

Birmingham Women's and Children's NHS Foundation Trust
Annual Report and Accounts 2018-19

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

Mission

To provide outstanding care and treatment, to share and spread new knowledge and practice, and to always be at the forefront of what is possible.

Our vision

A world-leading team providing world-leading care.

Our goal

The best place to work and be cared for,
where research and innovation thrives, creating a global impact.

Our values

Ambitious, Brave and Compassionate.



Enabled by

Sustainable workforce, digital revolution, new buildings and effective use of resources.

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Chairman's Foreword



The last 12 months have been exceptionally challenging for everyone in the NHS. Our Trust is no exception. We have faced different, very real and fluctuating pressures across women's children's and mental health services. Enormous credit and thanks are due to all our staff who dealt admirably with these demands in a way which reflects the common values of the people who make our Trust what it is, whatever their job. Thank you.

Since taking up my post as Chairman in 2018 I have been delighted to welcome four new Non-Executive Directors to the team as well as a number of new Governors, all of whom bring complementary experience and skills. I would like to thank those Governors who have stepped down for their helpful contributions and the time they have given to the Trust.

My Board colleagues and I have been fortunate during the year to experience and celebrate the wonderful work happening across our services every day. From patient stories, to taking part in improvement huddles and 'work alongside' opportunities, as well as our annual Star Awards, what we have seen has inspired us to set ambitious challenges for our organisation that I have faith we can deliver.

The role of the Board of Directors is to set the tone for the organisation through ambition, strategy, values and support. We want an organisation that is values driven, evidence-based and outcomes focussed. The starting point is that we have good people with good personal values providing excellent care. So, what more do we need to do? The best hospitals in the world focus on supporting and developing all their staff, they promote research, know their clinical outcomes and encourage innovation, all in the name of quality improvement. I believe that if we continue to focus on these areas, developing what we already do so well, we will have a very bright future.

Once again thank you to everyone, everywhere in our organisation.

A handwritten signature in black ink that reads "Bruce Keogh". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

Professor Sir Bruce Keogh
Chairman

Chief Executive's Foreword



2018/19 has been another proud year for Birmingham Women's and Children's, as we have relished the privilege of treating thousands more patients and families than ever before, whilst integrating important new services into our Trust, including community mental health support for 18-25 year olds, and a world renowned Early Intervention Psychosis team.

We have placed a greater focus on understanding the outcomes we are achieving for our patients and

families too, with many clinical groups scrutinising and sharing data they benchmark with colleagues across the NHS and beyond, to really test that every service makes a difference, and where we know we need to do more or better, there are plans to improve. The life changing impact we make every day has come through in our largely positive patient and family feedback as well - although the strain some of our services are under, particularly in mental health, has led to increasing concerns about waiting times, and this remains one of our top priorities to improve on.

2018/19 has been a year of innovation too - personified in the incredible story of Jay Crouch, a young boy who had a successful five organ transplant – two kidneys, pancreas, liver and bowel - thanks to the amazing skill of multiple teams at the Children's Hospital. It also saw us top our target for recruiting patients into research trials, and be successful in our bid to become one of the seven Genomics Laboratory Hubs nationally, building on our strong history of leading the way in Genetics.

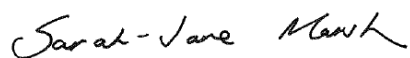
We were also pleased to achieve the majority of our performance and financial targets, with a massive team effort, and tough decisions for many of our leaders, meaning we met our Control Total of a £4.2 million surplus, receiving £17.2 million as a bonus payment to help with the capital, equipment and digital investments we desperately need to meet our emergent clinical strategy, which our teams began to refresh in March.

We also welcomed some amazing new colleagues, including Nursing Associates, Midwifery and Physiotherapy Assistants, and an increasing number of international fellowships, meaning we now have over 30 international doctors - whilst preparing to say goodbye to others, in particular our Chief Nurse Michelle McLoughlin, who has been responsible for so many of the successes of our organisation. As recognition for her outstanding contribution, Michelle was awarded a CBE by the Queen in the New Year's Honours, and we are all so very proud of everything she has achieved.

Our people truly are our organisation, and for that reason it was devastating to read the results of this year's Staff Survey. The financial and operational pressures we have faced, including the most difficult winter on record, and the sheer scale and pace of the expansion of our organisation, which has seen it grow from 4090 colleagues in 2016 to 5868 in 2019, has left many of our people feeling overwhelmed and unsupported. Some of the responses we have put in place have already started to demonstrate a positive impact, including a relaunch of our values, and embedding our approach to Quality Improvement, but there is much more to do, in full recognition that we simply cannot be the best place to be cared for, if we are not the best place to work.

However I am absolutely positive that every member of our team remains passionate about our organisation's mission, and never was this more evident than during the celebration of my 10 years as Chief Executive. Be it the tea parties that almost a hundred of our hidden heroes attended, or the videos of our clinical and service innovations, the care and commitment of our people shone through, and I am full of hope for the future.

So now our attention turns to 2019/20 and the opportunities and challenges that lie ahead, including the transfer of all children's daycase and inpatient surgery from the Royal Orthopaedic Hospital during the summer. These are tough times for Birmingham Women's and Children's, the NHS, and society as a whole - but we will face them with our patients and families in our heart, showing ambition, bravery and compassion in all we do, and continuing to recognise the true privilege it is to care for others, often when they are at their most vulnerable.

A handwritten signature in black ink that reads "Sarah-Jane Marsh". The script is cursive and fluid, with the first name "Sarah" and last name "Marsh" clearly distinguishable.

Sarah-Jane Marsh
Chief Executive Officer

Performance Report

Overview

This overview provides a short summary of the Trust, its purpose, its main objectives and strategies and the principal risks that it faces.

History of the Trust

The Birmingham and Midland Free Hospital was founded in 1862 and moved to Steelhouse Lane in Birmingham in 1998 as Birmingham Children's Hospital.

Birmingham Children's Hospital was granted foundation trust status on 1 February 2007 under the Health and Social Care (Community Health and Standards) Act 2003 and was named Birmingham Children's Hospital NHS Foundation Trust.

On 1 February 2017 the Trust acquired Birmingham Women's NHS Foundation Trust and in recognition of the extended services of the enlarged, integrated organisation, the Trust changed its name to Birmingham Women's and Children's NHS Foundation Trust.

In addition to Birmingham Children's Hospital on Steelhouse Lane and Birmingham Women's Hospital in Edgbaston the Trust owns a site located at Parkview in Moseley which hosts the Child and Adolescent Mental Health Service (CAMHS). The Trust also provides services from a range of accommodation in the community and in several partner organisations.

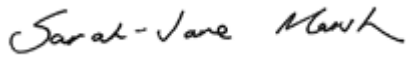
Chief Executive's Statement on Performance

The financial pressures faced by the public sector have meant the continued use of financial control totals within the provider sector to ensure that the NHS lives within the resources available. As a result, the Trust was required to secure a surplus control total of £4.2million in 2018/19, this was delivered as well as the majority of operational targets. For the second year in a row we only met the financial control target through the use of one-off means. The success in achieving the majority of operational and financial targets meant that the Trust secured £9.8million of baseline Provider Sustainability Funding (PSF) directly linked to 2018/19.

Great credit goes to our staff, we could not have achieved our performance without them, at a time when the financial pressures were added to by an increasingly difficult labour market, with workforce supply now a significant risk across the NHS and recognised as one of our key strategic risks within the Trust. The consequence of this was a higher use of temporary staffing than we set as a target at the start of the financial year.

Although the organisation's headline financial performance appears strong this includes monies received as a result of hitting the very challenging control total and delivering our operational performance targets. To achieve this we have had to utilise our remaining financial flexibility which had been built up over a number of years. The shortfalls in delivering another year of challenging efficiency targets meant that this measure was necessary and we have been open in our reporting of this throughout the year. We have sought to make every penny count without compromising patient care or the patient experience whilst absorbing the impact of increased activity growth and associated bed pressures especially in our mental health services. However, our underlying finances remain below where we need them to be; a message that we have communicated throughout the Trust during the latter stages of the year. One downside of this is that we are once again carrying forward an efficiency legacy into 2019/20.

We continued to deliver strong operational performance whether in meeting our waiting list targets, or our cancer targets. At crucial times of the year we have seen significant growth in ED attendances and this has resulted in us failing to hit the requisite Trust specific target in both quarter three and quarter four. We have worked hard during the year to maintain the six-week diagnostic wait target which was achieved for the first time in 2017/18 in March 2018.

A handwritten signature in black ink, reading "Sarah-Jane Marsh", enclosed within a thin black rectangular border.

Sarah-Jane Marsh
Chief Executive Officer

Purpose of the Trust and activities

We have a clear mission, vision and goal for what we want to achieve.

Our mission is to provide outstanding care and treatment, to share and spread new knowledge and practice, and to always be at the forefront of what is possible.

Our vision is to be a world-leading team, providing world-leading care.

Our goal is to be the best place to work and be cared for, where research and innovation thrives, creating a global impact.

Our organisation has two main elements: Birmingham Women's Hospital, and Birmingham Children's Hospital, which includes our mental health services. The services are provided by four divisions: women's services, mental health, children's surgery and children's medicine.

Birmingham Women's Hospital Key Facts

- A centre of excellence, providing specialist services to more than 50,000 women, men and their families every year from Birmingham, the wider region and beyond.
- One of only two dedicated women's hospitals in the UK, with the busiest single site maternity unit, delivering more than 8,200 babies a year.
- Provides a full range of gynaecological, maternity and neonatal care, including a Fertility Centre, a Fetal Medicine Centre and the West Midlands Regional Genetics Laboratory - the largest of its type in Europe.
- An international centre for education, research and development.

Birmingham Children's Hospital Key Facts

- A leading specialist paediatric centre, caring for sick children and young people.
- A world leader in some of the most advanced treatments, complex surgical procedures and cutting-edge research and development.
- A national liver and small bowel transplant centre
- A global centre of excellence for complex heart conditions, the treatment of burns, cancer and liver and kidney disease .
- A nationally designated specialist centre for epilepsy surgery
- A paediatric major trauma centre for the West Midlands.
- The largest single Paediatric Intensive Care Unit in the UK with 31 beds.
- One of the largest Child and Adolescent Mental Health Services in the country, with a dedicated inpatient Eating Disorder Unit and Acute Assessment Unit for regional referrals of children and young people with the most serious of problems (Tier 4) and the Forward Thinking Birmingham community mental health service for 0-25 year olds.

Values

We know that organisations which have strong values and behaviours do well and that employees are engaged, happy and motivated in their work. We worked closely with staff to develop and embed our values and we will continue to ensure that they underpin the way we care for our patients and each other.

How we live our values

Ambitious

We continually challenge ourselves to improve care and services through innovation, research and education.

Brave

We take personal responsibility to always do our best for our patients, families, and each other, challenging behaviours and attitudes whenever we need to, we speak up and ask for help.

Compassionate

We deliver care and services, with respect and kindness, for our patients, families, ourselves, and each other; we listen and are inclusive.



Key issues and risks that could affect the Trust in delivering its objectives

The major risks that could affect the Trust in delivering its objectives are described in the Annual Governance Statement.

Going concern

After making enquiries, the Directors have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. NHSI's Single Oversight Framework oversees and supports Trusts in improving financial sustainability, efficiency and compliance with controls within the financial sector.

Using these measures we have the lowest level of risk with the Use of Resource rating being measured as a "1". Our continued high agency expenditure, predominantly driven by workforce pressures in our mental health services meant that only one of the five measures failed to hit this

highest rating. The Trust therefore continued to hit the highest rating, which it has done in each year they have been in existence.

The Board of Directors approved the NHSI Operational Plan which identified that for the next financial year the Trust will again be planning to achieve the best possible rating.

As part of the integration work with Birmingham Women's NHS Foundation Trust the organisation's future Long Term Financial Model (LTFM), working capital procedures and positions, reporting processes and overall finances for 2017/18 received considerable scrutiny through assessment, due diligence and reporting accounting processes. These did not identify any potential material circumstances that would impact upon the combined organisation and its going concern status. We have maintained our future modelling processes and although there are no factors influencing the Trust's going concern status the Trust's ability to hit its control total will once again be seriously challenged in 2019/20.

The plan submitted for the 2019/20 incorporates some assumptions that ordinarily would be deemed part of a downside financial case and since publication there have been no events that warrant a revision of the forecast financial positions and ratings. However, we are mindful that the ongoing demand and associated pressures within our mental health services and uncertainty with the healthcare tariff will continue to impact upon the Trust. The Trust will be working with the UK Children's Hospital Alliance to strengthen our engagement and influence in any future tariff discussions.

For the reasons stated, the Directors continue to adopt the going concern basis in preparing the accounts.

Performance Analysis

Measuring Performance

The Trust's performance is reported to the Board of Directors each month via an Integrated Performance Report, which includes information on operations, quality, finance and workforce. This report gives a rating of red, amber or green to each of these four areas with further, more detailed performance reports scrutinised at the relevant Board Committee, as follows:

- Operations – Finance and Resource Committee;
- Quality – Quality Committee;
- Finance – Finance and Resource Committee; and
- Workforce – Finance and Resource Committee and Quality Committee.

The reports detail the Key Performance Indicators (KPIs) - measures that the Trust sees as being critical to its overall performance:

Operations

Performance is reported on access measures. These are a mix of national and local measures.

Quality

The quality section details performance against the Trust's Quality Strategy metrics, which are mainly local measures including clinical safety incidents, infection cases, deaths, interventions for deteriorating patients, readmissions, and the incidence of harm due to pressure ulcers, extravasations, cancelled operations or delays.

Finance

The report measures performance against the NHS Improvement Financial Risk Rating, income & expenditure, efficiency (cost improvement plans (CIP), productivity, temporary spend levels) and liquidity (cash and capital expenditure).

Workforce

The report measures performance against 'developing our people' standards (mandatory training and staff appraisals) and 'caring for our people' (sickness, turnover, staff engagement).

These areas are also captured in more depth in separate Resources and Quality Reports, which are reviewed in detail each month by the Board's Committees that report to the Board.

The Trust has a well-established governance structure that supports the management of risks to achievement of the KPIs and provides the Board with assurance around delivery. There are a number of mechanisms that support delivery of this agenda:

- a) A Clinical Senate which provides a forum to engage clinical views and generate the ownership to solutions around the challenges faced by the Trust.
- b) A Quality Improvement Implementation Group, overseeing the implementation of our new approach to quality improvement.
- c) Performance Groups (one for acute services and one for mental health services) meet monthly to review the performance of each of the Trust's Divisions in relation to operational performance, finance, workforce and quality.
- d) A Cost Improvement Programme (CIP) Delivery Group, which focuses on the delivery of the Trust's efficiency strategy. This Group undertakes detailed reviews into the key risks and is supported by a performance management framework that assesses divisions and departments on a performance rating that determines the action to be taken. Those areas assessed in the lower quadrant of performance are supported to improve through intensive turnaround plans.
- e) A Clinical Safety and Quality Assurance Committee reviews patient safety and quality issues.
- f) A Workforce Committee that focuses on workforce supply, leadership capability and retention.

Performance in 2018/19

With 2018/19 being another very challenging period for the NHS it is pleasing that the organisation ended the year again achieving its key financial targets. At the start of the year, after consideration of both long and short term priorities to signing up to the financial control total and consequent financial target the Board agreed that on balance it was in the best interests of the Trust to sign. Achieving the control total allowed the Trust to access Provider Sustainability Funding (PSF) that would provide capital investment benefits in future periods.

The varied nature of PSF monies does not allow full comparisons to be made with previous financial years. However, given continued internal scrutiny and enhanced understanding of the Trust's finances, and despite the wider financial environment the organisation's financial performance in 2018/19 should be regarded as an excellent achievement with an overall surplus before impairment of £21.2m achieved against £23.2m in 2017/18.

In 2017/18 the Trust set up BWC Management Services Limited (branded as Vital Services). This company is a wholly owned subsidiary of Birmingham Children's Hospital Health Services Ltd, which is a wholly owned subsidiary of the Trust. This company has been set up to provide the Trust with a fully managed healthcare facility. In practical terms this means that the subsidiary will be licenced to

occupy the Trust's estate for the purpose of providing all of its soft and hard facilities services. In line with the business case approved by the Board in September 2017 BWC Management Services Limited has now had its first full year of delivering the non-financial and financial benefits as outlined in the case.

The lower surplus in 2018/19 compared with the previous year was also reflected in a fall in earnings before interest, tax, depreciation and amortisation (EBITDA) which at 7.8% for the financial year was down from 8.4% in 2017/18. Although the overall financial position has deteriorated slightly excluding the impact of PSF monies the Trust's generated surplus has actually improved albeit marginally. The Trust has once again had to absorb additional pressures in 2018/19 so the position is a net result of:

- a) The achievement of the control total and the subsequent receipt of PSF monies.
- b) The changing nature of the national tariff. In 2018/19 the Trust's gross clinical income from the national tariff increased, especially for maternity services. However, any gain on tariff was recognised in a control total adjustment thereby removing any opportunity to invest this additional income within the service.
- c) Absorbing the cost of providing the requirements of the Forward Thinking Birmingham contract. This was a combination of increased temporary staffing costs for community services combined with the continued pressure of delivering inpatient services for 18-25 year-olds. Although additional Commissioner support was received for the latter delivering this service continued to impact financially and operationally in 2018/19.
- d) The costs of maintaining service provision in-hours with workforce pressures in key clinical staffing groups.
- e) Continued difficulty in fully realising cost efficiency targets.

Overall income increased by 3.7% over the past year to £445 million. The percentage of total income derived through clinical activities increased by 3.8% to 87% of total income. This is directly influenced by PSF monies and the receipt of additional funding to offset the impact of the Agenda for Change pay award.

Clinical income levels were driven by increases in the mix and number of patients treated. For the first time since integration direct year on year comparisons are possible across all activity categories. The activity undertaken in 2018/19 across the key activity categories was as follows:

Patient Activity 2017/18 and 2018/19

	2017/18	2018/19	Movement %
Outpatient attendances	355917	378545	106%
ED attendances	59564	60226	101%
Inpatient (I/P) admissions:			
Emergency admissions	18923	18405	97%
Day-case admissions	20152	21717	108%
Inpatient admissions	8994	7654	85%
Total I/P admissions	48,069	47,776	99%
Obstetrics admissions	10,552	10,047	95%
<i>of which deliveries totalled</i>	<i>8,237</i>	<i>8,146</i>	<i>99%</i>
<i>of which births totalled</i>	<i>8,381</i>	<i>8,292</i>	<i>99%</i>
Total patient episodes	474,102	496,594	105%

This shows a varied activity picture across the Trust. Overall the Trust saw 61 patients per day more than it did in 2017/18. This was driven by a 6% increase in outpatients but across inpatient and obstetric services we saw two less patients per day.

It is also pleasing to report that the Trust achieved 96% of its CQUIN targets in 2018/19. Over the past five years 99% of these targets have been achieved and this has had a direct impact upon the quality and safety of the care provided at the Trust.

It cost £427 million to run the Trust during the year; a 4% increase on 2017/18. The key drivers of this were the contractual arrangements associated with the 0-25 FTB Mental Health contract, an increase in pass through drug and device expenditure, increased staff costs linked to the Agenda for Change pay award and increased dependence on temporary staff.

The three highest spend categories are staff, clinical supplies and services (linked to the FTB contract) and drugs. Employee expenses as a percentage of overall expenditure increased by 1% to 58% (was 57%). This in part was a result of the transfer of a part of the FTB service from Worcestershire Health and Care NHS Trust.

The other key cost change in year was in our clinical negligence premium with NHS Resolution. This has continued to rise and will do so again in 2019/20. The Trust successfully recouped the 10% Maternity Incentive Scheme bonus and will look to be equally successful in 2019/20.

The average number of monthly employees in 2018/19 was 57 (1.1%) more than in 2017/18. The average cost of our employees was 4.7% more in 2018/19 than in 2017/18. This has been driven by the increase in the Agenda for Change pay award, an increase in the number of medical staff at the Trust and the impact of the greater reliance on temporary staff. These increases outweigh the benefits of workforce savings through the efficiency programme and the expansion of the clinical support worker programme. The Trust's apprenticeship programme has now been operating for a full year with a review of the business case highlighting the achievement of its financial and non-financial benefits.

During the year we saved £12.6 million in planned cost releasing savings (£13.4 million in 2017/18), which contributed towards the nationally determined efficiency target. This represents 74% of the target we set at the beginning of the year (69% of the 2017/18 target was achieved). As experienced in previous years it was the impact of the non-recurrent element of the prior year's programme carried forward that caused difficulties combined with the impact of increased activity levels and lead time for scheme delivery. It was acknowledged that 2018/19 would again be a difficult year for delivering savings whilst plans for wider trust-wide signature schemes were developed. The Trust's efficiency challenge was made more challenging by the continued requirement to achieve an additional £3.1m in order to meet the control total.

As the pressure within the provider sector continues and the demands of our strategy require the delivery of the control total the setting of our efficiency target for 2019/20 is once again highly challenging. This will be delivered through a mix of local and trust-wide schemes with a Signature Scheme approach continuing to be taken to managing schemes that span across the organisation. There will need to be significant changes to our cost base in order to deliver this and given that over 60% of our costs are incurred through the pay bill this is an area where some of our efficiencies will have to be found especially in targeting the causes of our high temporary staffing spend. During the year we continued to improve on our system of ensuring that these cost savings did not impact on the safety and quality of services delivered; as part of this every savings scheme was required to be signed off by at least two senior clinical staff most frequently the Chief Medical Officer as well as the

Chief Nurse. Further to this the Quality Committee receives regular reports on CIP Quality Impact Assessments.

Investment in maintaining our estate and the development of new facilities and equipment replacement is currently funded from the surpluses that we make. During 2018/19 £17.2 million was invested in new capital schemes with some of these schemes due for completion during the 2019/20 financial year. The overall capital spend in the year was lower than planned as slippage was experienced across a range of schemes.

2018/19 saw the completion and opening Waterfall House and in 2019/20 the Trust will enhance the estate at Birmingham Women's Hospital as part of the original integration business plan approved by the Board. All these developments will help to increase the capacity of the hospital and contribute to improving the care provided, as well as the working environment.

Our extensive capital programme is reflected in our cash balances. However, for the first time in four years, primarily due to the receipt of PSF monies the Trust's cash balance has increased. The Trust had £49.0m in cash or cash equivalents at the end of the financial year (£29.1 million in 2017/18). During 2018/19 the Trust's cash position was also supplemented by improvements in working capital derived from resolving Maternity Pathway disputes and receiving monies from HMRC. The former remains an administrative burden and the Trust needs to work across the STP to improve these processes. The Trust must continue to prioritise the reduction of debt in 2019/20.

The Trust will continue to have to make efficiency savings for the foreseeable future. With austerity measures continuing and with significant cost pressures expected to occur in future years the Trust's approach to cost improvements and efficiencies has to change. Our previous financial positions have provided a sound foundation upon which to address the challenges resulting from the national savings priorities. However, 2018/19 was another difficult year for the Trust in delivering its financial plan. The efficiency legacy being carried forward into 2019/20 combined with the core efficiency requirement presents a delivery challenge that cannot be under-estimated. Our approach will balance responsibilities to patients, staff and taxpayers:

We will increase our focus on the systematic roll out of our quality improvement methodology - improving quality and providing more efficient services are often two sides of the same coin. The implementation of our quality improvement approach we would expect to be fully embedded in the next 12 months helping engage staff in key areas that can increase value to our patients and staff, whether that is improved patient pathways or engaging staff in reducing our reliance on temporary staffing in some areas.

Our savings in 2019/20 will once again be aligned to Trust wide signature schemes which will target workforce savings, non-pay efficiencies, seek to improve our commercial approach, deliver technical benefits and reduce our spend on medicines through better management and dispensing .

Our efficiency programme will look outside the organisation and incorporate efficiencies linked to the wider health economy. This will include continuing to work across Birmingham and Solihull to bring together support and clinical support services such as procurement and pathology. As schemes move into the wider health economy these will become more complex, have longer lead times and will require increased levels of project management support.

As part of this process we will continue to work in partnership with our commissioners to ensure that children are treated in the most appropriate setting for their condition.

The Trust continues to be actively engaged with the Department of Health and Social Care and NHSI on a number of financially orientated national groups that enables it to be at the forefront of decision and policy making.

Our operational position

In terms of our access targets year on year increases in demand for our Emergency Department (ED) coupled with the acuity of patients meant that the Trust only achieved the four-hour target in the first half of the year. Whilst additional investment was approved for an expanded estate and for additional front line clinical staff within the department challenges in securing appropriate staff meant that the expected achievement throughout the year did not materialise.

Whilst the Trust experienced this increase in demand through ED, emergency admissions into hospital did not increase significantly from that source.

The Trust achieved the 18-week referral to treatment targets despite increases in demand for outpatient services. However, as surgical capacity remains constrained the total number of patients waiting has increased over the year and cancelled operations continue to be higher than we would have wished. The opening of Waterfall House in July 2018 planned to allow the organisation to better stream planned and emergency operations and reduce cancellations. The benefits of this development have not yet been fully realised with these being progressed following a review of the business case in April 2019.

After a considerable period of failing to meet the six week diagnostic target the Trust finally achieved this at the end of March 2018. It is pleasing that this target continued to be achieved throughout 2018/19.

This was the third year of the 0-25 mental health contract operating as the Forward Thinking Birmingham partnership with The Priory Group, Simplify Health (formerly Beacon UK) and The Children's Society. At the end of March 2018 Worcestershire Health and Care NHS Trust ceased their involvement in the partnership with services transferred to the Trust. External performance measures remained strong throughout this period although local measures for Choice and Partnership waits have not been met at any stage of the year. Increased demand for community mental health services has led to growing waiting lists, the impact on patients of this is monitored on a regular basis. The demand for inpatient beds throughout the year was significantly higher than had been agreed with commissioners within the baseline contract (50 beds) with on average 60 beds being required. This meant that young people, often being placed in facilities out of Birmingham and the West Midlands, compromised the clinical model that had been designed and put significant financial pressure on the Trust and Birmingham health community. Additional funding was received in the 2018/19 contract settlement with BSOL CCG and this was further supplemented in year as activity continued to exceed predicted levels. Despite this additional funding the pressures of delivering the FTB service still left the Trust with an overall pressure of over £2.6m.

During 2018/19 the Trust has been working with The Royal Orthopaedic Hospital NHS Foundation Trust to finalise the business case for the transfer of paediatric services from July 2019. This will incorporate spinal, cancer and general orthopaedic activity.

Over the next 10 years, the NHS has an ambition to offer whole genome sequencing as part of routine clinical care. Through a procurement process NHSE created a national genomic testing network which would be delivered through seven new Genomic Laboratory Hubs. The Trust was awarded Genomics Laboratory Hub status to lead the West Midlands, Oxford and Wessex

consortium. This is in conjunction with University Hospitals Birmingham NHS Foundation Trust, Oxford University NHS Foundation Trust, Salisbury NHS Foundation Trust and University Hospital Southampton NHS Foundation Trust. The contract is for five years and commenced on 1 October 2018.

Financial risk management objectives and policies

Our Finance and Resources Committee oversees the cash management and investment strategy which is based on NHSI (previously Monitor) best practice and is reviewed by our auditors. Following previous changes to the calculation of public dividend capital all surplus cash is retained within Government Banking Services/National Loans Funds accounts thereby negating any risk of loss through inappropriate investments. Cashflow forecasts are updated on a weekly basis to ensure that no cashflow and liquidity risks are evident. The working capital review undertaken as part of the reporting accountant process in 2016/17 as well as through phase one of the Financial Investment Programme (FIP) work provided the Trust with a basis for a more detailed cash management strategy. With some debt issues having a long resolution lead time it is vital that a cash strategy is developed in early 2019/20. This will ensure that future cashflow planning is undertaken for the organisation's long-term modelling given the risk impact through the Single Oversight Framework's Use of Resources metric.

The Committee also scrutinises all our major capital investment and business cases above the delegated threshold of the Investment Committee. The Scheme of Delegation, which was revised in late 2017/18 to aid financial recovery continued to operate at the same authority levels. The scrutiny of the Committee ensures such developments are affordable and provide value for money. The Investment Committee and Finance and Resource Committee both undertook a series of reviews of previous approved business cases to ensure that their original benefits, both financial and non-financial, are being delivered. This review process will continue into 2019/20.

With the increased importance of efficiency savings the Committee has scrutinised the delivery of the savings plan during the year to ensure that the approach does not impact on the quality of services provided. The scrutiny of financial efficiency plans continues through the CIP Delivery Group which is chaired by the Deputy Chief Executive. The Quality Committee leads on ensuring that the efficiency plans do not impact on the quality and safety of services.

During the year the Trust has been active in ensuring that any risks associated with the UK's exit from the European Union are minimised. This was multi-faceted and included daily sit-reps, weekly internal EU Exit review meetings and wider health economy reviews and meetings. This was added to the Trust's Board Assurance Framework during the course of the year and reported to the Board through the Finance and Resources Committee. This approach will continue into 2019/20 at the appropriate time depending on how the EU exit progresses.

The Trust's activities expose it to a variety of financial risks, though due to their nature the degree of exposure is reduced compared to that faced by many business entities. The financial risks are mainly credit and inflation risks with minimal exposure to market or liquidity risks. The nature of how the Trust is financed exposes it to a degree of customer credit risk. The Trust regularly reviews the level of actual and contracted activity with commissioners to ensure that any income risk is resolved at a high level at the earliest available opportunity. The Trust mitigates its exposure to credit risk through regular review of receivables due and by calculating a bad debt provision.

The Trust has exposure to annual price increases of medical and non-medical supplies and services arising out of its core healthcare activities. This risk is mitigated through, for example, transferring

the risk to suppliers by contract tendering, negotiating fixed purchase costs and in the case of external agency staff costs via the operation of the Trust's own staff bank. This latter issue has been further controlled through the imposition of national price and wage caps the enforcement of which has escalated since April 2016.

Risks and Uncertainties

Details of other major risks and uncertainties facing the Trust are described in the Annual Governance Statement.

The Trust has no overseas operations.

Environmental Sustainability

The Trust is committed to becoming more environmentally sustainable. As part of our efforts to reduce our impact on the environment, we are working with the National Union of Students (NUS) to put in place Green Impact. This is an environmental sustainability staff engagement programme which is already working across NHS Trusts and Universities nationwide. Green Impact requires us to work in our teams to make the simplest of changes which can collectively make a big difference. This might include turning off lights or equipment when not required, cycling, walking or using public transport to get to work, or going paper light instead of printing. Each team that signs up to the programme has access to a bespoke online toolkit made up of actions for teams to complete throughout the year.

Details of the impact of the Trust's business on the environment are set out in the Sustainability Report later in this document.



Anti-Bribery Policies

The Trust collaborates closely with other organisations to deliver high quality care for our patients. These partnerships have many benefits and should help ensure that public money is spent efficiently

and wisely, but there is a risk that conflicts of interest may arise. As an organisation we have a duty to ensure that all our dealings are conducted to the highest standards of integrity and that NHS monies are used wisely so that we are using our finite resources in the best interests of patients.

Our Conflicts of Interest policy sets out the process by which the Trust manages any potential or actual conflicts of interests in accordance with up to date guidance. This includes the requirement for staff to declare any gifts, hospitality, relevant personal interests and non-NHS work. This process is overseen by the Audit Committee.

The aim of our Counter Fraud, Bribery and Corruption Policy is to increase staff awareness of the issue of fraud within the Trust, to provide guidance to staff about what to do if they have suspicions of fraud and to set out the Trust's approach in investigating allegations of fraud and pursuing sanctions against and redress from those who participate in fraudulent or corrupt activity.

Social, Community and Human Rights Issues

The Trust has now firmly established its role as a comprehensive advocate across the life course for women, children and families, going far beyond providing acute care through our extending range of community and mental health services, as well as wider advocacy initiatives. The Trust has undertaken a range of initiatives to increase its impact not only on those in its care but also on staff and the wider community:

- Trust staff participated alongside other emergency services in the Birmingham Pride parade in May 2018.
- Aspire@BWC is our own youth academy and includes programmes for work experience, apprenticeships and internships. Managers can recruit through Aspire@BWC to benefit from the talent of young people (14-25 year olds) in the West Midlands whilst offering development and employment opportunities. Aspire@BWC has also teamed up with Calthorpe Vocational Centre to provide young people with learning disabilities supported employment opportunities within our hospitals.
- The Trust is taking part in the #iwill campaign which promotes social action in young people. This includes the launch of a Junior Volunteering Programme, the first of its kind in England, whereby young people aged 10-16 visit the hospitals throughout the year to take part in projects.
- A section of the Trust Intranet is dedicated to self-care, including tips and resources for individuals and teams.
- The Trust held a Nutrition Awareness Month (July), featuring nutrition-based workshops and one-to-one coaching sessions for staff.
- We joined other leading UK Children's Hospitals in no longer accepting donations of confectionery, sweets and chocolates for our patients at Christmas. This important change reflected our need to support families make healthy diet choices for the children in our care and recognised that not all children are able to eat confectionary due to their medical care. Supporters responded positively and were encouraged to make an alternative donation via our Moments of Magic Christmas Campaign.
- The Trust engaged with Birmingham City Council regarding the impact of the proposed Clean Air Zone, which covers the Children's Hospital site and comes into effect in January 2020.

These and other initiatives and processes related to social, community and human rights issues are underpinned by a range of policies, including those regarding: Volunteering, Work Experience, Equality, Diversity and Inclusion, Flexible Working, Smoke Free Environment and Consent.

Emergency Preparedness, Resilience and Response

The NHS has a dedicated work stream that is referred to as Emergency Preparedness, Resilience and Response (EPRR). Birmingham Women's and Children's NHS Foundation Trust has a statutory duty to carry out this work under the Civil Contingencies Act 2004 whilst EPRR is also referenced in the Health and Social Care Act 2012 (as amended) and in the NHS Standard Contract.

The Trust has to carry out a range of activities to ensure that we are as prepared as possible to respond to what are termed Critical or Major Incidents. Critical Incidents tend to be more localised, affecting usually one ward or service area and can be caused by incidents such as a fire, flood, or loss of IT leading to disruption of day to day activities. Critical Incidents are responded to and managed using Business Continuity Management Plans. Major Incidents are of a larger scale, usually involve large numbers or more complex types of casualties such as Burns, and require a Trust wide response using the Major Incident Plan and the establishment of an Incident Management Team. Examples of Major Incidents could include terrorist attack, major road/rail/air accidents, pandemic etc.

The activities associated with preparation for Critical or Major Incidents includes the production of contingency plans, training of staff, exercising of plans in incident simulations and liaison with NHS and multi-agency partners. 2018/19 has seen a significant amount of work being carried out on EPRR including the annual review of the Major Incident Plans for both sites as well as a detailed review of Business Continuity Management plans to respond to Critical Incidents. The Children's Hospital site now has a detailed Mass Casualty annex for use in incidents with large numbers of casualties. This annex was tested along with the establishment of an Incident Coordination Centre in a Regional exercise – "Exercise Blue Peter" which was held in October of 2018. The exercise involved the Children's Hospital responding to a notional scenario based on a terrorist attack and resulting in a considerable casualty load for the hospital. Lessons learnt from participation in such exercises are fed back into the planning process to ensure our procedures are as comprehensive as possible. The Burns Centre also participated in a National Burns exercise whilst internal exercises were carried out to test communications as well as response to a variety of major incident scenarios. 2018 also saw two exercises carried out in conjunction with the West Midlands Police Counter Terrorism Unit and WMAS to test our response to a terrorist attack – an exercise was held at both our Women's and Children's Hospital sites.

Finally, the Trust continues to be actively involved with partner agencies both across the NHS and on a multi-agency basis to ensure that we are aware of current initiatives in the areas of EPRR and can contribute to the West Midlands wide response. One key partner is NHS England who led on the annual assurance review of Trusts using the National Core Standards for EPRR. These standards require Trusts to self-assess themselves against a number of key criteria covering all areas of EPRR. Following a detailed self-assessment and submission to NHS England as well as the CCG the Trust was assessed as being "Fully Compliant" with the National Core Standards – the highest rating possible.

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

There have been no important events affecting the Trust since the end of the financial year.



Sarah-Jane Marsh
Chief Executive Officer
24 May 2018

Accountability Report

Directors' Report

Executive and Non-Executive Directors in 2018/19	
At year end	
Professor Sir Bruce Keogh	Chairman
Mr Vij Randeniya	Deputy Chairman and Senior Independent Director
Mr Alan Edwards	Deputy Chairman
Mr David Adams	Non-Executive Director
Mrs Sue Noyes	Non-Executive Director
Dr Niti Pall	Non-Executive Director (from 1 June 2018)
Mr David Richmond	Non-Executive Director
Professor Judith Smith	Non-Executive Director
Mr Matthew Boazman	Chief Officer for Strategy and Innovation
Mr Alex Borg	Chief Operating Officer - Acute Services (from 16 October 2017) Interim Chief Operating Officer (from 24 October 2018)
Ms Sarah-Jane Marsh	Chief Executive Officer
Mr David Melbourne	Chief Finance Officer / Deputy Chief Executive Officer
Ms Michelle McLoughlin	Chief Nursing Officer
Mrs Theresa Nelson	Chief Officer for Workforce Development (on leave of absence 12 April – 22 October 2018)
Dr Fiona Reynolds	Chief Medical Officer
During 2018/19	
Mr Tim Attack	Chief Operating Officer-Mental Health Services (until 23 October 2018)
Ms Sara Brown	Interim Chief Officer for Workforce Development (from 15 April 2018 – 22 October 2018)
Mr Colin Horwath	Non-Executive Director (until 31 May 2018)
Mr Paul Heaven	Non-Executive Director (until 30 April 2018)

Details of all significant interests held by Directors are contained in a Register of Interests which may be obtained via the Publication Scheme on the Trust's website: www.bwc.nhs.uk.

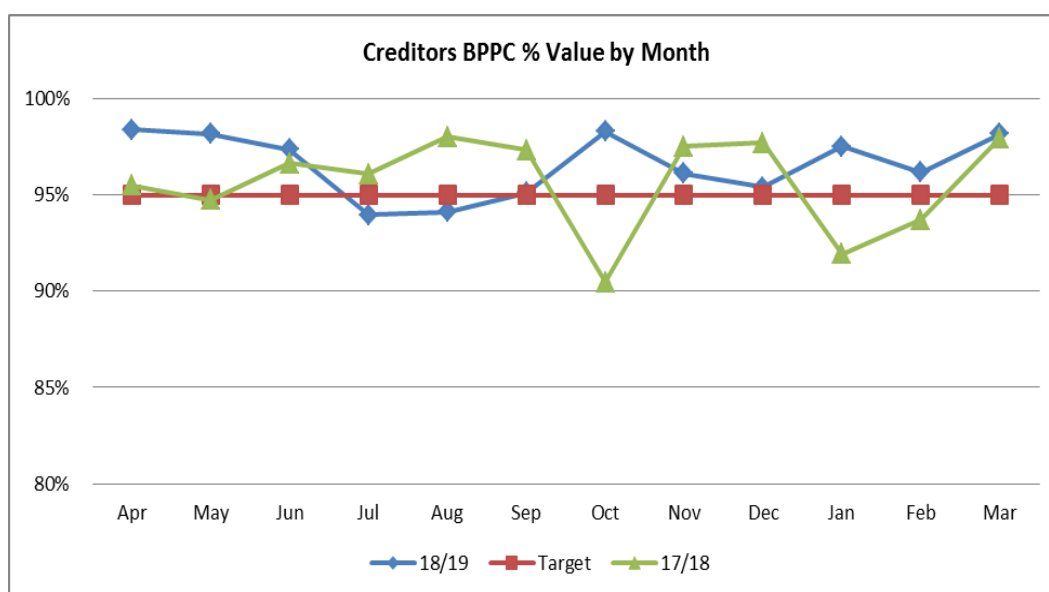
Finance Statements

- The Trust's accounts have been prepared under a direction issued by NHS Improvement.
- The Trust has complied with the cost allocation and charging guidance issued by HM Treasury.
- The Trust has complied with the requirement that the income from the provision of goods and services for the purposes of the health service in England must be greater than the income from the provision of goods and services for any other purposes.
- The Trust has made no political donations.
- So far as each director is aware, there is no relevant audit information of which the Trust's auditor is unaware and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

- The Trust has not levied fees or charges for any service that is material to the accounts, or where the full cost exceeds £1 million.

Policy and payment of creditors

We liaise closely with our suppliers to ensure there are no unintentional cash problems. We are aiming to comply with the target of all payable invoices to be paid within 30 days. Although it is disappointing that performance dipped below 95% for two months of the year it is pleasing that actual performance recovered in the second half of the year and that average performance across the period has exceeded the 95% target. However, we recognise that there is still more work we can do in this area. It is disappointing that the Trust incurred interest charges under the Late Payment of Commercial Debts Act 1998 during the year, although these were of negligible value.



Pensions and Benefits

Accounting policies for pensions and other retirement benefits are set out in note 1.5 to the accounts. Details of senior managers' remuneration can be found in the Remuneration Report.

III health retirements and redundancies

There were four ill health retirements in 2018/19. A number of exit packages were agreed during the year. Details associated with these are as follows.

Redundancies and other exit packages 2018/19

Exit Package Cost Band	Number of Compulsory Redundancies	Number of Other Departures Agreed	Total Number of Exit Packages by Cost Band
< £10,000	-	20	20
£10,000 - £25,000	-	8	8
£25,001 - £50,000	-	1	1
£50,001 - £100,000	-	1	1
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
> £200,000	-	-	-
Total Number of Exit Packages	-	30	30
Total Resource Cost - £	-	300,000	300,000

Redundancies and other exit packages 2017/18

Exit Package Cost Band	Number of Compulsory Redundancies	Number of Other Departures Agreed	Total Number of Exit Packages by Cost Band
< £10,000	-	1	1
£10,000 - £25,000	-	1	1
£25,001 - £50,000	-	2	2
£50,001 - £100,000	-	2	2
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
> £200,000	-	-	-
Total Number of Exit Packages	-	6	6
Total Resource Cost - £	-	236,000	236,000

Exit packages: other (non-compulsory) departure payments

	2018/19		2017/18	
	Number of payments agreed	Total value of payments £000	Number of payments agreed	Total value of payments £000
Voluntary redundancies including early retirement contractual costs	1	50	-	-
Mutually agreed resignations (MARS) contractual costs	8	134	6	236
Contractual payments in lieu of notice	21	116	-	-
Total	30	300	6	236

NHS Improvement's Well Led Framework

The well-led framework has been developed by NHS Improvement and the Care Quality Commission to support trusts to undertake reviews of their leadership and governance. More information about how the Trust uses this framework to ensure its services are well-led can be found in the Annual Governance Statement.

There are no material inconsistencies between the Annual Governance Statement, the corporate governance statement, the quality and annual reports and reports arising from Care Quality Commission reviews.

Partnerships and Stakeholders

During 2018/19 the Trust has entered into or continued with formal arrangements with the following organisations, which are essential to the Trust's business:

- **BWC Management Services Limited.** This company is a wholly owned subsidiary of Birmingham Children's Hospital Health Services, which is a wholly owned subsidiary of the Trust. This company has been set up to provide the Trust with a fully managed healthcare facility. In practical terms this means that the subsidiary will be licenced to occupy the Trust's estate for the purpose of providing all of its soft and hard facilities services.
- **Birmingham Children's Hospital Pharmacy Limited (BCH Pharmacy).** This company is a wholly owned subsidiary of Birmingham Children's Hospital Health Services, which is a wholly owned subsidiary of the Trust. BCH Pharmacy is responsible for the operation of The Medicine Chest, the Outpatient Pharmacy located at the front of our hospital.
- **Sandwell and West Birmingham Hospitals NHS Trust.** A continued arrangement with Sandwell and West Birmingham Hospitals NHS Trust for the provision of a joint Estates Management Service.
- **University Hospitals Birmingham NHS Foundation Trust (UHB).** The Trust is working with UHB to develop and implement clinical systems with the aim of having a virtual campus in place across the two organisations.
- **University Hospitals Birmingham NHS Foundation Trust and the Royal Orthopaedic Hospital NHS Foundation Trust.** The Trust is in the process of formalising a Shared Service arrangement for the delivery of Procurement services (including Receipts and Distribution) with the other acute Trusts in Birmingham. A business case was agreed during 2018/19 with the commercial Accountability Framework signed off in April 2019 ahead of a go live date of 1 July 2019.
- **Priory Group, The Children's Society and Simplify Health.** April 2016 saw the commencement of the Forward Thinking Birmingham (FTB) service led by Birmingham Children's Hospital working in partnership to deliver the first national seamless community mental health service for 0-25 year olds. Our partners in FTB are now: Priory Group, The Children's Society and Simplify Health (formerly Beacon UK). On 1 April 2018 the services provided by Worcestershire Health and Care NHS Trust transferred to the Trust.
- **University Hospitals Birmingham NHS Foundation Trust, Oxford University NHS Foundation Trust, Salisbury NHS Foundation Trust and University Hospital Southampton NHS Foundation Trust.** The Trust was awarded Genomic Laboratory Hub (GLH) status and from 1 October 2018 has led the West Midlands, Oxford and Wessex consortium, one of seven in England. The consortium has five members with the above organisations being Local Genomics Laboratories (LGLs).
- **Birmingham Hospitals Alliance (BHA).** The Trust signed a memorandum of understanding with University Hospitals Birmingham NHS Foundation Trust and the Royal Orthopaedic

Hospital NHS Foundation Trust. BHA has an approved work programme overseen by Board members drawn from each of the three constituent members.

Actions taken to make employees aware of the financial factors affecting the Trust

- Monthly budget reports are available electronically to managers and we continue to report on the financial position of service lines with this information available to a range of staff.
- During the year we sought to raise awareness of the Trust's financial position and how all staff can make the hospital more financially sustainable.
- The Trust's Procurement Group continues to take forward initiatives across the Trust.
- The Trust is actively engaging with the Get It Right First Time programme with the National Lead presenting at the Trust.
- During the year we commenced the Forward Look process which every Friday looks at the activity performance of the prior week, the current week and the future two weeks. This has raised the profile of weekly operational performance delivery across the Trust.
- Model Hospital information is more widely used and shared across the organisation and reviewed at Finance and Resources Committee.
- The drive to improve mandatory training across the organisation has assisted in an improvement in Fraud Awareness training being undertaken.
- The Finance Department has assisted in the Trust's Consultant Development Programme which seeks to broaden the knowledge base of the next generation of clinical leaders at the Trust. This has also extended to junior doctors when requested.
- The Finance Department has assisted in the Management Matters course run at the Trust.
- A detailed Resources Report is contained within the monthly Public Board of Directors papers which are available for all staff.
- The Resources Report is circulated and presented at the Trust's Joint Consultative and Negotiation Committee.
- The monthly financial headlines are reported at the Chief Executive's briefings.
- The Senior Leadership Team receives a monthly update on the key financial issues as part of the Integrated Performance Report.

Consultation and Involvement

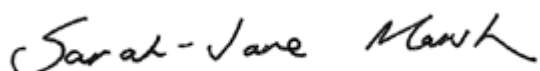
In 2018/19 children, young people, patients and families were consulted on a variety of issues. Much of the involvement of children and young people has been coordinated through our young people's participation groups, the largest of which is our Young Persons' Advisory Group (YPAG). YPAG are now working closely with Think 4 Brum, the young people's engagement group for Forward Thinking Birmingham holding joint quarterly meetings and working collaboratively.

YPAG was established in 2009 to empower the voice of young people within the organisation and to ensure the Trust can benefit from the perspective of young people and their energy for change. During 2018/19 YPAG was involved in a range of activities, projects and consultations, including

- Ward Walkabouts – interacting directly with young people and families in the following Birmingham Women's and Children's Hospital clinical areas:
 - PAUSE FTB drop in centre
 - Ward 1
 - Neonatal Unit & Transitional Care Unit
 - Ocean Ward
 - Ward 5
 - Medical Day Care Unit
- Takeover Challenge 2018 – also involving Think 4 Brum, - members took over various roles across the Trust.
- Supported our PLACE inspection.
- Involvement in selection of new catering provider
- Created a Young Person's version of a Data Protection poster.
- Involvement in interviews for appointment to the following roles:
 - Chief Operating Officer
 - Patient Experience Lead
 - Head of Nursing
 - Consultant in Inherited Metabolic Diseases
 - Consultant in General Paediatrics
- Delivered training to A&E doctors, in relation to improving their communication skills with young people.
- Adolescent Study Day.

At Birmingham Women's Hospital our main forum for patient and family engagement is the Family and Patient Advisory Council. The Advisory Council met five times during the year in addition to participating in a number of patient experience inspections and walkabouts. Feedback and support from the Advisory Council included the following projects:

- Menopause pathway.
- No Smoking site consultation.
- Visitors' charter revision.
- Feedback on caesarean birth posters.
- Genetics project, to co-create improved letters and communication to patients.



Sarah-Jane Marsh
Chief Executive Officer
24 May 2018

Remuneration Report

Annual Statement on Remuneration

The remuneration, terms and conditions of employment of Executive Directors are determined by the Appointments and Remuneration Committee, a committee of the Board of Directors, chaired by the Trust Chairman.

During 2018/19 the Committee:

- Agreed a remuneration increase for the Chief Executive Officer to reflect excellent performance in the previous year and to align remuneration with the median for chief executives of large acute trusts.
- Approved the award of a performance related bonus in lieu of an uplift in salary to the Deputy Chief Executive.
- Agreed a salary increase of 2% for Very Senior Managers (not executive directors).
- Approved the appointment of an Operations and Development Director to the Trust's wholly owned subsidiary, BWC Management Services Ltd.
- Approved the appointment and remuneration of a new Chief Operating Officer, Mr Steve Cumley.
- Approved the appointment and remuneration of a new Director of Mental Health Services, Mr Alex Borg.
- Approved the appointment and remuneration of an interim Chief Nurse from June 2019 (Ms Marion Harris).

The Committee's decisions were made in the context of national guidance and pay awards, the Trust's strategy, the performance of the Trust, the size of the organisation and the operational and financial challenges within which the Board operates.

Senior Managers' Remuneration Policy

Senior Managers' Remuneration Package: Future policy table

Senior Managers' Remuneration Package: Future policy table					A description of the framework used to assess performance					
Element	Description	How does this component support short and long-term strategic objectives of BCH	How the component operates	Maximum amount that can be paid	Description	Performance measures that apply (indication of weighting where more than one applies)	Details of the performance period	The amount (£) that may be paid in respect of minimum level of performance which results in a payment	The amount (£) that may be paid in respect of any further levels of performance set in accordance with the policy	Provisions for recovery of sums paid or for withholding payment of sums
Salary	Annual salary	Takes into account attraction and retention considerations essential to the Trust's strategy.	In accordance with agreed rates of pay	In accordance with agreed rates of pay awarded nationally	Aligned to national award/ benchmarking if performance targets met and agreed annually	None	None	None	None	None
Taxable Benefits	Lease car/ contribution to car or allowance absorbed into base salary.	Takes into account attraction and retention considerations essential to the Trust's strategy.	Paid in equal monthly instalments	£5,000	None	None	None	None	None	None
Performance-related Bonus	Performance fund representing a % of combined salaries, individually apportioned based on performance.	Executive directors are set objectives related to Trust's strategic objectives.	Following annual individual performance assessment; paid monthly.	Considered annually.	5 point performance scale.	-1 below expectations 0 solid performance 1 sometimes exceeded expectations 2 regularly exceeded expectations 3 outstanding	Financial year.	Agreed annually by A&R committee and based on organisational performance and financial position	None	Pay is subject to potential 'earn-back' of up to 10% of pay in the event of performance failing to meet agreed objectives

Notes

The Very Senior Manager (VSM) reward framework includes an assessment of performance linked to pay, which could result in an increase or a reduction in salary. This ensures that individual performance is recognised and provides an incentive for excellent or outstanding performance. The framework enables an annual decision to be made as to the size or existence of a performance fund based on the financial position of the organisation at that time and taking into account any direct or relevant national guidance.

The general policy for employee remuneration is to apply the national agreement as recommended by the Pay Review Body (PRB) and accepted by the treasury. The Trust would not normally deviate from this position except for VSMs.

Three senior managers were paid more than £150,000 a year: the Chief Executive Officer, the Deputy Chief Executive Officer, and the Chief Medical Officer (including salary for clinical work). The Appointments and Remuneration Committee awarded these salaries having considered the depth and breadth of each role and benchmarking (including established pay ranges in acute foundation trusts published by NHS Improvement), and is satisfied that they are appropriate. An opinion was sought from NHS Improvement in each case.

Non-Executive Director Remuneration

Fee payable	Additional fees for other duties	Other items considered to be remuneration
Annual remuneration for non-executive Board member role	The Deputy Chairman is paid additional fees to reflect additional responsibilities.	None

Service Contracts Obligations

No obligations on the Trust are contained in any senior managers' service contracts which could give rise to or impact on remuneration payments or payments for loss of office. The Trust does not propose to include any such obligations in any future senior manager contracts.

Policy on payment for loss of office

The notice period for all non-executive directors is set at one month. The notice period for all other senior managers is set at six months.

The Trust does not have a policy for the payment of loss of office and does not propose to set such a policy. No payments were made for loss of office to a Senior Manager in 2018/19. No payments of money or other assets were made to any individual who was not a senior manager during the financial year but has previously been a senior manager at any time.

Statement of consideration of employment conditions elsewhere in the Trust

In making its decisions regarding components of and increases to senior managers' remuneration packages the Appointments and Remuneration Committee takes into account the pay and conditions of the Trust's employees, including any annual NHS pay award.

The Trust's employees were not consulted in 2018/19 regarding decisions relating to senior managers' remuneration.

The executive salary strategy was set in May 2017 and is based on benchmarking and taking into account national guidance and pay awards as described above.

Annual Report on Remuneration

a) Information not subject to audit

Senior Managers' Service Contracts (a senior manager is defined as an Executive or Non-Executive Director of the Board of Directors)

Senior Manager Service Contract Details (Board membership only)					
Senior Manager	Title	Date of Contract	Unexpired Term	Notice Period	Provision for compensation for early termination
Professor Sir Bruce Keogh	Chairman	01/12/2017	1 year and 8 months	1 month (informal)	None
Professor Judith Smith	Non- Executive Director	01/06/2014	1 year and 2 months	1 month (informal)	None
Mr Alan Edwards	Non- Executive Director/Deputy Chairman	01/02/2015	1 year and 10 months	1 month (informal)	None
Mr Vijith Randeniya	Non- Executive Director/Deputy Chairman	01/02/2015	1 year and 10 months	1 month (informal)	None
Sue Noyes	Non- Executive Director	01/04/2018	2 years	1 month (informal)	None
Niti Pall	Non- Executive Director	01/06/2018	2 years and 2 months	1 month (informal)	None
David Richmond	Non- Executive Director	01/04/2018	2 years	1 month (informal)	None
David Adams	Non- Executive Director	01/04/2018	2 years	1 month (informal)	None
Ms Sarah-Jane Marsh	Chief Executive Officer	01/09/2010	Permanent appointment	6 months	None
Mr David Melbourne	Deputy Chief Executive Officer/Chief Finance Officer	01/11/2009	Permanent appointment	6 months	None
Mrs Michelle McLoughlin	Chief Nursing Officer	01/08/2007	Permanent appointment	6 months	None
Mrs Theresa Nelson	Chief Officer for Workforce Development	06/06/2011	Permanent appointment	6 months	None
Mr Matthew Boazman	Chief Officer for Strategy and Innovation	01/03/2015	Permanent appointment	6 months	None
Dr Fiona Reynolds	Chief Medical Officer	16/07/2015	Permanent appointment	6 months	None
Mr Alex Borg	Interim Chief Operating Officer	01/10/2017	Interim position ended April 2019	6 months	None

Appointments and Remuneration Committee

The Appointments and Remuneration Committee was established under paragraph 18 (2) of Schedule 7 to the NHS Act 2006. The Committee met x times in 2018/19. The work of the Committee is described above. The Committee is chaired by the Trust Chairman and has a core membership of Non-Executive Directors, including the Deputy Chairman.

Appointments and Remuneration Committee Attendance				
Member of Committee	16 May 2018	21 June 2018	24 October 2018	28 February 2019
Bruce Keogh, Chairman	✓	✓	✓	✓
Vijith Randeniya, Deputy Chairman	✓		✓	✓
*Alan Edwards, Deputy Chairman	n/a	✓	✓	x

*Alan Edwards became a member of the Committee in June 2018.

Sarah-Jane Marsh, Chief Executive Officer attended each meeting to provide advice and contribute to discussions, withdrawing from the meetings where potential conflicts of interest arose. Theresa Nelson, Chief Officer for Workforce Development attended meetings by invitation to provide advice and assistance to the Committee.

The Trust's policy and procedures on pay

The Trust follows national pay arrangements for employees. The Trust has a range of policies in place which describe any local variations to or the application of national arrangements.

