINDING 7. Percentage of staff able to contribute towards improvements at work

(the higher the score the better)



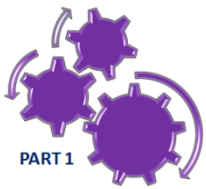
The results show an improvement in the scores compared to the previous year. Some of the work towards achieving this improvement is described in the Quality Improvement section in Part 1 of this document.

Trust response to these results

The Trust's aim is to be the best; to be 'outstanding'. The staff survey results are probably the most comprehensive feedback the Trust will get as an organisation and therefore will remain a huge focus within SSSFT and going forward as the Trust merges with SSOTP in June 2018.

The following list contains the headlines of proposed actions that we have committed to undertake as an outcome of the staff survey:

- Continue with the Trust's Listening Into Action approach and embed this into the merged Trust as part of work around culture, not just organisational wide but at team level
- Disseminate the survey reports to locality leads, with the requirement for all leads to input into the Trust's wider engagement plan for staff survey results
- Locality leads will be requested to create own internal engagement plans based on the staff survey report for their individual area(s)
- Workforce and Development to provide, where required, support to managers to act on the results of the staff survey
- Fresh Leadership and Talent Management approach within present and new organisation following merger focusing on leaders and managers **at all levels**
- Embed the Trusts enhanced staff survey approach into its vision, values and behaviours work, Trust Induction and other engagement forums
- Develop a plan to support an increase in engagement within the staff survey supporting the National Health and Wellbeing CQUIN
- Scope out methods and means of staff recognition within SSSFT and new merged Trust from June 2018 to support the value and recognition of staff and ultimately quality of care provided
- Local managers to report back progress against their staff survey engagement plan on a quarterly basis and this progress will be reported through continuous staff survey communications to demonstrate to all staff that their feedback is taken seriously and results in change (August 2018)



CQC Ratings

Following our comprehensive CQC inspection the week of 21st March 2016, the Trust was rated as good overall, and good against each of the questions Safe, Effective, Caring, Responsive and Well-led.

One core service was rated as outstanding (Community based mental health services for older people).

The remaining 10 core services were rated as good overall.



The independent regulator of health
and social care in England

Overall
Good

[Read overall
summary](#)

Safe Good ●

Effective Good ●

Caring Good ●

Responsive Good ●

Well-led Good ●

The Trust developed an action plan to address all 5 mandated regulatory actions and completed these in December 2016. The associated evidence of compliance was submitted to the CQC for consideration in December 2016. The Trust developed an action plan to address all additional improvement actions and these actions have also been fully delivered.





Priorities for Improvement 2017/18

In this section of the report we review the priorities for quality improvement that we identified in last year's Quality Accounts. The three quality priorities we set are all important to the safe and effective delivery of care and are aligned to our Commissioning for Quality and Innovation (CQUIN) schemes. The priorities were chosen following a process of reviewing our current services, consulting with our key stakeholders and listening to the views of our service users and carers. All three priorities were new indicators and therefore performance from previous years and national benchmarking data is not available.

Priority 1- Improving Staff Health & Wellbeing

Why did we choose this improvement area?

Estimates from Public Health England put the cost to the NHS of staff absence due to poor health at £2.4bn a year (around £1 in every £40 of the total budget). This figure excludes the cost of agency staff to fill the gaps, as well as the cost of treatment. As well as the economic benefits that could be achieved, evidence from the staff survey and elsewhere shows that improving staff health and wellbeing will lead to higher staff engagement, better staff retention and better clinical outcomes for patients / service users.

Our target:

A 5% point improvement in two of the three questions in the NHS staff survey results comparing the 2015 survey results with the 2017 survey results:

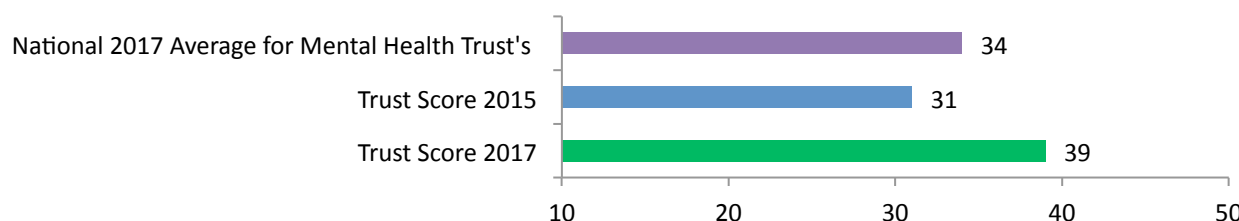
- Does your organisation take positive action on health and well-being?
- In the last 12 months have you experienced musculoskeletal problems as a result of work activities?
- During the last 12 months have you felt unwell as a result of work related stress?

Progress during 2017/18:

- Big conversation (Listening into Action) events held with staff during 2017/18 with wellbeing feedback supporting the delivery of our Health and Wellbeing Plan
- Introduction and embedding of a wellbeing website
- Health and wellbeing updates provided to staff across the organisation through the newsletter E-Pod
- Feedback from our staff in the 2016 national staff survey has informed our Health and Wellbeing Plan and associated initiatives
- Introduction of a range of health and wellbeing events including a wellbeing conference
- A musculoskeletal injury awareness video was created and communicated across the organisation
- A focus on increasing physical activity with taster sessions provided in boxercise and yoga
- An emphasis on a "healthier, happier you" through the promotion of the Public Health England One You campaign

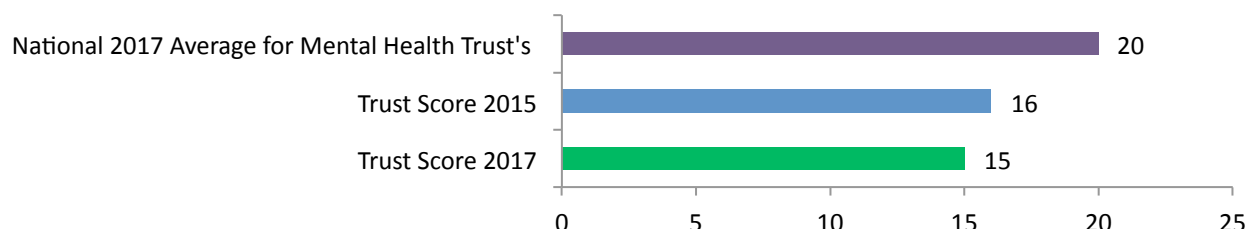
Our Staff Survey Results:

% of staff saying the organisation take positive action on health and well-being?



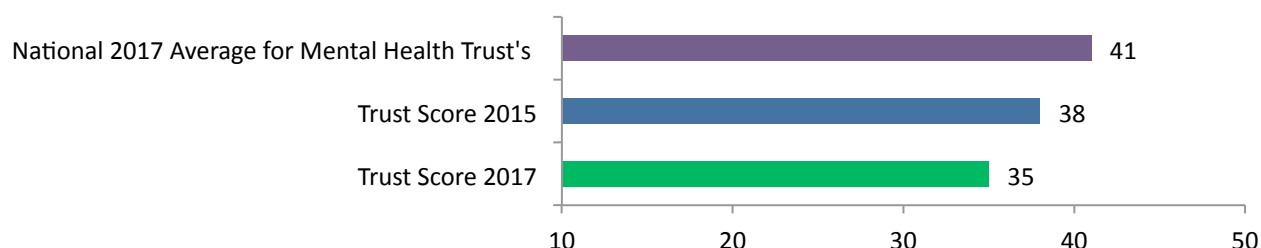
Again this year our Trust performance was better than the national average for mental health Trust's and we improved our performance from our 2015 survey scores by 8%.

% of staff saying they have experienced musculoskeletal problems in the last 12 months as a result of work activities



Again this year our Trust performance was better than the national average for mental health Trust's and we improved our performance from our 2015 survey scores by 1%.

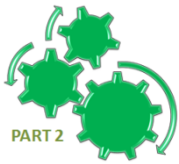
% of staff saying they have felt unwell in the last 12 months as a result of work related stress



Again this year our Trust performance was better than the national average for mental health Trust's and we improved our performance from our 2015 survey scores by 3%.

Next Steps:

This improvement priority is a two year national improvement scheme as detailed in the Commissioning for Quality and Innovation schemes. We will therefore continue to progress our Trust Health and Wellbeing Plan during 2018/19 and present our achievements to you in our 2018/19 Quality Account.



Priority 2- Preventing ill health by risky behaviours – tobacco screening for inpatients

Why did we choose this improvement area?

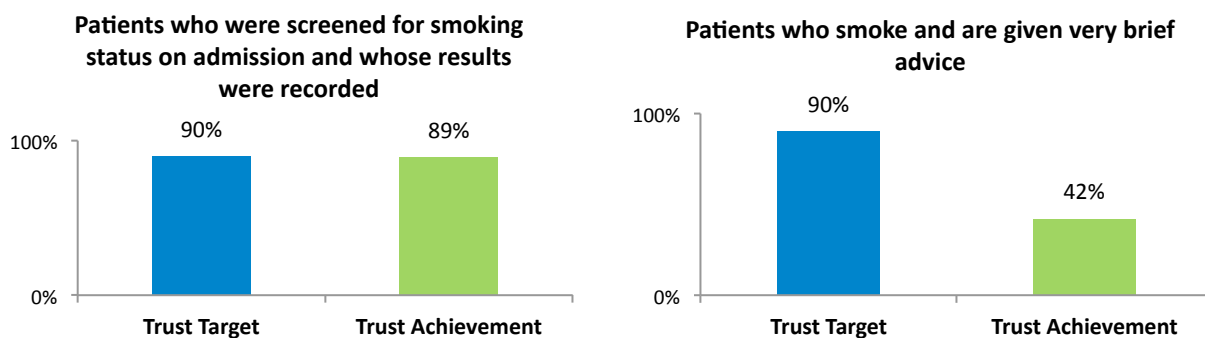
Smoking is estimated to cost £13.8bn to society – including £2bn on the NHS through hospital admissions, £7.5bn through lost productivity, £1.1bn in social care. Smoking is England's biggest killer, causing nearly 80,000 premature deaths a year and a heavy toll of illness, 33% of tobacco is consumed by people with mental health problems. Smoking is the single largest cause of health inequalities.

Our target:

The overall aim was to ensure systems were in place to record tobacco screening. In addition the aim was to provide training to our staff in tobacco screening and brief interventions as well as ensuring tobacco screening was undertaken as a part of inpatient admission assessment.

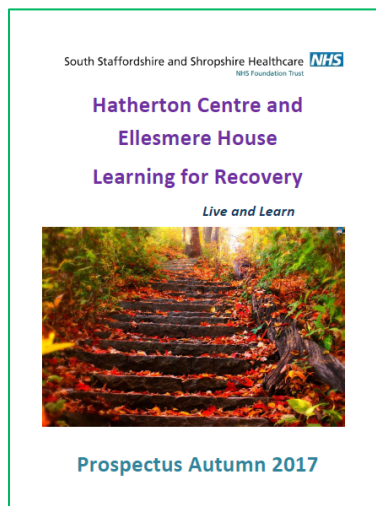
Progress during 2017/18:

- providing brief intervention training, which covered both the assessment and providing brief interventions for both smoking and alcohol. Latterly this has been covered in the physical skills training
- produced and circulated signposting guidance in Telford and Wrekin, Shropshire and South Staffordshire which outlines the resources available for alcohol and tobacco withdrawal
- Chebsey House have introduced a weekly physical health clinic
- Redwoods have introduced a healthy lifestyle group
- The introduction of the physical health assessment tool in RiO (clinical electronic record) in September, provides consistency in the use of recommended assessment tools and a way of recording the interventions offered and provided.



Next Steps:

The Trust recognises that it fell short of the target set for brief advice for smokers and therefore will strengthen improvement plans for next year. This improvement priority is a two year national improvement scheme as detailed in the Commissioning for Quality and Innovation schemes. We will therefore continue to progress our Trust tobacco screening and interventions plan during 2018/19 and present our achievements to you in our 2018/19 Quality Account.



Priority 3- Recovery College for medium and low secure patients

Why did we choose this improvement area?

In mental health the term recovery is used to describe the personal lived experiences and journeys of people as they work towards living a meaningful and satisfying life. Recovery does not only equate to cure or to *clinical* recovery, which is defined by the absence of symptoms. Recovery principles focus on the whole person in the context of their life, considering what makes that person thrive.

Positive relationships, a sense of achievement and control over one's life, feeling valued, and having hope for the future are some of the factors we know contribute to personal wellbeing.

Our target:

The establishment of co-developed and co-delivered programmes of education and training to complement other treatment approaches in adult secure services. This approach supports transformation and is central to driving recovery focused change across these services.

Progress during 2017/18:

- Recovery College strategy implemented across forensic inpatient services
- Implementation plan for embedding of strategy fully delivered
- Course prospectuses developed and cascaded to service users
- Regular Recovery College implementation meeting established with attendance and engagement from service users
- Families and friends have been engaged in the Recovery College planning and implementation and the current prospectus at Clee offers a course that friends and family members can attend
- Across the forensic service courses delivered have been co-facilitated and have included ward peers or external peers (service users)
- Evaluation forms from courses have rated sessions in positive terms, comments from service users included:

"I really enjoyed this- it felt safe to participate"

"Really inspiring and powerful"

"enjoyed the interactive session"

- This is a two year improvement priority with focus in the second year being on promoting uptake of courses available, however during quarter 4 of this financial year (Jan 2018 – March 2018) 32 service users participated in a course this equates to 43% of service users who were eligible to apply and is broken down by forensic facility as follows:

Hatherton Centre 38%

Clee 39%

Ellesmere 70%

Next Steps:

This improvement priority is a two year national improvement scheme as detailed in the Commissioning for Quality and Innovation schemes. We will therefore continue to progress our Recovery College Implementation Plan during 2018/19, with a particular focus on course uptake. We will present our achievements to you in our 2018/19 Quality Account.





Priorities for Improvement 2018/19

Our three improvement priorities for 2018/19 were chosen following a review of our current services, consulting with our key stakeholders and listening to the views of our service users.

The three key priorities for improvement identified are:

- Reducing restrictive practices within adult low and medium secure services
- Healthy food for NHS patients, visitors and staff
- Effective communication between SSSFT clinicians and primary care clinicians for patients with severe mental illness

In addition to linking our priorities to the three domains of quality; patient safety, clinical effectiveness and service user experience, we have also chosen to align our priorities to the Commissioning for Quality and Innovation (CQUIN) scheme as agreed with our commissioners.

Progress against these improvement initiatives will be monitored routinely and in partnership with our commissioners. The Trust Board will receive a quarterly report on progress and achievement and this will be published on the Trust website under the Board Meeting Papers Section. This progress report is a component of a Trust Wide Assurance Report which not only provides an update on these three priority indicators but on all quality and clinical performance; alongside Trust finance, business, medical, human resources and operational performance.

Key to the achievement of these quality priorities is the capability and capacity of clinical staff. Through leadership from our operational directors and clinical leads we will ensure that clinical staff are provided with the right information, training and clinical supervision to put these initiatives into practice.

The details of our three key priorities for improvement are:

Quality Domain	Priority Area	Why have we chosen this area?	What are we aiming to achieve?	Our measures of success.
Safety	Reducing restrictive practices within adult low and medium secure services inpatients.	The overall aim of this improvement goal is to develop an ethos in which people with mental health problems are able fully to participate in formulating plans for their well-being, risk management and care in a collaborative manner. As a consequence more positive and collaborative service cultures develop reducing the need for restrictive interventions.	The development, implementation and evaluation of a framework for the reduction of restrictive practices within adult secure services, in order to improve service user experience whilst maintaining safe services.	Reduction in the number of restrictive practices .

Quality Domain	Priority Area	Why have we chosen this area?	What are we aiming to achieve?	Our measures of success.
Clinical Effectiveness	Effective communication between SSSFT clinicians and primary care clinicians for patients with severe mental illness	<p>With over 490,000 people with SMI registered with a GP, it is important to ensure a stronger emphasis on collaboration and communication between primary and secondary care. This is necessary given that in the longer term and certainly following discharge from secondary care, people with SMI should be supported to manage their health within primary care.</p> <p>Appropriate sharing and exchanging of information between practitioners about diagnosed physical and mental health conditions is essential for safe practice. The rationale for this CQUIN is to ensure essential information needed for safe and effective care of patients who are also seen by secondary care mental health services is communicated to primary care professionals.</p>	That 90% of patients have either an up to date care programme approach (CPA) care plan or a comprehensive discharge summary shared with their GP	<ul style="list-style-type: none"> • Alignment of GP and SSSFT registers for people with severe mental illness • Implementation of shared care protocols between SSSFT and primary care providers regarding physical health checks for people with severe mental illness • An audit of CPA review / discharge letters to ensure they are sent to GP's in a timely way and contain key information regarding diagnosis, prescribing and cardio metabolic risk factor monitoring





Quality Domain	Priority Area	Why have we chosen this area?	What are we aiming to achieve?	Our measures of success.
Service user / carer experience	Healthy food for NHS patients, visitors and staff	<p>Public Health England's report "Sugar reduction – The evidence for action" published in October 2015 outlined the clear evidence behind focussing on improving the quality of food on offer across the country. Almost 25% of adults in England are obese, with significant numbers also being overweight. Treating obesity and its consequences alone currently costs the NHS £5.1bn every year. Sugar intakes of all population groups are above the recommendations, contributing between 12 to 15% of energy tending to be highest among the most disadvantaged who also experience a higher prevalence of tooth decay and obesity and its health consequences.</p> <p>Consumption of sugar and sugar sweetened drinks. It is important for the NHS to start leading the way on tackling some of these issues, starting with the food and drink that is provided & promoted in hospitals.</p>	<ul style="list-style-type: none"> The banning of price promotions and advertisement on sugary drinks and foods high in fat, sugar or salt The banning of sugary drinks and foods high in fat, sugar or salt from checkouts Ensuring that healthy options are available at any point including for those staff working night shifts <p>That:</p> <ul style="list-style-type: none"> 80% of drinks lines stocked must be sugar free 80% of confectionery and sweets do not exceed 250 kcal. At least 75% of pre-packed sandwiches and other savoury pre-packed meals available contain 400kcal or less per serving and do not exceed 5.0g saturated fat per 100g 	<ul style="list-style-type: none"> An independent audit of all food outlet sources on Trust premises to demonstrate that all achievements have been met

THE GUIDELINES

Your full breakdown of the CQUIN 1B indicator is below. Providers will be expected to build on the 2016/17 CQUIN by:

Firstly,

maintaining the four changes that were required in the 2016/17 CQUIN in both 2017/18 & 2018/19

- The banning of price promotions on sugar sweetened beverages (SSBs) and foods high in fat, sugar or salt (HFSS).
- The banning of advertisements on NHS premises of sugary drinks and foods high in fat, sugar or salt (HFSS).
- The banning of sugary drinks and foods high in fat, sugar or salt (HFSS) from checkouts.
- Ensuring that healthy options are available at any point including for those staff working night shifts. We will share best practice examples and will work nationally with food suppliers throughout the next year to help develop a set of solutions to tackle this issue.

