

Dudley and Walsall Mental Health NHS Partnership Trust

Annual Report and Accounts 2017-18

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Chair and Chief Executive's Foreword

It gives us great pleasure to present this Annual Report that outlines many of the Trust's successes and achievements over the last twelve months.

This past year has been particularly challenging for the NHS and we ourselves have experienced some significant changes in how we design and deliver services. For example, we have been working across our boroughs to develop place based models of care that integrate physical and mental health community services within a primary care setting.

In the forthcoming year we will be exploring in more detail, what services we can deliver jointly across the Black Country to bring care closer to home for the communities we serve, in conjunction with partners.

Despite these challenges, we have had a very positive year, culminating in our excellent staff survey results that show staff engagement remains high and we are one of the top performing trusts in many areas. The link between an engaged workforce and the delivery of high quality services is well proven and therefore this will continue to be a key element of our future strategies.

During the year we launched a number of new services including the ground-breaking Transcranial Magnetic Stimulation for treating depression; the new Mental Health Assessment Service, providing a 24/7 single point of access into secondary care services and Individual Placement Support to support mental health service users in Dudley secure employment.

In addition, the Trust was recognised for its implementation of e-rostering to support safer staffing with a national award; we received excellent feedback from the CQC on our services for children and young people and was commended for our collaborative approach to supporting the West Midlands Combined Authority THRIVE programme.

None of this could be achieved without the dedication and enthusiastic support from everyone who works for the Trust. The Board recognises this and has placed considerable emphasis on listening to our colleagues and responding to the issues they have raised.

The Board would like to thank everyone that has worked for the Trust over the past year for their continued and unprecedented commitment to delivering a quality service. We are confident that with this level of support the Trust will continue to move forward and build on these successes in the coming year.



Mark Axcell
Chief Executive Officer



Harry Turner
Chair

PART A PERFORMANCE REPORT

1 OVERVIEW

1.1 About the Trust

The Trust is a multi-site provider (26 sites) of mental health and social care services serving the Black Country boroughs of Dudley and Walsall within the West Midlands. The Trust headquarters is situated in Dudley, approximately 10 miles north-west of Birmingham. We employ around 1100 staff and the Black Country region demonstrates cultural, economic and educational diversity. Walsall, along with Sandwell and Wolverhampton, experience high levels of multiple deprivation.

The Trust is regarded as a high performing, well managed organisation, and has built a reputation across the health economy, as a collaborative and responsive partner. We are a relatively small yet flexible organisation, responding to change and challenge, quickly and effectively.

We are especially proud of:

- Open and transparent culture
- Robust relationships with commissioners and excellent local health economy knowledge
- Reputation for good service quality and governance
- Good engagement with service users, carers, agencies and community groups
- Consistent high performance

Figure 1 Key statistics

Statistic	2017/18
Population Served	Dudley – 314,000 Walsall – 272,000
Total Employees	1120
Number of Sites	26
Total Inpatient Beds	177
Number of Main Commissioners	2
Total Income	£69,482k
CCG Income from patient care activities	£60,683k
Other Patient Care Income	£2,305k
Income from non-healthcare sources	£6,494k
Service User activities	C347,000
Total Outpatient Attendances	17,135
Total Inpatients Treated	1,223
No. of patients referred to services by their GP	29,022

1.1.1 Highlights and Successes of 2017 / 18

In 2017 /18, we continued to focus on maintaining the delivery of high quality services, evidenced by our performance against national and local indicators as well as feedback from our service users and carers.

Below are some of the highlights from 2017/18.

Organisational:

- Our staff survey results were excellent and show that staff engagement remains high and we are one of the top performing trusts in many areas
- Leadership across the Trust at a senior management level have continued to develop a positive culture of leadership
- We achieved our highest ever uptake rate for flu vaccinations
- We continued our involvement in developing plans for mental health service delivery as part of the Black Country and West Birmingham Sustainability and Transformation Plan (STP)
- Continued to involve staff and service users in developmental work
- Staff worked with Black Country Partnership NHS Foundation Trust to explore joint working in support services
- We appointed Harry Turner as Chair and appointed two new Non-executive Directors and two Associate Non-Executive Directors

Operational:

- Learning from the Netherlands in the design and delivery of therapies and dementia services
- Launch of the new Transcranial Magnetic Stimulation service for the treatment of depression
- Expanded our Autism Spectrum Disorder ASD and Attention Deficit Hyperactivity Disorder ADHD diagnostic services to meet growing demand
- Introduced Peer Support Workers on our wards
- E-rostering national award for effective safer staffing
- Won a contract to extend access to Individual Placement Support (employment support for mental health service users) in Dudley
- Walsall Memory Assessment Service retaining its MSNAP accreditation. The assessment team were very positive in their feedback. Well done to the team
- Teams were recognised for their work in the Black Country Research and Innovation Awards
- Our CAMHS team in Walsall received very good feedback from the CQC thematic assessment
- Four members of the Trust were shortlisted for the first ever West Midlands Combined Authority Mental Health Awards
- Played a pivotal role in developing place based models of care
- Despite Transforming care together (TCT not reaching its original end goal, we did succeed in developing a strong clinical narrative for Mental Health delivery across the Black Country; contributed to the full business case, safe landing plans and benefits realisation mapping.

1.1.2 Our Vision

The Trust's vision is one of a recovery-oriented service. The vision, encapsulating the concept of the benefits arising from a single mental health trust for the populations of Dudley and Walsall, is shown below:

Better Together - delivering flexible, high-quality, evidence-based services to enable people to achieve recovery.

The Trust's vision has been guided by national, regional and local intelligence and strategies where there is a growing emphasis on the well-being of the population and a focus on prevention, together with early detection and intervention.

1.1.3 Our Values

Our values are the essence of our identity. They describe what we are and what we stand for.

They support our vision, shape the culture and more importantly represent the behaviors that staff value as employees.

In 2016/17, we refreshed our values in close partnership with staff. This was a process that engaged all staff in revisiting what they felt were important values for us and that would shape our guiding principles and underpin the way we work.

In 2017/18, we embedded these values through our behavioral framework that is used in recruitment, appraisals and supervision.

Figure 2 Our Values



1.1.4 Our Strategy

The Trust has a clear, focused strategy that underpins the delivery of mental health services for the populations of Dudley and Walsall. In protecting its long-term viability, the Trust explores opportunities that support the delivery of mental health services across the wider health economy, building on the skills of the Trust and meeting unmet or emerging needs.

In developing its strategy, the Board stated its commitment to be flexible in its on-going consideration of the scope of services it provides in order to reflect the genuine needs of service users and carers and delivery of the Five Year Forward View (5YFV).

The Trust's strategy has three overarching domains that together, achieve the Trust's vision:

Figure 3 Strategic Aims

- | | | |
|---|--|---|
| 1. Transform services to improve the patient experience and the quality of services | 2. Become the preferred provider of prevention and recovery services for mental health and wellbeing within the Black Country and beyond | 3. Develop the organisational culture and capabilities to support high quality service delivery |
|---|--|---|

1.1.5 Our Strategic Partnerships

The Trust has been successful in embedding a robust reputation across the local health economy and beyond through proactive engagement in a number of strategic partnerships.

These partnerships play a fundamental role in our future organisational development and form the basis on which we will support new models of care and long terms sustainability of local services.

In particular in 2017 /18, we worked with commissioners in our two boroughs to develop place based models of care that focus on taking services traditionally provided in hospitals into the community, bringing care nearer to patients' homes. The principle behind the place based care is multi-disciplinary working with appropriate services being more closely aligned to the communities where people live..

They are described in a little more detail below.

Figure 4 Strategic Partnerships



Dudley MCP Vanguard - a multi-specialty community provider (MCP) to develop new ways of working in community care in Dudley involving the Trust, Dudley Group of Hospitals NHS Foundation Trust, Dudley CCG, Dudley MBC, Black Country Partnership NHS Foundation Trust and Dudley Community Voluntary Sector

Walsall Together – an alliance to improve the health of the people of Walsall through the establishment of an integrated health and social care system. The integrated system will develop health and social care services to meet needs of people by providing more cohesive and person centered support that maximises independence and well-being.

Sustainability and Transformation Plan - we are partners in the Black Country and West Birmingham Sustainability and Transformation footprint covering commissioner and provider organisation in Dudley, Walsall, Wolverhampton, Sandwell and West Birmingham. The aim of this plan is to address unwarranted variation in service provision and access.

The Trust has played an integral, proactive role in developing the Black Country STP. We are represented at all levels of the governance and management hierarchy and have good attendance. As we move forward with STP it is imperative that we continue to be a driving force in patient and public engagement alongside our work with partners. The Black Country STP was submitted to NHS England on October 21 and we will be working to ensure there is good alignment/triangulation of the vision and objectives with the Black country wide mental health approach and MERIT work.

Mental Health Alliance for Excellence, Resilience, Innovation and Training (MERIT) Vanguard – an Acute Care Collaboration to develop new ways of working in mental health and reducing variation in care, involving the Trust, Black Country Partnership NHS Foundation Trust, Coventry and Warwickshire Partnership Trust and Birmingham and Solihull Mental Health NHS Foundation Trust

West Midlands Combined Authority – Within our STP, we work collaboratively to deliver the WMCA THRIVE project, in particular, providing employment support services to mental health service users.

Local Authorities – the trust has partnership agreements with our local authorities to provide integrated social care services.

Third Sector – we work closely with a wide range of third sector providers such as Healthwatch Dudley and Samaritans Walsall to provide appropriate sign posting for our service users and carers.

1.1.6 *Review of progress against our 2017/18 corporate priorities*

In the tables below, we present a review of progress against the 35 2017/18 priority activities, making particular reference where these were related to TCT, STP or MCP.

The exception report describes the current position with regard to priority activities that are (a) carried forward into our six corporate objectives (COs) or (b) where milestones have been missed.

The table below shows progress against our priority activities at Q4.

Figure 5 2017/18 Q4 position

Strategic Theme	Complete	Carried forward	Business as usual	TOTAL
High quality services (HQS)	5	1	3	9
Inclusive partnerships (IP)	1	2	3	6
Leadership culture (LC)	3	3	2	8
Responsible workforce (RW)	3	0	2	5
Supporting strategies (SS)	3	0	0	3
Efficient and effective resources (EER)	3	1	0	4
TOTAL	18	7	10	35

The table below describes the current position with regard to priority activities carried forward into COs or where milestones have been missed. In particular, this relates to those activities that were linked to TCT.

Figure 6 Exception report

Ref	Priority activity	Status
HQ3	Review the role and functioning of outpatient clinics so that they provide high quality and safe services to an appropriate cohort of patients	Carried forward in 2018/19 Business as usual
HQ6	Clinical engagement and co-production between secondary services and primary care	Linked of 2018/19 CO2
IP1	Support implementation of Sustainability and Transformation Plans (STPs)	Linked to 2018/19 CO2
IP4	Utilise our partnership work to enhance co-production in mental health with service users and carers	Linked of 2018/19 CO2 and CO5
EER3	Develop best in class/fit for purpose IT/EPR system to support integration/MERIT	Linked to 2018/19 CO6
LC3	Embed a culture of coaching and mentoring	Linked to 2018/19 CO3
LC4	Implement leadership development programme	Linked to 2018/19 CO3
LC7	De-centralising decision making and empowering managers locally to create a culture of service line leadership	Linked to CO4
RW1	Achieve clinical vacancy levels 10% or less	Carried forward in 2018/19 Business as usual

1.2 Our Services

Mental health conditions are very common with 1 in 4 people experiencing some kind of mental health problem in the course of a year. These are split into two categories; “common mental health problems”, which include conditions such as depression and anxiety, and “severe and enduring mental health problems” such as schizophrenia and bipolar disorder.

The Trust provides a full range of mental health treatment and rehabilitation services that manage both categories of mental health conditions. The Trust’s range of services spans GP based primary care based counselling and psychological therapies for common mental health problems through to the treatment and care of people detained under the Mental Health Act.

Core services are provided predominately to Dudley and Walsall, but also to neighboring Trusts in Worcestershire, Staffordshire, Birmingham and Warwickshire.

We provide:

- Community mental health services for children, adults & older people
- Inpatient services for adults and older people, including Home Treatment
- Primary Care Mental Health services
- Improving Access to Psychological Therapies (IAPT) – in primary care
- Mental Health Social Care Services (via local authority partnerships)
- Psychological Therapies in secondary care
- Employment, education and training support for people with mental health problems and long term conditions
- Psychiatric Liaison Service at both acute hospitals
- Specialist Deaf CAMHS (national hub)
- Criminal Justice Mental Health Services
- Liaison and Diversion Services (in partnership with BCPFT)
- Adult Neurodevelopmental Service – regional service
- Early Intervention in Psychosis Service
- Crisis and Urgent Care including Street Triage

1.2.1 Services management

Our services are organised as shown below. Black Country wide services are marked with *. Regional services are marked with **. In addition, we manage a number of specialist services within the Clinical Services Development Directorate. Social care services are integrated across all services. These are also shown below.

Figure 7 Our Services management

Service Area	Services	Service Area	Services
Urgent Care & Access Services	Primary Care Mental Health Improving Access to Psychological Therapies (IAPT) Eating disorders Early Access Service Mental Health Assessment Service Crisis Service Street Triage * Psychiatric Liaison Place of Safety	Inpatient Services	Adult inpatient wards Older adult inpatient wards Home Treatment Inpatient Therapeutic Hub Electro-Compulsive Therapy Transcranial Magnetic Stimulation **
Early Intervention Services	CAMHS iCAMHS (intensive CAMHS) Early Intervention in Psychosis Deaf CAMHS **	Community Services	Community Recovery Service Enhanced Older Adult Community Mental Health Teams Psychological Therapies Hub Employment Services * Memory Assessment Service Outpatients
Clinical Service Development	Adult Neurodevelopmental Service ** Criminal Justice Team Liaison and Diversion *		

1.2.2 Service improvements and developments

In the past year, we have received investment to develop new, or enhance existing services, some examples are shown below:

- Won a WMCA contract to extend access to Individual Placement Support (employment support for mental health service users) in Dudley
- Expanded our Autism Spectrum Disorder ASD and Attention Deficit Hyperactivity Disorder ADHD diagnostic services to meet growing demand
- Walsall Older Adult Service – the establishment of Therapy and Liaison Community Service (TALCs) moving the CMHT to 7 day working, development of primary care posts to work in the Integrated Teams
- Establishment of a Mental Health Complex Care Team
- Establishment of the Mental Health Assessment Service that provides a single point of access for all referrals operating 24/7
- CAMHS transformation for example:
 - Implementation of Positive Steps (Tier 2) in both Dudley & Walsall
 - Development of two link worker posts to work between the Children's Assessment Unit and CAMHS for ASD in Dudley
 - A Clinical Nurse Specialist post working in the Behaviour Support Team to support Secondary Schools in Walsall
 - Enhanced Youth Offending bid successfully won (Joint venture for Walsall & Dudley)
 - Child Sexual Exploitation Lead post secured for Dudley and Walsall
 - Implementation of the Therapeutic Support Team to support Residential Homes in Walsall
 - Implementation of GP Liaison service in Dudley

1.2.3 Raising the quality of our services

The Trust has a robust approach to quality improvement that is rooted in our core values and culture of openness and transparency. It goes without saying that the quality of our services, safety, effectiveness and experience are at the heart of everything that we do.

In 2017/18 we have continued to implement our second Quality Improvement Strategy 2016 - 2020. Our strategy will continue to deliver an annual cycle of quality improvement, evidenced through our Quality Account.

The key features are:

- It enables alignment with the national drivers and the Trusts clinical and social care vision and values
- It supports the delivery of a year on year Quality Improvement programme which has included a number of ambitious Trust wide goals that have reflected local and national priorities. This has been evidence in our Quality Account
- The aim of the strategy is to:
 - Support the development of a culture of continuous quality improvement which results in higher satisfaction and experience for service users, carers and their families
 - Engage every member of staff because as quality is everyone's business and they have a key role to contribute to quality experience and continuous improvement
 - Set out how goals for improvement will be identified and set
 - Set out how we will measure and publish progress
- Service user and carer, staff and stakeholder engagement remains fundamental to the delivery of the strategy
- The strategy will be implemented through the Trust's Quality Governance framework. Progress and impact will be monitored through the Quality and Safety (Q&S) Committee and Trust Board

1.2.4 Quality highlights

In 2017/18, we completed the delivery of our current quality improvement strategy, in particular:

- Improved the quality of clinical supervision and appraisals to support care delivery and practice
- Focused on clinical leadership and staff empowerment
- Continued to develop the role of Experts by Experience and widen the scope of their work in ensuring that service users and carers have a voice in service improvement
- Learning from the Netherlands in the design and delivery of therapies and dementia services
- Increased our capability in research and development as well as increasing patient involvement
- Strengthened clinical audit within the Trust and ensured alignment of clinical audit to Trust's Quality Improvement Strategy
- Improvements to our clinical environments informed by feedback from a visit to Dimence in the Netherlands
- Embraced and embedded Duty of Candour at all levels
- Maintained Royal College of Psychiatrists Centre for Quality Improvement (CCQI) Accreditations
- Maintained Royal College of Psychiatrists Memory Services National Accreditation Programme (MSNAP) accreditation.
- Launched a new Transcranial Magnetic Stimulation service for the treatment of depression
- Expanded our Autism Spectrum Disorder ASD and Attention Deficit Hyperactivity Disorder ADHD diagnostic services to meet growing demand
- Introduced Peer Support Workers on our wards
- Received a national E-rostering award for effective safer staffing
- We achieved our highest ever uptake rate for flu vaccinations.

1.3 People and Relationships

1.3.1 Involving and listening to our service users and carers

As a provider of services, we are committed to ensuring that representatives of those people who use our services and their carers' are fully integrated within our decision-making and governance structures. On a day-to-day basis, we work closely with a wide range of service user and carer organisations across the two boroughs, seeking their views and ensuring their participation in the planning and delivery of services.