Expenses Paid

Directors' Expenses

Year	Total number of Directors in office	Number of Directors receiving expenses	Aggregate sum of expenses paid to Directors
2016/17	18	7	£4,900
2017/18	19	6	£4,000
2018/19	19	7	£5,400

Governors' Expenses

Year	Total number of Governors in office	Number of Governors receiving expenses	Aggregate sum of expenses paid to Governors
2016/17	19	1	£100
2017/18	19	1	£20
2018/19	24	0	0

b) Information Subject to audit

Salary and Pension entitlements of senior managers

Name and Title		Notes	1st April 2018 to 31st March 2019					
			Salary & Fees	Taxable Benefits	Annual Performance-related Bonus	Long-term Performance-related Bonuses	Pension-related Benefits	Total
			(bands of £5000) £000	(to nearest £100) £00	(bands of £5000) £000	(bands of £5000) £000	(bands of £2500) £000	(bands of £5000) £000
Ms Sarah-Jane Marsh	Chief Executive Officer		215-220	-	-	-	65-67.5	280-285
Mr David Melbourne	Deputy Chief Executive Officer and Chief Finance Officer	4,5	150-155	61	-	-	15-17.5	170-175
Mr Tim Attack	Chief Operating Officer (Mental Health Services)	6	65-70	-	-	-	30-32.5	100-105
Mr Alex Borg	Chief Operating Officer (Acute Services)/Interim Chief Operating Officer	7	110-115	-	-	-	65-67.5	175-180
Ms Michelle McLoughlin	Chief Nursing Officer		125-130	-	-	-	52.5-55	180-185
Mrs Theresa Nelson	Chief Officer for Workforce Development	8	40-45	-	-	-	30-32.5	70-75
Ms Sara Brown	Interim Chief Officer for Workforce Development	9	50-55	-	-	-	15-17.5	65-70
Dr Fiona Reynolds	Chief Medical Officer	10	195-200	-	-	-	87.5-90	285-290
Mr Matthew Boazman	Chief Officer for Strategy and Innovation		120-125	-	-	-	10-12.5	135-140
Professor Sir Bruce Keogh	Chairman		55-60	-	-	-	-	55-60
Mr Vijith Randeniya	Deputy Chair / Senior Independent Director		20-25	-	-	-	-	20-25
Mr Alan Edwards	Deputy Chairman		20-25	-	-	-	-	20-25
Mr Colin Horwath	Non-Executive Director	11	0-5	-	-	-	-	0-5
Mr David Adams	Non-Executive Director	12	10-15	-	-	-	-	10-15
Mrs Sue Noyes	Non-Executive Director	13	10-15	-	-	-	-	10-15
Dr Niti Pall	Non-Executive Director	14	10-15	-	-	-	-	10-15
Mr David Richmond	Non-Executive Director	15	10-15	-	-	-	-	10-15
Professor Judith Smith	Non-Executive Director		10-15	-	-	-	-	10-15
Mr Paul Heaven	Non-Executive Director	16	0-5	-	-	-	-	0-5
			1265-1270	61	-	-	380-382.5	1655-1660

- 1) The definition of Senior Managers includes only the Chief Officers and the Non-Executive Directors. These are the senior officers of the Trust having Board of Director voting powers unless otherwise specified below.
- 2) In setting the remuneration of Executive Directors the Appointments and Remuneration Committee has met and considered a range of benchmark information on reward packages in the NHS.
- 3) Pension-related benefits do not represent an amount that will be received by the employees unless otherwise specified below. This is a calculation intended to provide users of the accounts with an estimate of the benefit that being a member of the NHS Pension Scheme could provide.
- 4) Taxable Benefits relates to lease cars.
- 5) Pension-related benefits for Mr David Melbourne include the cash value of payments in lieu of retirement benefits
- 6) Mr Tim Attack was Chief Operating Office (Mental Health Services) until 23 October 2018 (non voting).
- 7) Mr Alex Borg was Chief Operating Officer (Acute Services) until 23 October 2018 and Interim Chief Operating Officer from 24 October 2018.
- 8) Mrs Theresa Nelson, Chief Officer for Workforce Development was on extended leave 12 April 2018 to 21 October 2018.
- 9) Ms Sara Brown was Interim Chief Officer for Workforce and Development from 15 April 2018 to 21 October 2018.
- 10) Salary and Fees for Dr Fiona Reynolds included £85,000-90,000 in respect of clinical work. Total remuneration included £125,000-130,000 in respect of clinical work.
- 11) Mr Colin Horwath was a Non-Executive Director until 31 May 2018.
- 12) Mr David Adams was appointed Non-Executive Director from 1 April 2018.
- 13) Mrs Sue Noyes was appointed Non-Executive Director from 1 April 2018.
- 14) Dr Niti Pall was appointed Non-Executive Director from 1 June 2018.
- 15) Mr David Richmond was appointed Non-Executive Director from 1 April 2018.
- 16) Mr Paul Heaven was Non-Executive Director until 30 April 2018.

2017/18 Remuneration Table

Name and Title		Notes	1st April 2017 to 31st March 2018					
			Salary & Fees	Taxable Benefits	Annual Performance-related Bonus	Long-term Performance-related Bonuses	Pension-related Benefits	Total
			(bands of £5000) £000	(to nearest £100) £00	(bands of £5000) £000	(bands of £5000) £000	(bands of £2500) £000	(bands of £5000) £000
Ms Sarah-Jane Marsh	Chief Executive Officer		190-195	-	-	-	62.5-65	255-260
Mr David Melbourne	Deputy Chief Executive Officer and Chief Finance Officer	4	150-155	28	-	-	77.5-80	230-235
Mr Tim Attack	Chief Operating Officer (Mental Health Services)	5	120-125	-	-	-	42.5-45	165-170
Mr Alex Borg	Chief Operating Officer (Acute Services)	6	40-45	-	-	-	17.5-20	60-65
Ms Michelle McLoughlin	Chief Nursing Officer		120-125	-	-	-	32.5-35	155-160
Mrs Theresa Nelson	Chief Officer for Workforce Development		120-125	-	-	-	35-37.5	155-160
Dr Fiona Reynolds	Chief Medical Officer	7	170-175	-	-	-	60-62.5	230-235
Mr Matthew Boazman	Chief Strategy and Innovation Officer		120-125	-	-	-	65-67.5	185-190
Ms Helen Young	Director of Maternity Transformation	8	40-45	-	-	-	5-7.5	45-50
Dame Christine Braddock	Chairman	9	0-5	-	-	-	-	0-5
Professor Sir Bruce Keogh	Chairman	10	10-15	-	-	-	-	10-15
Mr Vijith Randeniya	Deputy Chair / Non-Executive Director	11	40-45	-	-	-	-	40-45
Mr Paul Heaven	Non-Executive Director	12	5-10	-	-	-	-	5-10
Dr Judith Smith	Non-Executive Director		10-15	-	-	-	-	10-15
Mr Colin Horwath	Non-Executive Director		15-20	-	-	-	-	15-20
Mr Alan Edwards	Non-Executive Director		10-15	-	-	-	-	10-15
Dr William Murdoch	Non-Executive Director	13	5-10	-	-	-	-	5-10
Ms Anita Bhalla	Non-Executive Director	14	10-15	-	-	-	-	10-15
Ms Marianne Skelcher	Non-Executive Director	15	10-15	-	-	-	-	10-15
			1235-1240	28	-	-	407.5-410	1645-1650

- 1) The definition of Senior Managers includes only the Chief Officers and the Non-Executive Directors. These are the senior officers of the Trust having Board of Director voting powers unless otherwise specified below.
- 2) In setting the remuneration of Executive Directors the Appointments and Remuneration Committee has met and considered a range of benchmark information on reward packages in the NHS.
- 3) Pension-related benefits do not represent an amount that will be received by the employees. This is a calculation intended to provide users of the accounts with an estimate of the benefit that being a member of the NHS Pension Scheme could provide.
- 4) Taxable Benefits relates to lease cars.
- 5) Mr Tim Attack was Chief Operating Office from 1 April 2017 until 15 October 2017 and Chief Operating Officer (Mental Health Services) from 16 October 2017, with Voting rights until 7 February 2018.
- 6) Mr Alex Borg was appointed Chief Operating Officer (Acute Services) from 16 October 2017, with Voting rights from 8 February 2018.
- 7) Salary and Fees for Dr Fiona Reynolds included £75,000-80,000 in respect of clinical work. Total remuneration included £100,000-105,000 in respect of clinical work.
- 8) Ms Helen Young was Director of Maternity Transformation until 31 August 2017.
- 9) Dame Christine Braddock was Chairman until 31 May 2017.
- 10) Sir Bruce Keogh was appointed Chairman for BWC from 29 January 2018.
- 11) Mr Vijith Randeniya was Interim Chairman from 1 June 2017 to 28 January 2018. For the remainder of the year he was Deputy Chairman/Senior Independent Director/Non Executive Director.
- 12) Mr Paul Heaven was appointed Non-Executive Director from 1 November 2017.
- 13) Dr William Murdoch resigned as Non-Executive Director on 31 October 17.
- 14) Ms Anita Bhalla was Non-Executive Director until 31 March 2018.
- 15) Ms Marianne Skelcher was Non-Executive Director until 31 January 2018.

2018/19 Pensions Table

Name and Title		1st April 2018 to 31st March 2019							
		Real increase in pension at retirement age	Real increase in pension lump sum at retirement age	Total accrued pension at retirement age at 31 March 2019	Lump sum at retirement age related to accrued pension at 31 March 2019	Cash Equivalent Transfer Value at 1 April 2018	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2019	Employers Contribution to Stakeholder Pension
		(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	£000
Ms Sarah-Jane Marsh	Chief Executive Officer	2.5-5	0-2.5	45-50	95-100	541	137	677	-
Mr David Melbourne	Deputy Chief Executive / Chief Finance Officer	0-2.5	0-2.5	55-60	165-170	1,147	(63)	1,084	-
Mr Tim Attack	Chief Operating Officer (Mental Health Services)	0-2.5	-	45-50	125-130	898	132	1,030	-
Mr Alex Borg	Chief Operating Officer (Acute Services)	2.5-5	2.5-5	15-20	35-40	163	78	240	-
Ms Michelle McLoughlin	Chief Nursing Officer	2.5-5	7.5-10	45-50	145-150	917	167	1,084	-
Mrs Theresa Nelson	Chief Officer for Workforce Development	0-2.5	-	20-25	50-55	395	69	464	-
Dr Fiona Reynolds	Chief Medical Officer	5-7.5	5-7.5	65-70	165-170	1,110	238	1,348	-
Mr Matthew Boazman	Chief Strategy Officer	0-2.5	-	25-30	55-60	326	69	394	-
Mrs Sara Brown	Interim Chief Officer for Workforce Development	0-2.5	0-2.5	20-25	50-55	355	72	427	-

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

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 the disclosure

applies. The CETV figures, and from 2004-05 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/(Decrease) 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 pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Employer contributions to the NHS pension scheme are 14.3% of the pensionable pay of scheme members. Employee contributions are based on annualised, full-time salary. For directors where this figure falls between £70,631 and £111,377 the contribution rate is 13.5% of pensionable pay, while it is 14.5% for those where this figure is in excess of £111,377.

2017/18 Pensions Table

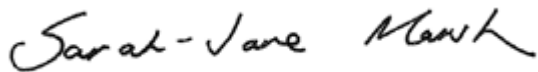
Name and Title		1st April 2017 to 31st March 2018							
		Real increase in pension at retirement age	Real increase in pension lump sum at retirement age	Total accrued pension at retirement age at 31 March 2018	Lump sum at retirement age related to accrued pension at 31 March 2018	Cash Equivalent Transfer Value at 1 April 2017	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2018	Employers Contribution to Stakeholder Pension
		(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	£000
Ms Sarah-Jane Marsh	Chief Executive Officer	2.5-5	0-2.5	40-45	90-95	483	57	541	-
Mr David Melbourne	Deputy Chief Executive / Chief Finance Officer	2.5-5	12.5-15	50-55	160-165	1,001	146	1,147	-
Mr Tim Attack	Chief Operating Officer (Mental Health Services)	2.5-5	0-2.5	45-50	125-130	811	86	897	-
Mr Alex Borg	Chief Operating Officer (Acute Services)	2.5-5	2.5-5	15-20	30-35	133	30	163	-
Ms Michelle McLoughlin	Chief Nursing Officer	0-2.5	5-7.5	45-50	135-140	826	91	917	-
Mrs Theresa Nelson	Chief Officer for Workforce Development	2.5-5	0-2.5	20-25	50-55	342	51	393	-
Dr Fiona Reynolds	Chief Medical Officer	2.5-5	2.5-5	60-65	160-165	1,048	61	1,110	-
Mr Matthew Boazman	Chief Strategy Officer	2.5-5	2.5-5	25-30	60-65	263	59	323	-
Ms Helen Young	Director of Maternity Transformation	0-2.5	0-2.5	35-40	105-110	598	29	627	-

Median Remuneration

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 at the Trust in the financial year 2018/19 was £215,000-220,000 (2017/18, £190,000-195,000). This was 7.36 times (2017/18, 6.66 times) the median remuneration of the workforce, which was £29,608 (2017/18, £28,746).

The increase in the ratio is a result of the remuneration of the highest paid director increasing as a result of the added responsibilities of the role whilst the increase in the median salary, which is a result of the new Agenda for Change pay deal, is smaller. The changes in the mix of workforce have not impacted upon the median salary of the Trust.

A handwritten signature in black ink that reads "Sarah-Jane Marsh". The signature is written in a cursive, flowing style.

Sarah-Jane Marsh
Chief Executive Officer
24 May 2018

Staff Report

Analysis of staff costs

	2018/19	2017/18
Costs of permanently employed staff	£244,989k	£234,895k
Costs of other staff	£11,854k	£8,454k

This is the first year that a direct comparison can be drawn with prior year figures, since it the second full year of operating following acquisition of Birmingham Women's Hospital in February 2017.

Analysis of average staff numbers

2018/19

Average number of employees (Whole Time Equivalent basis)	Total	Permanent	Other
Medical and dental	564	288	276
Administration and estates	1,333	1,218	115
Healthcare assistants and other support staff	516	513	3
Nursing, midwifery and health visiting staff	1,730	1,708	22
Scientific, therapeutic and technical staff	641	589	52
Healthcare science staff	340	322	18
Other	22	6	16
Total average numbers	5,146	4,644	502

2017/18

Average number of employees (Whole Time Equivalent basis)	Total	Permanent	Other
Medical and dental	538	273	265
Administration and estates	1,348	1,234	114
Healthcare assistants and other support staff	473	471	2
Nursing, midwifery and health visiting staff	1,701	1,680	21
Scientific, therapeutic and technical staff	638	602	36
Healthcare science staff	364	337	27
Other	27	6	21
Total average numbers	5,089	4,603	486

Breakdown of the gender of our personnel as at 31 March 2019

	Male (Number)	Female (Number)	Male (%)	Female (%)
Board members	8	7	53%	47%
Other employees	997	4746	17%	83%

Gender Pay Gap

The Trust's second gender pay gap analysis was published in March 2019 based on data from 31 March 2018. The gender pay gap shows the difference in the average pay between all men and women in a workforce. If a workforce has a particularly high gender pay gap, this can indicate a number of possible issues; the individual calculations may help to identify what those issues are.

The mean gender pay gap for the whole of the Public Sector economy (according to the provisional October 2018 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures) is 17.5%. At 28.60% the Trust's mean gender pay gap is therefore above that of the wider public sector and this shows an increase on the 26.86% reported in March 2018.

This is reflective of the pattern in the wider UK healthcare economy; traditionally the NHS has had a higher female workforce due to the range of caring roles, which tend to be in the lower bandings, and a predominantly male workforce in the higher paid Medical and Dental professions.

Indeed, if the alternative median pay gap is used instead of the mean, the difference is less marked with the Trust showing 16.77% against 19% for the public sector as a whole.

We have undertaken additional analysis beyond the legislative requirements to identify the gender pay gap within each staff professional group and within each pay band. We are committed to ensuring an equitable workforce and we will continue to work towards the following:

- Ensuring all new Agenda for Change jobs are evaluated through the job evaluation scheme which makes no reference to gender of existing or potential job holders
- Continuing to support our leadership programmes and encouraging more women to progress into leadership roles
- Encouraging more men into roles not traditionally occupied by men in the NHS, eg. nurses, support workers
- Continuing to raise awareness of shared parental leave entitlement and flexible working opportunities
- Ensuring there is a representative mix of applicants and scorers for local clinical excellence awards
- Implementing our new appraisal policy so that it is accessible and relevant to all staff at every level
- Implementing the new national agenda for change pay progression ensuring there is no local gender bias in the implementation of the new changes
- Embedding talent management principles

Sickness Absence

The Trust recognises the value that employee wellbeing plays in creating a happy and engaged workforce and the promotion of a culture and environment that encourages employees to live healthy and balanced lives. Our Sickness Absence policy and procedures are intended to be implemented within the context of the Trust's health and wellbeing agenda which strives to promote a culture and working environment that drives prevention of injury and ill health and encourages employees to achieve a beneficial work and home life balance.

Directorate	% of overall sickness absence	
	2017/18	2018/19
Corporate	3.90%	3.72%
Division of Women's Services	4.79%	4.97%
BWC Subsidiary Company	6.22%	6.62%
Division of Mental Health Services	3.26%	4.86%
Division of Surgery	3.97%	4.03%
Division of Medicine	3.84%	4.32%
Trust	4.12%	4.49%

Top Four Reasons for Sickness

Sickness Reason	% of overall sickness absence		Average Length Of Absence (days)		Days Lost in each year	
	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19
Stress (work and non-work related)	0.98%	1.43	25.3	27.2	21843	26920
Musculoskeletal	0.79%	0.68	16.7	15.0	16558	12840
Gastrointestinal	0.39%	0.36	3.9	3.2	7296	6737
Cold, Cough, Flu	0.39%	0.32	3.4	2.9	8251	6107

Average Length of Absence

	2017/18	2018/19
Average Length of Absence (days)	8.73	8.5

Sickness rates slightly increased in 2018/19 compared to 2017/18. The top reason for sickness absence was stress (work and non-work related), followed by musculoskeletal problems. We have a range of resources that managers and staff can use to support them in dealing with these issues and with sickness absence in general, including:

- A new Attendance Management (Sickness Absence) policy, toolkit and online training package.
- A Management of Stress at Work Policy, stress risk assessment guidance and online training package.
- Mental health and wellbeing resources.
- Building resilience training.
- Confidential Care counselling service.
- Fast-track physiotherapy referral service.

Healthy Workforce

In June 2018 the Trust joined the NHS Improvement 'Healthy Workforce – Reducing Sickness Absence' pilot project as part of the wider approach to developing a healthy workforce and achieving the Trust's priority of 'creating the best place to work'. We aim to develop a culture of staff wellbeing whereby managers at all levels take a positive, genuine interest in the health and wellbeing of their teams and individuals, where staff feel valued and are honest and open about their wellbeing and managers work supportively to help people stay well at work.

Success criteria for the project are focussed on two target areas - the Emergency Department and the Delivery Suite to record a trajectory of improved sickness absence rates and local pulse check engagement and wellbeing scores.

Occupational Health

On 1 April 2018, the Trust moved to a new single Occupational Health Service Provider. The service is driven via an online platform (OHIO) and offers a range of reporting and monitoring tools.

The activity data shows significant increases in both referrals and health validations over time.

The fitness for work of all new staff is validated through the OHIO Fit4Jobs tool, and the increase is representative of the recruitment trends for 2018/19.

Referrals are higher than expected. Work is being undertaken to guide and educate managers in alternative methods of managing staff health before occupational health referral.

Year	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Provider	HeFT OH and Team Prevent (TP) OH						People Asset Management (PAM)
Referral Numbers	376	392	352	456	435	554	1327
Health Validations Numbers	1277	1379	1542	1099	1033	1431	1868

Staff policies and actions applied during the financial year

Health and Safety Performance

The most significant risks to the non-clinical safety of our patients, staff and visitors are monitored by our Non-Clinical Risk Coordinating Committee. A Non-Clinical Safety Report is presented regularly to our Quality Committee to provide assurance about what is being done to make sure our environment and practices are as safe and secure as they can be.

In 2018/19 there were:

- No Dangerous Occurrences as defined in Reporting of Injuries Diseases and Dangerous Occurrences Regulations (RIDDOR).
- One disease as defined in RIDDOR.
- 13 Major Injuries as defined in RIDDOR (over seven days' absence).
- No HSE improvement notices.
- No HSE prohibition notices.
- Four non-clinical safety related Serious Incidents Requiring Investigation.
- No non-clinical safety related Never Events

Counter Fraud and Corruption

In accordance with NHS Standard contract, the Trust has an on-going programme to prevent fraud and bribery and ensure proper use of public funds. The Counter Fraud service at BWC aims to prevent fraudulent activity which threatens this principle. This is supported by the Trust's Counter Fraud, Bribery and Corruption Policy.

The Trust has continued to promote the awareness of fraud and bribery throughout the year, creating an anti-fraud culture and ensuring that all employees are aware of their role and responsibilities with regard to identifying and preventing suspicious activity. This has been achieved by the inclusion of counter fraud training at the core of our mandatory training programme, supplemented with an online learning module and presentations by the Local Counter Fraud Specialist. A staff survey was also circulated to all employees, to identify areas for development, and

to ensure that the counter fraud programme is risk based. Responses demonstrated clear awareness and knowledge of fraud and bribery within the NHS and how to raise concerns.

We have continued to proactively identify and prevent fraud, undertaking proactive reviews and working alongside the Internal Auditor, as well as assisting with the implementation and review of key policies and procedures, in accordance with best practice guidance. Where referrals have been received, the Trust has demonstrated a zero tolerance approach and internal and external investigations have been undertaken where necessary. We have an annual counter fraud plan for 2018/19 which will continue to raise the awareness of fraud and bribery and respond to emerging issues identified nationally and locally by the NHS Counter Fraud Authority, so that appropriate controls are implemented to safeguard public funds. The Trust has implemented recommendations following a review of counter fraud arrangements last year and continues to perform well against this organisational assessment.

Equal Opportunities for Disabled Staff

The Trust recognises that having a diverse workforce and culture that enables everyone to 'bring their true selves to work' enables greater levels of engagement and advocacy. Diversity enhances creativity; it encourages the search for new information and perspectives, leading to better decision-making, problem-solving and quality of care. We can only provide the best possible care for our patients if we also recognise and meet the diverse needs of our staff, value the richness that diversity brings and its positive influences on the services that the Trust provide.

Our Equality and Diversity policy requires the Trust to:

- Make reasonable adjustments to maintain the services of an employee who becomes disabled including training and development, provision of special equipment and reviewing working patterns.
- Give full and proper consideration to disabled people who apply for jobs, having regard to reasonable adjustments.
- Make every effort to ensure our key areas and events are accessible for staff with physical disabilities.

Our recruitment policy supports effective and fair recruitment processes including mandatory NHS standards ensuring all new staff provide a safe and risk free service to our patients.

We aim to ensure that all applicants who declare a disability are offered an interview if they meet the minimum requirements for the post. Over the period of February 2018 to January 2019 4.3% of applicants declared that they had a disability and 5.8% of people appointed declared they had a disability, which is an increase from last year.

Monitoring and auditing is used to help identify and eliminate possible discrimination and to improve recruitment processes. Reasonable adjustments are made for staff with a disability in relation to training and all other work related activities supported by our occupational health services and our sickness absence procedures.

The Trust recognises that discrimination and victimisation is unacceptable. It is our aim to ensure that no disabled employee or job applicant receives less favourable treatment or facilities (either directly or indirectly) in recruitment or employment.

The Trust is fully compliant with the requirements of the Public Sector Equality Duty through ensuring it has fully analysed all available data, drawn conclusions and published this in line with national reporting requirement.

Staff Survey

Approach to Staff Engagement

We are fully committed to involving, consulting and engaging with our staff and want our staff to have the best experience possible. The importance of this is highlighted by our organisational priority 'Creating the best place to work.'

We involve our staff in all decisions about our future strategy, their working environment and the development of services through a variety of methods including:

- An annual staff engagement week led by the Chief Executive.
- Regular Listening Events held with our staff by Chief Officers and senior leaders, the Staff Ambassador (Freedom to Speak up Guardian) and Inclusivity Lead.
- Regular Leaders' Summits to engage leaders in strategy development and workforce priorities.
- The launch and roll out of quality improvement huddles at ward level.
- Joint Consultative and Negotiation Committees (JCNC).
- A detailed Resources Report is contained within the monthly Board of Directors papers which are available for all staff and also shared with our JCNC colleagues.
- A daily email bulletin containing significant items of Trust and site specific news linked to the intranet is sent out to all staff.
- A monthly Chief Executive Briefing session on both sites.
- Invitation to Board of Directors meetings in public.

Feedback on staff engagement is monitored quarterly by the local Staff Friends and Family survey and annually by the National Staff Survey. These results inform on-going approaches and areas of focus.

NHS staff survey results 2018

The NHS staff survey is conducted annually. From 2018 onwards, the results from questions have been grouped to give scores for ten indicators. The indicator scores are based on a score out of 10 for certain questions with the indicator score being the average of those.

The 2018 survey was a random sample survey of 1250 employees. The response rate was 33%, compared to 35.6% in 2017.

Scores for each indicator together with that of the survey benchmarking group (acute specialist) are presented below. We do not have any comparator results prior to 2017/18 as this pre-dated the integration of the Birmingham Women's and Birmingham Children's Hospitals.

	2018/19		2017/18	
	Trust	Benchmarking group	Trust	Benchmarking group
Equality, Diversity and Inclusion	8.79	9.33	10	8
Health and Wellbeing	5.50	6.24	3.63	3.69
Immediate Managers	6.49	7.07	3.75	3.81
Morale	5.57	6.40		
Quality of appraisals	4.75	5.60	3.01	3.10
Quality of Care	6.91	7.74	3.77	3.94
Safe Environment – Bullying and Harassment	8.04	8.46	23	20
Safe Environment - Violence	9.65	9.74	8	7
Safety Culture	6.33	7.05		
Staff Engagement	6.92	7.43		

The latest staff survey results reinforce what staff have told us over the last 12 months. All questions asked, except one (satisfaction with pay and reward), show a decline and whilst most are minor declines, the overall picture is one of worsening levels of satisfaction.

We are disappointed and saddened by the results, and we recognise that this is reflective of how our staff feel. We are particularly concerned about feedback from our black, Asian and minority ethnic staff. We are committed to addressing the issues and our plan to improve involves everyone within the Trust. The improvement plan focusses on three key aspects needed for staff engagement; belonging, meaning and growth (see below).

Theme	Action to address
Improving 'Belonging' through valuing people	<ul style="list-style-type: none"> • Re-launch values with a communications campaign • Focus on compassion and being kind • Celebrate and recognise achievements • Focus on inclusion – everyone matters • Focus on wellbeing and safety • Refocus policies and HR practice on people, not process
Improving 'Meaning' through creating alignment with BWC priorities	<ul style="list-style-type: none"> • Translate Trust priorities to local level • Embed approach to Quality Improvement • Develop managers to manage well • Increased accountability for improvements in wellbeing and staff experience • Embed improvement huddles in teams • 'By your side' appraiser coaching in hotspots
Improving opportunity for growth through creating space for reflection and development	<ul style="list-style-type: none"> • Focus on appraisal quality and improving resources • Develop career frameworks and pathways • Focus on values based behaviours, team and individual objectives • Conflict coaching and resolution framework • Growth of mentorship

The ways in which we will measure the success of this approach during the next year will include:

- Local staff friends and family test – recommend as a place to work.
- Sickness absence and turnover data.
- Introduction of a monthly appraisal quality audit.

Freedom to Speak Up Guardian

Our Staff Ambassador has been in post since 2014. Over the last year the number of concerns raised has more than doubled, demonstrating a positive process, with staff being more aware of the role, positive interactions and increased visibility. In 2018/19 the Staff Ambassador:

- Increased visibility across all sites.
- Held drop-in sessions for Forward Thinking Birmingham providing a safe environment for staff to raise concerns.
- Increased the number of local staff champions across all sites to better support staff with concerns locally.
- Improved networking with the National Guardians Office, which has provided support and guidance
- Produced and promoted a step by step guide to raising concerns.
- Produced with Human Resource a user friendly guide to our Raising Concerns policy.
- Improved Board level awareness of concerns raised with quarterly reports and an annual presentation in person.

Plans for 2019/20 include:

- Collecting ethnicity data of staff raising concerns.
- Holding management sessions to support leaders to respond appropriately to concerns.

Freedom to Speak up Data 2018/19	
Number of concerns raised	57
Number of concerns raised anonymously	2
Number of concerns relating to behaviours, including bullying and harassment	30
Number of concerns relating in whole or in part to patient safety/quality	15
Number of cases with evidence of detriment as a result of speaking up	0
Number of concerns raised by profession:	
Doctors	4
Nurses	15
Midwives	8
Allied Health Care Professionals	20
Administrative and clerical	4
Ancillary staff (cleaning/catering/maintenance etc)	6

Trade Union Facility Time

Data for 2018/19 is not yet available. 2017/18 data is therefore provided.

Employees in your organisation	Range: 5,001-9,999
No of Trade Union Representatives	40
No of Trade Union Representatives full time equivalents	38
Percentage of working hours spent on facility time	Range: 1-50% of working hours: 40 representatives
Total pay bill	£243,349,000
Total cost of facility time	£51,800
Percentage of pay spent on facility time	0.021%
Hours spent of paid facility time	2,925
Hours spent on paid trade union activities	936
Percentage of total paid facility time hours spent on paid TU activities	32%

Expenditure on Consultancy

Expenditure on consultancy during 2018/19 was nil.

High Paid Off-payroll Engagements

The Trust allows off-payroll arrangements to be made only in circumstances where vital specialised roles cannot, in the short-term, be supported through standard payroll arrangements. The Trust regularly monitors and reviews all high paid off-payroll arrangements to ensure alternative solutions are sought in order to reduce the duration of such arrangements to the minimum. This includes the use of HMRC's online employment status indicator tool. The Trust seeks evidence that appropriate arrangements are in place in relation to tax and national insurance from individuals with whom such arrangements are made.

The Trust does not make off payroll arrangements with members of the Board of Directors.

Table 1: All off-payroll engagements as of 31 March 2019 for more than £245 per day that last for longer than six months

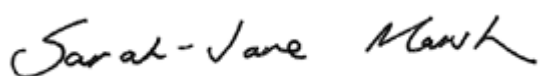
Total number of existing engagements as of 31 March 2019	0
Of which...	
Number that have existed for less than one year at time of reporting	0
Number that have existed for between one and two years at time of reporting	0
Number that have existed for between two and three years at time of reporting	0
Number that have existed for between three and four years at time of reporting	0
Number that have existed for four or more years at time	0

Table 2: All new off-payroll engagements, or those that reached six months in duration, between 1 April 2018 and 31 March 2019, 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 1 April 2017 and 31 March 2018	12
Of which...	
Number assessed as within the scope of IR35	12
Number assessed as not within the scope of IR35	0
Number engaged directly (via PSC contracted to trust) and are on the Trust's payroll	0
Number of engagements that saw a change to IR35 status following the consistency review	0

Table 3: Any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2018 and 31 March 2019

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during 2018/19.	0
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility" during 2018/19, including both off-payroll and on-payroll engagements.	19



Sarah-Jane Marsh
Chief Executive Officer
24 May 2018

NHS Foundation Trust Code of Governance

Birmingham Women's and Children's 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.

Board of Directors and Council of Governors

Constitutionally formed, the Council of Governors has the following key responsibilities:

- **Strategic** – Providing advice on our general direction and ensuring that our plans assist in the delivery of our long-term goals;
- **Guardianship** – Ensuring that the Board of Directors conforms to the terms of authorisation, acting as a trustee of the Trust;
- **Advisory** – Providing advice to the Board of Directors to ensure the Trust continues to deliver services to meet the needs of the patients, parents, families and the wider local communities.

The Council of Governors is also responsible for:

- Representing the views of the members and acting as a source of information on members' views;
- Working with the Board of Directors to inform the Trust's strategic direction;
- Appointing (and removing) the Chairman and Non-Executive Directors;
- Setting the remuneration of the Chairman and Non-Executive Directors;
- Approving the appointment of the Chief Executive Officer;
- Appointing the External Auditor;
- Receiving copies of our annual reports, annual accounts and the External Auditor's report;
- Holding the Non-Executive Directors individually and collectively to account;
- Approving any amendments to the Core Constitution.

The Board of Directors is legally accountable for the services we provide and is specifically responsible for:

- Setting the Trust's strategic direction (having taken into account the Council of Governors' views);
- Ensuring that clinical services provide high-quality and safe care for patients, parents and their families;
- Ensuring that governance arrangements are implemented to provide assurance that there are safe systems of internal control in place;
- Ensuring that a rigorous performance management framework is implemented which ensures the Trust continues to perform well against national and local targets;
- Ensuring the Trust is at all times compliant with its Terms of Authorisation.

The Constitution sets out the key responsibilities of the Board of Directors. The accountability framework defines the Committees of the Board and sets out within the approved terms of reference the responsibilities for each of these Committees. Non-Executive Directors are members (or the Chair) of each of these Committees.

In the event of a dispute between the Council of Governors and the Board of Directors, the Council of Governors and the Board of Directors should meet and attempt to resolve the dispute by negotiation. If agreement cannot be reached, the dispute should be referred to the Chairman, whose decision shall be final. In the event that a dispute is referred to the Chairman and the Chairman considers that he/she has a perceived or real interest in the outcome of that dispute and that the dispute would be better resolved externally, then the Chairman may refer the dispute for

resolution by arbitration under the Rules of the Chartered Institute of Arbitrators (as amended or re-issued from time to time).

Governors' views are shared with the Board of Directors through the formal meetings of the Council of Governors, which are chaired by the Chairman who presides over the Board of Directors and are attended by the Non-Executive Directors. The Executive Directors are invited to attend the meetings to present reports and information. In addition, the Council of Governors and the Board of Directors hold joint meetings where the focus is on strategic or policy issues.

The Governors' Scrutiny Committee is a well-established committee of the Council of Governors which provides a forum to support the Council to meet its obligations under the Health and Social Care Act 2012, in particular, to hold the Non-Executive Directors to account. This Committee is chaired by the Deputy Chairman and has a core membership of Governors, including the Lead Governor, and is open to all governors to attend meetings as they wish. Meetings of the Committee are also attended by Non-Executive Directors and Executive Directors for appropriate agenda items.

Board of Directors meetings

**Board members are not routinely required to attend Council of Governors meetings. All Board members attended Council of Governors meetings when invited or requested to do so.*

NON-EXECUTIVE DIRECTORS					
All the Non-Executive Directors of the Board are considered to be independent					
Board member	Title	Meeting Attendance –attended/possible			
		Board of Directors	*Council of Governors	Appointments & Remuneration Committee	Audit Committee
Bruce Keogh	Chairman	9/11	2/4	4/4	n/a
Vijith Randeniya	Deputy Chairman	10/11	3/4	3/4	7/7
Colin Horwath	Non-Executive Director (until May 2018)	0/1	n/a	n/a	n/a
Judith Smith	Non-Executive Director	10/11	1/4	n/a	5/7
Alan Edwards	Non- Executive Director/ Chair of Audit Committee	10/11	3/4	2/4	7/7
Paul Heaven	Non-Executive Director (until May 2018)	1/1	n/a	n/a	n/a
Niti Pall	Non-Executive Director (from 1 June 2018)	5/9	2/3	n/a	n/a
David Richmond	Non-Executive Director	11/11	2/4	n/a	n/a
David Adams	Non-Executive Director	5/11	1/4	n/a	n/a
Sue Noyes	Non-Executive Director	9/11	2/4	n/a	n/a

EXECUTIVE DIRECTORS			
Board member	Title	Meeting Attendance attended/possible	
		Board of Directors	*Council of Governors
Sarah-Jane Marsh	Chief Executive Officer	11/11	2/4
David Melbourne	Deputy Chief Executive Officer/ Chief Finance Officer	8/11	4/4
Michelle McLoughlin	Chief Nursing Officer	8/11	0/4
Tim Atack	Chief Operating Officer – Mental Health (until October 2018)	4/4	0/4
Theresa Nelson	Chief Officer for Workforce Development (extended leave April-October 2018)	6/6	0/4

Matthew Boazman	Chief Officer for Strategy and Innovation	11/11	0/4
Fiona Reynolds	Chief Medical Officer	11/11	2/4
Alex Borg	Interim Chief Operating Officer	11/11	1/4
Sara Brown	Interim Chief Officer for Workforce Development (April-October 2018)	4/5	0/2

Council of Governors and Meetings

Governor	Constituency/ Class	Tenure	Meeting Attendance –attended/possible		
			Council of Governors	Governors Scrutiny Committee	Nominations Committee
Elected Governors					
Zaira Akhtar	BCH Patient	3 years from June 2017 (second term)	2/4	n/a	n/a
Zafin Aktar	BWH Patient/Carer	3 years from June 2017	2/4	2/4	n/a
Christopher Allen	Rest of West Midlands	3 years from September 2017	2/4	n/a	n/a
Kate Archer	BWH Patient/Carer	3 years from June 2017	1/4	1/4	n/a
Alex Baum	Staff – Non-Clinical	3 years from September 2017	2/4	n/a	n/a
Elizabeth Bernthal	BWH Patient/Carer	3 years from June 2017	1/4	n/a	n/a
Rachel Brown	Rest of West Midlands	3 years from December 2018	0/1	n/a	n/a
Lynda Cooper	Black Country	3 years from July 2016	3/4	n/a	1/1
Helen Cox	Staff – Nursing	3 years from December 2018	1/1	n/a	n/a
Judith Ferrarin	Birmingham and Solihull	3 years from December 2018	1/1	n/a	n/a
Kiah Ferrarin	Birmingham and Solihull	3 years from September 2017	2/4	n/a	n/a
Omega Gavaza	Rest of West Midlands	3 years from December 2018 (second term)	0/4	2/4	n/a
Rizwan Jalil	Black Country	3 years from June 2017	1/4	n/a	1/1
Andrea Jester	Staff – Medical/Dental	3 years from September 2017	4/4	3/4	n/a
Chris Jones	Birmingham and Solihull	3 years from March 2014	2/4	n/a	n/a
Clare Maceachen	BCH Carer	3 years from June 2017	4/4	n/a	n/a
Shelagh Musgrave	BCH Carer	3 years from December 2018	1/1	1/1	n/a
Musa Nela	BCH Patient	3 years from September 2017	2/4	n/a	n/a
Rebecca O’Sullivan	Staff – Clinical Other	3 years from July 2016	3/4	4/4	n/a
Claire Terry	Birmingham and Solihull	3 years from January 2017	4/4	3/4	1/1
Nicola Turner	Birmingham and Solihull	3 years from January 2017	2/4	n/a	n/a

Elizabeth Walker	BCH Carer	Ended December 2018	1/2	n/a	n/a
Sandra Wallace	Staff – Mental Health	3 years from September 2017	1/4	n/a	n/a
Alison Ward	Black Country	3 years from December 2018	0/1	n/a	n/a
Timothy Wilson	Black Country	Ended December 2018	0/2	n/a	n/a
Carola Wolf	Birmingham and Solihull	Ended December 2018	2/2	1/3	1/1
Appointed Governors					
Karen McCarthy	Birmingham City Council	3 years from June 2017	3/4	2/4	n/a

Balance and Completeness of the Board of Directors

The Executive and Non-Executive Directors of the Board provide a balance and breadth of knowledge, experience and skills. The Executive Directors have at a senior level considerable NHS experience in a range of areas including finance, medicine, nursing, midwifery, strategic and operational planning, research and workforce development. Their expertise is complemented by the Non-Executive Directors who have extensive private and public sector experience in business, commerce, banking, accounting, audit, research, management and leadership, marketing, NHS service provision, medicine, health care and health policy, and local enterprise.

The Nominations Committee and the Appointments and Remuneration Committee consider the balance and breadth of knowledge, experience and skills required on the Board at each appointment and reappointment of directors and have ensured the maintenance of a balanced and complete Board throughout the year.

The Chairman has no other significant commitments.

Board Member Skills, Expertise and Experience

Professor Sir Bruce Keogh - Chairman

Appointed January 2018

Expertise and Experience Sir Bruce has had a distinguished international career as a cardiac surgeon. He has had a longstanding interest in healthcare quality and has served on the boards of the Commission for Health Improvement and Healthcare Commission. He was appointed Medical Director of the NHS in 2007. For a decade he was responsible for clinical policy, clinical leadership and innovation across the health service. In 2018 he became Chair of the Birmingham Women's and Children's NHS Foundation Trust. He is keen to encourage a focus on training, research, clinical outcomes and taxpayer value. He was knighted for services to medicine in 2003.

Qualifications MD, DSc, FRCS, FRCP



Vij Randeniya – Deputy Chairman, Senior Independent Director

Appointed February 2015

Expertise and Experience Vij is the former Chief Fire Officer for the West Midlands Fire Service, spanning a thirty year career, Vij was also the elected President of the UK Fire Chiefs Association and served as the Chairman of Birmingham Metropolitan College. He led the Fire Service during a five year period which saw real terms budget cuts of 20%, yet improving outcomes for the public. Formerly a Chairman of Birmingham St Mary's Hospice, Vij is now the Vice Chairman for the Royal Society for Public Health and sits on Aston Universities Board. For the last three years he has been the Chairman of the Environment Agency's Trent River flood and coastal committee. He is a consultant with KPMG and is part of the Grenfell Tower Fire enquiry process.

Qualifications Ba (Hons) History, MA Management, Diploma in Business Excellence, Honorary Doctorate in Science from Aston University, Member of the Institute of Fire Engineers, Fellow of the Royal Society for the Arts and a Fellow for the Royal Society for Public Health.



Alan Edwards – Deputy Chairman

Appointed February 2015

Expertise and Experience Alan Edwards is an experienced public sector board member having previously been Chair of the Royal Wolverhampton NHS Trust and an Independent Member of the Board of the UK National Policing Improvement Agency. He is currently Deputy Chair of the Ethics, Transparency and Audit Panel for Staffordshire Police, Fire and Crime Commissioner. He is also Chair CIPFA Development at the Chartered Institute of Public Finance and Accountancy. Most of his career has been spent as a management consultant having been a consulting Partner at PwC, KPMG and IBM. Alan is a member of the International Federation of Accountants PAO Development Committee.

Qualifications BA (Hons) Business Studies and CPFA (Chartered Public Finance Accountant)



Judith Smith – Non-Executive Director

Appointed June 2014

Expertise and Experience Judith is Professor of Health Policy and Management and Director of the Health Services Management Centre (HSMC) at the University of Birmingham. She has worked in health services research and policy analysis for over 20 years in the UK and New Zealand, prior to which she was a senior manager in the NHS, and a graduate of the NHS Management Training Scheme. Judith took up post at HSMC in June 2015 following six years as Director of Policy at the Nuffield Trust, an independent charitable health research foundation in London. Earlier in her career, she was Fellow, Senior Lecturer and Director at HSMC from 1995-2007. Judith is on the board of Health Services Research UK, and is Vice-Chair of the Commissioning Panel of the National Institute of Health Research's Health Services & Delivery Research Programme. Previous roles have included: expert advisor on NHS



	organisation and commissioning, and policy assessor to the Mid Staffordshire NHS Foundation Trust Public Inquiry; and chair of the Royal Pharmaceutical Society Commission on Future Models of Care.
Qualifications	BA (Hons) French Language and Literature, Diploma in Health Services Management, MBA, PhD Health Services Management.

Sue Noyes – Non-Executive Director

Appointed	April 2018
Expertise and Experience	Sue Noyes is a chartered accountant by background, with twenty years' experience across the NHS at a senior level, including more than ten years as a finance director, and a number of acting Chief Executive positions in NHS provider and commissioner organisations. In 2013 Sue took the position of Chief Executive at East Midlands Ambulance Service NHS Trust where she led on a transformation programme; she has also managed organisational change including the merger of three organisations. She has a track record of delivering improved staff engagement, performance reporting and monitoring systems and collaboration across a number of organisations. She is Chair of Coventry Further Education College, Chair of the national Ambulance Staff Charity, and is a qualified coach and mentor, with her own career coaching business.
Qualifications	BA (Hons) English Studies, Member of ICAEW (Chartered Accountant), NHS Strategic Financial Leadership Programme, Counselling Skills Certificate, Coaching Diploma, DiSC Personality Profiler.



David Richmond – Non-Executive Director

Appointed	April 2018
Expertise and Experience	David was a Consultant Gynaecologist at Liverpool Women's Hospital and Honorary Lecturer at Liverpool University (1991-2017) and the Medical Director of the Trust from 1993 to 2010. He was involved with the Royal College of Obstetricians and Gynaecologists (RCOG) for 20 years culminating in becoming its Vice President (Clinical Quality) in 2010 and then President of the College from 2013-2016. He was a member of the Better Births report team in 2016 and then the Maternity Transformation Board in 2017. Through his Royal College positions, he has held several national and international roles, including Vice Chair of the Academy of Medical Royal Colleges. He retired from clinical practice at Liverpool Women's in July 2017. David is currently the South West Ambassador for Getting It Right First Time, a national quality improvement programme with NHSI, and national Clinical Lead for Obstetrics and Gynaecology.
Qualifications	BSc, MBChB, MD, FRCOG, FFMLM; Honorary Fellowships: FRCPE (Edinburgh), FRCPI (Ireland), FACOG (USA), FSOGC (Canada), FGSOG (Germany).



Niti Pall – Non-Executive Director

Appointed June 2018

Expertise and Experience Niti worked as a GP Partner from 1992 until 2013 and continues to hold sessions. She has been a practicing clinician for 30 years, initially training in Obstetrics and Gynaecology before becoming a GP. She has held numerous appointments as Director and Board Member over the last 25 years in the provider, commissioning, independent and voluntary sectors. Her previous executive appointments include Medical and Innovation Director for International Development Markets at BUPA, Chief Medical Officer for HCL Healthcare, and Founder for Health India Private Limited. She has held commissioning roles in the West Midlands for Sandwell and West Birmingham. Her voluntary sector roles include being a Trustee for Diabetes UK, a Board member for International Diabetes Foundation Europe, and a member of the advisory Board of the King's Fund. She has also established community interest companies locally for day services for Asian elders and Asian women's counselling. Alongside her current global role with KPMG she works with AXA advising on digital innovation.

Qualifications MBBS, LRCP, MRCS, VTS certified.



David Adams – Non-Executive Director

Appointed April 2018

Expertise and Experience David is Dean of Medicine, Pro-Vice Chancellor and Head of the College of Medical and Dental Sciences at the University of Birmingham, and Director of Birmingham Health Partners. He is a clinical academic with an international profile in the field of liver disease and leads the Birmingham National Institute for Health Research (NIHR) Biomedical Research Centre. He was elected to the Academy of Medical Sciences in 2000 and was made an NIHR Senior Investigator in 2013. He has served on national and international research panels, advisory boards and journal editorial boards, and currently chairs the Diabetes UK Research Committee as well as the Chairs and Programme Grants Committee for the British Heart Foundation. Throughout his career he has worked clinically as a hepatologist.

Qualifications MBChB, MD, Member of the Royal College of Physicians, Fellow of the Academy of Medical Sciences.



Sarah-Jane Marsh – Chief Executive Officer

Appointed June 2009

Expertise and Experience Sarah-Jane joined the NHS via the Graduate Management Scheme, holding various roles in primary and secondary care and at the Department of Health, before promotion to Director of Planning and Productivity at Walsall Hospitals NHS Trust. Appointed Chief Operating Officer at Birmingham Children's Hospital in December 2007, and Chief Executive Officer in March 2009, the Trust has been under her leadership for over nine years and was named 'Provider Trust of the Year' by the Health Service



Journal in 2015, and rated Outstanding by the CQC in February 2017. In 2015, Sarah-Jane took on the additional role of Chief Executive of Birmingham Women's NHS Foundation Trust, before going on to integrate the two Trusts to create the first Women's and Children's NHS Foundation Trust in Europe, just 18 months later. She also led the development of an innovative new mental health partnership for 0-25 year olds in the city – Forward Thinking Birmingham, the first of its type in the NHS. Sarah-Jane is also Chair of the NHS England Maternity Transformation Programme Board, which aims to make maternity care across England safer, and give women greater control and choice. Her passions are exceeding the expectations of patients and families, and making Birmingham Women's and Children's the very best place to work and be cared for.

Qualifications BA (Hons) History, MA Russian and Eastern European Studies, MSc Health Care Management

Michelle McLoughlin – Chief Nursing Officer

Appointed August 2007

Expertise and Experience Michelle is an experienced Board Director who operates as a system and organisational leader. With extensive healthcare knowledge, she combines her clinical and leadership skills to put Women, Children, Young People and families at the centre of Birmingham Women & Children's NHS Foundation Trust. Clinically she is a trained adult nurse, sick children's nurse and District Nurse. As an executive director, she has a wide and varied portfolio ranging from nursing to facilities. Her national profile includes being the Chairman of the National Association of Chief Children's Nurses (ACCN) and is currently the Chairman for a national project focusing on safe and sustainable workforce for Children and Young People's inpatient hospital care.



Qualifications MSc, RGN, RSCN, DN, Diploma in Community Nursing

Alex Borg – Interim Chief Operating Officer

Appointed October 2017

Expertise and Experience Alex started his career in the NHS on the Graduate Management Training Programme, during which time he worked in the acute sector and commissioning. Alex then worked for a period for a community provider organisation before he moved into the hospital sector in 2009, holding various operational management roles at Worcestershire Acute NHS Trust. In May 2013, Alex moved to Birmingham Children's Hospital as the Associate Service Director for the Medical Directorate, before being appointed to the role of Deputy Chief Operating Officer for the Trust in April 2015. Alex took on the role of interim Chief Operating Officer for acute services in October 2017. Alex is passionate about clinical leadership development and contributes to junior doctor training days, and is a visiting lecturer on the clinical leadership module at Keele University. He continues to support the future leaders of the NHS by remaining active in supporting the leadership academy and



current trainees.

Qualifications BSc (Hons) Business and Psychology, Msc Healthcare Leadership and Management, MBA Executive Leadership

David Melbourne – Chief Finance Officer/ Deputy Chief Executive/ Interim Chief Executive Officer

Appointed November 2009 (Interim Chief Executive Officer from 1-17 April 2016)

Expertise and Experience David joined the NHS from KPMG in the late 1990s and has held a variety of Board positions in Derbyshire, Lincolnshire and Birmingham. David joined BCH in late 2009 and his current roles include Board responsibility for finance, information and technology, performance, fundraising, estates and capital planning. He is a board member of Birmingham Children's Hospital Pharmacy Limited that operates the outpatient pharmacy. He is also a board member and chair of finance at the Health Exchange - a community interest company that provides health advice to communities across the West Midlands. He was selected as NHS Director of Finance of the year in December 2011. David is also a member of the NHS National Procurement Customer Board and chairs the Midlands Procurement Customer Board.



Qualifications BA (Hons) Economics and History, ACA, CPFA, MBA

Theresa Nelson – Chief Officer for Workforce Development

Appointed September 2011

Expertise and Experience Theresa joined the NHS in 2003 following a long career with Marks and Spencer where she held roles in Commercial Management and Human Resources. She has extensive workforce development experience operating in senior board level roles and has led the people element of the merger of two NHS organisations. She held a national role as lead for Clinical Leadership at the Department of Health and continues to champion clinical leadership through her regional roles. Theresa is passionate about workforce development and getting the best out of people through staff engagement, culture development and coaching. Through her leadership at BWC, the people agenda is a top priority in delivering high quality care for children, young people and their families.



Qualifications FCIPD; NLP Practitioner and Executive Coach

Fiona Reynolds – Chief Medical Officer

Appointed July 2015

Expertise and Experience Fiona joined Birmingham Children's Hospital in 2002 as a Consultant Paediatric Intensivist and held a variety of clinical leadership roles. Between 2007 and 2010 she was the clinical lead in PICU, overseeing a major expansion of the department. She was appointed as Deputy Chief Medical Officer in 2010. In 2012, Fiona led implementation of BCH becoming a Major Trauma Centre. She has led projects in long term ventilation, paediatric palliative care, electronic prescribing and e-learning. Fiona's major interests include patient safety and service and workforce redesign.



Qualifications BSc, MBChB, FRCA

Matthew Boazman – Chief Officer for Strategy and Innovation

Appointed March 2015

Expertise and Experience Matthew first joined the NHS in 2002, via the Graduate Management Training Scheme and has worked in a variety of NHS roles across Kent and the South East within secondary care, before moving to the Aids Committee of Toronto in Canada. In 2004 he joined the Whittington Hospital NHS Trust in North London as a General Manager, before going on to become Director of Operations for the Trust in 2011 and subsequently Whittington Health when it merged with the local community NHS Trust. Matthew joined Birmingham Children's Hospital in 2013 as Director of Strategy and Planning before becoming Chief Officer for Strategy and Innovation when Birmingham Women's and Children's Hospital was formed in 2017. His particular areas of interest are maternal and infant health, child health, rare diseases and genomics and he is leading the development of the Children's work programme for the Birmingham and Solihull STP as well as the West Midlands, Oxfordshire and Wessex genomics medicine consortium development.

Qualifications BSc (Hons) Biological Chemistry, MChem Biological Chemistry, MSc Health Care Management



Nominations Committee

The Nominations Committee is a committee of the Council of Governors, chaired by the Trust's Chairman. The Committee is responsible for the identification and nomination of non-executive directors for appointment (including the Chairman), giving consideration to succession planning and the balance of skills, expertise and experience required on the Board of Directors.

The Nominations Committee is also responsible for deciding upon the termination and renewal of non-executive terms of office and oversees the terms and conditions of office and remuneration of all Non-Executive Directors.

During 2018/19 the Nominations Committee approved a new appraisal process for non-executive directors.

Performance evaluation of the Board, its committees and its directors

The Board has conducted a review of the effectiveness of its system of internal control. During the year the Board obtained significant assurance through the work of the Internal Auditor which is described in detail in the Annual Governance Statement. In addition, internal evaluation was undertaken as follows:

- Annual reviews of the Audit, Quality, and Finance & Resources Committees.
- Annual appraisals of each Board member.
- An independent well-led governance review undertaken by KPMG based on the Well-Led Framework for Governance Reviews.

Responsibility for Preparation of the Annual Report and Accounts

The Directors are responsible for preparing the annual reports and accounts. The Directors consider that the Annual Report and Accounts 2018/19, 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.

The Audit and Value Committee

The Audit and Value Committee's key role is to provide oversight and assurance to the Board, specifically with regard to the Trust's financial reporting, audit arrangements, risk management and internal control processes and governance framework. The Committee:

- Provides assurance of independence for external and internal audit.
- Ensures that appropriate standards are set and that compliance with them is monitored.
- Monitors corporate governance.

The Committee reviews the adequacy of:

- The structures, processes and responsibilities for identifying and managing key risks;
- Risk and control related disclosure statements;
- The underlying assurance processes that indicate the degree of the achievement of our corporate objectives;
- The policies for ensuring that there is compliance with relevant regulatory, legal and code of conduct requirements;
- The operational effectiveness of relevant policies and procedures;
- The policies and procedures relating to fraud and corruption as set out in Secretary of State Directions and as required by the NHS Counter Fraud and Security Management Service;
- Our 'whistle blowing' procedures to ensure that arrangements are in place for the proportionate and appropriate investigation and follow-up of allegations.

The Audit Committee ensures that there is an effective internal audit function established by management that meets Government Internal Audit Standards and provides appropriate independent assurance to the Audit Committee, Chief Executive and Board of Directors. The Internal Audit function is provided by KPMG. For more information see the Annual Governance Statement.

The Audit Committee reviews the work and findings of the External Auditor and considers the implications of the External Auditor's work and our response to it. The External Audit function is provided by Deloitte.

We tendered in respect of our external auditors in 2018. The process for the procurement exercise was based on the Audit Code and NHS Improvement's Guidance for Governors and this was agreed by the Governors' Scrutiny Committee in 2017. The process was led by a joint working group of the Audit Committee and the Council of Governors, which included:

- A nominated Governor
- The Audit Committee Chair
- The Deputy Chief Executive/Chief Finance Officer
- The Company Secretary

The Working Group undertook the following tasks:

- Agreed the contract specification
- Agreed the scoring criteria and weighting
- Evaluated the tender submissions against the agreed criteria
- Agreed the panel interview questions

- Formed an interview panel.
- Scored the bidders' presentations and interviews against the agreed criteria




Upon the recommendations of the Working Group, the Council of Governors awarded a three year contract to Deloitte with an option to extend for a further 2 years.

The value of external audit services provided in 2018/19 is £94k including VAT.

Deloitte also provides non audit services; the value of the non-audit services provided is £18k including VAT, which is for regulatory reporting. These services are overseen by the Audit Committee. The Audit Committee is assured that the External Auditor's internal controls and appropriate challenge by the Committee ensure that auditor objectivity and independence is safeguarded.

The Audit Committee monitors the integrity of the financial statements of the Trust and any formal announcements relating to the Trust's financial performance.

In addition to the internal audits (see Annual Governance Statement) in 2018/19 the Audit Committee considered the following topics and applied an assurance rating (red/amber/green) to each:

Topic	Assurance rating
Controlled Drugs processes.	
Reference Costs processes.	
Cyber Security	

The Committee also approved the following, where there were no significant issues:

- Annual Reports and Accounts
- Accounting Policies, Practices and Estimation Techniques
- Managing Conflicts of Interest Policy
- Raising Concerns Policy
- Fit and Proper Persons Policy
- Single Tender Actions

The Committee also received reports from the Value Scrutiny Panel, which was introduced to the agenda of the Audit and Value Committee in 2018/19 in order to enable the Committee to more closely focus on the systems and controls in place to ensure the provision of the best possible value for the taxpayer. During the year the Value Scrutiny Panel discussed the following topics:

- Clinical Variation
- Workforce Productivity
- Quality Improvement Methodology

Membership Report

Eligibility

Membership of Birmingham Women's and Children's NHS Foundation Trust is open to:

- Any person who is or has been a patient/service user of Birmingham Children's Hospital or Birmingham Women's Hospital in the last five years
- Any person who is or has been a parent/carer of a patient/service user of Birmingham Children's Hospital or Birmingham Women's Hospital in the last five years
- All permanent staff members and those staff members who are on a temporary contract of 12 months or greater
- Any member of the public aged 10 or over who lives in one of the following constituencies:
 - Birmingham and Solihull
 - The Black Country
 - Rest of England

Membership Numbers

The Trust set and achieved a target of 10,000 members by 2010/11 and this has been maintained since that time.