The following are common definitions and examples of price promotions:

- Discounted price: providing the same quantity of a product for a reduced price (pence off deal).
- Multi buy discounting: for example buy one get one free.
- Free item provided with a purchase (whereby the free item cannot be a product classified as HFSS).
- Price pack or bonus pack deal (for example 50% for free).
- Meal deals (in 2016/17 this only applied to drinks sold in meal deals, in 2017/18 onwards no HFSS products will be able to be sold through meal deals).

The following are common definitions and examples of advertisements:

- Checkout counter dividers
- Floor graphics
- End of aisle signage
- Posters and banners

The following are common definitions and examples of checkouts:

- Points of purchase including checkouts and self-checkouts
- Areas immediately behind the checkout

Secondly,

introducing three new changes to food and drink provisions:

- 70% of drinks lines stocked must have less than 5g of added sugar per 100ml. In addition to the usual definition of SSBs it also includes energy drinks, fruit juices (with added sugar content of over 5g) and milk based drinks (with sugar content of over 10g per 100ml).
- 60% of confectionery and sweets do not exceed 250 kcal per serving.
- At least 60% of pre-packed sandwiches and other savoury pre-packed meals (wraps, salads, pasta salads) available contain 400kcal (1680 kJ) or less per serving and do not exceed 5g saturated fat per 100g.

In Year One (2017/18)
New to the guidelines

250KCAL

- 80% of drinks lines stocked must have less than 5g of added sugar per 100ml. In addition to the usual definition of SSBs it also includes energy drinks, fruit juices (with added sugar content of over 5g) and milk based drinks (with sugar content of over 10g per 100ml).
- 80% of confectionery and sweets do not exceed 250 kcal per serving.
- At least 75% of pre-packed sandwiches and other savoury pre-packed meals (wraps, salads, pasta salads) available contain 400kcal (1680 kJ) or less per serving and do not exceed 5g saturated fat per 100g.

In Year Two (2018/19)
The same three areas will be kept but a further shift in percentages will be required

Evidence should be provided that shows a substantive change has been moved in shifting to healthier products:

- Reduction in % of sugar/salt products displayed
- Increase in healthier alternatives
- Avoidance of overt promotion

However the exact detail of reporting should be agreed locally so that it can be adapted to the local situation (for instance it may differ depending on the scale and types of outlets on premises).

PROMOTION

4

5

Statements of Assurance from the Board

Review of Services

During 2017/18 South Staffordshire and Shropshire Healthcare NHS Foundation Trust provided and /or sub-contracted 55 relevant health services.

The South Staffordshire and Shropshire Healthcare NHS Foundation Trust has reviewed all the data available to them on the quality of care in 55 of these relevant health services.

The income generated by the relevant health services reviewed in 2017/18 represents 100% of the total income generated from the provision of relevant health services by South Staffordshire and Shropshire Healthcare NHS Foundation Trust for 2017/18.

Clinical Audit / Confidential Enquiries

During 2017/18, 3 national clinical audits and 1 national confidential enquiry covered relevant health services that South Staffordshire and Shropshire Healthcare NHS Foundation Trust provides.

During that period South Staffordshire and Shropshire Healthcare NHS Foundation Trust participated in 100% national clinical audits and 100% national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that South Staffordshire and Shropshire Healthcare NHS Foundation Trust was eligible to participate in during 2017/18 are as follows:

Prescribing Observatory for Mental Health
<ul style="list-style-type: none">POMH-UK Topic 17a: The use of depot/long-acting injectable (LAI) antipsychotic medication for relapse preventionPOMH-UK Topic 15b Prescribing Valproate for Bipolar Disorder
National Audit
<ul style="list-style-type: none">National Clinical Audit of Psychosis
National Confidential Enquiries
<ul style="list-style-type: none">National Confidential Inquiry into Suicide and Homicide by People with Mental Illness

The national clinical audits and national confidential enquiries that South Staffordshire and Shropshire Healthcare NHS Foundation Trust participated in during 2017/18 are as follows:

Prescribing Observatory for Mental Health
<ul style="list-style-type: none">POMH-UK Topic 17a: The use of depot/long-acting injectable (LAI) antipsychotic medication for relapse preventionPOMH-UK Topic 15b Prescribing Valproate for Bipolar Disorder
National Audit
<ul style="list-style-type: none">National Clinical Audit of Psychosis
National Confidential Enquiries
<ul style="list-style-type: none">National Confidential Inquiry into Suicide and Homicide by People with Mental Illness



The national clinical audits and national confidential enquiries that South Staffordshire and Shropshire Healthcare NHS Foundation Trust participated in, and for which data collection was completed during 2017/18, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

Prescribing Observatory for Mental Health	
Audit Title	% cases submitted
• POMH-UK Topic 17a: The use of depot/long-acting injectable (LAI) antipsychotic medication for relapse prevention	100% 69 eligible cases
• POMH-UK Topic 15b Prescribing Valproate for Bipolar Disorder	75% 61/81 eligible cases
National Audit	
Audit Title	% cases submitted
National Clinical Audit of Psychosis	40% 80/200 eligible cases
National Confidential Enquiries	
Enquiry Title	% cases submitted
National Confidential Inquiry into Suicide and Homicide by People with Mental Illness	100%

The report of 1 national clinical audit was reviewed by the provider in 2017/18 and South Staffordshire and Shropshire Healthcare NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

- Medicines Optimisation Committee to produce “Hot Topics” bulletin and screen saver highlighting key messages from the audit and circulated throughout the organisation.
- Update and circulate valproate prescribing flow chart and agree timescale for providing RiO accessibility.
- Screening on inpatient wards for women of child bearing age is to be implemented using POMH UK intervention.
- Development and roll out of the physical health assessment tool in RiO (including monitoring for lithium).
- Update the guidance for initiating and monitoring lithium, with links to electronic documents and available within RiO.
- Streamline pathology contracts to provide easier access to pathology results, supporting lithium monitoring.
- In house, lithium data to be developed and made available for teams to use to support access / monitoring of GP results
- Antipsychotic prescribing and monitoring to be included as part of the junior doctors induction training.
- Address antipsychotic prescribing within clinical supervision arrangements.

The reports of 29 local clinical audits were reviewed by the provider in 2017/18 and South Staffordshire and Shropshire Healthcare NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

- New induction handbook to include section on “health records”.

- Care planning for the use of restrictive practices to be improved through the training of DMI (De-escalation, management and intervention) link workers.
- Epilepsy Care Pathway to be reviewed to better reflect the needs of the service user group and the service specification.
- Develop and disseminate local referral pathways that include; services for smoking cessation, access to stop smoking medication and specialist services for those at risk of alcohol dependency.
- Good practice in cardiovascular risk assessment will be shared across the organisation.
- Community Complex Care Team (CCCT) referral information modified to identify past medical history and underlying conditions.
- Introduction of a new electronic physical health assessment tool in RiO
- Awareness raising session / awareness event took place during multi-faith week in November 2017.
- Mental Capacity Act policy reviewed and updated.
- Develop ongoing training plan and package around physical health; to incorporate into mandatory training from 2018-2019.
- Updated the checklist to include, checking for contraband and updating risk assessment and management plan following absconding.

Clinical Research

The number of patients receiving relevant health services provided or sub-contracted by South Staffordshire and Shropshire Healthcare NHS Foundation Trust in 2017/18 that were recruited during that period to participate in research approved by a research ethics committee was 1393.

Commissioning for Quality and Innovation

A proportion of South Staffordshire and Shropshire Healthcare NHS Foundation Trust income in 2017/18 was conditional on achieving quality improvement and innovation goals agreed between South Staffordshire and Shropshire Healthcare NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

Further details of the agreed goals for 2017/18 and for the following 12 month period are available electronically at:

<http://www.sssft.nhs.uk/about/quality/commissioning-for-quality-and-innovation>

The monetary total for income in 2017/18 conditional upon achieving quality improvement and innovation goals was £3m and the monetary total for the associated payment in 2016/17 was £2.9m.



Registration with the Care Quality Commission

South Staffordshire and Shropshire Healthcare NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is registered with no conditions attached to registration.

The Care Quality Commission has not taken enforcement action against South Staffordshire and Shropshire Healthcare NHS Foundation Trust during 2017/18.

South Staffordshire and Shropshire Healthcare NHS Foundation Trust has participated in a responsive review of acute inpatient wards on 8th September 2017. CQC inspectors visited all adult acute mental health wards at The Redwoods, St George's and George Bryan Centre in response to the visit was triggered by concerns relating to the management of patients in mixed sex environments. The CQC identified one regulatory breach in relation to **Regulation 12 – Safe care and treatment**. The breach was as follows *"Patients placed in the opposite gender corridor of mixed gender ward did not have robust risk assessments and management/care plans that clearly outlined how the risks were to be safely managed and regularly reviewed in line with the Department of Health guidance on mixed gender wards."*

The report was published on 8th November and is available at:

http://www.cqc.org.uk/sites/default/files/new_reports/AAAG8276.pdf

South Staffordshire and Shropshire Healthcare NHS Foundation Trust has made the following progress by 31st March 2018 in taking such action An action plan was developed to address all 'must do' and 'should do' actions identified during the visit and was sent to the CQC in accordance with requirements, by due date of 6th December. Specific actions to address the regulatory breach were completed by 31st December.

CQC inspectors and commissioners met with Trust leads on 18th January 2018 to review progress and associated evidence of improvement and confirmed that they were satisfied with the action taken by the Trust. The CQC is has now closed the enquiry.

South Staffordshire and Shropshire Healthcare NHS Foundation Trust intends to take the following action to address the conclusions or requirements reported by the Care Quality Commission:

HMP Leeds:

- Training on overdose management, including the use of Naloxone, should be made available to prisoners with substance misuse needs before their release.

HMP Dovegate:

- No compliance issues identified.

HMP Aylesbury:

- There should be an annual substance misuse needs analysis to inform the drug and alcohol strategy and action plan, and to ensure that interventions are responsive to trends and emerging need.

HMP Grendon:

- No compliance issues identified.

HMP Springhill:

- Substance misuse workers should have access to electronic record system, to provide a unified view of the patient and enable all practitioners easily to share information on risk and progress.

South Staffordshire and Shropshire Healthcare NHS Foundation Trust has made the following progress by 31st March 2017 in taking such action:

HMP Leeds:

- Training on overdose management, including the use of Naloxone, is now available to prisoners with substance misuse needs before their release. .

HMP Aylesbury:

- Trust Services work with the Local Delivery Board led by the Prison Drug strategy officer in carrying out the Annual substance misuse needs analysis.

HMP Springhill:

- A requisition to provide electronic record machines for substance misuse staff has been raised with primary care providers.

Quality of Data

South Staffordshire and Shropshire Healthcare NHS Foundation Trust submitted records during 2017/18 to the Secondary Uses Service for inclusion in the Hospital Episodes Statistics which are included in latest published data.

The percentage of records in the published data:

Which included the patient's valid NHS number was:

- 100% for admitted patient care;
- 100% for out-patient care.

Which included the patient's valid General Medical Practice Code was:

- 100% for admitted patient care;
- 100% for out-patient care.

South Staffordshire and Shropshire Healthcare NHS Foundation Trust Information Governance Assessment Report overall score for 2017/18 was 95% and was graded "**satisfactory**".

South Staffordshire and Shropshire Healthcare NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2017/18 by the Audit Commission.





Learning from Deaths

During 2017/18 331 of South Staffordshire and Shropshire Healthcare NHS Foundation Trust patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- 83 in the first quarter;
- 89 in the second quarter;
- 67 in the third quarter;
- 92 in the fourth quarter.

By 31st March 2018, 174 case record reviews and 157 investigations have been carried out in relation to 331 included in the paragraph above.

In 19 cases a death was subjected to both a case record review and an investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 9 in the first quarter;
- 3 in the second quarter;
- 3 in the third quarter;
- 4 in the fourth quarter

0 representing 0% of 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:

- 0 representing 0% for the first quarter;
- 0 representing 0% for the second quarter;
- 0 representing 0% for the third quarter;
- 0 representing 0% for the fourth quarter;

These numbers have been estimated using the outcome from the Root Cause analysis review for unexpected deaths and the outcome of the mortality review for death by natural cause.

Summary of Learning From case record reviews and investigations conducted in relation to the deaths identified.

Mental Health:

Unexpected Deaths:

- The importance of recognising the impact of diagnostic overshadowing
- The need to assertively follow up on test results
- The importance of carrying out physical observations
- The importance of sharing signposting leaflets with all service users and documenting this in the notes
- The importance of undertaking regular reviews of risk assessments and care plans in line with the service user's changing needs / level of risk and at each new treatment episode
- The importance of engaging with families / carers during periods of loss of contact with the service user

- The importance of ensuring records are detailed, up to date, and written in accordance with Trust policy
- Ensuring new members of staff, particularly care co-ordinators, are fully trained in their role and Trust policies
- The importance of working formulation in support of care and service delivery plans.
- A clear understanding that the identification of 'carer's needs remains the joint responsibility of both Health and Social Care with Carer assessment work completed as part of the social care pathway
- The importance of copying email correspondence directly related to service users into the RiO clinical notes
- The need for care plans to be specific and to stipulate the details of physical investigations required to support safe prescribing
- The importance for understanding the Consensus Statement to improve carer engagement
- The importance of recording the clinical notes the outcome of clinical team meeting discussions

Natural Cause Deaths:

- Clinical notes need to state when an ECG was last taken, in particular when anti-psychotic drugs such as olanzapine are prescribed and where a SU has a history of cardiac issues
- The importance of carrying out regular Care Programme Approach reviews
- The importance of stating known physical health problems within the risk assessment and care plan
- The need to understand and comply with the consensus statement
- The importance of chasing onward referrals where no response / actions have been taken within a care planned / expected response time

Inclusion:

Unexpected Deaths:

- Ensuring in DART (Drug and Alcohol Recovery Team) that where a service user has refused to have support and who sign a Service Withdrawal disclaimer, that this is revisited in 28 days to see whether the individual has changed their mind on support required to address these substance misuse issues
- The importance of treatment changes being discussed at the next clinical review to prevent treatment delays
- That low threshold prescribing should be discussed in Clinical Review for service users who are continually missing pickups at the pharmacy
- The importance for following up on service users seizures with the GP
- In the event of long term sickness clients should be reviewed / contacted to ensure everything is okay and offered an appointment with another worker if required
- When clients are on two clinical management systems for Drugs and Alcohol it is important that all information is held on both systems

Natural Cause Deaths:

- The need to develop a communication strategy between acute Trust and Inclusion services

Prisons:

Unexpected Deaths:

- The importance of sharing key information about mental health and physical health across relevant partner agencies





- It is essential that Inclusion DART workers and G4S DART officer are always sufficiently explore any mental health concerns that a service user has raised during their time engaged with Drug Alcohol Recovery Team
- It is essential that DART workers complete Naloxone training with DART service users that have an history of using opiates prescribed or/and illicit

Forensic:

Unexpected Deaths:

- The importance of actively involving families in the discharge process

Learning Disabilities:

Natural Cause Deaths:

- That where a change in physical / mental health need is identified this is reflected in the most appropriate format: Risk Assessment / Care plan

Description of the actions taken in 2017/18 as a consequence of the learning during the 2017/18

- Introduction Trustwide of an independent ECG reporting process to ensure effective timely interpretation of ECG readings.
- Health records audits to ensure compliance with Trust best practice standards.
- Making Families Count conference to enable staff to better engage with carers.
- Updating of documentation in Learning Disability services supported by training for all staff in effective care planning and risk assessment.
- Training in the Consensus statement incorporated in to 3 yearly mandatory training.

Assessment of the impact of the actions taken during 2017/18

The Trust in line with National Quality Board Learning from Deaths Policy (2017) commenced reporting the learning from both natural cause and unexpected deaths to its Board from January 2018. We have therefore not had the opportunity to fully assess the impact of actions taken in response to this learning. Future reports to the Board will provide this assurance and we will report on this in our 2018/19 Quality Accounts.

15 of care record reviews and 45 investigations completed after 1st April 2017 which related to deaths which took place before the start of the reporting period.

0 representing 0% 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 outcome from the Root Cause analysis review for unexpected deaths and the outcome of the mortality review for death by natural cause.

0 representing 0% of the patient deaths during 2017/18 are judged to be more likely than not to have been due to problems in the care provided to the patient.



Reporting Against Core Indicators

The NHS (Quality Accounts) Amendment Regulation 2012 sets out a core set of quality indicators, which Trusts are required to report against in their Quality Accounts. The inclusion of these mandated indicators enables the Trust to provide data that is benchmarked against the national average performance of other mental health trusts. We have reviewed these indicators and are pleased to provide you with our position against all relevant indicators for the last two reporting periods (years).

**Please note that the CPA 7 day follow up and delayed transfer of care figures for quarter 4 2016/17 differ from those published in our 2016/17 Quality Accounts. This is due to a refresh in data published by the NHS Digital Indicator portal*

CPA 7 day follow-up

The data made available to the Trust by the NHS Digital Indicator Portal with regard to the percentage of patients on Care Programme Approach who were followed up within 7 days after discharge from psychiatric in-patient care during the reporting period. The data presented is as per the standard national definition which can be found within the Standard Definitions section of this report on page 53.

2016/17				
Timeframe	Bench-mark	Total number of patients on CPA discharged from psychiatric inpatient care	Number of patients on CPA who were followed up within 7 days after discharge from psychiatric inpatient care	Proportion of patients on CPA who were followed up within 7 days after discharge from psychiatric inpatient care
1 st Apr 2016 – 30 th Jun 2016	Trust	397	383	96.5%
	England	16,197	15,582	98.1%
	Highest reporting Trust	122	122	100%
	Lowest reporting Trust	14	4	28.6%
1 st Jul 2016 – 30 th Sept 2016	Trust	355	343	96.6%
	England	16,449	15,922	96.8%
	Highest reporting Trust	251	251	100%
	Lowest reporting Trust	610	509	83.4%
1 st Oct 2016 – 31 st Dec 2016	Trust	327	323	98.8%
	England	15,688	15,174	96.7%
	Highest reporting Trust	51	51	100%
	Lowest reporting Trust	15	11	73.3%
1 st Jan 2017 – 31 st Mar 2017	Trust	335	326	97.3%
	England	15,368	14,942	97.2%
	Highest reporting Trust	158	159	99.4%
	Lowest reporting Trust	11	13	84.6%

2017/18				
Timeframe	Bench-mark	Total number of patients on CPA discharged from psychiatric inpatient care	Number of patients on CPA who were followed up within 7 days after discharge from psychiatric inpatient care	Proportion of patients on CPA who were followed up within 7 days after discharge from psychiatric inpatient care
1 st Apr 2017 – 30 th Jun 2017	Trust	336	331	98.5%
	England	16,372	15,824	96.7%
	Highest reporting Trust	124	124	100%
	Lowest reporting Trust	7	5	71.4%
1 st Jul 2017 – 30 th Sept 2017	Trust	321	310	96.6%
	England	16,347	15,814	96.7%
	Highest reporting Trust	141	141	100%
	Lowest reporting Trust	8	7	87.5%
1 st Oct 2017 – 31 st Dec 2017	Trust	378	362	95.8%
	England	16,790	16,017	95.4%
	Highest reporting Trust	141	141	100%
	Lowest reporting Trust	351	243	69.2%
1 st Jan 2018 – 31 st Mar 2018	Trust	408	396	97.1%
	England	*	*	*
	Highest reporting Trust	*	*	*
	Lowest reporting Trust	*	*	*

**National benchmarking data for the period 1st January 2018 to 31st March 2018 is yet to be released by the NHS Digital Indicator Portal.*

South Staffordshire and Shropshire Healthcare NHS Foundation Trust considers that this data is as described for the following reasons.