Understanding patient experience is important to the Trust in order to ensure that our services are developed and improved to meet service users' needs through listening to peoples' experiences and views, responding comprehensively to feedback and demonstrating what has been improved as a result.

Here are some examples of how we engage service users and carers in our work:

- Experts by Experience (EBE) - An EBE is an expert volunteer who uses their experiences of mental health services, as a service user or a carer of someone with mental health problems, to influence the delivery and quality of services we provide. They also help represent the interests and views of other local service users and carers. We currently have 8 EBES with each EBE bringing different skills and experience to the role to enhance the experience of services for our patients and carers
- Our Members – We have now recruited and retained over 7000 members - a proportion are service users and carers. By continuously engaging and involving our members we are becoming more accountable to our service users, carers, staff and the general public and can offer local people the opportunity to have a more direct influence on the way the Trust operates and develops. We send out various communications, such as surveys, invites to events, other information from stakeholders
- Mental Health Forum - The Trust runs a quarterly forum, which is well attended, by service users, carers, community groups, voluntary organisations and other public sector bodies. It is an opportunity to network, find out information, and ask questions. It is open to all service users and carers in Dudley and Walsall and provides an opportunity for people to express their views on our services. This year we have held sessions on the development of peer support, personality disorders, recovery and wellbeing, and employment and volunteering.
- Youth Engagement - we delivered a number of drop-in sessions with parents and children to give young service users the opportunity to share their views, opinions and ideas. The sessions led the development of a 'feedback tree' to be displayed in the CAMHS waiting areas, to enable young people to share their experiences. The tree was designed and painted by an EBB
- Supporting and listening to our carers - The Trust signed up the Triangle of Care initiative which is a programme that aims to improve support and information for carers and as recognition of carers as key partners in care. The Trust received a Gold star in recognition of the progress we have made. We have now delivered this programme within the community setting and are going for our second Gold star
- Patient stories - Patient stories are shared with Trust Board on a quarterly basis. The process involves asking patient about their experience of using Trust services and on what improvements could be made. A breakdown of the challenges and positive outcomes from the story are shared with the Board.
- SED - Our Service Experience Desk offers advice and support to patients, service users, families and carers. They not only listen to concerns, comments and suggestions but receive compliments too. We have an online form and host drop-in sessions for people to share their concerns and ideas.
- Patient information - We work with patients to develop our patient information leaflets. Taking our leaflets to local mental health groups and forums to have their say on the information
- Surveys - Continue to encourage feedback on services through the Friends and Family Test, community and inpatient mental health surveys and local user surveys. We are also implementing Patient Reported Experience Measures (PREMs) across the organisation, which are used to understand service users' views on their experience while receiving care. A standard set of core questions has been developed that are linked to the CQC's CREWS domains and will be asked in every service area to explore in more depth the experience across our services, to highlight areas of good practice and any potential areas for improvement.

- Recovery stories – we have worked with service users to article their story of recovery – we use recovery stories to describe an individual's journey of recovery to help inspire hope in other
- Engagement events - Inviting local groups and organisations to take part in Trust stakeholder event/workshops to help us plan for the future provision of mental health services in Dudley and Walsall
- Local service user and carer groups - We work with local groups and organisations to engage with service users and carers, to disseminate information and obtain feedback about Trust services, such as Healthwatch, Rethink Mental Illness and peer support groups
- Development of peer support in Inpatient Settings – EBEs secured £10,000 from Awards for All (National Lottery) to provide mentoring and befriending via peer support sessions and activity groups for service users admitted within the acute mental health wards at Dorothy Pattison Hospital and Bushey Fields. The project will provide emotional support to service users during their hospital stay by building self-esteem and confidence and reducing isolation, with the overall aim of enabling service users to achieve sustainable reintegration into the community, empowering them to lead more independent lives and leading to a meaningful recovery. The peer support project will be incorporated into the Therapeutic Hub and this will be built into the Therapeutic Hub Operational Policy.

1.3.2 Our Staff

We support a culture that is based upon working openly and collaboratively to provide high quality services that put the experience of our service users at the heart of all that we do.

Around 1100 staff work for the Trust, the majority of whom are clinicians and “front-line” staff. They are our most important resource and without their dedication, we would not be able to provide the services that we do.

Communication is central to every organisation. When used effectively it supports the creation of a positive working environment, cements working relationships with internal and external stakeholders and sets the tone for the entire organisation.

We recognise that building a culture of two-way communication, is crucial in helping to ensure that staff feel recognised and valued. In order to develop and maintain effective communications, the Trust will promote a culture that

- Is open, transparent and clear
- Encourages staff to suggest new ways of working
- Supports constructive feedback

We have developed a number of ways in which we engage and communicate with our staff including:

- **Ask the CEO** - A dedicated mailbox set up to encourage staff to email the Chief Executive any questions they may have
- Monthly “**Team Brief**” which is delivered and presented by the Chief Executive. A copy of the bulletin is emailed to every member of staff as well as being posted on the Intranet. We also introduced a **video** version of the brief
- **Wednesday Wire** – a weekly news and information bulletin for all staff
- **Chief Executive’s blog** – regular blog from the Chief Executive that is emailed to all Trust staff
- **Freedom To Speak Up Guardian** - Acknowledging the on-going national challenges around bullying and harassment and following the recommendations from the Francis Report, in 2016 the National Guardians Office was set up to facilitate and support a national network of local Trust Freedom To Speak Up Guardians (FTSUG). This role which the Trust has appointed to is intended to create, support & maintain a Trust culture where staff can raise concerns, particularly those related to patient safety, which might otherwise ultimately result in whistleblowing.
- A growing pool of **Staff Engagement Champions** – these are members of staff to act as 2-way channels for communication from staff to the executive and vice-versa

- **Staff Engagement** Lead – the Trust has a staff engagement specialist to ensure due attention is offered to the staff and their engagement, such as running focus groups and creating an action plan, agreed with the Trust's Board
- **Workplace Advisors (WPAs)** to offer staff resources / avenues to take if they have any issues
- A formal **Staff Partnership Forum** comprising recognised trade unions and other professional groups
- **On Board** - regular sessions which enable members of the Board to get out and about across all of our sites
- **The Exchange** –intranet for staff to access information on every aspect of Trust business
- **Active Desktop** – focussed messages which appear on the desktop of all Trust computers and are seen by all users every time they login
- Membership magazine “**One in Four**” – Quarterly magazine for all public and staff members of the Trust, providing information, news and updates on important mental health topics
- A **Twitter and Facebook** account where the public and staff can keep up to date with news
- The Trust has set up its own **You Tube** page where staff and the public can watch video content
- **Staff Friends and Family Test** – careful analysis of these results is undertaken after each survey is completed, which has helped see a significant improvement in staff that would recommend the trust as a place to work or for treatment to friends and family

1.3.3 Staff Health and Wellbeing

The wellbeing of our staff continues to be of paramount importance to us as we recognise that this has a direct impact on clinical outcomes and the experience of patients. It is therefore important that our staff are energised, motivated and healthy.

The Trust has a well-established Health and Wellbeing Committee who meet bi-monthly to discuss and plan operational health and wellbeing activities and programmes for staff. The group consists of HR, operational managers, Occupational Health and the Trust's Freedom to Speak Up Guardian/Staff Engagement Lead. This group reports directly to the Trust's Workforce Committee and also monitors CQUIN targets and associated action plans.

Last year the Trust held health and wellbeing week. Free goody bags were given out to staff across all sites along with different activities such as free health checks, organised walks and targeted communications throughout the week around different subject areas concerning health and wellbeing. The week focused more specifically on resilience, stress management and musculoskeletal conditions as our top reasons for sickness absence within the Trust.

For the coming year the group plans to focus on a year-long programme of events and activities with a different focus each month linked to national awareness days alongside the redesign of the Trust's intranet pages concerning staff health and wellbeing.

1.3.4 Involving other stakeholders

We continue to focus on strengthening relationships with stakeholders and have undertaken a lot of work during the year to develop this.

At the heart of our Communications and Engagement Strategy 2015-19 is understanding stakeholders' needs and preferences, and ensuring that our messages are clear, targeted and consistent.

Below are some of the activities we have undertaken during the year.

Figure 8 Stakeholder engagement

Commissioners	<ul style="list-style-type: none">• Attended local Mental Health Programme Boards• Hosted monthly Contract Review Meetings and quarterly Quality Reviews• Worked in partnership to develop services and pathways and address gaps and inconsistencies in service provision
GPs / referrers	<ul style="list-style-type: none">• Engagement with GPs and commissioners on the development of place based models of care in Dudley• Highlighted relevant GP information via CCG communications channels• Created a GP resource page on our website• Clinicians attend regular forums providing education and input to GP Forums
Media	<ul style="list-style-type: none">• Continued to build upon developing close relationships with local media responding to enquiries and proactively promoting news• Built on our national and regional profile in particular
Members and the public	<ul style="list-style-type: none">• One in 4 member magazine distributed to our 7000 members on a quarterly basis• Member emails highlighting Trust updates and events• Held a wellbeing fair as part of the AGM including stalls from partners• Supported a number of national campaigns throughout the year aimed at reducing the stigma associated with mental health including Mental Health Awareness Week, Dementia Awareness Week and Time to Talk• Quarterly Mental Health Forum focusing on mental health related topics
Local NHS providers, public sector / third sector organisations	<ul style="list-style-type: none">• Attending local events to promote services• Utilising partners communication networks to promote services / service developments

We continue to develop relationships with stakeholders with an emphasis on encouraging two-way communications and engagement. Over the coming year there will be a continued focus on partnership working. Central to the success of this will be engaging with stakeholders.

For key communication and engagement documents please visit our website at
<http://www.dwmh.nhs.uk/mmissioners>

1.3.5 Valuing, Equality, Diversity and Inclusion - creating a personal, fair and diverse NHS

The Trust is committed to ensuring that our services and employment practices are fair, accessible and appropriate for all patients, visitors and carers in the community we serve across Dudley & Walsall, as well as the talented and diverse workforce we employ. We recognise that different people have different needs, which are respected and valued.

The Trust understands the importance of being compliant with the various pieces of equality legislation and acknowledges the benefits and contribution that managing equality and diversity makes to the achievement of its business objectives in the areas of employment, service planning and service delivery.

Promoting equality, embracing diversity and ensuring full inclusion for people who use our services is central to the vision and values of the Trust. Promoting equal opportunities, preventing discrimination and valuing diversity are fundamental to building strong communities and services.

During 2017/18, the Trust has continued to fulfil its mission to embed equality and inclusivity throughout the organisation to enable the Trust to excel in equality, dignity and diversity practice.

The Trust meets all of its Public Sector Equality Duty responsibilities as defined in the Equality Act 2010 and the Equality and Diversity lead and CDW Team supports the Trust in meeting these responsibilities.

Tackling inequality and removing barriers in respect of equality, diversity and human rights through employment and the services provided remains a key strategic focus for the Trust. In relation to the workforce, the focus has been on monitoring equality practices in terms of allegations of discrimination, bullying and harassment as well as removing any barriers that would prevent an individual from being able to fulfil their role.

The Trust continues to recognise and promote equality and diversity through identification of improvement initiatives, engagement and education. In relation to the workforce, the focus has been on monitoring equality practices in terms of allegations of discrimination, bullying and harassment as well as removing any barriers that would prevent an individual from being able to fulfil their role.

Further development on this agenda together with the continued progression of the Equality Delivery System 2 framework (EDS2) the continued implementation of the NHS Workforce Race Equality Standard (WRES), the Workforce Disability Equality Standard (WDES) and the implementation of the Accessible Information Standard (AIS) will form key priorities for 2018/19.

Key achievements during the course of the last twelve months involve the following:

- Achieved progress and compliance with Trust Equality Objectives 2017
- Publication of equalities data by 31st January 2018
- Leading on the Equality, Diversity, Inclusion MERIT Vanguard Work-Stream (Achieved NHS Employers Partnership Status 17/18)
- Implemented the Cultural Ambassadors Programme
- Worked with stakeholders, staff, service users and communities of interest to provide continuous assessment of progress through the EDS 2 grading system
- Delivered 4 public and staff engagement activities during NHS Equality & Diversity Week 2017
- Increased E&D mandatory compliance targets to exceed over 90%
- Updated Human Resources and clinical policies to incorporate the Equality Act requirements
- Developed a new Equality Impact Assessment and carried out Equality Impact Analysis (Assessments) for policies, procedures and Trust service transformation areas
- Roll out of cultural competency training series as part of nurse revalidation programme, which includes LGBT awareness, Migration Awareness and Cultural Awareness toolkit
- Improved communications for staff and service users regarding access to translation and interpretation services
- increased support and engagement with marginalised groups, particularly those with a learning disability, with dementia, carers and transgender patients
- Delivered on numerous equality and well-being projects through the Community Development Workers team
- Continued to deliver on the Workforce Race Equality (WRES) Standard and a robust action plan developed for 2018/19
- Continued to implement the requirements of the Accessible Information Standard (AIS)
- Further developed equality engagement with staff and service users. Identifying local and national organisations, groups and bodies as part of our consultation and involvement strategy;

Supporting staff with disabilities

We are committed to supporting staff that have a disability or become disabled during the demonstrating that we meet the standard to encourage and make adjustments for applicants with disabilities, and to guarantee an interview to those who meet the person specification for the post. We actively work with staff who become disabled to seek and make reasonable adjustments which will enable them to continue at work.

We also actively support staff with both physical and mental health needs and have a robust Occupational Health and Staff Support service. The Trust is a certified Disability Confident Employer.

The Trust is signed up to the Mindful Employer charter. The Charter for Employers who are Positive About Mental Health is a tangible display of commitment to improving the working lives of staff.

All Policies are equality Impact assessed to ensure that there is no adverse impact on staff who may have a disability or if a disability should arise.

Positive about Mental Health - Mindful Employer Charter

The Trust **is** a signatory of the Mindful Employers Charter. As a Trust, we recognise that:

- People who have mental health issues may have experienced discrimination in recruitment and selection procedure. This may discourage them from seeking employment
- Whilst some people will acknowledge their experience of mental health issues in a frank and open way, others fear that stigma will jeopardise their chances of getting a job
- Given appropriate support, the vast majority of people who have experienced mental ill health continue to work successfully as do many with on-going issues

As an employer we:

- Show a positive and enabling attitude to employees and job applicants with mental health issues. This will include positive statements in local recruitment literature
- Ensure that all staff involved in recruitment and selection are briefed on mental health issues and the Equality Act 2010, and given appropriate interview skills
- Make it clear in any recruitment or occupational health check that people who have experienced mental health issues will not be discriminated against and that disclosure of a mental health problem will
- enable both employee and employer to assess and provide the right level of support or adjustments
- Do not make assumptions that a person with a mental health issue will be more vulnerable to workplace stress or take more time off than any other employee or job applicant
- Provide non-judgemental and proactive support to individual staff who experience mental health issues
- Ensure all line managers have information and training about managing mental health in the workplace

1.4 Sustainability

During 2017/18 there has been continued progress in the delivery of the Trusts Sustainability Strategy. The key achievements are:

- Ensuring all new building work complies with the latest guidance regarding use of sustainable materials. For example only using timber sourced from sustainable sources
- Lighting replacements using LED technology as a standard replacement
- Upgrading of Building management System to all Trust sites
- Staff are actively encouraged to recycle / reuse various items not only within their own team, but also across the Trust; items include stationary, print consumables, furniture etc.

The Trust recognises the importance of their contribution in promoting sustainable development in order to reduce emissions, save money and improve the health of people and communities as it works towards the 34% reduction target for 2020.

Looking forward, the Trust will consider as part of its refreshed strategy opportunities to refresh our sustainable development strategy, including the use of a Salix grant, interest free finance to:

- Refresh our sustainable development strategy, including:
- Review of Trust Board approved Policy.
- Explore specialist services to support the Trust in this work, whilst also considering if other opportunities may be viable through our new strategic partnerships

1.5 Health and Safety

The Trust is committed to providing a healthy and safe environment for, service users, visitors and staff, at all Trust properties.

Health and Safety including Fire Safety advice is contracted out to "STK Fire and Risk management" who provide the services of dedicated Health and Safety and Fire advisors to the Trust. To ensure the Trust meets and achieves a high standard of Health and Safety. The Trust regularly updates its Health and Safety and Fire safety processes. An example of this is to incorporate any new relevant guidance issued from the Health and Safety Executive (HSE) into existing policies or create new policies and procedures.

During 2017/18 the main focus has been to continue to embed the revised HSG65 (Management of Health and Safety guidance) as issued by the HSE early in 2014. This latest guidance stipulates that organisations follow the Plan, Do Check, Act (PDCA) Management model. To achieve this, the Health and Safety Policy and Strategy documents have been rewritten to reflect these changes.

The aim is to ensure that every person within the Trust has an awareness of safety in all that they do and whomever they work with. Training for Managerial staff is currently moving through the managerial staff to underpin this.

To ensure the Health and Safety and Fire Safety of all persons who frequent the Trust, the following areas of Health and Safety and Fire Safety work are carried out regularly:

Property

- Full Annual Health and Safety audits are carried out by the Health and Safety Advisor to ensure Health and Safety standards are maintained.
- Quarterly Health and Safety audits are carried out by Ward and Office based staff.
- The Fire Safety Advisor carries out annual inspections of all Trust sites.
- The Fire Safety Advisor also carries out monthly walk round inspections of all Hospital sites.

The results of these inspections and audits are reported to the Estates department for any remedial work. These reports are also presented to Trust Health and Safety Committee who meet on a bi-monthly basis.

Training

- To underpin the managerial responsibility and leadership all Trust staff received their mandatory Health and Safety and Fire Safety training. The throughput targets have been achieved for both sets of mandatory training.

Incident investigations

- All Health and Safety related incidents are reported via an online incident reporting system. The Health and Safety Advisor monitors all Health and Safety related incidents and carries out investigations where required.