The number of members in each constituency is as follows:

Membership 2018/19	
Total Public Members	4,054
Total Patient/Carer Members	5,007
Total Staff Members	5,739
TOTAL	14,800

Membership Engagement

During 2018/19 we continued our approach to membership communication through fully electronic means by issuing a quarterly newsletter to all public, patient and carer members.

Each year we hold an Annual General Meeting (AGM) to which our members are invited to hear about how the Trust has performed over the year.

Our Young Person's Advisory Group (YPAG) has evolved from our membership. In 2018/19 the Council of Governors received updates from YPAG and we plan to repeat this during 2019/20. More information about the activities of this group can be found in the Accountability Report above.

Our staff members are engaged throughout the year on the Trust's strategy, and their input sets the agenda of our annual week-long staff engagement week (named BWCFest in 2018/19), which drives the Trust's strategy development.

More information about how we have engaged with staff can be found in the Staff Report.

Membership Strategy

We are able to access a range of information about the make-up of our membership. The data allows us to determine whether our membership is representative of the population we serve. This assists us to identify where sections of the population are under-represented which helps to inform our membership strategy.

In 2019/20 we will also focus on increasing communication and engagement with our current members, and we will aim to achieve and maintain a membership that is truly representative. We will do this by:

- Communication through our website and social media platforms.
- Distributing regular information to members via email.
- Inviting members to attend events, such as Council of Governors meetings and the Annual General Meeting.
- Supporting Governors to communicate with members and the public.
- Encouraging members to communicate with Governors.
- Actively publicising governor elections.

Members can communicate with Governors as follows:

By email: bwc.foundationtrustoffice@nhs.net

By post:

Birmingham Women's and Children's NHS Foundation Trust
Foundation Trust Office
Birmingham Children's Hospital
Steelhouse Lane
Birmingham
B4 6NH

Details of all material interests held by Governors are contained in a Register of Interests which is open to the public and may be obtained on the Trust's website.

NHS Improvement's Single Oversight Framework

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

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

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

This segmentation information is the Trust's position as at 15 May 2019. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

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 disclosed above might not be the same as the overall finance score here.

Use of Resources Ratings 2018/19

Area	Metric	Q4 2018/19 Score
Financial sustainability	Capital service capacity	1
	Liquidity	1
Financial efficiency	I&E margin	1
Financial controls	Distance from financial plan	1
	Agency plan	3
Overall scoring		2

Sustainability Report

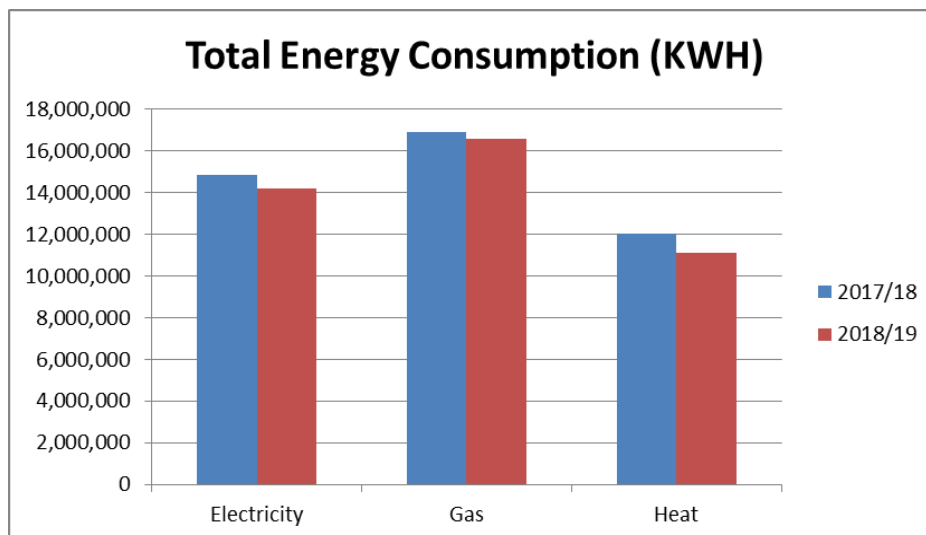
Environmental Sustainability is making sure that we meet the needs of today, without compromising the ability of future generations to meet needs of their own.

As a major consumer of resources, we realise that our healthcare services have a significant impact on the environment. The Trust remains committed to reducing these impacts, whilst also working towards creating a more efficient and sustainable system. We recognise the importance of embedding sustainability into the heart of the organisation and that using resources efficiently, for example energy and water, will reduce wastage and deliver cost savings.

Energy and water use in our buildings

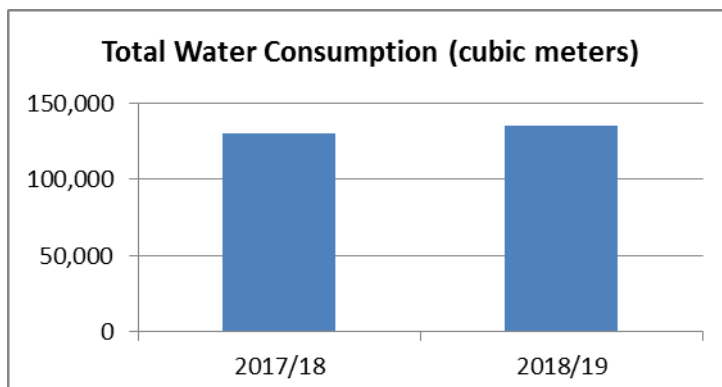
The Trust is working to implement projects to improve the energy and water efficiency of our sites. At the Birmingham Children's Hospital and Birmingham Women's Hospital sites, Combined Heat and Power (CHP) units are in place to reduce our impact on the environment and energy costs. Figure 1 illustrates energy trends since 2017/18.

Figure 1: Total energy consumption trends across all Trust sites from 2017/18 and 2018/19



Water is essential in maintaining high levels of hygiene. Water consumption across all sites for 2018-19 is 135,370 cubic meters (see Figure 2). As the Trust takes on more services and increases in activity, further water is required. Water systems throughout the Trust are regularly flushed in order to maintain a safe water supply, increasing consumption. Through constant monitoring, leak detection and repair, the Trust endeavours to keep water wastage to a minimum.

Figure 2: Total water consumption for the Trust

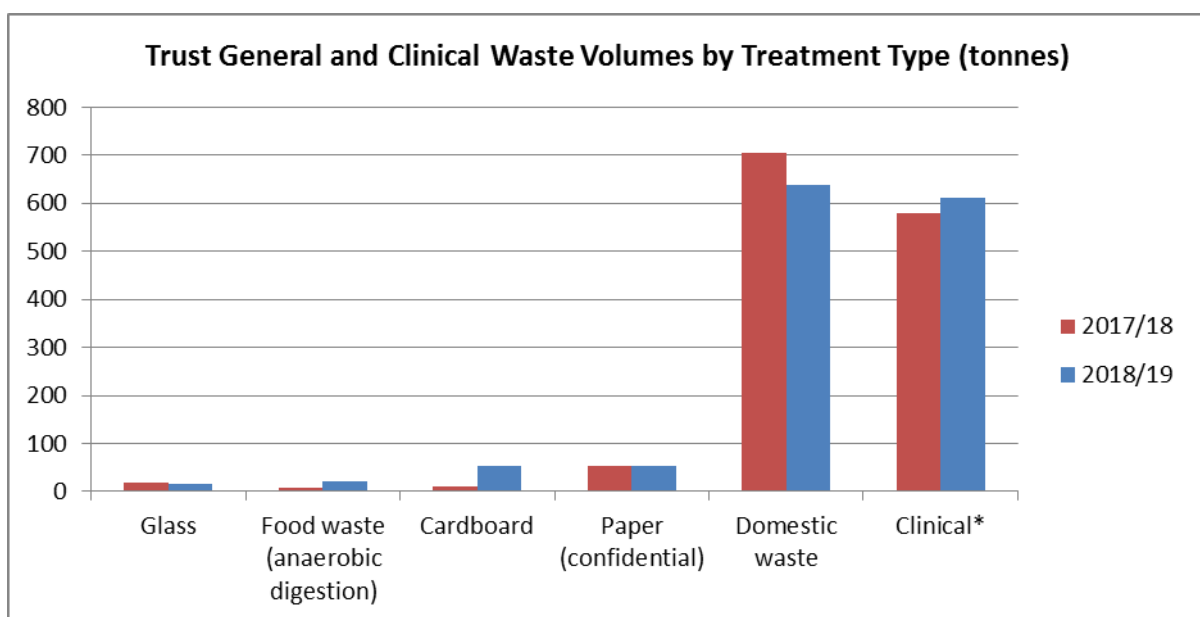


Waste

The NHS is a vast consumer of goods and natural resources. The Trust adopts the waste hierarchy and we are seeking innovative ways to dispose of the waste we generate in an environmentally sustainable way.

Since the end of 2013, the Trust has been diverting a majority of its general (domestic) waste from landfill. This waste is instead incinerated (burnt at very high temperatures) with energy recovery. Energy recovery is an excellent method of avoiding landfill and allows us to capture the energy from the incineration process. Electricity generated during this process supplies around 30,000 homes and many businesses in and around Birmingham. Confidential paper waste is destroyed and then recycled and clinical waste is incinerated with energy recovery.

Figure 3: Total general and clinical waste volumes by treatment type.

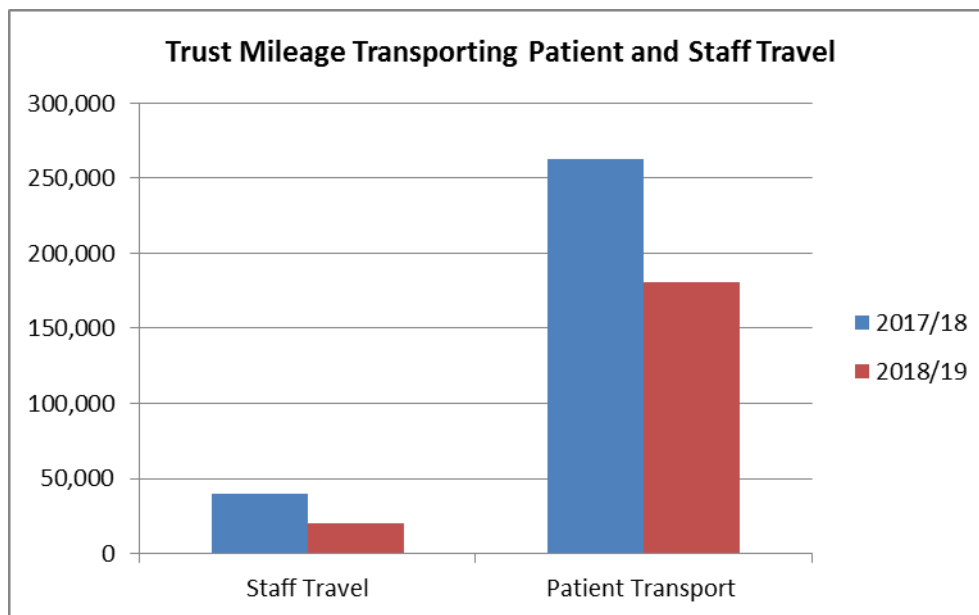


*Clinical waste includes category A, B, anatomical, cytotoxic, medicinal/pharmaceutical, sharps, offensive and radioactive waste streams.

Transport and Travel

The Trust is working to reduce the number of single occupancy vehicles to our hospital sites. We promote and advocate active and sustainable modes of travel like cycling, walking, public transport and low emission vehicles. Accessibility to the site via more active and sustainable modes, particularly for vulnerable patients, may not be feasible and so the Trust does have to provide alternative arrangements. Figure 4 illustrates Trust mileage transporting staff and patients via private hire vehicles (e.g. taxi).

Figure 4: Trust transport mileage



Staff are encouraged to access our sites via public transport, by walking or cycling where possible. We have a cycle to work scheme, cycle parking facilities, promote car sharing, and work with external transport agencies to facilitate and support staff.

Sustainability and future plans

The Trust is working to embed environmental sustainability into the heart of the organisation. We are developing a Sustainable Development Management Plan, which will provide the foundations to guide us towards being more resource efficient, with a view to protecting the environment for future generations and providing financial savings. It will include a number of objectives and some of these being:

- Rolling out 'Green Impact', our staff environmental behaviour change programme;
- Installing more energy efficient lighting;
- Maintaining our shutdown software to power down computers when not in use;
- Review our current Building Management Systems to ensure buildings are performing as efficiently as possible (e.g. with improved heating and ventilation controls and occupancy controls);
- Ensuring that future buildings are as energy efficient as possible;

***Some of the data has been estimated as at the time of compiling this report the data is not yet available from suppliers.**

Statement of the Chief Executive's responsibilities as the Accounting Officer of Birmingham Women's and Children's NHS Foundation Trust

The NHS Act 2006 states that the Chief Executive is the accounting officer of the NHS Foundation Trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS Improvement.

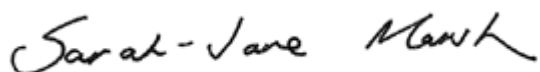
NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Birmingham Women's and Children's NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Birmingham Women's and Children's 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 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.



Sarah-Jane Marsh
Chief Executive
24 May 2018

Annual Governance Statement 2018/19

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Birmingham Women's and Children's 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 Birmingham Women's and Children's NHS Foundation Trust for the year ended 31 March 2019 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

Leadership

The Board of Directors has ultimate responsibility for risk management and internal control. This is managed through the Board's corporate governance arrangements, including layers of risk reporting through the Board's committee structure which ensures a link between risk management at Board and at local department level.

Risk Management Training

Staff are trained and equipped to manage risk in the following ways:

- Mandatory risk, health and safety training for new staff on induction, including Duty of Candour and the importance of incident feedback to staff.
- Refresher risk training every three years for all staff.
- Advanced investigations training.
- Support is provided by the Quality Governance Team.
- Guidance is provided on the staff intranet, including general risk management as well as guidance on the usage of the new risk management and incident reporting system DATIX, which was implemented in 2018/19.

Learning from Good Practice

Learning from good practice is as important as learning from when things go wrong. This is achieved at the Trust in a number of ways, including:

- **Learning from Excellence Reporting:** Episodes of excellent practice are identified and reported by staff members through the incident reporting system and learning is shared.

- **Star Awards:** Staff are nominated as stars each month by patients, families and colleagues; the actions that led to their nominations are widely shared across the Trust, including the Board of Directors meetings.
- **Improvement Acorns:** Awarded to teams that demonstrate quality improvement or innovative practice; these are displayed in the Hospitals' Education Centres and summaries are shared on the staff intranet.
- **Quality Improvement huddles:** This key element of our Quality Improvement methodology is being rolled out to all clinical areas over the next two years; included in the huddle is an opportunity to celebrate positive results from improvements.

The Risk and Control Framework

Risk Management Framework

The aim of the Trust's risk management framework is to help the organisation understand the risks it faces and to make informed decisions about the extent to which risk can be tolerated and controlled. This is achieved by supporting staff at all levels with risk management tools and training and by maintaining governance systems and frameworks.

The Board, through engagement with staff, sets and regularly reviews its strategic objectives. The most significant risks to achievement of those objectives are set out in the Board Assurance Framework (BAF). The BAF describes the ways in which each risk is controlled, the actions required to further control and manage each risk and the assurances as to the effectiveness of those controls.

The Board agrees its appetite or tolerance for each individual risk by setting the target risk score, which is regularly reviewed and updated. During 2018/19 the Board also commenced a new process for examining its general risk appetite through an internally developed questionnaire completed by each Board member, the outcomes of which flag any differences in risk perception between members and provide a way of identifying where the Board might need a different approach to tackling risk.

The Risk Assessment Policy sets out the responsibilities and accountability for the assessment of risk and provides guidance on day to day risk management.

Governance Structures and Accountability

The BAF is informed by the work of the Board and its committees through Key Issues and Assurance Reports, which assign an assurance rating to each issue considered. In turn the agendas of the committees are informed by the contents of the BAF.

The sub-committee (committees that report to the Board committees) review of risk is informed through regular reports from the Trust's clinical and corporate departments and through oversight and analysis of the Trust's Risk Register. The sub-committees and other executive committees also use Key Issues and Assurance Reports to enable the Board and its committees to focus attention on areas with lower levels of assurance.

The Clinical Safety and Quality Assurance sub-Committee and the Non-Clinical Risk Coordinating sub-Committee are responsible for reviewing information about risks escalated by the Clinical Groups and corporate departments, and for ensuring appropriate controls and mitigations are in place. The Information Governance Committee monitors risks regarding the way in which the Trust handles its information. The Workforce Committee monitors workforce related risks. These sub-committees report to the Board via the Quality Committee, which holds the sub-committees to account for managing the risks within their terms of reference.

The Finance and Resources Committee monitors financial and operational risks, including essential financial, workforce and operational targets as well as productivity and efficiency. It receives reports

from the executive Performance Groups, the Investment Committee, the Cost Improvement Plan Delivery Group, the ICT Programme Board and the Workforce Committee, holding them to account for the management of risks within their terms of reference.

During 2019/20 the Board will review the ways in which workforce information is reviewed by each Board Committee, with a particular focus on the work of the Workforce sub-Committee.

The Trust is subject to a range of reviews by external bodies, including regulators and peer reviewers. Processes are in place to identify and monitor the risks to compliance with the standards assessed by these external bodies, and to monitor the implementation of actions to address these risks. Information about planned or completed external reviews is included within an Integrated Assurance Report alongside a summary of CQC assurance information, internal audit outcomes and summaries of operational performance reviews. This report is reviewed each month by the Quality Committee.

The Trust's risk management and quality monitoring processes are used to identify any potential risks to compliance with Care Quality Commission (CQC) registration requirements. Any areas of concern are reviewed in depth to identify actions for any improvement required.

An annual review of each Board committee is undertaken to ensure their continued effectiveness.

In order to assess risks to compliance with the Trust's obligations on equality and diversity the Trust requires every formal policy to include an equality impact assessment. On an annual basis the Trust publishes a report describing compliance with national, regional and local standards including the Workforce Race Equality Standard and the Equality Delivery System for the NHS.

Well-Led Framework Assessment

During the year the Board commissioned an independent well-led governance review from KPMG. The overall rating provided was amber/green: *Partially meets expectations but confident in management's capacity to deliver green performance within a reasonable timeframe. Some elements of good practice, has no major omissions and robust action plans to address perceived shortfalls with proven track record of delivery.*

Twelve medium priority recommendations were made: *these recommendations address potentially significant or medium level weakness in the governance arrangements in place at the Trust. Addressing these issues will be key to developing the Trust score for each of the key questions of the Well-Led Governance Framework.*

The Board has taken, or intends to take, the following key actions to address the medium priority recommendations:

- Relaunch the Trust's values which support delivery of the strategy, to ensure staff understand and relate to the values and are supported to embody them.
- Review the ways in which the Board committees each consider workforce matters to ensure an appropriate depth and breadth of review without duplication.
- Review the effectiveness of the divisional clinical director structure.
- Implement a performance indicator assessment process for data.

Data Security

During 2018/19 the Internal Auditor completed a review of the Trust's compliance with the Data Security and Protection Toolkit. This was rated partial assurance with improvement required. The key areas for improvement related to data security awareness training. The Audit and Value Committee was satisfied with the actions planned in response.

Cyber security is a high-scored risk on the Board Assurance Framework and the Board recognises that the risk within the NHS is likely to remain high for some time. In 2018/19 the Board received NHS Digital GCHQ certified board-level cyber security awareness training.

Cyber Security was reviewed by the Internal Auditor in 2018/19 (see below).

Major Risks

The major risks faced by the organisation at the end of 2018/19 are detailed below. They are regularly reviewed as part of the Board Assurance Framework by the Board and its Committees.

RISK	IN YEAR OR FUTURE	MANAGEMENT AND MITIGATION	ASSESSMENT OF OUTCOMES
Inability to recruit and retain the right staff with the right skills.	In year and future	<ul style="list-style-type: none"> Recruitment and retention work programme Workforce development plan Contribution to Health Education England workforce strategy, and wider NHS strategic groups on workforce supply/talent Use of international workforce supply routes and alternative workforce models Staff engagement and health and wellbeing programmes Workforce redesign built into business planning for 2019/20 	Vacancies in key positions. Numbers of applicants. Number of vacancies unfilled after interview.
Failure to manage capacity and flow through our services.	In year and future	<ul style="list-style-type: none"> Capital Programme Initiatives such as 23 hour pathway and nurse-led discharge 	Achievement of operational performance targets.
Failure to successfully deliver the Forward Thinking Birmingham model and planned benefits.	In year and future	<ul style="list-style-type: none"> Executive and Board oversight of performance and quality Refreshed divisional governance arrangements Focused work on waiting list Renewed temporary staffing controls and recruitment strategy to reduce agency usage and fill vacancies 	Improved CQC assessment. Improved internal performance assessment.
Failure to detect and contain risks to cyber security and protect the Trust's critical data sets.	In year and future	<ul style="list-style-type: none"> Upgraded password controls Firewalls Upgraded to latest software revision Improved monthly PC security only patch deployment across all of the Trust PC estate Monthly patch routine on non-service affecting server infrastructure Additional Anti-malware products purchased and deployed across the PC estate Key members of the ICT team have undergone additional specialist training 	Improved assessment of good practice compliance.

On 21 December 2018 the Department of Health issued EU Exit Operational Readiness Guidance for providers and commissioners. As part of the guidance all trusts were required to complete an impact/risk assessment on a 'no deal' scenario. The Senior Responsible Officer for EU Exit preparation planning for the Trust is the Deputy Chief Executive. As per guidance an EU Exit preparation planning team was formed to support preparation, implementation and incident response. Liaison with NHS England, CCGs and Local Health Resilience Partnerships and forums is ongoing with responses to information requests being completed within strict deadlines. Regular reports are made to the Board and relevant committees.

Corporate Governance Statement

The Board is assured that the Trust is fully compliant with NHS Foundation Trust Licence Condition 4 (foundation trust governance).

The Board receives independent assurance on an annual basis from the External and Internal Auditors that its corporate governance systems are appropriate, which provides validity to this statement.

The principal risks to compliance with Condition 4 are:

- The ability to recruit and retain the right staff with the right skills.
- Failure to detect and contain risks to cyber security.
- Failure to successfully deliver the Forward Thinking Birmingham model.

These risks are described in the Board Assurance Framework as above.

Public Stakeholders

The Trust provides information and assurance on risk management to the public through the Council of Governors, which includes Governors elected by the public, patients, carers and staff, and Governors appointed to represent our key partners.

This information and assurance is provided in a range of ways, including:

- Provision of all papers of the public meetings of the Board of Directors and an opportunity to discuss the contents of these papers at each meeting of the Council of Governors.
- Reports on the work of the Board and its committees and the key issues they consider.
- Reporting led by the non-executive members of the Board to provide assurance on how the Board is controlling risk.
- Joint workshops with the Board.
- Engagement in the development of the Trust's strategic priorities, vision and values.

The Governors' Scrutiny Committee, a committee of the Council of Governors, meets on a quarterly basis to undertake detailed scrutiny of matters pertaining to quality, finance and governance. Assurance in these areas is provided by members of the Board (particularly the non-executive chairs of the Board committees) to support the Council of Governors to effectively perform its duty to hold the non-executive directors to account for the performance of the Board. During 2018/19 the Committee scrutinised and provided supportive challenge regarding some of the Trust's most significant issues, in particular theatre safety and the quality issues identified in Forward Thinking Birmingham

Workforce Safeguards

The Finance and Resources Committee regularly reviews information about the Trust's workforce, including staffing efficiencies, productivity, workforce performance metrics and strategic workforce priorities.

The Audit and Value Committee reviewed the following in 2018/19 to provide assurance to the Board that staffing procedures are safe, sustainable and effective:

- FTB temporary staffing controls
- Workforce savings and productivity
- Job planning

The Board reviews a regular nursing and midwifery safe staffing report, including a self-assessment against the recommendations within the National Quality Board improvement resource for safe, sustainable and productive staffing in children and young people's in-patient wards in acute hospitals.

In October 2018 NHS Improvement published 'Developing Workforce Safeguards', a document designed to help trusts manage common workforce problems by making recommendations to support workforce decision making that is informed, safe and sustainable.

The Trust has established a multi-professional Developing Workforce Safeguards steering group, chaired by the Chief Officer for Workforce Development, to oversee the work required to implement the recommendations. A key focus of the group is to ensure that the evidence used to demonstrate compliance must also be meaningful and useful for local and divisional teams to support the delivery of their individual workforce plans.

A self-assessment has identified good practice in some areas but further work and resource is needed in other areas to ensure all the recommendations can be fully met, including those with an expected implementation date of 2021.

Compliance Statements

- The Trust is compliant with the registration requirements of the Care Quality Commission (CQC). However, in February 2018 the Trust's community Child and Adolescent Mental Health service was rated Inadequate. The Trust's internal assessment demonstrates that the service has improved in each of the CQC quality domains. A reinspection of the service took place in April 2019 and the outcome is awaited.
- The Trust has published an up-to-date register of interests for decision-making staff within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance.
- As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure 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 has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust

ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

The Trust has a range of processes embedded throughout the organisation to monitor the economic, efficient and effective use of resources and these are reported to the Board through a detailed Resources Report and an Integrated Performance Report. The latter provides a summary of performance against key indicators relating to operations, finance, workforce and quality. This includes efficiency and productivity measures.

The Finance and Resources Committee undertakes on behalf of the Board regular in-depth reviews of the Trust's financial position, business cases for significant revenue and capital investments, and the investment of cash balances.

The Audit and Value Committee supports the delivery of effective, efficient and economic services through detailed review of the internal controls in areas such as procurement, reference costs, accounting policies and practices, financial reporting and fraud.

The Audit and Value Committee is supported by the work of the Internal Auditor, which undertakes reviews of core risk areas such as financial controls, payroll, data quality and risk management.

In 2018/19 the Audit and Value Committee established a Value Scrutiny Panel as part of its main agenda. The purpose of the Panel is to review the systems, processes and controls that ensure value for money and a balance between achieving financial efficiency and high quality services.

Information Governance

Risks to information are managed through the use of the NHS Digital Data Security and Protection Toolkit (DSPT). The Trust's Data Protection and Confidentiality Policy, Incident Reporting and Learning Policy and Serious Incidents Requiring Investigation Policy provide documented mechanisms for the reporting and investigation of actual or suspected information security breaches and potential vulnerabilities. The DSPT submissions and the annual plan to improve compliance with the relevant standards are approved and regularly reviewed by the Information Governance Committee, which reports to the Board via the Quality Committee.

The DSPT assessment for 2018/19 was 'standards not fully met (plan agreed)'.

Two information governance incidents classed as level two in the Information Governance Reporting Tool were reported to the Information Commissioner's Office in 2018/19. One incident involved the theft of paperwork. In response to this incident portable devices have been issued to enable secure electronic access to patient information whilst off site. The second incident involved information disclosed in error but was downgraded as there was no person identifiable data breach. Measures have now been put in place to ensure that electronic recordings are double checked prior to disclosure.

Annual Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement (in exercise of the powers conferred on Monitor) has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

Assurance to the Board

The steps taken to ensure that the Quality Report presents a balanced view based on accurate data include:

- Production of the report led and overseen by the Chief Medical Officer and the Deputy Chief Nurse.
- Priorities reported are linked to the Trust's Quality Strategies which reflect analysis of data from clinical safety incidents and feedback from staff and patients.
- The report includes statements from key stakeholders, including the Council of Governors, Commissioners and Healthwatch, which help ensure the Quality Report presents a balanced view. The Council of Governors in particular focuses on whether the Quality Report is reflective of the information presented by the Board throughout the year and of its own observations of our services.
- The quality of the Trust's operational performance data is monitored by a Data Quality Group which reports to the Information Governance Committee. The Trust has developed a Data Quality Assurance Framework to ensure the performance data reported is of the highest quality.
- A selection of the Trust's priority quality indicators are reviewed by the Trust's External Auditor each year to provide assurance on the annual Quality Report.
- The External Auditor also assesses whether the Quality Report is consistent with the information reviewed by the Board and its Committees during the year.
- The Quality Committee reviews the report before publication.

Quality and accuracy of waiting list data

During 2018/19, further development work has been undertaken to integrate and combine Women's data and Children's data and provide accurate waiting lists for both sites, including Referral to Treatment pathways (RTT). We are satisfied that the current RTT Patient Tracking List (PTL) for both sites accurately reflect the incomplete 18 weeks RTT position, although validation is continuous and indicates training is still required at both sites to prevent data quality errors.

RTT training has been implemented across both sites but it has been decided that training on all waiting lists, inpatient, outpatient and diagnostic is required. We have increased the size of the Patient Access Team so that a thorough validation of the Women's elective waiting lists is currently underway so that we will be able to see an accurate and robust inpatient and outpatient waiting list, alongside the RTT PTL for both sites.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit and Value Committee, Finance and Resources Committee and Quality Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Role of the Board

The Board maintains oversight of the system of internal control through a framework of governance and assurance. The Board delegates assurance functions in relation to quality, workforce, finance and operational performance to its Committees, enabling the Board to focus on the most significant

risks and issues and to set a strategic direction which is based on clarity around the quality of the Trust's services and the strength of its internal controls. Key elements of the governance and assurance framework are:

- The Finance and Resources Committee, which provides assurance to the Board as to the effective management and utilisation of the Trust's resources and maintains oversight of financial control and management arrangements. This includes:
 - Approving strategies and monitoring their implementation.
 - Receiving regular reports from sub-committees and groups that are responsible for managing matters such as workforce, operational performance, financial sustainability and capital project implementation.
 - Approval of business cases for investment and review of the achievement of business case benefits post-investment.
- The Quality Committee, which provides assurance to the Board that there are adequate controls in place to ensure the provision of high quality and safe care. This includes:
 - Receiving regular reports from sub-committees and groups focused on the core elements of quality – safety, effectiveness and patient experience, plus key areas of regulatory control, such as information governance and the Mental Health Act.
 - Monitoring compliance in areas such as safeguarding, infection control and safe working.
 - Reviewing independent assurance on quality from the internal auditor and regulatory and other review bodies.
 - Monitoring key quality metrics through regular reports on quality, workforce and non-clinical safety.
 - Reviewing the effectiveness of governance and assurance processes such as mortality review.
 - Overseeing the implementation of significant quality improvement schemes.
- The Audit and Value Committee, which is responsible for providing assurance to the Board on the Trust's financial and internal controls and risk management systems, the integrity of the financial statements and the effectiveness of the internal audit function. The Audit and Value Committee plays an important role in reviewing the effectiveness of other main Board Committees by receiving an annual report from each.
- An annual report from the Audit and Value Committee reviewing its own effectiveness in fulfilling its terms of reference.
- The Research and Service Innovation Committee which supports and oversees the development and implementation of the Research and Development Strategy and associated strategies and improvement programmes.
- Key Issues and Assurance Reports from each meeting of each Board Committee, which draw the Board's attention to areas where the Committees have rated assurance as low.
- The Integrated Performance Report which provides the Board with an integrated summary of key metrics within four quadrants of performance: quality, workforce, operations and finance.
- Regular review of the Board Assurance Framework, including recommendations from the Board Committees, which monitor the risks relevant to their respective terms of reference.

- Regular refresh of the Board Assurance Framework to ensure it reflects the changing internal and external environment and the Trust's shifting priorities and objectives.

The Board's assurance role is supported and overseen by the Council of Governors, which seeks assurance regarding the performance of the Board from the non-executive directors.

Quality Committee

Key areas of focus for the Quality Committee in 2018/19 were:

- Forward Thinking Birmingham
- Theatre Safety
- Neonatal Services (BCH)
- Antenatal Clinic
- Abortion care
- CIP Quality Impact Assessments
- Obstetrics and gynaecology workforce
- Clinical outcomes.

Finance and Resources Committee

Key areas of focus for the Committee during the year included:

- Approval of operational and financial plans and business cases for major investments.
- The finance, performance and workforce risks and controls within FTB.
- Implementation of key workstreams in the delivery of the efficiency target.
- Strengthening financial controls to support achievement of the financial target.
- Staff efficiencies
- Financial recovery
- Areas of operational under-performance.

Audit and Value Committee

During the year the following were key areas of focus for the Audit and Value Committee in providing assurance to the Board as to the effectiveness of internal controls:

- Cyber maturity and security.
- Controlled drugs.
- Reference costs.

Value Scrutiny Panel topics:

- Clinical Variation
- Workforce Productivity
- Quality Improvement Methodology.

Role of Internal Audit

The Trust uses a comprehensive Internal Audit service as part of its assurance process around internal controls. An annual risk-based internal audit work programme is approved by the Audit and Value Committee and progress is reported at each meeting. The work programme may be amended during the year to respond to changing needs of the Trust or emerging risks.

Reports of each review within the work programme include an assurance rating; either:

- Significant Assurance
- Significant Assurance with minor improvement opportunities
- Partial Assurance with improvements required

- No assurance

Each review also includes a management response which describes the actions the Trust will take to address the recommendations for improvement. The Audit and Value Committee receives regular reports on progress to implement these actions.

The following areas were reviewed by the Internal Auditor in 2018/19 with a rating of Significant Assurance with minor improvement opportunities:

- Key Financial Controls
- Payroll
- Risk Management and Board Assurance Framework
- CQC Compliance – Neonatal Follow-Up
- CQC Compliance – Abortion Care

The Internal Auditor gave a rating of Partial Assurance with improvement required to the following reviews:

IT General Controls – Cardiology: The high priority recommendations related to the need to improve formal alignment between the IT Team and the Cardiology department, to define a clear Cardiology system development plan, to improve the restriction of system access for leavers, and to formalise system change management procedures.

Data Security and Protection Toolkit: One high priority recommendation was made, regarding ensuring compliance across the Trust in completing mandatory data security awareness training;

Workforce Savings and Productivity: Two high priority recommendations related to the planning process and framework to support the identification of workforce efficiency opportunities, along with overcoming cultural challenges by placing more emphasis on engagement and accountability.

Forward Thinking Birmingham: 2018/19 Planning: The key issue was the need for a budget review and reforecast supported by a cost improvement plan.

Forward Thinking Birmingham: Temporary Staffing: The high priority recommendations related to the need for more robust planning, hiring and approval processes.

Research and Development Financial Governance: The key concern was the need to refresh the finance support provided to the Research and Development department and to review financial processes.

Patient Waiting List Management/RTT: Women's services: The high priority recommendations included validation of patient tracking and waiting lists, staff training and improved team resilience.

Pharmacy Governance: Recommendations related to processes, training and audit to improved controlled drugs management compliance, leadership support and risk assessment.

Data Quality: Diagnostic Waits: the review identified that application of the reasonableness criteria when booking diagnostic appointments was not being applied consistently across the Trust.

CQC Compliance: Antenatal Pathway: Medium priority recommendations related to issues including safe and secure storage of medications and addressing continuing patient experience issues

The Audit and Value Committee was assured by the plans to address the issues identified by these reviews.

The Head of Internal Audit and the Audit and Value Committee have advised me that 'significant with minor improvements assurance can be given on the overall adequacy and effectiveness of the Trust's framework of governance, risk management and control'.

Conclusion

There are no significant internal control issues that I wish to report. I am satisfied that all internal control issues raised have been, or are being, addressed by the Trust through appropriate action plans and that the implementation of these action plans is monitored.

A handwritten signature in black ink that reads "Sarah-Jane Marsh". The script is cursive and fluid, with the first name "Sarah" and last name "Marsh" clearly distinguishable.

Sarah-Jane Marsh
Chief Executive Officer
24 May 2019

Quality Report 2018/19

1. Statement from Chief Executive

2018/19 has been another proud year for Birmingham Women's and Children's as we have continued to treat more patients and families than ever before. Ensuring that we deliver high quality, safe and effective services to each and every one of our women, children, young people and families has remained our number one priority throughout, and we are extremely pleased to have made significant progress across a range of important areas, whilst also integrating new services into our organisation, including community mental health support for 18-25 year olds, and a world renowned Early Intervention Psychosis team.

Our quality improvement projects have been wide and varied, but always focused on the specific quality challenges we know impact on our patients and families, including abortion care, antenatal scanning clinics, theatre safety, mental health and neonatal care.

In abortion care we have undertaken a complete redesign of our pathway to ensure we are able to deliver some of the most complex abortion care services in the NHS. This has included improving access, whilst training and developing our clinical teams to ensure the highest levels of skill and compassion.

We have made significant progress with our antenatal service too, reducing waiting times for antenatal scanning clinics. This has resulted in shorter visits to hospital for our women and families, and a much better experience. However, whilst scan waiting times have dramatically improved, challenges remain within the antenatal clinic pathway and this will be a particular focus for us throughout 2019/20.

Our theatre teams have led a major programme of work as well, this time in response to previous never events, which we had identified as an area of concern during 2017/18. This has included extensive leadership development and support; fully embedding the World Health Organisation surgical safety checklist and undertaking simulation training. We are pleased that there have been no new never events since October 2018; with a real sense of improved communication and team work.

Within mental health we have prioritised the issues within our Forward Thinking Birmingham service, strengthening our leadership team to ensure we can make essential changes more quickly. Whilst it is clear that there are still many challenges, particularly as a result of increasing numbers of children and young people needing access to our services, we have made progress across a range of areas, strengthening our service model, increasing compliance with a range of quality measures and implementing clear systems and processes to help keep our young people safe.

Progress within our neonatal services has been particularly pleasing too, as we have been able to utilise the expertise and skills from across our whole organisation to transform the model of care we provide to our babies. We have fully embedded the Newborn and Infant Physical Examination (NIPE) screening programme, whilst implementing a new jaundice pathway, which has halved the number of jaundice incidents we see as an organisation.

As our thoughts turn towards 2019/20 it is clear that access to our services is a key area as we work to maintain short waiting times for an increasing number of patients against a backdrop of workforce and financial challenges. Ensuring that our patients can access our services in a timely way is critical for the delivery of high quality care, as well as for patient and family experience. I have every confidence that we will respond to these challenges with the leadership, dedication and commitment of our world class teams who work hard everyday to provide world leading care.

To the best of my knowledge the information contained in this Quality Account is accurate.

A handwritten signature in black ink that reads "Sarah-Jane Marsh". The script is cursive and fluid, with the first name and surname clearly legible.

Sarah-Jane Marsh

**Chief Executive of Birmingham Women's and Children's NHS Foundation Trust
Chair of the National Maternity and Children and Young People's Transformation
Programmes**

2. Priorities for Improvement and Statements of Assurance from the Board

2.1 Quality Priorities

2.1.1 Our Mission, vision and values

We know that organisations which have strong values and behaviours do well and that employees are engaged, happy and motivated in their work.

Our mission: To provide outstanding care and treatment, to share and spread new knowledge and practice, and to always be at the forefront of what is possible.

Our vision: To be a world-leading team providing world-leading care.

Our goal: To be the best place to work and be cared for, where research and innovation thrive, creating a global impact.



During 2018/19 we have been working closely with our staff to develop and embed our values to ensure that they continue to underpin the way we care for our patients and each other.

How we live our values

- **Ambitious:** We continually challenge ourselves to improve care and services through innovation, research and education.
- **Brave:** We take personal responsibility to always do our best for our patients, families, and each other, challenging behaviours and attitudes whenever we need to, we speak up and ask for help.
- **Compassionate:** We deliver care and services, with respect and kindness, for our patients, families, ourselves, and each other; we listen and are inclusive.

Our Quality Committee, a Board level Committee, is chaired by a Non-Executive Director and has continued to provide focus and scrutiny on the strategic risks to Quality faced by the organisation. The Committee receives Key Issues and Assurance Reports from Executive

led subcommittees and holds them to account for the management of operational risk. This year the Quality Committee has particularly maintained close scrutiny on:

- Sustaining our organisation learning from our Surgical Never Events in 2016 and 2017
- Responding to the challenges faced by our Forward Thinking Birmingham Partnership.
- Ensuring we have learnt from our previous CQC inspections in our abortion care service and antenatal care service

During 2018/19 we have also been reshaping some of the sub-committees of quality committee to provide better support and quality assurance

- **Clinical Safety Quality Assurance Committee (CSQAC):** We have worked with the clinical divisions to ensure more consistency of reporting, more comprehensive quality assurance and greater peer challenge around clinical safety and risk issues.
- **Non-Clinical Risk Coordinating Committee (NCRCC):** We have refocused this committee to provide greater scrutiny and challenge around key elements of our non-clinical infrastructure including Fire Safety, Waste Management and Security. Our Estates and Facilities service are working on a Premises Assurance Model which will compliment this approach and provide greater understanding of our non-clinical risks.

This year we have also aligned our governance model across our sites, harnessing the best of both of BWH and BCH models of governance through

- **Partnership Governance Model:** We have worked with the Clinical divisions to identify, support and partner with the governance leads within each of the divisions, ensuring that quality and governance is embedded within the wider clinical team and learning is shared across the Trust and wider healthcare system.
- **SIRI Process:** Using a PDSA (Plan Do Study Act) improvement model and Appreciative Inquiry we have developed and launched a new process for the investigation of Serious Incidents Requiring Investigation (SIRI). We have taken the best of both BWH and BCH SIRI processes, the local expertise and engagement of the clinical team within the BWH model and the objective challenge and scrutiny from an independent investigator within the BCH model. We have built resources and training to guide our team of specialty and independent investigators and have been supported by our executive team with an executive chair appointed for each SIRI.
- **Datix Risk Management System.** We have implemented a new integrated risk management system across the Trust. Following a tender and consultation process

our staff chose the Datix risk management system and have worked with us on new systems and processes for incident reporting and management, risk registers and complaints management. We have also rolled out dashboards to ward and divisional management teams. These interactive dashboards allow our staff to own and use their risk management data, providing them with the tools to enable meaningful feedback and share learning and improvement with their teams.

2.2 Listening to what our priorities should be

There are many ways we gather information so we can understand where we need to improve within our services to make our quality of care better:

- **Listening to the women, children and families that use our services:** There are lots of ways that our families can tell us what they think and what is important to them. Our Patient Experience Team work with our families and our staff to receive:

- Feedback cards
- Patient stories
- Consultation events
- Social Media feedback
- Complaints
- Patient surveys
- Expert patient / family groups
- Websites like NHS Choices and Patient Opinion
- PALS, comments and concerns

- **Listening to our staff:** The views of the staff who work in our Trust everyday are vital and we encourage them to tell us what they think through surveys, consultations and feedback events like 'BWC Fest'. We also place much importance upon their wellbeing and make sure they are fully supported so that they are able to deliver the best services they can.

- **Listening to others:** The views of groups like the Young Person's Advisory Group (YPAG) at Birmingham Children's Hospital and the Family and Patient Advisory Committee (FPAC) at Birmingham Women's Hospital help us focus on how to make the improvements that are needed. Our Governors, representing the interests of our NHS Foundation Trust Members, and the public in general also provide us with further insight on the quality of our services and the priorities for improvement.

- **Analysing information** about the quality of services, such as patient and staff safety incidents, risk registers, as well as internal and external reviews and clinical audits.

- **Listening to our stakeholders**, including those who commission and regulate our services, the educational bodies that support our student and trainee staff, royal colleges and other professional bodies.
- **Using best practice examples**, national targets and learning from and benchmarking with other organisations.

We strive to take on board feedback and improve services as a result. Some case studies below demonstrate this approach in practice.

Birmingham Children's Hospital Case Study - Feedback in action:

Feedback in Action - Quality of food

Feedback about the quality of food has been a consistent issue within BC and Parkview. As the new catering contract commences the Patient Experience team wanted to ensure that our patients and families can give contemporaneous and meaningful feedback ensuring that food is evaluated on taste, appearance and presentation. Food will therefore now be:

- Served by our catering teams to pupils at James Brindley School weekly as part of the curriculum. Written and photographic feedback will be given.
- Our Young Person's Advisory group (YPAG) will be served food monthly at their formal meeting. Written and photographic feedback will be given.
- YPAG will conduct secret shopper/unannounced visits to Parkview to observe choices and gain feedback.
- Our volunteers will spotlight wards and departments across the trust weekly to give written and photographic feedback on the experience of food.

All feedback will be collated by the patient experience team and fed back to our catering teams and the patient experience monthly operational meeting.

Birmingham Women's Hospital Case Study - Feedback in action:

Feedback in Action – Visiting times

There is inequity of approaches to visiting times across the Trust with the approach adopted at BWH much more structured than that at BCH and no longer consistent with other acute providers of adult care across the region. We have had feedback from women, patients and families which tells us that structuring access to a loved one gets in the way of care; we know it causes unnecessary tension from the PALS enquiries and complaints we receive.

In response to this issue the Trust has been working towards a consultation with staff and families to explore the feasibility of a flexible approach to visiting. The consultation started in April 2019 for six weeks and will inform any changes to visiting hours. Results will be fed back to Patient Experience Committee.

Feedback in Action - Bereaved families

Whilst family feedback from those experiencing stillbirth and neonatal death has been mostly positive, feedback relating to the miscarriage and termination services had been less favourable highlighting the lack of suitable environments for supportive conversations. In addition, we had received PALS and complaints stories telling us that the busy outpatient clinics and the rapid turnover of women being scanned can get in the way of staff being able to spend time recognising the impact of loss.

Families who have been discharged or left clinics after distressing news have limited places in BWH to find comfort and support; they report feeling that the organisation doesn't value the impact of their experience. Even those who have been well cared for during the birth of their stillborn child or loss of their baby while on the neonatal unit have little access to an appropriate environment.

After hearing from our families through written, verbal and family consultations we have worked alongside them to create a business case for Woodland House, a facility which will be built on our Women's hospital site to provide a safe haven for families who have experienced loss. Bereaved families have helped us design the layout of the House and are fronting our fundraising appeal, launched in April 2019.

BWC Case Study - Feedback in action

Feedback in Action – Interpreting Services

Over the last six months, the interpreting department has been looking at ways to improve patient experience for non-English speaking and deaf patients. Our initial challenge focused on how to provide an 'on demand' interpreting service for patients who arrive at the hospital without an interpreter booked in advance. Our aim was to reduce waiting times for non-English speaking and deaf patients and avoid appointments and treatment being cancelled due to Interpreter availability.

Using interactive video technology to provide face to face interpreting, the trial of 'interpreting on wheels' has been hugely successful and there have been a number of cases where we have been able to provide an interpreter on demand without which the appointment would have almost certainly been rescheduled. The ability to use the video devices in emergency situations has also reduced some of the stress families experience by allowing them to communicate almost instantaneously with staff. The availability of 'Interpreting on Wheels' has enabled us to close the gap between the experience and access to services provided for our English speaking patients compared to our non-English speaking patients.

In February a PALS concern highlighted the experience of one of our deaf patients. The expectant mum told us that the long waiting times in clinic often meant her British Sign Language (BSL) interpreters had to leave to attend other appointments before she had been seen. As well as the ongoing work on our antenatal pathway we agreed to extend the times

of availability for BSL Interpreters to 2 hours minimum and provide a mobile number for the agency so the patient could text and check that an Interpreter had been booked. The Interpreting Service is continuously looking at new and innovative ways that we can improve access to services for deaf patients.

Forward Thinking Birmingham Case Study - Feedback in action:

Feedback in action – Supporting and engaging our Patient and Carers

‘Creation of Mental Health Passport’ was a successful charity bid and we are using feedback to work with service users to create a Health Passport. Using funds provided by our charity this passport will allow our young people to share and track appointments, reflect on progression and their journey, and enable them to express their diagnosis and preferences in their words.

Carers Charter – We have developed a charter with our Parent & Carer Group (FTB Carers Voice) alongside our staff, to outline the involvement and support we aim to achieve with the parent & carers we work with.

Early Intervention (EI) and Psychosis - Carer Info Booklet: Following a successful charity bid, we have worked with parents from our EI pathway to create an information booklet explaining diagnoses, therapy options and services available on the pathway along with references to further support available outside of the service.

Each year in this Quality Account we use the combination of all these sources of information and feedback to articulate our priorities for the coming year as well as report how we’ve progressed against those set out the year before.

2.3 Quality Priorities from 2018/19

Birmingham Women's and Children's NHS Foundation Trust Priorities 2018/19

The priorities and quality indicators that the Trust chose for 2018/19 are summarised below

Patient Experience	Clinical Effectiveness	Safety
Neonatal Care – roll over from 2017/18 but extend scope across trust. Focus on how we diagnose / treat jaundice.		
Bliss Baby Charter	Key initiatives to improve quality of care for newborns, mothers and families across the trust Focus on diagnosis and treatment of jaundice	Neonatal non-elective readmissions ≤28 days of delivery Unexpected term admissions to the Neonatal Intensive Care Unit (NICU)
Antenatal Radiology Pathway: roll over from 2017/18 but extend scope to include wider work around antenatal pathway		
Patient Experience	Waiting times	Staff Experience
Never Events : Roll over from 2017/18 and include progress with NATSIPS implementation		
	WHO checklist compliance Implementation of NATSIPS	Rate of Never Events
Cancelled Operations: Roll over from 2017/18 and focus on delays and cancellations around insertion / removal of management of lines		
Complaints or PALS concerns regarding delay or cancellations of insertion / removal of lines	Cancelled Operations Measures	Rate of incidents associated with delay or cancellations of insertion / removal of lines
FTB: New priority for 2018/19		
Improved CQC rating upon next FTB inspection	Waiting times are within the national 18 week target	Improved self-assessment rating through Hub care plans

While the detail and focus of some of these priorities have been redefined and broadened as we have progressed through the year, the five priorities remain clear:

- Neonatal care
- Antenatal pathway
- Surgical Never Events
- Cancelled Operations
- FTB

In the following section, we report upon each of these areas in turn.

For continuity we also report briefly upon Abortion Care, which was a priority from the previous year, briefly introducing three additional areas which have emerged throughout the year (Emergency Department, Waiting Lists and Genetics).

Neonatal Care

Bliss Baby Charter

Looking back on 2018/19 - How have we done?

This year we have conducted an audit against the BLISS Baby Charter principles for our Neonatal Intensive Care Unit (NICU) and an action plan is in place to address the gaps which have been identified.

A lead nurse for implementing developmental care has been identified to oversee the implementation of the action plan. Dedicated non-clinical time is built into their role to ensure that plans are well led and that we continue to make steady progress towards accreditation.

Looking forward - What are we doing to improve?

During this upcoming year the lead nurse will make an assessment of our progression to meet the BLISS Baby Charter requirements and work together with our local representatives of BLISS to arrange a preliminary independent audit to inform future work.

Improving the early identification and treatment of jaundice

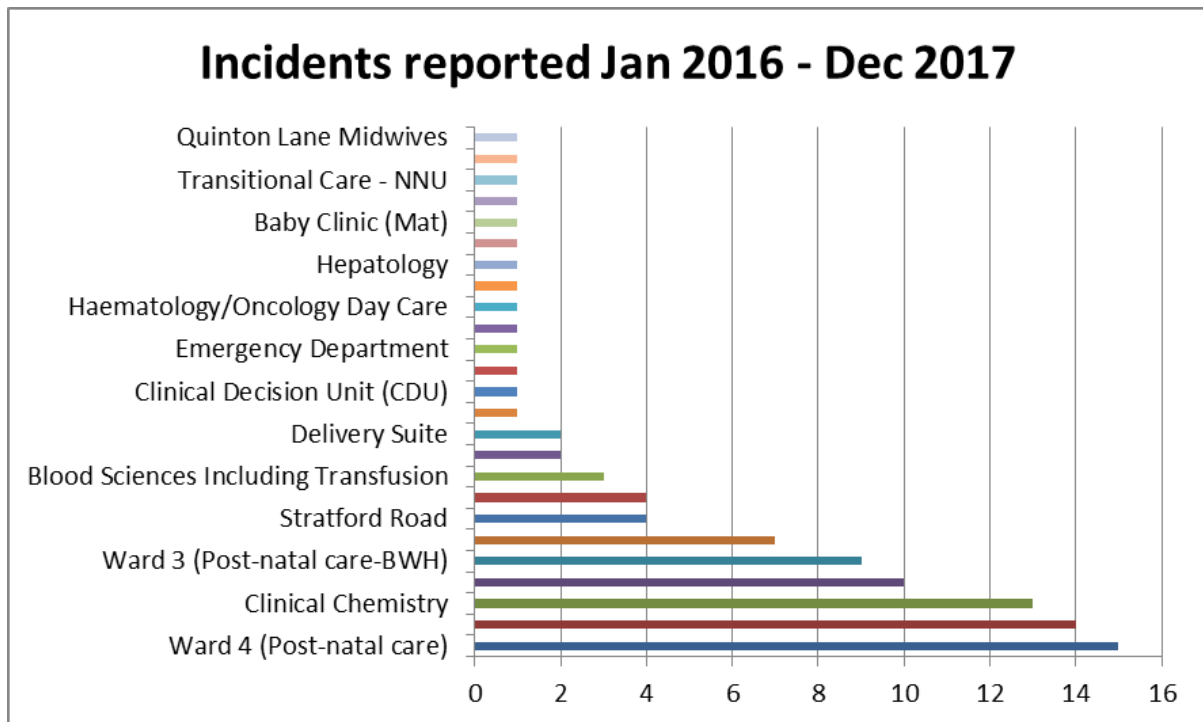
Looking back on 2018/19 – How have we done?

Over the last year we have worked across the Trust to introduce a new jaundice guideline, led by a General Paediatrician and Neonatologist.

Discussions are underway with the Local Maternity System to agree that babies who are identified as having jaundice requiring treatment attend the hospital of birth rather than attend Accident and Emergency Departments. This will ensure babies are being treated in the most appropriate place.

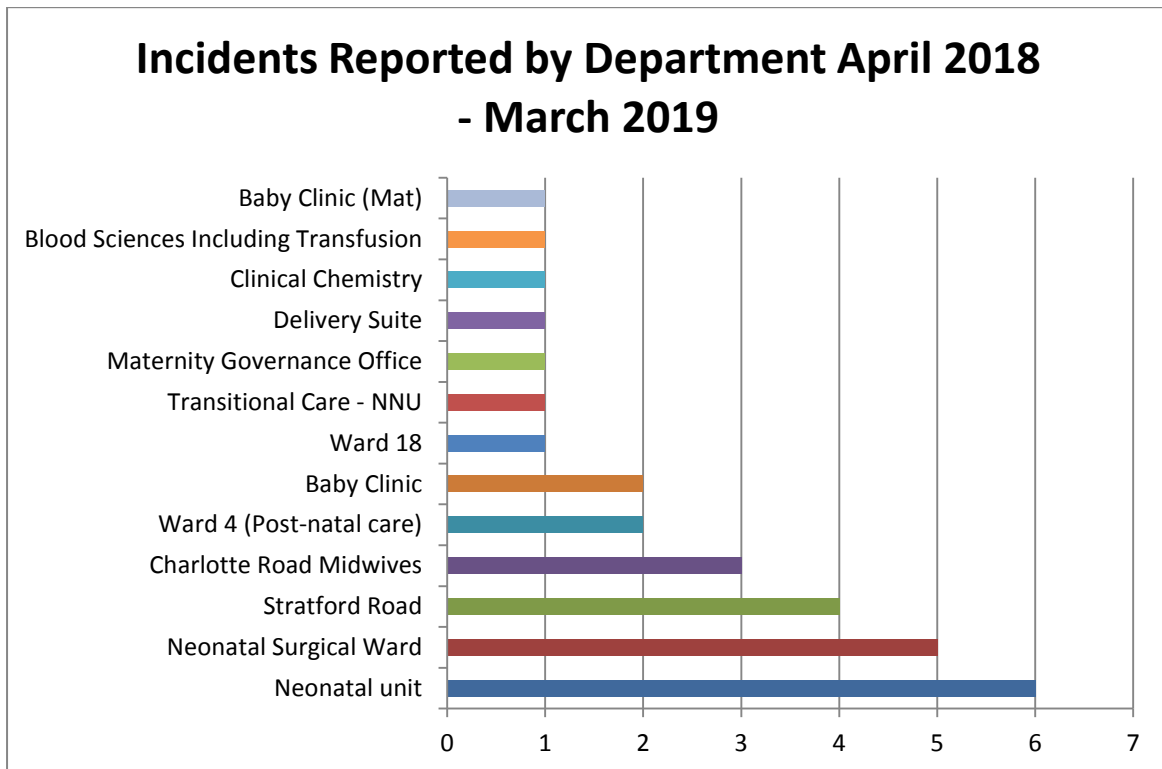
Neonatal Outreach Nurses from our Neonatal Intensive Care Unit have been working with colleagues across at BCH with a focus on the Neonatal Surgical Ward (NSW) and neonates on the other specialty wards with the aim to standardise neonatal care delivery and minimise variations in care; one of the areas focused upon was jaundice.

Our baseline data was taken over two calendar years from January 2016 to December 2017. During this time we had a total of 97 jaundice and/or bilirubin incidents reported, on average just over 48 incidents per year or 4 per month.



Our latest assessment was taken over a twelve month period from April 2018 to March 2019, where the same search for jaundice and/or bilirubin incidents returned a total of 29 incidents.

This shows a significant improvement with just under a 50% reduction in the number of incidents reported.



Looking forward to 2019/2020 – What are we doing to improve?