- Our staff understand the clinical evidence underpinning this target and are committed to maintaining a high level of compliance
- We have well established mechanisms in place for monitoring and validating data quality relating to CPA.

South Staffordshire and Shropshire Healthcare NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by:

- Continuing to raise awareness with clinical staff regarding their responsibility for providing 7 day follow-up
- Conducting clinical audits to identify areas that require targeted improvement.



Admission to Acute Wards via Crisis Resolution Home Treatment

The data made available to the Trust by the NHS Digital Indicator Portal with regard to the percentage of admissions to acute wards for which Crisis Resolution Home Treatment Team acted as a gatekeeper during the reporting period. The data presented is as per the standard national definition which can be found within the Standard Definitions section of this report on page 53.

Timeframe	Bench-mark	Proportion of admissions to acute wards that were gate kept by the CRHT teams
1 st Apr 2016 – 30 th Jun 2016	Trust	100%
	England	98.1%
	Highest reporting Trust	100%
	Lowest reporting Trust	78.9%
1 st Jul 2016 – 30 th Sept 2016	Trust	100%
	England	98.4%
	Highest reporting Trust	100%
	Lowest reporting Trust	76%
1 st Oct 2016 – 31 st Dec 2016	Trust	99.4%
	England	98.7%
	Highest reporting Trust	100%
	Lowest reporting Trust	88.3%
1 st Jan 2017 – 31 st Mar 2017	Trust	100%
	England	98.8%
	Highest reporting Trust	100%
	Lowest reporting Trust	92.7%
1 st Apr 2017 – 30 th Jun 2017	Trust	100%
	England	98.7%
	Highest reporting Trust	100%
	Lowest reporting Trust	88.9%
1 st Jul 2017 – 30 th Sept 2017	Trust	99.2%
	England	98.6%
	Highest reporting Trust	100%
	Lowest reporting Trust	94%
1 st Oct 2017 – 31 st Dec 2017	Trust	100%
	England	98.5%
	Highest reporting Trust	100%
	Lowest reporting Trust	84.3%
1 st Jan 2018 – 31 st Mar 2018	Trust	100%
	England	*
	Highest reporting Trust	*
	Lowest reporting Trust	*

**National benchmarking data for the period 1st January 2018 to 31st March 2018 is yet to be released by the NHS Digital Indicator Portal*

South Staffordshire and Shropshire Healthcare NHS Foundation Trust considers that this data is as described for the following reasons:-

- Our staff understand the clinical evidence underpinning this target and are committed to maintaining a high level of compliance

South Staffordshire and Shropshire Healthcare NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by

- Continuing to reinforce to clinical staff the importance of gatekeeping admissions to hospital

Readmission to Hospital within 28 Days of Discharge

The percentage of patients aged 16 and over 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
(please note there were no admissions of patients aged 0-15 during the reporting period)

Please note that this data is not made available to the NHS Digital Indicator Portal as it is not a requirement for mental health trusts. The data to support this indicator has been taken from RiO the Trust clinical electronic record system. Therefore no national benchmarking data is available.

Timeframe	Bench-mark	% of patients aged 16 and over readmitted to hospital within 28 days of discharge
1 st Apr 2016 – 30 th Jun 2016	Trust	21.2%
1 st Jul 2016– 30 th Sept 2016	Trust	17.1%
1 st Oct 2016 – 31 st Dec 2016	Trust	18.7%
1 st Jan 2017 – 31 st Mar 2017	Trust	17.9%
1 st Apr 2017 – 30 th Jun 2017	Trust	11.1%
1 st Jul 2017– 30 th Sept 2017	Trust	6.5%
1 st Oct 2017 – 31 st Dec 2017	Trust	10.4%
1 st Jan 2018 – 31 st Mar 2018	Trust	12.7%

South Staffordshire and Shropshire Healthcare NHS Foundation Trust considers that this data is as described for the following reasons:-

- We have well established mechanisms for following up people who are discharged from inpatient services and for monitoring and validating data quality relating to 28 day readmission rates

South Staffordshire and Shropshire Healthcare NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by

- Continuing to reinforce to clinical staff the importance of timely and appropriate follow up
- Continuing to monitor and validate data in line with Standard Operating Procedures



Patient Experience of Community Mental Health Services

The data made available to the Trust by the Care Quality Commission with regard to the Trust's "Patient experience of community mental health services" indicator score with regard to a patient's experience of contact with a health or social care worker during the reporting period.

To determine our performance against this indicator we have referred to the section score (mean score) for Health and Social Care Workers section of the CQC Community Mental Health Survey. This section is made up of three areas as follows:

- **Listening:** for the person or people seen most recently **listening carefully to them**
- **Time:** being given **enough time** to discuss their needs and treatment
- **Understanding:** for the person or people seen most recently understanding how their mental health needs affect other areas of their life

Performance	Experience of Care	
	2016 Survey	2017 Survey
South Staffordshire & Shropshire Healthcare NHS Foundation Trust	8.1	8.1
Lowest Reporting Trust Score	6.9	6.4
Highest Reporting Trust Score	8.1	8.2
<p><i>Responses to the survey are converted into scores on a scale of 0-10. A score of 10 represents the best possible score.</i></p> <p><i>CQC reports our Trust scores are "Better" compared with other Trusts for this section.</i></p>		

**Data source: Care Quality Commission Community Mental Health Survey's 2016 and 2017*

South Staffordshire and Shropshire Healthcare NHS Foundation Trust considers that this data is as described for the following reasons.

- That the Trust continues to drive engagement and responsiveness to individual service users' needs
- That the data has been compiled and validated by the Picker Institute

South Staffordshire and Shropshire Healthcare NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by

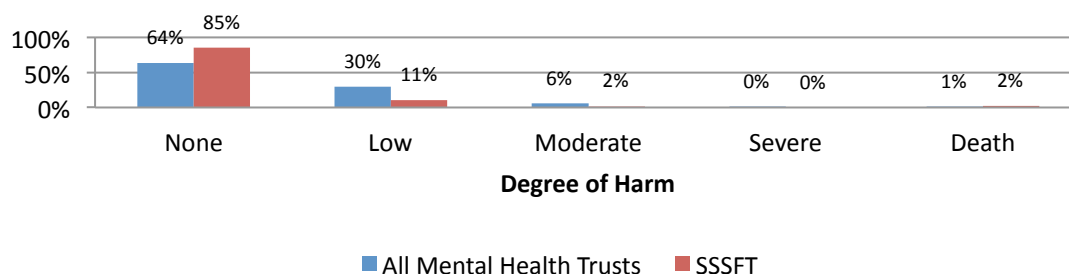
- Sharing the outcomes of the 2017 Patient Survey across the Trust
- Comparing the scores with our real-time service users experience measures
- Identifying local actions to be taken
- Monitoring progress through our divisional governance forums

Patient Safety Incidents

The data made available to the Trust by NHS Improvement with regard to 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. The data presented is as per the standard national definition which can be found within the Standard Definitions section of this report on page 53.

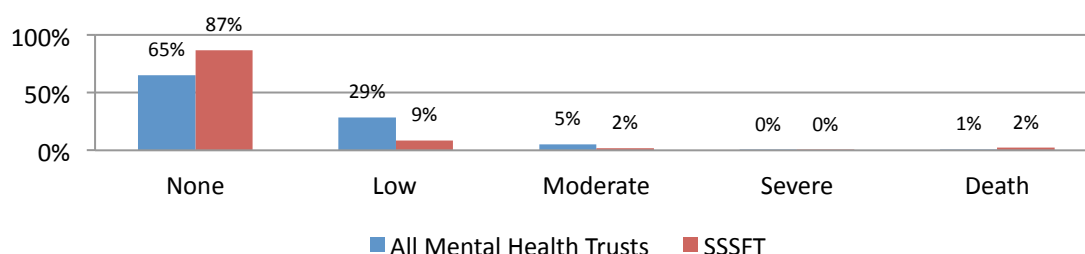
We are unable to provide national benchmarking data for this indicator for the full two year data period, as the latest National Reporting and Learning Service Patient Safety Incident Report release (by NHS Improvement) was for the period 01/04/2017 – 30/09/2017. We have therefore also provided a full two year comparison of Trust data. Total number of incidents by degree of harm is not published by NHS Improvement therefore the data included within the accounts is Trust data only.

**NRLS Incident Data by Degree of Harm
01/10/2015 - 31/03/2016**

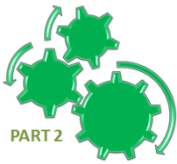


Trust Total reported incidents by degree of harm 01/10/2015 – 31/03/2016				
None	Low	Moderate	Severe	Death
1235	156	21	0	34

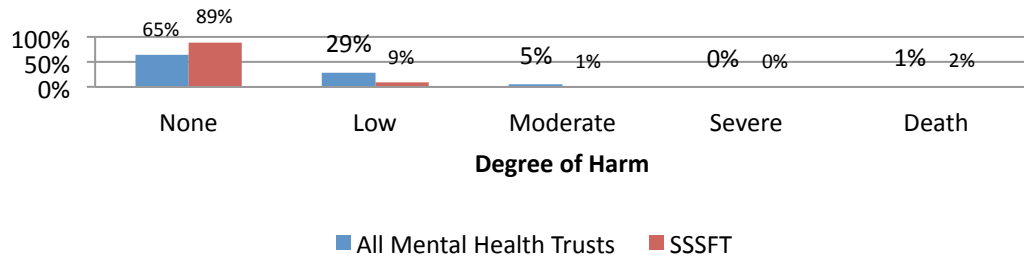
**NRLS Incident Data by Degree of Harm
01/04/2016 - 30/09/2016**



Trust Total reported incidents by degree of harm 01/04/2016 – 30/09/2016				
None	Low	Moderate	Severe	Death
1755	174	41	2	49

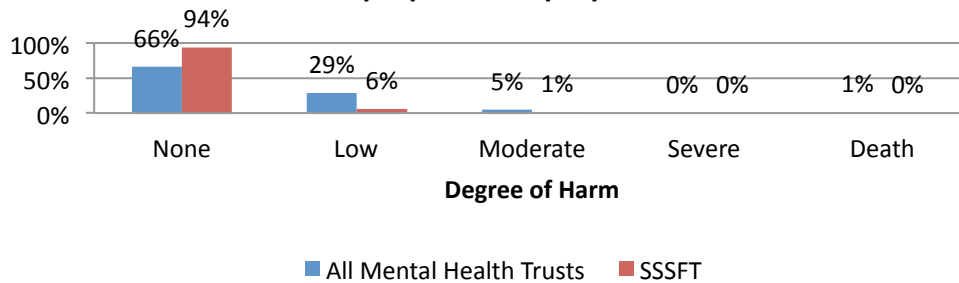


NRLS Incident Data by Degree of Harm 01/10/2016 -31/03/2017



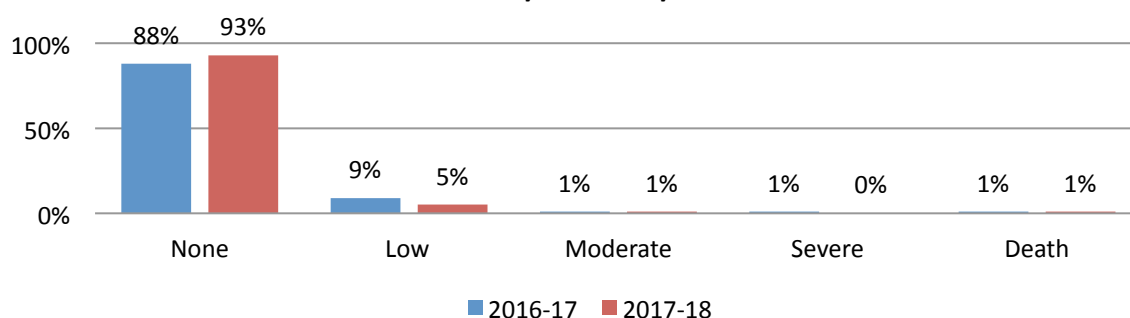
Trust Total reported incidents by degree of harm 01/10/2016 – 31/03/2017				
None	Low	Moderate	Severe	Death
2289	227	23	1	40

NRLS Incident Data by Degree of Harm 01/04/2017 - 30/09/2017



Trust Total reported incidents by degree of harm 01/04/2017 – 31/09/2017				
None	Low	Moderate	Severe	Death
2109	124	19	0	1

Trust Incident Data by Degree of Harm 2016/17 - 2017/18



Trust Total reported incidents by degree of harm 2016/17– 2017/18					
	None	Low	Moderate	Severe	Death
2016/17	4156	415	57	2	70
2017/18	3878	187	33	0	4

South Staffordshire and Shropshire Healthcare NHS Foundation Trust considers that this data is as described for the following reasons:-

- Robust risk management is central to the effective running of our organisation and therefore all managers and staff throughout the Trust take responsibility for the reporting of and learning from incidents
- That the higher number of deaths reported in 2016/17 was associated with the reporting of natural cause deaths as patient safety incidents, this is not a requirement and therefore our reporting of deaths is now in line with national NRLS reporting guidance.

South Staffordshire and Shropshire Healthcare NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by

- Continuing to improve our processes for reporting and learning from incidents whilst ensuring that we continue to examine incident trends and clusters taking action to minimise future risk.



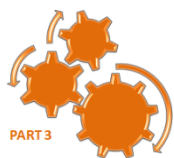


Our Local Quality Indicators 2018/19

In part 3 of this Quality Accounts report we provide an overview of the quality of care provided by South Staffordshire and Shropshire Healthcare NHS Foundation Trust during 2017/18 against a range of local quality indicators. These indicators have been agreed by the Trust Board of Directors following a period of consultation with key stakeholders. The indicator set for each year spans the three domains of quality; patient safety, clinical effectiveness and experience and suggestions for priorities are drawn from a number of sources, including; Commissioning for Quality and Innovation (CQUIN) goals, feedback themes from real-time service user experience, recommendations from national reviews, quality improvement areas identified from our internal thematic reviews, Trust's review of its quality performance, for example incident data and complaints and stakeholder feedback, both external and from internal engagement forums.


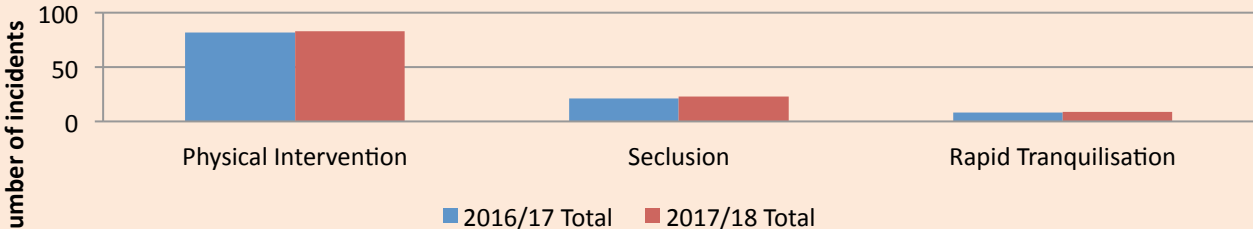

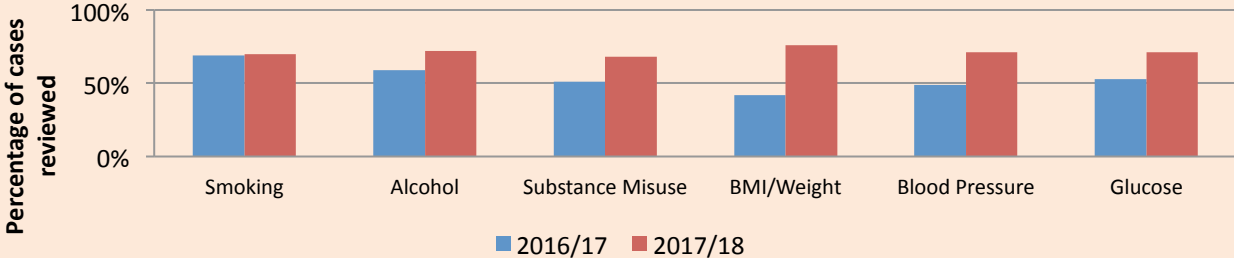
Our local quality indicators that we intend to report upon for 2018/19 is set out below. As well as new goals we will also be taking forward our improvement priorities from 2017/18.