RIDDOR

- To ensure compliance with the requirements of “The Reporting of Injuries, Diseases and Dangerous Occurrence Regulations” (RIDDOR), accidents and incidents are reported (when required) to the HSE. In the last year 13 incidents have been reported to the HSE. This is a 54% increase on the previous year when 7 incidents were reported. Unfortunately, the key reason for RIDDOR reports is physical assaults on Trust staff by service users.
- Previous efforts to reduce this type of incident have proved successful and we will continue to improve patient risk assessments, training and incident monitoring and reporting for 2018/19.

HSE Inspectors

- The Trust has not received any notices of Improvement, Prohibition or Enforcement from the HSE or the Care Quality Commission (CQC) in relation to matters of Health and Safety.

1.6 Planning for the Unexpected

The NHS needs to be able to plan for and respond to a wide range of incidents and emergencies that could affect health or patient care. This could be anything from extreme weather conditions to infectious disease outbreak or a major transport accident or terrorist attack. This work is referred to in the health service as “emergency preparedness, resilience and response” (EPRR) and is underpinned by legislation contained within the Civil Contingencies Act and the NHS Act 2006 (as amended).

As a specialist mental health Trust, the role that we would play in responding to such an incident would be very different from that of our health partners. Our main focus is to ensure that internal business continuity procedures are embedded across the entire organisation through effective planning and rehearsal.

Under the Civil Contingencies Act 2004 (CCA) there is a statutory requirement for all NHS organisations categorised as Category 1 responders to have appropriate emergency planning and business continuity arrangements in place.

In terms of how the Trust fits into the CCA 2004, mental health providers including other specialist service providers are not listed. However, Department of Health and NHS England guidance expects them to plan for and respond to emergencies and incidents in a manner that is relevant, necessary and proportionate to the scale of the services provided.

This means that the focus for the Trust is on developing and embedding appropriate business continuity arrangements to ensure it can effectively meet the challenges of incidents that can disrupt the continuity of its critical and essential services as described by the *NHS England Emergency Preparedness, Resilience and Response Framework 2015*.

The minimum requirements which providers of NHS funded services must meet are set out in the current *NHS England Core Standards* for EPRR. The standards are in accordance with the CCA 2004 and the NHS Act 2006 (as amended).

The NHS Standard Contract Service Conditions require providers to comply with the EPRR guidance. Therefore commissioners must ensure providers are compliant with the *Core Standards* as part of an annual assurance process.

To monitor compliance, the Trust must assess itself against the *NHS England Core Standards for Emergency Preparedness, Resilience and Response (EPRR)* on an annual basis and submit the assessment to both NHS England and the CCGs. The Trust has been assessed as substantially compliant against the Standards for 2016/17.

Business Continuity is about maintaining our ability to deliver essential services during a critical incident or emergency situation e.g. a major security incident or an influenza pandemic. Effective Business Continuity Management is therefore about the identification, management and mitigation of particular risks to our ability to deliver these essential services. The Trust has a Business Continuity Management Policy and associated Business Continuity Plans to meet this need.

In producing the Business Continuity Policy and associated plans, a suite of business continuity models, standards and tools have been consulted, including the statutory guidance on business continuity contained in Chapter 6 of the *Emergency Preparedness* document, published by the Government in support of the Civil Contingencies Act 2004.

The model adopted accords with the best practice expectations placed upon all NHS organisations in the *NHS England Business Continuity Management Framework (service resilience)* 2013 and the associated requirements listed in the *NHS England Core Standards for Emergency*

Preparedness, Resilience and Response (EPRR) being:

- a. Fully aligned with the methodology outlined in the International Organisation for Standardisation's ISO 22301 *Societal security – Business continuity management systems – Requirements* and in particular the supporting ISO 22313 *Societal security – Business continuity management systems – Guidance* which provides crucial detail in how best to implement the ISO 22301 standard
- b. Reflective of the British Standards Institute's PAS 2015:2010 *Framework for health services resilience* developed for the NHS

The BCM policy describes the strategic framework of how the Trust manages its business continuity planning. The associated business continuity plan describes how the Trust plans for emergencies / incidents, including its response arrangements should an incident occur, that requires assessment, monitoring and response to ensure the Trust can effectively maintain service delivery. In addition, there are a number of other policies, procedures and operational arrangements that underpin the Trust's resilience arrangements across the Trust.

The BCM policy and associated plans are regularly reviewed, tested and updated and have been effectively utilised to successfully manage an array of actual incidents.

1.7 Key strategic risks / issues

The Board Assurance Framework initially included five strategic risks, a sixth (SR6) was added in year and these are outlined below and there is further detail elsewhere in the Trust's annual report. These were informed by a strategic risk review at Trust Board and committee level and a review of operational risk from the Trust's directorate risk registers.

Figure 9 Strategic risks

RISK REFERENCE	Risk Description
SR1	Sustainability of the Organisation
SR2	Financial Sustainability
SR3	Achieving quality of care
SR4	Ability to recruit and retain staff
SR5	Management, Maintenance and Strategy for the Estate
SR6	Transforming Care Together (TCT) Partnership Integration

1.8 Our 2018/19 Plans

The NHS is in one of the most challenging periods in its recent history. The tight financial setting, coupled with rising patient expectations, set against significant structural change in how the NHS is run and regulated, creates a challenging environment for everyone who works in the NHS.

Add to this the delivery of the Five Year Forward View, integration and new models of care and it is evident that the health economy system approach of our STP will be pivotal in delivering place based quality improvement and efficiency.

Regardless of these complexities, we remain clear about our overall purpose and vision. We will continue to provide high quality services to the communities of Dudley and Walsall and beyond. At the same time, we will embrace strategic partnerships that yield quality improvements, best practice, innovation, workforce benefits and contribute to our overall efficiency and sustainability.

A key opportunity for us during this period of change will be to harness the knowledge and experience of our many stakeholders to shape mental health and social care services as we move towards a more integrated, place-based model of delivery. A focus of this will be the design and delivery of mental health services at a Black Country level that will benefit the populations that we serve.

It goes without saying that we will strive to continue to deliver the best in mental health care for the people of Dudley and Walsall and to ensure we have a sustainable and forward thinking approach to mental health delivery fit for the future challenges that parity of esteem and the Five Year Forward View is bringing.

In 2018/19 we were required to refresh our 2017–19 business plan and the Trust has taken the opportunity to engage with staff and stakeholders about what we should focus to achieve our overarching objectives.

During the first quarter of 2018, we undertook the following approach to refresh our plans given the changing environment in which we operate:

- Horizon scanning – what internal and external factors are shaping our focus?
- Diverse staff engagement - around 20 sessions across all disciplines
- Informal MEXT workshop with around 40 senior staff
- Board development sessions
- Looked back on our CQC action plan
- Analysed the performance of the top rated mental health trusts
- Reviewed the new planning guidance
- Reviewed our commissioner intentions and STP priorities
- Developed some common themes and top 10 priorities for 2018/19

Our refreshed plan describes our approach to planning and delivering our priorities for the forthcoming year and describes the synergy with our STP and other local partnerships.

Our plans for 2018 / 19 will focus in particular on the following:

- Embed a proactive “patient safety first” approach
- Work with commissioners and partners / stakeholders to develop a model for Black Country wide mental health services
- Develop an organisational and leadership culture to support, develop and empower all staff
- Support local decision making by encouraging autonomy for high performing teams
- Create an environment to support service improvement, development and innovation in partnership with staff and service users
- Develop our infrastructure to support the delivery of high quality, effective, recovery focused services

2 Performance Analysis

2.1 Managing trust performance

Over the course of 2017/18, we have continued with the use of OASIS and PC-MIS and the data warehouse which has enabled high quality Business Intelligence to be used to inform strategic and operational decisions at all levels of the organisation.

The key achievements for Performance and Information for 2017/18 include to:

- Enhanced Business Intelligence reporting Hub
- Significant assurance was given following an Internal Audit on the reporting of Delayed Transfer of Care
- EPR procurement commenced following sign off of strategy and business case by the Trust Board
- Continuing the delivery of extensive data quality project actions to enable accurate reporting across a wide range of metrics including national, local and service transformation quality indicators

The key aims for Performance and Information for 2018/19 include to:

- Complete procurement for a new EPR and begin system implementation in partnership with Black Country Partnership Foundation Trust
- Develop and update the Performance report to reflect 2018/19 contractual Key Performance Indicators (KPI)
- Produce Trust information submissions to reflect all statutory returns, such as Mental Health Service Data Set (MHSDS)
- Produce the Adult Community and Inpatient Benchmarking for the Benchmarking Network and others where appropriate
- Prepare the Community survey and the patient dataset Quality Health
- Maintain full compliance with the Information Governance Toolkit

2.2 Measuring the standards of our service

We have continued to make improvements to our performance management and reporting framework in 2017/18 and these changes have led to the availability of more timely and accurate data at all levels, as well as improved clinical engagement through performance information. This includes a formal review of quality, patient experience, performance and finance with each service area on a quarterly basis. To support real-time, flexible reporting of performance and support of business decision making, we have developed desktop access to a wide range of performance information available at the touch of a button.

The Trust reports on all key performance metrics to the Contracted Activity and Review Meeting (CARM) and the Finance and Performance Committee (F&P). The F&P Committee is held every month, chaired by a Non-executive Director, with another Non-executive Director, Trust Chief Executive, Director of Finance, Performance and IM&T and Director of Operations, Nursing and Estates in attendance.

The Trust reports monthly to Dudley and Walsall Commissioners through monthly contract review and clinical quality review meetings on achievements against a suite of Contractual Key Performance Indicators (KPIs) and Quality Improvement measures. These meetings are attended by Commissioners, the Contract Manager, the Head of Nursing and Innovation and the Associate Director of Operations.

A performance report covering the following key areas of performance is reviewed at the monthly Contracted Activity Review Meeting and the Finance and Performance Committee.

- Month on month activity, together with analysis and comparison of activity levels in previous years
- Month on month performance against contractual KPIs
- Month on month performance against National Measures Indicators
- Month on month performance against internal Service Transformation Quality Indicators
- Data quality improvement

2.2.1 Performance Dashboard 2017/18

The Trust manages and monitors indicators at all levels across the Trust. An Integrated Performance Dashboard example is shown giving the trends over the last 12 months.

Figure 10 Month 12 performance dashboard

Integrated Trust Performance Dashboard 2017/18 Month 12											
Quality and Safety			Efficiency								
Indicator	Period	Target	Actual	RAG	Trend	Indicator	Period	Target	Actual	RAG	Trend
CQC Conditions or Warning Notices	YTD	0	0	G		Bed Occupancy (Inc Leave)	Monthly	86%	89.00%	G	
7 Day Follow Up on Inpatient Discharges	YTD	95%	96.12%	G		Bed Occupancy (Exc Leave)	Monthly	75%	77.50%	G	
CPA - Review in 12 months	YTD	95%	94.55%	A		Completion of NHS Number on MHMDS	Monthly	99%	99.93%	G	
CPA - Copies of Care Plans	YTD	95%	94.70%	A		Completion of Ethnicity Code on MHMDS	Monthly	90%	91.06%	G	
Delayed Transfers of Care (all reasons)	Monthly	<7.5%	4.10%	G		Activity Against Contract (NHS Activity)	YTD	324,443	343,093	G	
Never Events	YTD	0	0	G		IAPT - people receiving Psychological Therapies	Monthly	881	657	A	
Incidents	Monthly	320	433	A		IAPT - people who have successfully completed treatment (Dudley)	Monthly	50%	37.12%	A	
Serious Incidents	Monthly	<4	4	G		IAPT - people who have successfully completed treatment (Walsall)	Monthly	50%	57.14%	G	
Falls Resulting in Severe Injury/Death	Monthly	0	0	G							
Grade 3 or 4 Pressure Ulcers (whilst in our care)	Monthly	0	0	G							
MRSA Bacteraemia	Monthly	0	0	G							
CRHT Gate Keeping of Inpatient Admissions (YTD-Walsall CCG)	YTD	95%	100.00%	G							
Mixed Gender Breaches (Wards)	Monthly	0	0	G							
Trust Compliance Rate	Monthly	TBC	86.26%	N/A							
Staffing Rate - Day RMN	Monthly	<120%	97.71%	G							
Staffing Rate - Day HCA	Monthly	<120%	101.24%	G							
Staffing Rate - Night RMN	Monthly	<120%	96.76%	G							
Staffing Rate - Night HCA	Monthly	<120%	102.37%	G							
Service User Experience											
Indicator	Period	Target	Actual	RAG	Trend	Indicator	Period	Target	Actual	RAG	Trend
Friends and Family Test - % of Promoters (CQUIN)	Monthly	70%	74.10%	G		Liquidity Ratio (days)	Monthly	1	1	G	
New Complaints	Monthly	13	17	A		Capital Servicing Capacity (times)	Monthly	1	1	G	
New Concerns	Monthly	<23	31	A		I&E Margin Rating	Monthly	1	1	G	
% Complaints/Concerns regarding Care/Treatment	Monthly	80%	33.00%	G		I&E Margin Variance from Plan	Monthly	1	1	G	
Complaints Upheld/Partially Upheld	Monthly	75%	70.00%	G		Agency Metric	Monthly	1	2	A	
Compliments (Month)	Monthly	35	39	G		CIP Against Plan (FYE of Delivery)	Monthly	£2,500	£3,765	G	
Response Breaches	Monthly	30%	30.00%	G		Income Against Plan (£000)	YTD	£67,560	£68,093	G	
						Performance against Budget (£000)	YTD	B/Even	£12	G	
						Cumulative Agency Spend as a % of Total Employee Benefits	YTD	8.24%	8.15%	G	
						Vacancy Rate	Monthly	10.00%	8.68%	R	
						Turnover - Rolling 12 Month	Feb 17 - Mar 18	8-14%	13.32%	G	
						Sickness - in Month	Monthly	4.68%	4.18%	G	
						Sickness - Rolling 12 Month	Feb 17 - Mar 18	4.68%	4.38%	G	
						Appraisals	Monthly	85%	85.36%	G	
						Mandatory Training (Aggregated)	Monthly	90%	90.25%	G	

2.3 Quality and Safety

2.3.1 Managing the Quality of our services

The Trust's Quality and Safety Committee has overarching responsibility for patient safety and quality and for the monitoring and assurance of quality performance. Underpinning this Committee's function are the Service Line Quality Groups that meet monthly and the Quality Review Meetings that are held with commissioners.

The Trust has established an annual process for identifying quality priorities based on intelligent data and risk profiles, from which targeted quality improvement plans are developed. The quality improvement plans set out the measures of success and objectives are delivered through a project management approach. Monitoring of the implementation and impact of projects is via quarterly reports to the Quality and Safety Committee.

The Trust has embedded a positive culture of learning lessons and has established key governance process, linked to risk management and incident reporting policies, to facilitate the learning, sharing and implementation of key lessons following serious incidents across all service lines. This is delivered through "embedding lessons" meetings that are held with Trust Service Line representatives as the group's core members.

An annual Quality Account is produced by the Trust that sets out the quality priorities and then reports on outcomes in delivering those priorities. Most importantly this Account is subject to scrutiny by commissioners, Health, Overview and Scrutiny Committee, Health Watch, Experts by Experience and service users. In terms of embedding quality outcomes and being assured by third parties that the Trust is delivering quality this forms a crucial piece of assurance.

The Trust Board remains committed to fully embedding Quality across the Trust and continues to undertake self-assessments against the Well-Led Framework which reviews the Quality and Corporate Governance arrangements of the Trust. The Well-Led Framework outlines 10 key governance questions referencing good practice and how the Trust evidences compliance with the following:

- The Board having a credible strategy and robust plan to provide quality, sustainable services to patients and aware of the potential risks to the delivery of current and future services
- The Board having the skills and capability to lead the Trust, with an open, transparent and quality focused culture, supporting continuous learning and development
- Clear lines of accountability in relation to Board and Quality Governance, with defined processes for escalating and resolving issues and managing performance
- The Board actively engaging patients, staff and other key stakeholders on quality, operational and financial performance
- The appropriateness of information on organisational and operational performance being that is being analysed and challenged and the effective use of quality information

2.3.2 Quality Dashboard

The Trust manages and monitors the following quality improvement indicators at all levels across the Trust. A Quality and Safety Dashboard example is shown giving the trends over the last 12 months.

Figure 11 Month 12 Quality dashboard

Quality and Safety					
Indicator	Period	Target	Actual	RAG	Trend
CQC Conditions or Warning Notices	YTD	0	0	G	
7 Day Follow Up on Inpatient Discharges	YTD	95%	96.12%	G	
CPA - Review in 12 months	YTD	95%	94.55%	A	
CPA – Copies of Care Plans	YTD	95%	94.70%	A	
Delayed Transfers of Care (all reasons)	Monthly	<7.5%	4.10%	G	
Never Events	YTD	0	0	G	
Incidents	Monthly	320	433	A	
Serious Incidents	Monthly	<4	4	G	
Falls Resulting in Severe Injury/Death	Monthly	0	0	G	
Grade 3 or 4 Pressure Ulcers (whilst in our care)	Monthly	0	0	G	
MRSA Bacteraemia	Monthly	0	0	G	
CRHT Gate Keeping of Inpatient Admissions (YTD-Walsall CCG)	YTD	95%	100.00%	G	
Mixed Gender Breaches (Wards)	Monthly	0	0	G	
Trust Compliance Rate	Monthly	TBC	86.26%	N/A	
Staffing Rate - Day RMN	Monthly	<120%	97.71%	G	
Staffing Rate - Day HCA	Monthly	<120%	101.24%	G	
Staffing Rate - Night RMN	Monthly	<120%	96.76%	G	
Staffing Rate - Night HCA	Monthly	<120%	102.37%	G	

2.3.3 Contractual quality requirement goals agreed with commissioners

For 2017/18, the Trust monitored 27 contractual Key Performance Indicators (KPIs). Both Dudley CCG and Walsall CCG decided to monitor each month a majority of the KPIs reported in the previous financial year, which was in line with the national reporting requirements.

The table below shows the performance levels achieved for the KPIs where thresholds were finalised in the year.