Our Neonatal Outreach Nurses will further expand their teaching beyond NSW to cover all wards across BC. We will build on this work with our Emergency Department and across wards at BC to ensure any baby admitted who is at risk of hyperbilirubinaemia has the following completed routinely:

- Bilirubin sample taken
- Bilirubin chart started and completed as appropriate
- Weight chart started and completed as appropriate
- WHO centile chart started and completed as appropriate

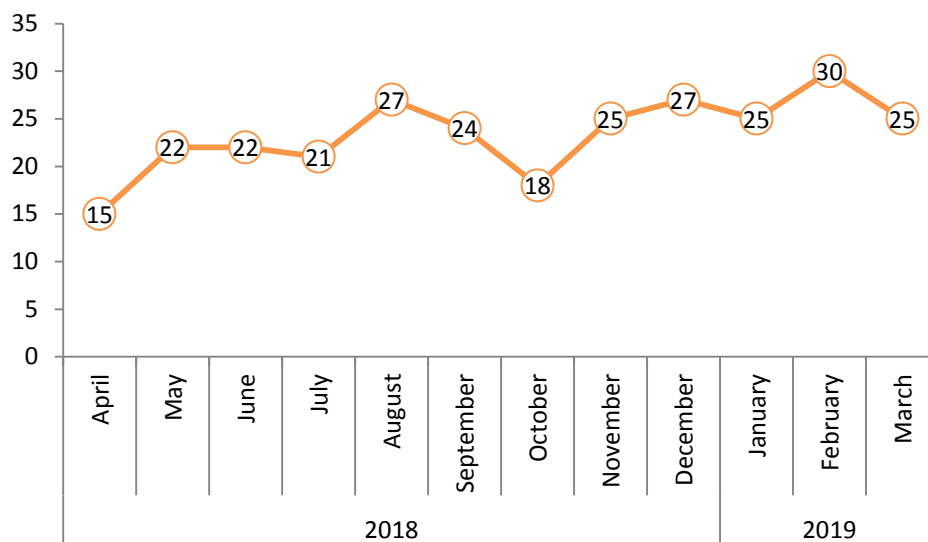
We will also complete a review of all phototherapy equipment across both sites and an associated programme of updating and replacing as required.

Neonatal non-elective readmissions ≤ 28 days of delivery

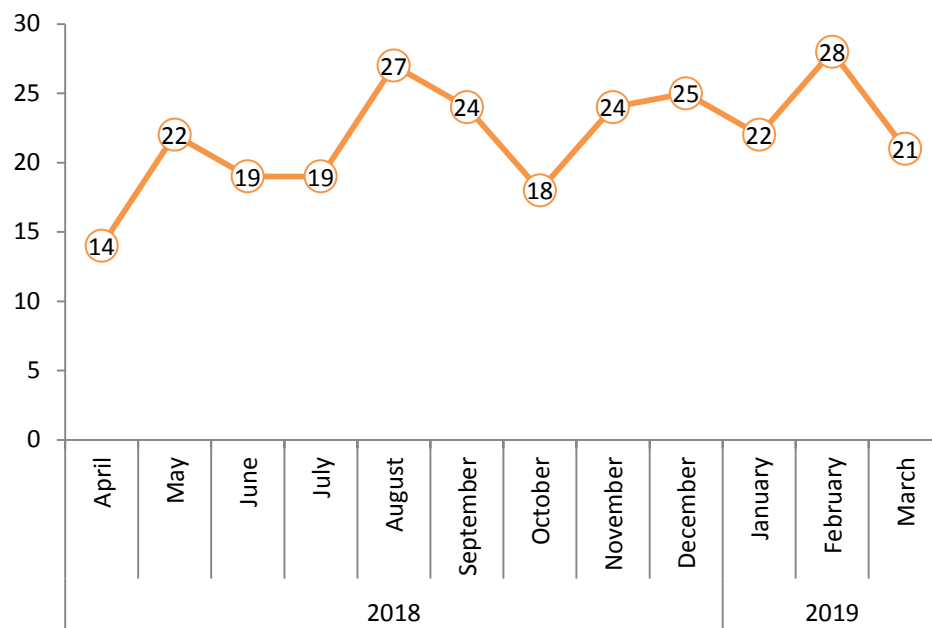
Looking back on 2018/19 - How have we done?

Over the last year we have built an electronic performance dashboard for neonates including all readmissions data, both back to BW and unexpected attendances and admissions to the Children's hospital. This data now forms part of our quarterly performance reporting. In addition we have completed a number of audits examining the reasons for unexpected admissions to NICU.

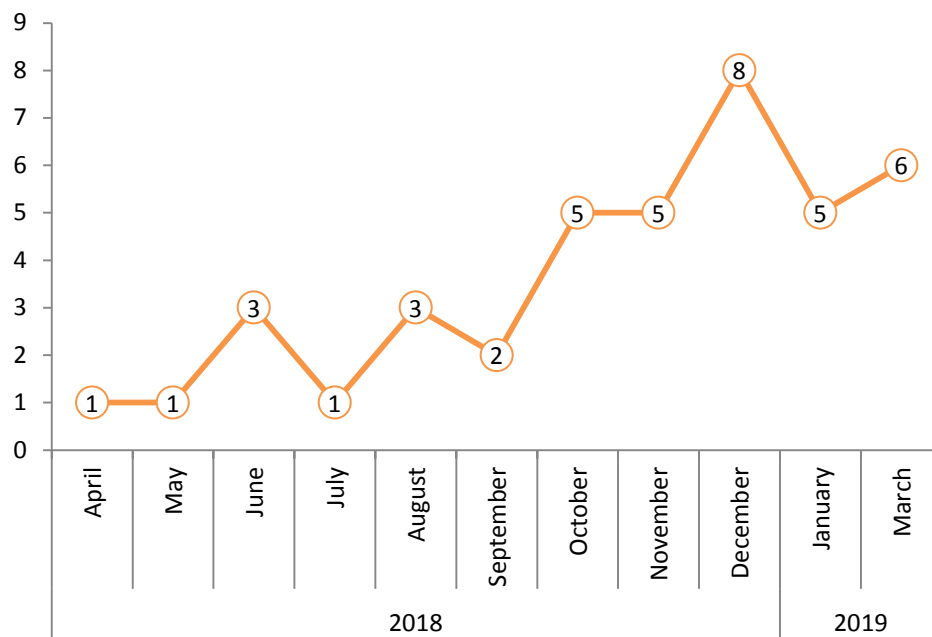
Neonatal readmissions within 28 days of discharge (back to the women's hospital)



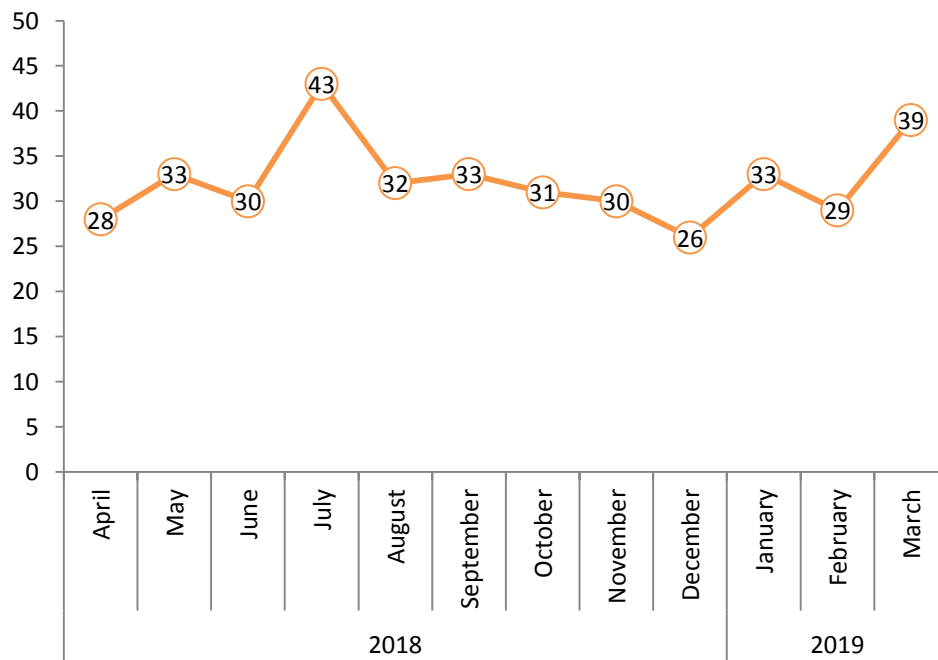
Neonatal readmissions within 28 days of delivery (back to the women's hospital)



A&E attendances at the children's hospital within 14 days of discharge from the women's hospital



Unplanned admissions at the children's hospital within 14 days of discharge from the women's hospital



Our audit intelligence shows that the majority of readmissions at both sites are caused by issues relating to weight loss and/or jaundice. These results have been fed into our infant feeding group and the business case for our neonatal outreach team.

Looking forward to 2019/20 - What are we doing to improve?

Under the guidance of the Neonatal Care Board, the infant feeding group will continue to improve our feeding support both in the hospital and within the community. We plan to remodel and refocus our hospital based feeding support team and we will also be improving pathways of support within the community.

We will continue with our audits, which will be reviewed regularly by the Neonatal Care Board that will then direct any future improvement work.

Neonatal Care – Feedback from our NICU Peer Review

Following a neonatal Peer Review visit in December 2017, the Trust received a report in July 2018 highlighting the key points. There were no immediate risks identified for the service at the time, however following a tragic incident just a couple of months later and a Regulation 28 report from the subsequent inquest sent to both the Trust and Commissioners of the service, the issues about staffing and capacity in the unit were revisited and recruitment has commenced. The NICU has also put a much more robust education strategy in place following the incident and shared learning both within and outside the Trust.

Significant Achievements

Cohesive team, with good collaboration from all specialities.

Strong nursing and medical leadership.

Strong links with the Southern West Midlands Maternity & Newborn Network (SWMMNN).

Modern and open unit with access to good space and strong links to BCH.

Noah's Star charity led by ex-parents/carers of babies cared for by the unit.

Tea trolley round giving support to families on the unit.

Clinical supervision & neonatal psychological support available to families & staff.

Medical trainees happy to express the unit offered much support.

Clinical post to support data submitted to Badgernet.

Active role in multicentre research trials.

Serious Concerns

The occupancy rates are greater than 95% and this impacts on the role of the NICU. On average approximately 15 babies each month are turned away from the unit because of no cot availability.

Due to the high levels of occupancy, a baby in the unit would at times need to be transferred out to another unit within the network in order to make space for a new admission.

The Trust has raised this issue with specialised commissioning colleagues and a neonatal commissioning strategy was presented to the LMS board in 2017. Cot capacity has remained a challenge over 2018/19 and this issue has been revisited in response to learning from a SIRC in the neonatal unit.

Areas For Improvement

Reduced NICU specific access to dietitian, SALT and physiotherapy provision.

Below target for nurses with post-registration qualification in specialised neonatal care. The unit flexed the acuity of cots dependent on trained nurses and an active recruitment was planned.

Strategy to increase the neonatal consultant workforce to provide 24/7 resident cover (to meet the BAPM 2015 standards)

Absence of rooming in accommodation for parents and carers. The facilities for parents/carers were away from the unit and required refurbishment.

The outreach services was felt to be only partially developed.

Antenatal Pathway

Antenatal Radiology

Antenatal clinic and radiology obstetric scanning services were raised as a concern by the Care Quality Commission during 2016, in terms of waiting times.

During November 2016, the Transformation Team carried out a rapid scoping of the issues and improvement plans across the pathway. Over two weeks a series of 1:1 discussions took place with key individuals, including the Head of Midwifery, Clinical Director, Matrons and support staff within the Antenatal service; and Clinical Lead Radiologist, Advanced Ultrasound Practitioner and Service Manager within the Radiology departments, as well as some time spent shadowing and observing activity and processes within both areas, along with a review of available data.

As a result of the scoping and subsequent stakeholder discussions with teams across the pathway, a programme of work was agreed and a programme board established chaired by the Chief Operating Officer. This programme of work was approved as part of the Capacity Transformation Programme (CTP) which commenced in February 2017.

The review of Radiology scanning was the first focus due to the department having been recognised by Public Health England as not having implemented the Fetal Anomaly Screening Programme (FASP) guideline, with recommendations regarding scan appointment times and the three vessel trachea (3VT) view of the fetal heart on mid trimester scans. Overall the department was at risk of losing their screening accreditation as a result of the poor patient experience that was being provided by the Trust.

Historically, numerous attempts had been made to address capacity and waiting time issues across the antenatal radiology service, including Rapid Improvement Events and on-going work by NHS Elect to assess the spread of demand on the services. Despite this, services had not experienced significant reconfiguration; demand on the services had continued to increase and a collaborative and radical review of how the services were delivered to the woman had not been successfully carried out.

Overall demand exceeded the capacity available in Radiology by 43% and the department was faced with a large number of unfilled sonographer vacancies. Staff raised their concerns about repetitive strain injuries due to the sheer volume of scans that they were expected to perform daily and no longer found satisfaction in their roles.

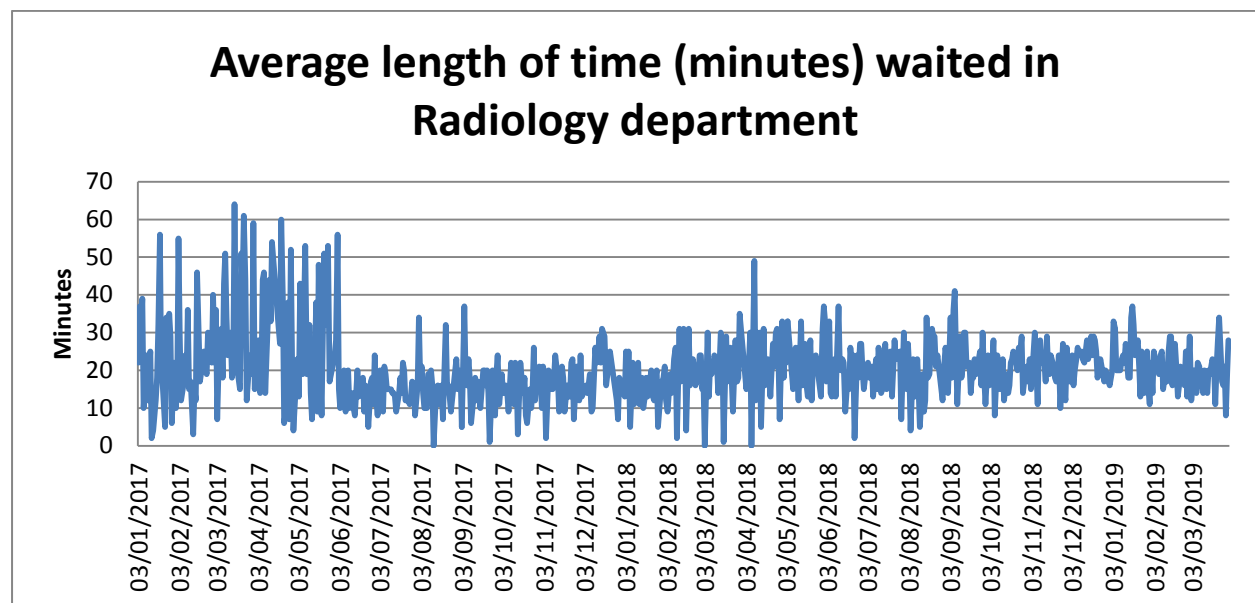
Achievements:

The department reviewed capacity and demand data and devised a new clinic template which incorporated 30 minute slots for Mid Trimester scans. The template was built on 6 obstetric scan rooms running all day based on the funding establishment of sonographers for BWH Radiology. Prior to this going live in June 2017 there was recognition that there was

a shortfall of capacity. Maternity Services anticipated that this shortfall of capacity would be eliminated via two main routes:

- 1) Supporting education of junior doctors to reduce amount of unnecessary scan requests.
- 2) Patients suitable for DAU to be transferred to DAU for care.

The overall waiting times for patients had significantly reduced; this has also been sustained and is now measured as one of our monthly KPI's. The graph below follows our waiting time reduction from January 2017.



The department has seen a vast reduction of negative patient experience responses about waiting times.

Staff have expressed the positive impact the transformation has made, which they have stated has led to positive changes regarding their job satisfaction and also from a health and safety point of view. They no longer feel they are exceeding their scanning hours therefore this has reduced the incidence of Repetitive Strain Injury (RSI). The department has been recognised within the Trust for its transformation and changes and has won a 'Trust Acorn', an accolade awarded by the innovation team to those teams who are engaged in local improvements.

Since the template went live, it has been recognised that the demand levels in Radiology have not yet reduced. Day Assessment Unit continues to scan consultant-led women and non-consultant led women were to be seen in Radiology. Therefore, Radiology agency staffing increased to accommodate the additional scans that exceeded the fixed capacity. This on average has put a cost pressure on the department of around £3500 per month to accommodate these additional scans with agency sonographers.

Looking Forward into 2019/2020:

A review was carried out in 2018 of the existing template and feedback from the department highlighted a growing pressure of increasing demand. It was recognised that using only 6 obstetric scans rooms per day would result in a shortfall of 99 scan slots per week based on scan and clinic being a joint appointment.

The department is aiming to work more closely with Maternity in how best to manage this extra demand of patients who potentially do not need to be seen in Antenatal Clinic, whether that is supporting the development of community growth scanning or supporting Antenatal Clinic to spread capacity more evenly across the week.

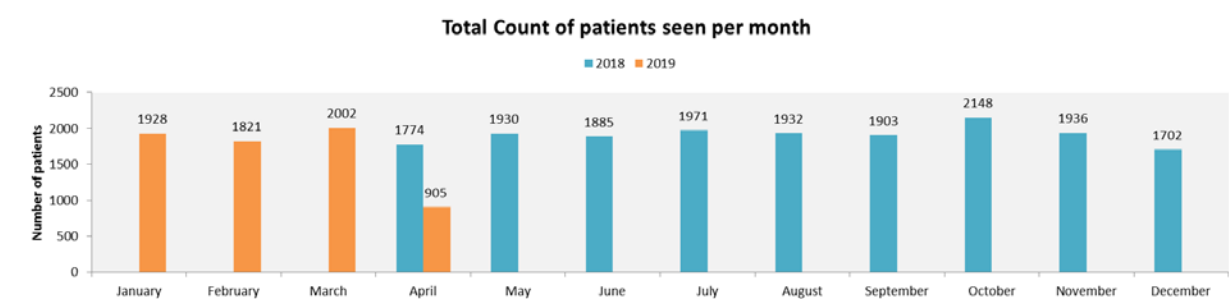
The departmental aims for next year are to ensure that we sustain our improvement in our waiting times with substantive sonographers to help support the Trust with cost improvement savings and to support recruitment and retention within the Trust. We will continue to monitor our waiting times, staff and patient experience associated with any other changes we are making.

Antenatal Clinic Pathway

In the Quality Account last year we reported in detail the work undertaken to improve our antenatal radiology service. Therefore, we also refocused our efforts during 2018/19 on the improvement of the antenatal clinic pathway, specifically with the aim of improving the experience of both women and staff and implementing a system that will assess, monitor and improve the waiting times in the antenatal clinic.

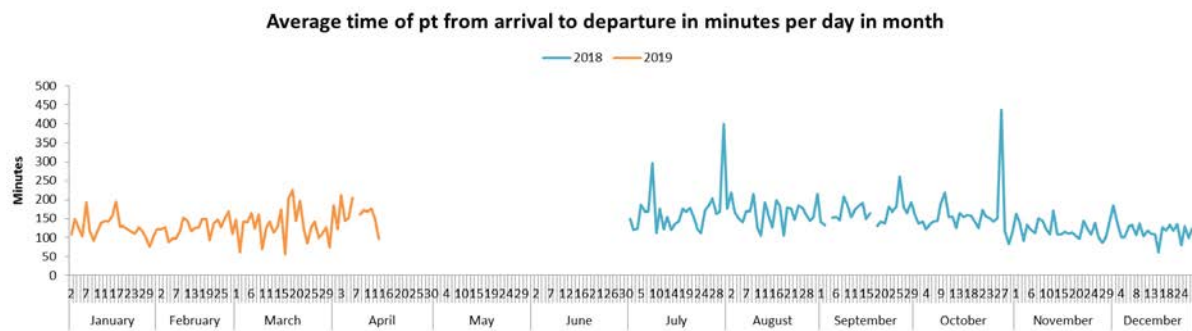
The Antenatal Clinic Improvement Group meets weekly and has reviewed contact data in Lorenzo and Badgernet to develop measures to look at times booked in, waits to first contact and overall time in clinic. A review of electronic software to support this collection of data showed no compatible solutions at present. We will continue to review the market to see if there is any cost effective system for monitoring waiting times.

Fig. 1 - Total count of patients seen*



* The figure for April 2019 does not represent the full month

Fig. 2 - Average waiting times from arrival to departure



From the chart above, women are currently waiting in antenatal clinic for between 1-4 hours. Having reviewed capacity and demand in the antenatal clinic, we have focused on creating capacity for women to be seen in the community in a timelier manner, rather than attend the hospital clinic. To date, all 4 community midwifery teams now operate booking clinics in the community setting (Charlotte Road, Quinton Lane, Stratford Road and Weoley Castle), having moved from a home visit model. This increases the number of women community midwives can book per day from 3 to 7.

In addition to reducing demand for antenatal clinic services, we have focused on improving the women's experience while waiting in antenatal clinic:

- Volunteers and staff regularly check on women in waiting areas daily from 11am to 4pm and offer refreshments and reassurance/information as required. PALS have reported a decline since Christmas in daily 'drop in' complaints referencing waiting times. Noticeboards signpost women to speak to reception staff if any concerns.
- A Duty midwife is now available every shift to ensure a senior team member is able to address patient concerns; all staff are also aware of how to escalate issues to Duty Midwife.
- We are exploring a system of handing out coloured cards which change colour each hour to denote hour of arrival.
- Staff have attended customer service training.
- There are now daily improvement huddles with receptionists.
- The décor and layout of antenatal clinic has been updated and improved.
- Electronic waiting room signage will be considered following the migration to a new patient information system at Birmingham Women's Hospital.
- Paging system: The team have trialled this in ANC/Imaging before. The use of this technology will be assessed again
- The ticket machine has now been relocated to the actual waiting area and all confusing signage removed; new signage on order.

During 2018/19, we asked KPMG to undertake an internal audit of the antenatal pathway. In addition to the areas for improvement discussed above, other key

recommendations were also made for improvement in relation to safe and secure storage of medication and infection prevention and control. Our response to these recommendations is as follows:

- Vaccine fridge to be moved to a key coded locked door. New thermometers now in use.
- The Duty Midwife ensures all daily checks are undertaken as per Daily Task list. Lists and issues escalated to ANC Sister then interim Clinic Matron. This includes temperature monitoring.
- Weekly pharmacy stock rotation and stock date review by the Pharmacy Technician.
- All emergency kits including Anaphylaxis and Hypoglycaemia are now stored within the newly acquired emergency trolley. This is secured using a digilock. The trolley has a new checklist format that is completed daily. Assurance is provided through the Duty Midwife Daily Task List as per fridge checks above and issues escalated to ANC Sister then ANC Interim Matron.
- Clinic Manager and Interim Matron now undertaking infection control walkabouts and spot checks.
- All midwifery and support staff have been reminded daily at the 08:00 safety huddle to keep the dirty utility doors closed.
- New staffing template sees additional staff available at 08:00 to ensure all rooms and equipment cleaned before the start of the clinic. New staffing template sees additional staff available at open and close to ensure cleaning and stocking up/and shut down of clinic is completed. Daily room checklists ensure compliance is checked.
- Increased domestic cover from 07:30 and a new domestic lunch time service for all waiting areas to maintain all areas including the public toilets.
- All noticeboards now removed. New desks ordered as per IP&C and Fire Safety approval.
- Large metal play area removed and flooring replaced. Daily clean by MA/MSWs assigned to waiting areas which appropriate checklist completed – these are on display in the appropriate staff office.
- The Infection Prevention and Control Team undertake a monthly review of the Antenatal Clinic to identify any improvements required.

Looking forward to 2019/20 - What are we doing to improve?

- Procurement of a waiting times monitoring system / review market again to see if there is any cost effective system to monitor waiting times
- Reduce waiting times to first contact
- Increase the specialist midwife clinic and focus on High BMI and Endocrine co-morbidities with the specialist midwifery team

- Further analysis of capacity and demand to focus on hot spot days and increase capacity at key bottlenecks to increase flow
- Continued monitoring of Community clinic reliability and discussion with CCG re making clinic space available in key high risk areas of the city
- Organisational change to shift pattern rota on E-roster to match staffing to appointments for flow in the department.

Surgical Never Events

Looking back on 2018/19 - How have we done?

	2015/16	2016/17	2017/18	2018/19
Total number of Never Events reported across BWC	7	4	2	6
Surgical never events in a theatre setting	6	3	0	4*

* One incident was in an interventional radiology setting, the RCA concluded that this was an unusual incident which was not caused by any deficiencies in the WHO checklist and standard checking processes.

Following the reporting of 4 surgical never events within a theatre setting during 2018/19, we revisited our learning from all of these incidents. We refocused our efforts on implementing a restructured BCH Theatre Management team; with a refreshed quality improvement programme. A new Head of Nursing for BCH Theatres was appointed, followed by the appointment of a Lead Nurse for Safety and Quality who works alongside the existing Lead Nurse for Operations and Resources. Theatres now has its own Clinical Governance Meeting, conforming to the standard Directorate agenda, and directly reports to the Trust Clinical Safety and Quality Assurance Committee every 3 months. Theatre Workforce has been subjected to a comprehensive review, and the nursing/ODP gap is fully understood and actively being managed through a proactive recruitment strategy. This has included open day attendance, creation of rotational roles with BCH wards and BWH Theatres and introduction of an Assistant Practitioner Programme. Theatre staffing, scoring 15 on the risk register, whilst being the highest ongoing concern is mitigated daily through the range of measures described below.

During 2018/19 the following was implemented:

Twice Daily Theatre Coordination Management Huddles – 0750 and 1400

This 10 minute meeting is attended by: Head of Nursing, Lead Nurses, Theatre Coordinator, Trauma Coordinator and Clinical Director. The purpose is to review daily workforce issues, staff welfare, activity, skill mix and resource issues – to ensure good start and continued running of theatre lists.

Twice Daily Band 7 Walkabout Rounds to all Theatre areas

These rounds provide support, advice and troubleshooting to the Theatre staff from a senior practitioner. A survey revealed that 70% of Theatre Staff felt that theatre safety, daily

service organisation and running of lists plus staff support are positively impacted by these rounds.

Mandatory 'Red Hat' Leadership in Every Theatre Area

Mandatory requirement for 'Red Hat' system in every theatre – requiring every Team Leader to wear a red hat, to visually distinguish them. Compliance is monitored via Band 7 Walkabouts.

Mandatory Implementation and Auditing of 'Safer Surgery' WHO Checklist Etiquette

'Call to order' system introduced requiring all staff within Theatres to stop non-essential activity and gather round the operating table for 'sign out' and 'time out' safety checklists. Daily 'clipboard' auditing of compliance, by a member of Theatre Management Team, with immediate feedback of observed good practice and non-compliance is being provided.

Audit has revealed much improved compliance, although some additional focus is required to ensure 'out of hours' compliance is maintained at the same high standard as during daytime hours.

The data over the last five months, as reported to the Clinical Safety and Quality Assurance Committee, is shown below:

	Checklist compliance (clipboard audit)
Nov 2018	91%
Dec 2018	95%
Jan 2019	92%
Feb 2019	97%
Mar 2019	97%

Snapshot data from the March 2019 audit shows the detail

Checklist moment	Team Brief	Sign In	Time Out	Sign Out	DeBrief
Proforma unavailable	1	3			0
Proforma available/not used					0
Call to order not announced					0
Patient facing				1	
Professional language not used					0
Concurrent activity/Conversation			4	5	1
Interruptions (external)				3	0
Distractions (internal)				1	0
Good to go not stated					0
Total full WHO observations	3	6	30	34	10
Checklist moments observed	27	54	270	306	90
Correct compliance noted	26	51	266	296	89
Percentage performance	96%	94%	99%	97%	99%

Mandatory requirement for Swab/Instrument Wipe Boards to be used

Red Hat Wearer assigned responsibility for ensuring Swab/Instrument Wipe Boards are accurately completed by a member of the team for each individual case. Compliance is monitored via Band 7 Twice Daily Walkabouts.

Equipment Management

Robust theatre auditing of equipment maintenance schedules introduced, to ensure all Theatre Hardware is always serviced annually.

Theatre cleanliness and stocking

Robust programme of unannounced Theatre cleanliness and stock level checks introduced to ensure all Theatre areas are left 'fit for purpose' at the end of each working day.

Redesign of Weekend Shift Pattern

Removal of unpopular weekend 'enforced overtime' shifts, associated with poor work-life balance and staff stress - replaced with rostered late shifts. This was a response to recommendation of a grievance, Executive team 'listening to you' walkabouts and 'Never Event' Root Cause Analysis investigations which considered our previous safety incidents may have been partially associated with fatigued staff. This weekend shift redesign will improve work-life balance, reduce fatigue and improve patient safety.

Composition of LOCSSIPs to reduce/prevent Theatre Never Events

LOCSSIPs documents have been written by Lead Nurse for Safety/Quality and Theatre Teams, with guidance from Surgical and Anaesthetic Consultants. These are now published upon the Intranet.

Bite Size Learning – Core messages for ‘Never Event’ Prevention

Bite size learning to deliver core safety messages about Never Event prevention has been implemented, with teaching resources distributed to the Theatre staff.

Safety Newsletters

A monthly safety and quality newsletter is distributed to all Theatre staff. Newsletter contains safety updates, alerts, critical incident themes and actions implemented, WHO checklist audit results and parent feedback.

Looking forward to 2019/2020 - What are we doing to improve?

Creation of Deputy Theatre Leadership Role in Each Theatre

Through an internal selection process, the Band 6 Senior Theatre Practitioners will have the opportunity to become the ‘Deputy Theatre Lead’ and acquire greater responsibility for managing their theatre area’s environment, resources and staff welfare.

Continued workforce/recruitment strategy

Embedding of the new rotational and assistant practitioners into daily work schedules will continue. Theatres Open Day planned for 2019, and continued innovation with creating attractive posts and retention to keep our existing experience staff at BCH. Participation in BCU ‘ODP Degree Apprenticeship’ programme will be pursued in 2019/2020, which appears to be a good future source of Theatre staff.

Address Skill Deficit/Targeted Training for Scrub Skills required

Workforce challenges have restricted capacity to train staff, resulting in significant pressure on a small number of staff who have specialist skills. This will be addressed by releasing staff to train, including going to neighbouring trusts where necessary.

Resuscitation Training for ODPs/Recovery Nurses

We are strengthening our training compliance for Qualified Nurses/ODPs to have completed Paediatric Immediate Life Support (PILS). Daily staffing challenges have prevented staff from being able to attend PILS training.

We will continue to measure the rate of never events in a surgical setting, and audit compliance with the WHO checklist.

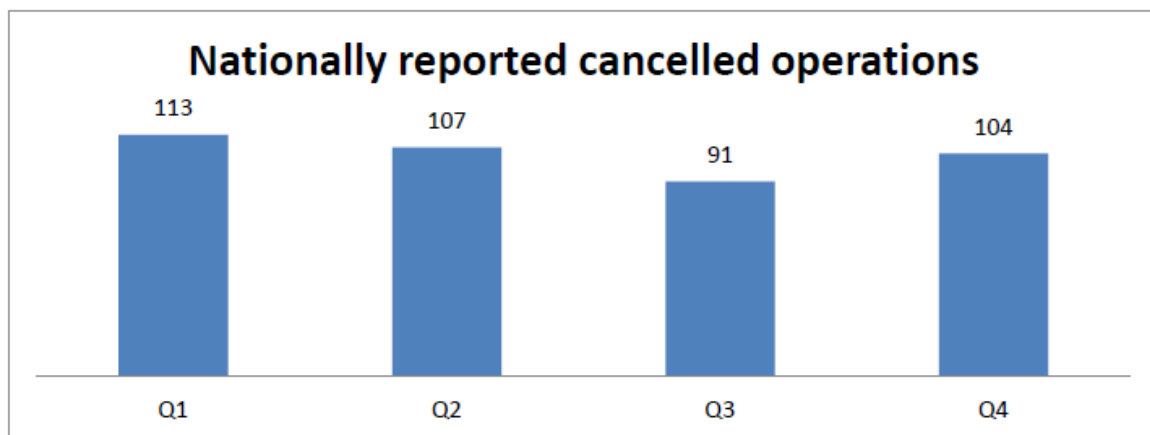
Cancelled Operations

Birmingham Women's and Children's NHS Foundation Trust

Looking back on 2018/19 - How have we done?

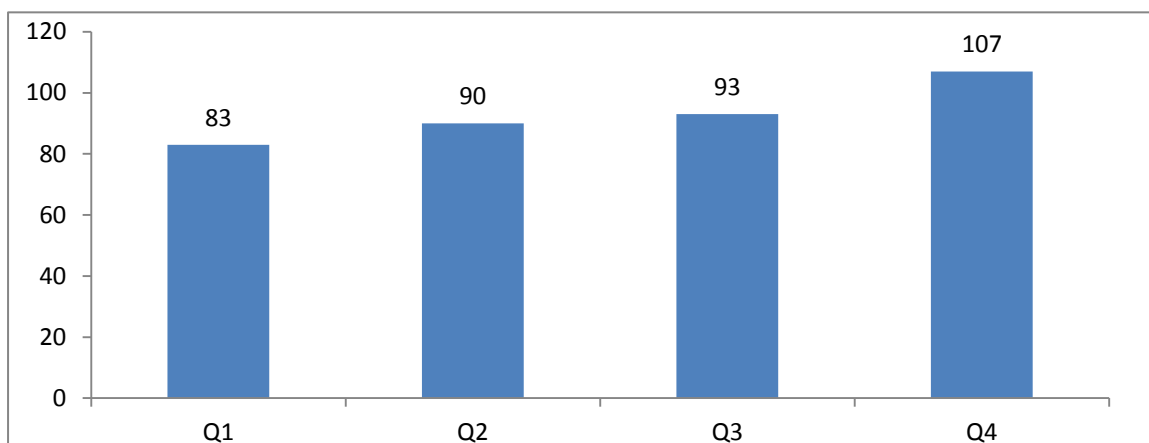
Over 2018/19, we have not seen a sustained reduction in nationally reported cancelled operations. The challenges we have faced over 2018/19 have meant it was not appropriate to focus this priority on delays and cancellations around insertion / removal of management of lines and the incidents and complaints associated with this group of cancelled procedures as we had planned to do. This priority has therefore just focussed simply upon reducing the number and impact of hospital cancellations on 2018/19. The 2 main consistent reasons for hospital cancellations on the day are lack of PICU beds and Emergency / Trauma patients.

2017/18



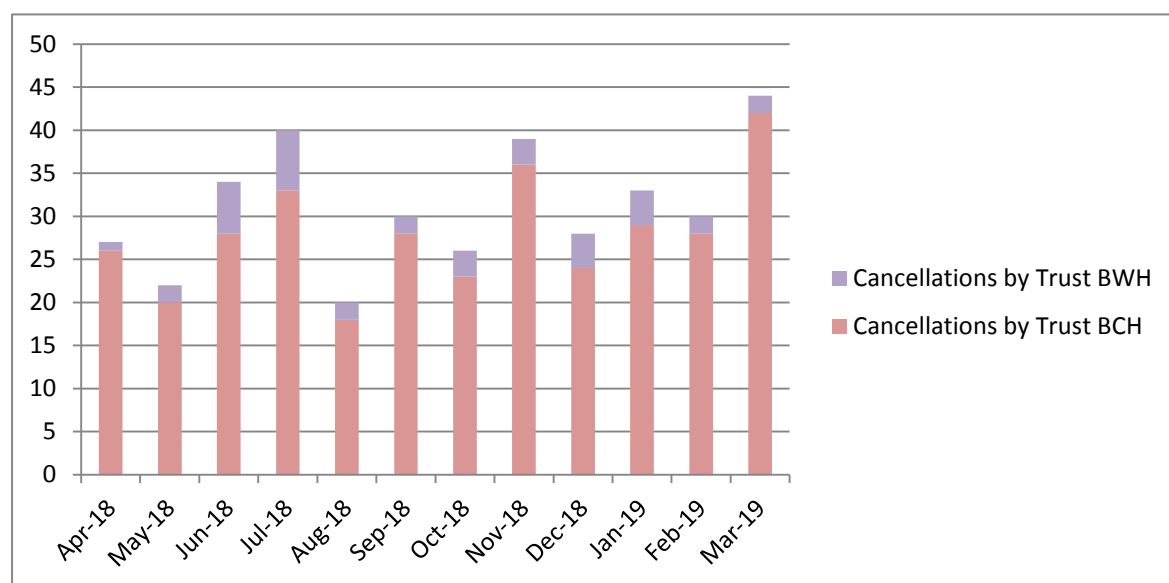
Graph 1: Nationally reported cancelled operations on the day of admission

2018/19



BWC Rate of Cancelled Operations - % (Month) Cancelled Ops

	BCH	BWH	BWC TOTAL	RWC Rate of cancelled operations
Apr-18	26	1	27	1.16
May-18	20	2	22	0.89
Jun-18	28	6	34	1.42
Jul-18	33	7	40	1.68
Aug-18	18	2	20	0.81
Sep-18	28	2	30	1.26
Oct-18	23	3	26	0.98
Nov-18	36	3	39	1.5
Dec-18	24	4	28	1.22
Jan-19	29	4	33	1.37
Feb-19	28	2	30	1.28
Mar-19	42	2	44	1.71
Total	335	38	373	1.27



Looking forward to 2019/20 - What are we doing to improve?

There are 2 separate work streams trying to tackle these specific issues. The first, looking at additional PICU capacity and changing the cardiac pathways to improve flow out of PICU to assist in flow into PICU, this has already had some success in month 12 of 18/19. The other is providing additional theatre capacity for emergency and trauma patients. Both of these work streams will be monitored on a monthly basis to ascertain their effectiveness.

We will monitor this priority through our weekly waiting list management meetings and at our performance board, which reports through to Trust Board via Finance and Resource Committee on a monthly basis.

Forward Thinking Birmingham

Forward Thinking Birmingham (FTB) was established as a partnership of five organisations to provide mental health services for young people up to the age of 25, with BWC as the lead partner. The service commenced in April 2016 and was inspected by CQC just a month later. As the service was new and had inherited a range of challenges the overall rating of 'Requires Improvement' was not unexpected when it was published in February 2017.

The Board and its committees maintained oversight of FTB, both before and after launch of the new service, and the range of strategic, financial and operational challenges and issues that the new service faced. In response to this an intervention plan was developed coupled with additional senior support and an independent review of the clinical model.

The CQC returned at the end of July 2017 to carry out a follow up inspection and identified a number of areas of serious concern. The final report was published in February 2018 with an overall rating of 'inadequate'.

The Trust responded as soon as it became aware of these concerns following the inspection and upon receipt on the first draft of the CQC report in September 2017.

The Trust's response was to significantly enhance the intervention plan and senior support with the short-term aim of the rapid improvement of immediate care and safety concerns and the delivery of a sustainable solution for the longer term.

Looking back on 2018/19 - How have we done?

Self-Assessment Ratings against CQC Standards

Overall FTB has delivered significant improvements over the last year. Each of the hubs has continued to work through self-assessment and improvement plans against the CQC Key Lines of Enquiry whilst also working through the CQC requirement notices. At the end of 2018/19 all hubs were achieving 'Requires Improvement' in their self-ratings with many on the way to achieving 'Good'.

During April 2019 CQC inspected the service as part of the core service review across BWC. We look forward to receiving the final inspection report some time later this year and hope to see our efforts have translated into service improvements.

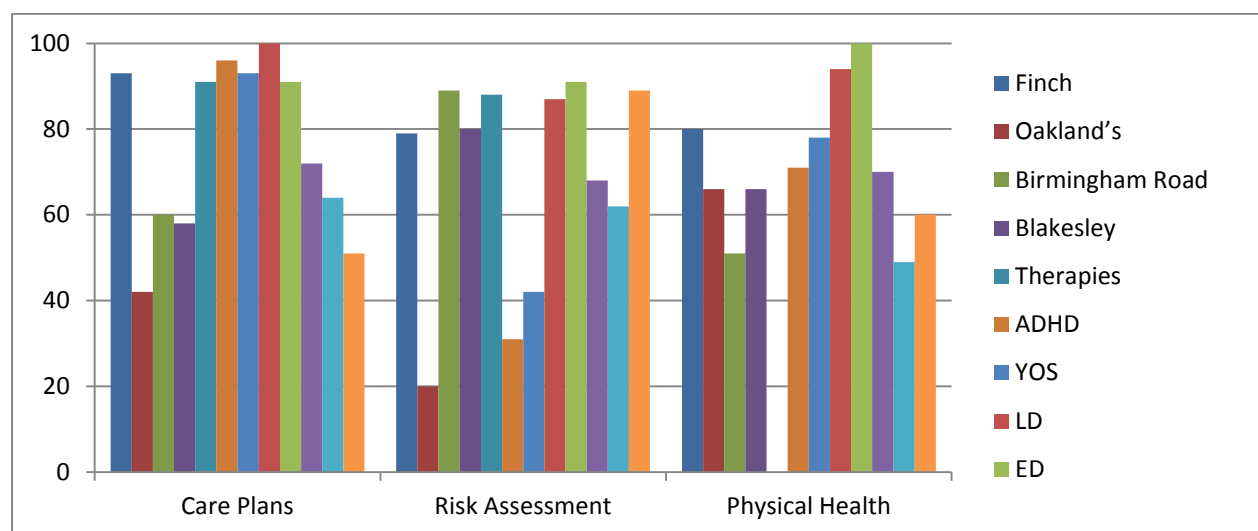
Mental Health Care Quality Indicators MHCQI's

Over 2018/19 FTB have developed and refined a series of Care Quality Indicators which enable regular monitoring and review of core elements of their care. The MHCQIs provide a robust system of assurance and enable progress against each core element within each of the hubs and services. Across the service around 140 records are audited as part of the MHCQIs.

Physical Health Monitoring: This indicator measures whether relevant patient groups have received appropriate physical health checks. These physical health checks are considered important for patients with Severe Mental Illness (SMI), subject to Care Programme Approach (CPA) or receiving high dose anti-psychotics. This includes all aspects of the LESTER tool and where a patient has a corresponding care plan and intervention needs with regards to their physical health.

Care Planning and Risk Assessment: This indicator look at the completion, timely review and quality of care plans and risk assessments for patients. The indicator is monitored through a case management report and the service is looking to use local dashboards to help the hubs focus on and improve performance against this indicator.

The position at the end of March for these indicators is illustrated in the chart below.



As our activity and demand for our services continues to grow we face the challenges associated with increasing waiting times to access our services. This has resulted in longer waits for first appointment and treatment at all our hubs. We are working to reduce this through innovative solutions such as online platforms for mental health assessments and treatment. In the meantime, FTB continues to undertake Clinical Harm Reviews to ensure patients are not coming to harm whilst they wait for our service.

Through establishing a framework for improvement we are working closely with our partners and the wider system to improve access to services at every level; at primary care and secondary care level and also within our urgent care system.

Over 2019/20 several transformational services commenced, including:

- Intensive Community Outreach (ICON) – training staff and delivering highly specialised interventions for those young people with the most complex and challenging presentations

- STICK team integrated within the BCT and local schools to identify early help needed with children and young people and deliver brief interventions to build emotional resilience and mental well being

Agency Spend



Historically, FTB has been reliant upon temporary staff and has had to manage both the financial and quality challenges that this brings. Through robust recruitment plans we have significantly reduced nursing vacancies and have more substantive medics in post. In the last quarter of 2018/19 we have also seen reduction in agency spend for the first time.

Through our retention work stream we are also developing ways to retain our staff. We are improving what we offer our staff through improving access to IT, improving access to additional space and valuing our workforce events.

Looking forward - What are we doing to improve?

Over 2019/20 we will be working with our commissioners and other partners across the healthcare system to integrate care for young people in a more effective way. We will continue to focus upon key priorities including:

We will continue to embed quality improvements across all our hubs and services as we aspire to achieving 'outstanding' in our self-assessments against CQC standards.

- Providing timely and responsive services and reducing the waiting times experienced by our service users to access or progress through our services.
- Being timely and responsive and reducing waiting times.

- Sustained improvements with recruitment and retention of staff and a staff group who want to work within the service.

These priorities will be monitored through regular reports to BWC Quality Committee and clinical commissioning Quality Group.

Abortion Care Service

Approximately 1 in 3 women will have an abortion in their lifetime. This could be for complex medical conditions affecting the pregnancy or the woman's health, fetal abnormalities or many other reasons impacting on women and their lives, which leads to them taking this step.

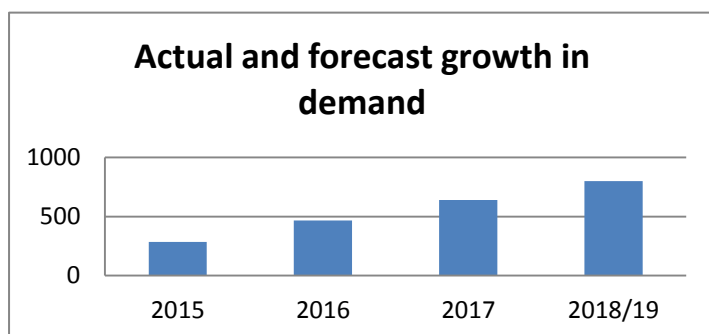
Here at Birmingham Women's we've been on a journey since our abortion service was established in 2015 when our commissioners wanted to formalise a pathway for medically complex women with a designated acute provider, and as part of our mission to be the local and regional provider of choice and centre of excellence for women's care, we took up this service.

In the Quality Account last year we reported in detail the work to improve our abortion care service which started in 2016 following the CQC inspection and external review reports. We continued this work in 2018/19 with:

- April 2018: We hosted an abortion care summit which concluded that significant improvements had been made with further challenges to be addressed
- July 2018: Internal audit report concluded that there was significant assurance with minor improvement opportunities.

Significant work has been undertaken to improve staff training and to increase staff confidence in the management of patients requiring abortion care. We have increased the provision of emotional support for both staff and patients, with more available access to the bereavement services; counselling and 1:1 clinical supervision. However we recognise that there are areas for further improvement and we continue to learn from incidents and complaints where we think there are gaps in the care we have provided or we have just not got it right for our patients or their families.

In October we reported concerns that our waiting times had increased and were falling short of our local target due to continued growth in demand for the service, as well as a change in patient profile with more requests for surgical terminations of pregnancy (ToP) and greater numbers of patients who require complex wrap around care, safeguarding support and management of comorbidities.



The service was initially set up to undertake 200 cases per year and has seen a year on year increase in activity. The anticipated growth in demand is set to rise even further given that Birmingham is classed as one of the 'youngest population' cities in the UK.

The consequence of this fourfold growth is that patients' experience is less than ideal with unacceptable waits for an outpatient appointment to determine their treatment pathway.

Added to this are waits for surgical ToP which leaves no margin for uncontrollable events such as loss of capacity for sickness in specialist staff.

We anticipate there will be a bigger 'future' problem as the city's young children move into adulthood and therefore outlined a phased approach to managing our current and future issues through a workforce, capacity and estates plan.

- **The workforce:** Development of the acute gynaecology nurse specialist role to take on care of patients on a variety of gynaecology pathways including abortion care, investing in post graduate training, scanning, prescribing and advanced assessment skills. We have also been working to reduce two medical workforce risks which have affected our gynaecology and obstetric services and have recently recruited to substantive posts in gynaecology.
- **Creating Outpatient Capacity:** In order to meet this increased demand we need to run additional Outpatient Clinics. By managing our in-patient activity more efficiently we have been able to change the way we use the ward area, transforming it into an out patients area. We have achieved this safely by using side rooms and treatment rooms as consultation rooms and the patient lounge area as a waiting space.

We have come a long way but know that there is much more that we have to do. In particular we need to think carefully about where our services are best located and ensure that we have the right estate and sufficient capacity to meet our women's needs.

We also need to continue to listen to women and regularly review our service to ensure we support them in the very best way, starting conversations about how we better support younger teenagers and women in later stages of their pregnancies.

Emerging priorities identified throughout 2018/19

Waiting Lists

Reducing the time patients wait for treatment / care at any part of their journey is a key objective for all our services. Many of our services experience similar causes of delays such as physical capacity, personnel capacity and increase in demand; however solutions are often unique to the particular service. All of our waiting time key performance indicators are monitored on a monthly basis and deviations from plan are interrogated and addressed. Some of the actions we have / are undertaking include:

- Reviewing the pathways to improve the flow
- Increasing capacity where possible
- Reviewing our workforce requirements to deliver the service
- Working in partnership with other organisations.

Emergency Department

Looking back on 2018/19 - How have we done?

It has been a challenging year for the Emergency Department (ED). Whilst Q1 and Q2 performance was better than previous years, Q3 and Q4 have been very difficult. Attendance numbers have risen (1.1% for the full year but 6% over the winter period) compared to the previous year and patient acuity has also increased. The ED team have worked very hard to ensure patient safety is maintained but performance against the 95% target has been particularly difficult.

Looking forward - What are we doing to improve?

There appears to have been a shift change in the number of attendances to ED and the level of acuity. In response, the clinical and management teams are developing an ED strategy which will help us understand what staffing and physical estate models are required to sustain ED over the next 3-5 years.

Genetics

Looking back on 2018/19 - How have we done?

Preparation for the Genomic Laboratory Hubs (GLH)

The UK is currently leading the world in terms of genomic medicine, with the NHS at the forefront of a medical revolution, transforming our ability to understand and tackle rare and complex diseases. In some cases, the results of genomic testing could lead to personalised

medicine, ranging from inclusion in a clinical trial to a change of treatment to one considered likely to be more effective. Some people with undiagnosed rare diseases may also receive a genetic diagnosis for their condition.

In October 2018, the Secretary of State for Health and Social Care announced that all genomic testing is to be delivered through a network of seven Genomic Laboratory Hubs.

The West Midlands, Oxford and Wessex Genomic Laboratory Hub (WMOWGLH) is based at the West Midland Regional Genetics Laboratory (WMRGL), part of Birmingham Women's and Children's NHS Foundation Trust (BWC), and will serve 11 million people across the region. Working in partnership with acute Trusts across the West Midlands, Oxford and Wessex, the WMOWGLH will analyse all genetic tests in the region.

Relocation of Genetics

Following the successful relocation of the Genetics laboratory Germline Programme last August (2018) to Birmingham Research Park, the laboratory Cancer Programme joined them in February 2019. This was the next step towards expanding the genetics laboratory and part of relocating the entire Genetics team from Norton Court. These moves will help to meet an increasing demand for laboratory and office space and provide a much improved working environment.

The Cancer Programme provides genomic testing for a range of cancer referrals including haematological malignancies, solid cancers (such as breast cancer) and for patients with a family history of cancer.

The Technical Programme will remain in the existing Genetics block and work is being undertaken to increase the laboratory space and also improve the working environment.

Performance

Referral to Treatment (RTT) and Laboratory Turnaround times have deteriorated as a result of a mismatch in growth and resources available. Actions have been undertaken to stabilise the laboratory backlog and improve RTT performance.

Looking forward - What are we doing to improve?

- Continue to work through plans with the Genomic Laboratory Hubs Consortium to deliver the Secretary of State for Health and Social Care vision.
- The final phase of relocation will be the transfer of our Clinical Genetics team from Norton Court. We are in the process of finding suitable accommodation.
- Develop a true demand and capacity model for both laboratory and clinical services so that our patients have no unnecessary delays in their treatment pathway.

2019/20 Priorities for Birmingham Women's & Children's NHS Foundation Trust

Developing our Quality Strategy

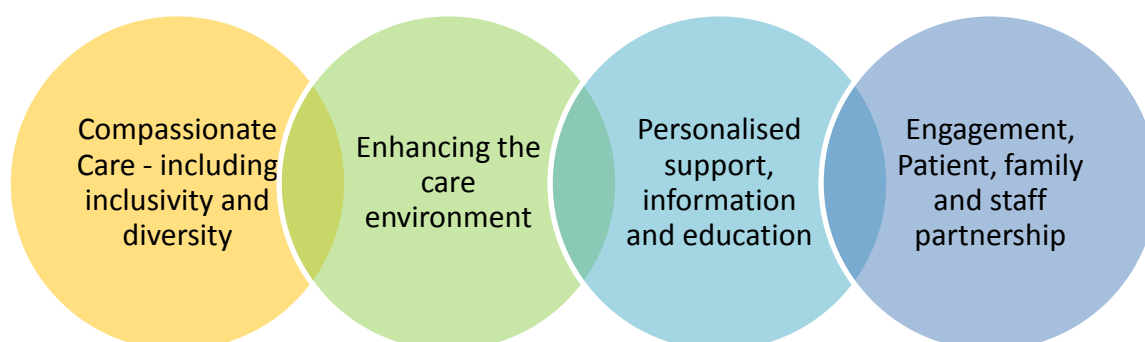
We are committed to being the best place to be cared for, providing excellent patient care and excellence in treatment and clinical outcomes and it is our aspiration that every woman, young person, child and family feels safe and cared for whilst accessing services at Birmingham Women's and Children's NHS Foundation Trust.

Over 2018/19, building upon our Mission, Vision and Values, we have worked with our staff to develop the four frameworks which form the foundations of our Quality Strategy and define how we will deliver our goal to be the best place to work and be cared for.

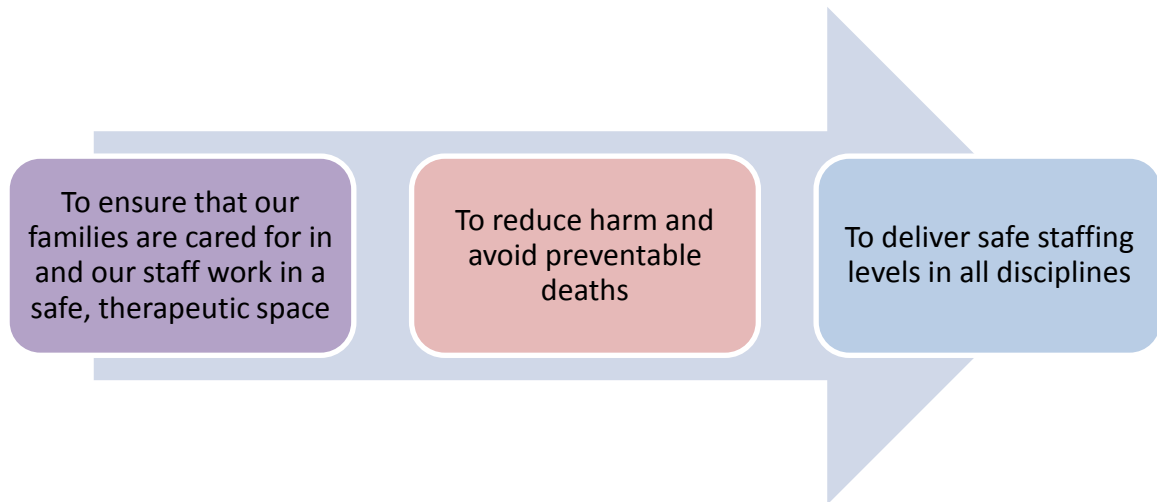
Our Quality Strategy is aligned to the national quality and quality improvement agenda and builds upon the successes of the previous Birmingham Women's and Birmingham Children's strategies which introduced and raised the profile of the quality agenda across the Trust through its focus on key quality improvement initiatives.

These four frameworks cover the traditional elements of Quality as well as a fourth dimension of risk management which we consider to be an enabling element of our Quality Strategy.

- **Patient Experience and Participation:** that women, children and young people will **say** that they have received effective, safe, high quality care and that they have been shown compassion and treated with dignity and respect. A good experience of care, treatment and support is an essential part of excellent healthcare.



- **Patient Safety:** that we keep women, children and young people safe and do no harm. This means ensuring that the environment is safe, clean and that we constantly work to reduce avoidable harm. We have worked closely with our staff this year to define their three top safety priorities.



- **Effectiveness of Care:** that we deliver the most effective care and work towards identifying clinical outcomes that are important to our women, children and young people and are co-designed with them. This dimension also includes delivery of evidence based care and audit of national and specialty specific clinical guidelines.

This element of the Quality Strategy incorporates our Outcomes Programme which sets out the Trust's approach to collating and using clinical outcomes to measure the quality of each of our clinical services. Our aim is for all specialties to have a suite of well respected, well understood clinical outcome measures using data that is systematically collected, analysed, reviewed and published. Along the way we will learn to share this information in a meaningful way with our patients and stakeholders and learn how to routinely use outcomes data alongside financial, workforce and operational information to inform our decision-making processes.

We have also added a fourth dimension which we believe is integral to enabling and sustaining quality.

- **Risk Management:** We have broadened our concept of quality to include how we assess and define the risks associated with our care, how we manage this within our organisation and how these risks are escalated, shared and resolved or managed.

7-Steps to Quality



The National Quality Board provides us with a 7 Steps to Quality Model which will be used as our blueprint on our quality journey.

We will also use the Improvement 4 Everyone (I4E) methodology to drive our quality agenda using break through objectives to focus upon core elements of the quality strategy and supporting frameworks.

Over the next three years the Quality Account will focus and report upon the priorities set out in our Quality Strategy.