Patient Safety	
Indicator	Rationale for Inclusion
Preventing ill health by risky behaviours – tobacco screening for inpatients	This was one of our improvement priorities for 2017/18 and we want to continue to monitor and report progress against this key quality area
Reducing harm from medication incidents	This is one of our key Sign up to Safety pledges
Uptake of the flu vaccine by front line staff	This is a CQUIN indicator for 2018/19. Frontline healthcare workers are more likely to be exposed to the influenza virus, particularly during winter months. Influenza is a highly transmissible infection and patients found in hospital are much more vulnerable to severe effects. Uptake of the flu vaccine is therefore important to reduce transmission of the virus to vulnerable patient groups.
Clinical Effectiveness Measures	
Improving staff health and wellbeing	This was one of our improvement priorities for 2017/18 and we want to continue to monitor and report progress against this key quality area
Standardisation of falls assessment tools across all inpatient areas	During 2017/18 a thematic review was undertaken regarding the assessment and management of falls across the Trust. The review recommended that the Trust needs to develop and implement a standardised approach to assessing the risk of falls.
Multi-disciplinary care plans for all service users open to learning disability services	Care planning was an area for improvement in learning disability services identified during our comprehensive CQC inspection in 2016. Initially the focus for improvement was on improving the quality of care plans within each professional group. Having achieved this our focus is now on implementing a single multi-disciplinary care plan.
Service User / Carer Experience	
Recovery college for medium and low secure patients	This was one of our improvement priorities for 2017/18 and we want to continue to monitor and report progress against this key quality area
Increasing our patient experience response rate in mental health services	The Trust current patient experience response rate in mental health services is low and therefore we are unable to use this feedback as a reliable temperature gauge of patient experience. We will focus on improving our methodologies for gathering patient feedback during 2018/19
Engaging meaningfully and compassionately with bereaved families and carers in relation to all stages of responding to a death	This was a key recommendation from the National Guidance on Learning from Deaths released by the National Quality Board in March 2017. This was a local indicator for us in 2017/ 18 and we want to continue to monitor of progress in this important area

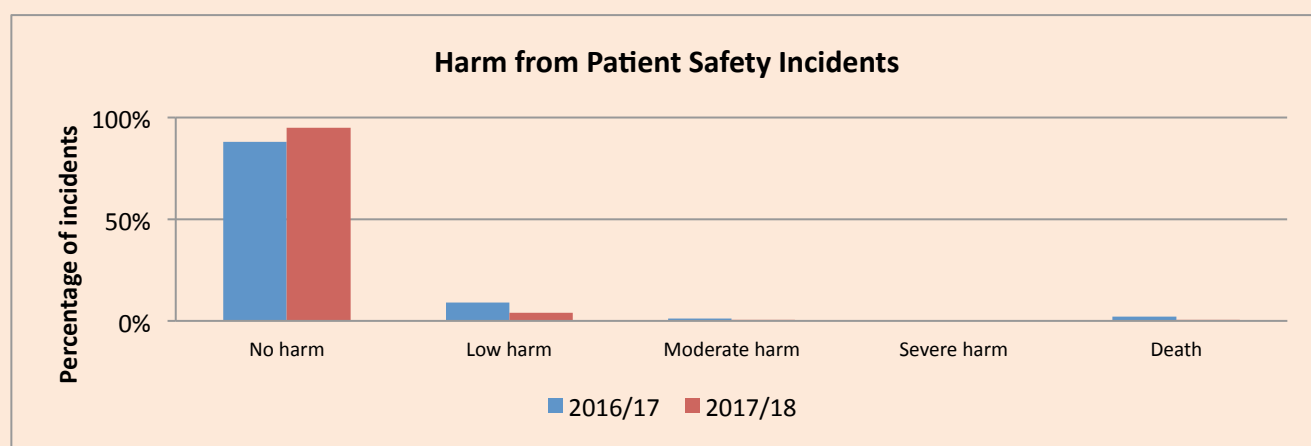



Our Local Quality Indicators 2017/18




This section of the report provides details of our performance against our local indicator set. The indicators were chosen following a period of consultation with our key stakeholders and subsequent agreement by our Trust Board. Where possible comparison is made between 2016/17 performance and 2017/18 performance, however one of the indicators was new for this year and therefore no previous benchmarking data is available. Please note the data to support compliance with these local indicators is taken from Trust clinical electronic record system.


Patient Safety Measures																									
Quality Indicators	Rationale	2016/17 Performance	2017/18 Performance	Trust Compliance Indicator																					
Reducing restrictive practices within Adult Secure Services	To ensure we look after our services users using the least restrictive practice. In order to implement the framework we raised awareness of the need for staff to report all instances of restrictive practice.	111 Incidents reported	115 incidents reported																						
<div><h3>Reporting of incidents of restrictive practice</h3><table><caption>Reporting of incidents of restrictive practice</caption><thead><tr><th>Category</th><th>2016/17 Total</th><th>2017/18 Total</th></tr></thead><tbody><tr><td>Physical Intervention</td><td>85</td><td>85</td></tr><tr><td>Seclusion</td><td>25</td><td>25</td></tr><tr><td>Rapid Tranquilisation</td><td>10</td><td>10</td></tr></tbody></table></div>					Category	2016/17 Total	2017/18 Total	Physical Intervention	85	85	Seclusion	25	25	Rapid Tranquilisation	10	10									
Category	2016/17 Total	2017/18 Total																							
Physical Intervention	85	85																							
Seclusion	25	25																							
Rapid Tranquilisation	10	10																							
Quality Indicators	Rationale	2016/17 Performance	2017/18 Performance	Trust Compliance Indicator																					
Improving physical healthcare to reduce premature mortality in people with severe mental illness	People with severe mental illness (SMI) are at increased risk of poor physical health, and their life-expectancy is reduced by an average of 15–20 years mainly due to preventable physical illness. Two thirds of these deaths are from avoidable physical illnesses including heart disease and cancer, mainly caused by smoking.	Inpatients: 76% received a screening assessment Community patients: 19% received a screening assessment	Inpatients: 80% received a screening assessment Community patients: 35% received a screening assessment																						
<div><h3>SSSFT Compliance with Health Screening</h3><table><caption>SSSFT Compliance with Health Screening</caption><thead><tr><th>Category</th><th>2016/17</th><th>2017/18</th></tr></thead><tbody><tr><td>Smoking</td><td>70%</td><td>70%</td></tr><tr><td>Alcohol</td><td>60%</td><td>70%</td></tr><tr><td>Substance Misuse</td><td>50%</td><td>70%</td></tr><tr><td>BMI/Weight</td><td>45%</td><td>75%</td></tr><tr><td>Blood Pressure</td><td>50%</td><td>70%</td></tr><tr><td>Glucose</td><td>50%</td><td>70%</td></tr></tbody></table></div>					Category	2016/17	2017/18	Smoking	70%	70%	Alcohol	60%	70%	Substance Misuse	50%	70%	BMI/Weight	45%	75%	Blood Pressure	50%	70%	Glucose	50%	70%
Category	2016/17	2017/18																							
Smoking	70%	70%																							
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Substance Misuse	50%	70%																							
BMI/Weight	45%	75%																							
Blood Pressure	50%	70%																							
Glucose	50%	70%																							

Patient Safety Measures				
Quality Indicators	Rationale	2016/17 Performance	2017/18 Performance	Trust Compliance Indicator
To maximise harm free care across our inpatient mental health wards (Mental Health safety Thermometer)	We submit a safety thermometer for mental health every month. Unfortunately they are unable to provide the "harm-free data" to the Trust. We monitor harm from incidents on a monthly basis to ensure minimisation of avoidable harm.	88% of incidents were "no harm"	95% Of incidents were "no harm".	

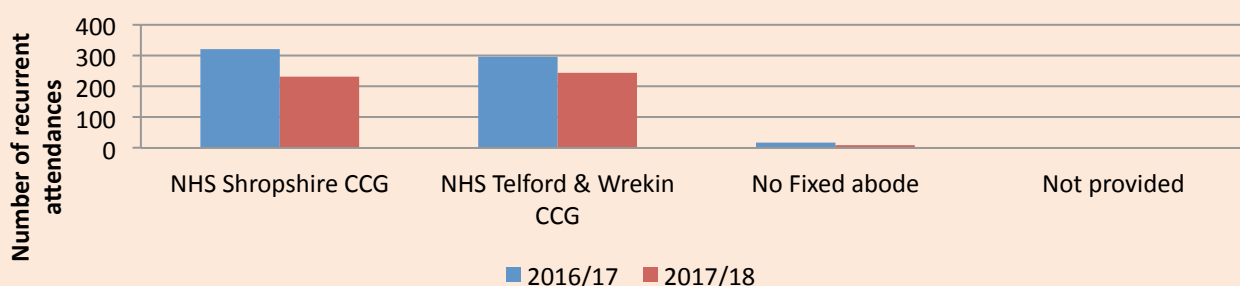



Clinical Effectiveness Measures				
Quality Indicators	Rationale	2016/17 Performance	2017/18 Performance	Trust Compliance Indicator
Safely reducing avoidable repeat detentions under the Mental Health Act	Detention under the Mental Health Act occurs when the service user is assessed as requiring inpatient care but is unable or unwilling to give consent. The aim of this priority area is to safely reduce the level of repeat detentions made under the Mental Health Act (MHA) 1983.	100% - repeat detentions had alternatives to admission considered prior to detention.	100% - Actions in forward plan completed	

Action for 2017/18	Progress
Establishment of an access team that will provide a single point of referral for all our adult services, providing advice and guidance to individuals, carers and partners, and the ability to book straight into one of our improved pathway teams to minimise duplication and ensure individuals are supported by the right person at the right time at the right place	 Completed
Restructuring of the Community Mental health Teams (CMHTs) into 'Pathway Teams' where people will receive evidenced based interventions in line with NICE guidance and with clear outcomes and goals identified with the individual	 Completed
Development of a new service offer 'Intensive Life Skills Pathway' for people with relational difficulties who often challenge the traditional approach to community mental health services.	 Completed


Clinical Effectiveness Measures				
Quality Indicators	Rationale	2016/17 Performance	2017/18 Performance	Trust Compliance Indicator
Improving services for people with mental health needs who present at A&E	People with mental ill health are 3 times more likely to present to A&E than the general population. People with known mental ill health are 5 times more likely to be admitted to acute hospitals and 80% of these emergency admissions are recorded as being primarily for physical health reasons. This highlights the need for acute hospitals to be equipped to detect and treat urgent mental health needs.	This was a new CQUIN for 2016/17 therefore no baseline data is available	20% Reduction in A&E attendances of selected cohort of frequent attenders	


Attendances at A&E



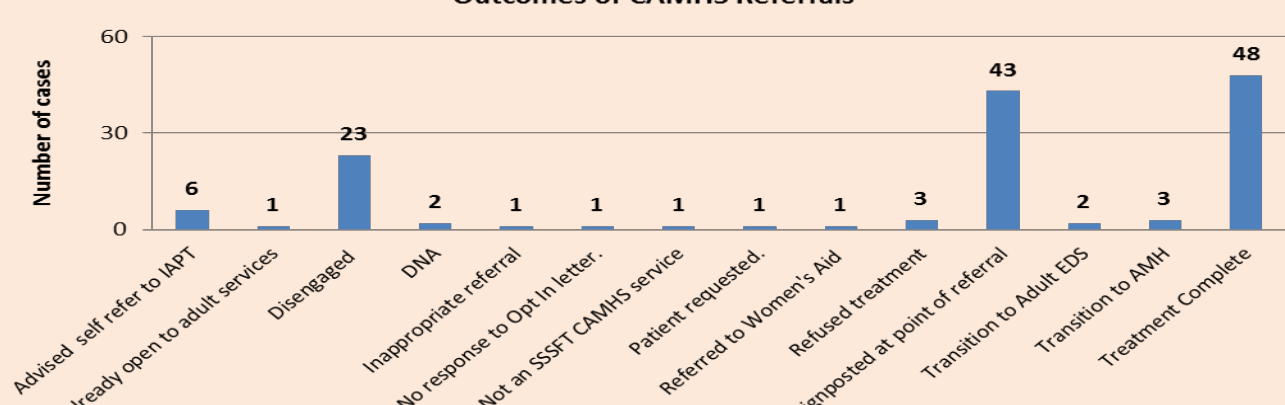
Quality Indicators	Rationale	2016/17 Performance	2017/18 Performance	Trust Compliance Indicator
Initial health assessments for looked after children	The Children's services identified this as a key quality improvement area to be delivered using Rapid Process Improvement Workshop	77% Seen within 10 days of referral	80% Seen within 10 days of referral	

Service User Experience Measures

Quality Indicators	Rationale	2016/17 Performance	2017/18 Performance	Trust Compliance Indicator
Clinical Outcomes and Personal Goals for Service Users within Community Services	The Trust developed outcome measures to understand the effectiveness of treatment and benefit it has for individual service users. It aligned to the Recovery Model ensuring Trust staff and service users are working towards shared goals.	2016/17 CQUIN was about developing and agreeing outcome measures then implementing processes to effectively utilise them.	98% CROM completed during assessment phase	


Service User Experience Measures				
Quality Indicators	Rationale	2016/17 Performance	2017/18 Performance	Trust Compliance Indicator
Transition out of Children and Young People's Mental Health Services	It is estimated that more than 25,000 young people transition each year. It is reported that this process is often handled poorly, which can result in repeat assessments and emergency admissions for this large cohort of service users at a critical stage in life	This was a new CQUIN. Therefore no data available for 2016/17	2% Cases which were appropriate for transition were audited as per the criteria	

Outcomes of CAMHS Referrals




Outcome	Number of cases
Advised self refer to IAPT	6
Already open to adult services	1
Disengaged	23
DNA	2
Inappropriate referral	1
No response to Opt In letter	1
Not an SSFT CAMHS service	1
Patient requested	1
Referred to Women's Aid	1
Refused treatment	3
Signposted at point of referral	43
Transition to Adult EDS	2
Transition to AMH	3
Treatment Complete	48

The 2% compliance against this indicator relates to the number of cases whereby a case note audit was undertaken during quarter 4 (as per the CQUIN requirement). As can be seen from above graph 136 cases did transition from children and young people's mental health services during quarter 4. All of these cases should have been included within the audit however only the cases transferred to adult mental health services were. We will ensure that all cases are audited during 2018/19 and report back progress within our 2018/19 Quality Accounts.

Quality Indicators	Rationale	2016/17 Performance	2016/17 Performance	Trust Compliance Indicator
Engaging meaningfully and compassionately with bereaved families and carers in relation to all stages of responding to a death.	This was a key recommendation from the National Guidance on Learning from Deaths released by the National Quality Board in March 2017 https://www.england.nhs.uk/wp-content/uploads/2017/03/nqb-national-guidance-learning-from-deaths.pdf	No data available	Implementation plan commenced	

- ❖ Making Families Count Conference to Trust staff
- ❖ Improvements made to duty of candour processes
- ❖ Active engagement of carers in implementing learning
- ❖ Sharing of carer stories at Trust Board
- ❖ Sharing “Help is at Hand” information with bereaved relatives
- ❖ Creation of a “Victim Liaison” role in re-designed service



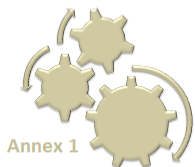


Performance Against Mandated National Measures

We are committed to deliver all relevant national priorities and targets. Our performance against the access targets and outcome measures as set out in Appendices 1 and 3 of the Single Oversight Framework are detailed below, this excludes those indicators that we have reported elsewhere within this set of accounts:

National Targets & Regulatory Requirements	Threshold	2016/17	2017/18
Early Intervention in Psychosis (EIP). People experiencing a first episode of psychosis treated with a NICE approved care package within two weeks of referral. ①	50%	Data not available – this is a new indicator	44%
Improving access to psychological therapies (IAPT): a) Proportion of people completing treatment who move to recovery (from IAPT dataset) b) Waiting time to begin treatment (from IAPT minimum dataset) i) Within 6 weeks of referral ii) Within 18 weeks of referral	50% 75% 95%	Data not available – this is a new indicator 85.8% 94.4%	52% 86% 98%
Admissions to adult facilities of patients under 16 years old	N/A	0	0
Inappropriate out-of-area placements for adult mental health services ①	Overall reduction per year until 2021	Data not available – this is a new indicator	94 days
Ensure that cardio-metabolic assessment and treatment for people with psychosis is delivered routinely in the following service areas: a) Inpatient wards b) Early intervention in psychosis services c) Community mental health services (people on care programme approach)	90% 90% 65%	Data not available – this is a new indicator	51% 11% 12%

The data presented is as per the standard definition which can be found within the Standard Definitions section of this report on page 53, please note no standard definition is in place for admissions to adult facilities of patients under 16 years old.



Statements from Commissioners, Local Healthwatch and Scrutiny Committees

Feedback from Clinical Commissioning Group's

South East Staffordshire and Seisdon Peninsula Clinical Commissioning Group (CCG), on behalf of all CCGs in the South Staffordshire area, are pleased to comment on this Quality Account for 2017/18.

Review of 2017/18 and Forward Plan

The CCG believes this is a positive account of the key quality improvements delivered and a detailed reflective account of the challenges experienced during 2017/18 has been provided. The CCG are pleased to note the delivery of the trusts key priorities to further strengthen and improve clinical effectiveness, patient experience and safety of care.

The Commissioners were pleased and encouraged to note the Trust on the whole has maintained an overall "good" rating from the Care Quality Commission (CQC) who conducted their inspections 2016. We also note the Trust's positive response to the September 2017 CQC inspection to Acute wards for adults of working age and psychiatric intensive care units. The CCG are looking forward to the Trust continuing to work hard sustain and improve the ratings received in 2017/18 and that they share the lessons learned in 2018/19.

Trust Board service user and carer involvement strategic framework continues to be embedded in the Trust and the CCG have received positive reports of the results of this engagement through their Quality Monitoring Meetings. Through this framework the Trust has continued to ensure the patients voice is heard in the most valuable and supportive way to develop services. The CCG look forward to further discussions on the findings from service user engagement into 2018/19.

This quality account and CCGs Clinical Quality Review Meeting reporting (CQRM) has highlighted some of the work the trust has been undertaking to improve patient quality in the organisation during 2017/18. The continued Quality Improvement training and the new Daily Lean Leadership roll out has demonstrated that the Trust is endeavouring to put the service user at the heart of the service. Quality Improvement remains at the heart of the Trust strategy and team engagement events have looked for quality solutions for a variety of team developments; from reducing the access time for care delivery, discharge planning initiatives to a variety of referral to service improvements. The CCG feel that this quality account reflects some of the key work the Trust has undertaken in 2017/18.

The NHS Staff 2017 Staff Survey has demonstrated the trusts commitment to improving key areas in engaging staff, improving the work place and reporting incidents. The CCG has developed key engagement and observed a continued organisational refinement of their serious incident and never event management, investigation and learning from events. The Trust has remained committed to the CCG in continued close working and review of these events. Of particular note was the commitment of the Trusts investigation team to embed closer relationships with families and service users to ensure they remain informed, engaged and central to the investigation process.

The Commissioners acknowledge the work being undertaken for the Trusts priorities for improvement for 2017/18. The trust has demonstrated positive strides forward in the improvements for staff health and wellbeing, strides replicated in the 2017 Staff Survey results.

Tobacco screening for inpatients has shown first year benefits for patients in this two year programme. The 2018/19 priorities identify improvements for South Staffordshire and Shropshire around healthy food for NHS patients, visitors and staff & effective communication between SSSFT clinicians and primary care clinicians for patients with severe mental illness. The CCG welcome these priorities and look forward to exploring the benefits for South Staffordshire and Shropshire's service users and healthcare organisations.

Quality Overview

- Commissioners note and confirm the trust's achievements against the Commissioning for Quality and Innovation Schemes (CQUINs) for 2017/18. The considerable work undertaken by the trust to reach this level of achievement is acknowledged.
- All planned clinical audits have been undertaken and the commissioners would wish to congratulate the trust on continuing to undertake a comprehensive and well executed clinical audit programme and make particular reference to the application of NICE Guidelines to ensure best evidenced based practice is provided to the patients.
- No never events or local avoidable events were reported.
- The CCG have continued to monitor the actions plans associated with the series of quality assurance visits undertaken with the Trust within adult mental health in-patient wards, elderly care, crisis resolution home treatment and children's nursing services. The Trust responded to all the visits with transparency and a commitment to improvement.

The CCG wish to state that to the best of their knowledge, the data and information contained within the quality account is accurate.

Overall we recognise that significant improvements in quality and safety have been seen at the Trust during an evolving time within the NHS. We look forward to working together with the Trust to ensure continued improvement over the coming year.

Feedback from Telford and Wrekin CCG

Telford and Wrekin CCG recognise the continued progress that South Staffordshire and Shropshire Healthcare NHS Foundation Trust has made in maintaining a balanced focus on patient safety; clinical effectiveness and patient experience over the last twelve months.