Figure 12 Contractual KPI's Performance in 2017/18

Contractual KPIs		Target	Achieved
1	Referral to Treatment Time – Incomplete	>92%	98.1%
2	7 day follow up on Inpatient Admissions	>95%	96.1%
3	Delayed Transfers of Care (All Reasons)	<7.5%	4.1%
4	Completion of NHS Number on MHSDS	>99%	99.3%
5	Completion of Ethnicity Code on MHSDS	>90%	99.3%
6	Copies of Care Plans (CPA caseload)	>95%	95.5%
7	Percentage of people experiencing a first episode of psychosis	>50%	100%
8	The proportion of people that wait six weeks or less from referral to their first IAPT treatment appointment	>75%	98.4%
9	The proportion of people that wait 18 weeks or less from referral to	>95%	99.9%

Contractual KPIs		Target	Achieved
	their first IAPT treatment appointment		
10	Completion of IAPT Minimum Data Set outcome data	>90%	97.6%
11	The proportion of users on CPA who have had a review within the last 12 months	>95%	97.6%
12	Proportion of in-scope patients assigned to a cluster	Walsall>95%	95.6%
13	IAPT – People who receive psychological therapies – attending one session only	Dudley>5724	Dudley - 4093
		Walsall>4848	Walsall - 3271
14	IAPT – people who have successfully completed treatment	>50%	Dudley - 55.5%
15	CRS - proportion of patients seen within 6 weeks.		88.2%
16	PT Hub - proportion of patients seen within 18 weeks.	Dudley>95%	98%
17	Eating Disorders - % of children & young people who receive treatment within four weeks of referral for routine cases	Walsall>95%	100%
18	Eating Disorders - % of children & young people who receive treatment within one week of referral for urgent cases.	Walsall>95%	100%
19	PLT - number of patients seen on the wards within 24 hours.	Dudley>85%	100%
20	PLT - number of patients seen in A&E assessed within 4 hours.	Dudley>95%	95.6%
21	Proportion of patients within cluster review periods.	Dudley>95%	91.8%
22	Number of CPA patients assessed using DWROM	Dudley>95%	88.5%

The Trust's overall performance against the commissioners' KPIs is very positive and has improved throughout the year.

Significant improvements have been made in data quality and the Trust meets regularly with commissioners to discuss performance and quality.

The Trust is fully aware of areas it needs to improve and is working closely with commissioners to achieve this.

2.3.4 Quality Account Priorities

In 2017/18, we have continued to implement our second Quality Improvement Strategy 2016 - 2020 and promote a culture of on-going quality improvement throughout the services delivered.

In 2017/18, we set ourselves 5 quality account priorities; the table below shows the progress we made against these.

To ensure the priorities are mapped into the Trust Quality Governance Framework, a full quarterly update is provided to the Quality and Safety Committee, detailing progress and an overview of outcomes and exceptions.

Figure 13 Progress against our quality account priorities

Quality Improvement Priority	Description	Progress
Becoming a smoke free Trust	<p>The Trust is committed to supporting individuals to stop smoking whilst receiving NHS Care as this is seen as a significant opportunity to support individuals and reduce smoking.</p>	<ul style="list-style-type: none"> Steering group well established good engagement and representation from all key stakeholders, including public health Dudley and Walsall, Human Resources, Experts by Experience, Pharmacy, Finance, Staff engagement champions, Communications Draft implementation plan developed and presented to Management Executive Committee. Management Executive Committee will oversee the project, full business case under development Learning from early implementers and scoping of evidence based practice Smoke Free Trust policy developed Smoke free date of December 2018 in principle agreed.
Person centred care/care planning	<p>People who use mental health services should have the opportunity to make informed decisions about their care and treatment, in partnership with their health and social care practitioners. Putting person centered values into practice means that you are providing care that is focused on the individual. It demonstrates to the individual that you want to care for and support their recovery.</p> <p>The CQC report and internal monitoring show that whilst progress continues to be made further work is required to improve the quality and consistency of person centered care planning.</p>	<ul style="list-style-type: none"> Care plan checks added to Trust supportive visits Care plan re-audit completed across all wards Mapping exercise scheduled to gather evidence of person centred care and care planning across all Trust services and teams.
Improving the quality of record keeping	<p>Through feedback from the CQC, internal clinical audits and feedback from service users it has been identified that improvements need to be made to the quality of record keeping to enable greater consistency. The Trust currently has a mix of electronic and paper records, which creates challenges to consistency, however as the trust moves towards an electronic single patient record further work is required to ensure the quality of record keeping is maintained and improved.</p>	<ul style="list-style-type: none"> Guidance on best practice record keeping standards re-issued to staff Clear guidance on record keeping standards given to managers and included in ward audit activity Spot-checks on the standards of documentation added to Trust supportive visits.
Ensuring organisational Learning is embedded and sustained	<p>Learning is identified through complaints, claims, audit and third party inspections. If learning is embedded in practice and sustained over time, the likelihood of repeated incidents and other events which can cause harm are reduced. Through feedback from the CQC Inspection and internal quality governance processes it has been identified further work is required to improve embedding lessons process to ensure effective triangulation of information, monitoring of actions taken and ensuring improvements are embedded in practice.</p>	<ul style="list-style-type: none"> Trust Embedding Lessons Group re-launched with new membership and terms of reference Creation of a centralised database and SharePoint system to allow different service areas to triangulate actions and develop themes Monthly and quarterly Lessons Learnt bulletin produced for all Trust staff.
Refocus/recovery model	<p>Recovery is a concept that recognises people can be in control of their lives despite mental health problems, and can regain a meaningful life despite a mental illness. Refocus is a specific approach to recovery that works with both individual and team attitudes towards recovery practices.</p>	<ul style="list-style-type: none"> Initial round of Refocus training delivered to staff Wrekin ward staff trained in use of DWROM need to explain what DWROM stands for recovery model with Wrekin ward chosen as a pilot for DWROM use on selected service users Attendance of three Refocus events DWROM now fully implemented to assist care planning on Wrekin ward.

2.3.5 CQUINs

A proportion of the Trust's income in 2017/18 was conditional on achieving quality improvement and innovation goals agreed between the Dudley and Walsall Mental Health Partnership NHS Trust and the commissioners through the Commissioning for Quality and Innovation (CQUIN) framework. CQUIN is a national initiative which aims to embed demonstrable quality improvements within the commissioning cycle for NHS healthcare.

For 2017/18, the Trust signed up to the five national CQUIN schemes with a total value of £1.3m. The schemes cover a range of services including the four quality domains of Patient Experience, Safety, Effectiveness and Innovation.

The CQUIN scheme indicators summarised below.

Figure 14 National 2017/18 CQUINs Schemes

Scheme Title
1. NHS Staff Health and Wellbeing
2. Child and Young Person MH Transition
3. Physical Health for people with Severe Mental Illness
4. Improving services for people with mental health needs who present to A&E
5. Preventing ill health by risky behaviours – alcohol and tobacco

The final performance results for 2017/18 are expected in May 2018 following the quarter 4 submission at the end of April. It is expected that there will be an under performance to the value of £160k for 2017/18.

2.3.6 Serious Incidents

Figure 15 Reported Incidents 2017/18

	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
SI's	3	4	3	5	6	7	3	2	8	6	2	4
All Incidents	374	374	452	589	489	456	539	444	402	471	393	434
PSI	247	262	245	331	305	289	338	256	231	302	242	242

Serious Incidents x reported date and includes downgrades

2.3.7 Patient Safety related incidents

Figure 16 Patient Safety Related incidents Submitted to the NRLS

	Number of Incidents per 1000 bed days	Median – per 1000 bed days	Percentile of 56 other reporters within mental health cluster
1 st October 2015 – 31 st March 2016	31.96	37.54	Middle 50%
1 st April 2016 – 30 th September 2016	36.82	42.45	Middle 50%
1 st October 2016 – 31 st March 2017	44.33	44.33	Middle 50%
1 st April 2017 – 30 th September 2017	63.29	42.66	Middle 50%

Figure 17 Patient Safety Related incidents

	None	Low	Moderate	Severe	Death	Total
1 st October 2015 – 31 st March 2016	470	407	8	0	5	890
	52.8%	45.7%	0.9%	0.0%	0.6%	
1 st April 2016 – 30 th September 2016	555	467	17	1	3	1043
	53.2%	44.8%	1.6%	0.1%	0.3%	
1 st October 2016 – 31 st March 2017	738	464	19	0	9	1230
	60%	37.7%	1.5%	0	0.7	
1 st April 2017 – 30 th September 2017	961	660	36	2	9	1668
	57.6%	39.6%	2.2%	0.1%	0.5%	

2.3.8 Patient environment

According to NHS England, “Good environments matter”. The expectation is that every NHS patient should be cared for with compassion and dignity in a clean and safe environment and that if patients believe that standards fall short then they should be able to hold the service and its management to account.

The annual Patient Led Assessment of the Care Environment (PLACE) was introduced in early 2013 and replaced PEAT (Patient Environment Action Team).

The Trust PLACE 2017 assessments were completed on all hospital sites between March and May 2017. This information, along with all other PLACE assessment data was subsequently collated together to create the PLACE 2017 Action Plan. Since October 2017 Estates have been working on the failures report, with many maintenance works carried out. Dementia signage is in progress of being updated. PLACE 2017 results were published on 15th August 2017 by NHS Digital; link to the full publication below:

<http://digital.nhs.uk/catalogue/PUB21325>

The table below shows the Trust's scores against national results for 2017.

Figure 18 Summary PLACE results

	Cleanliness	Food*	Organisation Food	Ward Food	Privacy	Condition	Dementia	Disability (New)
National	98.1% (97.6% é)	88.2% (88.5ê)	87.0% (87.2%ê)	89.0% (89.3%ê)	84.2% (86.0%ê)	93.4% (90.1%é)	75.3% (74.5%é)	78.8%
Interquartile range (National results only)	97.8% - 99.9%	86.7% - 94.1%	84.3% - 92.9%	88.6% - 97.8%	80.4% – 91.7%	91.0% - 97.2%	71.6% - 88.4%	75.9% - 90.0%
Median (National results only)	99.2%.	90.9%.	88.5%	93.7%	86.6%.	94.5%	79.8%	83.7%
Mental Health ^[1] national average	97.8%	89.7%	86.6%	91.9%	89.7%	94.5%	82.9%	84.5%
Trust Score	97.30%	89.01%	80.22%	99.44%	86.62%	87.79%	66.36%	69.46%

Key:

- Green Trust score over national **AND** mental health average PLACE 2017 scores
- Amber Trust score **UNDER EITHER** national OR mental health average PLACE 2017 scores
- Red Trust score **UNDER BOTH** national and mental health average PLACE 2017 scores

Figure 19 PLACE 2017 Organisation and Site scores

Domain	Organisation score 2017	BLX 2017	BFH 2017	DPH 2017
Cleanliness	95.13%	92.66%	97.83%	90.87%
Food	89.68%	85.95%	89.25%	81.59%
Organisation food	79.30%	79.32%	79.78%	78.15%
Ward food	94.66%	90.28%	100.00%	85.83%
Privacy, Dignity and Wellbeing	82.65%	81.90%	84.33%	79.37%
Condition, appearance and maintenance	87.58%	77.62%	92.58%	84.31%
Dementia	78.12%	84.83%	81.61%	64.14%
Disability	74.13%	79.75%	75.04%	67.92%

^[1] Mental Health Only, Learning Disabilities Only, both Mental Health and Learning Disabilities provided from the same site by the same provider

PLACE 2017 ward scores

Figure 20 Bloxwich Hospital

Domain	Cedars ward	Linden ward
	Older adult	Older adult
Cleanliness	82.02%	96.21%
Food	-	-
Organisation food	-	-
Ward food	90.28%	-
Privacy, Dignity and Wellbeing	77.63%	82.89%
Condition, appearance and maintenance	69.23%	80.16%
Dementia	75.00%	90.63%
Disability (new for 2016)	75.03%	93.75%

Figure 21 Dorothy Pattison Hospital

Domain	Ambleside ward	Langdale ward	Outpatients
	Acute	Acute	Outpatients
Cleanliness	91.75%	86.54%	93.55%
Food	-	-	-
Organisation food	-	-	-
Ward food	100.00%	-	-
Privacy, Dignity and Wellbeing	85.94%	80.26%	50.00%
Condition, appearance and maintenance	82.35%	85.38%	90.00%
Dementia	41.38%	85.38%	82.50%
Disability	46.15%	66.67%	70.59%

Figure 22 Bushey Field Hospital

Domain	Clent ward	Kinver ward	Wrekin ward	Holyrood ward	Malvern ward	Birch day hospital	HLC Outpatient
	Acute	Acute	Acute	Older adult	Older adult	Older adult	Outpatient
Cleanliness	91.27%	96.72%	98.63%	99.66%	99.65	100%	100%
Food	-	-	-	-	-	-	-
Organisation food	-	-	-	-	-	-	-
Ward food	-	-	-	-	100%	-	-
Privacy, Dignity and Wellbeing	76.39%	76.25%	86.25%	81.94%	94.23%	87.50%	88.89%
Condition, appearance and maintenance	85.92%	95.52%	94.53%	99.23%	90.32%	93.94%	95.31%
Dementia	85.52%	70.00%	80.77%	87.50%	80.00%	84.62%	88.46%
Disability	69.23%	64.29%	66.67%	87.53%	78.57%	73.73%	73.63%

2.3.9 *Duty of Candour*

The Trust approach:

Duty of Candour procedures have contributed to the further development of a patient centred model of care. There has been a robust procedure developed for identifying incidents that fall within the set criteria and follow up has been consistent.

Incident data has been processed and followed up to give assurance that the process for Duty of Candour has been followed and evidenced. Systems have been developed to capture the Duty of Candour data and information and will provide statistics to support the process.

There is evidence collated from the “none” Duty of Candour incidents that a positive culture exists around being open. This is clear by the amount of notifications that are completed on the electronic incident forms and also from the written nursing notes.

All incidents that are rated moderate and above have been reviewed further to confirm the level of harm sustained and the level of contact the service user had at the time with Trust services. This information was then escalated to Trust directors for a decision regarding whether Duty of Candour procedures apply.

There have been 13 cases during 2016/17 where the process for Duty of Candour has been applied. Twelve of the cases were also investigated as serious incidents and the remaining 1 case was investigated internally with the Duty of Candour process being applied.

There have been 10 cases during 17/18 where the process for Duty of Candour has been applied. All 10 of the case were also investigated as serious incidents.

Figure 23 Number of Trust Incidents / Complains where the Duty of Candour process has been followed.

	2017									2018		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Duty of Candor applied	1	0	1	3	1	1	0	0	0	3	0	0

2.3.10 *National Health Service Authority (NHSLA) Compliance*

Following a change in approach the NHSLA confirmed there were to be no further standard based assessments after March 2014; however, the Trust is still committed to demonstrating compliance with these standards as they show an on-going commitment to the proactive management of risk within the organisation. Compliance with these standards and ensuring the on-going suitability of policies pertaining to NHSLA standards continues to be overseen by both the Trust's Policies and Procedures Focus Group and the Trust's Quality and Safety Committee”.

2.3.11 *National Clinical Audits and Confidential Enquiries*

During April 2017 to March 2018 four National Clinical Audits and one National Confidential Enquiry covered NHS services that Dudley and Walsall Mental Health Partnership Trust provides.

During that period the Trust participated in 100% of National Clinical Audits and 100% of National Confidential Enquiries, of the National Clinical Audits and National Confidential Enquiries in which it was eligible to participate in.

The National Clinical Audits and National Confidential Enquiries that the Trust was eligible to participate in during April 2017 to March 2018 are as follows:-

- Prescribing Observatory for Mental Health (POMH) Use of Depot/LA Antipsychotic Injections for Relapse Prevention
- Prescribing Observatory for Mental Health (POMH) Prescribing Valproate for Bipolar Disorder
- Commissioning for Quality Innovation (CQUIN) Improving physical healthcare for to reduce premature mortality in people with severe mental illness (PSMI). Data collected and submitted through the National Clinical Audit of Psychosis (NCAP)
- National Confidential Enquiry into Homicide and Suicide.

Figure 24 National Clinical Audits

Audit Title	Participation	% Cases Submitted
POMH: Use of Depot/LA Antipsychotic Injections for Relapse Prevention	Yes	No set sample size 61 submitted
POMH: Prescribing Valproate for Bipolar Disorder	Yes	No set sample size 137 submitted
CQUIN: Improving physical healthcare to reduce premature mortality in people with severe mental illness (PSMI). National Clinical Audit of Psychosis (NCAP)	Yes	100 cases submitted 100% of requested sample group
National Confidential Enquiry into Homicide and Suicide	Yes	Criteria Met

2.3.12 Local Clinical Audits

The Trust's own Quality Priority Audits for 2017/18 were derived from a number of key sources including trend analysis of incidents, complaints, commissioner requests, national best practice guidelines (e.g. NICE) and to gain assurance with regards to newly embedded processes and to ensure embedded quality processes were safe and effective. A selection of audits commissioned to support these processes and the key findings or recommendation arising from these audits is detailed in the table below.

Figure 25 Trust Priority Local Clinical Audits

Title of Audit	Summary of Actions / Recommendations
Care Programme Approach (CPA) Audit	<p>CPA aims to ensure that robust arrangements are in place regarding discharge planning and aftercare of people with serious mental illness.</p> <p>The audit showed that the Trust continues to deliver standards in accordance with national requirements however the audit demonstrated the following areas for improvement:-</p> <ul style="list-style-type: none"> • Documented evidence that the service user has been involved in their risk assessment. • Documented evidence of service user involvement in the development of care plans. • Re-audit planned for 2018/19.
Patient Searches	The Trust continues to monitor compliance with the Search Policy to ensure that blanket restrictions are not in place and that all medical staff are acting within accordance with the

	<p>2015 Mental Health Act Code of Practice, and the Trust Search Policy when justifying the use of searches when patients return from community leave.</p> <p>Audit results showed improvement across all standards from the previous audit and continued assurance that patient searches were being carried out in accordance with Trust Policy. The audit highlighted the following areas for improvement:-</p> <ul style="list-style-type: none"> • Continue to review search documentation to address inconsistencies. • Review guidance in relation to searching patients who have been on community leave and informal patients. • Re-audit planned for 2018/19.
Venous Thromboembolism (VTE) Audit	<p>This audit aims to identify whether VTE risk assessments for Older Adult patients are being carried out and documented in a timely manner.</p> <p>Audit results showed that VTE risk assessments were carried out and documented in line with Trust Policy. The audit also highlighted the following areas for improvement:-</p> <ul style="list-style-type: none"> • Increase the number of forms filled out within 24hrs of patient admission to Older Adults inpatient services. • Address inconsistencies with completion of form to ensure all relevant information is recorded.
Falls Prevention	<p>The Trust carries out monthly monitoring of patient falls to report to the relaunched Falls Forum. The audit aims to identify and document all patients who are at risk of a fall. It also aims to ensure that all falls incidents are reported.</p> <p>Audit results show a good level of compliance against all standards relating to documentation and reporting. The audit highlighted the following areas for improvement:-</p> <ul style="list-style-type: none"> • Training to be delivered to Falls Champion on each ward. • Ongoing monitoring and improvement in the documentation and reporting of patient falls.