As we start to implement our new Quality Strategy over 2019/2020 we will develop measures for each of these quality priorities and apply them to service developments or areas where we face continued challenges already discussed in this quality account or emerge during the year. These priorities will be measured through quarterly reports to the Clinical Safety and Quality Assurance Committee, and escalated to Quality Committee through the Key Issues Assurance Report.

In summary the priorities and quality indicators that the Trust has chosen for 2019/20 are summarised in the table below:

2019/20 Priorities
<p>Patient Experience: Women, children and young people will <i>say</i> that they have received effective, safe, high quality care and that they have been shown compassion and treated with dignity and respect. A good experience of care, treatment and support is an essential part of excellent healthcare.</p>
<p>Compassionate Care - including inclusivity and diversity</p> <p>Enhancing the care environment</p> <p>Personalised support, information and education</p> <p>Engagement, Patient, family and staff partnership</p> <p>We will develop measures for these safety priorities as we apply them to key areas including:</p> <ul style="list-style-type: none"> - Continued improvements in Forward Thinking Birmingham - Continued improvements in our Antenatal Pathway - Continued improvements in our neonatal care across the Trust
<p>Safety: that we keep women, children and young people safe and do no harm. This means ensuring that the environment is safe, clean and that we constantly work to reduce avoidable harm. We have worked closely with our staff this year to define their three top safety priorities.</p>
<p>To ensure that our families are cared for in and our staff work in a safe, therapeutic space</p> <p>To reduce harm and avoid preventable deaths</p> <p>To deliver safe staffing levels in all disciplines</p> <p>We will develop measures for these safety priorities as we apply them to key areas including:</p> <ul style="list-style-type: none"> - Development of new shared pathways of care with the Royal Orthopaedic Hospital - Continued Improvement in Forward Thinking Birmingham Priorities - Quality Improvement project on prevention and management of extravasation injuries
<p>Effectiveness: that we deliver the most effective care and work towards identifying clinical outcomes that are important to our women, children and young people and are co-designed with them.</p>
<p>Clinical Outcomes Programme</p> <ul style="list-style-type: none"> - In 2019/20 account we will report clinical outcomes for 3-5 clinical pathways. <p>These will be agreed by the Clinical Outcomes Programme Board and Project Team</p>

As well as these priorities we will continue to include information in the 2019/20 quality account which we consider important within a balanced account of Quality at BWC. This will include:

- Cancelled Operations
- Surgical Safety and Never Events
- Emergency Department Services
- Managing our waiting lists
- Developing our Genetics Services

2.3 Statements of Assurance

Review of Services

Birmingham Women's and Children's NHS Foundation Trust

During 2018/2019 the Birmingham Women's and Children's NHS Foundation Trust provided and/or sub-contracted 37 NHS services. The Birmingham Women's and Children's NHS Foundation Trust has reviewed all the data available to them on the quality of care in all of these relevant NHS services. The income generated by the NHS services reviewed in 2018/2019 represents 100 per cent of the total income generated from the provision of NHS services by the Birmingham Women's and Children's NHS Foundation Trust for 2018/2019.

Participation in Clinical Audits

National Clinical Audits

During 2018/19 33 national clinical audits and national confidential enquiries covered relevant health services that Birmingham Women's and Children's NHS Foundation Trust (BWC) provides.

During that period BWC participated in 85% (28/33) 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 BWC was eligible to participate in during 2018/19 are as follows:

1. Child Health Clinical Outcome Review Programme: New Topic - Long-term ventilation in children, young people and young adults
2. Feverish Children (care in emergency departments)
3. Inflammatory Bowel Disease (IBD) Registry, Biological Therapies Audit
4. Learning Disability Mortality Review Programme (LeDeR)
5. Major Trauma Audit
6. Mandatory Surveillance of bloodstream infections and clostridium difficile infection
7. Maternal, Newborn and Infant Clinical Outcome Review Programme: Perinatal Mortality Surveillance / Perinatal morbidity and mortality confidential enquiries
8. Maternal, Newborn and Infant Clinical Outcome Review Programme: Maternal Mortality surveillance and mortality confidential enquiries / Maternal morbidity confidential enquiries
9. Medical and Surgical Clinical Outcome Review Programme: Cancer in Children, Teens and Young Adults
10. Medical and Surgical Clinical Outcome Review Programme: Perioperative diabetes
11. Medical and Surgical Clinical Outcome Review Programme: Pulmonary Embolism
12. Mental Health Clinical Outcome Review Programme: Suicide, Homicide & Sudden Unexplained Death
13. Mental Health Clinical Outcome Review Programme: The Assessment of Risk and Safety in Mental Health Services
14. National Asthma and Chronic Obstructive Pulmonary Disease (COPD) Audit Programme (NACAP): Paediatric Asthma Secondary Care
15. National Audit of Seizures and Epilepsies in Children and Young People (Epilepsy12)
16. National Cardiac Arrest Audit (NCAA)
17. National Clinical Audit of Psychosis: EIP spotlight audit
18. National Comparative Audit of Blood Transfusion programme: Use of Fresh Frozen Plasma and Cryoprecipitate in neonates and children
19. National Comparative Audit of Blood Transfusion programme: Management of massive haemorrhage
20. National Congenital Heart Disease (CHD): Paediatric, Adult
21. National Diabetes Audit – Adults: National Pregnancy in Diabetes Audit
22. National Maternity and Perinatal Audit (NMPA)
23. National Neonatal Audit Programme - Neonatal Intensive and Special Care (NNAP)
24. National Paediatric Diabetes Audit (NPDA)
25. Neurosurgical National Audit Programme
26. Paediatric Intensive Care Audit Network (PICANet)
27. Prescribing Observatory for Mental Health (POMH-UK): Monitoring of patients prescribed lithium
28. Prescribing Observatory for Mental Health (POMH-UK): Rapid tranquilisation

29. Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis): Antibiotic Consumption
30. Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis): Antimicrobial Stewardship
31. Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme
32. Seven Day Hospital Services Self-Assessment Survey
33. UK Cystic Fibrosis Registry

The national clinical audits and national confidential enquiries that BWC participated in during 2018/19 are as follows:

National Clinical Audit/National Confidential Enquiry Title	Participation	Cases Submitted (Number/percentage reported)
NCEPOD long-term ventilation in children, young people and young adults Study	Participating	<i>Still open for data submission at time of writing report</i>
Feverish Children (care in emergency departments)	Participating	<i>Data unavailable at time of writing report</i>
Inflammatory Bowel Disease (IBD) Registry, Biological	Participating	75% (458 cases)
Learning Disability Mortality Review Programme (LeDeR)	Participating	61% (11 out of 18 cases)
Major Trauma Audit (TARN)	Participating	171 cases submitted and accepted by TARN
Mandatory Surveillance of bloodstream infections and clostridium difficile infection	Participating	100% (80 cases)
Maternal, Newborn and Infant Clinical Outcome Review Programme - Perinatal Mortality Surveillance / Perinatal morbidity and mortality confidential enquiries	Participating	100% (109 cases)
Maternal, Newborn and Infant Clinical Outcome Review Programme - Maternal Mortality surveillance and mortality confidential enquiries / Maternal morbidity confidential enquiries	Participating	0% (1 case requested recently, to be submitted in 2019/20)

National Clinical Audit/National Confidential Enquiry Title	Participation	Cases Submitted (Number/percentage reported)
NCEPOD Medical and Surgical Clinical Outcome Review Programme: Cancer in Children, Teens and Young Adults Study	Participated (data submission in 2017/18)	67% (16 cases)
Mental Health Clinical Outcome Review Programme - Suicide, Homicide & Sudden Unexplained Death	Participating	<i>Data unavailable at time of writing report</i>
National Asthma and Chronic Obstructive Pulmonary Disease (COPD) Audit Programme (NACAP) - Paediatric Asthma Secondary Care	Will participate – due to launch June 2019, with hospital recruitment from September 2018	100% (5 cases; pilot)
National Audit of Seizures and Epilepsies in Children and Young People (Epilepsy12)	Participating	100% (129 cases plus organisational survey)
National Cardiac Arrest Audit (NCAA)	Participating	100% (29 cases)
National Clinical Audit of Psychosis – EIP spotlight audit	Participating	100% (347 cases)
National Comparative Audit of Blood Transfusion programme - Use of Fresh Frozen Plasma and Cryoprecipitate in neonates and children	Participating	100% (20 cases FFP at BWH, 20 cases FFP and Cryoprecipitate at BCH)
National Comparative Audit of Blood Transfusion programme - Management of massive haemorrhage	Participating (only applicable to BWH)	100% (3 cases)
National Congenital Heart Disease (CHD)	Participating	100% (961 records submitted)
National Diabetes Audit – Adults: National Pregnancy in Diabetes Audit	Participating	<i>Data unavailable at time of writing report</i>
National Maternity and Perinatal Audit (NMPA) (births that took place under the care of your trust between 1 April 2017 and 31 March 2018.)	Participating (uses Trust Maternity Services Data Set (MSDS) data submitted to NHS Digital)	100% (organisational survey)

National Clinical Audit/National Confidential Enquiry Title	Participation	Cases Submitted (Number/percentage reported)
National Neonatal Audit Programme - Neonatal Intensive and Special Care (NNAP)	Participating	100% (2203 cases)
National Paediatric Diabetes Audit (NPDA)	Participating	Still open for data submission, due to close on 31 May 2019
Neurosurgical National Audit Programme	Participating	100% (all cases submitted with HES data through NHS digital)
Paediatric Intensive Care Audit Network (PICANet)	Participating	100% (1224 admissions)
Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis) - Antibiotic Consumption	Participating	25% (1 out of 4 reports; Q4 data sent)
Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis) – Antimicrobial stewardship	Participating	25% (1 out of 4 reports; Q4 data sent)
Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme	Participating	100% (11 cases)
Seven Day Hospital Services Self-Assessment Survey	Participating	85 cases
UK Cystic Fibrosis Registry	Participating	93% (285/305)

The national clinical audits and national confidential enquiries that BWC did not participate in during 2018/19 are as follows:

NCEPOD Medical and Surgical Clinical Outcome Review Programme: Perioperative Diabetes Study	Did not participate. Data submission was 2017/18.	0 cases
Medical and Surgical Clinical Outcome Review Programme: Pulmonary Embolism	Did not participate	0 applicable cases
Mental Health Clinical Outcome Review Programme - The Assessment of Risk and	Did not participate	0 clinicians included in the random selection

Safety in Mental Health Services		
Prescribing Observatory for Mental Health (POMH-UK) - Monitoring of patients prescribed lithium	Did not participate	The Trust is currently not a member of this organisation.
Prescribing Observatory for Mental Health (POMH-UK) - Rapid tranquilisation	Did not participate	The Trust is currently not a member of this organisation.

The reports of 23 national clinical audits and confidential enquiries were reviewed by the provider in 2018/19 and BWC intends to take the following actions to improve the quality of healthcare provided: (See table 7)

Table 7 National Clinical Audit / NCE Reports Reviewed

National Clinical Audit / National Confidential Enquiry Title	Action
National Paediatric Diabetes Audit (NPDA)	<p>Dedicated “Annual Review Clinics” have been developed and were launched in September 2018.</p> <p>A new “High HbA1c pathway” has been developed and this was launched in May 2018. This has been designed to allow targeted support for those Children and Young People with HbA1c >8.5% as per NICE guidance.</p> <p>Update of guideline for care of Children and Young People with newly diagnosed diabetes – time of blood samples to be taken to screen for antibodies and comorbidities amended.</p>
MBRRACE gap analysis MBRRACE-UK Saving Lives, Improving Mothers’ Care - Lessons learned to inform maternity care from the UK and Ireland Confidential Enquiries into Maternal Deaths and Morbidity 2013–15 Published December 2017	<p>92% compliant (119/130 recommendations met, 7 partially compliant 4 non-compliant). Actions were:</p> <ul style="list-style-type: none"> • Recommendation to detail that pregnancy should not alter the investigation and treatment of a woman presenting with a stroke, action to identify the most appropriate guideline for this information • Review and revise the Mental Health guideline to identify an appropriate section to include recommendation 53. • Further discussion with the Mental Health lead midwife for recommendations 56-59 • Explore the possibility of a critical care outreach nurse to work in partnership with the midwifery team prior to transferring the woman to ITU • The maternity directorate is in the process of introducing influenza immunisation in Antenatal Clinic.

National Clinical Audit / National Confidential Enquiry Title	Action
NCEPOD Chronic Neurodisability Study	<p>Neurology at BCH is a tertiary service and therefore many aspects of patient care for patients with chronic neurodisability disorders are led and provided by community care, which is covered by a number of different community teams across the area.</p> <p>An initial gap analysis showed out of 35 recommendations, 30 are applicable, of these 7 have been fully met, 10 are partially met, and 13 are not met.</p> <p>An internal working group is meeting quarterly to address the areas for improvement. Actions include:</p> <ul style="list-style-type: none"> • Ensuring clinicians are aware of and are completing the Gross Motor Function Classification System • Conducting a 'mini audit' to check compliance • A copy of our gap analysis has been shared with our commissioners, so that they can review the recommendations that we believe would benefit from a wider system response.
National Confidential Enquiry into patient Outcome and Death (NCEPOD) report 'On the Right Course?' a review in to the quality of care for children and young people under the age of 24 who died or were admitted to High Dependency Care within 60 days of systemic anti-cancer therapy (SACT).	<p>Two of our medical staff were on the group that advised on the design of the study.</p> <p>Local audits have been proposed to help improve compliance with six of the recommendations in the report.</p> <p>A specific consent form for SACT has been devised, that addresses the points made in recommendation 4 of the report, and this is in use.</p>
NNAP	<p>Retinopathy of prematurity (ROP) screening, regarding our low-outlier status: Our new Ophthalmology team is entering the ROP data directly onto Badger. We have appointed a neonatal nurse with dedicated time to be our Badger Champion to ensure data completeness and accuracy. She has been a significant asset in capturing the data accurately. We hope this will improve our figures and looking at the 2018 data, we have made significant improvements with only 3 late screens. These were for babies who were discharged and brought back to the ophthalmology outpatient's clinic.</p>

Local Clinical Audits

The reports of 94 local clinical audits were reviewed by the provider in 2018/19 and BWC intends to take the following actions to improve the quality of healthcare provided:

CARMS-00937: Time taken to achieve 100% feed volumes/rates in children commencing enteral feeding (Oncology Dietetic Team)

Objectives: To look at the reasons why 100% of feed rates are not achieved and how long it takes children to achieve 100% of feed volumes/rates commencing enteral feeding.

Vomiting was in this audit the main reason for feed rates to be delayed.

Actions:

- To look at vomiting as the main cause of feed not progressing; To review patients and check whether they are on/having adequate anti-sickness medication.
- Consider change to a partially hydrolysed feed
- Consider changing feed rate

CARMS-00998: Outcomes in major burns in children

Objectives: To monitor clinical outcomes in patients with major burns (>20% TBSA)

Actions:

- Weigh patient on admission or obtain a weight at the first change of dressing in theatre (weighting dressing): Nurse Staff have been informed of the importance of obtaining an accurate weight on patients ASAP. This recommendation has been reported in our Burns Newsletter. Every morning at ward round medical and nurse staff check if the patient's weight has been taken.
- We have now tested and started using a bed side software 'Burn Navigator' that hourly recommend fluids to be administered according to the urinary output hourly recorded.
- Reduce fluids input if urinary output is >1ml/kg/h

CARMS-BWH-00722: Effectiveness of Neonatal Observation Monitoring Chart

Objectives: All babies who require monitoring should be monitored with a Neonatal Early Warning Score (NEWS) chart, monitored at the correct time frames, and NEWS scores should be actioned correctly.

Actions:

- Email delivery suite and inpatient matron with regard to findings and ensure that the Newborn Early Warning Trigger and Track chart triggers are re-iterated and that all babies triggering review get one.
- Secondly, to ensure that babies are monitored at correct intervals.

CARMS-30019: Weight measurements documented in Discharge CPA reports from an eating disorders unit

Objectives: To look at the documentation of weight measurements in the last CPA report before discharge from the ward, with particular regard to the inclusion of the following information: Actual weight, BMI, % weight for height, healthy weight range at the time of admission and discharge.

Actions:

- Include a section with information regarding weight in Review meeting document. A section on weight information has been added to the CPA / Discharge document.

CARMS-30028: Audit of Management of TP53 mutation positive families (Li-Fraumeni syndrome)

Objectives: To check the management of the families known to the clinical genetics department with proven TP53 mutations, to ensure that genetic testing has been offered appropriately and breast cancer screening for females is in accordance to existing guidelines

Recommendations:

- The first degree female relatives should be contacted to offer genetic testing/breast screening.
- Affected patients will eventually need to be contacted to arrange screening if the screening guidelines are implemented. Also first degree relatives will all need to be offered genetic testing.

CARMS-30054: Auditing abdominal ultrasound requests by the Liver Unit

Objectives: Improve our current practice for requesting elective abdominal ultrasound by liver unit. Analysis of current practice; are essential demographics & information filled out appropriately on the form?

Recommendations:

- Printed labels for demographics
- Radiology form should be declined if no clinical query stated, no sedation status stated, or no infection status stated.
- Review future possibility of online radiology request

CARMS-30177: Transfusion Sample Taking Audit

Objectives: To identify whether the transfusion sample taking complies with NBTC National standards for the clinical transfusion process and ISO 15189: 2012 5.2 Accommodation and Environmental conditions and 5.4 Pre-examination processes in sampling.

Findings: All the national standards were met during this audit.

Recommendations:

- To continue with sample collection training
- Ensure that this training remains an integral part of all transfusion teaching
- To teach on the phlebotomy training day at BWH

CARMS-30193: Audit of compliance of trust gynaecology/EPAU guidelines

Objectives: To assess the compliance of BWH gynaecology /EPAU guidelines for patients returning for follow up scans in the early pregnancy unit.

Actions:

- Sub-chorionic haemorrhage (SCH) do not need re-scan arranged, however advise women about seeking advice if further fresh bleeding. Unless, the patient develops a new episode of PV Bleeding and presents (where viability USS can be done) SCH on its own doesn't need re-scan.
- Conservative/Expectant management patients do not need to be seen prior to 3 weeks - this is patient specific and some patients may request being brought earlier
- Although HCG and progesterone levels prior to diagnosis of Pregnancy of Unknown Location/Ectopic pregnancy aren't clinically informative, it has been discussed and agreed in EPAU MDT that doing them prior to scanning helps the nursing staff in triaging patients who need earlier scans due to high index of suspicion regarding ectopic pregnancies.

CARMS-30234: Saving babies lives care bundle version 1

Objectives: Carbon Monoxide monitoring, IUGR (Number of pregnancies appropriately screened and monitored according to risk), Reduced Fetal Movements, Effective fetal monitoring during labour.

Actions:

- New guideline waiting approval.
- Confirmed Tommy's leaflet is still in use.

CARMS-30001: Audit of request for support referrals from BCH to Children's services

Review a random sample of 10 referrals per month ensuring coverage of FTB, ED and wards. The referrals are assessed against a criteria tool that reviews quality and completeness of the referral. The criteria tool has a scoring system which enables data reporting.

The audit commenced in April 2015. Initial results identified that 20% of referrals to social care were assessed as poor. All poor results were followed up by the safeguarding team with the referrer. Additionally group supervision focused upon strengthening referrals alongside induction training and training updates.

- In April 2016 70% of referrals were assessed as either good or outstanding.
- In April 2018 100% of referrals were assessed as either good and outstanding
- In December 2018 100% of referrals were assessed as good.

The safeguarding team have established safeguarding supervision across "hot spots" that have been identified as poor quality referrers therefore the audit has been closed as the safeguarding team have established process for supporting improved quality of referrals.

CARMS-30141: GRiST and Risk Assessment Audit

Re-assess the degree of compliance with the local guidelines for inpatient risk assessment as detailed in the 'Policy for the Assessment and Management of Clinical & Associated Risk within CAMHS Tier 4 Inpatient Units' in the 3 wards on the Parkview Clinic site.

Actions:

- Produce guidance for MDT/ junior doctors on completing GRiST to be included in induction booklet
- Discuss possibility of weekly GRiST meeting

CARMS-30151: Carbon monoxide monitoring in pregnancy

To measure the compliance with offering measurement of carbon monoxide levels. To look at the compliance of documentation that testing has taken place.

Actions:

- Review and revise smoking in pregnancy guideline.

CARMS-30161: Maternal Temperature Loss during Elective LSCS

To formally assess the fall in maternal temperature occurring during elective caesarean section.

Previous audit resulted in the purchase of a fluid warming cabinet in order to warm all IV fluids to prevent a fall in patient temperature (as per NICE guidance). This audit looks to check if that has led to a reduction in loss of temperature in obstetric patients.

Actions:

- Share results with Theatre Matron for discussion at Theatre Management Group regarding theatre temperature recording
- Share results with Theatre Matron regarding need for warming device for blood

CARMS-30191: Antibiotic timing during caesarean section

To audit the timing of antibiotics administered during caesarean section. Women undergoing any type of caesarean section, whether elective or during labour, will be eligible. We are an outlier for

infection for Caesarean wound infection and endometritis currently on the risk register. A RCT trial showed preoperative administration was associated with a significant 41% reduction in the rate of endometritis compared with intraoperative administration. The aim is to audit what practice is currently and timing of the antibiotics.

Actions:

- To inform the new medical staff of the importance of antibiotic timing (by email, presentation at governance day, and at junior doctor induction).

Participation in Research

Birmingham Women's and Children's NHS Foundation Trust

The number of patients receiving NHS services provided or sub-contracted by Birmingham Women's and Children's NHS Foundation Trust between 1 April 2018 to 31 March 2019 that were recruited during that period to participate in research approved by a research ethics committee was 7653 for NIHR Portfolio studies. This is 40% above our target for this period.

Goals agreed with commissioners

Birmingham Women's and Children's NHS Foundation Trust

A proportion of Birmingham Women's and Children's NHS Foundation Trust's income in 2018/19 was conditional upon achieving quality improvement and innovation goals agreed between Birmingham Women's and Children's 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 (CQUIN) payment framework.

Further details of the agreed goals for 2018/19 and for the following 12-month period are available electronically at <https://www.england.nhs.uk/nhs-standard-contract/cquin/>

The total value of the income due to CQUIN payments for 2018/19 is £6,648,274. The value achieved for 2018/19 that was conditional upon achieving quality improvement and innovation goals was £6,374,219.

The value of the CCG Acute and FTB CQUIN schemes is the equivalent of 2.5% of contract income excluding drugs and devices. The value of NHSE CQUIN schemes is the equivalent of 2% of the acute contract income excluding drugs and devices.

Schemes agreed for Commissioning Quality and Innovation (CQUIN) framework 2018/19

Commissioner	CQUIN Scheme	CQUIN weighting	Value of CQUIN	Projected Year End Performance	Projected Lost Income
CCGs (acute)	Improvement of Health and Wellbeing of NHS Staff	0.100%	£90,693	YTD Targets Not Met	£90,693
CCGs (acute)	Health Food for Staff, Visitors & Patients	0.100%	£90,693	All YTD Targets Met	£0
CCGs (acute)	Flu Vaccination for Clinical Staff	0.100%	£90,693	All YTD Targets Met	£0
CCGs (acute)	Identification of Sepsis	0.075%	£68,019	All YTD Targets Met	£0
CCGs (acute)	Treatment of Sepsis	0.075%	£68,019	YTD Targets Not Met	£15,304
CCGs (acute)	Antibiotic Review of Sepsis Patients	0.075%	£68,019	All YTD Targets Met	£0
CCGs (acute)	Reduction in Use of Antibiotics	0.075%	£68,019	All YTD Targets Met	£0
CCGs (acute)	Improving Services for People with Mental Health Needs	0.300%	£272,078	All YTD Targets Met	£0
CCGs (acute)	Offering Advice & Guidance	0.300%	£272,078	All YTD Targets Met	£0
CCGs (acute)	Preventing Ill Health	0.300%	£272,078	All YTD Targets Met	£38,771
CCGs (acute)	Engagement with STPs	0.100%	£906,926	All YTD Targets Met	£0
CCG (acute) Subtotal		2.500%	£2,267,314		£144,767
CCGs (FTB)	Improvement of Health and Wellbeing of NHS Staff	0.166%	£45,504	All YTD Targets Met	£45,504

CCGs (FTB)	Health Food for Staff, Visitors & Patients	0.166%	£45,504	All YTD Targets Met	£0
CCGs (FTB)	Flu Vaccination for Clinical Staff	0.166%	£45,504	All YTD Targets Met	£0
CCGs (FTB)	Improving Physical Healthcare	0.500%	£136,511	All YTD Targets Met	£0
CCGs (FTB)	Transitions out of CYP's Mental Health Services	0.500%	£136,511	All YTD Targets Met	£0
CCGs (FTB)	Preventing ill health by risky behaviours - alcohol and tobacco	0.500%	£136,511	All YTD Targets Met	£26,210
CCGs (FTB)	Engagement with STPs	0.500%	£136,511	All YTD Targets Met	£0
CCG (FTB) Subtotal		2.500%	£682,556		£71,714
NHSE	Clinical Utilisation Review	0.417%	£769,081	All YTD Targets Met	£0
NHSE	Medicines Optimisation	0.220%	£404,729	All YTD Targets Met	£0
NHSE	CAMHS Screening of LTC Patients	0.089%	£164,328	All YTD Targets Met	£0
NHSE	Improving Haemoglobinopathy Pathways	0.062%	£115,148	All YTD Targets Met	£57,574
NHSE	Paediatric Critical Care Networks	0.549%	£1,011,822	All YTD Targets Met	£0
NHSE	CAMHS Transition Pathways	0.089%	£164,328	All YTD Targets Met	£0
NHSE	Neonatal Community Outreach	0.217%	£400,475	All YTD Targets Met	£0
NHSE	Complex Care	0.223%	£410,818	All YTD Targets Met	£0
NHSE	Haemtrack	0.134%	£246,688	All YTD Targets Met	£0
NHSE Subtotal		2.000%	£3,687,417		£57,574
PHE	Paediatric Dentistry	2.5%	£10,987	YTD Targets Met	£0
PHE Subtotal		2.500%	£10,987		£0
Grand Total			£6,648,274		£274,055

The monetary total for the amount of income conditional upon achieving CQUIN goals in 2018/19 and the monetary total for the associated payment in 2017/18 are detailed below:

<i>CQUIN income data 2017/18 and 2018/19</i>	2017/18	2018/19
Total value of CQUIN targets (based on planned income)	£6,525,589	£6,648,274
Income not achieved	£96,750	£274,055
% of income not achieved	1.5%	4.1%

Statements from the CQC

Birmingham Women's and Children's Hospital NHS Foundation Trust

Birmingham Women's and Children's Hospital NHS Foundation Trust is required to register with the Care Quality Commission (CQC) and its current registration status is registered with the CQC with no conditions. The CQC has not taken enforcement action against the Trust during 2018/19.

Birmingham Women's and Children's Hospital NHS Foundation Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

NHS Number and General Medical Practice Code Validity

Birmingham Women's and Children's NHS Foundation Trust

Birmingham Children's Hospital NHS Foundation Trust submitted records during 2018/19 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data:

Which included the patient's valid NHS number was:

- 99.1% for admitted patient care
- 99.7% for outpatient care
- 99.5% for accident and emergency care
- 99.9% for Mental Health Care

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

- 100% for admitted patient care
- 99.9% for outpatient care
- 100% for Accident and Emergency care

Information Governance Toolkit attainment levels

Birmingham Women's and Children's NHS Foundation Trust

The Trust completed its first self-assessment against the Data Security Protection Toolkit (DSPT) in 2019. Our improvement plan has been accepted and has been recorded as '*Standards not fully met (plan agreed)*'.

Clinical Coding Audit Report for Data Security & Protection Toolkit (DS&P) Data Security Standard 1 Data Quality

Birmingham Women's and Children's NHS Foundation Trust

Birmingham Women's and Children's NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2018-19 by the Audit Commission.

BWC undertook an audit of coding results as part of the Data Security & Protection toolkit.

The results for 2018/19 are:

	Total Audited	Coder Error	Non Coder Error	Total Incorrect	% Correct
Primary Diagnosis	203	13	0	13	93.5
Secondary Diagnosis	574	34	2	36	93.7
Primary Diagnosis	166	13	2	15	90.9
Secondary Diagnosis	461	38	2	40	91.3
Overall	1404	98	6	104	92.5

Introduction

Clinical data must be accurately and consistently recorded to well-defined national standards to enable it to be used for statistical analysis both locally and nationally. There is a clear need for full and accurate coding of activity in NHS trusts as complete coding is essential for service delivery, achieving target, resource management, clinical governance and performance management; and coded clinical data which is validated and audited is more likely to be recognised as an accurate reflection of hospital activity.

The quality of the coded clinical data depends upon accurate and timely information provided in the clinical record; accurate and consistent clinical coding; and effective management processes such as policy and procedures and training and development.

Aims and Objectives

The aim of the audit was to evaluate the quality of coded clinical data by making comparisons with the information held on the Patient Administration System (Lorenzo) and the information recorded in the full clinical case notes, and to endeavour to trace the source

of any problems found. The audit would identify areas of good practice, together with any areas of weakness, providing recommendations as necessary to ensure that the quality of the data is maintained and improved.

The main objectives of the audit were:

- To measure coding accuracy against national standards and classification rules and conventions, covering inpatient activity from a representative sample of finished consultant episodes
- Identify coding errors and their source
- Assess coding quality by comparing the coded audit data derived from the discharge letter with the original coded data
- Compare the information provided to the coders at the time of coding with the information present in the full clinical case note at the time of audit
- Identify areas of coding practice where improvement is required
- Review the quality of the information source provided to the coders
- Promote interchange between clinician and coder to improve the quality of coded data
- Produce a detailed report showing the results of the above comparisons measured against national and local standards
- Make recommendations for improvement in the quality of coded clinical data.

Clinical Coding Information Governance Audit 2018/2019 BWC Recommendations

Key recommendations	Response	Progress to Date
Training The Trust should address the training issues identified in this report including:		
<ul style="list-style-type: none"> • Adherence to the primary diagnosis definition 	All coding staff to receive training on the importance of the primary diagnosis. Make a poster to go in both offices as a reminder.	Poster designed and sent to all staff. 07.12.18
<ul style="list-style-type: none"> • Recording of sign and symptom codes when a definitive diagnosis has been identified 	All coding staff will undertake a training paper with examples of the errors picked up in the audit. This will ensure that these errors will not be repeated in any further audits.	All staff have completed the Audit Questions Feedback and training at next meetings in March

<ul style="list-style-type: none"> Omission of relevant diagnostic and procedure codes <ul style="list-style-type: none"> Mandatory co-morbidities OPCS-4 site codes 	<p>All coding staff will be given a list of the Ref 88 mandatory Co-morbidities list to put into their ICD10 books for their reference.</p> <p>A Coding session on Z site codes will be held at both BWH and BCH.</p>	<p>All staff sent a copy of Ref 88 coding clinic with the addition of codes.</p> <p>PowerPoint presentation completed.</p>
<ul style="list-style-type: none"> Adherence to documented national standards 	<p>All coding staff to have an electronic copy of the ICD10 & OPCS national standards on their PC desktop</p> <p>A copy of the clinical coding policy and local polices to be available for all staff in both offices.</p>	<p>All staff have a copy of the current standards attached to their desktop.</p> <p>Hard copies are in both offices 07.12.18</p>
<p>Documentation</p> <p>Ensure coders effectively utilize all information sources available to them and accurately abstract all relevant information from them.</p>	<p>Make sure that all coding staff have training on all systems so they can ensure that they are applying all the relevant information available to them.</p>	<p>Staff received Badgernet training in February. All coders happy with using all systems</p>
<p>Audit</p> <p>Implement a programme of regular clinical coding audit to monitor the quality of clinical coding produced within the department</p>	<p>Deputy Clinical Coding Manager will start a regular clinical coding audit programme.</p> <p>The audit will make certain coders are accurately abstracting information from the clinical record and are utilising all of the information that is available to them resulting in an accurate coding assignment. This will also identify any training needs for individual coders.</p>	<p>Meeting held.</p> <p>Implementation of individual audits will commence in April 2019.</p> <p>Any issues identified during Validation will be escalated.</p>
<p>Clinical Engagement</p> <p>Engage with clinical teams to reinforce the importance of clear documentation to facilitate the coding process</p>	<p>A Clinical Engagement lead for the trust has been appointed, this is secondment post.</p> <p>This post will ensure that no mandatory comorbidities are omitted. All relevant primary and secondary diagnosis are captured and this will support the training and auditing programme we are going to put in place.</p>	<p>On going</p> <p>Progress has been made in engaging with several consultants and the validation process has started. This will continue during the secondment.</p>

Data Quality

Birmingham Women's and Children's NHS Foundation Trust has completed a significant amount of work during 2018/2019 to support improving Data Quality.

The Trust has continued to implement its Data Quality Strategy & Policy which sets out goals and objectives to support the Trust to continuously improve its Data Quality. The Trust published its new ICT, Digital and Information Strategy in May 2018 which set out objectives to:

- We will innovate constantly with ideas driven by our patients and staff, and digital tools to enhance their experience.
- We will record information electronically and use automation, decision support and artificial intelligence to free staff time to provide care and do their jobs.
- Planning and management of our organisation will be driven by accurate, reliable information available when and where it is required.
- We will lead the way regionally and nationally on how we capture and share information in women's and children's services.

Birmingham Women's and Children's NHS Foundation Trust will be taking the following actions to support this strategy and to improve data quality:

- Action 1: Ensure that the needs of accurate data are embedded in our training courses, which will also cover commonly made data quality issues.
- Action 2: Support and develop pro-active notification of issues where possible. For example, prompting systems users when entering information if its context or consistency shows a potential issue.
- Action 3: Use reporting to identify potential issues, and focus our training and support efforts.
- Action 4: Develop ownership of data and an 'information culture' where staff can monitor their own information, identify and correct any issues.
- Action 5: Where correcting data is required, ensure corrections are done in the host system so that errors are corrected at source.
- Action 6: Expand the current Information Asset Register to incorporate aspects of the Data Security and Protection toolkit.
- Action 7: Increase awareness and data capture for data items that become included in the updated Data Quality Maturity Index published by NHS Digital.

Learning from Deaths

	Q1	Q2	Q3	Q4	Total
Number of deaths	50	42	54	49	195
Number of deaths that have been reviewed through the mortality review process	28	24	12	0	64
Number of deaths that have been reviewed through the mortality review process and the SI process	4	1	0	2	7
Number of deaths that have been reviewed through the SI process.	6	1	1	2	10
Number of deaths that have been reviewed through either the mortality review process or a SI	28	24	12	2	66

During 2018/19 195 of Birmingham Women's and Children's Hospital patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period: 50 in the first quarter; 42 in the second quarter; 54 in the third quarter; 49 in the fourth quarter.

By 15th April 2019, 64 case record reviews and 10 investigations have been carried out in relation to 195 of the deaths included in item 27.1. In 7 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: 28 in the first quarter; 24 in the second quarter; 12 in the third quarter; 2 in the fourth quarter. All of the other deaths from 18/19 are still under review.

In addition BCH has completed 118 mortality reviews for deaths that occurred before 18/19 (3 in Q1; 41 in Q2; 33 in Q3; 41 in Q4). We are currently unable to report on how many BWH mortality reviews before 18/19 were completed in 18/19, as the date of review was not recorded. However, we have developed a KPI that will monitor review date and will enable future reporting.

0 deaths 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.

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

These numbers have been established using the site specific mortality review tool. Each of the three main sites, the Women's Hospital, the Children's Hospital and Forward Thinking Birmingham have a different review tool.

The Women's Hospital review process for each case is:

Initial case review by the maternity governance team to identify if there are any concerns. If any concerns are identified then the case is progressed to an RCA, usually as a SIRI.

Detailed case review using the National Perinatal Mortality Review Tool (NPMRT) by designated clinicians who were not involved in the care.

Sign off case by Perinatal Mortality Review group.

All adult deaths are automatically classed as Serious Incidents.

The Children's Hospital review process for each case is:

Stage 1 – the case is reviewed by the patient's clinical specialties, the corporate nursing team and, if the patient passed away on PICU, the intensive care team. A structured review tool is used to guide each of these reviews. The tool was developed in-house in 2011, and updated following the publication of the Learning from Deaths national guidance, and provides more detailed prompts than those available in the nationally recommended tools. If there are significant concerns then the case will also be reviewed as a SIRI.

Stage 2 – the outputs from the stage 1 review are shared with a senior clinician who was not involved in the stage 1 reviews and they are asked to assess whether the stage 1 reviews align and whether there are any outstanding causes for concern. If the senior review has queries then the case is referred to stage 3. If there are any concerns that the patient's death may have been caused by failures in BCH care then the case will also be referred to stage 3. If the senior reviewer is satisfied that there are no outstanding queries they are asked to sign the case off. The senior review is documented in a standard tool.

Stage 3 – cases that could not be signed off as completed at stage 2 are referred for further discussion at the Mortality Review Committee. The committee will then, following a discussion about the case, draw conclusions about whether the care provided to the patient could have caused the patient's death.

The Forward Thinking Birmingham review process for each case is:

Every service user death, or homicide, is automatically scoped as a potential SIRI and where related to the services provided, undergoes a full RCA.

Summary of what the provider has learnt from case record reviews and investigations

The vast majority of patient deaths at BWC are due to the patient's underlying condition. The nature of our services as a specialist tertiary care provider and level 3 neonatal unit means that our patient acuity is high and that a number of our patients suffer from several complex health problems.

In 18/19 we have not identified that any of the deaths were caused by substandard care however, we have identified the following trends as part of our reviews and investigations:

- There are some cases where inpatient monitoring of physiological observations does not meet the Trust standard. A pattern noted is in relation to patients who suffer with hypoglycaemic episodes, however, this concern did not contribute to the patient's death in any of the reviewed cases.
- There were examples where patients attended the Emergency Department and were discharged without a full set of observations being recorded. The Mortality Review Committee concluded that this did not contribute to the patient's deaths in any of the cases seen.
- Our liver transplant protocol, which was based on nationally recommended practice, has been developed so that we will automatically consider whether a patient will require a stoma forming as part of their liver transplant care. This development to our protocol does not represent a gap in our previous care; it is an opportunity to develop our practice beyond the current national recommendation.
- Maternal screening for domestic violence requires improvement. We have not identified that this issue contributed to any of the deaths reviewed at BWH.
- Maternal carbon monoxide monitoring and smoking cessation guidance requires improvement.

A description of action taken during the reporting period

- We have fed the learning about monitoring of physiological observations as inpatients and in the Emergency Department into the working group developing our PEWS system. We are also exploring ways of better using technology to monitor patients so that we are less prone to human error. This second strategy to develop technology is a solution that does not exist in the market place and so this is not anticipated to lead to a rapid solution.
- We have changed our liver transplant protocol as described above, and have shared this learning with other transplant centres.
- Consultation with colleagues about domestic violence screening indicates that practice is frequently good in this regard, but the trend has none the less been seen in mortality reviews. We are therefore carrying out an audit to understand our current practice better. This audit will be used to drive further practice changes.

- Carbon monoxide monitoring and smoking cessation support have been recognised as issues across Birmingham, and not just for patients who are supported by BWC. This issue is therefore being addressed by the pan-Birmingham BUMP partnership which is designed to ensure consistently high standards across all of the Birmingham Maternity Units.

An assessment of the impact of actions described above

At BWC a formal evaluation of the impact of SIRC actions takes place 6 months after the lessons have been implemented. In 18/19 we did not identify that any of the deaths, reviewed as Serious Incidents, were potentially preventable if gaps had not been present. While lessons are still identified by these investigations, the degree of system change arising from Serious Incident investigations into deaths, seen in previous years is not present in this year.

A number of lessons identified through the mortality review process are listed above.

Audited Indicators

Indicator	2018/19 Performance	2017/18 Performance
1) Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period	92.3%	92.9%

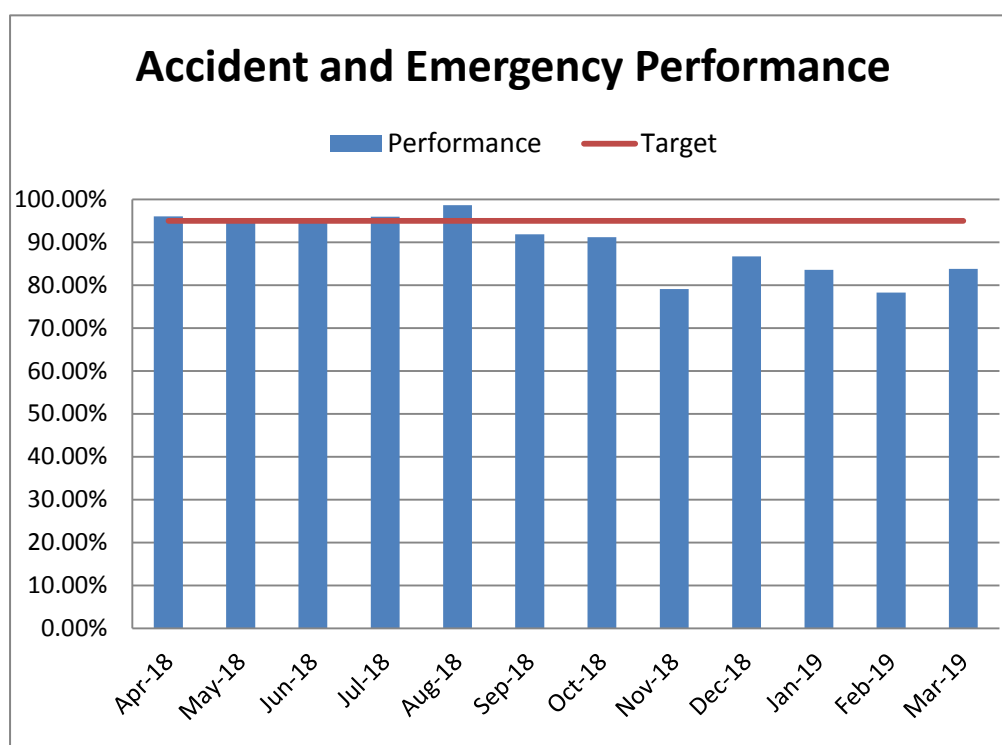
	Performance	Target
April	92.2%	92%
May	93.0%	92%
June	92.4%	92%
July	92.3%	92%
August	92.5%	92%
September	92.3%	92%
October	92.6%	92%
November	92.7%	92%
December	92.0%	92%
January	92.9%	92%
February	92.8%	92%
March	92.0%	92%

18 Weeks Incomplete Monthly Performance

Month	Performance (%)	Target (%)
April	92.2	92.0
May	93.0	92.0
June	92.4	92.0
July	92.3	92.0
August	92.5	92.0
September	92.3	92.0
October	92.6	92.0
November	92.7	92.0
December	92.0	92.0
January	92.9	92.0
February	92.8	92.0
March	92.0	92.0

Indicator	2018/19 Performance	2017/18 Performance
2) A&E 4 hour wait	89.15%	92.84%

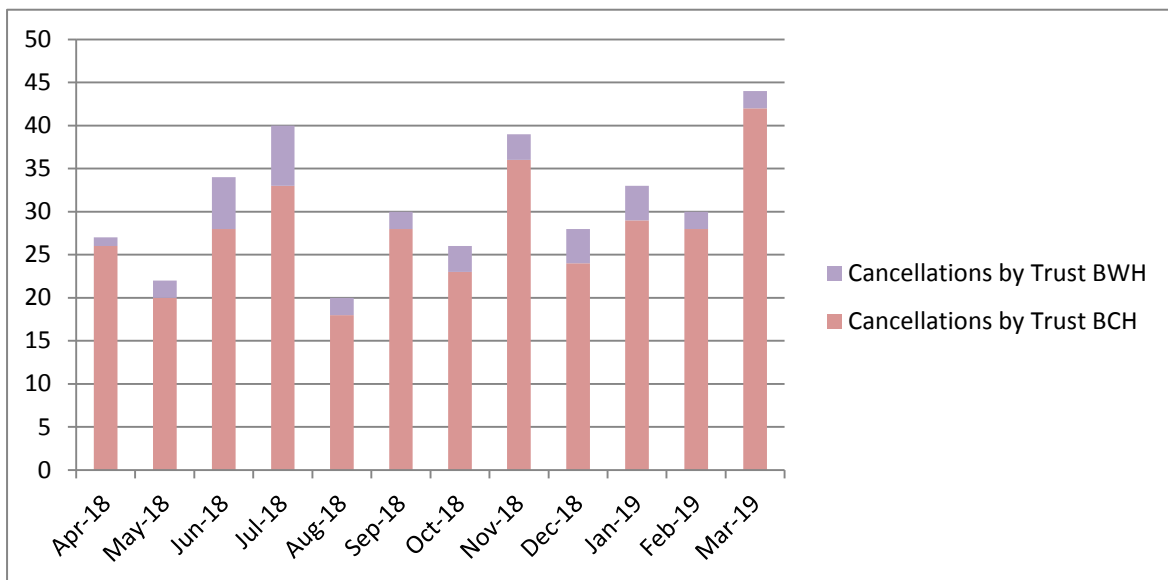
Month	2018/19		
	Attendance	Total breaches	Total %
April	4607	182	96.05%
May	5154	250	95.15%
June	4981	247	95.04%
Quarter 1	14742	679	95.39%
July	4847	193	96.02%
August	3663	48	98.69%
September	4567	371	91.88%
Quarter 2	13077	612	95.32%
October	5285	465	91.20%
November	5793	1210	79.11%
December	5464	727	86.69%
Quarter 3	16542	2402	85.48%
January	5344	878	83.57%
February	4780	1037	78.31%
March	5741	929	83.82%
Quarter 4	15865	2844	82.07%
FYE	60226	6537	89.15%



Indicator	2018/19 Performance	2017/18 Performance
3) Quality Priority: Cancelled Operations	1.27%	1.45%

BWC Rate of Cancelled Operations - % (Month) Cancelled Ops

	BCH	BWH	BWC TOTAL	RWC Rate of cancelled operations
Apr-18	26	1	27	1.16
May-18	20	2	22	0.89
Jun-18	28	6	34	1.42
Jul-18	33	7	40	1.68
Aug-18	18	2	20	0.81
Sep-18	28	2	30	1.26
Oct-18	23	3	26	0.98
Nov-18	36	3	39	1.5
Dec-18	24	4	28	1.22
Jan-19	29	4	33	1.37
Feb-19	28	2	30	1.28
Mar-19	42	2	44	1.71
Total	335	38	373	1.27



2.4 Core Quality Indicators

Due to the time it takes central bodies to collate and publish some of the data, sometimes comparative figures are not available at all, indicated by N/A in the tables below.

There are several core national indicators that are only applicable to some of our services at Birmingham Children's Hospital, Birmingham Women's Hospital and FTB due to the specialist nature of many of our services. Where the indicator is only relevant to either Birmingham Children's Hospital (including FTB) or Birmingham Women's Hospital this will be stated below. Where the indicator is applicable to more than one service, this information is provided in separate tables.

The data made available to the National Health Service Trust or NHS Foundation Trust by NHS Digital with regard to the percentage of admissions to acute wards for which the Crisis Resolution Home Treatment Team acted as a gatekeeper during the reporting period.

This indicator is valid for Birmingham Children's Hospital (including FTB) only

BCH 2017/18	BCH 2018/19	Trust Average 2018/19	Lowest Trust	Highest Trust
100%	100%	100%	88.2%	100%

The Birmingham Children's Hospital considers that this data is as described for the following reasons:

The Quarterly Mental Health Community Teams Activity return collects data on the number of patients on Care Programme Approach (CPA) followed up within 7 days of discharge from psychiatric inpatient care, and the number of inpatient admissions gate kept by Crisis Resolution Home Treatment (CRHT) teams.

The Birmingham Children's Hospital intends to take/has taken the following actions to improve this, and so the quality of its services, by:

We will continue to monitor this data to maintain performance and investigate any areas of concern.

The data made available to the National Health Service trust or NHS foundation trust by NHS Digital with regard to the percentage of patients

(i) <16 years

(ii) 16+ years

Emergency readmissions to hospital within 30 days of discharge

This indicator is valid for both Birmingham Children's Hospital and Birmingham Women's Hospital

(i) The percentage of emergency admissions to any hospital in England occurring within 30 days of the most recent discharge from hospital after admission: indirectly standardised percentage, <16 years.

Year	Indicator value	Numerator	Denominator	Expected
2016/17	12.9	2,235	19,050	1,992
2017/18	12.1	1,985	18,650	1,887
2018/19	N/A	N/A	N/A	N/A

The percentage of emergency admissions to any hospital in England occurring within 30 days of the most recent discharge from hospital after admission: indirectly standardised percentage, 16+ years.

Year	Indicator value	Numerator	Denominator	Expected
2016/17	14.4	295	3,380	275
2017/18	16.9	360	3,675	287
2018/19	N/A	N/A	N/A	N/A

The Birmingham Women's and Children's NHS Foundation Trust considers that this data is as described for the following reasons:

Further guidance on re-admissions provides a rule to exclude maternity related spells:

Obstetric exclusions will be based on all episodes in a spell:

- The existing specification excludes spells where the first episode in the CIP spell does not have a primary diagnosis beginning with 'O' (Pregnancy, childbirth and the puerperium) AND the last episode in the CIP spell does not have a main specialty of Obstetrics, Midwifery or General Practice with Maternity Function.
- When the code was initially reviewed in 2015/16 this was revised to exclude the above based on if it occurs in any episode in a spell. This revision is logical and will be maintained.

The Birmingham Women's and Children's NHS Foundation Trust intends to take/has taken the following actions to improve this, and so the quality of its services, by:

We will continue to monitor readmissions on a specialty by specialty basis and investigate any areas of concern.

The data made available to the Trust by NHS Digital with regard to the trust's responsiveness to the personal needs of its patients during the reporting period. The data

in the table below is the most up to date information available on the NHS Digital website, at the time of writing this report.

This indicator is valid for Birmingham Women's Hospital only

2016/17	2017/18	2018/19	England Average 2018/19	Lowest Trust	Highest Trust
74.2	79.9	N/A	N/A	N/A	N/A

No data for the 2018/19 reporting period is available from NHS Digital.

The Birmingham Women's Hospital considers that this data is as described for the following reasons:

This is based on five questions within the national inpatient survey which are combined to give a composite score. It covers the following areas;

1. Involvement in decisions regarding care and treatment.
2. Being able to talk about worries, fears and concerns.
3. Were you told who to contact after discharge if you were worried about your condition.
4. Privacy when discussing treatment.
5. Being disturbed by noise at night from other patients/staff.

The **2018 Adult inpatient survey** results have been received and a summary of results is as follows:

Top 5 scores (compared to average)	
89%	Q9. Admission: did not have to wait long time to get to bed on ward
82%	Q56. Discharge: patients given written/printed information about what they should or should not do after leaving hospital
92%	Q63. Discharge: told who to contact if worried
79%	Q60+. Discharge: told of danger signals to look for
90%	Q18+. Hospital: able to take own medication when needed to

Bottom 5 scores (compared to average)	
57%	Q54+. Discharge: got enough support from health or social care professionals
72%	Q21+. Hospital: got enough help from staff to eat meals
65%	Q62+. Discharge: family given enough information to help care
73%	Q61+. Discharge: family or home situation considered
72%	Q65+. Discharge: staff discussed need for further health or social care services

Most improved from last survey	
72%	Q14. Hospital: not bothered by noise at night from other patients
88%	Q25. Doctors: not talked in front of patients as if they were not there
88%	Q15. Hospital: not bothered by noise at night from staff
92%	Q20. Hospital: offered a choice of food
87%	Q28. Nurses: not talked in front of patients as if they weren't there

Least improved from last survey	
72%	Q21+. Hospital: got enough help from staff to eat meals
65%	Q6. Planned admission: was admitted as soon as necessary
62%	Q58+. Discharge: told side-effects of medications
73%	Q37+. Care: found staff member to discuss concerns with
65%	Q29. Nurses: always or nearly always enough on duty

The Birmingham Women's and Children's NHS Foundation Trust intends to take/has taken the following actions to improve this, and so the quality of its services, by:

We are pleased with the improvements made in year and are continuing to focus on how we improve our discharge planning processes so that our women are able to understand their ongoing health needs.

The **2018 Maternity patient survey** results have been received and a summary of results is as follows:

Significantly higher this year for 3 questions:

- C10. Did you have skin to skin contact (baby naked, directly on your chest or tummy) with your baby shortly after the birth?
- D3. On the day you left hospital, was your discharge delayed for any reason?
- F2. When you were at home after the birth of your baby, did you have a telephone number for a midwife or midwifery team that you could contact?

Your trust's results were significantly lower this year for 0 questions.

The were no statistically significant differences between last year's and this year's results for 46 questions.

We are pleased with the improvements made in year, particularly in relation to results for offering skin to skin contact.

The Birmingham Women's and Children's NHS Foundation Trust intends to take/has taken the following actions to improve this, and so the quality of its services, by:

We are working towards greater opportunities for partners to engage in the care of their new families.

The data made available to the National Health Service trust or NHS foundation trust by NHS Digital with regard to the percentage of staff employed by, or under contract to, the trust during the reporting period who would recommend the trust as a provider of care to their family or friends (KF1).

This indicator is valid for both Birmingham Children's Hospital and Birmingham Women's Hospital

Staff Recommender Scores

	Recommend as a Place to Work (Question 21c)	Recommend as a Place for Treatment (Question 21d)
2017	61.4%	83.6%
2018	56.7%	80.7%

The Trust saw a significant decline in response rate to the survey in 2018, having undertaken a sample of 1250 staff, and seeing just a 33% response rate. We are disappointed by the decline in the recommender scores and take this seriously. We have discussed this at length with the Trust Board and senior leaders to ensure staff engagement is seen as a really important factor in how we lead and manage the organisation.

The data made available to the National Health Service Trust or NHS Foundation Trust by NHS Digital with regard to the percentage of patients who were admitted to hospital and who were risk assessed for venous thromboembolism during the reporting period.

This indicator is valid for Birmingham Women's Hospital only

BWC 2017/18	BWC 2018/19	Acute Specialist Trust Average 2018/19	Lowest Acute Trust	Highest Acute Specialist Trust
98.8%	N/A	N/A	N/A	N/A

The Birmingham Women's Hospital considers that this data is as described for the following reasons:

With the permission of our commissioners and NHS Improvement we suspended the VTE reporting (the proportion of VTE risk assessments that had been completed) so we could take a more qualitative approach to support an improvement project that came about from some incidents and the resulting investigations.

As we were going live with Badgernet gradually along the pregnancy pathway, the data would be meaningless until we have complete data, which would be expected at 9 months.

The Birmingham Women's and Children's NHS Foundation Trust intends to take/has taken the following actions to improve this, and so the quality of its services, by:

We will restart the quarterly reporting for Q1 19/20, as we are already recording this on Badgernet and will have a full data set from April 2019 onwards.

The data made available to the National Health Service trust or NHS foundation trust by NHS Digital with regard to the rate per 100,000 bed days of cases of C difficile infection reported within the trust amongst patients aged 2 or over during the reporting period.

This indicator is valid for both Birmingham Children's Hospital and Birmingham Women's Hospital

There was one case of Clostridium difficile infection (CDI) during the year at Birmingham Children's Hospital, compared to three cases in 2017/18. This was in a patient who was admitted from home with symptoms attributable to CDI. No root cause or avoidable contributory factors were identified.

We have not had a case of *Clostridium difficile* infection at Birmingham Women's Hospital since 2010/11.

The Birmingham Women's and Children's NHS Foundation Trust intends to take the following actions to improve to maintain this percentage, and so the quality of its services, by:

To ensure that our performance is maintained we will continue to implement and audit the Trust Infection Prevention and Control Programme.

The data made available to the National Health Service trust or NHS foundation trust by NHS Digital 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.

This indicator is valid for both Birmingham Children's Hospital and Birmingham Women's Hospital

	BWC April – September 2017	BWC October 2017 – March 2018	Acute Specialist Trusts October 2017 – March 2018	BWC April – September 2018*	BWC October 2018 – March 2019*
Number of Patient Safety Incidents	2417	1852	Highest: 3582 Lowest: 287 Average: 1454	2843	2443
Rate of Patient Safety Incidents	42	32	Highest: 158.3 Lowest: 17.6 Average: 52.19	Not available	Not available
Number of patient safety incidents resulting in severe harm/death	10	15	Highest: 15 Lowest: 0 Average: 3	11	7
Rate of Patient Safety Incidents resulting in severe harm/death	0.17	0.26	Highest: 0.43 Lowest: 0 Average: 0.35	Not available	Not available

The Birmingham Women's and Children's NHS Foundation Trust considers that this data is as described for the following reasons:

The most recent data has not yet been published by NHS Digital and no national comparative figures are available from March 2018. We have instead provided the data from our local risk management systems for 2018/19 where possible, indicated by *.