This is reflected in the key achievements outlined in the Quality Account, and TW CCG representatives have been pleased to be invited and participate in a number of the events.

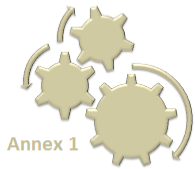
Through the 2017 NHS Staff Survey results the Trust continues to succeed in demonstrating commitment to engaging the workforce.

This maintains South Staffordshire and Shropshire Healthcare NHS Foundation Trust being recognised as one of the top performing mental health and learning disability trusts in the country in this area.

Telford and Wrekin CCG congratulates the Trust on being named as runner up in the 'Championing The Public' category at the Patient Experience Network national awards, as well as a Peer recovery Worker winning the Simply the Best awarded in the Best in Class category.

Telford and Wrekin CCG recognises the work that the Trust has undertaken to roll out the 'Daily lean Leadership' across the organisation.

Through the CCG's continued participation in the Trusts internal Quality Standard Assurance Visits we have seen at first-hand how this has been embedded into the daily business of the ward.



The implementation and use of ‘huddle boards’ has been seen to be particularly beneficial, providing teams with a focus, direction and a method of management for daily work. The positive feedback from Trust staff members to CCG colleagues has demonstrated that there is a clear focus on improvement, planning and problem-solving. The boards display all the teams’ QI work, ideas for future projects and feedback from service users, carers and partners.

The ongoing use of Rapid Process Improvement Workshops (RPIWs) continues to demonstrate the value of the investment placed in the process.

Priorities for improvement for 2017/18:

- Improving Staff Health and Wellbeing

A broad range of evidence has been provided to the CCG’s to support and demonstrate the implementation of this national CQUIN.

- Preventing ill health by risky behaviours – tobacco screening for inpatients.

The Trust unfortunately did not achieve the targets set for year 1 of this national CQUIN. The Trust has pledged to continue its endeavours in this challenging area over year 2 of the CQUIN.

- Recovery College for medium and low secure patients.

Priorities for improvement for 2017/18 have been reviewed and monitored via the CCG Clinical Quality Review Meetings and contracts meetings. The 2018/19 outcomes will also be reviewed and monitored be via these same forums.

The CCG wish to state that to the best of their knowledge, the data and information contained within the 2017/18 Quality Account is accurate.

Christine Morris

Executive Nurse, lead for Quality & Safety

Trust’s response to feedback from CCG’s

We thank the CCG’s for their feedback. We have taken note of the feedback received and are pleased with the recognition of the Trust’s achievements

Feedback from Healthwatch

Comments from Healthwatch Stafford

Thanks for the opportunity to read and comment on this year's annual report. Overall, this is a clear, cogent and well presented document, which reports continuing improvement within a trust which is clearly committed to continuing innovation and quality improvement.

It is good to see the practical commitment to greater user and carer involvement coupled with the recognition of the importance of staff engagement in making this a reality. Furthermore, overall the quality of care continues to improve.

Two suggestions, as this report is intended for a wide readership. First, a lay summary to explain some of the tables, for example, the Prescribing Observatory tables on page 19 is repeated twice and then presented in a slightly different form on page 20. Second greater use of user/ staff quotes and the inclusion of vignettes to illustrate the achievements of the trust would improve the overall accessibility of the report for the lay reader.

What follows are a series of comments and queries on the report – in page order – intended to be helpful:

Page (P) 2 Great statement on the commitment to quality from the Chief Executive , which emphasises that the SSSFT is one of the best performing trusts of its kind in the country.

P.3 Really clear and helpful diagrams of the Trust's focus and quality improvement strategy.

P.4. Good material here on user/carers involvement but would suggest it would be useful to include 'quotes' underpinning the points made and emphasising that the changes outlined have real substance.

P.5. Re Duty of candour: (a) are you able to audit the effectiveness of the self reporting of safety issues and near misses? (B) the electronic system is referred to several times in the report but never explained for the lay reader e.g. what is RiO?

P.5 Is the Virginia Mason Production System the 'industry standard' for NHS England, and if not why was it chosen? Maybe something for the Appendices but still important.

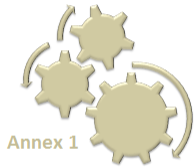
P.7 the amazing improvements in referral times are truly impressive.

Pp. 9-10 Good positive responses to staff survey.

P. 14 Priority 2 risky behaviour – the poor results for brief advice re smoking is disappointing, obviously needs reviewing which you are clearly going to undertake.

P.15 Priority 3 – better use could be made of user quotes and maybe the inclusion of a vignette. The bullet point sentence following the quotes is less than clear – for a start it is a 4 line sentence.

P.19 Prescribing Observatory table repeated twice.



P.23. Disappointing information governance grade at 'satisfactory' especially in light of the less than ideal clinical coding performance.

P.30 re Readmission Rates, some of these figures look to be a little on the high side, but no comparative data available/ provided.

P.31 Great to see the trust doing better well on Patient Experience

P. 36 I do not understand the 3rd table I.e. what do these figures mean?

P. 40 On the face of it early intervention in Psychosis EIP performance looks poor, but no explanation provided.

We very much hope these comments will be helpful.

Mike Dent Staffordshire Healthwatch Advisory Board Member

Comments from Healthwatch Shropshire

Healthwatch Shropshire (HWS) welcomes SSSFT's commitment to include service users and carers in the development of services but have concerns, following feedback that user groups are not meeting in Shropshire, that the message is not reaching these groups. The Quality Improvement programme has resources for service users and carers but it is unclear what these are, how they are delivered and there is no reporting on the impact of these resources. HWS is more than willing to work with the Trust on this.

The Quality Improvement programme is obviously making some welcome improvements, although in some areas the definitions are a bit vague and could be clarified.

The choice of the focus areas from the staff survey and the level of response could stand some explanation but it is encouraging to see the maintained levels in overall staff engagement and the support that staff are given to report incidents and near misses. This could have resulted in the rise in staff reporting potentially harmful errors or near misses or it could be that the number of incidents has risen, it is unclear.

The trust has made some good progress on the priorities for improvement during the year and where targets have not been met we look forward to hearing about the continued efforts in next year's accounts.

It would be helpful to see some quantification of the target for reduction in the number of restrictive practices during the forthcoming year 2018-19. The priority to ensure that patients with a Serious Mental Illness have "either an up to date care programme approach (CPA) care plan or a comprehensive discharge summary shared with their GP" does have a target but we wonder if it is vigorous enough; the current target of 90% would leave 49,000 patients without either and again there is no definition of 'timely' supply of a discharge summary.

It is positive that patient experience, as measured by the CQC Community Mental Health Survey, remains high.

HWS is pleased to see the progress the trust has made on its Local Quality Indicators. Some indicators would benefit from further explanation and the inclusion of target figures. The aim of reducing restrictive practices has been marked indicating the Trust compliance when the number of incidents has risen. We strongly support the Trust's encouragement of increased staff reporting but are unsure of the relationship of this with the increase in restrictive practices. Similarly the focus on the transition out of CAMHS is welcomed but the supporting data is not fully explained and difficult to understand. HWS would be very pleased to work with the Trust to improve the low patient experience response rate in Shropshire. We look forward to an assessment of the effectiveness of the re-structuring of the community teams into 'pathway' teams with an 'access' team to act as the single point of referral.

HWS is pleased to see that SSSFT is above the national threshold for IAPT. Again some comment would be welcome on the very significant fall in performance in the Early Intervention in Psychosis, especially given the Quality Improvement work that has taken place under the Rapid Process Improvement Events programme.

HWS understands that the Trust is unable to report of the 0-25 Emotional Health & Wellbeing Service in Shropshire as the service has not been provided by the Trust for the whole year. We would have liked to see some acknowledgement of the service provision and a position statement given that formal reporting is not appropriate in this document.

Trust's response to feedback from Healthwatch Stafford & Shropshire

We thank Healthwatch for their feedback.

We recognise that although the report is for wider readership that some of the tables and other content is quite technical and wholly suitable for this audience. However the text referred to in your feedback is mandated content and therefore has to be presented in this way. The Trust however does produce each year a summary of the Annual Accounts and Quality Report which is our lay summary. This will be available following the publication of this full report.

We have noted the comment regarding the use of service user and staff quotes and will ensure we include these in next year's accounts.

We have noted the comments regarding audit evidence, comparative data clarification of definitions and will consider this in our 2018/19 accounts.

With reference to explaining the RiO electronic system this explanation is included in the glossary on page 49.

We would welcome the opportunity to work with Healthwatch Shropshire on service users and carer involvement in service development. The Associate Director of Quality & Risk will be in contact with Healthwatch Shropshire to initiate this.

We acknowledge that Healthwatch Shropshire would have liked us to report on activity specific to 0-25 Emotional Health & wellbeing services in Shropshire. We will ensure that we highlight progress against quality indicators and initiatives in our 2018/19 accounts.



Feedback from Health & Adult Social Care Scrutiny Committees

**Health and Adult Social Care Overview and Scrutiny Committee,
Shropshire Council May 2018**

The Committee:

Support the promotion of patients and staff being encouraged to make healthy lifestyle choices by efforts to reduce those smoking including through tobacco screening of patients, and healthy food and drink choices.

Welcome the reduction in the number of patients who are having to move out of area for care.

Note the reporting of the Learning from Deaths, as per the specified wording and requirements. However, it would be helpful and informative if the information was broken down in more detail, e.g. primary care need, age, gender, and setting.

Were pleased to understand that the *Admission to Acute Wards via Crisis Resolution Home Treatment (CHRT)* results indicate that the Trust are consistently performing at or nearly at 100% for the proportion of admissions to acute wards which are gate kept by the CRHT.

Are concerned about the 0-25 Service taken over in May 2017. They understand that at one year on work is continuing to develop the service and systems, including to collect the information required to collect, collate and present the data to provide performance monitoring and reporting. They were surprised that there was nothing to report in this year's Quality Account, and understand that this is because the measures are still being developed with the Commissioners. The Committee would expect to see this information in next year's Account.

Trust's response to feedback from Health and Adult Social Care Overview and Scrutiny Committee, Shropshire Council

We thank the Council for their feedback.

We have taken note of the comment about a further breakdown of information on reporting of deaths and will consider this for our 2018/19 accounts.

We acknowledge that the council would have liked us to report on activity specific to 0-25 Emotional Health & wellbeing services in Shropshire. We will ensure that we highlight progress against quality indicators and initiatives in our 2018/19 accounts.

Statement of Directors' Responsibilities

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 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:
 - o board minutes and papers for the period April 2017 to May 2018
 - o papers relating to quality reported to the board over the period April 2017 to May 2018
 - o feedback from commissioners dated 21/05/2018, 24/05/2018
 - o feedback from governors dated 09/04/2018
 - o feedback from local Healthwatch organisations dated 21/05/2018, 22/05/2018
 - o feedback from Overview and Scrutiny Committee dated 23/05/2018
 - o the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 30/11/2017
 - o the 2017 community mental health national patient survey 15/11/2017
 - o the 2017 national staff survey 09/03/2018
 - o the Head of Internal Audit's annual opinion of the trust's control environment dated 25/05/2018
 - o CQC inspection report dated 12/07/2016
- 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 reported indicator performance throughout this report has been calculated based on all mental health performance identified in line with NHS Improvement and NHS England guidance. Completeness of this information is therefore dependent on the complete and accurate entry of data. Information identified within the population will therefore not be included in the indicator calculation. We believe the data included in the indicator calculations to be complete and accurate. Specific completeness considerations for externally assured indicators can be found in the Standard Definitions section of this report on page 53.

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.

31/05/2018 Date



Chairman

31/05/2018 Date



Chief Executive



External Auditor's Opinion

Independent Auditors' Limited Assurance Report to the Council of Governors of South Staffordshire and Shropshire Healthcare NHS Foundation Trust on the Annual Quality Report

We have been engaged by the Council of Governors of South Staffordshire and Shropshire Healthcare NHS Foundation Trust to perform an independent assurance engagement in respect of South Staffordshire and Shropshire NHS Foundation Trust's Quality Report for the year ended 31 March 2018 (the 'Quality Report') and specified performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2018 subject to limited assurance (the "specified indicators") marked with the symbol **A** in the Quality Report, consist of the following national priority indicators as mandated by Monitor:

Specified Indicators	Specified indicators criteria (exact page number where criteria can be found on the Annual Report)
Early intervention in psychosis (EIP): people experiencing a first episode of psychosis treated with a National Institute for Healthcare and Care Excellence (NICE) – approved care package within two weeks of referral	The performance indicator is on page 40 and the criteria are set out in the section on Standard Definitions.
Inappropriate out-of-area placements for adult mental health services	The performance indicator is on page 40 and the criteria are set out in the section on Standard Definitions.

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 specified indicators criteria referred to on pages of the Quality Report as listed above (the "Criteria"). The Directors are also responsible for the conformity of their Criteria with the assessment criteria set out in the NHS Foundation Trust Annual Reporting Manual ("FT ARM") and the "Detailed requirements for quality reports for foundation trusts 2017/18" issued by Monitor (operating as NHS Improvement) ("NHSI").

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 does not incorporate the matters required to be reported on as specified in the FT ARM and the "Detailed requirements for quality reports for foundation trusts 2017/18";
- The Quality Report is not consistent in all material respects with the sources specified below; and
- The specified indicators have not been prepared in all material respects in accordance with the Criteria set out in the FT ARM and the "Detailed requirements for external assurance for quality reports for foundation trusts 2017/18".

We read the Quality Report and consider whether it addresses the content requirements of the FT ARM and the "Detailed requirements for quality reports for foundation trusts 2017/18"; 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 following documents:

- Board minutes for the financial year, April 2017 and up to the date of signing this limited assurance report (the period);
- Papers relating to quality report reported to the Board over the period April 2017 to the date of signing this limited assurance report;
- Feedback from Commissioners: South East Staffordshire and Seisdon Peninsula CCG on behalf of all CCGs in the South Staffordshire area, dated 21/05/18 and Telford and Wrekin CCG dated 24/05/18;
- Feedback from Local Healthwatch organisations: Healthwatch Staffordshire dated 21/05/18 and Healthwatch Shropshire dated 22/05/18;
- Feedback from Shropshire Council's Health and Adult Social Care Overview and Scrutiny Committee dated 23/05/18;
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 30/11/2017;
- The latest national and local patient survey: Survey of people who use community mental health services 2017 dated 15/11/2017;
- The latest national and local staff survey: 2017 National NHS staff survey Results from South Staffordshire and Shropshire Healthcare NHS Foundation Trust dated 09/03/2018;
- Care Quality Commission inspection: South Staffordshire and Shropshire Healthcare NHS Foundation Trust Quality Report dated 12/07/2016, Report on an unannounced inspection of HMYOI Aylesbury dated 28/04/2017; Report on an unannounced inspection of HMP Grendon dated 18/05/2017; Report on an unannounced inspection of HMP Dovegate dated 08/06/2017; Report on an unannounced inspection of HMP Leeds date 10/11/2017 and Report on an unannounced inspection of HMP Spring Hill dated 15/12/2017; and
- The Head of Internal Audit's annual opinion 2017/18 over the Trust's control environment dated 25/05/2018.

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

Our Independence and Quality Control

We applied the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We apply International Standard on Quality Control (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Use and distribution of the report

This report, including the conclusion, has been prepared solely for the Council of Governors of South Staffordshire and Shropshire Healthcare NHS Foundation Trust as a body, to assist the Council of Governors in reporting South Staffordshire and Shropshire Healthcare 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 Staffordshire and Shropshire Healthcare NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

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

- reviewing the content of the Quality Report against the requirements of the FT ARM and the "Detailed requirements for quality reports for foundation trusts 2017/18";
- reviewing the Quality Report for consistency against the documents specified above;
- obtaining an understanding of the design and operation of the controls in place in relation to the collation and reporting of the specified indicators, including controls over third party information (if applicable) and performing walkthroughs to confirm our understanding;
- based on our understanding, assessing the risks that the performance against the specified indicators may be materially misstated and determining the nature, timing and extent of further procedures;
- making enquiries of relevant management, personnel and, where relevant, third parties;
- considering significant judgements made by the NHS Foundation Trust in preparation of the specified indicators;
- performing limited testing, on a selective basis of evidence supporting the reported performance indicators, and assessing the related disclosures; and
- reading the documents.

A limited assurance engagement is less 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 impact 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 thereof, may change over time. It is important to read the Quality Report in the context of the assessment criteria set out in the FT ARM and "Detailed requirements for quality reports for foundation trusts 2017/18" and the Criteria referred to above.

The nature, form and content required of Quality Reports are determined by NHSI. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS Foundation trusts.

In addition, the scope of our assurance work has not included governance over quality or non-mandated indicators in the Quality Report, which have been determined locally by South Staffordshire and Shropshire Healthcare NHS Foundation Trust.

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 does not incorporate the matters required to be reported on as specified in the FT ARM and the "Detailed requirements for quality reports for foundation trusts 2017/18";
- The Quality Report is not consistent in all material respects with the documents specified above; and
- The specified indicators have not been prepared in all material respects in accordance with the Criteria set out in the FT ARM and the "Detailed requirements for external assurance for quality reports for foundation trusts 2017/18".

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

25 May 2018



Glossary of Technical Terms

Antipsychotic – prescribed medication for the treatment of psychosis

Big Conversation - As an organisation we want to make sure that Service Users and Carers are getting the best possible service from us. As part of this process we are asking our staff wherever possible to engage in a conversation with Service Users and Carers.

Care Programme Approach (CPA) - the process of how mental health services assess users' needs, plan ways to meet them and check that they are being met

CQC - Care Quality Commission checks all hospitals in England to ensure they are meeting government standards, and shares their findings with the public

CQUIN - The CQUIN payment framework enables commissioners to reward excellence, by linking a proportion of English healthcare providers' income to the achievement of local quality improvement goals

Consensus Statement -

Daily Lean Leadership - is the system that allows you to deliver customer value through proper support and leadership to those who are closest to the process (customers and process owners)

Diagnostic Overshadowing - a process where health professionals wrongly presume that present physical symptoms are a consequence of their patient's mental illness

ECG - Electrocardiogram: A recording of the electrical activity of the heart.

First Steps in QI - Available to all staff who, as part of the training, will identify a small improvement project in their team whilst using basic elements of evidence based quality improvement methodology.

Listening into Action – is about re-engaging with employees and unlocking their potential so they can get on and contribute to the success of your organisation, in a way that makes them feel proud.

Lithium – is one of the most widely used and studied **medications** for treating bipolar disorder. **Lithium** helps reduce the severity and frequency of mania. It may also help relieve or prevent bipolar **depression**. ... **Lithium** also helps prevent future manic and depressive episodes.

Local delivery Board – this is the drug reduction strategy board. A group of experts that meet to discuss the drug reduction strategy

Medicines Optimisation Committee – is the Trust medicines committee that ensures safe, effective patient centred use of medications

Mental Capacity Act - is designed to protect and empower people who may lack the **mental capacity** to make their own decisions about their care and treatment. It applies to people aged 16 and over.