2.3.13 Clinical Research

The number of patients receiving NHS services provided or sub-contracted by Dudley and Walsall Mental Health Partnership Trust in the period 1st April 2017 to 31st March 2018 that were recruited to participate in research approved by a Research Ethics Committee was 372 participants as of the end of February 2018. Patients were offered the chance to take part in 17 large scale, high quality, national NIHR Portfolio research studies, 7 of which were new studies opened during 2017/18, including randomised control trials, epidemiological research and genetic research, as displayed below.

Participation in clinical research demonstrates the Trust's commitment to improving the quality of care we offer and to making our contribution to wider health improvement. The Trust supports clinical staff to stay abreast of the latest treatment options through active participation in research.

Figure 26 Number of portfolio research studies 2017/18

Research Study Title	Topic	Service Line	Status
EO AD Genetics – Detecting susceptibility genes for early onset Alzheimer's Disease	Alzheimer's Disease	Older Adult Mental Health	Open
LO AD Genetics – Detecting susceptibility genes for late onset Alzheimer's Disease	Alzheimer's Disease	Older Adult Mental Health	Open
ALOIS – Prospective non-interventional study of patients with mild to moderate Alzheimer's Disease and their caregivers in four European Countries	Alzheimer's Disease	Older Adult Mental Health	Open
ASC – UK – Learning about the lives of adults on the autism spectrum and their relatives	Autism Spectrum Disorder in Adults	Adult Mental Health	Open
OPNT Bulimia Nervosa Naloxone Spray - Randomised, double-blind, placebo controlled trial evaluating the effects of naloxone hydrochloride nasal spray on eating behaviours in bulimia nervosa	Eating Disorders	Adult Mental Health	Open
CoACTION: Cultural adaptations in clinical interactions	R&I Service Delivery	Ethnic Minority service users and Clinicians	Open
A Survey of mindfulness and self-compassion in IAPT - An anonymous survey of mindfulness, self-compassion, wellbeing and mental health	IAPT Service Delivery	Adult Mental Health	Open
MOLGEN - Molecular Genetics of Adverse Drug Reactions (Clozapine)	Genetics	Adult Mental Health	Open
PPPH- Patient Preferences for Psychological Help	Schizophrenia	Adult Mental Health	Open
REQOL- questionnaire to help understand and monitor progress of recovery and quality of life	All Service Users	Adult Mental Health	Open
VIS- Voice impact Scale	Psychosis/Schizophrenia	Adult Mental Health	Open
BI-425809- Clinical trial of BI 425809 (name of drug) effect on cognition and functional capacity in schizophrenia.	Schizophrenia	Adult mental Health	In Set Up
N-CAT - National survey of Child Anxiety and Treatment access	Anxiety disorders	Schools	Closed
Tiga Cub – Feasibility study of child psychotherapy vs usual treatment for children with difficult behaviour.	Conduct disorder	Child and Adolescent Mental Health	Closed
DPIM Schizophrenia – DNA Polymorphism in Mental Health illness	Schizophrenia	Adult Mental Health	Closed
FemNAT - Understanding gender differences in disruptive behaviour in children and teenagers	Conduct Disorder	Child & Adolescent Mental Health	Closed
PRONIA – Personalised prognostic tools for early psychosis management	First Episode Psychosis and Depression	Adult Mental Health	Closed

2.4 Service Experience

2.4.1 Service Experience

Understanding patient experience is important to the Trust in order to ensure that our services are developed and improved to meet service users' needs through listening to peoples' experiences and views, responding comprehensively to feedback and demonstrating what has been improved as a result. The following are a selection of indicators chosen by the Trust as important measures of patient experience.

2.4.2 Service Experience Dashboard

The Trust manages and monitors the following service user experience indicators at all levels across the Trust. A Service User Experience dashboard example is shown giving the trends over the last 12 months.

Figure 27 Month 12 Service User Experience Dashboard

Service User Experience						
Indicator	Period	Target	Actual	RAG	Trend	
Friends and Family Test - % of Promoters (CQUIN)	Monthly	N/A	83.33%	N/A		
New Complaints	Monthly	N/A	1	N/A		
New Concerns	Monthly	N/A	1	N/A		
% Complaints/Concerns regarding Care/Treatment	Monthly	<80%	50.00%	G		
Complaints Upheld/Partially Upheld	YTD	<75%	100.00%	A		
Compliments (Month)	Monthly	N/A	5	N/A		
Response Breaches	YTD	<30%	50.00%	N/A		

Compliments, complaints and concerns

In addition to our focus on quality, we recognise that sometimes people's experience of our services is not always as positive as we would hope. In October 2007, the Health Service Ombudsman published 'Principles for Remedy' as an overall good practice guide for public bodies in dealing with complaints. Our complaints policy is based around these principles which are:

- Getting it right
- Being customer focused
- Being open and accountable
- Acting fairly and proportionately
- Putting things right
- Seeking continuous improvement

In response to the Francis inquiry into the failings of Mid Staffordshire NHS Foundation Trust, the PHSO, LGO and Healthwatch England committed to developing a user-led "vision" of the complaints system and produced a report entitled "My Expectations for Raising Concerns". This report presents the vision/framework that was created and the findings of the primary research with patients, service users, frontline staff and stakeholders that lay behind it.

There are five main areas to the framework which the Trust aims to follow and achieve which is incorporated into the SED induction programme, complaints training and promoted throughout the Trust.

During the period April 2017 to March 2018, we received a total of 139 formal complaints, 26 of which were withdrawn or closed. We responded to 46 cases within the target timescale; 33 cases remain open, 26 of which were still within target at the time of writing.

The number of complaints received is relatively small compared to the number of patients we see and treat each year but we ensure all complaints are investigated and any lessons learned implemented.

Figure 28 Compliments and Complaints data

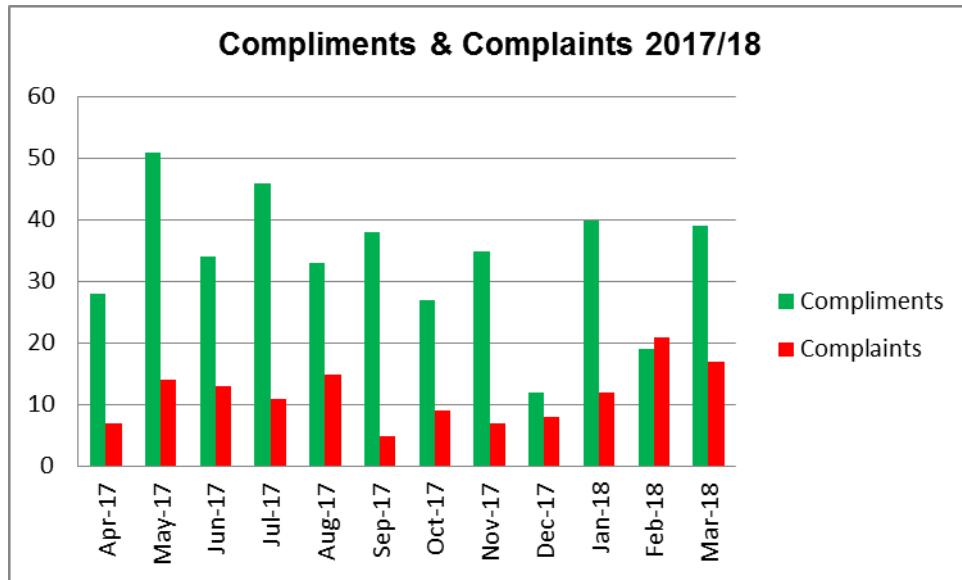
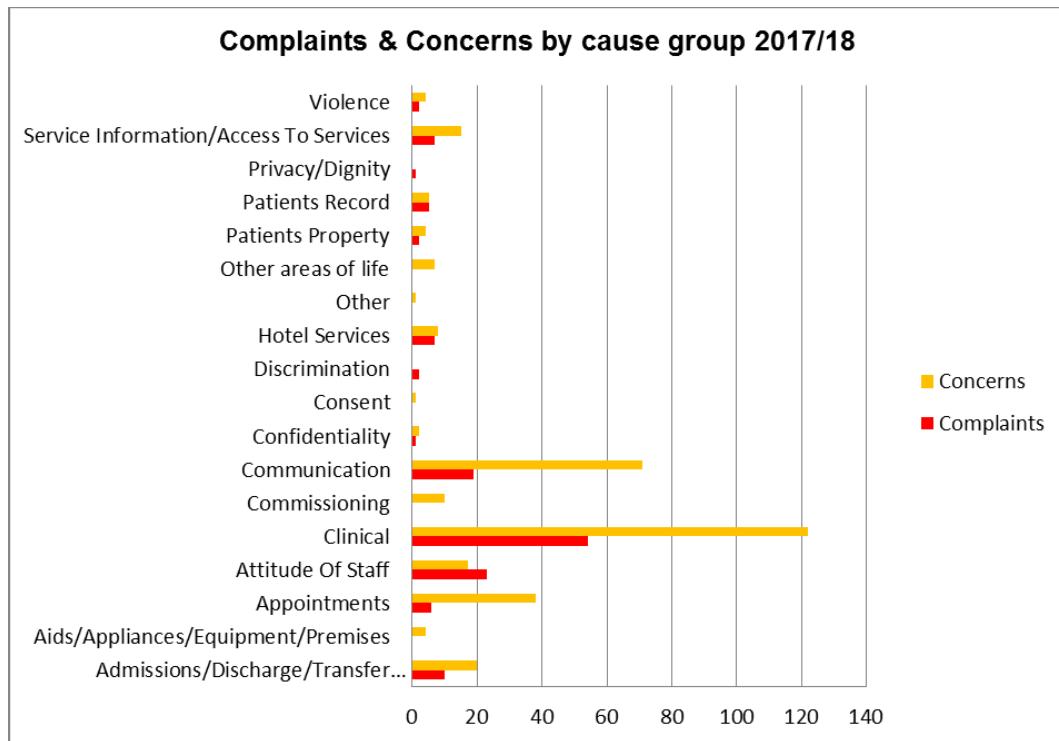


Figure 29 Complaints and Concerns by Cause Group



Over the last twelve months, we are pleased to say we have received a large number of compliments (402) from people who have accessed our services, highlighting cases where the quality of our services has been recognised and appreciated.

The Service Experience Desk (SED) feature “On a Happy Note” highlights the positive comments made by service users about their care by posting a selection of experiences from service users on the Trust Intranet every month.

Some examples of what people have said about our services are shown below:

- Thank you for everything you have done for me and your patience. I really appreciate your time and your effort and most importantly your patience with me. You have brought me to a stage in my life where I have never been before. My anxiety and self-control have never been so good and I can't thank you enough for that.
- We found the support and advice we received from the staff member invaluable. He provided support not only to my mum during her time she suffered but provided excellent support the family and gave advice on how best to support mum. An excellent service!
- Staff go above and beyond to make everyone feel cared for, which is exactly what people with bipolar personality disorder needs. They sent me a card when I was feeling too low to come to the group and even tried to put a note through my door when they could not get me on the phone. I just wanted to let you know how amazing they are.
- I know there is an awful long way to go for my daughter and sometimes I feel as if I'm on automatic pilot but I thank you wholeheartedly, because I know I can say with my hand on my heart that if it weren't for you she wouldn't be here today.
- I cannot thank all the staff enough for the help and kindness they have showed me. Nothing was too much trouble. The nursing staff, doctors and health care assistants were very helpful and caring. If you needed to talk or were upset they were there to listen whatever time it was. I am celiac so staff made sure I had gluten and what free meals, bread and biscuits and sandwiches were always available. Everyone made my stay very comfortable and I would like to say a very big thank you. The dedication to the job they do is 100%.
- Couldn't wish to meet two nicer people. Since meeting them both they have made me feel more confident in myself and achieved massive goals. Not only have I met two great support workers I've met two extremely kind and caring friends.
- I have been a patient for a number of years. I was seen by the same doctor up until my recent discharge. I would like to express a sincere thank you to him for the care and support I have received. My recovery and hopes for the future would not have been possible without this. He is kind, caring and understanding and I have been treated with the utmost respect. If in the future I need help or advice, I know that I will be treated with an excellent level of care – I would highly recommend.
- The job you do is so valuable, you change peoples' lives and you've changed mine in a few months, thank you for changing my thoughts from negative to positive

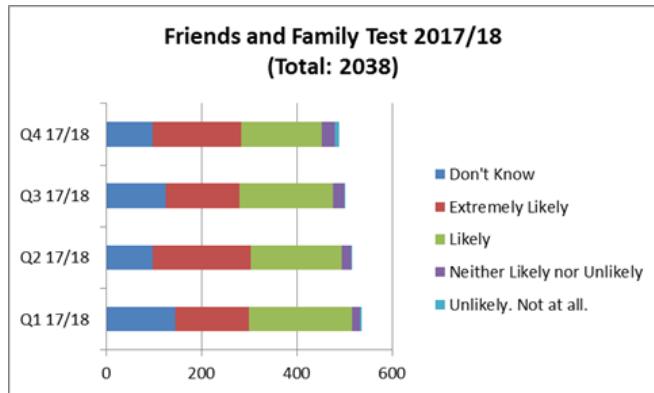
2.4.3 Friends and family test – net promoter

Introduced in April 2012, the Friends and Family Test (FFT) asks patients whether they would recommend the NHS service they have received to friends and family who need similar treatment or care. This means patients are able to give feedback on their experience of our services, giving us a better understanding of the needs of our patients and enabling improvements.

The Trust implemented this test in 2013 as part of a CQUIN scheme. People being discharged from community services were asked “How likely is it that you would recommend this service?”

In 2017/18 of the 2038 people asked, 72% responded with ‘likely’ or ‘extremely’ likely. The full results are shown below. The full results are shown below.

Figure 30 Friends and Family Test Data



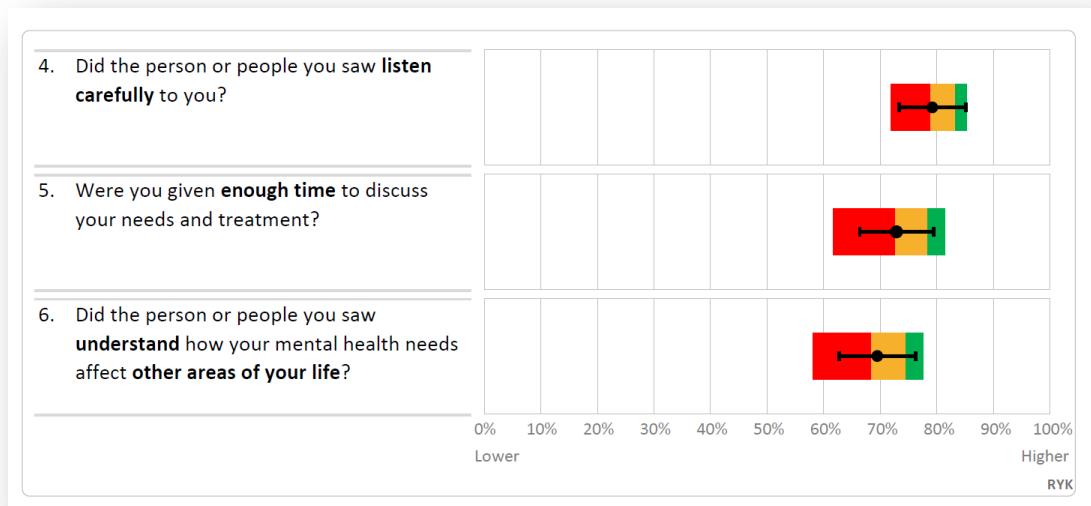
2.4.4 Community Mental Health Survey 2017

The Annual Community Mental Health Survey 2017 was conducted independently for the Trust by Quality Health and a questionnaire was sent out to around 850 people who received community mental health services. The response rate was 27% (229 usable responses received from a basic sample of 850). Some of the results are shown below.

Figure 31 Patient Experience

Performance	Experience of Care
	2017
Dudley and Walsall Mental Health Partnership NHS Trust	7.4 – Is the mean average score of the main three questions as shown below

Figure 32 Survey Overall Experience



Mostly the Trust rated within the intermediate 60% of the 52 Trusts surveyed, there are 2 in the top 20% for service users know who to contact out of hours if they have a crisis, and for service users feeling that decision making was carried out jointly with them. In addition, 7 scores are in the lower 20%, and these relate to Changes in Who People See, Treatments, Support and Wellbeing and Overall. Service users' scores on care experience with Dudley and Walsall Mental Health Partnership NHS Trust has an overall rating of 69.1%, with service users rating their experience of our services overall as 'good' or 'very good'.

Figure 33 Benchmarking against other Trusts

How this score compares with other Trusts		Based on patients' responses to the survey, this Trust scored
7.9/10	Listening for the person or people seen most recently listening carefully to them	About the same
7.3/10	Time for being given enough time to discuss their needs and treatment	About the same
7.0/10	Understanding for the person or people seen most recently understanding how their mental health needs affect other areas of their life	About the same

Areas for action focus on maintaining the positive feedback and in addressing some areas for improvement such as in the coordination of care, monitoring the effects of medication, crisis care and receiving additional support and triangulating these findings with other patient experience methods to identify key themes.