The Birmingham Women's and Children's NHS Foundation Trust has taken the following actions to improve this, and so the quality of its services, by:

- We investigate and learn from incidents with a focus on those which cause or have potential to cause most harm in line with the NHS Serious Incident Framework
- We also report incidents of death of patients under the care of Mental Health Services, whether or not gaps in care contributed to the death, as all such deaths are reviewed as SIRIs
- We take actions to address safety issues identified through safety monitoring and analysis
- We carry out regular audits of incident reports to identify any staff groups, wards or departments that may not be reporting all incidents
- The management response to incidents is monitored to ensure that incidents are adequately investigated and feedback provided to staff and families
- We maintain a programme for disseminating lessons learnt from our incidents including the use of our One Liners publications, lessons of the month, and one page summaries from SIRIs
- Incidents are analysed to identify themes and significant safety issues. We endeavour to link incidents to our risk assessments in order to ensure on-going issues can be monitored through our risk register
- We triangulate our incidents with other sources of feedback, including patient experience data
- In addition to monitoring implementation of specific actions arising from serious incident investigations, we have developed a programme to review the effectiveness of our solutions to ensure they continue to mitigate risks
- Since November 2018 we have been recording our incidents on one single risk management system to ensure continuity throughout the system and ease of access for data. This is enhanced with the use of incident theme and process dashboards which feedback incident and risk data to the Divisional, Directorate and Departmental teams in real time.

3. Other Information

3.1 Quality Indicators

The Trust has reported upon the following quality indicators, aligned to our local priorities in Part 2 of this report.

Patient Experience	Clinical Effectiveness	Safety
Neonatal Care – roll over from 2017/18 but extend scope across trust. Focus on how we diagnose / treat jaundice.		
Bliss Baby Charter*	Key initiatives to improve quality of care for newborns, mothers and families across the Trust Focus on diagnosis and treatment of jaundice	Neonatal non-elective readmissions ≤28 days of delivery Unexpected term admissions to the Neonatal Intensive Care Unit (NICU)
Antenatal Radiology Pathway: roll over from 2017/18 but extend scope to include wider work around antenatal pathway		
Patient Experience	Waiting times	Staff Experience
Never Events : Roll over from 2017/18 and include progress with NATSIPS implementation		
	WHO checklist compliance Implementation of NATSIPS*	Rate of Never Events*
Cancelled Operations: Roll over from 2017/18 and focus on delays and cancellations around insertion / removal of management of lines		
	Cancelled Operations Measures*	
FTB: New priority		
Improved CQC rating upon next FTB inspection	Mental Health Care Quality Indicators	Improved self-assessment rating through Hub care plans

*These indicators are governed by definitions in National Standards

In addition to these priorities we have also chosen to report on a small number of supplementary indicators to ensure that they, together with the local priorities, provide a comprehensive view of the care provided to the whole family by the service that comprise Birmingham Women's and Children's Hospital NHS Foundation Trust.

Supplementary Indicators 2018/19		
Patient Experience	Clinical Effectiveness	Safety
<ul style="list-style-type: none"> Friends & Family Test (FFT)* PALS Contacts* Formal Complaints* 	<ul style="list-style-type: none"> Hand Hygiene Audit Compliance* 	<ul style="list-style-type: none"> Incidence of SIRIs and Never Events* MRSA rates* MSSA rates*

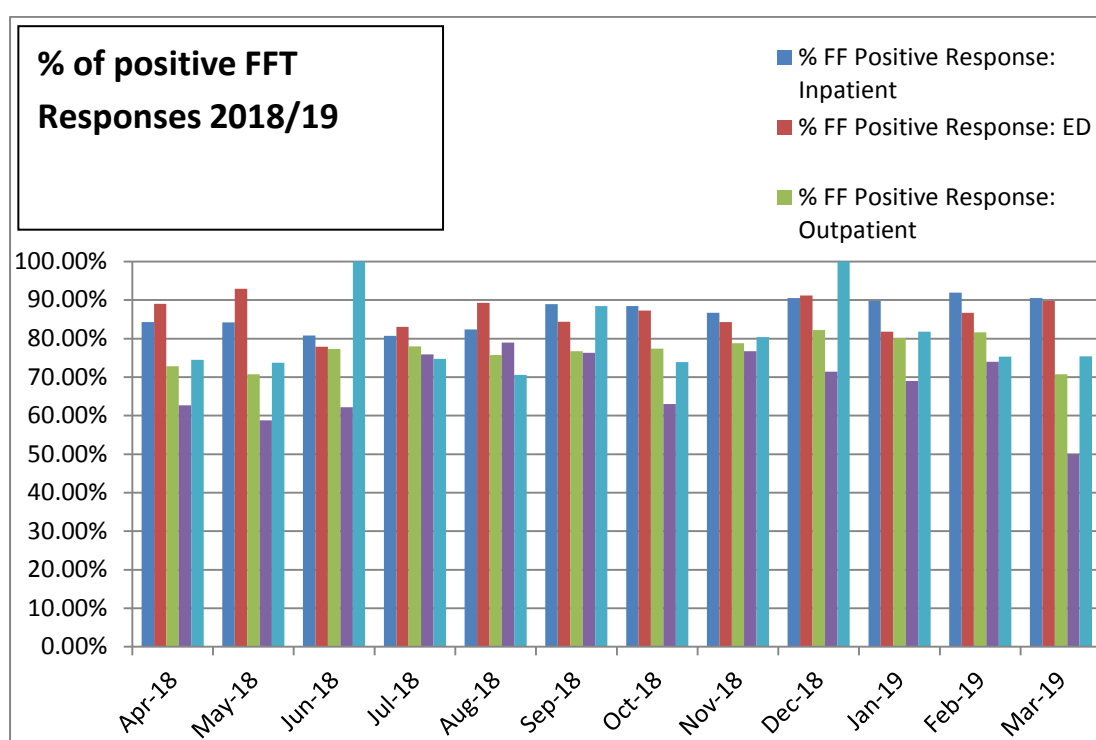
*These indicators are governed by definitions in National Standards

Patient Experience

Friends and Family Test (FFT)

The Friends and Family Test was launched in 2013 and has been rolled out in phases to most NHS funded services in England. The survey gives all patients the opportunity to leave feedback on their care and treatment. It is an important feedback tool which asks if people would recommend the services they have used and offers a range of responses: extremely likely, likely, neither likely nor unlikely, unlikely, extremely unlikely and don't know. The 'Percentage Positive' score is calculated from these responses and reported nationally. This along with additional follow up questions provides organisations with the chance to capture both positive and negative feedback. The data can be used to provide a broad measure of comparable data, but more importantly can be used to contribute to the improvement of services and share examples of good practice.

Birmingham Children's Hospital

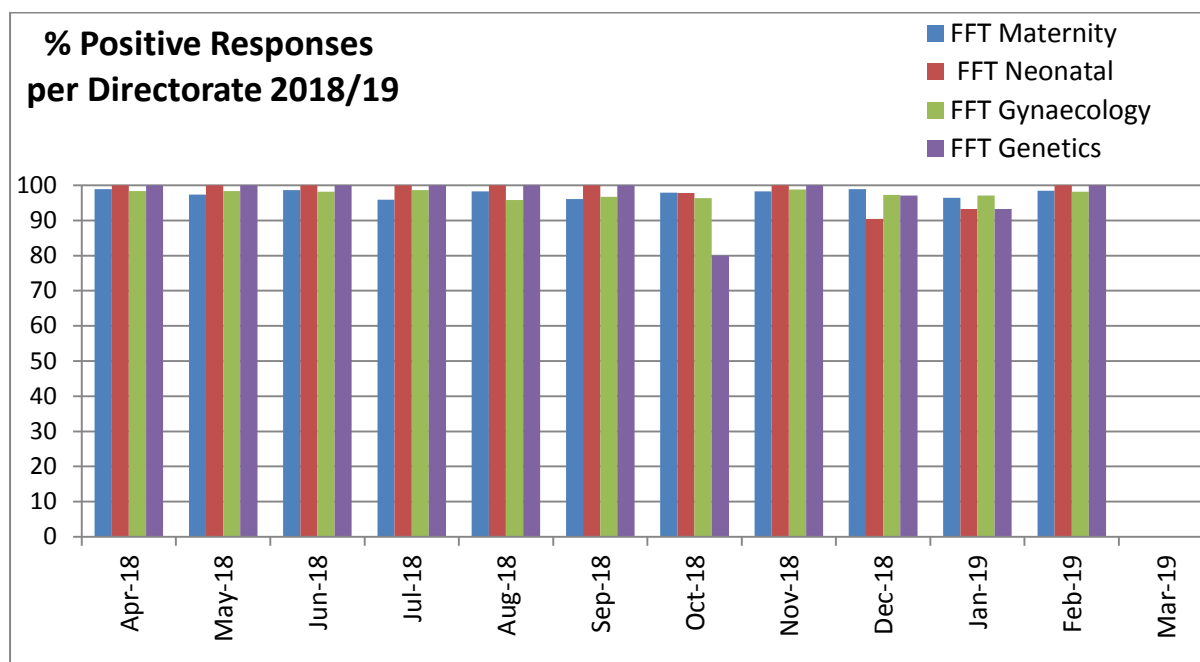


Top Category Comment Themes

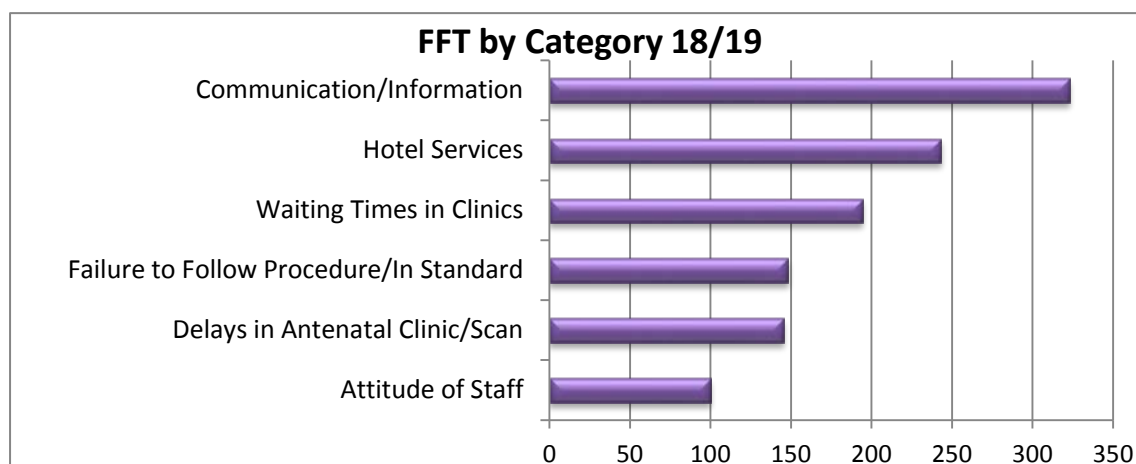
Values and Behaviours (Staff)	Thank you for an awesome experience as a parent, I was terrified today but you all made this the easiest experience. You are beyond nice, funny, and super caring. It's easy to see why BCH has an excellent reputation the staff make this place awesome. (MDU)
Patient Care	The staff were brilliant and very supportive, I could feel that my daughter was in good hands (ED)

Waiting Times	We were seen in a timely fashion, even though there were lots waiting (OPD)
Communications	Staff listened to what I had to say and tried hard to resolve any issues/worries (Ward 12)
Play	Activities for the kids are great e.g. drawing painting and movie night. Really made a difference to his mood and he loved it. (Ward 18)

Birmingham Women's Hospital

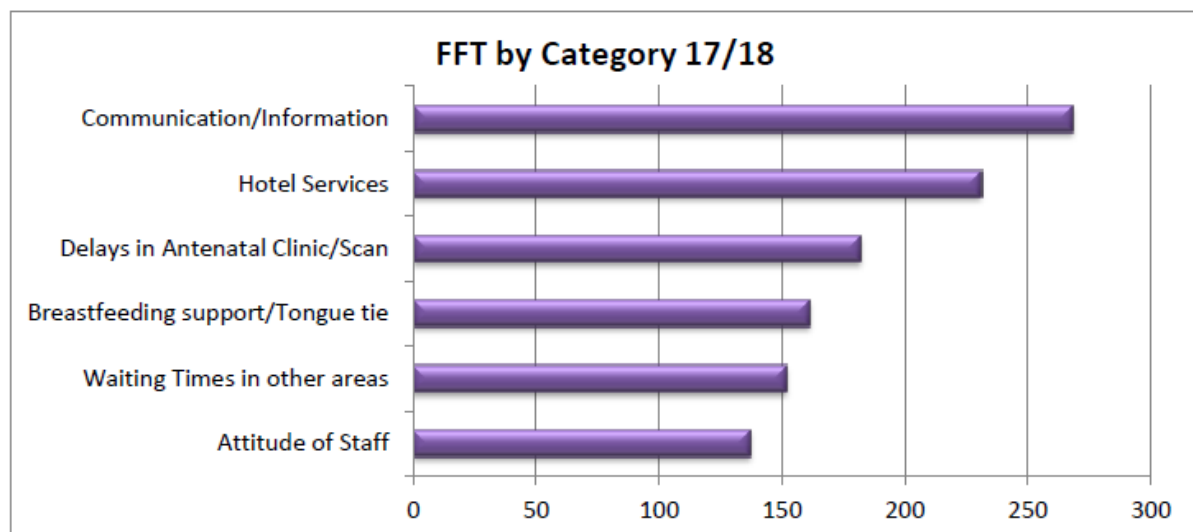


Clinic and Ward Managers are proactively involved in the FFT initiative, as they have access to bespoke feedback comments and statistics that refresh every time an assigned link is clicked. The real-time dashboards allow staff to access the most recent surveys collected for the past month. A monthly Trust dashboard is also distributed indicating individual clinic FFT Scores. The key NTI (need to improve) themes highlighted through FFT data 18/19 include are detailed below.



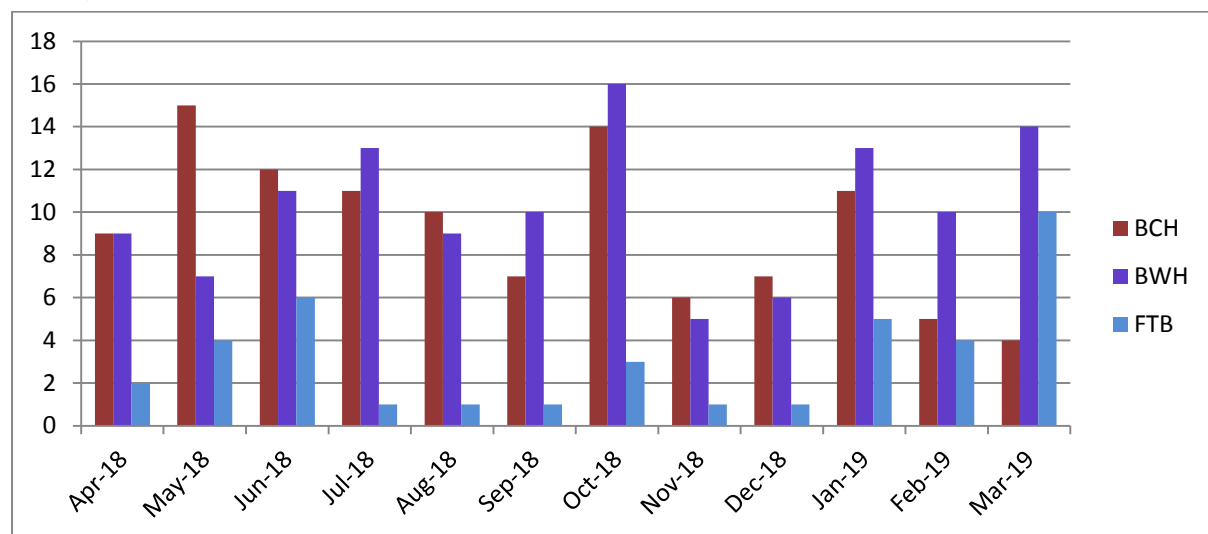
(Data source: Trust Board Quality Report)

For comparison, the FFT figures by category for 2017/18 were as follows:



Formal Complaints

Birmingham Women's and Children's NHS Foundation Trust Formal Complaints 2018/19

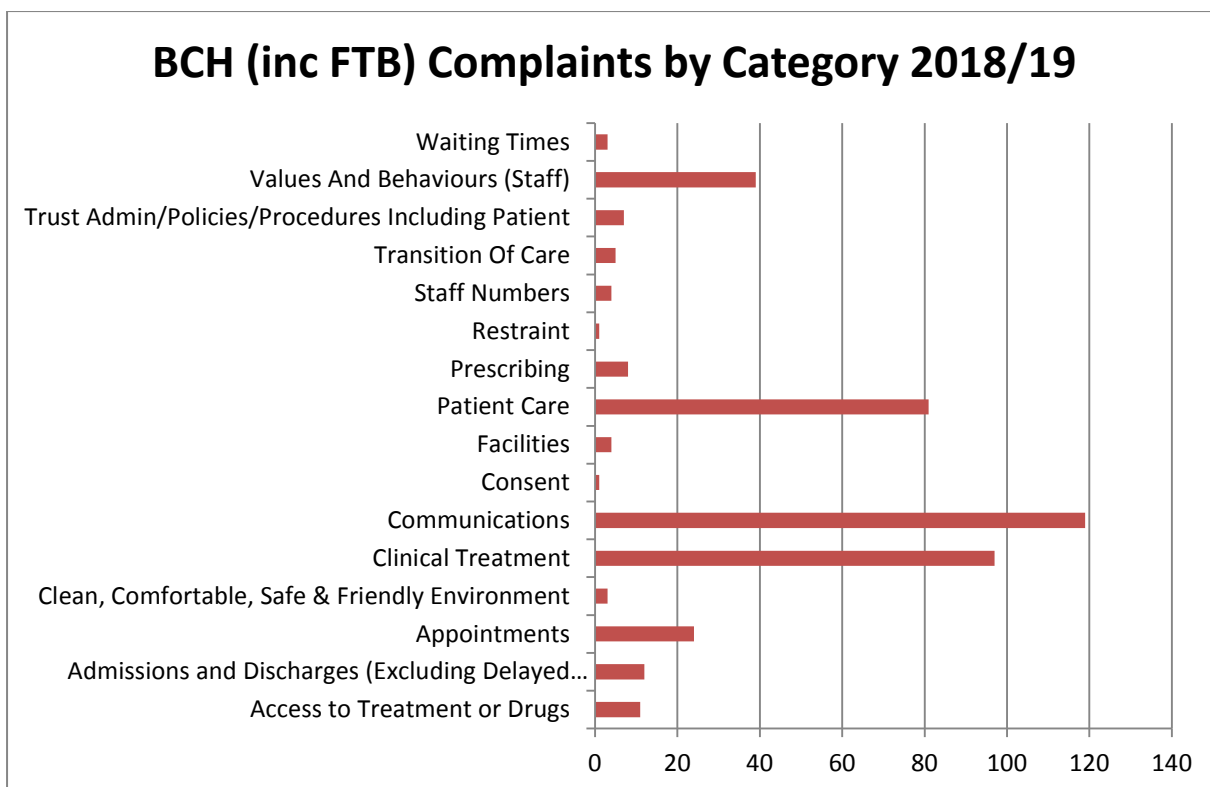


(Data Source: Safeguard and Datix Versions 12 and 14)

There were 273 formal complaints recorded in 2018/19, compared to 235 in 2017/18.

Birmingham Children's Hospital

The following graph shows the numbers of complaints received by category. It should be noted that complaints can be multi-factorial and therefore the total number of complaints by category is greater than the total number of complaints received.



(Data Source: Datix Version 14 and Safeguard)

Through previous analysis we have identified to specifically track the following themes on a monthly basis through the Quality Report, and any emerging themes triangulated with other data sources to inform the Board about emerging risks.

Communication and clinical treatment remain the highest reportable categories.

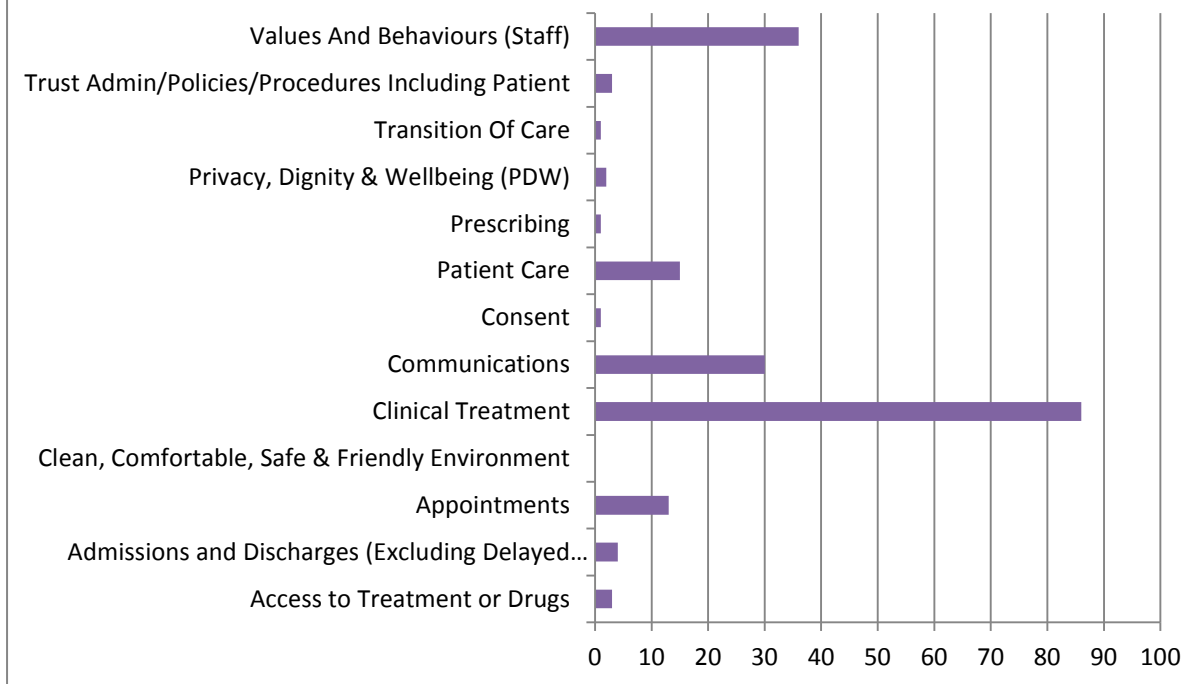
There are specific work-streams in place to address each of these key areas. An update is provided to Board on these areas every month.

Cancelled operations, prolonged fasting and not being listened remains our 2018/19 local priorities as described previously.

Birmingham Women's Hospital

The following graph shows the numbers of complaints received by category. As described above, complaints can be multi-factorial and therefore the total number of complaints by category is greater than the total number of complaints received.

BWH Complaints by Category 2018/19



(Data Source: Datix Versions 12 and 14)

Through previous analysis we have identified to specifically track the following themes identified not just through complaints but through all forms of patient experience feedback on a monthly basis through the Quality Report, and any emerging themes triangulated with other data sources to inform the Board about emerging risks.

Clinical treatment remains the highest reportable categories.

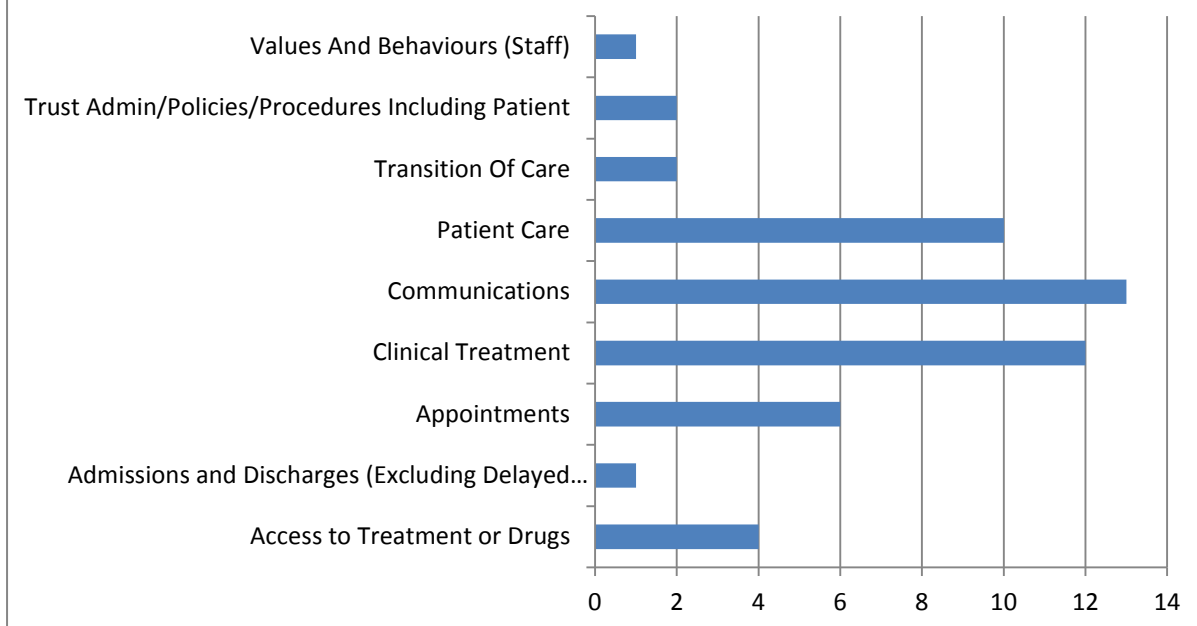
There are specific work-streams in place to address each of these key areas.

Delays in the Antenatal Clinic/Scan are a major component of one of our 2018/19 local priorities as described previously.

Forward Thinking Birmingham

The following graph shows the numbers of complaints received by category. As described above, complaints can be multi-factorial and therefore the total number of complaints by category is greater than the total number of complaints received.

FTB Complaints by Category 2018/19



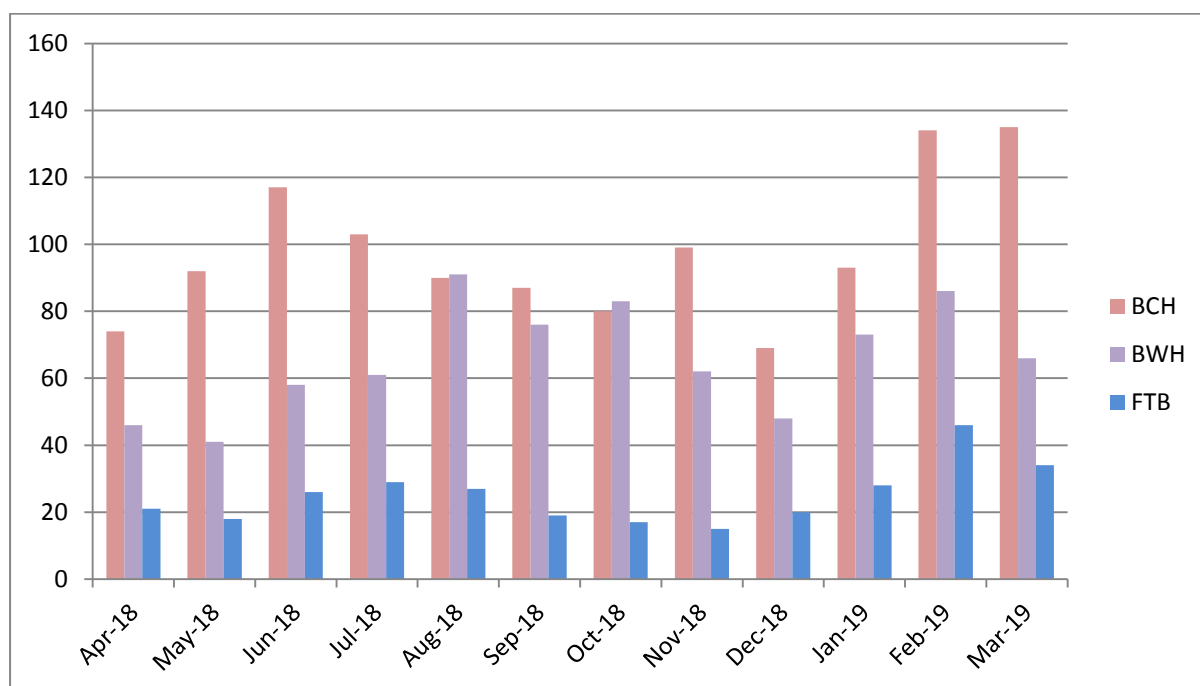
(Data Source: Datix Version 14 and Safeguard)

Through previous analysis we have identified to specifically track the following themes identified not just through complaints but through all forms of patient experience feedback on a monthly basis through the Quality & Safety Board report, and any emerging themes triangulated with other data sources to inform the Board about emerging risks.

Communication remains the highest reportable category; however there has also been an increase clinical care and patient care categories.

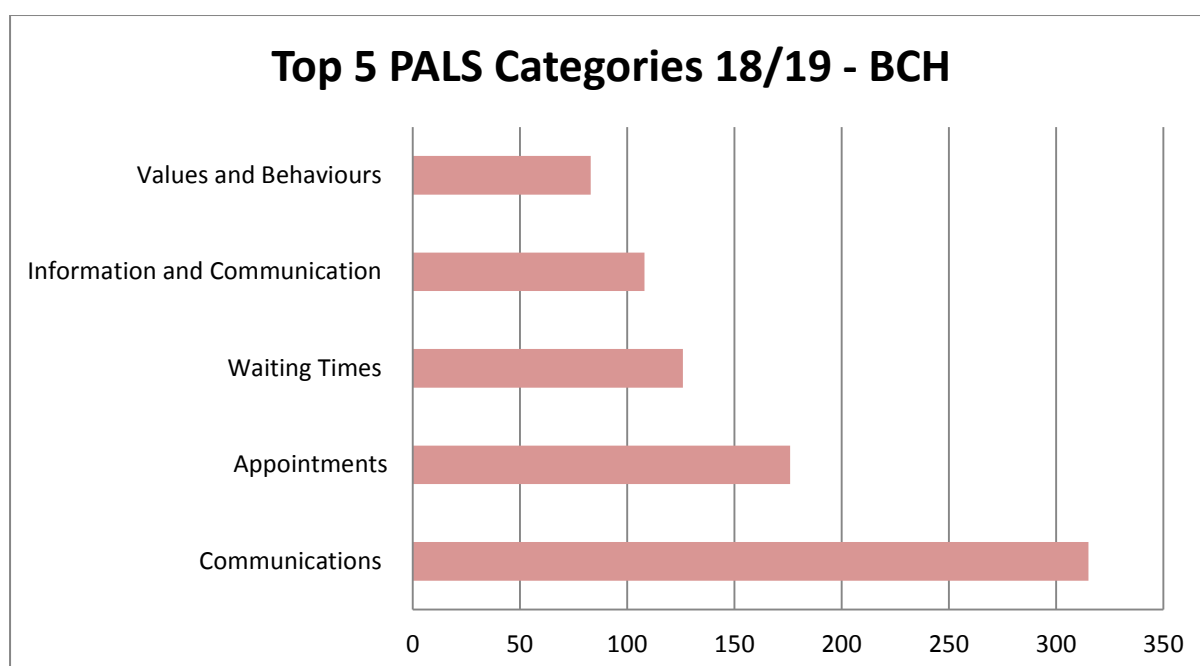
PALS Contacts

Birmingham Women's and Children's NHS Foundation Trust PALS Contacts 2018/19



(Data Source: Corporate Nursing – Safeguard System)

Birmingham Children's Hospital



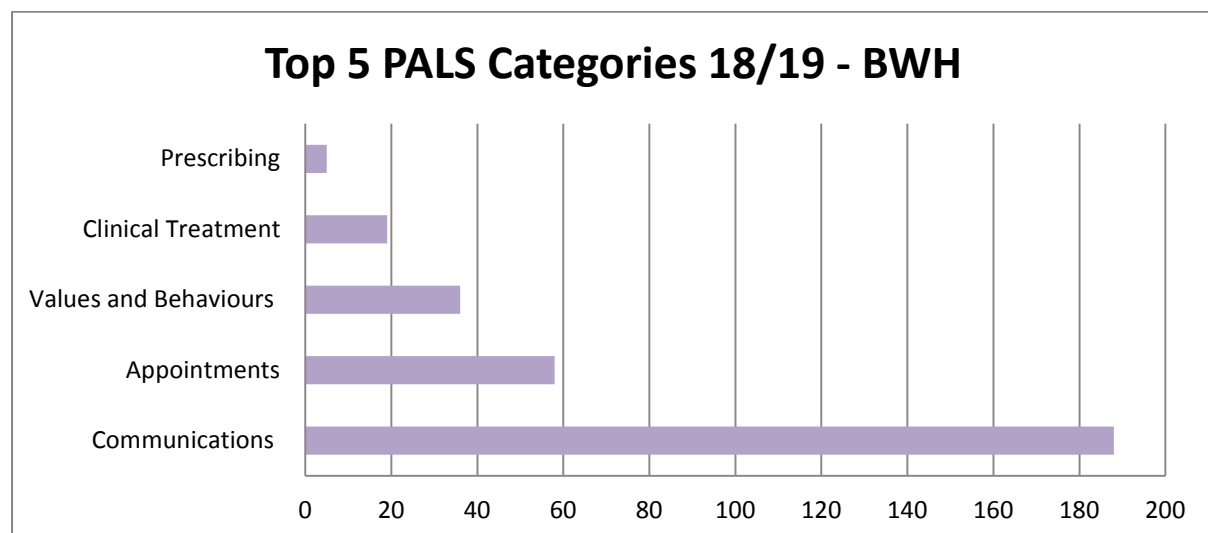
(Data Source: Corporate Nursing – Safeguard & Datix System)

Through previous analysis we have identified to specifically track the following themes on a monthly basis through the Quality Report and have specific work-streams in place to address each of these key areas:

- Cancelled Operations
- Prolonged fasting
- Food
- Play
- Not listened to

An update is provided to Board on these areas every month. Cancelled operations remains one of our 2018/19 local priorities as described previously.

Birmingham Women's Hospital



(Data Source: Corporate Nursing – Datix System)

Through previous analysis we have identified to specifically track the following themes identified not just through complaints but through all forms of patient experience feedback on a monthly basis through the Quality Report and have specific work-streams in place to address each of these key areas:

- Lack of breastfeeding support including tongue tie
- Food
- Partner Care
- Noise at Night
- Delays in the Antenatal Clinic/Scan

An update is provided to Board on these areas every month and the delays in the Antenatal Clinic/Scan are a major component of one of our 2018/19 local priorities as described previously.

The monthly forum for information sharing is now a joint meeting for staff across all areas of BWCH, to share innovations and actions to further enhance patient experience. This provides opportunity for each clinical division to analyse their feedback themes using all means available; FFT, BWC website feedback, PALS, Complaints and external websites.

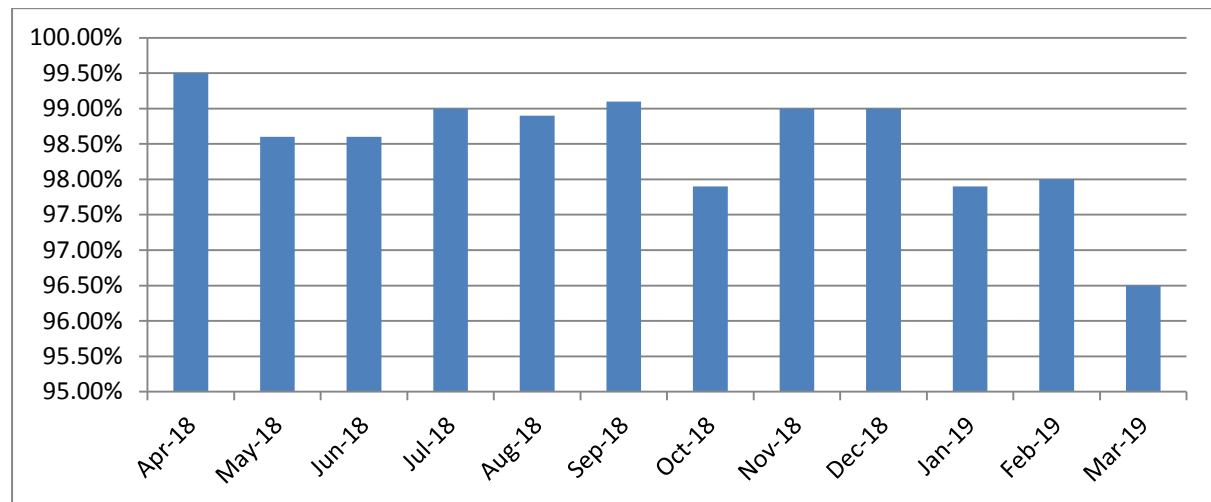
PALS contacts received corresponding to those key work streams identified in the previous section relating to formal complaints are also monitored on a monthly basis and any emerging themes triangulated with other data sources to inform the Board about emerging risks.

PALS contacts received corresponding to those key work streams identified in the previous section relating to formal complaints are also monitored on a monthly basis and any emerging themes triangulated with other data sources to inform the Board about emerging risks. We have noted an increase across all forms of feedback regarding lack of communication, including patients not listened to.

Hand Hygiene Audit Compliance

Birmingham Women's and Children's NHS Foundation Trust

Hand Hygiene Observational Audit % Compliance 2018/2019



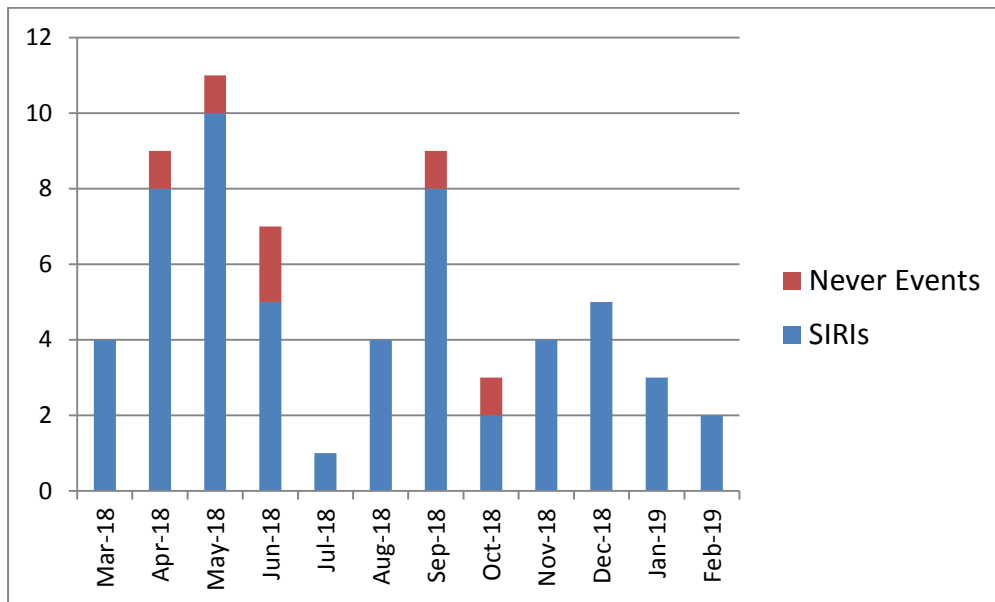
(Data Source: Hand Hygiene Database)

Safety

Incidence of SIRIs and Never Events

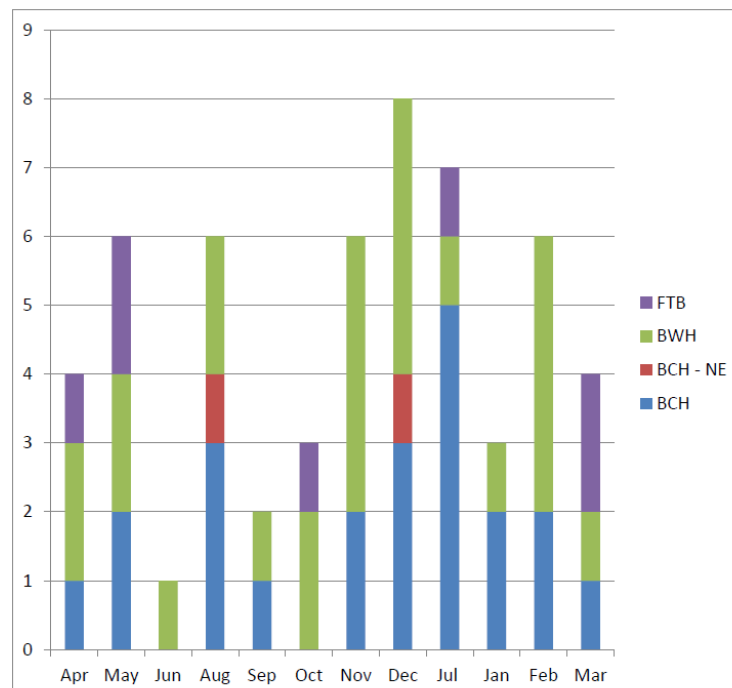
Birmingham Women's and Children's NHS Foundation Trust

2018/19 Data



(Data Source: Quality & Safety Board Report)

2017/18 Data



(Data Source: Quality & Safety Board Report)

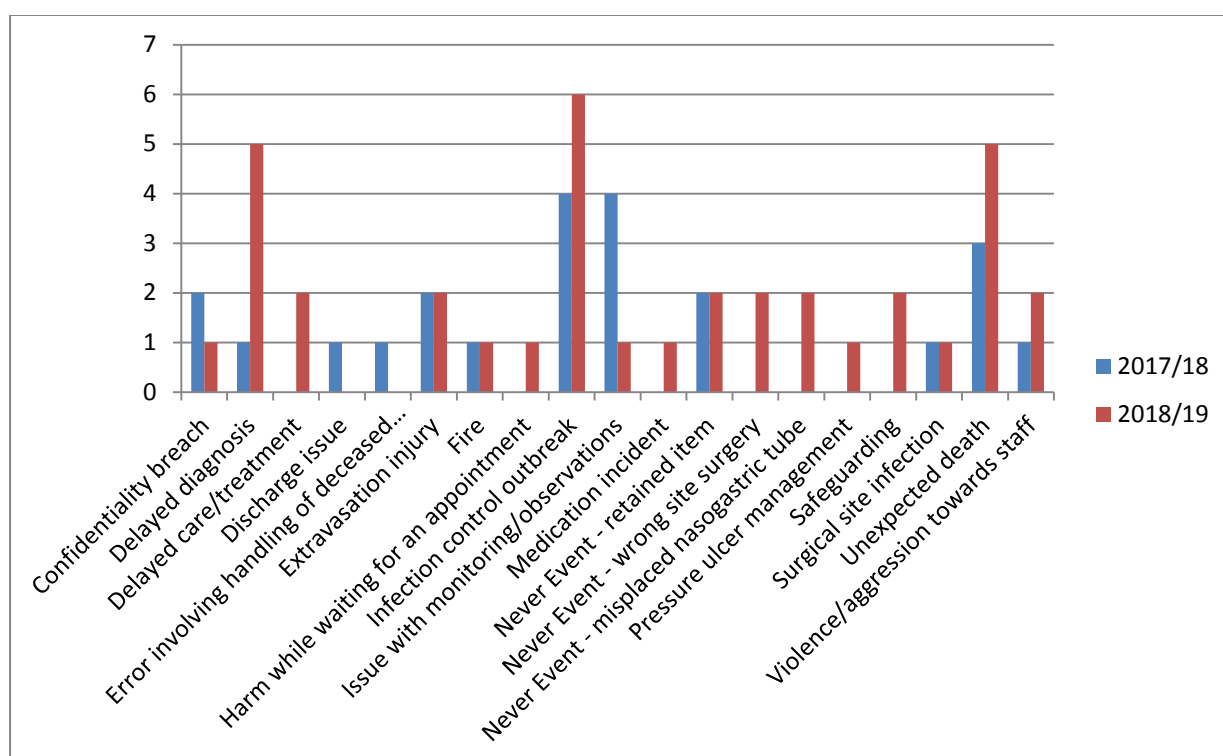
	2015/16	2016/17	2017/18	2018/19
Total number of Never Events reported across BWC	7	4	2	6

During 2018/19 there were 56 reported SIRIs for BWC, including 6 Never Events. The total number of SIRIs reported is comparable to the previous year, when 56 SIRIs were reported. However, the spread of these SIRIs across the sites is different to previous years. Further analysis of the SRI and Never Event profile for BWC follows.

Birmingham Children's Hospital SIRIs

During 2018/19 there were 37 reported SIRIs, including 6 Never Events. This is an increase of 14 SIRIs from the previous year, when 23 SIRIs, including 2 Never Events, were reported.

The chart below details the SIRIs in 2018/19 broken down by incident category and compared with the incident profile from 2017/18.



Infection control outbreaks and unexpected deaths remain the most common SRI categories. 2018/19 has also seen an increase in diagnosis incidents

Any infection control outbreak meeting the SRI criteria is escalated appropriately and investigated. The most common causes of the infection control outbreaks have been Norovirus being brought into the Trust by visitors. There have been concerns raised about

cleanliness on the wards, appropriate compliance with response policies and the checking of wards before re-opening following an outbreak. Plans have been put in place to address these gaps in care. Examples of changes in practice include changes to the response policies, publicising the correct processes required clarifying where responsibilities for leading cleaning of wards in an outbreak lies.

All deaths are reviewed, and in addition, any unexpected or potentially avoidable deaths are escalated as a SIRS. Refer to the previous Learning from Deaths section for further information on trends, actions taken and lessons learnt.

The five diagnosis incidents vary in causes. Two of the five incidents are still being investigated at the time of writing this report. Of the three closed investigations, two investigations concluded that additional reviews of the patient were required but were not common practice at the time. Plans have been put in place to address these gaps in care. Examples of changes in practice include increased neurological assessment of patients who have undergone trauma and additional tests to be undertaken for twin patients with suspected haemophilia.

Never Events

During 2018/19 we have reported 6 never events. All of these incidents occurred at the Children's hospital site and four of them were surgical never events (two wrong site surgeries and two retained items following surgery) where the learning is detailed in Surgical Never Event section of this report.

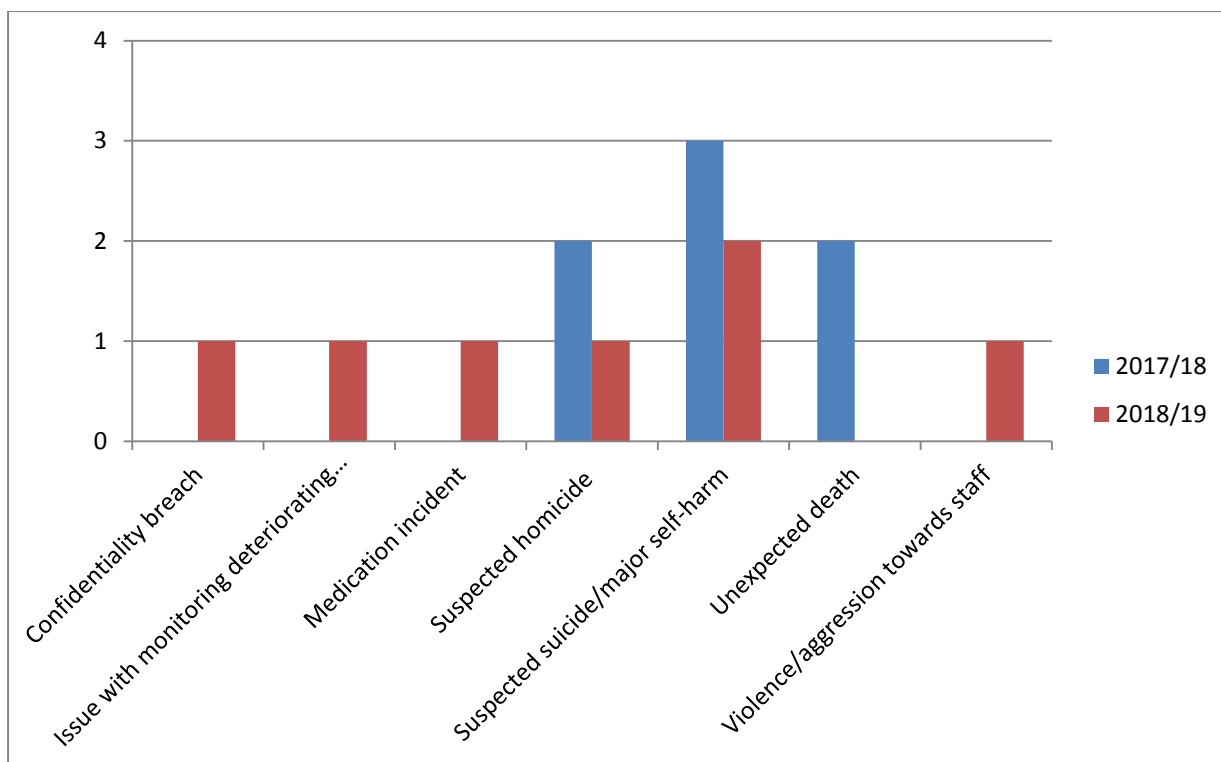
The other two never events related to the use of a misplaced trans-anastomotic tube (TAT) and a nasogastric tube (NGT). Learning from these incidents included review of Trust guidance to reflect national guidance, an attempt to reduce the use of ranitidine where possible and looking at a "fresh eyes" approach to assessing pH values when testing NGT placement.

Forward Thinking Birmingham

SIRs

During 2018/19 there were 7 reported SIRs, which is the same as the previous year.

The chart below details the SIRs in 2018/19 broken down by incident category and compared with the incident profiles from 2017/18.



The most common SIRI over the last two years result from suspected suicides/major self-harm, with 5 investigations in 2017/18 and 2018/19. The range of SIRIs during 2018/19 has been more diverse, including an Information Governance breach, physical assault on a member of staff, medication incident and possible failure to monitor a deteriorating patient.

Common themes seen through SIRI investigations include gaps in processes for handing over service users between services and in processes to follow up young people involved in serious self-harm attempts. Plans have been put in place to address these gaps in care. Examples of changes in practice include enhanced handover and review processes along with improving communication between services.

Never Events

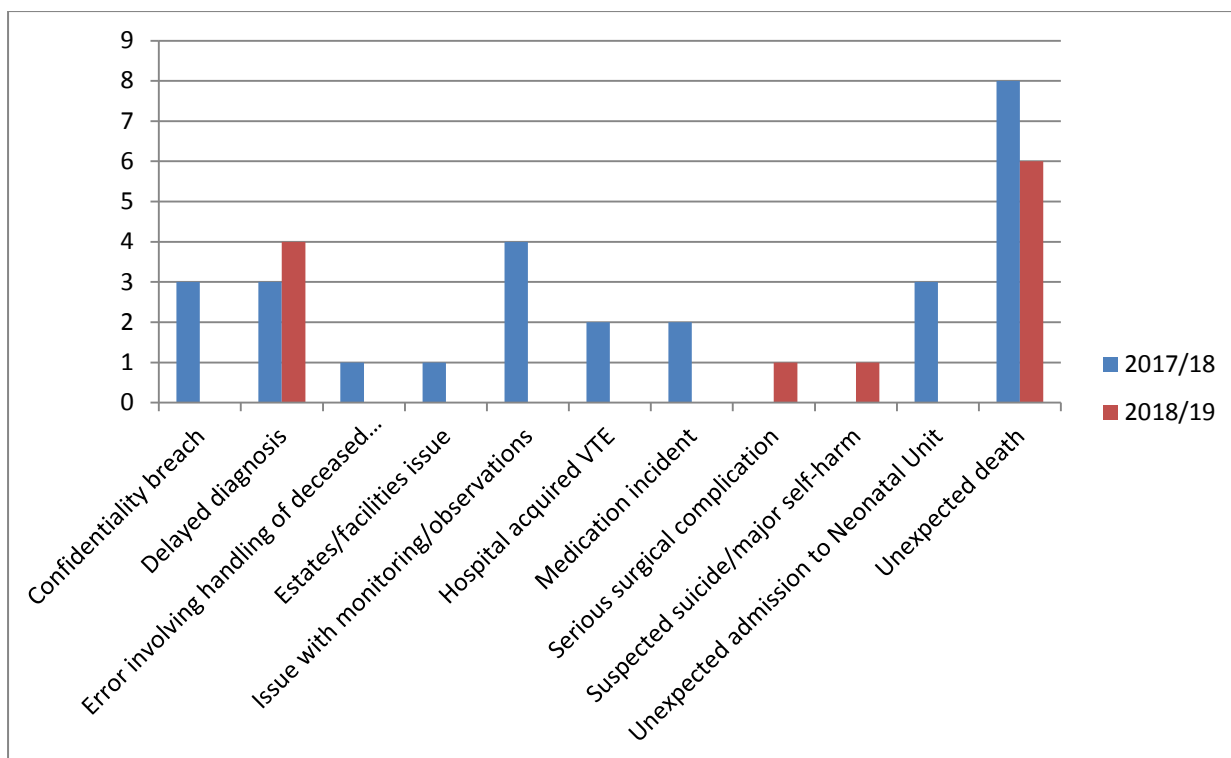
There have been no never events reported for Forward Thinking Birmingham in 2018/2019.

Birmingham Women's Hospital

SIRIs

During 2018/19, there were 12 reported SIRIs. This is a decrease of 15 SIRIs from the previous year, when 27 SIRIs were reported in 2017/18.

The chart below details the SIRIs in 2018/19 broken down by incident category and compared with the incident profile from 2017/18.



Unexpected deaths and delayed diagnoses are the most common SIRS categories.

All stillbirths, neonatal deaths, maternal deaths and unexpected adult deaths are reviewed, and in addition, any unexpected or potentially avoidable deaths are escalated as a SIRS. Refer to the previous Learning from Deaths section for further information on trends, actions taken and lessons learnt.

The most common causes of delayed diagnoses have been delayed identification of cancers in Gynaecology. These incidents have often reflected cases where the cancers were difficult to identify but where we have recognised gaps in care such as a failure to follow national guidance on the seniority of the doctor reviewing the patient affected. Plans have been put in place to address these gaps in care. Examples of changes in practice include changing of clinics so that only experienced staff are seeing at risk patients.

Never Events

There have been no never events reported for Birmingham Women's Hospital in 2018/2019.

New SIRS process developed in 2018:

Following the merger of Birmingham Children's Hospital and Birmingham Women's Hospital, the Quality Governance team undertook a review of the Serious Incident investigation process. A workshop was held in January 2018, where groups of staff from across BWH, BCH and FTB discussed what best investigation practice looked like. We identified the best aspects of the investigation process used in the 3 organisations, and reviewed practice in other areas of the country. Based on this information, a new SIRS

process was developed and evolved over the course of the year. Areas of improvement include:

- An improved process for involving patients and parents/carers in the investigation – specifically, ensuring a named person is identified to liaise with the patient/family throughout the investigation, timely communication once a SIRC was declared, explaining the investigation process, asking for areas they would like covered in the investigation, keeping the family up to date throughout the process and providing feedback at the end of the investigation, with the report usually shared in a face to face meeting.
- Each SIRC is allocated a core investigation team of 4 people:
 - Executive Chair to oversee SIRC and chair the investigation meeting providing executive oversight and links to strategic risks
 - Independent Investigation Lead (health professional/service manager trained in SIRC investigations, from outside the specialty where the incident occurred – to provide investigation expertise, independent perspective and challenge)
 - Speciality Investigation Lead (health professional/service manager from within the specialty where the incident occurred, to facilitate communication throughout speciality and provide service specific context)
 - Governance Lead from Quality Governance Team (to ensure high quality, thorough investigation undertaken with appropriate challenge).
- Increased scrutiny of the process and findings prior to the RCA meeting, including: an investigation planning meeting to identify terms of reference and required evidence, evidence review and challenge meetings, preparing an evidence pack for the investigation meeting.
- A new report template to enable key gaps, analysis and recommendations to be pulled through the report and clearly articulated.
- An improved ratification process for checking the robustness of each SIRC report.
- An updated and improved one day SIRC training programme, which was rolled out in January 2019. Currently, 50-60 health professionals and service managers across BCH, BWH and FTB have been trained in the new process and latest safety science evidence.
- The SIRC Policy was updated and published along with a supporting SIRC toolkit to support investigators and those involved in a SIRC investigation.
- The previous BCH Safety Casebook has been reviewed and replaced with a series of 'One-page Summaries', where the overview, findings, learning points and key actions from each SIRC is summarised in a one page document, which is then shared through the usual Trust-wide communication channels.
- In addition, approximately every 6 months, the Quality Governance team undertakes an analysis of SIRC, causes and contributory factors, to identify common themes and actions taken to improve care and systems across the Trust.

MRSA rates

Birmingham Women's and Children's NHS Foundation Trust

We have had no cases of MRSA bacteraemia this year, which is the same as 2017/18.

MSSA rates

Birmingham Women's and Children's NHS Foundation Trust

There were 12 cases of MSSA bacteraemia this year, which is a reduction from 19 cases during 2017/18.

3.2 NHS England Additional Reporting Areas

Duty of Candour (DoC)

Prior to the introduction of the Duty of Candour in 2014, both hospitals had a well-embedded approach to transparency with patients and families when things go wrong, which provided a strong basis on which to establish processes that are compliant with the Duty.

During 2018/19 work has been undertaken to ensure a consistent approach to Duty of Candour across the Birmingham Women's and Children's NHS Foundation Trust, ensuring that we retain the strongest elements of practice from each of the former organisations. This work included redesigning and distributing DoC posters as well as updating the leaflets for staff and patients. One to one training is also available on request but moving forward scheduled training sessions will be made available for 2019/20.

A joint policy has been approved and published. A resource toolkit has been developed, which includes:

- Guidance on determining whether the statutory duty of candour applies to an incident/event
- Guidance for clinicians on how to apologise
- Example Duty of Candour letters
- Template Duty of Candour letters
- Patient leaflet
- Staff leaflet

During 2018/19, BWC had 55 (26 for BWH and 29 for BCH) cases which met the statutory duty of candour threshold. Over the year, we have improved our monitoring of such cases by ensuring regular updates are sought by the relevant department and when necessary advice and assistance is provided on an individual case basis. Overall monitoring is provided by the Clinical Groups through their Quality and Safety reports which are presented at the Clinical Safety and Quality Assurance Committee (CSQAC).