Mortality Review – a process for reviewing deaths to help improve the overall quality of patient care

Naloxone -blocks or reverses the effects of opioid medication, including extreme drowsiness, slowed breathing, or loss of consciousness. An opioid is sometimes called a **narcotic**. Naloxone is used to treat a narcotic overdose in an emergency situation.

NHS Digital Indicator Portal - The NHS Information Centre is England's central, authoritative source of health and social care information for frontline decision makers. Their aim is to revolutionise the use of information to improve decision making, deliver better care and realise increased productivity

NICE (National Institute for Health and Care Excellence)- provides national guidance and advice to improve health and social care

Olanzapine - is an antipsychotic medication used to treat schizophrenia and bipolar disorder. It is usually classed with the atypical antipsychotics, the newer generation of antipsychotics.

Pathology - is a medical specialty that is concerned with the diagnosis of disease based on the laboratory analysis of bodily fluids such as blood and urine, as well as tissues, using the tools of chemistry, clinical microbiology, haematology and **molecular** pathology.

Physical Observations – using a set of clinical skills to monitor a patient such as pulse, temperature and blood pressure

Picker Institute – A international charity in the field of person centred care. They have a rich history of supporting those working across health and social care systems measuring patient experience to drive quality improvement in healthcare

POMH (Prescribing Observatory for Mental Health) - helps specialist mental health Trusts improve their prescribing practice by identifying specific topics within mental health prescribing and developing audit-based Quality Improvement Programmes (QIPs). Organisations' are able to benchmark their performance against one another and identify where their prescribing practice meets nationally agreed standards

Rapid Process Improvement Workshop (RPIW)- an improvement process that brings together a team of staff from either various departments or a single department to examine a problem, eliminate wastes, propose solutions, and implement changes

Recovery - the concept of recovery is about service users staying in control of their life despite experiencing a mental health problem. Professionals in the mental health sector often refer to the 'recovery model' to describe this way of thinking. Putting recovery into action means focusing care on supporting recovery and building the resilience of people with mental health problems, not just on treating or managing their symptoms

Restrictive Practice – are deliberate acts on the part of other person(s) that restrict a patient's movement, liberty and/or freedom to act independently in order to: Take immediate control of a dangerous situation where there is a real possibility of harm to the person or others if no action is undertaken, and end or reduce significantly the danger to the patient or others'. (MHA, CoP 2015).

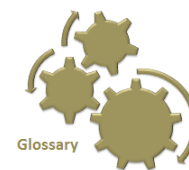
Rio – an electronic clinical information and patient administration system. There is a clinical record for each individual, including assessment forms, care planning, diagnosis and progress notes; as well as caseload management, inpatient bed management and appointment booking tools



Root cause analysis – is a method of problem solving used for identifying the root cause or faults or problems.

Service Withdrawal Disclaimer -

SMI – refers to people who have a severe mental illness



Standard Operating Procedure – a document that describes a procedure, usually brief and including a flow chart or the process to be followed

Virginia Mason Production System –In 2002, Virginia Mason embarked on an ambitious, system-wide program to change the way it delivers health care and in the process improve patient safety and quality. It did so by adopting the basic tenets of the Toyota Production System (TPS), calling it the Virginia Mason Production System, or VMPS. This quality improvement system is one we use in the Trust

136 Suite - is a place of safety for those who have been detained under Section **136** of the Mental Health Act by the police following concerns that they are suffering from a mental disorder.



Standard Definitions

Below are the standard definitions of those indicators detailed in Section 2 and 3 of this report (Core & Mandated Indicators):

Core Indicators:

CPA 7 Day Follow up (page 27)

The technical definition is as described in the “Department of Health Mental Health Community Teams Activity Return (MHPRVCOM) Data Definitions August 2012 – Mental Health Performance Framework: Guidance UNIFY2 Collection”

The definition is as follows:

Detailed Definition:

The number of patients who were followed up either by face to face contact or by a phone discussion within 7 days of discharge from psychiatric in-patient care.

All patients discharged to their place of residence, care home, residential accommodation, or to non-psychiatric care must be followed up within 7 days of discharge. All avenues need to be exploited to ensure patients are followed up within 7 days of discharge. Where a patient has been transferred to prison, contact should be made via the prison in-reach team.

Exemption:

- Patients who die within 7 days of discharge may be excluded.
- Where legal precedence has forced the removal of a patient from the country.
- Patients transferred to NHS psychiatric inpatient ward.
- CAMHS (child and adolescent mental health services) are not included.

The seven-day period should be measured in days, not hours, and should start on the day after the discharge.

Admission to Acute Wards via Crisis Resolution Home Treatment (page 29)

The technical definition is as described in the “Department of Health Mental Health Community Teams Activity Return (MHPRVCOM) Data Definitions August 2012 – Mental Health Performance Framework: Guidance UNIFY2 Collection”

The definition is as follows:

Detailed Definition:

The number of admissions to the trust's acute wards that were gate-kept by crisis resolution home treatment teams

A crisis resolution home treatment (CRHT) team provides intensive support for people in mental health crises in their own home. It is designed to provide prompt and effective home treatment, including medication, in order to prevent hospital admissions and give support to informal carers. Teams are required to meet all of the fidelity criteria including gatekeeping all admissions to psychiatry inpatients wards and facilitate early discharge of service users.

An admission has been gate kept by a crisis resolution team if they have assessed the service user before admission and if they were involved in the decision-making process, which resulted in admission.

Total Exemption to CR/HT Gatekeeping:

- Patients recalled on Community Treatment Order.
- Patients transferred from another NHS hospital for psychiatric treatment.
- Internal transfers of service users between wards in the trust for psychiatry treatment.
- Patients on leave under Section 17 of the Mental Health Act.
- Planned admissions for psychiatric care from specialist units such as eating disorder units are excluded.

Partial exemption:

- Admissions from out of the trust area where the patient was seen by the local crisis team (out of area) and only admitted to this trust because they had no available beds in the local area. CR team should assure themselves that gatekeeping was carried out. This can be recorded as gatekept by CR teams.

Patient Safety Incidents *(page 31)*

The definition is as described by the National Patient Safety Agency and can be found at:

<http://www.npsa.nhs.uk/corporate/news/npsa-releases-organisation-patient-safety-incident-reporting-data-england/>

The definition is as follows:

Detailed Definition:

No harm:

Impact prevented – any patient safety incident that had the potential to cause harm but was prevented, resulting in no harm to people receiving NHS-funded care.

Impact not prevented – any patient safety incident that ran to completion but no harm occurred to people receiving NHS-funded care.

Low: Any patient safety incident that required extra observation or minor treatment and caused minimal harm, to one or more persons receiving NHS-funded care.

Moderate: Any patient safety incident that resulted in a moderate increase in treatment and which caused significant but not permanent harm, to one or more persons receiving NHS-funded care.

Severe: Any patient safety incident that appears to have resulted in permanent harm to one or more persons receiving NHS-funded care.

Death: Any patient safety incident that directly resulted in the death of one or more persons receiving NHS-funded care.

Criteria for the local indicator:

Transition out of Children and Young People's Mental Health Services (CYPMHS) (page 38)

The definition is as described in the 2017-2019 Commissioning for Quality & Innovation (CQUIN) guidance.

The definition is as follows:

Detailed Definition

Transition

'Transition' and 'transitioning' in the context of young people's mental health, means the transfer of young people out of CYPMHS to other services (adult mental health services or otherwise), or being discharged, **as a consequence of reaching a certain age** according to local commissioning arrangements. The age of transition varies locally, with young people in most areas transitioning at 18 years, but others at 16 or at a needs-based or condition-specific time.

Which young people does this CQUIN apply to?

This CQUIN applies for any young person transitioning out of CYPMHS as a consequence of their age, whatever that age may be, as may be dictated by local commissioning arrangements. It therefore applies just as readily for a 16-year-old as for a 25-year-old leaving CYPMHS. It applies for the following transfers of care:

- Young people transitioning out of CYPMHS into Adult Mental Health Services (AMHS);
- Young people transitioning out of CYPMHS into other relevant CCG-commissioned services; and
- Young people who are discharged from CYPMHS solely to primary care rather than to another service in addition to primary care at the locally agreed age for transition. In particular, it is important to ensure this group of young people are properly prepared for this discharge as they may not have the same level of support that those using other CCG-commissioned services have. In addition, it is expected that the relevant information in the form of a discharge summary is passed onto primary care and shared with the young person concerned.

Sending and receiving services

This CQUIN refers to 'sending' and 'receiving' services during the transition out of CYPMHS:

- The 'sending' service is the children and young people's mental health service whose care the young person is receiving, be it inpatient or community care;
- The 'receiving' service(s) refers to whatever CCG-commissioned service(s) the young person is moving into from CYPMHS. This might be adult mental health services (AMHS), or voluntary sector services.

Which providers are in scope?

This CQUIN applies to:

- All CCG commissioned providers of CYPMHS that extend to the age of transition;
- All appropriate CCG commissioned providers of AMHS; and
- Providers of other relevant CCG-commissioned receiving services.

Mandated Indicators:

Ⓐ Inappropriate out of-area placements for adult mental health services *(page 39)*

The technical definition is as described in the Department of Health & Social Care Guidance published 30th September 2016 found at <https://www.gov.uk/government/publications/oaps-in-mental-health-services-for-adults-in-acute-inpatient-care/out-of-area-placements-in-mental-health-services-for-adults-in-acute-inpatient-care>

The definition is as follows:

Detailed Definition:

An 'out of area placement' for acute mental health in-patient care happens when:

A person with assessed acute mental health needs who requires adult mental health acute inpatient care, is admitted to a unit that does not form part of the usual local network of services.

By this, we mean an inpatient unit that does not usually admit people living in the catchment of the person's local community mental health service and where the person cannot be visited regularly by their care co-ordinator to ensure continuity of care and effective discharge planning.

Patients should be treated in a location which helps them to retain the contact they want to maintain with family, carers and friends, and to feel as familiar as possible with the local environment.

Sending providers are to determine if a placement is classed as an OAP. The definition necessarily allows providers to apply knowledge of local catchment arrangements and the patient's circumstances in taking a decision if a placement is an OAP. OAPs can occur within one NHS provider, in other NHS providers, or independent sector providers (ISPs).

Placement may occasionally be considered appropriate. Possible reasons have been outlined below.

Total number of bed days patients have spent inappropriately out of area. In Detailed requirements for quality reports it is specified that the indicator should be stated as a monthly average.

Ⓐ Early Intervention in Psychosis *(page 39)*

The technical definition is described in NHS England Guidance for reporting against access and waiting times standards: Children and Young People with an Eating Disorder & Early Intervention Psychosis

The definition is as follows:

Detailed Definition:

Clock Starts

The waiting time clock for the EIP and CYP ED standards **starts** when:

- i) A referral request is received for an assessment for a child or young person with a suspected ED or person with suspected first episode psychosis (FEP), or is recognised as such upon receipt.

- ii) The primary reason for referral should be CYP with suspected ED or suspected FEP. The clock start date is defined as the date referral received – this must be recorded accurately so the referral can be tracked.
- iii) Where pathways start with an interface service, such as clinical triage, assessment centre, single point of access, the clock start date is the date the interface service receives the referral – not the date the referral is passed onto the relevant clinical team.
- iv) Where a service accepts direct referrals (no interface service), the clock will start from the date the referral is received by that service.
- v) Where a primary reason for referral is not recorded as suspected FEP or ED, but this is identified during triage/single point of access, the clock start date is the date of initial referral. If this is not suspected during triage but at a subsequent assessment then the date the clock starts is when suspicion is first raised.
- vi) If a person is already in contact with mental health services (including acute hospital liaison) the clock starts when suspicion of FEP or ED is first raised (not backdated to their initial contact with the mental health service). Protocols should be in place so that staff can make timely referrals to the relevant specialist service for assessment and treatment.

Referral sources

Referrals may come from any source and the clock will start regardless of the agency making the request. Referrals may therefore be internal to provider organisations (e.g. a children and young people's mental health service, a CMHT, inpatient ward or forensic mental health service) or external (e.g. a GP, carer, school or self-referral). The clock also starts regardless of any comorbidities, such as learning disabilities, substance misuse, personality disorder or autism. It is therefore important that staff within provider organisations are trained and aware so they can make timely referrals to the relevant specialist service for assessment and treatment. Referrals could be in person, telephone, email, letter, or online.

Vetting referrals

Timely, clinically-led vetting of referrals will ensure referrals are appropriate and can assist in identifying if an alternative pathway may be more suitable. Vetting of urgent referrals should be prioritised and ideally be completed on the day of referral or the morning of the following day. Vetting can be carried out by an appropriately trained team of staff which should help minimise delays. Staff should follow clear protocols and be subject to continuous monitoring and audit. The vetting process should not delay clock start.

Recording clock start in the MHSDS

Clock start is recorded in the MHS101 Table and all the required fields should be completed in line with the data standard. The following will identify referrals to be assessed for the Mental Health AWT standards and the date of the clock start

MHSDS Table	MHSDS data Item name	National code	Notes
MHS101 – Service or Team Referral	Primary reason for referral	01: (Suspected) First Episode Psychosis	Identifies EIP referrals
MHS101 Service or Team Referral'	Referral request received date	Date received	Clock start date

Externally assured indicator completeness considerations

Below are the specific completeness considerations for those indicators that are externally assured by the Trust External Auditors:

Early Intervention in Psychosis: "The reported indicator performance has been calculated based on all patients being accurately recorded as having been referred to Early Intervention Services. Completeness of this information is therefore dependent on the complete and accurate entry of data at source. Patients who have not been identified within the population will therefore not be included in the indicator calculation. To the best of our knowledge the data used for the indicator calculation is complete."

Out of Area Placements: "The reported indicator performance has been calculated based on accurate recording of all mental health patients identified as requiring an acute inpatient admission and being correctly recorded as occupying an out of area bed. Completeness of this information is therefore dependent on the complete and accurate entry of data. Beds or patients not identified within the population will therefore not be included in the indicator calculation. To the best of our knowledge the data used for the indicator calculation is complete."



**South Staffordshire and
Shropshire Healthcare**
NHS Foundation Trust

Annual Accounts 2017-18

FOREWORD TO THE ANNUAL ACCOUNTS

SOUTH STAFFORDSHIRE AND SHROPSHIRE HEALTHCARE NHS FOUNDATION TRUST

These annual accounts are for the year ended 31st March 2018 and have been prepared by the South Staffordshire and Shropshire Healthcare NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 in the form which Monitor has, with the approval of the Treasury, directed.



Signed

Date 25th May 2018

Neil Carr, Chief Executive

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31st MARCH 2018

	Note	2017/18 £000	2016/17 £000
Operating Income from Patient Care Activities	2.1	182,351	172,122
Other Operating Income	2.2	24,215	21,908
Operating Expenses of Continuing Operations	3	(196,291)	(189,213)
OPERATING SURPLUS/(DEFICIT)		10,275	4,817
Finance Costs			
Finance Income	2.4	153	104
Finance Costs - Financial Liabilities	3.2	(990)	(1,012)
PDC Dividends Payable		(875)	(1,232)
NET FINANCE COSTS		(1,712)	(2,140)
Gains/(losses) on disposal of assets		(51)	0
SURPLUS/(DEFICIT) FOR THE YEAR		8,512	2,677
Other comprehensive (expenses)/income			
Will not be reclassified to Income and Expenditure:			
Revaluations		(314)	(15,072)
Remeasurements of net defined benefit pension scheme liability / asset		200	243
TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE YEAR		8,398	(12,152)

STATEMENT OF FINANCIAL POSITION

		31st March 2018 £000	31st March 2017 £000
NON CURRENT ASSETS			
Property, Plant & Equipment	6	69,442	72,126
Intangible Assets	7	92	119
Trade & Other Receivables	9	1,095	352
Other Assets	20	1,123	955
Total Non-Current Assets		71,752	73,552
CURRENT ASSETS			
Inventories	8	257	221
Trade & Other Receivables	9	26,110	20,846
Non-current Assets Held for Sale and Assets in Disposal Groups	6.2	0	2,000
Cash & cash equivalents	13.1	64,193	51,801
Total Current Assets		90,560	74,868
CURRENT LIABILITIES			
Trade and Other Payables	10	(28,009)	(25,166)
Borrowings	10.3	(1,332)	(1,332)
Provisions	11	(7,255)	(6,377)
Other Liabilities	10.2	(8,978)	(5,891)
Total Current Liabilities		(45,574)	(38,766)
Total Assets Less Current Liabilities		116,738	109,654
Non-Current Liabilities			
Borrowings	10.3	(22,674)	(24,006)
Provisions	11	(228)	(210)
Other Liabilities	10.2	0	0
Total Non-Current Liabilities		(22,902)	(24,216)
Total Assets Employed		93,836	85,438
Financed by (Taxpayers Equity)			
Public Dividend Capital		75,956	75,956
Revaluation Reserve	12	9,329	12,496
Pension Reserve		435	235
Income & Expenditure Reserve		8,116	(3,249)
Total Taxpayers Equity		93,836	85,438

The accounts on pages 1 to 34 were approved by the Board on 25th May 2018 and signed on its behalf by:



Signed:

Date: 25th May 2018

Neil Carr, Chief Executive

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

FOR THE YEAR ENDED 31st MARCH 2018

	Public Dividend Capital £000	Revaluation Reserve £000	Income & Expenditure Reserve £000	Pension Reserve £000	Total Tax Payers Equity £000
Total Equity at 1st April 2016	75,698	27,660	(6,018)	(8)	97,332
Public dividend Capital Received	258	0	0	0	258
Surplus/Deficit for the Year	0	0	2,677	0	2,677
Revaluations - Property, Plant and Equipment	0	(15,072)	0	0	(15,072)
Other Reserve Movements	0	(92)	92	0	0
Remeasurements of defined net benefit pension scheme liability / asset	0	0	0	243	243
Taxpayers Equity at 31st March 2017/ 1st April 2017	75,956	12,496	(3,249)	235	85,438
Surplus/Deficit for the Year	0	0	8,512	0	8,512
Transfer to Retained Earnings on Disposal of Assets	0	(2,853)	2,853	0	0
Revaluations - Property, Plant and Equipment	0	(314)	0	0	(314)
Remeasurements of defined net benefit pension scheme liability / asset	0	0	0	200	200
Taxpayers Equity at 31st March 2018	75,956	9,329	8,116	435	93,836

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED

31st MARCH 2018

	Note	2017/18 £000	2016/17 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Surplus/(Deficit) from continuing Operations		10,275	4,817
Non-Cash Income & Expense			
Depreciation & Amortisation	3.1	2,333	2,716
Impairments	3.1	0	3,478
On SoFP Pension liability - employer contributions paid less net charge to the SOCI		32	2
(Increase)/Decrease in Trade and Other Receivables	9	(6,300)	(9,310)
(Increase)/Decrease in Inventories	8	(36)	(50)
Increase/(Decrease) in Trade & Other Payables	10	2,984	624
Increase/(Decrease) in Other Liabilities		3,087	878
Increase/(Decrease) in Provisions	11	896	(971)
Other Movements in Operating Cash Flows		(31)	(1)
NET CASH GENERATED FROM/(USED IN) OPERATIONS		13,240	2,183
Cash Flows from Investing Activities			
Interest Received	2.4	153	104
Purchase of Property, Plant & Equipment	6	(1,487)	(4,361)
Sales of Property, Plant & Equipment		3,360	1,121
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES		2,026	(3,136)
Cash Flows from Financing Activities			
Public dividend capital received		0	258
Loans repaid to the Department of Health & Social Care	10.3	(1,332)	(1,332)
Interest Paid		(960)	(1,011)
PDC Dividend Paid		(582)	(1,605)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES		(2,874)	(3,690)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		12,392	(4,643)
CASH AND CASH EQUIVALENTS AT 1st APRIL 2017		51,801	56,444
CASH AND CASH EQUIVALENTS AT 31st MARCH 2018	13.1	64,193	51,801

NOTES TO THE ACCOUNTS

1. Accounting policies and other information

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Department of Health Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the DH Group Accounting Manual 2017-18, issued by the Department of Health. 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 DH Group Accounting Manual permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the NHS Foundation trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

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

Going concern

These accounts have been prepared on a going concern basis.