2.4.5 Learning from feedback

Over the past twelve months our 8 Experts by Experience (EBEs) have been involved in raising awareness of Trust activities and gaining valuable feedback from service users and carers. We have also gained essential and valuable feedback via informal concerns and comments from the Service Experience Desk and patient surveys. Here are just a few of the selected actions that have been carried out as a result of feedback from those who use our services, their relatives and carers.

Figure 34 You Said – We Did

You Said:	We did:
<ul style="list-style-type: none"> Service users accessing the STEPPS programme would like to be able to continue supporting and meeting with each other following completion of the programme. 	<ul style="list-style-type: none"> A patient experience action plan has been developed and a forum is under development for patients after they have completed the 20 week course, to share experiences, to look at support for service users post intervention and to create of volunteer opportunities and support for service users post intervention
<ul style="list-style-type: none"> The wording on the Psychological Therapies Hub leaflet could put people off attending therapeutic courses and wording could be taken as condescending 	<ul style="list-style-type: none"> Wording was changed to ensure that the leaflet was more motivating but also now highlights the importance of commitment to any interventions offered and how this will enable a patient to better understand their difficulties and overcome their problems.
<ul style="list-style-type: none"> Patients complained about the lack of activities on the ward and access to the activity cupboard 	<ul style="list-style-type: none"> An Activity Lead Nurse has been allocated to the ward and activities that are being carried are going to be monitored.
<ul style="list-style-type: none"> Patients felt that the ward needed a revised timetable and would like more choice of activities 	<ul style="list-style-type: none"> A timetable has been developed and now includes walking groups, relaxation sessions and cooking. Each patient now has their own activity planner so that they can choose what activities to participate in and these are raised at the Ward Community Meeting. Patients can now cook their own breakfast or lunch and this is facilitated by the Occupational Therapist.
<ul style="list-style-type: none"> Patients feel that reviews would be better in the morning as when it's review day they become anxious and agitated waiting around all day. 	<ul style="list-style-type: none"> Groups such as relaxation are now taking place at the start of the day so that patients have a purpose for the day and are using distraction techniques to cope with anxiety about reviews.
<ul style="list-style-type: none"> The care plan/treatment plan was very lengthy. 	<ul style="list-style-type: none"> We have now condensed the care plan into one document, as it was previously two separate documents.
<ul style="list-style-type: none"> In order to ensure that sessions are kept confidential so that patients feel comfortable in talking about sensitive issues, a suggestion was made to have music playing the waiting room. 	<ul style="list-style-type: none"> A TV has been put in the waiting area and plays a range of DVDs that are child friendly.
<ul style="list-style-type: none"> Patients and parents accessing the CAMHs service felt the forms that need to be completed at first appointment were too lengthy and the waiting room is often busy and distracting which makes it harder to complete them. A suggestion was made to send forms out prior to appointment. 	<ul style="list-style-type: none"> Forms are now being sent out to parents prior to appointment as well as having forms available at base in case patients/parents or carers forget to bring them.

2.5 Workforce Performance

2.5.1 Workforce Dashboard

The Trust manages and monitors the following workforce indicators at all levels across the Trust. A Workforce Dashboard example is shown giving the trends over the last 12 months.

Figure 35 Month 12 workforce dashboard

445 Dudley and Walsall Mental Health Partnership NHS Trust												Mar-18	
Staff in Post													
	Target	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
Headcount		1088	1092	1090	1098	1097	1110	1106	1109	1105	1109	1120	1127
Funded Establishment		1148.2	1151.2	1147.7	1102.5	1105.4	1106.5	1102.5	1102.5	1102.5	1129.0	1129.0	1129.0
Staff in Post FTE (Contracted)		992.7	996.0	994.5	1003.7	1004.7	1011.9	1004.2	1004.9	1001.2	1006.1	1018.4	1031.0
WTE Variance		155.4	155.2	153.1	98.8	100.6	94.6	98.3	97.6	101.3	122.9	110.6	98.0
Vacancy %	10.0%	13.5%	13.5%	13.3%	9.0%	9.1%	8.6%	8.9%	8.9%	9.2%	10.9%	9.8%	8.7%
Clinical Vacancy %	10.0%				11.6%	12.1%	11.4%	10.1%	10.2%	10.4%	11.5%	11.1%	11.9%
Worked FTE (Substantive)		992.5	992.7	984.4	988.9	991.5	993.1	993.1	993.1	993.1	993.1	993.1	993.1
Worked FTE (Temp)		126.2	125.7	137.0	156.2	163.0	168.3	168.3	168.3	168.3	168.3	168.3	168.3
Worked FTE (Total)		1,118.7	1,118.4	1,121.4	1,145.1	1,154.5	1,161.4	1,161.4	1,161.4	1,161.4	1,161.4	1,161.4	1,161.4
Turnover % (12 Months)	8-14%	11.56%	11.40%	11.18%	11.21%	11.97%	12.46%	12.68%	12.81%	13.54%	13.71%	13.65%	13.32%
Absence													
	Target	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
Sickness % (Month)	4.68%	3.59%	3.40%	4.01%	4.02%	3.35%	3.96%	3.91%	4.98%	5.29%	5.92%	4.40%	4.18%
Sickness Days Lost FTE (Month)		1,069	1,049	1,196	1,244	1,030	1,192	1,219	1,501	1,644	1,841	1,250	1,321
No of Sickness Episodes (Month)		128	128	155	153	139	165	176	204	222	259	185	186
Cost of Sickness (Month)	£90K	£81K	£100K	£111K	£76K	£89K	£88K	£113K	£124K	£141K	£96K	£121K	
Maternity % (Month)	2.05%	2.23%	2.36%	2.42%	2.35%	2.22%	2.06%	1.68%	1.75%	1.68%	1.97%	2.09%	
Sickness % (12 Months)	4.68%	4.24%	4.14%	4.11%	4.05%	3.93%	3.88%	3.88%	3.98%	4.13%	4.29%	4.27%	4.38%
Long Term Sickness % (12 Months)		62.6%	63.5%	61.6%	62.5%	60.0%	59.6%	59.3%	60.9%	63.0%	63.0%	62.9%	63.0%
Cost of Sickness (12 Months)	£1,249K	£1,208K	£1,198K	£1,195K	£1,140K	£1,110K	£1,105K	£1,136K	£1,179K	£1,228K	£1,220K	£1,456K	
Development													
	Target	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
Appraisals Completed		740	722	729	757	801	794	767	762	783	796	731	787
Appraisals Outstanding		126	147	150	136	110	113	135	146	137	126	175	135
Appraisals Required		866	869	879	893	911	907	902	908	920	922	906	922
Appraisal %	85%	85.5%	83.1%	82.9%	84.8%	87.9%	87.5%	85.0%	83.9%	85.1%	86.3%	80.7%	85.4%
Mandatory Training %	90%	88.0%	88.6%	88.3%	90.6%	92.0%	90.5%	90.1%	89.4%	90.2%	90.3%	90.1%	90.2%
Essential Skills Training %	90%	68.3%	70.2%	71.8%	72.1%	73.7%	74.5%	71.3%	72.2%	73.5%	74.3%	76.1%	77.8%

2.5.2 Staff survey

The Trust values staff feedback and recognises that the annual Staff Survey is the largest and most comprehensive means of understanding what is working well and what opportunities for improvement and development there are.

Quality Health (QH) acts independently on our behalf to undertake the Trust's Staff Survey which is sent to all permanent staff, via an approximately 50:50 split, of paper and electronic surveys to offer the widest opportunity for completion. 1061 surveys were sent out, after excluding respondents that were later known to be ineligible, a usable sample of 1,034 remained of which 541 completed the survey yielding a response rate of 52.3%, an increase on the 51% response rate of 2016, and at the higher end of NHS Trust response rates, the QH average for 2017 being 44%.

QH went on to say:

"The Staff Survey results for Dudley and Walsall Mental Health Partnership NHS Trust show a positive picture, the Trust is performing well & this is reflected in the views of staff."

Our overall Engagement Score has increased from 3.79 to 3.94 (scored out of 5). This is against a 3.79 mental health sector average score for 2017 which places us 2nd out of 26 Trusts in the mental health/learning disability sector and 9th out of 235 English NHS Trusts.

Key Findings:

For ease of analysis the 87 individual Staff Survey questions are condensed into 32 Key Findings (KF) where several questions are used to compile one overall score (% or out of 5) in a given area. These results exemplify the success the Trust has achieved.

Compared to all 235 NHS England Trusts, the Trust had the highest score in 2 Key Findings

- Key Finding 7. Percentage of staff able to contribute towards improvements at work
- Key Finding 10. Support from immediate managers

Compared to 26 Specialist NHS England Mental Health and Learning Disability Trusts, the Trust had the highest score in a further 10 Key Findings; overall the Trust is ranked as 2nd amongst specialist Mental Health Trusts in England for all criteria.

- Key Finding 2. Staff satisfaction with the quality of work and care they are able to deliver
- Key Finding 3. Percentage of staff agreeing that their role makes a difference to patients / service users
- Key Finding 4. Staff motivation at work
- Key Finding 8. Staff satisfaction with level of responsibility and involvement
- Key Finding 9. Effective team working
- Key Finding 12. Quality of appraisals
- Key Finding 14. Staff satisfaction with resourcing and support
- Key Finding 19. Organisation and management interest in and action on health and wellbeing
- Key Finding 20. Percentage of staff experiencing discrimination at work in the last 12 months
- Key Finding 30. Fairness and effectiveness of procedures for reporting errors, near misses and incidents

The Trust scores in the top 5 of responses for 26 out of 32 of the Key Findings and in the top 8 for all responses across all 32 Key Findings.

The Trust's performance against the mental health sector Key Findings is impressive and show that in 9 KF (28%) we are scoring significantly better than sector; in 23 (72%) there is no significant variation and in no instances did we perform significantly worse than the sector.

Alongside 2017 sector comparisons, it is also important to compare our performance against our 2016 results, which were similarly very positive, and we have managed to make some progress even against this high benchmark. Looking at Key Findings compared to 2016 we have improved significantly against 1 KF (3%) and have no significantly variation in the remaining 31 (97%) Key Findings.

There are only 2 questions out of 87 where results have significantly slipped back against 2016, and only 1 of those is significantly lower than the sector scores (Q. 8a)

- Q. 8a. *I know who the senior managers are here.* 80% (85%)
- Q. 11c. *The last time you saw an error, near miss or incident that could have hurt staff or patients / service users, did you or a colleague report it?* 94% (97%)

This leaves the Trust in the enviable position of only having these 2 areas of urgent focus, enabling a choice of which other priorities to select.

Whilst harassment, bullying and abuse (HBA) scores are well with NHS norms we wish to maintain a focus on these areas as any staff experiencing HBA at work from colleagues, managers, patients or members of the public is unacceptable.

In recognition of the challenging working conditions we will also be focusing on staff health and well-being and stress, as whilst our scores are good in terms of the NHS in general, they remain areas where we would like to see improvement over 2018/19 and will form part of our action plans working with senior managers and service lines.

2.5.3 Staff Friends and Family Test

The Trust launched the Staff Friends and Family Test via its intranet, in May 2014 and monitors these results quarterly throughout the year, drilling down into the free text comments as to why people answered the way they did. This has seen staff stating they would recommend the Trust as a place for treatment/care to friends and family increase from 72% in Quarter 1 2014 to 82% in Quarter 4, February 2018 and 66% of staff saying they would recommend the Trust as a place of work.

The Trust's performance against this question was as follows:

Figure 36 How likely are you to recommend the Trust to friends and family as a place for treatment/care?

Survey Period	Result
2015/16 Q1	75%
Q2	79%
Q3	No survey run
Q4	79%
2016/17 Q1	79%
Q2	82%
Q3	No survey run
Q4	84%
2017/18 Q1	79%
Q2	82%
Q3	No survey run
Q4	82%

The Trust's performance against this question was as follows:

Figure 37 How likely are you to recommend the Trust to friends and family as a place of work?

Survey Period	Result
2014/15	59%
Q2	53%
Q3	No survey run
Q4	66%
2015/16	73%
Q2	68%
Q3	No survey run
Q4	70%
2016/17	68%
Q2	68%
Q3	No survey run
Q4	71%
2017/18	71%
Q2	65%
Q3	No survey run
Q4	66%

2.5.4 Freedom to speak up guardian

Acknowledging the on-going national challenges around bullying and harassment and following the recommendations from the Francis Report, in 2016 the National Guardians Office was set up to facilitate and support a national network of local Trust Freedom To Speak Up Guardians (FTSUG). The Trust's FTSUG has continued to work with senior management and engage with all staff to promote the role and a culture of openness in which staff feel able to "speak up" in confidence, without fear of detriment and are assured of actions being taken and feedback provided. Extensive publicity and communication to raise the Guardian's profile, as well as quarterly reports to the Trust Board continue to support this initiative. Whilst the Trust has had concerns brought to its attention, in common with national trends these have primarily been around behaviours and attitudes.

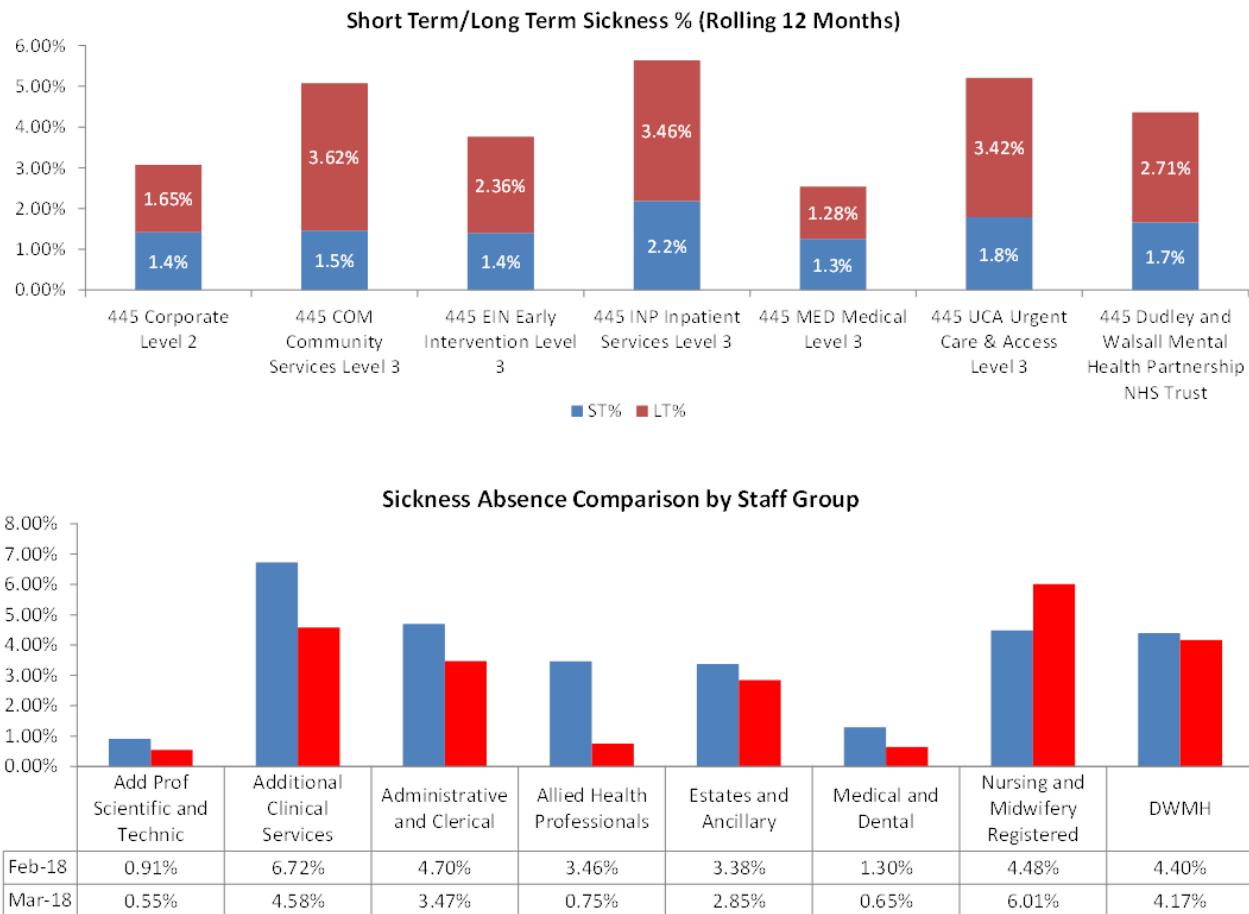
We continue to utilise a Trust wide volunteer network of **Staff Engagement Champions**, members of staff that support the Trust in reaching out to staff and communicating with them, gathering feedback as well as feeding into, commenting on and supporting various initiatives, such as Trust policy reviews, Trust Priorities and NHS 70th anniversary celebrations.

2.5.5 Managing sickness absence

The HR function works alongside managers and Occupational Health to monitor and manage sickness absence in line with Trust Policy and the Equality Act 2010. A weekly report is managed within HR of all long-term sickness absence cases to ensure early intervention. HR Advisors have been assigned to dedicated service lines to help support the management of sickness absence.

Over the coming year the Trust's sickness absence policy will be reviewed with staff side and operational managers to ensure a more 'fit for purpose' Trust policy and dedicated training for managers will be developed alongside the new policy. In addition, the current contractual position with the outsourced Occupational Health department will be reviewed.

Figure 38 Short and long term sickness



Long term sickness accounts for 62% of sickness for the rolling 12 month period to Mar-18.