The plan for 2019/20 will be to launch this policy and toolkit in all clinical areas and to provide a schedule of training sessions for clinicians across both sites.

Further work to understand the complexity of Duty of Candour in mental health services is being undertaken, specifically in relation to defining moderate harm in a mental health setting. We are seeking national guidance, and looking for best practice examples from other mental health services, but in the meantime we consider each incident on a case by case basis, in particular for our SIRI's.

Birmingham Women's and Children's NHS Foundation Trust

The learning disability improvement standards for the NHS trusts 2018

Progress to date May 2019

Standards	Progress to date
1: Respecting and protecting rights	<p>Mechanisms for identification of women and children with Learning Disabilities (LD) when accessing BWC</p> <p>Flagging System in place</p> <ul style="list-style-type: none"> • Call centre • Med sec • Department staff/ward Clark • ED • Pre-admission <p>By notification of trust electronic systems, along with person-centred adjustments recorded.</p> <p>Pathways of care adjusted to prioritise LD patients, where possible, also to enable person-centred care by implementing the hospital passport developed by the trust.</p> <p>Trust has developed a LD Transition document for young people, moving on to adult services. This helps to ensure they are aware of annual health checks provided by GP practices to all their patients with a LD diagnosis. It also reminds patients to have an eye, dental and hearing test. The document takes into consideration parents/carers anxieties of transition to adult service, provides an open platform for discussion.</p> <p>Deaths of patients with LD are reported into the LeDeR programme. The LeDeR programme is supported by the trust, by presentation on their local area steering group, and by reviewing deaths.</p> <p>The trust have two employed LD Nurses, who vigilantly monitor any restrictions or deprivations of liberty associated with the delivery of care and treatment to people with LD, autism or both. They link in with Safeguarding team, and carry out mental capacity assessments with the patient's own environment and provide communication aids to best support the individual to express to their full capacity.</p> <p>The flagging process enables the LD nurse's to become aware of and involved with individual cases to ensure the patients LD needs are understood, and to prevent diagnostic overshadowing.</p>

2: Inclusion and engagement	<ul style="list-style-type: none"> • LD lead is part of the patient experience committee meeting to ensure patients, carers, and families experience from LD perspective is heard and taken into consideration when improving care. LD Nurses support to risk assess patients with LD to ensure their stay is safe and best meets their person- centred needs, as well as, protecting their patient experience. • All PALS concerns and complaints involving a patient with LD are alerted to the LD Lead Nurse to ensure best possible outcome of the complaint for the patient, carers, and the trust can be reached. • Patients and carers, are encouraged to provide a feedback of their experience of the trust, individual LD audit are also implemented where possible. • Learning disability training days include service users to come and share their experience with the audience. • Patients with LD and their carers are consulted on developing accessible written information. • Patients are given the opportunity to participate in the young people's advisory group with additional support. • People with LD, and Autism or both are offered work experience, operatorship, and employment opportunities.
3: Workforce	<ul style="list-style-type: none"> • The trust has two LD nurses in post covering the trust who offer a service to patients with LD and/or Autism. Patients and carers can contact them directly for support. • There are LD Champions across the trust working towards making their areas of work LD friendly, supported by the LD Nurses. • There are LD and Autism Moodle teaching packages level 1 for all staff, and level 2 for all Clinical staff. Face to face training is provided on demand from departments, and wards, along with set face to face training following completion of the Moodle. • LD Nurses participate in best interests meetings, and assess capacity to consent for treatment within the patient's own home to ensure adjustments are made to ensure information provided is understood to the patient's full mental capacity. • Visual and written information is provided and tailored to the patient's needs. • LD Nurses ensure that the rights of patients with LD and Autism or both are protected, and their needs are prioritised by the trust. • Due to the recent merger of trusts, it has highlighted from one LD Nurse's PDR that she would benefit from attending a course on becoming a best interests assessor. This would be beneficial for the trust and hopefully avoid any delays in investigations and treatment process for the patient.
Standard 4: Specialist learning disability service	<ul style="list-style-type: none"> • The LD Nurses liaise, facilitate and support patients that require specialist LD services that may have been admitted to the acute site of the trust. This means liaising and working closely with Transforming care services, as well as, providing consultation, advice and support to ward staff in best managing the individual whilst in their care.

Sign up to Safety

Birmingham Children's Hospital

PEWS

A number of incidents have demonstrated that the paediatric early warning system (PEWS) we use needs to be reviewed. We have recruited key experts including parents, the Patient Safety Collaborative and the University of Birmingham in addition to clinical experts from the hospital to conduct this review.

The key actions identified include:

- An ergonomic redesign of the PEWS chart to make it even easier to complete accurately (by July 2019)
- Further enhancing how we engage and listen to parents when undertaking our clinical assessments (by September 2019)
- Further clarifying guidance on the recognition and escalation of sepsis (by August 2019)
- A comprehensive review to ensure we are educating our clinical workforce in the use of PEWS is as robust as reasonably possible (by August 2019).

Extravasation

We have had a number of incidents where intravenous lines, that we use to administer drugs into a patient's blood stream, have stopped working for various reasons. This can lead to drug therapies being administered into surrounding tissues which sometimes causes harm and extravasation injuries. We have had a number of these extravasation injuries and we are working to develop solutions to both reduce the incidence and harm.

We will be piloting the first phase of solutions in April 2019, with full rollout to follow once any further refinements have been completed.

IV Pumps

Ensuring the purchase of new medical equipment requires us to ensure they meet stringent safety standards, whilst also giving value for taxpayers money, is essential. Our recent purchase of a new intravenous pump for the Children's Hospital site was no exception. This is a piece of equipment that is used extensively throughout the hospital so getting this right was extremely important.

Manufacturers were invited to enter a strictly controlled tendering process that included:

- 1) Submission of initial bids and pump specification.

- 2) Presentation by manufacturers to an expert panel.
- 3) Testing by our Medical Engineers.
- 4) Site visits to hospitals using the pumps.
- 5) Evaluation by over 100 of our clinical staff that would use the pumps.

The evaluation process also utilised human factors science to ensure that our conclusions were as robust as possible. We are glad to report that the rollout of the chosen pump to all inpatient areas proceeded safely for our patients.

ENFit®

ENFit® is a connection system found on all the feeding tubes and oral medicines syringes we use. Adoption of ENFit® two years ago was an important step in preventing patient harm caused by connection of a feed or oral medicines syringe to an intravenous line.

Like all new designs ENFit® is not perfect however and the complexity and accuracy of the ENFit® medicines syringes remains problematic. We are working hard to improve safety by sharing our concerns with colleagues, the designers, manufacturers and regulators in the UK, Europe and the United States. Our Medicines Management Nurse recently gave evidence at a meeting of the International Organization for Standardization about the issues identified by BWC.

Birmingham Women's Hospital

We continue to participate in the national Sign up to Safety Campaign and following a successful bid for funding we employed a practice development midwife in October 2016 to support our Sign up to Safety maternity projects which include:

- Improved Cardiotocography (CTG) interpretation
- The early recognition and management of sepsis
- Appropriate use and escalation of Maternity Early Warning Scores (MEWS)
- Continued improvement to the Induction of Labour Pathway
- Tissue Viability

The following progress has been made in relation to each of these projects.

Fresh Eye CTG Reviews

The NHS has set out a national ambition to halve the rates of stillbirths by 2030, with a 20% reduction by 2020. 'The Saving Babies Lives' Care Bundle is a bold step towards introducing many evidence-based and policy recommendations in maternity care with the goal of reducing stillbirth in the UK. Element 4: Effective fetal monitoring during labour of 'The

Saving Babies' Lives Care Bundle identifies that a buddy system should be put in place for review of cardiotocograph (CTG) interpretation, with a protocol for escalation if concerns are raised.

Currently, there is a trust standard for hourly fresh eyes review of the CTG within the fetal monitoring guideline, however, this is not currently being achieved. Following re-launch, we would expect to see full implementation of hourly fresh eyes review of CTG in established labour for high risk women. Another outcome of this project would be improved interpretation of CTGs and with this a reduction in poor neonatal outcomes due to misinterpretation of CTGs.

Prior to the launch of this project the guideline was reviewed and an audit was undertaken to review current compliance and practice with regards to Hourly Fresh Eye CTG Reviews. This audit has highlighted poor compliance with Hourly Fresh Eye CTG Reviews and this audit is due to be presented at the next delivery suite group meeting.

Fresh Eye CTG Champions have also been identified to assist with the re-launch of Hourly Fresh Eye CTG Reviews and to help facilitate teaching of CTGs. This now features on PROMPT which is a multi-disciplinary study day.

To monitor the effectiveness of this project through on-going audit.

Sepsis

The aim of this project is to improve adherence to standards for timely administration of antibiotics (red flag sepsis within one hour). In order to achieve this, the maternity directorate have been working closely with the UK Sepsis Trust to develop inpatient and outpatient Sepsis Tools. During the launch of this project there will be full implementation of these new Sepsis tools and there will be a focus on going into the community areas to launch them. The current NICE Sepsis Guideline has been updated. The impact of the new sepsis tools and guidelines on the management of women with suspected sepsis and the timely administration of antibiotics will be reviewed and audited following launch.

Sepsis champions have been identified in all clinical areas, including transitional care.

Induction of Labour

The aim of this project is to reduce the delays in Induction of Labour (IOL) with a particular focus on the reduction of delay between women reaching the stage where an Artificial Rupture of Membranes (ARM) is possible and it being performed.

A working group has been formed by Midwives from the Antenatal Ward and Delivery Suite to identify where delays in the process occur and where action can be taken to improve the patient experience.

Tissue Viability

The aim of this project is to improve Tissue Viability care within maternity and develop a more robust system for those women at risk of pressure ulcers and those who have pressure ulcers identified. A new Tissue Viability tool will be developed and signposted via Practical Obstetric Multi-Professional Training (PROMPT). In order to improve care and reduce morbidity for women when skin damage has been identified a pathway (to include a discharge checklist) will be developed. This will help support midwives in clinical decision making and to formulate an agreed action plan for these women.

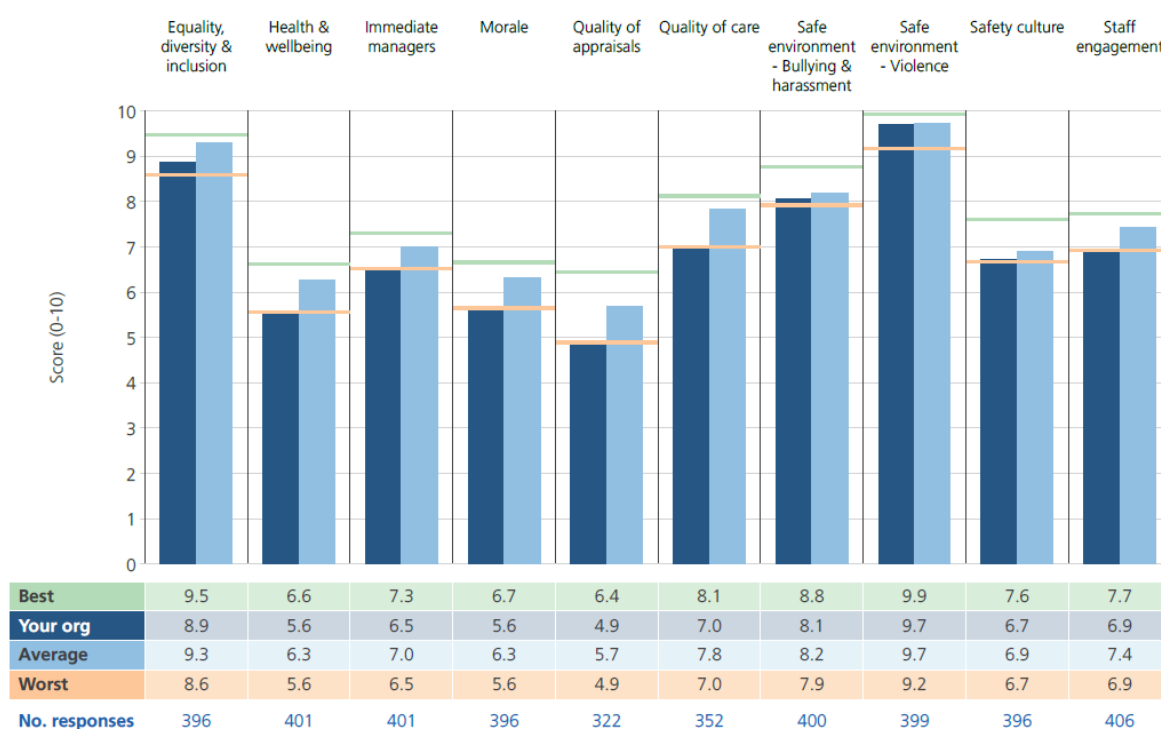
Staff Survey

Staff Recommender Scores

National Staff Survey 2018

	Recommend as a Place to Work (Question 21c)	Recommend as a Place for Treatment (Question 21d)
2017	61.4%	83.6%
2018	56.7%	80.7%

The Trust saw a significant decline in response rate to the survey in 2018, having undertaken a sample of 1250 staff, and seeing just a 33% response rate. We are disappointed by the decline in the recommender scores and take this seriously. We have discussed this at length with the Trust Board and senior leaders to ensure staff engagement is seen as a really important factor in how we lead and manage the organisation.



The Trust has seen a decline in most of its results in 2018. Our response rate of 33% from a sample of 1250 was disappointing and we will ensure we run a census again in 2019 and work with our leaders and staff to encourage improved completion to help us get a richer data set, not just at trust level but at department level. We have been saddened by the worsening results and have developed plans with the board and senior leaders to put greater focus on staff engagement and involvement in the coming year, ensuring it is seen as, as important, as the focus on performance, quality and finances.

Care Quality Commission Ratings

Birmingham Children's Hospital

In May 2016 the Trust's services were inspected by the Care Quality Commission (CQC) as part of a comprehensive inspection of the Trust's compliance with quality standards. The initial feedback provided following the inspection highlighted numerous examples of excellent practice as well as a number of areas that required improvement. The Trust took immediate action to address these concerns. The final report was received in February 2017 with an overall rating of Outstanding. The detailed ratings were as follows:

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Good	Good	Good	Good	Good	Good
Medical care	Good	Outstanding	Outstanding	Outstanding	Outstanding	Outstanding
Surgery	Requires improvement	Outstanding	Good	Good	Good	Good
Critical care	Outstanding	Outstanding	Outstanding	Outstanding	Outstanding	Outstanding
Neonatal services	Inadequate	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement
Transitional services	Outstanding	Outstanding	Outstanding	Outstanding	Outstanding	Outstanding
End of life care	Good	Good	Outstanding	Outstanding	Good	Outstanding
Outpatients and diagnostic imaging	Good	Not rated	Outstanding	Good	Requires improvement	Good
Child and adolescent mental health wards	Good	Good	Good	Good	Good	Good
Overall Trust	Requires improvement	Outstanding	Outstanding	Outstanding	Good	Outstanding

In 2017 the CQC inspected the Trust's community mental health services provided as part of Forward Thinking Birmingham. The report was published in February 2018 with the following ratings:

Safe	Effective	Caring	Responsive	Well-Led	Overall
Inadequate	Requires Improvement	Requires Improvement	Inadequate	Inadequate	Inadequate

Birmingham Women's Hospital

In April 2016 the Trust's services were inspected by the Care Quality Commission (CQC) as part of a comprehensive inspection of the Trust's compliance with quality standards. The final report was received in September 2016 with a rating of Requires Improvement. The detailed ratings were as follows:

	Safe	Effective	Caring	Responsive	Well-led	Overall
Maternity inpatient	Good	Good	Outstanding	Good	Outstanding	Outstanding
Maternity community	Good	Not rated	Good	Good	Good	Good
Surgery - gynaecology	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement
Outpatients & diagnostic imaging	Good	Not rated	Good	Requires improvement	Requires improvement	Requires improvement
Neonatal services	Good	Good	Good	Good	Good	Good
Overall Trust	Good	Requires Improvement	Good	Requires Improvement	Requires Improvement	Requires Improvement

The Board's Committees continued to receive reports on improvements to the services rated inadequate or requires improvement during 2018/19. The Trust is expecting an inspection by the CQC in 2019/20.

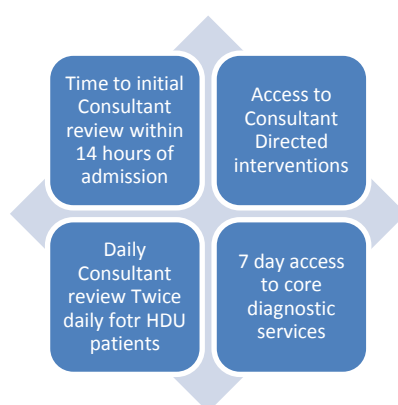
Seven Day Hospital Services

Looking back on 2018/19 – What have we been doing?

7 day services model was introduced to the NHS to ensure that patients were reviewed, managed in the same way regardless of the day of the week of admission. The theory behind the model is:-



There are 10 core standards, 4 of which are priority standards



In Spring 2018 we took part in the national audit which measured all of the 7 day services standards. We achieved all the standards other than the consultant review within 14 hours. Of the 85 patient records we reviewed 27 (32%) failed the target. Below are the results of the survey by various measures. Whilst we know that we do not achieve the standard for all of our patients we are sure that we see our patients in order of clinical priority.

Breakdown by speciality where the target was not achieved

Speciality	No
Obs & Gynae	2
General Paeds	11
Renal	1
Neurosurgery	3
Oncology	2
Haematology	2
General Surgery	5
Gastroenterology	1

Breakdown by day of the week where the target was not achieved

Mon	Tues	Weds	Thurs	Fri	Sat	Su
3	8	5	2	6	1	1

Supplementary audit

Following discussions with NHSI regarding the definition of consultant role the notes were re-audited this is due to most of our patients admitted through ED being seen by an ED Consultant and in this Trust these are all Consultant Paediatricians. This re-audit improved our performance to 88% overall. Future audits will be undertaken in the same vein.

Other points of note

There were 7 patients of the 27 where there was no documentation in the notes as to when and by whom the review was undertaken therefore we had to assume that there was no review, although this is very unlikely.

While there were 27 patients not reviewed by a Consultant, 7 were reviewed by another Dr ST3 and above and 4 reviewed by nurse – all of these were documented in the notes

Looking forward to 2019/20 - What are we doing to improve?

Provision of 7 day services is core to our service delivery as an organisation.

We are working hard to ensure that we achieve the standards for all of our patients and we will continue to participate in all future audits anticipate that we will achieve a higher standard than the last audit. There now needs to be a focus on ensuring staff document fully in the notes reviews that take place, it is believed that this will automatically improve the performance.

The Trust does believe that 100% achievement of this target will never be achieved due to the specialist nature of some of our sub specialities and the very low numbers of emergency admissions. With the larger admitting specialities we are confident that the patients are reviewed on clinical priority, to achieve this target 100% would mean doubling the Consultant workforce for both general paediatrics and Paediatric Surgery this is clearly not financially viable and the workforce not available.

Raising Concerns (Whistleblowing)

The BWC Raising Concerns (Whistleblowing) Policy is based on the model policy developed by NHS Improvement and NHS England as an outcome of the review by Sir Robert Francis into whistleblowing in the NHS. The policy aims to aid anyone, at any level to raise a concern, particularly about patient care, and feel safe in doing so.

The policy provides an overview of the types of concern covered and the steps to take to raise the concern. It also outlines how the Trust will deal with and manage concerns raised.

The policy outlines a 3 step approach:

Step 1 - Raise concern with the individual at the time. If unable to do this, raise it with line manager (or tutor) or someone in your senior leadership team such as your General Manager, Clinical Director or Associate Director of Nursing.

If for any reason it is not appropriate to do this, staff are encouraged to contact the Staff Ambassador (Freedom to Speak Up Guardian). Staff can also contact the Quality Governance Team.

Step 2 - If concerns remain unresolved having used Step 1, staff can contact the Chief Officer for Workforce Development who is the Executive lead for the Raising Concerns. If staff still remained concerned after this, contact the Lead Designated Officer (nominated Non-Executive Director).

Step 3 - While we hope concerns will be resolved prior to this stage, there may be circumstances when staff wish to raise concerns with external bodies. Details for this are provided in the policy.

The BWC Staff Ambassador has been given special responsibility and training in dealing with concerns. They treat concerns confidentially unless otherwise agreed and will:

- Ensure staff receive timely support to progress the concern
- Escalate to the Trust Board any indications that an individual is subjected to detriment for raising a concern
- Remind the organisation of the need to give timely feedback on how the concern is being managed
- Ensure staff have access to personal support, as raising concerns may be stressful.

To support the successful implementation of this policy and BWC approach to raising concerns, the Staff Ambassador works with leaders to build capability around responding to concerns. The Ambassador has also developed a network of Staff Champions across the Trust who are trained in signposting and supporting individuals with concerns.

The Staff Ambassador meets with the Chief Executive Officer every six weeks to share concern themes and updates. The Ambassador provides quarterly reports to Trust Board and an annual review.

Guardian of Safe Working

The Guardian of Safe Working Annual Board Report 2017-2018 went to Trust Board in November 2018 and reported a total of 12 exceptions, all relating to hours worked and the presence of rota gaps. There were no exceptions regarding inappropriate tasks or educational issues. Compared to other NHS England provider trusts this is a low number of exception reports.

	2016-17	2017-18
Obstetrics and Gynaecology	0	5
Paediatrics	3	1
CAMHS	19	4
General Surgery	1	2
TOTAL	23	12

Summary of findings of 2017/18 annual report

The exception reports regarding rota gaps have been generated from four rotas (surgery, paediatrics, CAMHS and obstetrics & gynaecology), which can be considered some of the most pressured specialties both locally and nationally. All exceptions relate to being asked to cover rota gaps at short notice. Rota gaps occur for two main reasons:

- **Short term gaps are created due to illness**

The illness rates within certain high pressure rotas need to be monitored as an indicator of staff experience. Rising rates need to be addressed through engagement with the trainees to address their concerns. Internal self-assessment by the doctors in training against the eight high impact actions to improve the working environment for junior doctors will help identify priority areas for action to improve this. This NHS Improvement tool published in November 2017 has already been used within obstetrics & gynaecology and helped identify areas for improvement.

- **External influences beyond BWC's control**

Particular rotas are at risk of increased gaps at particular time periods due to external circumstances beyond the Trust's control. Examples of this are the rota gaps that appeared in the surgical junior rota due to the Trust being allocated only 9 out of 13 trainees by Health Education West Midlands, alongside an increase in maternity leave within the obstetrics & gynaecology rotas.

Solutions

To support the surgical SHO rota, an additional non training grade doctor and a nurse practitioner to support ward based tasks was employed. The Obstetrics & Gynaecology trainees expressed concerns about the late finishing times of the afternoon antenatal clinics which have been exacerbated by rota gaps. Extensive efforts from the junior doctors, consultants and management teams have appeared to have mitigated this risk.

Conclusion of 2017/18 annual report

BWC continues to cope well with the introduction of the 2016 doctors in training contract. The rotas that are working under the new contract terms and conditions are safe. Rota gaps beyond the control of the Trust are the main cause of exception reports.

3.3 Other National Indicators

Indicator	Threshold	BWC Score
Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway	92%	92.3%
A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge	95%	89.4%
All cancers: 62-day wait for first treatment from urgent GP referral for suspected cancer	85%	83.0%
NHS Cancer Screening Service referral	90%	100%
All cancers: 31-day wait for second or subsequent treatment, comprising:		
surgery	98%	100%
anti-cancer drug treatments radiotherapy	98%	100%
All cancers: 31-day wait from diagnosis to first treatment	96%	100%
Cancer: two-week wait from referral to date first seen, comprising:		
all urgent referrals (cancer suspected)	93%	87.8%
Meeting commitment to serve new psychosis cases by early intervention teams	95%	N/A
Early intervention in psychosis (EIP): people experiencing a first episode of psychosis treated with a NICE-approved care package within two weeks of referral	50%	48.06%
Improving access to psychological therapies (IAPT) (N):		
people with common mental health conditions referred to the IAPT programme will be treated within 6 weeks of referral	75%	90%
Improving access to psychological therapies (IAPT) (N):		
people with common mental health conditions referred to the IAPT programme will be treated within 18 weeks of referral	95%	95%
C. difficile – meeting the C. difficile objective	-	1 case
Mental health data completeness: outcomes for patients on CPA	95%	99.70%

Annex 1 Statements from Stakeholders

Commissioners

Statement of Assurance from Birmingham and Solihull CCG May 2019

1.1 Birmingham and Solihull Clinical Commissioning Group (CCG), as coordinating commissioner for Birmingham Women's and Children's Hospital NHS Foundation Trust (BWC), welcomes the opportunity to provide this statement for inclusion in the Trusts 2018/19 Quality Account.

1.2 A draft copy of the Quality Account was received by the CCG on the 1st May and the review has been undertaken in accordance with the Department of Health Guidance. This statement of assurance has been developed from the information provided to date.

1.3 The information provided within this account presents a balanced report of the healthcare services that BWC provides. The range of services described and priorities for improvement are representative based on the information that is available to us. The report demonstrates the progress made by the Trust in the last financial year. It identifies what the organisation has done well, where further improvement is required and what actions are needed to achieve these goals and the priorities set for 2019/20.

1.4 It is encouraging to see the significant service improvements and delivering on the CQC requirement notices which Forward Thinking Birmingham (FTB) have achieved in 2018/19 and Commissioners recognise the commitment of FTB staff to reach these milestones. Rising referrals and waiting time position remains a major issue of concern with longer waits in all FTB Hubs for first appointments and treatment for people up to the age of 25 accessing mental health services. Vacancy position shows a positive story and improving picture, highlighting the successful work being done by FTB around nursing and medical recruitment. Commissioners are actively working with FTB and other partners across the STP through establishing a framework for improve access to services at primary, secondary and urgent care levels and the CCG is pleased to note several transformational services including Intensive Community Outreach (ICON), DICE Pilot and STICK team which commenced in 2018/19.

1.5 Positive work, building on that undertaken in 2017/18, has been undertaken in relation to the Trust's 2018/19 quality priority in to improve the early identification of treatment and jaundice. BWC have introduced new jaundice guidelines and discussions are underway with the Local Maternity System to agree that babies with jaundice requiring treatment are treated in the most appropriate place rather than Accident and Emergency Departments. The CCG is encouraged to note that in association with the introduction of key clinical effectiveness initiatives there has been a significant improvement in the number of jaundice and/or bilirubin incidents reported in the last twelve months.

1.6 Whilst it is concerning to see that a total of six Never Events were reported across BWC in 2018/19, the CCG is pleased to note the positive actions undertaken by the Trust in relation to organisational learning from the Surgical Never Events in 2016 and 2017. Substantial restructuring of the Theatre Management team on the Children's site has been undertaken in addition to the introduction of safety initiatives including mandatory 'Red Hat' leadership in every theatre area and implementation of LOCSSIPs documents to reduce / prevent Never Events. The CCG is supportive of the continued workforce and recruitment strategy focus for 2019/20 to attract and retain experienced theatre staff at BWC.

1.7 The Trust's 2018/19 quality priority to reduce cancelled operations was not met, and a sustained reduction in nationally reported cancelled operations not achieved. The two main consistent reasons for hospital cancellations on the day are lack of PICU beds and Emergency / Trauma patients. Commissioners welcome the identified work streams for 2019/20 to tackle these specific issues.

1.8 The CCG is pleased to note the continued progress the Trust has made in the relation to the 2018/19 quality priority to improve Abortion Care Services and acknowledges the work undertaken to improve staff training and increased provision of emotional support to both staff and patients. Commissioners recognise the challenges of the continued growth in demand for the service and will work with the Trust to support further improvements to improve quality outcomes for patients and their families.

1.9 It is disappointing to see the decline in the recommender scores in the 2018 NHS Staff Survey. Whilst the CCG welcomes the response to this survey made by BWC and the recognition of the importance of ensuring staff engagement, it would be helpful to include some description of the planned approach to address this staff feedback.

1.10 The Patient Experience section gives a comprehensive review of formal complaints and PALS contacts and themes. The CCG recognises the importance of this data in contributing to the improvement of services and welcomes the work streams which have been identified to address the key areas.

1.11 The quality priorities for 2019/20 reflect areas where improvement is required and the CCG is supportive of the continued priority to embed quality improvements to improve services for people up to the age of 25 who access Forward Thinking Birmingham (FTB).

1.12 The section on National Quality Indicators is well presented and clearly provides the reader with details of the Trust's performance. Year to date targets were not met in relation to CQUIN schemes for Improvement of Health and Wellbeing for NHS staff, and Treatment of Sepsis.

1.13 The CCG welcomes the inclusion of a Learning from Deaths section in the 2018/19 Quality Account and is reassured by the mortality review processes outlined, learning identified and new SIRI process developed in 2018. It is positive to note that the Trust have not identified that any of the deaths in 2018/19 were caused by substandard care.

1.14 The CCG is pleased to note that the Trust has identified extravasation as a priority area in response to a number of extravasation injuries reported as serious incidents. Commissioners welcome ongoing work at BWC to develop solutions to reduce both incidence and hard of extravasation injuries.

1.15 As commissioners, we have worked closely with BWC over the course of 2018/19, meeting with the Trust regularly to review the organisations' progress in implementing its quality improvement initiatives. We are committed to engaging with the Trust in an inclusive and innovative manner and are pleased with the level of engagement from the Trust. We hope to continue to build on these relationships as we move forward into 2019/20.

Paul Jennings
Chief Executive Officer
Birmingham and Solihull CCG

Healthwatch

Healthwatch Birmingham welcomes the opportunity to provide our statement on the Quality Account for Birmingham Women's and Children's Hospital NHS Trust 2018/19. We recognise the work the Trust has focused on over the year in order to align its governance model across Birmingham Children's Hospital (BCH) and Birmingham Women's Hospital (BWH). We note the development of a new process for the investigation of Serious Incidents Requiring Investigation (SIRI) and the Partnership Governance Model that ensures quality is embedded within clinical teams and learning shared across the Trust.

We also recognise the work being carried out in response to a previous CQC inspection, particularly at BWH and Forward Thinking Birmingham (FTB), whose ratings were 'requires improvement' and 'inadequate' respectively. We hope to see this work lead to an improved rating as the CQC re-inspect in 2019/20.

Patient and Public Involvement

The Quality Account does demonstrate that the Trust uses various methods to engage with patients, service users and carers. For instance, the use of feedback cards, patient stories, consultations, social media, complaints, surveys, expert groups, websites like NHS choices and patient opinion, Pals, comments and concerns. We are particularly pleased that the Trust is listening to groups protected under the equality act, such as the Young Persons Advisory Group at BCH. This is important as it ensures that the views of the diverse population the Trust serves are heard and reflected in changes and improvement. We hope to see more examples of the Trust collecting feedback from spaces where seldom heard groups are, in the 2019/20 Quality Account.

We welcome that a wide range of stakeholders, including service users, carers and staff, have been involved in developing the Trust's priorities for quality improvement for 2019/20. Of importance to Healthwatch Birmingham is that the Trust has also used reports (i.e. safety incidents reports, internal and external reviews and clinical audits) to inform the development of the 2019/20 quality priorities.

It is also positive to see the actions taken by the Trust across the three services (BCH, BWH, and FTB) in response to patient feedback. We note the consultation on a 'visiting approach' taking place at BWH following patients and family feedback about the limited access to loved ones. Also, at FTB, the creation of a Mental Health Passport that young people can use to track appointments, reflect on progression, and express their preferences. We are particularly pleased with the introduction of 'interpreting on wheels', which uses interactive video technology to provide face to face interpreting. The Trust has also increased times of availability of BSL interpreters to a minimum of two hours and will provide patients with the agency number to check if an interpreter has been booked prior to their appointment. We look forward to reading about the impact of these initiatives on access for deaf people in the 2019/20 Quality Account.

This is important for Healthwatch Birmingham as our recent report into people's experience of Birmingham's hospital waiting rooms reported particular problems for people who are hearing impaired and need a British Sign Language Interpreter during their visit. Generally, the experiences of people with a disability were less positive in relation to communication, access, the environment and so on. We believe the findings of the report will continue to be useful as the Trust continues to look for innovative ways to improve access for people with a disability. The report can be found here: <http://bit.ly/2H1ZKMD>.

We welcome the structured approach the Trust is taking to working with patients, service users, and carers. The use of a Patient Experience and Engagement Strategy at BWH is positive and will help the Trust embed patient, service user and carer experience in service improvement and the redesign. We note the four aims that were implemented by BWH in 2017/18 regarding patient experience (i.e. involve patients in service design and redesign, listening to feedback and act, empower staff, and making it easier for service users to feedback). Healthwatch Birmingham still believes that the Trust should use the BWH Patient Experience and Engagement Strategy as a foundation for developing a Trust-wide patient involvement (PPI) strategy. This will ensure commitment across BCH, BWH and FTB to the use of patient and public insight and experience data, and to their involvement in the design of services. We also believe that such a strategy would support the achievement of the Trust's 2019/20 Quality Priorities: 'Engagement, patient, family and staff partnership' and 'deliver effective care and identify outcomes that are important to patients and co-design solutions with them (women, children and young people).' A PPI strategy would outline:

- Why the Trust is listening
- What the Trust is listening for
- How the Trust listens
- Who the Trust wants to hear from (including 'seldom-heard' groups)
- How the Trust will use what it hears
- Clear arrangements for collating feedback and experience.

Over the past year, Healthwatch Birmingham has worked with clinical commissioning groups (CCGs) and Trusts to benchmark their PPI processes using Healthwatch Birmingham's Quality Standard. This enabled them to identify areas of good PPI practice, or areas that need to improve. This has led to the development of actions aimed at embedding systems for delivering consistently high-quality PPI. Healthwatch Birmingham has been in contact with the engagement staff at the Trust on this project and we hope to continue supporting the Trust's PPI activities in 2019/20.

Regarding the Friends and Family Test (FFT), we are pleased that the FFT positive responses for maternity and gynaecology have been consistently at or above 90% throughout 2017/18, except for genetics which was at 80% in December 2018. On the other hand, the NHS Staff Survey shows that 80.7% of staff would recommend BCH and BWH as a provider of care to their family or friends. We ask the Trust to look into the difference between staff and patient views and feed the findings into service improvement.

We also note that there has been a decrease in the number of staff responding to the NHS Staff Survey; only 33% of the 1250 staff sampled responded. In addition, only 56.7% (62.4% in 2017) of staff said they would recommend BCH and BWH as a place to work. We welcome that the Trust is working to ensure that senior leaders understand and agree on why staff need to be engaged. We believe that for this process to be effective, staff have to be engaged so that the Trust can understand the staff's needs. A PPI strategy would be useful not only for setting out how and why to engage with staff but ensuring that staff also understand their role in patient and public involvement. We would like to read in the 2019/20 Quality Account the actions that have been developed in response to staff feedback and involvement.

Council of Governors

We are pleased to have an opportunity to comment on Birmingham Women's and Children's NHS Foundation Trust's Quality Account for 2018/19.

We have been delighted to see improvements in the last year in areas such as the abortion care service and in theatre safety, which we have continued to track through the Governors Scrutiny Committee.

We note some continued challenges, however, regarding the antenatal pathway and managing our cancelled operations and we look forward to seeing an improved position in next year's report.

Another area we have monitored closely throughout the year is Forward Thinking Birmingham (FTB). We have been really pleased to see the progress made in addressing the concerns that had been highlighted by the Care Quality Commission, particularly in issues such as care planning, risk assessments and monitoring physical health needs. We recognise the continued pressures related to demand and staffing and will continue to receive reports on this service throughout 2019/20 to ensure that the service users and families that we represent are receiving the best possible mental health care.

We are satisfied that the information provided in the Quality Account is consistent with the information with which the Council of Governors has been provided through meetings of the Council and of the Governors' Scrutiny Committee, patient stories, review of the Board of Directors' meeting papers, and Governors walkabouts to areas across the Trust.

We agree that the quality priorities selected for 2018/19 are the right ones. However, we would also like to see information in the next report on Genetics, Emergency Department, waiting times across the Trust and the impact that the BUMP project has had across the wider health economy.

Overview and Scrutiny Committees

The Birmingham Health and Social Care Overview Scrutiny Committee has indicated that it is not in a position to provide a statement on the Birmingham Women's and Children's NHS Foundation Trust draft Quality Account 2018-19.

Annex 2 Statement of Directors'

Responsibilities for the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2016/17 and supporting guidance
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
 - board minutes and papers for the period April 2016 to March 2017
 - papers relating to Quality reported to the board over the period April 2016 to March 2017
 - feedback from commissioners dated 16th May 2019
 - feedback from governors dated 16th May 2019
 - feedback from local Healthwatch organisations dated 20th May 2019
 - the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 April 2016 to March 2017
 - the 2018 national patient survey
 - the 2018 national staff survey
 - the Head of Internal Audit's annual opinion over the trust's control environment dated 21st May 2019
 - CQC Inspection reports dated 2nd November 2016 for BWH and 21st February 2017 for BCH.
- 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

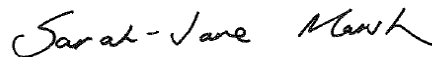
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality 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 Monitor's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

By order of the board



Chairman
24 May 2019



Chief Executive
24 May 2019

Independent auditor's report to the council of governors of Birmingham Women's and Children's NHS Foundation Trust on the quality report

We have been engaged by the council of governors of Birmingham Women's and Children's NHS Foundation Trust to perform an independent assurance engagement in respect of Birmingham Women's and Children's NHS Foundation Trust's quality report for the year ended 31 March 2019 (the 'quality report') and certain performance indicators contained therein.

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

Scope and subject matter

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

- Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge;
- Percentage of patients receiving first definitive treatment for cancer within 62 days of an urgent GP referral for suspected cancer.

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

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the 'NHS foundation Trust annual reporting manual' issued by NHS Improvement.

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

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation Trust annual reporting manual' and supporting guidance;
- the quality report is not consistent in all material respects with the sources specified below:
 - board minutes for the period April 2019 to March 2019;
 - papers relating to quality reported to the board over the period April 2018 to March 2019;
 - feedback from Birmingham and Solihull Clinical Commissioning Group, dated May 2019;
 - feedback from governors, dated 16th May 2019;
 - feedback from local Healthwatch organisations, dated 19th May 2019;
 - the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 12th April 2019;
 - the latest national patient survey, dated January 2018;
 - the national staff survey 2018;

- Care Quality Commission inspection report, dated 27th of February 2018;
 - the Head of Internal Audit's annual opinion over the Trust's control environment, dated 21st May 2019.
- the indicators in the quality report identified as having been the subject of limited assurance in the quality report are not reasonably stated in all material respects in accordance with the 'NHS foundation Trust annual reporting manual' and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports'.

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

We read the other information contained in the quality report and consider whether it is materially inconsistent with the documents listed above and specified in the detailed guidance for external assurance on Quality Reports (collectively the 'documents').

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

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

Assurance work performed

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

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the 'NHS foundation Trust annual reporting manual' to the categories reported in the quality report; and
- reading the documents.

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

Limitations

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

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these

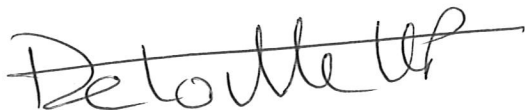
criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the 'NHS foundation Trust annual reporting manual'.

The scope of our assurance work has not included governance over quality or non-mandated indicators which have been determined locally by Birmingham Women's and Children's 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 2019:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation Trust annual reporting manual';
- the quality report is not consistent in all material respects with the sources specified in 2.1 of the 'NHS Improvement Detailed requirements for external assurance for quality reports 2018/19' for foundation Trusts; and
- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the 'NHS foundation Trust annual reporting manual' and supporting guidance.

A handwritten signature in black ink, appearing to read 'Deloitte LLP', with a long horizontal line extending from the end of the signature.

Deloitte LLP
Birmingham
United Kingdom
24 May 2019

Birmingham Women's and Children's NHS Foundation Trust

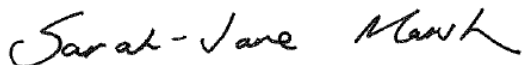
Statutory Accounts

Year ended 31 March 2019

Foreword to the Accounts

Birmingham Women's and Children's NHS Foundation Trust

These accounts for the year ended 31 March 2019 have been prepared by Birmingham Women's and Children's NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006.



Sarah-Jane Marsh
Chief Executive Officer

Date 24 May 2019

Statement of Comprehensive Income (Group)

		Year Ended 31 March 2019	Year Ended 31 March 2018
	NOTE	£000	£000
Operating income from patient care activities		385,828	371,527
Provider Sustainability Fund income		17,224	17,645
Other operating income		42,310	40,207
Operating income from continuing operations	2	445,362	429,379
Operating expenses of continuing operations	3	(418,544)	(400,133)
Impairments recognised in operating expenses	3,10	(8,113)	(10,908)
Total operating expenses of continuing operations	3	(426,657)	(411,041)
OPERATING SURPLUS		18,705	18,338
FINANCE COSTS			
Finance income	6.1	217	55
Finance expense	6.2	(704)	(634)
PDC dividends payable		(4,931)	(5,355)
NET FINANCE COSTS		(5,418)	(5,934)
Other losses	7	(135)	(47)
Corporation tax expense	34	(28)	(39)
SURPLUS FOR THE YEAR	2.6	13,124	12,318
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	10	-	(19,037)
Revaluations	26	59	6,598
Other reserve movements		(4)	65
Total other comprehensive income/(expense)		55	(12,374)
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR		13,179	(56)

There are no Minority Interests in the Group, therefore the surplus for the year and the Total Comprehensive Income/(Expense) are wholly attributable to the Group.

As permitted by the Department of Health and Social Care Group Accounting Manual, the Trust has taken the exemption afforded by Section 408 of the Companies Act 2006 not to present its own income statement and statement of comprehensive income. Further information is available in note 8.

All income is derived from continuing operations.

Statement of Financial Position

		Group		Trust	
		31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
NOTE					
Non-current assets					
Intangible assets	11	1,097	1,488	1,097	1,488
Property, plant and equipment	12	172,029	170,515	172,029	170,515
Investments in subsidiaries	15	-	-	5,000	5,000
Trade and other receivables	18	2,008	1,880	2,008	1,880
Loans to subsidiaries	16	-	-	26,416	28,062
Total non-current assets		175,134	173,883	206,550	206,945
Current assets					
Inventories	17	7,400	6,593	6,900	6,159
Trade and other receivables	18	50,838	49,937	48,475	49,057
Loans to subsidiaries	16	-	-	1,671	1,755
Cash and cash equivalents	20	48,976	29,140	46,143	22,999
Total current assets		107,214	85,670	103,189	79,970
Current liabilities					
Trade and other payables	21	(59,559)	(48,108)	(52,186)	(47,363)
Borrowings	22	(230)	(189)	(2,153)	(1,467)
Provisions	24	(915)	(590)	(915)	(590)
Other liabilities	23	(11,645)	(15,197)	(11,645)	(15,197)
Total current liabilities		(72,349)	(64,084)	(66,899)	(64,617)
Total assets less current liabilities		209,999	195,469	242,840	222,298
Non-current liabilities					
Borrowings	22	(4,181)	(3,200)	(36,762)	(30,035)
Total non-current liabilities		(4,181)	(3,200)	(36,762)	(30,035)
Total assets employed		205,818	192,269	206,078	192,263
Financed by					
Taxpayers' equity					
Public dividend capital	33	133,550	133,469	133,550	133,469
Revaluation reserve	26	22,830	22,771	22,830	22,771
Income and expenditure reserve		49,438	36,029	49,698	36,023
Total taxpayers' and others' equity		205,818	192,269	206,078	192,263

The notes on pages 6 to 57 form an integral part of the financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on their behalf by:

Sarah-Jane Marsh

Date 24 May 2019

Sarah-Jane Marsh
Chief Executive Officer

Statement of Changes in Equity

Group			Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve
	NOTE	Total £000	£000	£000	£000
Taxpayers' Equity at 1 April 2017		191,403	132,547	35,288	23,568
Surplus for the year		12,318	-	-	12,318
Impairments		(19,037)	-	(19,037)	-
Revaluations - property, plant and equipment		6,598	-	6,598	-
Transfer to I&E reserve on disposal of assets		-	-	(78)	78
Other reserve movements		65	-	-	65
Total comprehensive income for the year		(56)	-	(12,517)	12,461
Public Dividend Capital received	33	922	922	-	-
Taxpayers' Equity at 31 March 2018		192,269	133,469	22,771	36,029
Taxpayers' Equity at 1 April 2018 - brought forward		192,269	133,469	22,771	36,029
Impact of implementing IFRS 15 on reserves	35.1	95	-	-	95
Impact of implementing IFRS 9 on reserves	35.2	194	-	-	194
Taxpayers' Equity at 1 April 2018 - restated		192,558	133,469	22,771	36,318
Surplus for the year		13,124	-	-	13,124
Revaluations - property, plant and equipment		59	-	59	-
Other reserve movements		(4)	-	-	(4)
Total comprehensive income for the year		13,179	-	59	13,120
Public Dividend Capital received	33	81	81	-	-
Taxpayers' Equity at 31 March 2019		205,818	133,550	22,830	49,438

Statement of Changes in Equity

Trust			Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve
	NOTE	Total £000	£000	£000	£000
Taxpayers' Equity at 1 April 2017		191,160	132,547	35,288	23,325
Surplus for the year		12,555	-	-	12,555
Impairments		(19,037)	-	(19,037)	-
Revaluations - property, plant and equipment		6,598	-	6,598	-
Transfer to I&E reserve on disposal of assets		-	-	(78)	78
Other reserve movements		65	-	-	65
Total comprehensive income/(expense) for the year		181	-	(12,517)	12,698
Public Dividend Capital received	33	922	922	-	-
Taxpayers' Equity at 31 March 2018		192,263	133,469	22,771	36,023
Taxpayers' Equity at 1 April 2018 - brought forward		192,263	133,469	22,771	36,023
Impact of implementing IFRS 15 on reserves	35.1	95	-	-	95
Impact of implementing IFRS 9 on reserves	35.2	194	-	-	194
Taxpayers' Equity at 1 April 2018 - restated		192,552	133,469	22,771	36,312
Surplus for the year		13,297	-	-	13,297
Revaluations - property, plant and equipment		59	-	59	-
Other reserve movements		89	-	-	89
Total comprehensive income for the year		13,445	-	59	13,386
Public Dividend Capital received	33	81	81	-	-
Taxpayers' Equity at 31 March 2019		206,078	133,550	22,830	49,698

Information on reserves

Public dividend capital

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

Revaluation reserve

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

Income and expenditure reserve

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

Statement of Cash Flows

	NOTE	Group		Trust	
		31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Cash flows from operating activities					
Operating surplus		18,705	18,338	18,514	18,298
Non-cash income and expense					
Depreciation and amortisation		8,115	8,496	8,115	8,496
Net impairments	3	8,113	10,908	8,113	10,908
Income recognised in respect of capital donations		(396)	(1,255)	(396)	(1,255)
(Increase)/decrease in receivables		(1,296)	(14,800)	187	(14,007)
Decrease/(increase) in other assets		-	-	1,730	(29,517)
(Increase) in inventories		(807)	(667)	(741)	(440)
Increase in trade and other payables		9,828	3,906	3,200	3,156
(Decrease)/increase in other liabilities		(3,552)	4,703	(3,552)	4,703
Increase/(decrease) in provisions		325	(1,798)	325	(1,798)
Corporation tax paid		(38)	(41)	-	-
Other movements in operating cash flows		7	67	90	65
Net cash generated from/(used in) operating activities		39,004	27,857	35,585	(1,391)
Cash flows from investing activities					
Interest received		217	55	1,068	293
Purchase of intangible assets		(212)	(497)	(212)	(497)
Purchase of Property, Plant and Equipment		(15,264)	(27,092)	(15,264)	(27,092)
Receipt of donations to purchase capital assets		69	971	69	971
Cash from acquisitions of subsidiaries	15	-	-	-	(5,000)
Net cash used in investing activities		(15,190)	(26,563)	(14,339)	(31,325)
Cash flows from financing activities					
Public dividend capital received	33	81	922	81	922
Movement on loans from DHSC	22	1,200	2,100	1,200	2,100
Movement on service concession obligations		-	-	6,391	28,113
Capital element of PFI		(189)	(165)	(189)	(165)
Interest on loans		(19)	-	(19)	-
Interest element of PFI		(676)	(634)	(676)	(634)
PDC Dividend paid		(4,375)	(6,056)	(4,375)	(6,056)
Cash flows from other financing activities		-	-	(515)	-
Net cash (used in)/generated from financing activities		(3,978)	(3,833)	1,898	24,280
Increase/(decrease) in cash and cash equivalents		19,836	(2,539)	23,144	(8,436)
Cash and Cash equivalents at 1 April		29,140	31,679	22,999	31,435
Cash and Cash equivalents at 31 March	20.1	48,976	29,140	46,143	22,999

Notes to the Financial Statements

1. Accounting policies

NHS Improvement, in exercising the statutory functions conferred on Monitor, is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. NHS Improvement has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (DHSC GAM) which shall be agreed with the HM Treasury. Consequently, the following financial statements have been prepared in accordance with the DHSC GAM 2018/19 issued by the Department of Health and Social Care. The accounting policies contained in the DHSC GAM follow International Financial Reporting Standards (IFRS) 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 DHSC GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

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

1.2 Going concern

These accounts have been prepared on a going concern basis as described in the Performance Report in section 2 of the Annual Report.

1.3 Consolidation

NHS Charitable Funds

The DHSC GAM requires NHS foundation trusts to consolidate the accounts of NHS charitable funds to which they are corporate trustees. The Trust is not the corporate trustee to Birmingham Women's And Children's Hospital Charity (BWCH Charity). The Trust has further assessed its relationship to the charitable fund, with specific reference to the definitions of control contained within IFRS 10, and determined it not to be a subsidiary because the foundation trust has no power to govern the financial and operating policies of the charitable fund so as to obtain benefits from its activities for itself, its patients or its staff.

Other Subsidiaries

Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group financial statements consolidate the financial statements of the Trust and all of its subsidiary undertakings made up to 31 March 2019. The income, expenses, assets, liabilities, equity and reserves of the subsidiaries have been consolidated into the Trust's financial statements and Group financial statements have been prepared. Where figures for the Trust differ from those for the Group, separate tables have been included.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

1.4.1 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The DHSC GAM expands the definition of a contract to include legislation and regulations which enable an entity to receive cash or another financial asset that is not classified as tax by the Office of National Statistics (ONS). As directed by the DHSC GAM, the transition to IFRS 15 in 2018/19 has been completed in accordance with paragraph C3 (b) of the Standard: applying the Standard retrospectively but recognising the cumulative effects at the date of initial application (1 April 2018).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

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

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

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

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract.

NHS Injury Cost Recovery Scheme

The Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pensions' Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

1.4.2 Revenue grants and other contributions to expenditure

Government grants are grants from government bodies other than income from commissioners or Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition of the benefit.

1.4.3 Other income

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.

1.5 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. Details of the benefits payable and rules of the Scheme can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

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

Alternative Pension Scheme

Where employees are ineligible for membership of the NHS Pension Scheme, alternative pension arrangements are made available through the National Employment Savings Trust (NEST). The NEST pension scheme is a defined contribution scheme, and is accounted for as such.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

1.6 Expenditure on other goods and services

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

1.7 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- It is held for use in delivering services or for administrative purposes;
- It is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- It is expected to be used for more than one financial year;
- The cost of the item can be measured reliably; and
- The item has a cost of at least £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, have broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- They form part of the initial setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost.

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.

Valuation

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

Buildings and land are measured subsequently at valuation. As a minimum, a full revaluation is conducted every five years with an interim valuation after three years, undertaken by a professional valuer holding appropriate Royal Institute of Chartered Surveyors qualifications. The valuation is based on depreciated replacement value, using modern equivalent asset and alternative site methodology.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets in the course of construction are valued at cost and are valued by a professional valuer as part of the three or five-yearly valuation or when they are brought into use.

Equipment and fixtures classified as Plant and Machinery, Information Technology or Furniture and Fittings, are carried at cost less accumulated depreciation and any accumulated impairment losses, adjusted annually for changes in the Consumer Price Index, as this is not considered to be materially different from the fair value of assets which have low values or short useful economic lives.

Subsequent expenditure

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

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, using the straight line method. Minimum and maximum remaining useful economic lives are disclosed in note 14 to the financial statements. Freehold land is considered to have an infinite life and is not depreciated.

Assets in the course of construction are not depreciated until the asset is brought into use.

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 DHSC GAM, impairments that arise from a clear consumption 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 the impairment.

An impairment that arises from a clear consumption 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 is 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'; and
 - The actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

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

Donated and grant funded assets

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

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

1.8 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

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

Software which is integral to the operation of hardware, e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, 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 current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

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

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits, using the straight line method. Minimum and maximum remaining useful economic lives are disclosed in note 13 to the financial statements.

1.9 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Finance leases

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

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

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the term of the lease. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

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

The Trust as lessor

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

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

1.10 Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The Trust therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- Payment for the fair value of services received;
- Payment for the PFI asset, including finance costs; and
- Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

PFI asset

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as "on-Statement of Financial Position" by the Trust. In accordance with IAS 17, the underlying assets are recognised as property, plant and equipment at their fair value, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services. An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

The service charge is recognised in operating expenses and the finance cost is charged to Finance Costs in the Statement of Comprehensive Income.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

1.11 Inventories

Inventories are valued at the lower of cost and net realisable value. Pharmacy stocks are valued using a weighted average cost method. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

1.12 Cash and cash equivalents

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

Cash and bank balances are shown at current value.

1.13 Financial instruments and financial liabilities

Recognition

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

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

Classification and measurement

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

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described above in note 1.9.

Financial assets are classified as subsequently measured at cost, fair value through income and expenditure or fair value through other comprehensive income.

Financial liabilities are classified as subsequently measured at amortised cost or fair value through income and expenditure.

Financial assets and financial liabilities at amortised cost

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

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

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

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

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

Credit losses are not normally recognised in relation to other NHS bodies, since any adjustments to income from such bodies is generally deemed to be a price concession on income from contracts with customers, under IFRS 15.

Credit losses in relation to receivables from non-NHS sources are split between:

- (i) NHS Injury Cost Recovery Scheme, where a rate equal to the probability on non-recovery calculated by the Cost Recovery Unit is used, currently 21.89%;
- (ii) Private patient debtors, which are analysed individually and included within the allowance for credit losses where it is deemed more likely than not that the debt will not be recovered; and
- (iii) Other debtors, where historical recovery rates are applied to existing debtor balances at the period end.

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

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

De-recognition

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

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

1.14 Provisions

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

Rate	Nominal rate
Short-term (up to 5 years)	0.76%
Medium term (over 5 and up to 10 years)	1.14%
Long-term (over 10 years)	1.99%

The exception to this is for early retirement provisions and injury benefit provisions which both use the HM Treasury's pension discount rate of 2.90% in nominal terms.

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 24.3 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

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

1.15 Contingencies

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust, or a present obligation arising from past events that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

Where the time value of money is material, contingencies are disclosed at their present value.

1.16 Public dividend capital

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

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for:

- (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.

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

1.17 Research and Development

Expenditure on research is not capitalised, it is treated as an operating cost in the year in which it is incurred.

Research and development income and expenditure have been separately disclosed in notes 2.3 and 3.1 to these financial statements, respectively.

1.18 Value Added Tax

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

Most of the activities of the Trust's subsidiary companies are within the scope of VAT and, for those companies, output tax applies and input tax is recoverable. Supplies made by the companies are

predominantly to the Trust. Within both Group and Trust figures, VAT is included or excluded according to the extent to which the Trust VAT is recoverable by the Trust.

1.19 Corporation tax

The Trust is a Health Service Body within the meaning of s519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for the Treasury to dis-apply the exemption in relation to specified activities of a Foundation Trust (s519A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the future scope of income tax in respect of activities where income is received from a non-public sector source.

The tax expense on the surplus or deficit for the year comprises current and deferred tax due to the Trust's trading commercial subsidiaries, see note 34 to the financial statements. Current tax is the expected tax payable for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the Statement of Financial Position liability method, providing for temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on taxable temporary differences arising on the initial recognition of goodwill or for temporary differences arising from the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.

Deferred taxation is calculated using rates that are expected to apply when the related deferred asset is realised or the deferred taxation liability is settled. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised.

1.20 Foreign exchange

The Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the Trust's surplus/deficit in the period in which they arise.

1.21 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. Details of third party assets are disclosed in note 20.2 to the accounts in accordance with the requirements of HM Treasury's FReM.

1.22 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not

arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS foundation trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

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

1.23 Critical judgements in applying accounting policies

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The following are the critical accounting judgements that have the most significant effect on the amounts recognised in the financial statements:

Income from contracts

Adjustments have been made to income from commissioners where it is probable that discussions with those commissioners will result in the actual income received being lower than the invoiced or contracted rate. These adjustments are based on estimates using relevant and reliable information as is available at the time the financial statements are prepared. Any difference between expectations and the actual income received will be accounted for in the period in which the discussions are resolved.

These adjustments are accounted for as price concessions on income from contracts with customers, in accordance with IFRS 15, and are incorporated into the income figures detailed in notes 2.1 to 2.5 to the financial statements.

Provisions

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

The carrying amounts of the Trust's provisions are detailed in notes 24.1 and 24.2 to the financial statements.