1.1 Income Recognition

The main source of revenue for South Staffordshire and Shropshire Healthcare NHS Foundation Trust is contracts with commissioners in respect of healthcare services. Revenue 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. At the year end, South Staffordshire and Shropshire Healthcare NHS Foundation Trust accrues income relating to activity delivered in that year.

Where income is received for a specific activity which is delivered in the following 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.

During 2017/18 the trust recognised Sustainability and Transformation Funding income. The amount of income was determined by NHS Improvement based on the trusts financial performance and achievement of the control total in the financial year. A breakdown of this funding is provided at note 2.5.

1.2 Expenditure on Employees Benefits

Short-term Employees Benefits

Salaries, wages and employment-related payments are recognised in the year 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 year is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following year.

NHS Pension Scheme

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.

Local Government Superannuation Scheme

Some employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme. The scheme assets and liabilities attributable to these employees can be identified and are recognised in the trust's accounts. The assets are measured at fair value, and the liabilities at the present value of future obligations. Further details are contained in note 20.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The net interest cost during the year arising from the unwinding of the discount on the net scheme liabilities is recognised within finance costs. Remeasurements of the defined benefit plan are recognised in the pension reserve

and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'. Further details are contained within note 20.

1.3 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.

1.4 Property, Plant & Equipment

Recognition

Property, plant and equipment is capitalised where:

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

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

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 to be capable of operating in the manner intended by management.

All assets are measured subsequently at fair value and revalued using professional valuations in accordance with IAS16.

Valuations are carried out by professionally qualified independent valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. The last full estate valuations were undertaken in 2017 as at the prospective valuation date of 1st April 2017 and accounted for on 31st March 2017.

IAS 16 Property, Plant and Equipment does not require the Trust to undertake a formal revaluation every year, however the standard does require that frequent valuations (which could be annually) are performed where there are volatile changes in fair value, such as with land and buildings. For 2017/18 an assessment was made, that there had been no material increase in the valuation of land and buildings following the valuation that had been carried out at the end of the previous financial year (2016/17). The next valuation will take place in 2018/19.

The valuations are carried out primarily on the basis of modern equivalent assets (MEA). Non-specialised operational assets where there is market based evidence to support the use of existing use value (EUV) to arrive at a current value the comparative method of valuation has been applied. Specialised operational assets where there is no market based evidence to support the use of EUV to arrive at a current value the depreciated replacement cost has been used. The value of land for existing purposes is assessed at existing use value. For non-operational properties including surplus land, the valuations are carried out at open market value.

Additional alternative open market value figures have only been supplied for operational assets scheduled for imminent closure and subsequent disposal.

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 year 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 has been reclassified as 'Held for Sale' ceases to be depreciated upon reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Reference to asset lives is available at note 1.15.

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

In accordance with the GAM, impairments that are due to a loss of economic benefits or 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 impairment.

An impairment arising from a loss of economic benefit or 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 income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- the 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 i.e.
 - 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';
 - 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 adjusted. The asset is de-recognised when scrapping or demolition occurs.

1.5 Intangible Assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trusts 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 e.g. 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 Licences

Software licences which are integral to the operation of hardware e.g. an operating system, are capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

Measurement

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

Subsequently, intangible assets are measured at fair value. Revaluation gains and losses and impairments are treated in the same manner as for Property, Plant and Equipment.

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

Amortisation

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

1.6 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 method.

1.7 Cash, Bank and Overdraft

Cash, bank and overdraft balances are recorded at the current values of these balances in the NHS foundation trust's cash book. These balances exclude monies held in the NHS foundation trust's bank account belonging to patients (see "third party assets below"). Account balances are only set off where a formal agreement has been made with the bank to do so. In all other cases overdrafts are disclosed within borrowings. Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, "interest receivable" and "interest payable" in the years to which they relate. Bank charges are recorded as operating expenditure in the years to which they relate.

1.8 Provisions

The NHS foundation 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 HM Treasury's discount rate of short term (1 to 5 years) -2.42% (2016/17 -2.70%), medium term (6 to 10 years) -1.85% (2016/17 -1.95%), long term (over 10 years) -1.56% (2016/17 -0.8%), except for early retirement provisions and injury benefit provisions which both use the HM Treasury's pension discount rate of 0.10% in real terms (0.24% 2016/17).

Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS foundation trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS foundation trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 11 but is not recognised in the NHS foundation trust's accounts.

Non-clinical risk pooling

The NHS foundation 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 the NHSLA 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.

1.9 Foreign Exchange

The functional and presentation currencies of the Trust are sterling.

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

1.10 Value added tax

Most of the activities of the NHS foundation 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 purchased cost of property, plant and equipment. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.11 Corporation tax

The NHS foundation trust has determined that it has no corporation tax liability.

1.12 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 the HM Treasury's GAM.

1.13 Leases

Operating Leases

Operating lease rentals are charged to operating expenses on a straight line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

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.

1.14 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance, which represents the Department of Health's investment in the Trust. HM Treasury has determined that, being issued under statutory authority rather than under contract, 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.

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

In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average 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 of the audit of the annual accounts.

1.15 Critical accounting judgements and key sources of estimation uncertainty

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 and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

The judgements and key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are detailed below:

a) Determination of useful lives for property, plant and equipment and intangible assets

Buildings, dwellings and fittings not scheduled for disposal/demolition, are depreciated on their current value over the estimated remaining life of the asset as assessed by the Trust's professional valuer.

Depreciation is provided so as to write down the other assets on a straight line basis over the estimated life:

Buildings, Plant & Machinery comprised of:

Buildings	0-81 years
Short life medical equipment	5 years
Medium life medical equipment	10 years
Long life medical equipment	15 years
IT and intangible assets	5 years
Transport Equipment	5-10 years
Furniture & Fittings	7-10 years

b) Property valuations

For certain assets we have determined that alternative sites would be appropriate and in these instances the land has been valued assuming the benefit of planning permission for development for a use, or a range of uses, prevailing in the vicinity of the selected site. The alternative sites comprise part of the notional optimised MEA constitution adopted. The MEA consists of three main hubs in Stafford, Shrewsbury and Tamworth.

For the Shelton Hospital valuation carried out as at the 31st March 2016, sales value has been used as this represents the offer received and accepted. The sale of Shelton is over three phases - phase one was completed in 2015/16, phase two was completed 2016/2017 with phase three completed in 2017/18 respectively.

c) Provisions

Provisions have been made for pension and legal liabilities based on information received from the NHS Pensions Agency, NHS Litigation Agency and the Trust's own solicitors. Trust management has also made provisions for legal and constructive obligations where past events are known, settlement by the Trust is probable and a reliable estimate can be made. These provisions are estimates of the actual costs of future cash flows and are dependent on future events. Any difference between expectations and the actual future liability will be accounted for in the year when such determination is made.

The holiday pay provision represents management's best estimate of the cost of annual leave entitlement earned but not taken by employees at the year end.

The carrying amounts of the Trust's provisions are detailed in note 11.

1.16 Operating Segments

The Trust operates under the one segment of Healthcare and therefore does not disclose any other segments within its financial statements.

The provision of healthcare (including medical treatment, research and education) is within one main geographical segment, the United Kingdom, and materially from Departments of HM Government in England.

Operational Healthcare refers to the core activities of the Trust that fall under the remit of the Chief Operating Decision Maker (CODM), which has been determined to be the Board of Directors. These activities are primarily the provision of NHS healthcare, the income for which is received through contracts with commissioners. The planned level of activity for these contracts is agreed with the commissioners for the year.

The Operational Healthcare segment comprises of two clinical directorates (Mental Health and Specialist). These directorates have been aggregated into a single operating segment because they have similar economic characteristics, the nature of the services they provide are the same (NHS care), they have similar customers (the general public from surrounding geographical areas), and have the same regulators (NHSI, the Care Quality Commission and the Department of Health). The overlapping activities and interrelation between the directorates also suggests that aggregation is appropriate. The directorate management teams report to the CODM, and it is the CODM that ultimately makes the decisions about the allocation of budgets, capital funding and other financial decisions.

The Corporate and Facilities departments are those that provide support services to the clinical directorates. These departments earn some income but as it is ancillary to the main purpose of the departments and relatively small in comparison to the income of the Trust, they are not deemed to be a segment of their own. Their results are included within the Operational Healthcare segment as their function is to support the provision of healthcare.

Revenue Government and Other Grants

Government grants are grants from Government bodies other than income from commissioners or NHS 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.

1.17 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health serviced 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 function headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS trusts 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 accruals basis with the exception of provisions for future losses.

1.18 Disclosure on non-consolidation of charitable funds

South Staffordshire Community and Mental Health Charity, registration number 1061006, was set up by the Trust as its registered charity. The Trust has considered that this charity does not meet materiality levels to be consolidated with the Trusts financial statements.

The total charitable fund assets were £370k (2016/17 £380k) and liabilities totalled £94k (2016/17 £129k). Funds available to spend at the end of 2017/18 £431k (2016/17 £407k).

1.19 Financial Instruments and Financial Liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trusts normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

De-recognition

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

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

Classification and Measurement

Financial assets and financial liabilities are categorised as fair value through income and expenditure.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Trusts loans and receivables comprise of cash and cash equivalents, NHS receivables, accrued income and 'other receivables'. Further information can be found at note 9.

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter year, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Financial Liabilities

All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Determination of Fair Value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from quoted market prices.

Impairment of Financial Assets

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses are recognised if, and only 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 has an impact on the estimated future cash flow of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the assets carrying amount and the present value of the revised future cash flows discounted at the assets original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced directly.

2. Operating Income from Continuing Operations

2.1 Operating Income from activities

	2017/18 £000	2016/17 £000
NHS Foundation Trusts	253	20
NHS Trusts	252	518
NHS England	22,964	21,965
Clinical Commissioning Groups	120,841	111,619
Local authorities	26,465	26,719
NHS - other	0	7
Non NHS Other *	11,576	11,274
Total operating income	182,351	172,122

* Other income contains income from Ministry of Defence and Welsh Health bodies.

2.2.1 Income from Patient Care activities by nature

	2017/18 £000	2016/17 £000
Mental Health Services		
Cost and Volume contract income	36,344	34,877
Block contract income	105,756	99,829
Clinical Partnerships providing mandatory services	27,913	24,399
Clinical Income for the secondary commissioning of mandatory services	10,921	11,287
Other Clinical income from mandatory services	1,417	1,730
	182,351	172,122

2.2 Other operating income

	2017/18 £000	2016/17 £000
Research & development	425	449
Education & training	5,509	5,323
Education & training - Notional Income From Apprenticeship Fund	17	0
Non-patient care services to other bodies	12,872	11,157
Sustainability and Transformation fund income	4,457	3,154
Other income **	935	1,825
Total other operating income	24,215	21,908

** Other income contains income from restaurant kiosk sales, industrial therapy sales and employment funding.

Income is split between Commissioner-Requested Services £182,351k (2016/17 £172,122k) and non-Commissioner-Requested Services £24,215k (2016/17 £21,908k).

No Overseas Patient Income has been received by the Trust.

2.3 Income split by mandatory service

	2017/18 £000	2016/17 £000
Income from Mandatory Services	182,351	172,122
Income from Non Mandatory	24,215	21,908
Total operating income	206,566	194,030

2.4 Finance Income

	2017/18 £000	2016/17 £000
Interest on loans and receivables	153	104
Total finance income	153	104

2.5 Sustainability and Transformation Fund Income

	2017/18 £000	2016/17 £000
Core Allocation	1,078	1,130
Incentive Scheme (Finance)	1,648	1,019
Incentive Scheme (Bonus)	1,256	1,005
Incentive Scheme (General Distribution)	475	0
Total Sustainability and Transformation Fund Income	4,457	3,154

3. Operating Expenses from Continuing Operations

3.1 Operating expenses comprise of:

	2017/18 £000	2016/17 £000
Purchase of healthcare from NHS and DHSC bodies	2,498	5,466
Purchase of healthcare from non NHS bodies	7,110	10,335
Non Executive Directors costs	184	177
Staff costs	143,350	132,575
Supplies and services - clinical	2,791	2,100
Supplies and services - general	3,937	2,568
Establishment	9,119	7,256
Transport (business travel only)	2,415	2,229
Transport (including patient travel)	493	520
Premises - Business Rates payable to Local Authorities	1,153	621
Premises - Other	5,334	5,576
Increase/(decrease) in provision for impairment of receivables	(341)	641
Change in provisions discount rate(s)	36	15
Drug costs	7,821	5,101
Operating Lease Expenditure (net)	4,122	4,389
Depreciation on Property Plant and Equipment	2,306	2,708
Amortisation on Intangible Assets	27	8
Fixed Asset Impairments - PPE	0	3,478
Audit fees - statutory audit	53	51
Clinical negligence	237	169
Legal fees	551	544
Consultancy costs	220	312
Internal Audit costs	103	128
Education and Training - non staff	1,053	1,004
Education and Training - apprenticeship fund	17	0
Redundancy - not included in employee expenses	766	(43)
Redundancy - included in employee expenses	0	773
Hospitality	27	40
Insurance	169	226
Losses, ex gratia & special payments	4	(85)
Other	736	331
	196,291	189,213

The Trust uses PricewaterhouseCoopers LLP to provide external audit services. PricewaterhouseCoopers LLP places a restriction on their liability as auditors of £1,000,000.

3.2 Finance Costs - Financial Liabilities

Finance Costs comprised of:

	2017/18 £000	2016/17 £000
Interest on loans from Foundation Trust Financing Facility	958	1,009
Local Government Pension Scheme Net Finance Costs	32	3
	990	1,012

3.3 Directors Remuneration and other benefits

	2017/18		2016/17	
	Remuneration	Employer Contributions to Pension Scheme	Remuneration	Employer Contributions to Pension Scheme
	£'000	£'000	£'000	£'000
N Carr, Chief Executive	124	0	161	0
J Deaville, Director of Finance and Performance	79	5	109	19
A Bussey, Director of Nursing & Chief Operating Officer	116	17	115	4
A Khan, Medical Director*	212	0	205	7
S Grange, Director of Commercial Development	132	18	118	17
T Moyes, Director of Quality & Clinical Practice	106	5	105	15
R Graves, Director of Facilities & Estates	100	13	98	14
G Moores, Director of Workforce & Development	98	0	90	3

* This includes other remuneration not relating to Directors post.

3.3.1 Staff Exit Packages

	2017/18 Number of compulsory redundancies	2017/18 Number of departures agreed	2017/18 Total number of exit packages	2016/17 Total number of exit packages
Exit package cost band				
<£10,000	8	0	8	7
£10,000 - £25,000	2	0	2	12
£25,001 - £50,000	1	0	1	6
£50,001 - £100,000	0	0	0	2
£100,001 - £150,000	0	0	0	0
£150,001 - £200,000	0	0	0	1
>£200,000	1	0	1	0
Total number of exit packages by type	12	0	12	28
Total resource cost £'000	473	0	473	773

3.4 Operating Leases

3.4.1 Operating expenses include:

	2017/18 £000	2016/17 £000
Operating lease rentals	4,250	4,716
Less sublease payments received	(128)	(327)
	4,122	4,389

3.4.2. Annual commitments under non-cancellable operating leases are:

	2017/18 £000	2016/17 £000
Operating leases which expire:		
Within 1 year	4,250	4,717
Between 1 and 5 years	4,882	4,980
After 5 years	6,138	5,054
	15,270	14,751
Total of future minimum sublease lease payments to be received at the statement of financial position date	(128)	(327)

4. Employee costs and numbers

4.1. Employee costs

	2017/18 £000	2016/17 £000
Salaries and wages	111,380	101,950
Social Security Costs	10,888	9,986
Apprenticeship Levy	540	0
Employer contributions to NHS Pension Scheme	13,841	12,649
Pension cost - LGPS & Nest contributions	113	112
Termination benefits	0	773
Agency/contract staff	6,588	7,878
	143,350	133,348

4.2. Average number of employees

	2017/18 Total Number	2016/17 Total Number
Medical and dental	151	127
Administration and estates	579	514
Healthcare assistants and other support staff	1,376	1,273
Nursing, midwifery and health visiting staff	957	875
Scientific, therapeutic and technical staff	439	372
Healthcare Scientific staff	0	2
Social Care Staff	60	52
Other	0	113
Total	3,562	3,328

4.3. Employee benefits

No benefits were granted in the year (2016/17 nil).

4.4. Early retirements due to ill-health

During 2017/18 there were 2 (2016/17, 2) early retirements from the trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £83,838 (2016/17, £68,552). The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

5. Profit/(Loss) on Disposal of Property, Plant & Equipment

	2017/18	2016/17
	£000	£000
Profit on disposal of property, plant and equipment	114	0
(Loss) on disposal of property, plant and equipment	(165)	0
	<u>(51)</u>	<u>0</u>

Disposals were due to an asset verification exercise which took place resulting in assets being scrapped, de-commissioned or sold. No protected assets were disposed of.