The top 3 reasons for sickness based on FTE days lost for Month 12 were:

- Anxiety/Stress – 348
- Other musculoskeletal problems - 183
- Cough, Cold, Flu – 120

2.5.6 Mandatory and Essential Training

During 2017/18 the Trust has retained its focus on achieving mandatory training compliance targets and has sustained a good performance throughout the year. Steady and targeted improvement has also been made in increasing compliance in essential areas of training which are specific to job roles. This remains a focus for improvement for 18/19 and work is planned to simplify the description of training requirements for total clarity on the mandatory status of training by job role. Work to maximise use of training places and increase uptake of eLearning is also planned

Figure 39 Training

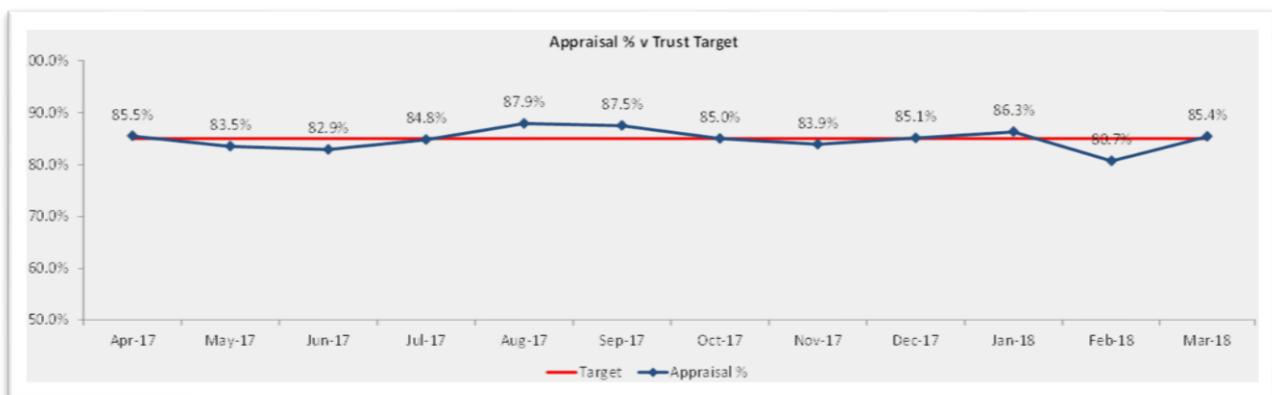
445 Dudley and Walsall Mental Health Partnership NHS Trust							Mar-18	
Training Compliance								
Competence	Target	Completed	Feb-18 Required	%	Completed	Mar-18 Required	%	+/-
Mandatory Training	90%	7600	8434	90.1%	7600	8428	90.2%	▲
Essential Skills	90%	4960	6521	76.1%	5107	6461	79.0%	▲
Combined Training %	90%	12560	14955	84.0%	12707	14889	85.3%	▲
Mandatory Training								
Competence	Target	Completed	Feb-18 Required	%	Completed	Mar-18 Required	%	+/-
Equality, Diversity and Human Rights	90%	967	1029	94.0%	955	1029	92.8%	▼
Fire Safety	90%	909	1029	88.3%	894	1029	86.9%	▼
Health and Safety	90%	975	1029	94.8%	969	1029	94.2%	▼
Infection Control (Clinical)	90%	625	731	85.5%	600	724	82.9%	▼
Infection Control (Non Clinical)	90%	280	299	93.6%	283	303	93.4%	▼
Information Governance	95%	901	1029	87.6%	890	1029	86.5%	▼
Moving and Handling (Foundation)	90%	953	1029	92.6%	942	1029	91.5%	▼
Moving and Handling (Patient Handling)	90%	155	241	64.3%	167	234	71.4%	▲
Safeguarding Adults Level 1	90%	262	273	96.0%	263	281	93.6%	▼
Safeguarding Adults Level 2	90%	683	736	92.8%	679	730	93.0%	▲
Safeguarding Children Level 1	90%	254	272	93.4%	255	280	91.1%	▼
Safeguarding Children Level 2	90%	636	737	86.3%	639	731	87.4%	▲
Essential Skills								
Competence	Target	Completed	Feb-18 Required	%	Completed	Mar-18 Required	%	+/-
Clinical Risk Assessment (Suicide Training)	90%	327	523	62.5%	347	520	66.7%	▲
Conflict Resolution (Personal Safety)	90%	523	699	74.8%	533	693	76.9%	▲
Domestic Violence and Abuse	90%	512	689	74.3%	520	684	76.0%	▲
Medicines Management (Competency Framework)	90%	209	360	58.1%	215	356	60.4%	▲
Mental Capacity Act	90%	652	755	86.4%	643	748	86.0%	▼
Mental Health Act	90%	378	523	72.3%	383	520	73.7%	▲
PREVENT - No Renewal	90%	701	753	93.1%	695	746	93.2%	▲
Rapid Tranquillisation	90%	92	166	55.4%	112	165	67.9%	▲
Resuscitation Level 2 with AED (BLS)	90%	451	699	64.5%	517	693	74.6%	▲
Resuscitation Level 3 (ILS)	90%	70	116	60.3%	82	114	71.9%	▲
Safeguarding Adults Level 3	90%	490	531	92.3%	484	527	91.8%	▼
Safeguarding Children Level 3	90%	401	476	84.2%	403	471	85.6%	▲
Violence & Aggression Module A (MAPA®)	90%	154	231	66.7%	173	224	77.2%	▲

2.5.7 Managing staff performance (Appraisals)

During 2017/18 the level of appraisal activity has been sustained at a good level within the Trust with targets exceeded for over half of the year. Workshops for managers on how to conduct a good appraisal and for staff on how to get the most out of their appraisal have continued and have been incorporated into Nurse Development programmes.

The quality of appraisals has been rated highly through staff survey feedback, with staff reporting leaving their appraisal feeling valued by the organisation. Review work to improve the process of recording appraisals is planned for the new year to support a trust wide approach to managing talent and evidencing pay progression.

Figure 40 Appraisals



Appraisal compliance is tracking at 85.4% at the end of Mar-18.

There are 135 employees in the Trust that haven't had an appraisal recorded on ESR in the last 12 months.

3 FINANCIAL PERFORMANCE

3.1 Financial Trends

The Trust has continued to build financial strength since its formation in 2008, growing its surplus, developing its contracting capabilities and relationships with commissioners, transforming services and continuing to improve the estate from which services are provided.

The following table summarises high-level financial information over the last ten years.

Figure 41 High-Level Financial Information

	2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Income	34,186	66,578	67,918	67,298	71,302	65,388	64,750	64,546	66,293	69,482
Surplus	202	377	883	1,163	3,575	1,936	888	1,960	2,199	3,384
Cash	5,398	6,132	6,230	6,932	11,923	12,748	14,187	14,294	16,966	17,982
Savings	1,500	2,000	1,991	2,736	2,804	2,888	2,616	2,380	2,500	3,462

The table above reflects the following factors:

- 2017/18 was financially another successful year for the Trust – the Trust has delivered a surplus in every year since its establishment in 2008
- An increase in income of almost £3.2m over 2016/17 which reflects an additional £900k Service Transformation Fund income from NHS England, £1,000k increase in CAMHS funding, £500k ANS service and other minor service developments of over £800k.
- A continuing improvement in the level of the Trust's cash balance. An average cash balance in excess of £20 million through the financial year saved the Trust over £700k in Public Dividend Capital (PDC) charges
- In line with all other NHS provider organisations the Trust has been required to deliver cost improvement savings (CIP) of approximately four per cent per annum over recent years, the Trust delivered almost £3.5m of such savings in 2017/18

3.2 Financial Targets

The table below summarizes the Trust's performance against the key financial duties for the year ended 31 March 2018.

Figure 42 Performance against Key Financial Duties

Duty	Target	Performance	Comment
Ensuring expenditure does not exceed income	Breakeven	£3,384k Surplus	Achieved – in addition, the Trust exceeded its 'Control Total' for the year as set by NHS Improvement
Remain within approved Capital Resource Limit (CRL)	£2,900,000	£2,896,000	Achieved
Achieve a capital cost absorption rate of 3.5%	3.5% (+/- 0.5%)	3.5%	Achieved
Adhere to terms of Better Payment Practice Code	95% of all creditors should be paid by their due date or within 30 days of receipt of invoice, whichever is later	Between 93 and 96% of all payments were made in accordance with the Better Payment Practice Code	Achieved
Do not exceed the approved External Finance Limit	£845,000 Cash Outflow	£1,861,000 Undershoot	Achieved

3.3 Where does the Trust's Income come from?

The Trust had contracts with 2 key NHS commissioners in 2017/18. These were Walsall CCG and Dudley CCG.

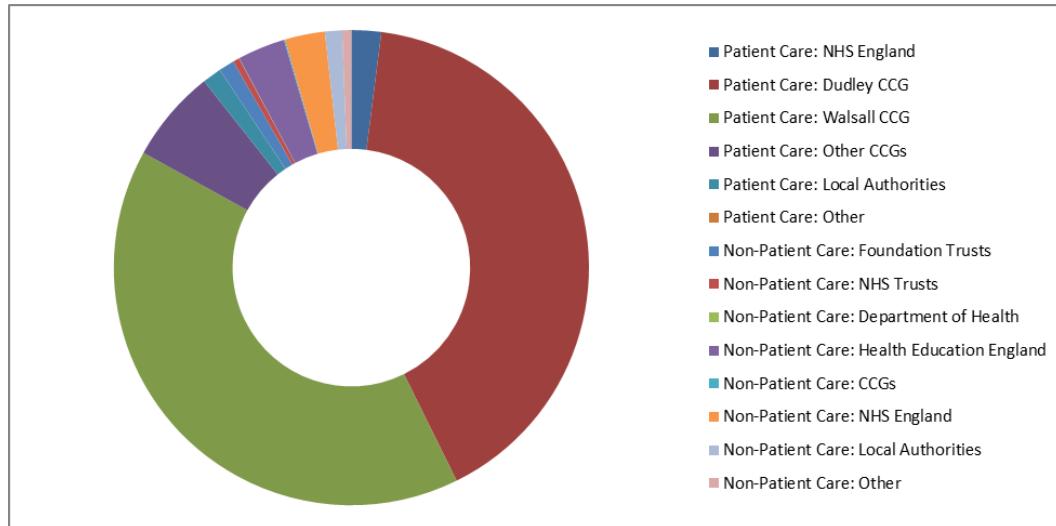
The Trust also provides services to people who live in the boroughs of Dudley or Walsall but are registered with GPs in neighboring boroughs. These services are covered by contracts with eleven other local CCGs, namely:

- Sandwell & West Birmingham CCG
- Wolverhampton CCG
- Birmingham Cross City CCG
- Birmingham South Central CCG
- South East Staffordshire and Seisdon CCG
- Stafford and Surrounds CCG
- Cannock Chase CCG
- East Staffordshire CCG
- Redditch & Bromsgrove CCG
- Wyre Forest CCG
- South Worcester CCG

In addition, the Trust provided mental health services to Deaf Children and Adolescents under a contract with NHS England (West Midlands Commissioning Hub) and provided Inpatient Detox Services and Community Development Workers under contracts with Dudley Metropolitan Borough Council.

All key contracts for the year were signed. The Trust received £69.5m of income in 2017/18; a breakdown of where this income was received from is shown in the chart below.

Figure 43 The Trust's Income

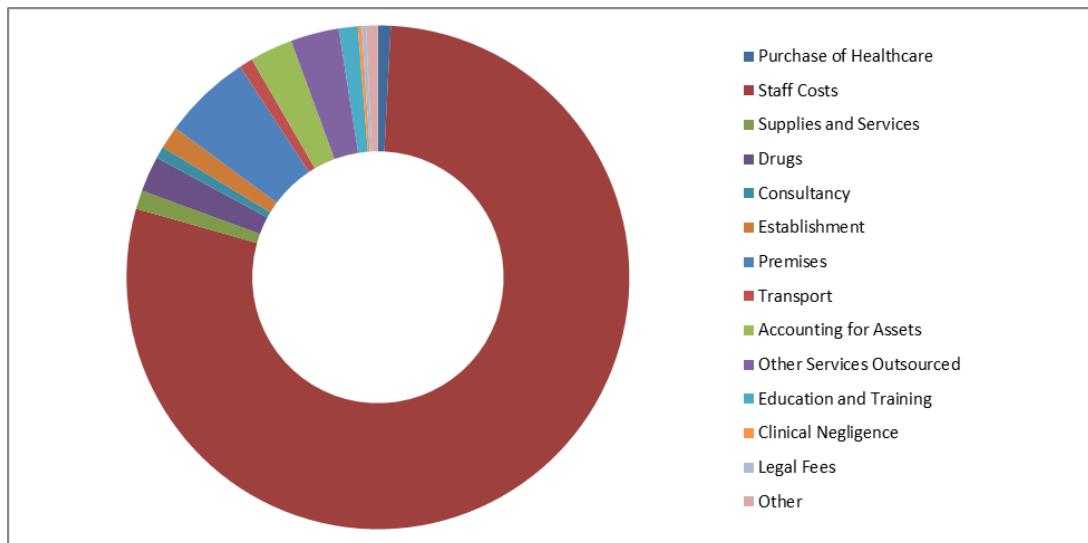


3.4 How is the Trust's money spent?

The Trust's total operating expenditure for the 2017/18 financial year was £65.5m. Operating expenditure in the previous year was £79.2m. However, the Trust incurred impairments of £15.8m in 2016/17 as the result of a change in Land and Building valuation method. Taking this into account, the increase in expenditure year on year is mainly attributable to increased Staff and Executive Director Costs incurred in delivering the additional activity and resulting income in the financial year.

This is by far the largest element of expenditure incurred by the Trust and relates to salaries and wages of directly employed staff and invoices paid in respect temporary workers employed via employment agencies. On average the Trust employed 1,168 whole time equivalent staff which resulted in employee benefits being paid to staff of £51.5m, this equates to 79% of total operating expenditure.

Figure 44 Summary Expenditure



3.5 Capital Expenditure

The Trust has continued to build on the large sums invested in previous years to improve its estate and IT infrastructure during the financial year, with £2.9m being spent on capital works in 2017/18. Projects undertaken included:

Figure 45 Capital Works Undertaken

Capital Scheme	Expenditure £000
Bushey Fields Hospital – Clee Ward Refurbishment	1,536
Bushey Fields Hospital – Hard Standing External Works	102
Bushey Fields Hospital – Sandringham Admin Facilities Refurbishment	182
Other Small Estates Schemes	146
Trust Wide – Fire Precaution Works (inc. Fire Doors)	508
Trust Wide – Replacement Ward and Medical Equipment	133
Trust Wide – Replacement Catering Equipment	23
Trust Wide – Purchase of Transcranial Magnetic Stimulation Machine	43
Purchase and Development of IT Software	172
Purchase of IT Hardware	50
	2,895

3.6 Payment of Suppliers

3.6.1 Better Payment Practice Code

The Better Payment Practice Code (BPPC) requires organisations to aim to pay all valid invoices by their stated due date or within 30 days of receipt, whichever is later. Performance against this target, over the financial year, was as follows:

Figure 46 Better Payment Practice Code Performance

	2017/18	
	Number	£000
Non-NHS Payables		
Total Non-NHS trade invoices paid in the year	15,945	27,156
Total Non-NHS trade invoices paid within target	14,801	26,157
Percentage of non-NHS trade invoices paid within target	92.83%	96.32%
NHS Payables		
Total NHS trade invoices paid in the year	623	6,224
Total NHS trade invoices paid within target	593	5,835
Percentage of NHS trade invoices paid within target	95.18%	93.76%

3.6.2 Prompt Payments Code

The Prompt Payment Code (PPC) sets standards for payment practices and best practice. The code is administered by the Chartered Institute of Credit Management. Dudley and Walsall Mental Health Partnership NHS Trust signed up to the code in October 2009.

3.7 External Audit Services

The Trust's external auditors are Grant Thornton UK LLP, The Colmore Building, 20 Colmore Circus, Birmingham, West Midlands, B4 6AT. Payments to Grant Thornton UK LLP for the period for audit and non-audit services were as follows:

Figure 47

	2017/18 £000	2016/17 £000
Audit services	£49,000	£48,000
Other auditor's remuneration – audit-related assurance services	£12,000	£12,000

3.8 Countering Fraud, Bribery and Corruption

The Trust is committed to ensuring NHS resources are appropriately protected from fraud, bribery and corruption and follows the national anti-fraud strategy and the series of standards for providers of NHS services. As an NHS Provider the Trust ensures that NHS funds and resources are safeguarded against those minded to commit fraud, bribery or corruption. Failure to do so impacts on a provider's ability to deliver services and treatment, as NHS funds and resources are wrongfully diverted from patient care.

In order to reduce economic crime against the NHS, it is necessary to take a multi-faceted approach that is both proactive and reactive. The Trust's local Anti-Fraud Specialist (AFS) follows the four key principles, in accordance with the NHS anti-fraud strategy. These are designed to minimise the incidence of economic crime against the NHS and to deal effectively with those who commit crime.

The four key principles are:

1. **Strategic Governance** - this standard sets out the standards in relation to the organisation's strategic governance arrangements. The aim is to ensure that anti-crime measures are embedded at all levels across the organisation
2. **Inform and involve** those who work for, or use the NHS, about economic crime and how to tackle it. NHS staff and the public should be informed and involved to increase everyone's understanding of the impact of economic crime against the NHS. This takes place through communications and promotion such as face to face anti-fraud presentations, public awareness campaigns and media management. The AFS presents as part of the Trust induction. Working relationships with stakeholders are strengthened and maintained through active engagement
3. **Prevent and deter** economic crime in the NHS to take away the opportunity for crime to occur or to re-occur and discourage those individuals who may be tempted to commit economic crime. Successes are publicised internally during anti-fraud presentations and using other media opportunities so that the risk and consequences of detection are clear to potential offenders. Those individuals who are not deterred should be prevented from committing economic crime by robust systems, which will be put in place in line with policy, standards and guidance
4. **Hold to account** those who have committed economic crime against the NHS. The Trust's AFS is a professionally accredited investigator and is qualified to the required standards. Once allegations of suspected economic crime are received by the Trust, the AFS must ensure that investigations are undertaken to satisfy national legislation. The Trust encourages the prosecution of offenders, and where appropriate refers offenders to their professional bodies for disciplinary sanction. Economic crimes must be detected and investigated, suspects prosecuted where appropriate, and other methods of redress sought where possible. Where necessary and appropriate, economic crime, investigation and prosecution will take place locally wherever possible. Nevertheless the AFS also works in partnership with the police and other crime prevention agencies to take investigations forward to criminal prosecution.