1.24 Sources of estimation uncertainty

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

Allowances for credit losses

As detailed in policy note 1.13 'Financial instruments and financial liabilities', the Trust adopts an approach to the calculation of a credit loss allowance based on historical recovery rates. Estimates based on past performance may not provide an accurate indication of future performance and, as such, future debt recovery rate may differ significantly from the estimates included.

Modern equivalent asset valuation

As detailed in policy note 1.7 'Property, plant and equipment', a professional valuer provided the Trust with a valuation of the land and building assets (estimated fair value and remaining useful life), based on depreciated replacement value, using modern equivalent asset and alternative site methodology. This valuation, based on estimates provided by a suitably qualified professional in accordance with HM Treasury guidance, leads to various significant increases and reductions in the reported fair value for a number of the Trust's land and building assets.

The most recent, full valuation was effective 31 March 2018. An additional valuation was undertaken on a single, new clinical building when it was brought into use during the financial year, effective 1 August 2018. These valuations resulted in impairments to asset values, as outlined in note 10.

Future revaluations of the Trust's property may result in further material changes to the carrying values of non-current assets. Future revaluations may also result in changes to the remaining useful lives of non-current assets, which may impact on future depreciation charges.

1.25 Accounting standards, interpretations and amendments adopted in the year

All new, revised and amended standards and interpretations which are mandatory as at the reporting date have been adopted within the year.

The initial application of IFRS 9 and IFRS 15 and their impact on these financial statements is detailed in notes 35.1 and 35.2.

No new accounting standards or revisions have been early adopted in 2018/19.

1.26 Accounting standards that have been issued but have not yet been adopted

The DHSC GAM does not require the following Standards and Interpretations to be applied in 2018/19. These standards are still subject to HM Treasury Financial Reporting Manual (FReM) adoption, with IFRS 16 being for implementation in 2020/21.

- IFRS 14 Regulatory Deferral Accounts – Not yet EU endorsed – Applies to first time adopters of IFRS after 1 January 2016; therefore not applicable to DH group bodies;
- 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; and
- IFRIC 23 Uncertainty over Income Tax Treatments – Application required for accounting periods beginning on or after 1 January 2019.

The Trust has commenced work to assess the likely impact of IFRS 16. Specific areas the Trust is reviewing include definitions of leases and arrangements containing a lease, the impact of reclassifying operating leases as leased assets, and the impact on future expenditure. It is expected that the adoption of this standard will have a future impact on values included in both the SoCI and the SoFP.

Although detailed work on the impact of IFRS 17 and IFRS 23 has not yet been undertaken, the nature of the Trust means no significant impact is expected from the adoption of either of these standards.

2 Operating segments

The Board as 'Chief Operating Decision Maker' has given due consideration to the issue of Segmental Reporting and, after analysing the financial, reporting and performance decision making activities of the Trust, has concluded that only one Operating Segment, "Healthcare", is to be reported. This meets the requirements and aggregation criteria laid out in IFRS 8. 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. Revenue from activities (medical treatment of patients) is analysed by customer type in note 2.3 to the financial statements. Other operating income is also analysed in note 2.3 to the financial statements and materially consists of revenues from healthcare research and development, medical education and the provision of services to other NHS bodies.

2.1 Operating income – by nature (Group)

		31 March 2019 £000	31 March 2018 £000
Income from Activities			
Acute Services			
Elective income	(a)	50,440	48,500
Non-elective income		68,973	64,893
First outpatient income		17,783	17,465
Follow up outpatient income		20,894	19,138
A & E income		6,843	6,669
High cost drugs income		38,145	33,839
Other NHS clinical income	(b)	130,817	133,502
Mental Health services			
Cost and volume contract income		7,159	7,632
Block contract income	(c)	35,877	33,329
Community services			
Income from CCGs and NHS England		2,684	2,832
Other			
Private patient income		2,243	2,501
AfC pay award central funding	(d)	3,002	-
Other clinical income	(e)	968	1,227
Total income from activities		385,828	371,527
PSF income	(f)	17,224	17,645
Total other operating income		42,310	40,207
TOTAL OPERATING INCOME		445,362	429,379

(a) Elective income includes £713k (31 March 2018: £660k) from The Royal Orthopaedic Hospital NHS Foundation Trust which relates to payment for activity undertaken at the Trust on behalf of The Royal Orthopaedic Hospital NHS Foundation Trust.

(b) Other NHS clinical income represents income outside the scope of Payments by Results (PbR). This income comprises funding from NHS England and Clinical Commissioning Groups (CCGs) for PbR

exclusions. The specialist nature of the Trust means this comprises a significant proportion of clinical income.

- (c) Increases in Mental Health services income relate to increases in out-of-area bed funding.
- (d) AfC pay award central funding is funding from DHSC to cover the costs of national pay awards that were not included within healthcare contracting income inflation.
- (e) Other non-protected clinical income relates to income from the NHS Injury Cost Recovery Scheme.
- (f) PSF income is funding allocated to the Trust by DHSC as part of the national Provider Sustainability Fund (formerly Sustainability and Transformation Fund).

2.2 Operating lease income

There has been no operating lease income in either the current or previous accounting periods.

2.3 Operating income – by source (Group)

	Note	31 March 2019 £000	31 March 2018 £000
Income from activities			
NHS England	(a)	223,754	220,525
Clinical commissioning groups	(a)	142,048	137,079
NHS Foundation Trusts	(a),(b)	3,315	2,695
NHS Trusts	(a),(b)	3,304	3,205
DHSC	(a),(c)	3,002	-
NHS Other	(d)	7,195	4,295
Non-NHS: Private patients	(e)	2,243	2,501
Non-NHS: Overseas patients	(e)	505	540
NHS injury cost recovery scheme	(f)	462	687
Total income from activities	(g)	385,828	371,527
Other operating income			
Research and development		6,738	6,961
Education and training		11,570	11,144
Capital grants and donations	(h)	396	1,255
Charitable/other contributions	(i)	5,614	1,967
Non-patient care services		14,357	15,540
PSF income		17,224	17,645
Other *		3,635	3,340
Total other operating income		59,534	57,852
TOTAL OPERATING INCOME		445,362	429,379

- (a) The Department of Health and Social Care (DHSC) is regarded as the parent Department of NHS England, Clinical Commissioning Groups (CCGs), NHS Trusts and NHS Foundation Trusts. When combined these four areas are regarded as a related party as outlined in note 27.
- (b) Increases in income from NHS Foundation Trusts and NHS Trusts is primarily the result of the funding pathway for maternity care. The host provider for each patient receives funding for the full care pathway from the relevant commissioner, with appropriate elements paid by the host provider to the provider delivering care.
- (c) Income from DHSC is AfC pay award central funding to cover the costs of national pay awards that were not included within healthcare contracting income inflation.
- (d) NHS Other includes the income from activities by Non-English Health bodies: Wales, Scotland and Northern Ireland, as well as income from Public Health England.
- (e) Income from overseas patients relates entirely to direct charges to overseas visitors. Income from private patients relates to UK patients charged directly by the Trust.
- (f) NHS Injury Cost Recovery Scheme income is subject to an allowance for credit losses of 21.89% (2017/18: 22.84%) of the original debtor notified to the Trust, to reflect expected rates of collection and the probability of not receiving income due to withdrawn cases or exemptions. Cases withdrawn or exempt are written against this provision.
- (g) All activity income other than overseas visitor and private patient income is associated with Commissioner Requested Services, as detailed in note 2.5.
- (h) The income from BWCH Charity is specific funding for the purchase of medical and other equipment.
- (i) This sum relates primarily to the grant to cover the cost of the Fundraising Team. This varies on an annual basis dependent on the agreement between the Trust and BWCH Charity regarding the financial plan for that year. Additional funding has been received in the current year towards the revenue costs of setting up services to be delivered in a new clinical building.

***Analysis of Other Operating Income: Other**

	31 March 2019 £000	31 March 2018 £000
PFI support income	19	19
Car Parking income	360	387
Catering	270	291
Pharmacy sales	25	7
Property rental	103	102
Staff accommodation rental	133	23
Clinical tests	1,154	1,284
Clinical excellence awards	1,076	1,138
Other	495	89
Total	3,635	3,340

2.4 Overseas visitors (relating to patients charged directly by the Trust)

	31 March 2019 £000	31 March 2018 £000
Income recognised this year	505	540
Cash payments received in-year	678	321
Amounts added to provision for impairment of receivables	236	346
Amounts written off in-year	-	-

2.5 Income from activities arising from commissioner requested services

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

	31 March 2019 £000	31 March 2018 £000
Income from commissioner requested services	383,080	368,486
Income from services not commissioner requested	2,748	3,041
Total	385,828	371,527

2.6 Reconciliation to Control Total

The financial performance regime under which the Trust operates includes the setting of a 'control total', which is a specific financial position that the Trust is required to meet in order to access additional cash funding. The surplus for the organisation includes a number of items, mainly deemed non-recurrent, that are excluded from this calculation of financial performance. The following table shows the financial position relative to the organisation's control total.

		31 March 2019 £000	31 March 2018 £000
Surplus for the year		13,124	12,318
Add: one-off technical adjustments			
Impairments taken to expenditure	(a)	8,113	10,908
Less: items included within surplus but not counted towards control total achievement			
Provider Sustainability Fund income	(b)	(17,224)	(17,645)
I&E impact of donated assets	(c)	230	(569)
Additional provider sector funding	(d)	-	(1,281)
Performance for control total calculation		4,243	3,731
Control total for the year		4,170	3,659
Surplus against control total		73	72

- (a) Impairments taken to expenditure are the result of a revaluation of the Trust's land and buildings. More information is given in note 10.
- (b) Provider Sustainability Fund (PSF) income (formerly Sustainability and Transformation Fund) allocated by the Department of Health and Social Care is non-recurrent cash funding that was contingent on the Trust achieving an agreed surplus for the year and meeting the four-hour wait standard for Emergency Department performance, and was not available to fund expenditure.
- (c) I&E impact of donated assets comprises the recognition of medical equipment donated to the Trust and funding from BWCH Charity towards the Trust purchasing medical equipment or other capital developments, less the depreciation on donated assets.
- (d) Additional provider sector funding is non-recurrent cash funding that was contingent on the Trust delivering an improvement of the same value on the bottom line financial position and was not available to fund expenditure.

3.1 Operating expenses (Group)

	31 March 2019	31 March 2018
	£000	£000
Purchase of healthcare from DHSC bodies	7,818	8,499
Purchase of healthcare from non-DHSC bodies	36	157
Staff and executive directors costs	249,910	236,206
Remuneration of non-executive directors	215	164
Supplies and services - clinical (ex drugs costs)	56,952	55,569
Supplies and services - general	5,785	6,475
Drug costs	43,659	41,718
Consultancy costs	131	147
Establishment	3,940	3,496
Premises	13,335	11,948
Transport (including patient travel)	2,387	2,757
Depreciation on property, plant and equipment	7,512	7,969
Amortisation on intangible assets	603	527
Impairments	8,113	10,908
Movement in credit loss allowance	217	244
Provisions arising/(released) in period	563	(1,669)
Audit fees payable to the external auditor		
audit services- statutory audit	94	92
other auditor remuneration	18	18
Internal audit costs	238	203
Clinical negligence	11,811	10,801
Legal fees	237	386
Insurance	139	137
Research and development	5,398	6,491
Education and training	4,376	4,712
Rentals under operating leases	1,596	1,583
Operating expenditure on PFI scheme	100	83
Car parking & security	415	367
Losses, ex gratia & special payments	11	52
Other services (including external payroll)	1,043	1,001
Other	5	-
TOTAL	426,657	411,041

Impairments are the result of non-current asset valuations, as detailed in notes 1.7 and 10.

3.2 Other audit remuneration

Other auditor remuneration paid to the external auditor is analysed as follows:	31 March 2019 £000	31 March 2018 £000
Audit-related assurance services	18	18
TOTAL	18	18

3.3 Limitation on Auditor's liability

	31 March 2019 £000	31 March 2018 £000
Limitation on Auditor's liability as per agreement dated 30 March 2019	1,000	1,000

4.1 Employee benefits (Group)

	31 March 2019 £000	31 March 2018 £000
Salaries and wages	201,964	193,129
Social security costs	20,546	19,673
Apprenticeship levy	987	933
Employer's contributions to NHS pensions	24,431	23,543
Temporary staff - agency/contract	8,915	6,071
Total staff costs	256,843	243,349
Included within:		
Costs capitalised as part of assets	829	690
Operating expenditure analysed as:		
Employee expenses - staff & executive directors	249,910	236,206
Research & development	3,481	3,527
Education and training	2,623	2,926
Total employee benefits excl. capitalised staff costs	256,014	242,659

4.2 Early retirements due to ill health

	31 March 2019	31 March 2018
No. of early retirements on the grounds of ill-health	4	2
Estimated pension liabilities of these ill-health retirements (£000)	361	80

The cost of ill health retirements will be borne by the NHS Business Services Authority (Pensions Division).

4.3 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health 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 2019 is based on valuation data as 31 March 2018, updated to 31 March 2019 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

(b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018,

Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

5 Operating Leases (Group)

There are no operating lease agreements where the Trust is the lessor. This note discloses costs and commitments incurred in operating lease arrangements where the Trust is the lessee.

5.1 Operating lease expense

	31 March 2019 £000	31 March 2018 £000
Lease payments recognised as an expense in year:		
Minimum lease payments	1,596	1,583
TOTAL	1,596	1,583

5.2 Future minimum operating lease payments

	Total £000	Land £000	Buildings £000	Other £000
Future minimum lease payments due at 31 March 2019:				
- not later than one year;	1,132	33	906	193
- later than one year and not later than five years;	1,536	99	1,057	380
- later than five years.	-	-	-	-
TOTAL	2,668	132	1,963	573

	Total £000	Land £000	Buildings £000	Other £000
Future minimum lease payments due at 31 March 2018:				
- not later than one year;	694	40	363	291
- later than one year and not later than five years;	985	158	527	300
- later than five years.	20	20	-	-
TOTAL	1,699	218	890	591

Increases in future minimum operating lease payments relate to leases for community healthcare facilities.

There are no future sublease payments receivables by the Trust or the Group in either the current or previous accounting periods.

6.1 Finance Income (Group)

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

	Group	
	31 March 2019	31 March 2018
	£000	£000
Interest on bank accounts	217	55
TOTAL	217	55

Interest on bank accounts has been earned from surplus funds held within the Government Banking Services (GBS) and National Loans Fund (NLF).

There is no interest on impaired financial assets included in finance income in either the current or previous accounting periods.

6.2 Finance Expenditure (Group)

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

	31 March 2019	31 March 2018
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	29	-
Main finance costs on PFI obligations	201	226
Contingent finance costs on PFI obligations	474	408
Total interest expense	704	634
Total finance costs	704	634

6.3 The Late Payment of Commercial Debts (Interest) Act 1998

There are no amounts included within 'other interest payable' arising from claims made under this legislation in either the current or previous accounting periods.

Negligible compensation (less than £1k) has been paid to cover debt recovery costs under this legislation in the current accounting period, and no compensation was paid in the previous accounting period.

7 Other gains and losses (Group)

	31 March 2019 £000	31 March 2018 £000
Losses on disposal of assets	(135)	(47)
Total losses on disposal of assets	(135)	(47)
Total other losses	(135)	(47)

8 Trust income statement and statement of comprehensive income

As permitted by the DHSC GAM, the Trust has taken the exemption afforded by Section 408 of the Companies Act 2006 not to present its own income statement and statement of comprehensive income. The Trust's surplus for the period was £13,297k (2017/18: £12,555k). The Trust's total comprehensive income for the period was £13,445k (2017/18: £181k).

9 Discontinued Operations

There have been no discontinued operations in either the current or previous accounting periods.

10 Impairment of assets (PPE)

	31 March 2019 £000	31 March 2018 £000
Impairments charged to operating surplus		
Changes in market price	8,113	10,908
Total Impairments charged to operating surplus	8,113	10,908
Impairments charged to the revaluation reserve	-	19,037
Total Impairments	8,113	29,945

Impairments relate to the valuation of a new clinical building as at 1 August 2018, being the date it was brought into use. This valuation was undertaken by professional valuers Cushman & Wakefield, holding appropriate Royal Institute of Chartered Surveyors qualifications.

Impairments in the previous period relate to the full revaluation of Land and Buildings as at 31 March 2018.

11.1 Intangible assets 2018/19 (Group and Trust)

	Software licences (purchased) £000
Gross Cost at 1 April 2018 - brought forward	3,287
Additions	212
Disposals / de-recognition	(54)
Gross cost at 31 March 2019	3,445
Amortisation at 1 April 2018 - brought forward	1,799
Provided during the year	603
Disposals / de-recognition	(54)
Amortisation at 31 March 2019	2,348
Net book value at 31 March 2019	1,097
Net book value at 1 April 2018	1,488

11.2 Intangible assets 2017/18 (Group and Trust)

	Software licences (purchased) £000
Gross cost at 1 April 2017	2,775
Additions	512
Gross cost at 31 March 2018	3,287
Amortisation at 1 April 2017	1,272
Provided during the year	527
Amortisation at 31 March 2018	1,799
Net book value at 31 March 2018	1,488
Net book value at 1 April 2017	1,503

12.1 Property, plant and equipment 2018/19 (Group and Trust)

	Total	Land	Buildings excluding dwellings	Assets under Construction & POA	Plant & Machinery	Information Technology	Furniture & Fittings
	£000	£000	£000	£000	£000	£000	£000
Valuation/Gross cost at 1 April 2018	215,379	14,189	93,816	40,409	47,990	16,595	2,380
Additions	17,215	-	2,790	10,165	1,731	2,092	437
Impairments	(8,113)	-	(8,113)	-	-	-	-
Revaluations	162	-	-	-	86	26	50
Reclassifications	-	-	32,308	(35,431)	2,320	775	28
Disposals / de-recognition	(1,580)	-	-	-	(1,536)	(43)	(1)
Valuation/Gross cost at 31 March 2019	223,063	14,189	120,801	15,143	50,591	19,445	2,894
Accumulated depreciation at 1 April 2018	44,864	-	-	-	32,403	10,697	1,764
Provided during the year	7,512	-	2,008	-	3,359	1,980	165
Revaluations	103	-	-	-	56	14	33
Disposals / de-recognition	(1,445)	-	-	-	(1,410)	(34)	(1)
Accumulated depreciation at 31 March 2019	51,034	-	2,008	-	34,408	12,657	1,961
Net book value at 31 March 2019	172,029	14,189	118,793	15,143	16,183	6,788	933
Net book value at 1 April 2018	170,515	14,189	93,816	40,409	15,587	5,898	616
Net book value at 31 March 2019							
Owned	155,197	7,679	110,418	15,124	14,403	6,691	882
Finance Leased	6,917	6,510	407	-	-	-	-
On-SoFP PFI contracts	4,017	-	4,017	-	-	-	-
Donated	5,898	-	3,951	19	1,780	97	51
NBV total at 31 March 2019	172,029	14,189	118,793	15,143	16,183	6,788	933

All property, plant and equipment within the Group belongs to the Trust.

12.2 Property, plant and equipment 2017/18 (Group and Trust)

	Total	Land	Buildings excluding dwellings	Assets under Construction & POA	Plant & Machinery	Information Technology	Furniture & Fittings
	£000	£000	£000	£000	£000	£000	£000
Valuation/Gross cost at 1 April 2017	221,605	10,702	117,770	30,244	45,512	15,111	2,266
Additions	23,516	3,150	2,401	15,536	1,610	752	67
Impairments	(29,945)	(2,183)	(27,762)	-	-	-	-
Revaluations	1,591	2,520	(1,145)	-	133	40	43
Reclassifications	-	-	2,552	(5,371)	2,100	715	4
Disposals / de-recognition	(1,388)	-	-	-	(1,365)	(23)	-
Valuation/Gross cost at 31 March 2018	215,379	14,189	93,816	40,409	47,990	16,595	2,380
Accumulated depreciation at 1 April 2017	43,243	-	2,465	-	30,311	8,872	1,595
Provided during the year	7,969	-	2,683	-	3,322	1,826	138
Revaluations	(5,007)	-	(5,148)	-	88	22	31
Disposals / de-recognition	(1,341)	-	-	-	(1,318)	(23)	-
Accumulated depreciation at 31 March 2018	44,864	-	-	-	32,403	10,697	1,764
Net book value at 31 March 2018	170,515	14,189	93,816	40,409	15,587	5,898	616
Net book value at 1 April 2017	178,362	10,702	115,305	30,244	15,201	6,239	671
Net book value - 31 March 2018							
Owned	153,288	7,679	85,859	39,409	13,974	5,813	554
Finance Leased	6,923	6,510	413	-	-	-	-
On-SoFP PFI contracts	4,181	-	4,181	-	-	-	-
Donated	6,123	-	3,363	1,000	1,613	85	62
NBV total at 31 March 2018	170,515	14,189	93,816	40,409	15,587	5,898	616

All property plant and equipment within the Group belongs to the Trust.

13 Economic life of intangible assets

	Min Life Years	Max Life Years
Software	1	4

14 Economic life of property, plant and equipment

	Min Life Years	Max Life Years
Land	Infinite	Infinite
Buildings excluding dwellings	16	90
Plant & machinery	1	22
Information technology	1	10
Furniture & fittings	1	10

15 Investments

The Trust holds 100% of the share capital of BWC Management Services Limited, with share value of £5,000k. This company is incorporated in the UK under company number 10841099. This investment was acquired during 2017/18. The principle activity of BWC Management Services Limited is to provide fully managed healthcare facilities.

The Trust holds 100% of the share capital of Birmingham Children's Hospital Health Services Ltd, a holding company for further trading subsidiaries, with share value of £1k. This investment was also held during 2017/18. This company is incorporated in the UK under company number 08103783.

Birmingham Children's Hospital Health Services Ltd holds 100% of the share capital of Birmingham Children's Hospital Pharmacy Ltd, also with share value of £1k. This company is incorporated in the UK under company number 08104635. The principal activity of Birmingham Children's Hospital Pharmacy Ltd is to provide an outpatient pharmacy service.

The balances of the wholly-owned subsidiaries are consolidated into the accounts of the Trust where appropriate and presented under the 'Group' heading.

16 Other Financial Assets

The working capital for BWC Management Services Limited has been provided by way of share capital as disclosed in note 15 and a cash loan from the Trust which is subject to interest at a commercial rate (2.16% above 3 month LIBOR) plus a principal repayment schedule. At 31 March 2019 the remaining value of this loan was £27,962k. The final payment is due in December 2032. This loan is a financial asset to the Trust that is eliminated on consolidation.

The working capital for Birmingham Children's Hospital Pharmacy Ltd has been provided by way of a cash loan from the Trust which is subject to interest at a commercial rate (7%) plus a principal repayment schedule. At 31

March 2019 the remaining value of this loan was £125k. The final payment is due in April 2020. This loan is a financial asset to the Trust that is eliminated on consolidation.

	31 March 2019 £000	31 March 2018 £000
Current loans to subsidiaries		
Birmingham Children's Hospital Pharmacy Ltd	100	100
BWC Management Services Limited	1,571	1,655
Total current loans to subsidiaries	1,671	1,755
Non-current loans to subsidiaries		
Birmingham Children's Hospital Pharmacy Ltd	25	125
BWC Management Services Limited	26,391	27,937
Total non-current loans to subsidiaries	26,416	28,062
Total loans to subsidiaries		
Birmingham Children's Hospital Pharmacy Ltd	125	225
BWC Management Services Limited	27,962	29,592
Total loans to subsidiaries	28,087	29,817

17 Inventories

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Drugs	1,193	1,208	973	1,003
Consumables	6,207	5,385	5,927	5,156
Total inventories	7,400	6,593	6,900	6,159

Inventories recognised in expenses for the Group for the year were £437k (2017/18: £671k). There was no write-down of inventories recognised as expenses for the year (2017/18: £nil).

18 Trade and other receivables

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Current				
Contract receivables	46,902	-	44,539	-
Trade receivables	-	21,883	-	21,392
Accrued income	-	19,767	-	20,257
Allowance for impaired contract receivables	(2,252)	-	(2,252)	-
Allowance for impaired other receivables	-	(2,283)	-	(2,283)
Prepayments (non-PFI)	5,090	3,830	5,090	3,830
PDC dividend receivable	215	771	215	771
VAT receivable	692	5,090	692	5,090
Other receivables	191	879	191	-
Total current trade and other receivables	50,838	49,937	48,475	49,057
Non-Current				
Other receivables	2,008	1,880	2,008	1,880
Total non-current trade and other receivables	2,008	1,880	2,008	1,880
Total receivables	52,846	51,817	50,483	50,937
Of which receivables from DHSC group bodies:				
Current	43,802	38,643	43,802	38,643

Following the application of IFRS 15 from 1 April 2018, the Trust's entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets (where applicable). This replaces the previous analysis into trade receivables and accrued income. IFRS 15 is applied without restatement therefore the comparative analysis of receivables has not been restated under IFRS 15.

The Trust has considered the NHS Improvement requirements under IFRS 7 relating to credit risk. The majority of the Trust's financial assets relate to money due from other NHS organisations. Other NHS organisations are extremely unlikely to default on payments, and the Trust would only invest its cash deposits within a strict investment policy. There are no transactions involving hedging, foreign currency or other investments prone to market fluctuations. There is therefore no material exposure to credit, market or liquidity risks.

19.1 Allowances for credit losses – 2018/19 (Group and Trust)

	Total	Contract	All other
	£000	receivables	receivables
		£000	£000
Allowance for credit losses at 1 April 2018	2,283	-	2,283
Impact of IFRS 9 implementation on 1 April 2018 balance	(194)	2,089	(2,283)
New allowances arising	217	217	-
Utilisation of allowances	(54)	(54)	-
Allowance for credit losses at 31 March 2019	2,252	2,252	-
Loss recognised in expenditure	217	217	-

The impact of IFRS 9 implementation on 1 April 2018 balance is described in note 35.1.

19.2 Allowances for credit losses – 2017/18 (Group and Trust)

IFRS 9 and IFRS 15 are adopted without restatement, therefore this analysis is prepared in line with the requirements of IFRS 7 prior to IFRS 9 adoption. As a result, it differs in format from the current period disclosure.

	£000
Allowances as at 1 April 2017	2,186
Increase in provision	1,489
Amounts utilised	(147)
Unused amounts reversed	(1,245)
Allowances as at 31 March 2018	2,283

20.1 Cash and cash equivalents

	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
At 1 April	29,140	31,679	22,999	31,679
Net change in year	19,836	(2,539)	23,144	(8,680)
At 31 March	48,976	29,140	46,143	22,999
Broken down into:				
Cash at commercial banks and in hand	3,276	6,397	443	256
Cash with the Government Banking Service	45,700	22,743	45,700	22,743
Cash and cash equivalents as in SoFP	48,976	29,140	46,143	22,999
Cash and cash equivalents as in SoCF	48,976	29,140	46,143	22,999

As detailed in note 1.16, cash balances held within GBS are excluded from the total assets used to calculate the Trust's PDC dividend.

20.2 Third Party Assets

Neither the Trust nor the Group held any third party assets at either the current or previous year-end.

21.1 Trade and other payables

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Current				
Trade payables	28,579	21,351	25,188	21,351
Capital payables	4,528	2,904	4,528	2,904
Accruals	18,102	14,514	14,120	14,514
Social Security costs	2,872	2,847	2,872	2,847
Other taxes payable	5,187	5,492	5,187	5,492
Accrued interest on loans	-	1	-	1
Other payables	291	999	291	254
Total current trade and other payables	59,559	48,108	52,186	47,363
Of which payables from DHSC group bodies:				
Current	9,309	8,896	9,309	9,055

Neither the Trust nor the Group had any non-current liabilities in respect of trade and other payables in either the current or previous accounting period.

21.2 Early retirements included in NHS payables above

Neither the Trust nor the Group incurred any expenditure in respect of early retirement in either the current or previous accounting period.

22 Borrowings

	Group		Trust	
	31 March	31 March	31 March	31 March
	2019	2018	2019	2018
	£000	£000	£000	£000
Current				
Loans from DHSC	11	-	11	-
Obligations under service concessions	-	-	1,923	1,278
Obligations under PFI	219	189	219	189
Total current borrowings	230	189	2,153	1,467
Non-current				
Loans from DHSC	3,300	2,100	3,300	2,100
Obligations under service concessions	-	-	32,581	26,835
Obligations under PFI	881	1,100	881	1,100
Total non-current borrowings	4,181	3,200	36,762	30,035

The loan from the Department of Health and Social Care is the first two instalments of a £16,100k loan for integration support following the acquisition of Birmingham Women's NHS Foundation Trust on 1 February 2017. The loan is scheduled for repayment between May 2020 and May 2032 and attracts simple interest at a rate of 1.33% per annum.

The obligation under service concessions in the Trust arises from the arrangements between the Trust and its subsidiary undertaking BWC Management Services Limited for the supply of operated healthcare facilities. This liability has been recognised on the SoFP of the Trust following a detailed consideration of the contract between the two entities and the risks and rewards of the arrangement.

The Trust's PFI borrowings relate to a PFI scheme for the refurbishment and management of previously dilapidated buildings at sites on Whittall Street and Steelhouse Lane, entered into during 1998.

23.1 Other liabilities

	Group		Trust	
	31 March	31 March	31 March	31 March
	2019	2018	2019	2018
	£000	£000		
Current				
Deferred income: contract liability	11,645	15,197	11,645	15,197
Total other current liabilities	11,645	15,197	11,645	15,197

23.2 Reconciliation of liabilities arising from financing activities**Group**

	Total	DHSC Loans	Other Loans	PFI and other service concessions
	£000	£000	£000	£000
Value at 1 April 2018 - brought forward	3,389	2,100	-	1,289
Impact of applying IFRS 9 as at 1 April 2018	1	1	-	-
Cash movements:				
Financing cash flows - principal	1,011	1,200	-	(189)
Financing cash flows - interest	(220)	(19)	-	(201)
Non-cash movements:				
Interest charge arising in year	230	29	-	201
Value at 31 March 2019	4,411	3,311	-	1,100

Trust

	Total	DHSC Loans	Other Loans	PFI and other service concessions
	£000	£000	£000	£000
Value at 1 April 2018 - brought forward	31,502	2,100	28,113	1,289
Impact of applying IFRS 9 as at 1 April 2018	1	1	-	-
Cash movements:				
Financing cash flows - principal	7,402	1,200	6,391	(189)
Financing cash flows - interest	(220)	(19)	-	(201)
Non-cash movements:				
Interest charge arising in year	230	29	-	201
Value at 31 March 2019	38,915	3,311	34,504	1,100

24.1 Provisions for liabilities and charges (Group and Trust)

	Current	
	31 March 2019	31 March 2018
	£000	£000
Legal claims	625	474
Other	290	116
Total	915	590

Legal claims provisions relate to on-going litigation cases. Other provisions relate to costs and settlements under patent disputes and settlements related to the supply cost of pharmaceutical supplies. Provision values

are made according to the most up-to-date information available at the reporting date, although these figures are subject to estimation uncertainty.

24.2 Provisions for liabilities and charges analysis (Group and Trust)

	Total	Legal claims	Other
	£000	£000	£000
At 1 April 2018	590	474	116
Arising during the year	787	613	174
Utilised during the year	(238)	(238)	-
Reversed unused	(224)	(224)	-
At 31 March 2019	915	625	290
Expected timing of cash flows:			
not later than one year	915	625	290
Total	915	625	290

The reversal of unused provisions relates to a provision included in the previous financial year that has been reassessed on current information and is no longer required. This release relates to a legal claim where the actual cost and settlement was lower than expected.

24.3 Clinical Negligence liabilities

	31 March	31 March
	2019	2018
	£000	£000
Amount included in provisions of NHS Resolution in respect of clinical negligence liabilities	337,968	309,584

The Trust is a member of the NHS Resolution Clinical Negligence Scheme, therefore all clinical negligence claims are recognised in the accounts of NHS Resolution. Consequently, the Trust has no provision for clinical negligence claims. NHS Resolution will provide a schedule showing the claims recognised in the books of NHS Resolution on behalf of the Trust.

25 Contingent (Liabilities) / Assets

	31 March	31 March
	2019	2018
	£000	£000
Value of contingent liabilities		
NHS Resolution legal claims	(14)	-
Employee related litigation	(20)	(82)
Gross value of contingent liabilities	(34)	(82)
Net value of contingent liabilities	(34)	(82)

Contingent liabilities are recognised by the Trust in relation to on-going legal cases where there remains uncertainty that a loss of economic benefit will arise. Cases where a loss of economic benefit is probable have been provided for within the Statement of Financial Position.

The net value of contingent assets is £nil (2018: £nil).

26 Revaluation Reserve Movements – Group and Trust

	2018/19	2017/18
	£000	£000
Revaluation reserve at 1 April	22,771	35,288
Impairments	-	(19,037)
Revaluations	59	6,598
Transfer to I&E reserve upon asset disposal	-	(78)
Revaluation reserve at 31 March	22,830	22,771

Revaluations in the current year are the result of indexation of Trust equipment. Impairments and revaluations in the prior year are primarily the result of a full revaluation of the Trust's Land and Buildings as at 31 March 2018. Further information is available in note 10.

27 Related Party Transactions

Birmingham Women's and Children's NHS Foundation Trust is a corporate body authorised by the Independent Regulator of NHS Foundation Trusts in exercise of the powers conferred by Schedule 7 of the National Health Service Act 2006.

The Department of Health and Social Care (DHSC) is the Trust's parent Department and ultimate controlling party, and is regarded as a related party. During the period the Trust has had a significant number of material transactions with other entities for which the DHSC is regarded as the parent Department. These entities are listed below with a disclosure of the total balances owed and owing as at the reporting date and total transactions with the Trust for the reporting year.

During the year none of the Board members or members of the key management staff or parties related to them has undertaken any material transactions with Birmingham Women's and Children's NHS Foundation Trust.

During the year, transactions took place between the Trust and its trading subsidiaries BWC Management Services Limited and Birmingham Children's Hospital Pharmacy Ltd. These transactions have been eliminated on consolidation.

In relation to BWC Management Services Limited, the Trust purchased services for the running of a managed healthcare facility from the subsidiary to a value of £22,779k during the financial year (2017/18: £892k), and

the subsidiary purchased management and other services from the Trust to a value of £1,686k during the same period (2017/18: £539k).

In relation to Birmingham Children's Hospital Pharmacy Ltd, the Trust purchased outpatient drugs from the subsidiary to a value of £3,485k during the financial year (2017/18: £3,356k), and the subsidiary purchased management and other services from the Trust to a value of £671k during the same period (2017/18: £589k).

Related party balances and transactions for the financial year ended 31 March 2019 are listed in the below table:

NHS in England	Receivables £000	Payables £000	Revenue £000	Expenditure £000
NHS England	24,447	28	245,843	99
NHS Birmingham and Solihull CCG	3,644	2,647	104,638	-
NHS Sandwell and West Birmingham CCG	1,386	132	21,638	-
NHS Resolution	14	9	33	11,862
Health Education England	20	-	11,174	11
University Hospitals Birmingham NHS Foundation Trust	3,839	4,121	4,835	9,318
Department of Health and Social Care	1	-	4,840	-
NHS Redditch and Bromsgrove CCG	394	110	3,509	-
Sandwell And West Birmingham Hospitals NHS Trust	3,357	414	3,390	885
NHS Dudley CCG	299	-	3,286	-
The Royal Wolverhampton NHS Trust	223	139	2,032	671
NHS Walsall CCG	133	-	1,968	-
Birmingham and Solihull Mental Health NHS Foundation Trust	119	1,939	173	1,640
The Royal Orthopaedic Hospital NHS Foundation Trust	963	57	1,677	340
NHS Wolverhampton CCG	182	-	1,284	-
NHS Coventry and Rugby CCG	136	-	1,114	-
Other NHS	16,052	11,385	29,921	21,066
	55,209	20,981	441,355	45,892

Related party balances and transactions for the financial year ended 31 March 2018 are listed in the below table:

NHS in England	Receivables £000	Payables £000	Revenue £000	Expenditure £000
NHS England	17,315	81	237,291	19
NHS Birmingham Crosscity CCG	1,751	846	50,709	-
NHS Birmingham South and Central CCG	1,297	1,368	45,189	107
NHS Sandwell and West Birmingham CCG	2,030	117	21,540	-
Health Education England	362	-	12,103	7
NHS Resolution (formerly NHS Litigation Authority)	3	-	-	10,801
Worcestershire Health and Care NHS Trust	2	408	153	8,119
University Hospitals Birmingham NHS Foundation Trust	1,528	3,482	2,728	7,672
NHS Solihull CCG	780	-	4,222	-
Sandwell And West Birmingham Hospitals NHS Trust	2,994	498	3,579	937
NHS Dudley CCG	139	-	3,294	-
Heart of England NHS Foundation Trust	2,623	515	3,185	1,533
NHS Redditch and Bromsgrove CCG	256	115	3,175	-
The Royal Wolverhampton NHS Trust	296	319	2,249	919
NHS Walsall CCG	178	-	1,895	-
The Royal Orthopaedic Hospital NHS Foundation Trust	870	351	1,461	362
NHS Wolverhampton CCG	168	-	1,157	-
NHS Coventry and Rugby CCG	-	43	1,092	-
Other NHS	5,280	3,207	14,580	4,333
	37,872	11,350	409,602	34,809

28 Contractual Capital Commitments (Group)

Commitments under contract at the date of the Statement of Financial Position are:

	31 March 2019 £000	31 March 2018 £000
Property, plant and equipment	5,434	3,628
Total	5,434	3,628

Contractual commitments at 31 March 2019 comprise development schemes for clinical buildings (£3,170k), schemes for renewal of the Trust's electrical infrastructure (£1,315k) and Estates maintenance / refurbishment commitments (£949k).

29 Finance lease obligations

Neither the Trust nor the Group has any finance lease obligations arising in either the current or previous accounting period other than those relating to an on-SoFP PFI scheme.

The on-SoFP PFI scheme is for the refurbishment and management of previously dilapidated buildings at sites on Whittall Street and Steelhouse Lane, Birmingham, to bring them into use as offices, on-call accommodation and general staff accommodation. The Scheme is with Riverside Housing Group (previously with English Churches Housing Group (ECHG) who, in October 2006, merged with Riverside Housing Group).

The main agreements made between the Trust and ECHG (dated 22 August 1997 and 11 May 1998) outline the arrangements for land and premises on 3 related sites of the former Birmingham General Hospital to be transferred to ECHG under 3 separate Headleases for a term of 99 years at a peppercorn rent.

ECHG were to undertake development / refurbishment works in respect of the premises under a separate Development Agreement. On practical completion of those works ECHG granted secondary Underleases of the newly refurbished premises to the Trust. These three Underleases are for a period of 25 years. The Trust has an option to extend the Underleases in 5 yearly increments up to a maximum of 50 years.

30.1 Imputed finance lease obligations

The following are obligations in respect of the finance lease element of on-Statement of Financial Position PFI schemes:

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Gross PFI liabilities	1,564	1,955	1,564	1,955
of which liabilities are due				
not later than one year	391	391	391	391
later than one and not later than five years	1,173	1,564	1,173	1,564
Finance charges allocated to future periods	(464)	(666)	(464)	(666)
Net PFI obligation	1,100	1,289	1,100	1,289
of which liabilities are due				
not later than one year	219	189	219	189
later than one and not later than five years	881	1,100	881	1,100

30.2 Total On-SoFP PFI commitments

Total future obligations under on-SoFP schemes are as follows:

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Total future payments committed	3,528	4,410	3,528	4,410
of which due				
not later than one year	882	882	882	882
later than one and not later than five years	2,646	3,528	2,646	3,528

The current on-SoFP PFI obligations are due to expire on 31 March 2023.

30.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	Group		Trust	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Unitary payment payable to service concession operator	964	882	964	882
Consisting of:				
Interest charge	201	226	201	226
Repayment of finance lease liability	189	165	189	165
Service element	100	83	100	83
Contingent rent	474	408	474	408
Total amount paid to service concession operator	964	882	964	882

31.1 Carrying values of financial assets

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ from those in the current year analyses.

	Group £000	Trust £000
Carrying values of financial assets as at 31 March 2019 under IFRS 9		
Receivables	46,849	44,486
Loans to subsidiaries	-	28,087
Cash and cash equivalents	48,976	46,143
Total at 31 March 2019	95,825	118,716

All financial assets as at 31 March 2019 under IFRS 9 are held at amortised cost.

	Group £000	Trust £000
Carrying values of financial assets as at 31 March 2018 under IAS 39		
Receivables	42,126	42,126
Loans to subsidiaries	-	29,817
Cash and cash equivalents	29,140	22,999
Total at 31 March 2018	71,266	94,942

All financial assets as at 31 March 2018 under IAS 39 are classed as loans and receivables.

The financial assets as recorded above are denominated entirely in £ Sterling.

Cash and cash equivalents held within the Government Banking Service, and loans to subsidiaries, are considered to be lower risk financial assets because the likelihood of default is considered to be minimal. Credit risks associated with receivables are described in note 36.

31.2 Carrying values of financial liabilities

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ from those in the current year analyses.

	Group £000	Trust £000
Carrying values of financial liabilities as at		
31 March 2019 under IFRS 9		
Loans from DHSC	3,311	3,311
Obligations under PFI	1,100	1,100
Borrowings from subsidiaries	-	34,504
Trade and other payables	51,500	44,127
Total at 31 March 2019	55,911	83,042

All financial liabilities as at 31 March 2019 under IFRS 9 are held at amortised cost.

	Group £000	Trust £000
Carrying values of financial liabilities as at		
31 March 2018 under IAS 39		
Loans from DHSC	2,100	2,100
Obligations under PFI	1,289	1,289
Borrowings from subsidiaries	-	28,113
Trade and other payables	39,769	39,024
Total at 31 March 2018	43,158	70,526

All financial liabilities as at 31 March 2018 under IAS 39 are held at amortised cost.

The financial liabilities as recorded above are denominated entirely in £ Sterling.

31.3 Fair values of current and non-current financial assets and financial liabilities at 31 March 2019

The Trust has considered the values of current and non-current financial assets and current and non-current financial liabilities and has concluded that there is no significant difference between book values and fair values that requires further disclosure in either the current or previous accounting period.

31.4 Maturity of financial liabilities

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
In one year or less	51,500	39,769	44,127	40,302
In more than one year but not more than two	477	357	477	2,274
In more than two years but not more than five	1,277	1,436	1,277	7,186
In more than five years	2,657	1,596	37,161	20,764
Total	55,911	43,158	83,042	70,526

32 Losses and Special Payments

The Trust incurred losses or made special payments as follows:

	31 March 2019		31 March 2018	
	Number of cases	Total value of cases £000	Number of cases	Total value of cases £000
Losses				
Cash losses	4	1	4	46
Total losses	4	1	4	46
Special payments				
Ex-gratia payments	2	10	2	6
Total special payments	2	10	2	6
Total losses and special payments	6	11	6	52
Compensation payments received		-		-

The Trust did not incur any clinical negligence, fraud, personal injury, compensation under legal obligation of fruitless payment cases where the net payment for the individual case exceeds £300k in either the current or previous accounting period.

33 Public Dividend Capital

	2018/19	2017/18
	£000	£000
Public Dividend Capital at 1 April	133,469	132,547
Public Dividend Capital received	81	922
Public Dividend Capital at 31 March	133,550	133,469

The Trust received funding from the Department of Health and Social Care during the year in the form of Public Dividend Capital (PDC). This receipt was specifically related to two NHS projects: *Cancer Transformation Programme* (£69k) and *Pharmacy Infrastructure* (£12k).

Receipts of PDC in the previous year were specifically related to two NHS projects: *Cyber Resilience* (£712k); and *NHS WiFi Secondary Care* (£210k).

34 Corporation Tax

Corporation tax expense recorded in the Group Statement of Comprehensive Income is in respect of the taxable profit of the Trust's subsidiary company and Birmingham Children's Hospital Pharmacy Ltd.

The Trust's other trading subsidiary, BWC Management Services Limited, is in its second period of operation and has generated a pre-tax loss as a result of set-up costs. This has, therefore, not resulted in an additional corporation tax liability.

35.1 Initial application of IFRS 9

IFRS 9 Financial Instruments as interpreted and adapted by the DHSC GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to reserves on 1 April 2018.

IFRS 9 replaces IAS 39 and introduces a revised approach to classification and measurement of financial assets and financial liabilities, a new forward-looking 'expected loss' impairment model and a revised approach to hedge accounting.

Under IFRS 9, borrowings from the DHSC, which were previously held at historic cost, are measured on an amortised cost basis. Consequently, on 1 April 2018 borrowings increased by £1k and trade payables correspondingly reduced.

Reassessment of allowances for credit losses under the expected loss model resulted in a £194k decrease in the carrying value of receivables.

The DHSC GAM expands the definition of a contract in the context of financial instruments to include legislation and regulations, except where this gives rise to a tax. Implementation of this adaptation on 1 April 2018 has led to the classification of receivables relating to Injury Cost Recovery as a financial asset measured at amortised cost. The carrying value of these receivables at 1 April 2018 was £1,437k.

35.2 Initial application of IFRS 15

IFRS 15 Revenue from Contracts with Customers as interpreted and adapted by the DHSC GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to the income and expenditure reserve on 1 April 2018.

IFRS 15 introduces a new model for the recognition of revenue from contracts with customers, replacing the previous standards IAS 11, IAS 18 and related interpretations. The core principle of IFRS 15 is that an entity recognises revenue when it satisfies performance obligations through the transfer of promised goods or

services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

As directed by the DHSC GAM, the Trust has applied the practical expedient offered in C7A of the standard removing the need to retrospectively restate any contract modifications that occurred before the date of implementation (1 April 2018).

Reassessment of revenue from contracts with customers under IFRS 15 resulted in a £95k adjustment to the income and expenditure reserve.

36 Risk Management Policies

The Trust's activities expose it to a variety of financial risks, though due to their nature the degree of the exposure to financial risk is substantially reduced in comparison with that faced by business entities. The financial risks are mainly credit risk and inflation risk, with limited exposure to market risks (currency and interest rates) and to liquidity risk.

Financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards may apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Finance and Resource Committee.

Credit risk

As a consequence of the continuing service provider relationship that the Trust has with NHS commissioning organisations and the way those organisations are financed, the Trust is exposed to a degree of customer credit risk, but substantially less than faced by business entities. In the current financial environment where NHS commissioning organisations must manage increasing healthcare demand and affordability within fixed budgets, the Trust regularly reviews the level of actual and contracted activity with commissioning organisations to ensure that any income at risk is discussed and resolved at a high level at the earliest opportunity available.

As the majority of the Trust's income comes from contracts with other public bodies, there is limited exposure to credit risk from individuals and commercial entities. The Trust mitigates its exposure to credit risk through regular review of receivables due and by calculating allowances for credit losses. An analysis of the allowances for credit losses can be found in notes 19.1 and 19.2.

The Trust's cash is held in current accounts at UK banks only, the majority within the Government Banking Service, the result being to minimise the counter party credit risk associated with holding cash at financial institutions.

Inflation risk

The Trust has exposure to annual price increases of medical supplies and services (pharmaceuticals, medical equipment and agency staff) arising from its core healthcare activities. The Trust mitigates this risk through, for example, transferring the risk to suppliers by contract tendering and negotiating fixed purchase costs (including prices set by nationally agreed frameworks across the NHS) or reducing external agency costs via operation of the Trust's own employee 'staff bank'.

Market risk

The Trust has limited exposure to market risk for both interest rate and currency risk.

Currency risk - the Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The Trust has no overseas operations nor investments and all Trust cash is held in Sterling at UK banks: Royal Bank of Scotland and the Government Banking Service (GBS). The Trust therefore has minimal exposure to currency rate fluctuations.

Interest rate risk - other than cash balances, the Trust's financial assets and all of its financial liabilities carry nil or fixed rates of interest. Cash balances at UK banks earn interest linked to the Bank of England base rate. The Trust therefore has minimal exposure to interest rate fluctuations.

Liquidity risk

The Trust's net operating costs are incurred under annual service level agreements with NHS commissioning organisations, which are financed from resources voted annually by Parliament. The Trust ensures that it has sufficient cash to meet all its commitments when they fall due and retains sufficient cash balances to facilitate this. The Trust is not, therefore, exposed to significant liquidity risks.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS AND BOARD OF DIRECTORS OF BIRMINGHAM WOMEN'S AND CHILDREN'S NHS FOUNDATION TRUST

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Birmingham Women's and Children's NHS Foundation Trust (the 'Foundation Trust') and its subsidiaries (the 'group'):

- **give a true and fair view of the state of the group's and Foundation Trust's affairs as at 31 March 2019 and of the Group's and Foundation Trust's income and expenditure for the year then ended;**
- **have been properly prepared in accordance with the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts; and**
- **have been prepared in accordance with the requirements of the National Health Service Act 2006.**

We have audited the financial statements which comprise:

- the group statement of comprehensive income;
- the group and Foundation Trust balance sheets;
- the group and Foundation Trust statements of cash flow;
- the group and Foundation Trust statements of changes in equity; and
- the related notes 1 to 36.



The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the Foundation Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	<p>The key audit matters that we identified in the current year were:</p> <ul style="list-style-type: none">• Recognition of NHS revenue;• Capital programme and valuations. <p>These are consistent with the key audit matters identified in 2017/18.</p> <p>Within this report, any new key audit matters are identified with  and any key audit matters which are the same as the prior year identified with .</p>
Materiality	<p>The materiality that we used for the group financial statements was £8.9m which was determined on the basis of 2% of revenue. The Foundation Trust is the main component where materiality has been set at £8.3m.</p>

Scoping	Audit work was performed at the Group's offices in Birmingham directly by the audit engagement team, led by the audit partner.
Significant changes in our approach	There has been no significant change in our approach.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the accounting officer's use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the accounting officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the foundation trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recognition of NHS Clinical Revenue

Key audit matter description







As described in note 1, Accounting Policies and note 1.23, Critical Accounting Judgements, there are significant judgements in recognition of revenue from care of NHS service users and in provisioning for disputes with commissioners due to:

- the complexity in the Payment by Results regime; and
- the risk of revenue not being recognised at fair value due to adjustments agreed in settling current year disputes and agreement of future period contracts.

This risk also includes the Q4, bonus and incentive elements of Provider Sustainability Funding (PSF) which is dependent on the Trust meeting certain financial performance and access standard requirements. These elements of unsettled revenue can involve management judgement and estimation, including management consideration of unresolved commissioner challenges.

Details of the Trust's income, including £365.8m of Commissioner Requested Services are shown in notes 1.4 and 2.3 to the financial statements.

	<p>The Trust earns revenue from a number of commissioners, increasing the complexity of agreeing a final year-end position.</p>
<p>How the scope of our audit responded to the key audit matter</p> 	<p>We evaluated the design and implementation of relevant controls within the payment by results process for recording and reporting revenue and around the preparation and review of estimates in respect of recognition of unsettled revenue.</p> <p>We tested the recognition of income through the year, including year-end cut-off, the basis for the position adopted in relation to unsettled or challenged commissioner income and evaluated the results of the agreement of balances exercise.</p> <p>We reviewed correspondence with commissioners, evaluated any evidence of dispute with them, and considered the Foundation Trust's history of settling similar matters in order to evaluate the recoverability of the outstanding income.</p> <p>We considered the outcome of the Agreement of Balances exercise, and reconciled unexpected differences in excess of our reporting threshold to explanations and supporting evidence.</p>
<p>Key observations</p> 	<p>Based on the audit evidence obtained, we conclude that NHS clinical revenue is appropriately recognised.</p>
<p>Property valuation and capital developments »</p>	
<p>Key audit matter description</p> 	<p>The Group holds property assets within Property, Plant and Equipment at a modern equivalent use valuation of £135.0m as per note 12.1. This is also discussed within Note 1.24, Critical accounting judgements</p> <p>The valuations are by nature significant estimates which are based on specialist and management assumptions (including the floor areas for a Modern Equivalent Asset, the basis for calculating build costs, the level of allowances for professional fees and contingency, and the remaining life of the assets) and which can be subject to material changes in value.</p> <p>The Group's valuation is performed on an alternative site basis which is in line with the full valuation of the whole estate performed in the prior year.</p> <p>In 2018/19 the Group has engaged Cushman and Wakefield to perform a specific valuation for the new Waterfall House clinical building at the date it was brought into use (1st August 2018). This has resulted in an impairment of £8.1m being recognised.</p> <p>The Trust also had a significant capital plan during 2018/19 and made additions amounting to £17.2m. These should be capitalised in accordance with the accounting policy in note 1.7</p>
<p>How the scope of our audit responded to the key audit matter</p> 	<p>We have evaluated the design and implementation of relevant controls in place around the property valuation for Waterfall House.</p> <p>We engaged our valuation specialists to review and challenge the appropriateness of the assumptions used in the valuation of the Foundation Trust's property, including Waterfall House.</p> <p>We have evaluated the inputs used in the valuation including the gross internal areas provided to the Valuer, including testing a sample of measurements to check the accuracy of data.</p>

We have considered the presentation of impairments and the disclosures included in the financial statements. As this was the first time Waterfall House was subject to a revaluation there was no revaluation reserve.

We evaluated the design and implementation of relevant controls around the capitalisation of costs across the Group, and test spending on a sample basis to confirm that it complies with the relevant accounting requirements.

We challenged management's assessment whether any impairment arises in respect of the Group's newly capitalised expenditure.

Key observations



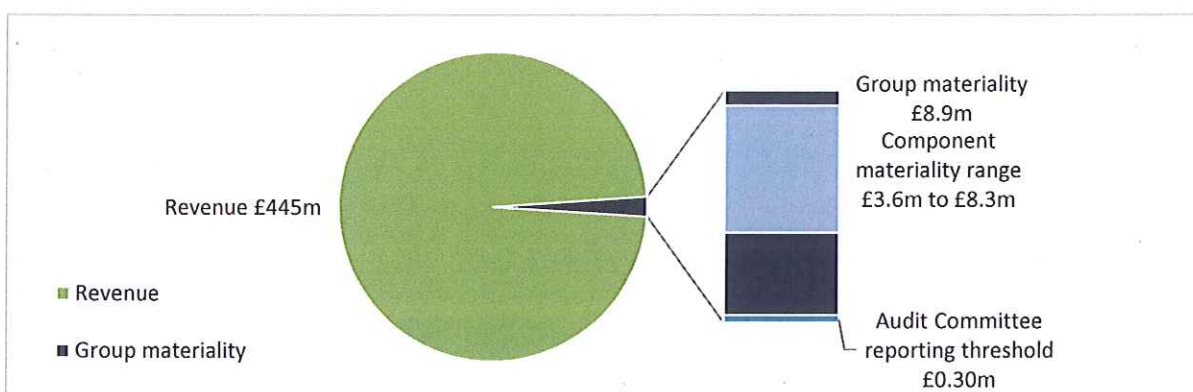
Based on the audit evidence obtained, we conclude that the valuation of the Foundation Trust's estate and the capital additions recognised are appropriate.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

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

	Group financial statements	Foundation Trust financial statements
Materiality	£8.9m (2017/18: £8.5m)	£8.3m (2017/18: £8.1m)
Basis for determining materiality	2% of revenue (2017/18: 2% of revenue)	2% of revenue (2017/18: 2% of revenue)
Rationale for the benchmark applied	Revenue was chosen as a benchmark as the Group is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements.	Revenue was chosen as a benchmark as the Foundation Trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements.



We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £0.3m (2018: £0.3m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level.

Our audit covered all of the entities within the Group, including BWC Management Services Limited, Birmingham Children's Hospital Pharmacy Limited and Birmingham Children's Hospital Health Services Limited which account for 100% (2017/18: 100%) of the Group's net assets, revenue and surplus.

Our audit work was executed at levels of materiality applicable to each individual entity which were lower than group materiality. The range of component materiality used was £3.6m to £8.3m.

At the Group level we also tested the consolidation process.

Other information

The accounting officer is responsible for the other information. The other information comprises the information included in the annual report and accounts other than the financial statements and our auditor's report thereon.

We have nothing to report in respect of these matters.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of accounting officer

As explained more fully in the accounting officer's responsibilities statement, the accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the group's and the foundation trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the group or the foundation trust or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the parts of the Directors' Remuneration Report and Staff Report to be audited have been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Annual Governance Statement, use of resources, and compilation of financial statements

Under the Code of Audit Practice, we are required to report to you if, in our opinion:

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit;
- the NHS Foundation Trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- proper practices have not been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks satisfactorily addressed by internal controls.

Reports in the public interest or to the regulator

Under the Code of Audit Practice, we are also required to report to you if:

- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit; or
- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the foundation trust, or a director or officer of the foundation trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

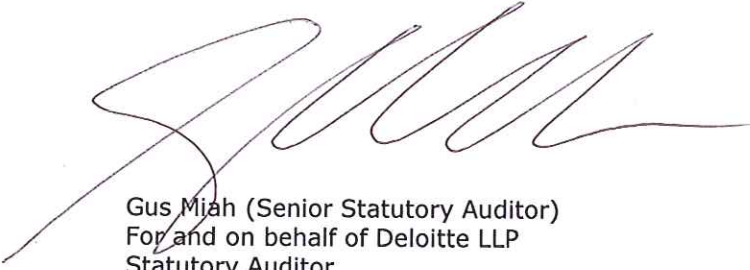
We have nothing to report in respect of these matters.

Certificate

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

Use of our report

This report is made solely to the Board of Governors and Board of Directors ("the Boards") of Birmingham Women's and Children's NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the foundation trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.



Gus Miah (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Four Brindleyplace, Birmingham B1 2HZ
24 May 2019