6. Property, plant and equipment

	Land	Buildings excluding dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1st April 2017	13,832	55,381	1,398	257	196	4,287	372	75,723
Additions purchased	0	0	1,347	0	0	0	0	1,347
Reclassifications	0	2,047	(2,404)	0	0	357	0	0
Transfers to/from assets held for sale	(28)	(753)	0	0	0	0	0	(781)
Revaluations	0	(314)	0	0	0	0	0	(314)
Disposals	(650)	0	0	(16)	(1)	(907)	(17)	(1,591)
Cost or Valuation at 31st March 2018	13,154	56,361	341	241	195	3,737	355	74,384
Depreciation at 1st April 2017	0	57	0	245	196	2,853	246	3,597
Provided during the year	0	1,855	0	4	0	433	14	2,306
Transfers to/from assets held for sale	0	(21)	0	0	0	0	0	(21)
Disposals	0	0	0	(15)	(1)	(907)	(17)	(940)
Depreciation at 31st March 2018	0	1,891	0	234	195	2,379	243	4,942
Net book value								
- Purchased at 31st March 2018	13,154	54,470	341	7	0	1,358	112	69,442

	Land	Buildings excluding dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1st April 2016	24,625	62,972	668	282	229	4,150	372	93,298
Additions purchased	0	0	4,242	0	0	0	0	4,242
Impairments charged to operating expenses	(856)	(2,817)	0	0	0	0	0	(3,673)
Reclassifications	0	3,232	(3,512)	0	0	187	0	(93)
Revaluations	(9,937)	(8,006)	0	0	0	0	0	(17,943)
Disposals	0	0	0	(25)	(33)	(50)	0	(108)
Cost or Valuation at 31st March 2017	13,832	55,381	1,398	257	196	4,287	372	75,723
Depreciation at 1st April 2016	0	1,079	0	243	207	2,302	232	4,063
Provided during the year	0	2,044	0	27	22	601	14	2,708
Impairments charged to operating expenses	0	(195)	0	0	0	0	0	(195)
Revaluations	0	(2,871)	0	0	0	0	0	(2,871)
Disposals	0	0	0	(25)	(33)	(50)	0	(108)
Depreciation at 31st March 2017	0	57	0	245	196	2,853	246	3,597
Net book value								
- Purchased at 31st March 2017	13,832	55,324	1,398	12	0	1,434	126	72,126

6.1 Analysis of property, plant and equipment

	Land £000	Buildings excluding Dwellings £000	Total £000	31st March 2017 Total £000
Net Book Value				
-Protected assets at 31st March 2018	0	45,551	45,551	47,476
-Unprotected assets at 31st March 2018	13,154	8,919	22,073	21,680
-Total at 31st March 2018	13,154	54,470	67,624	69,156

6.2 Non-Current Assets held for sale and assets in disposal groups

	2017/18	2016/17
	Property, Plant and Equipment	
	£000	£000
Net book value of non current assets for sale and assets in disposal groups at 1st April	2,000	3,121
Plus assets classified as available for sale in the year	760	0
Less assets sold in year	(2,760)	(1,121)
Net book value of non current assets for sale and assets in disposal groups at 31st March	0	2,000

6.3. Assets held for disposal are:

The sale of Shelton is over three phases - phase one was completed in 2015/16, phase two was completed 2016/2017 with phase three completed 2017/18 respectively.

7. Intangible Assets

	Software Licences Purchased 2017/18 £000	Software Licences Purchased 2016/17 £000
Valuation/Gross Cost at 1st April	141	48
Reclassifications	0	93
Valuation/Gross Cost at 31st March	141	141
Amortisation at 1st April	(22)	(14)
Amortisation	(27)	(8)
Amortisation at 31st March	(49)	(22)
Net Book Value- at 31st March	92	119

8. Inventories

	31st March 2018 £000	31st March 2017 £000
Carrying Value at 1st April	221	171
Additions	2,253	1,569
Inventories recognised in expenses	(2,217)	(1,519)
Carrying Value at 31st March	257	221

9. Trade and other receivables

	31st March 2018 £000	31st March 2017 £000
Current (amounts falling due within one year):		
Trade receivables	18,824	15,892
Provision for impaired receivables	(685)	(1,076)
Prepayments	1,308	1,116
Accrued income	6,391	4,178
PDC Dividend	25	318
Vat Receivable	247	418
Sub Total	26,110	20,846
Non current (amounts falling due after more than one year);		
Prepayments (non PFI)	1,095	352
Sub Total	1,095	352
Total	27,205	21,198

9.1 Provision for the impairment of receivables

	2017/18 £000	2016/17 £000
As at 1st April	1,076	514
Increase in provision	286	1,025
Amounts utilised	(50)	(79)
Unused amounts reversed	(627)	(384)
Provision as at 31st March	685	1,076

10. Trade and Other Payables

	31st March 2018 £000	31st March 2017 £000
Current (amounts falling due within one year);		
Trade payables	9,888	8,980
Trade payables - capital	9	149
Social Security Costs	3,066	2,505
Other payables	1,909	1,732
Accruals	13,097	11,759
Accrued Interest on DHSC loans	40	41
Total Current	28,009	25,166

10.1 Capital Commitments

Capital commitments at 31st March 2018 totalled £751k (orders placed) this being spread across a number of capital schemes the Trust is completing (2016/17 £1,563k).

10.2 Other Liabilities

	31st March 2018 £000	31st March 2017 £000
Current (amounts falling due within one year):		
Deferred income	8,978	5,891
Total Current	8,978	5,891

10.3 Loans and other long-term financial liabilities

The Trust entered into a loan agreement during the 2013/14 financial year with the Department of Health (Independent Trust Financing Facility) for the modernisation of Mental Health services in Shropshire. The loan amount was £30m of which £22,674k is currently outstanding. £15m of this loan was drawn down in March 2012, and the remaining £15m balance was drawn down in March 2014.

10.4 Finance lease obligations/Commitments

The Trust entered into no lease or financial lease obligations during the financial year.

11. Provisions

	Pensions relating to other staff*	Legal Claims**	Employee Provisions ***	Other****	2017/18 Total
	£000	£000	£000	£000	£000
At 1st April 2017	222	2,503	1,847	2,015	6,587
Change in discount rate	36	0	0	0	36
Arising during the year	0	1,111	532	539	2,182
Utilised during the year	(15)	(37)	(69)	(84)	(205)
Reversed unused	0	(470)	(222)	(425)	(1,117)
As at 31st March 2018	243	3,107	2,088	2,045	7,483

Expected timing of cash flows:

Within one year	15	3,107	2,088	2,045	7,255
Between one and five years	61	0	0	0	61
After five years	167	0	0	0	167

*Pensions relating to other staff relates to ill health retirement pensions over the next twenty years.

**Legal claims relate to claims lodged with the NHS Litigation Authority for public and employer liabilities against the Trust. An estimated figure is provided with a probability of the likelihood of pay out.

***Employee Provisions includes redundancies, undertaken annual leave and consultant contracts where the likelihood or timing of take up is undetermined at the year end.

****Other relates to provisions for dilapidations of a number of leased properties which fall due on leaving the premises and contractual issues to be resolved in 2018/19.

£940,019 is included in the provisions of the NHS Litigation Authority at 31st March 2018 in respect of clinical negligence liabilities of the NHS Foundation Trust (31st March 2017 £437,439).

12. Revaluation Reserve

	Property, Plant and Equipment	
	31st March 2018	31st March 2017
	£000	£000
Revaluation reserve at 1st April	12,496	27,660
Revaluations	(314)	(15,072)
Transfer to I&E Reserve upon Disposal	(2,853)	0
Other Reserve Movements	0	(92)
Revaluation reserve at 31st March	9,329	12,496

13. Notes to the Statement of Cash Flow

13.1 Analysis of changes in net debt

	At 1st April 2017	Other cash changes in year	At 31st March 2018
	£000	£000	£000
Cash at commercial banks in hand	286	111	397
Cash with Government Banking Service	51,515	12,281	63,796
	<u>51,801</u>	<u>12,392</u>	<u>64,193</u>

14. Subsequent Events/Events after the Reporting Year

During 2017/18 the Trust declared its intention to acquire Staffordshire and Stoke On Trent Partnership Trust (SSOTP). Subject to the agreement of the Trusts Regulatory Body this acquisition will be enacted on 1 June 2018. SSSFT will be responsible for the publication of the audited 2017/18 accounts and annual report and for the production, agreement and publication of the 2018/19 part year accounts.

15. Contingencies

	2017/18 £000	2016/17 £000
Gross Value of contingent liabilities	(1,846)	(1,407)
Amounts recoverable against liabilities	1,705	1,327
Net value of contingent liabilities	(141)	(80)

Contingencies relate to the Public and Employer Liability claims held with the NHS Litigation Authority. Whilst these cases are being validated the time and amount of these claims is uncertain, the basis of calculation is carried out on a probability basis.

16. Related Party Transactions

Ultimate Parent

South Staffordshire and Shropshire Healthcare NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health. NHSI, the NHS Foundation Trust regulator has the power to control Foundation Trust's within the meaning of IAS27 "Consolidated and Separate Financial Statements" and therefore can be considered as the Foundation Trust's parent. NHSI does not prepare group financial statements but does prepare separate NHS Foundation Trust's Consolidated financial statements. The NHS Foundation Trusts Consolidated Financial Statements are then included within the Whole of Government Financial Statements. Monitor is accountable to the Secretary of State for Health. The Foundation Trust's ultimate parent is therefore HM Government.

During the year South Staffordshire and Shropshire Healthcare NHS Foundation Trust has had a significant number of material transactions with HM Government. These entities are listed below:

	2017/2018		2016/2017	
	Income	Expenditure	Income	Expenditure
	£000	£000	£000	£000
NHS Shropshire CCG	30,335	2	27,793	2
NHS South East Staffordshire & Seisdon Peninsular CCG	22,806	16	19,207	0
NHS England West Midlands Specialised Commissioning Hub	22,725	0	21,094	0
NHS Telford & Wrekin CCG	17,643	14	16,391	9
NHS Stafford & Surrounds CCG	14,386	1,230	13,471	155
NHS Cannock Chase CCG	12,722	0	13,184	0
NHS East Staffordshire CCG	11,590	15	11,447	0
Hampshire County Council	7,932	2	8,269	2
Staffordshire County Council	7,274	1,273	9,047	4,281
Health Education England	6,592	12	4,918	20
Cambridge County Council	4,989	4	5,045	0
NHS England - Core	4,980	60	2,563	258
Staffordshire & Stoke On Trent Partnership Trust	3,486	207	3,343	159
NHS North Staffordshire CCG	2,949	0	2,439	0
NHS Wirral CCG	2,720	0	2,617	0
Buckinghamshire County Council	2,349	0	1,855	1
NHS Thurrock CCG	1,876	0	1,696	0
Telford & Wrekin (Borough of)	1,654	49	1,544	125
NHS Midlands & Lancashire Commissioning Support Unit	1,601	0	1,697	0
Birmingham Community Healthcare NHS Foundation Trust	1,171	0	1,440	0
Burton Hospitals NHS Foundation Trust	1,153	834	1,038	1,131
Thurrock Unitary Authority	1,117	0	0	0
Shropshire Unitary Authority	1,056	179	940	442
Powys Local Health Board	972	0	1,052	0
Shropshire Community Healthcare NHS Trust	965	392	1,446	642
North Staffordshire Combined Healthcare NHS Trust	948	1,447	803	1,359
NHS England - South Central Local Office	714	0	923	0
NHS Stoke on Trent CCG	663	0	932	0
Welsh Health Bodies	612	1	1,518	0
University Hospitals of North Midlands NHS Trust	393	180	277	1,087
NHS England - West Midlands Local Office	39	0	20,821	0
Home Office	0	0	1,815	0
NHS Business Services Authority	0	3,689	0	3,789
NHS Pensions Scheme	0	13,841	0	12,649
Independent Trust Financing Facility	0	22,674	0	25,338

Key Management Personnel

Key management within the Trust are viewed as the Trust Board and are therefore treated as related parties. Their remuneration can be found within note 3.3 of the financial statements and during the year none of the Board Members or parties related to them have undertaken any material transactions with South Staffordshire and Shropshire Healthcare NHS Foundation Trust.

17. Financial Assets

	Total £000
At 31st March 2018	
Trade & other receivables excluding non financial assets - with NHS and DH bodies	11,153
Trade & other receivables excluding non financial assets - other bodies	13,377
Cash & Cash equivalents	64,193
Gross financial assets	88,723
At 31st March 2017	
Trade & other receivables excluding non financial assets - with NHS and DH bodies	14,212
Trade & other receivables excluding non financial assets - other bodies	4,782
Cash & Cash equivalents	51,801
Gross financial assets	70,795

17.1 Financial Liabilities

	Total £000
At 31st March 2018	
Borrowings excluding finance lease and PFI liabilities	24,006
Trade & other payables excluding non financial liabilities - with NHS and DH bodies	1,176
Trade & other payables excluding non financial liabilities - with other bodies	26,583
Provisions under contract	7,483
Gross financial liabilities	59,248
At 31st March 2017	
Borrowings excluding finance lease and PFI liabilities	25,338
Trade & other payables excluding non financial liabilities - with NHS and DH bodies	3,102
Trade & other payables excluding non financial liabilities - with other bodies	22,064
Provisions under contract	6,587
Gross financial liabilities	57,091

17.2 Maturity of Financial Liabilities

Financial Liabilities Fall Due in:	31st March 2018 £000	31st March 2017 £000
One year or less	35,908	33,085
More than one year but not more than two years	1,332	1,332
In more than two years but not more than five years	1,998	3,996
In more than five years	20,010	18,678
Total Financial Liabilities	59,248	57,091

Liquidity risk

- Borrowings excluding finance lease and PFI liabilities – by 2036;
- Trade & other payables excluding non-financial liabilities – within 30 days;
- Provisions under contract - £7,255k within one year (£6,377k 2016/17), £61k (£50k 2016/17) within 2-5 years, £167k (£160k 2016/17) over 5 years.

Foreign Currency Risk

The Trust had no foreign currency income or expenditure within 2017/18 (£0 2016/17).

17.2 Fair Values

Financial Assets

Non-current trade and other receivables excluding non-financial assets have a book value of £1,095k (2016/17 £352k) relating to prepayments made by the Trust.

Financial Liabilities

The Trust has provisions under contract totalling £7,483k (2016/17 £6,587k) at fair value. The fair value is not significantly different from book value since, in the calculation of book value, the expected cash flows have been discounted by the Treasury discount rate of 0.10% (2016/17 0.24%) in real terms.

18. Third Party Assets

The Trust held £294k cash at bank and in hand at 31 March 2018 (£359k 31 March 2017) which relate to monies held by the NHS Foundation Trust on behalf of patients. This has been excluded from cash at bank and in hand figure reported in the financial statements.

19. Losses and Special Payments

	2017/18 Total Number of Cases Number	2017/18 Total Value of Cases £000	2016/17 Total Number of Cases Number	2016/17 Total Value of Cases £000
Bad Debts	25	30	33	90
Ex Gratia Payments	36	477	60	792
	61	507	93	882

The total costs included in this note are on an accruals basis but exclude provisions for future losses.

20. Local Government Superannuation Scheme

The objectives of IAS19 are to ensure that:

- Financial statements reflect at fair value assets and liabilities arising from an employer's retirement benefit obligations and any related funding;
- The operating costs of providing retirement benefits to employees are recognised in the accounting year(s) in which the benefits are earned by the employees, and the related finance costs and any other changes in value of the assets and liabilities are recognised in the accounting years in which they arise and
- The financial statements contain adequate disclosure of the cost of providing retirement benefits and the related gains, losses, assets and liabilities.

Participation in Pension Schemes

The Trust participates in the Local Government Pension Scheme for all employees, administered locally by Staffordshire County Council. This is a funded, defined benefit, final salary scheme, meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets. The Trust pays contributions to the Staffordshire County Council Pension Fund, which provides its members with defined benefits related to pay and service. The contribution rate is determined by the County Fund's Actuary based on triennial actuarial valuation. The valuation on which 2017/18 contributions were based was carried out on a full valuation carried out on 31st March 2016. A roll forward valuation is performed by the actuary in the years between full valuations. This valuation will determine contribution rates payable with effect from 1 April 2017 up to 31st March 2020.

In addition to the recognised gains and losses included in the Statement of Comprehensive Income, actuarial gain of £200k (2016/17 gain of £243k) were included in the Statement of Comprehensive Income. The Cumulative amount of actuarial losses recognised in the Statement of Comprehensive Income is £435k (£235k 2016/17).

Assets & Liabilities in Relation to Retirement Benefits

Reconciliation of present value of the Scheme Liabilities

	2017/18 £000	2016/17 £000
Balance at 1st April	(11,003)	(9,879)
Current service cost	(137)	(160)
Interest cost	(286)	(356)
Contribution by plan participants	(24)	(38)
Actuarial gain/(losses)	236	(707)
Benefits paid	148	137
Balance at 31st March	(11,066)	(11,003)

Reconciliation of fair value of Employer Assets

	2017/18 £000	2016/17 £000
Balance at 1st April	11,958	10,593
Interest Income	310	382
Actuarial gain/(losses)	(36)	950
Contributions by employer	81	132
Contributions by plan participants	24	38
Benefits paid	(148)	(137)
Balance at 31st March	12,189	11,958

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Statement of Financial Position date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

The actual return on Scheme assets in the year was 2.3% (23.2% 2016/17).

Scheme History

	31st March 2018 £000	31st March 2017 £000	31st March 2016 £000	31st March 2015 £000	31st March 2014 £000
Present value of scheme liabilities	(11,066)	(11,003)	(9,879)	(10,849)	(8,636)
Fair value of scheme assets	12,189	11,958	10,593	10,374	8,831
Asset/(Liability)	1,123	955	714	(475)	195

Amounts Recognised in the SoCI

	31st March 2018 £000	31st March 2017 £000
Current service cost	(137)	(160)
Interest cost	24	26
	(113)	(134)

Reconciliation of Opening and Closing SoFP balances

	2017/18 £000	2016/17 £000
Surplus/(Deficit) in the scheme at 1st April	955	714
Expenses recognised in the SoCI	(113)	(134)
Contributions paid (employer)	81	132
Actuarial (gains)/losses in the current year	200	243
	1,123	955

Basis for Estimating Assets & Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in the future years dependent on assumptions about mortality rates, salary levels, etc. The County Council fund liabilities have been assessed by the actuaries Hymans Robertson.

The principal assumptions used by the actuary have been:

	2017-2018		2016-2017	
Mortality assumptions:	Men	Women	Men	Women
Longevity at 65 for current pensioners	22.1	24.4	22.1	24.4
Longevity at 65 for future pensioners	24.1	26.4	24.1	26.4

Constitution of the Fair Value of Scheme Assets

The local government pension scheme's assets consist of the following categories, by proportion to the total assets held

	31st March 2018		31st March 2017	
		£000		£000
Equities	74%	9,045	74%	8,852
Bonds	13%	1,642	13%	1,542
Property	8%	943	8%	963
Cash	5%	559	5%	601
	100%	12,189	100%	11,958

21 Accounting Standards that have been issued but have not yet been adopted

The DH GAM does not require the following Standards and Interpretations to be applied in 2017-18.00 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 and IFRS 17 still subject to HM Treasury consideration.

Change Published	Financial Year for which the change first applies
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
IFRS 17 Insurance Contracts	Application required for accounting periods beginning on or after 1 January 2021, 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.
IFRIC 23 Uncertainty over Income Tax Treatments	Application required for accounting periods beginning on or after 1 January 2019.

21.1 Accounting standards, amendments and interpretations issued that have been adopted early

The Trust has not early adopted any new accounting standards, amendments or interpretations.

A large print version of this document is available on request. If you would like a copy of this document in another language or format please let us know.

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