The Trust has an Anti-Fraud Bribery and Corruption Policy in place which is designed to make all staff aware of their responsibilities should they suspect offences being committed. When economic crime is suspected it is fully investigated in line with legislation, with appropriate action taken, which can result in criminal, disciplinary and civil sanctions being applied. In addition, the Trust has the following policies and procedures which support anti-fraud work:

- Security Management Policy
- Standards of Business Conduct Policy
- Whistle Blowing Policy and Procedure
- Disciplinary Policy

If you are concerned about fraud in the NHS, report it to the confidential NHS Fraud and Corruption Reporting Line on **0800 028 4060** or online at <https://cfa.nhs.uk/reportfraud>

I confirm adherence to the reporting framework in preparation of the Performance Report



Signed Mark Axcell (Chief Executive)

Date 21.05.2018

PART B ACCOUNTABILITY REPORT

4 CORPORATE GOVERNANCE REPORT

5 The director's report

The following table provides detail of the Trusts substantive¹ Directors, Non-Executive Directors, Chair and Chief Executive.

Figure 48 Board Directors 2017/18

Board Member	Profile	Committee Involvement	Declared Interests
 Harry Turner, Chair From 1 February 2018, appointed for a year. Non-Executive Director from 1 August 2017 to 31 January 2018 and (non-voting) Associate Non-Executive Director From 1 November 2017	<p>Harry's professional career has been spent in the hospitality sector, managing a range of hotel groups, golf courses and leisure clubs.</p> <p>Recently he has held senior operational management positions in national and international companies such as Travel Inn (now Premier Inn), Marriott Hotels International and most recently a Director of a private equity backed takeover of Travelodge.</p> <p>Since 2008 he has held Board level positions within the NHS, he was, for 6 years, the Chair of Worcestershire Acute NHS Trust.</p> <p>He is currently a Magistrate within West Mercia, Chairman of the John Taylor Hospice in Birmingham, a Non-Executive Director at Robert Jones and Agnes Hunt Orthopaedic Hospital. He is also a steering group member on an NHS research project focused on patient experience.</p>	<p>Harry is Chair of the Nominations and remuneration Committee.</p> <p>Before being appointed Chair, in his capacity of Associate Non-Executive Director and then Non-Executive Director Harry has served as a member of the Quality & Safety Committee and as Chair and or member of the Finance & Performance Committee, the Workforce Committee and the Nominations and Remuneration Committee.</p> <p>Until 31 March 2018 Harry was also the Trust's Non-Executive Director representative on the MERIT NED Assurance Group</p>	<p>Chair – John Taylor Hospice, Birmingham</p> <p>Steering Group Member – NHS Research Project PEARL</p> <p>Owner – FTK Associates</p> <p>Owner – Vacation Rentals Lda</p> <p>Portugal</p> <p>Deputy Chair</p> <p>Worcestershire Magistrates</p> <p>Magistrate – West Mercia benches Non-Executive</p> <p>Director – Robert Jones and Agnes Hunt NHS Foundation Trust</p>

Board Member	Profile	Committee Involvement	Declared Interests
 Ben Reid, Chair From 8 April 2016 to 31 January 2018	<p>Ben is Chief Executive of The Mid Counties Co-operative, a service sector company with an annual turnover circa £750m. He is a former Director of the Cooperative Group and a former Director of the Cooperative Banking Group. Ben was also formally Chair of the Walsall Urban Regeneration Company and Chair of Business in the Community, Chair of Co-operatives UK Limited, the apex body for co-operatives and Regional Chair of the Learning and Skills Council. Ben is a qualified accountant who was the Chair at Walsall Healthcare NHS Trust and has formerly held senior level positions with Lincolnshire Area Health Authority and he also has extensive links with the business and regeneration communities in Walsall and the Black Country.</p> <p><i>Fellow of Chartered Association of Certified Accountants – F.C.C.A. Institute of Co-operative Directors – I.C.D</i></p>	Ben was the Chair of the Board and the Nominations and Remuneration Committee. He is also Chair of the shadow Council of Governors.	Chief Executive – Mid Counties Cooperative Governor – Wolverhampton University Chair – Fair For You Charity
 John Burbeck, (non-voting) Associate Non-Executive Director From 1 August 2017 to 31 March 2018	<p>John has spent most of his working life in the public sector – NHS, Criminal Justice and Police where he rose to the rank of Chief Constable. He has worked at senior level in multi-national telecoms and professional services companies, set up and chaired a Not for Profit organisation delivering child safety education and run his own consultancy. He gained a broad experience as a Non Executive Director in the Worcestershire Acute Health Trust over 6 years. He had periods as Interim Board Chair, and Chair of the Quality Governance, Finance and Performance, and Workforce Committees.</p> <p>Having given up his other roles he is able to fully support the Trust as the need arises.</p> <p>Queen's Police Medal</p> <p>Fellow Chartered Management Institute</p> <p>BSc Mechanical Engineering</p>	John was a member of the Quality & Safety Committee and the Audit Committee. He was also the Chair and a member of the Mental Health Act Scrutiny Committee	No Declared Interests

Board Member	Profile	Committee Involvement	Declared Interests
 <p>Gill Cooper, Non-Executive Director From 1 August 2013 to 31 July 2017.</p>	<p>Gill has lived and worked in the Black Country for over 40 years. She began her working life as a Design Draughtswoman for a large Window Manufacturing Firm before joining Dudley Council for Voluntary Service where she established the Borough's first Volunteer Bureau together with numerous patient /carer organisations. She is married with one son, a young grand-daughter and is a carer for her elderly Mother.</p> <p>She has extensive knowledge of the public, private and voluntary sectors having chaired many statutory multi agency Boards and has 23 years' experience as a No- Executive Director in the NHS. Notably, Gill chaired Dudley PCT and the Black Country Cluster Board before joining the Trust. Gill is also a serving Justice of the Peace.</p> <p><i>ONC / HNC Building Technology</i></p>	<p>Gill was chair of the Mental Health Act Scrutiny Committee and a member of the Audit Committee and the Nominations and Remuneration Committee.</p>	<p>Trustee – Frederick Pearson Fisher Charity Serving Justice of the Peace - Dudley Bench</p>
 <p>Simon Murphy, Non-Executive Director From 1 February 2015, Simon's appointment has been extended until 31 December 2018</p>	<p>Simon is Chair of the Sandwell Local Improvement Finance Trust Company, a public-private partnership that builds and manages health centres. He is a Board member of the Worcestershire Local Enterprise Partnership, and also Chair of the Finance and Audit Committee of the regional employment and environment charity, Groundwork West Midlands. Simon has represented Dudley and Walsall as a Member of the European Parliament. He is former Director of the Birmingham Coventry and Black Country City Region, and has been a Governor of the University of Wolverhampton, as well as a University Tutor. He holds a PhD in conflict management.</p> <p>Simon is married with two children, and in his spare time are a junior rugby coach, and the manager of a girls' cricket team.</p>	<p>Simon is the Senior Independent Director (SID) and Chair of the Quality and Safety Committee He is also a member of the Nominations and Remuneration Committee. Simon is the NED lead for Duty of Candour and NED lead for Mortality for the Trust.</p>	<p>Chair, Sandwell Local Improvement Finance Trust Company Ltd</p>

Board Member	Profile	Committee Involvement	Declared Interests
 Pawiter Rana, Non-Executive Director Associate (non-voting) NED From 1 February 2015 to 30 September 2016, appointed Non-Executive Director From 1 October 2016, with an appointment for 2 years	<p>Pawiter has enjoyed a successful and varied career in ICT spanning the last 28 years, and took up his first role as a Test Software Engineer. Subsequently he undertook several software engineering roles, gaining a number of individual contribution awards. In 1993 Pawiter joined Fujitsu Telecommunications Europe Ltd and made rapid progress from his position as a software engineer to Technical Lead on the first major development Fujitsu had implemented in the UK. Since 1995 he has been involved with leading the software and systems development on many new products, owning the complete end to end development and delivery.</p> <p>In 2003 Pawiter became Engineering Director and is presently Director of Design, Implementation and Platform Operations in Fujitsu UK&I. Born in the West Midlands, he currently lives in Walsall, is married with three daughters and enjoys sports and watching the Horizon channel.</p> <p><i>Postgraduate Certificate in Mathematical Modelling and Computer Simulation.</i></p>	Pawiter is the Chair of the Workforce Committee and is a member of the Nominations and Remuneration Committee.	Head of Service Delivery, Network and Telecoms, MIS EMEA Fujitsu

Board Member	Profile	Committee Involvement	Declared Interests
 <p>Olivia Clymer, Non-Executive Director Associate (non-voting) NED From 15 April 2015 to 31 August 2016, appointed Non-Executive Director From 1 September 2016 stepped down with effect from 11 August 2017</p>	<p>Olivia's early career was spent with the Environment Agency which led to relate service in both the public and private sectors. Experience of the voluntary and community sector and local authority developed a focus on regeneration and the challenges of social & economic disadvantage. Olivia has served as a member for the Consumer Council for Water, part of the regulatory framework for the Water Industry and for nine years as a housing association board member. Experience working in local authority social care transformation and latterly mental health advocacy has led to her application to the Trust.</p>	<p>Olivia was the Chair of the Workforce Committee and Chair and a member of the Mental Health Act Scrutiny Committee. She was also a member of the Nominations and Remuneration Committee.</p>	<p>Non-Executive Director – Northampton General Hospital NHS Trust</p>

Board Member	Profile	Committee Involvement	Declared Interests
 <p>John Lancaster, Non-Executive Director From 1 November 2016. John's appointment has been extended to 31 December 2018</p>	<p>John, following a period in the motor industry joined Dairy Crest, initially in finance, before moving into general management where he was responsible for operations in the East of England before working his way up to Operations Director for the National liquid business. In 1996, he joined British waterways as general manager in the Midlands. He retired a decade later, in October 2006 as Managing Director. He served as a Non-Executive Director with West Midlands Ambulance Service for ten years from their formation as a Trust, to obtaining Foundation Trust status. He chaired Stratford town Trust, and South Warwickshire Young Enterprise. John and his wife, Mo, have a home in Stratford-upon-Avon, where they have lived for nearly thirty years. They have three grown up children and John now occupies his spare time rowing on the Avon and running, having completed the New York Marathon.</p> <p>John is a Chartered Accountant</p>	<p>John is the Chair of the Audit Committee and a member of the Finance and Performance Committee and the Nominations and Remuneration Committee</p>	<p>No declared interests</p>
 <p>Mark Axcell, Chief Executive from 8 August 2016, Acting Chief Executive from 27 January 2016 to 7 August 2016</p>	<p>Mark is a qualified accountant with over 20 years' experience in NHS Finance. Mark has worked both in provider and commissioning Trusts. Prior to joining the Trust, Mark worked at Mid Staffordshire NHS Foundation Trust and Trusts in the local health economies.</p> <p><i>Chartered Institute of Public Finance and Accountancy</i></p>	<p>Mark is a member of the Finance & Performance Committee, Quality and Safety Committee and the Workforce Committee. He Chairs MExT</p>	<p>Chair – A Child of Mine Charity</p>

Board Member	Profile	Committee Involvement	Declared Interests
 Rupert Davies, Interim Director of Finance, Performance and IM&T From 26 January 2016 And Deputy CEO from 24 April 2017	<p>Rupert has over thirty years' experience in NHS finance, including as Director of Resources at Worcestershire Partnership NHS Trust and Director of Finance at West Midlands Ambulance Service NHS Foundation Trust. Other key roles included supporting one of the first NHS foundation trust mergers – that of South Staffordshire Healthcare with the Shropshire PCT's mental health services, resulting in the expanded trust securing the first ever 'Monitor/HFMA Foundation Trust of the Year' award</p> <p><i>Chartered Institute of Public Finance and Accountancy</i> <i>Ph.D, Economic and social history, University of Leicester</i> <i>M.A Economic history, University of Leeds</i> <i>B.A Social Sciences, University of Kent</i></p>	<p>Rupert is a member of the Committees for Finance & Performance and Workforce and is a member of MExT. He chairs the Estates and Capital Planning Group.</p> <p>Rupert is the Senior Information Risk Owner (SIRO) for the Trust.</p>	Sole Director of Radic Solution Ltd Non active member of the Labour Party
 Kate Gingell, Joint Medical Director From 1 October 2012 to 31 January 2018	<p>Kate qualified as a doctor in 1979 and specialised in psychiatry following a period of six years working in Africa. She has worked as a Consultant in Child and Adolescent Psychiatry in Dudley since 1995. She joined the senior management team as an Associate Medical Director in 2010. She continues to undertake clinical work for Children and Adolescent services.</p> <p><i>MB.ChB (Liverpool)</i> <i>F.R.C.Psych</i> <i>P.G.C.M.E</i></p>	<p>Kate was a member of the Quality & Safety Committee, Mental Health Act Scrutiny Committee, Finance & Performance Committee, Workforce Committees, and is a member of MExT.</p> <p>She was the Caldicott Guardian for the Trust.</p>	No declared interests

Board Member	Profile	Committee Involvement	Declared Interests
 <p>^{1, 2} Marsha Foster, Acting Director of Operations and substantive Deputy CEO from 18 November 2016 to 23 April 2017 and Acting Director of Operations from 26 March 2018, substantive Director of People and Corporate Development and Deputy CEO From 23 March 2012</p>	<p>Marsha began her NHS career in 1995 via the NHS General Management Training Scheme. She then undertook a range of general management and service development posts within mental health services in Birmingham and Solihull, before project managing a number of NHS mergers. She was the project director for the formation of Dudley and Walsall Mental Health Trust and was then appointed as Head of Corporate Affairs for the Trust. Appointment as Executive Director of People & Corporate Development followed in March 2012.</p> <p><i>PG Diploma Healthcare Management</i> <i>BA (Joint Hons) Economics & Management Studies</i></p>	<p>Marsha is a member of the Committees for Finance & Performance, Quality & Safety, Mental Health Act Scrutiny and is a member of MExT. She chairs the Equality and Diversity Steering Group.</p>	<p>No declared interests</p>

Board Member	Profile	Committee Involvement	Declared Interests
 1 Wendy Pugh, Director of Operations, Nursing, Governance, Quality & Estates. From 1 October 2008	<p>Wendy has worked within the NHS for over 20 years and began her career as a staff nurse in 1989. Since then Wendy has worked in a variety of roles all of which contributing to local mental health services. Over the last five years Wendy has undertaken a whole systems approach to the delivery of mental health services, and introduced a robust Care Program Approach for mental health services provided in Dudley and Walsall.</p> <p><i>Registered Mental Health Nurse</i></p>	<p>Wendy is a member of the Quality & Safety, Finance & Performance Committees and Workforce Committee and is a member of MExT.</p> <p>She is also a member of the Health & Safety Committee.</p> <p>Wendy has the role of the Director of Infection Prevention and Control (DIPC) for the Trust.</p>	No declared interests
 Mark Weaver, Joint Medical Director From 1 October 2012	<p>Mark grew up in the Midlands and qualified at Kings College Hospital Medical School London. Following post graduate psychiatric qualifications in Birmingham, he was a Senior Registrar, Clinical Research Fellow and Consultant in General Adult Psychiatry at St Bartholomew's Hospital, London. He was also lecturer and examiner for the undergraduate psychiatry course, examined for the University of London final MBBS medical examinations and ran the Royal College of Psychiatrists membership course. Since 2004, he has been Consultant in General Adult Psychiatry in Walsall and Associate Medical Director since 2005.</p> <p><i>MB.BS London</i></p> <p><i>M R C Psych</i></p>	<p>Mark is a member of the Quality & Safety Committee, Mental Health Act Scrutiny Committee, Finance & Performance Committee and Workforce Committee, and is a member of MExT.</p> <p>Mark is the Responsible Officer for Medical Revalidation and is the Caldicott Guardian for the trust</p>	No declared interests

Board Member	Profile	Committee Involvement	Declared Interests
 <p>² Lesley Writtle, Interim Director of Operations. From 24 April 2017 to 28 February 2018</p>	<p>Lesley joined the Board, seconded from Black Country Partnership NHS Foundation Trust under a sharing agreement, also retaining her substantive position of Director of Operations for Black Country Partnership NHS Foundation Trust. Lesley started her NHS career as a registered general nurse at Sandwell District General Hospital. After qualifying as a registered sick children's nurse she then worked at Birmingham Children's Hospital occupying a range of specialist roles in children's oncology services before moving into general management in the late 1990's where she undertook a range of operational roles as senior nurse and general manager.</p> <p>Lesley has had a successful record in managing a range of complex health services and has spent the majority of her career leading operational delivery and numerous transformation and service redesign programmes across a range of acute, community and primary care settings. Lesley has also recently completed the Leadership Academy Nye Bevan Programme leading to an Excellence award in Executive Healthcare.</p>	<p>Lesley was a member of the Quality & Safety Committee, Finance & Performance Committee, Mental Health Act Scrutiny Committee and Workforce Committee and was a member of MExT.</p>	<p>Director of Operations – Black Country Partnership NHS Foundation Trust</p>

¹ Since 18 November 2016, Ashi Williams, Associate Director of People has been acting into the role of Director of People, Non-Voting until 24 April 2017, after which it becomes a voting position and Rosie Musson, registered mental health nurse, Head of Nursing, Quality and Innovation has been acting into the voting role of Director of Nursing.

2 Marsha Foster was appointed TCT Integration Director and seconded to Birmingham Community Healthcare NHS Foundation Trust with effect from 24 April 2017 from her acting role of Acting Director of Operations. Following the TCT Partnership and its associated transaction being stood down, Marsha returned to her Acting Director of Operations role from 26 March 2018. The Trust, in the intervening period from 24 April 2017 to 28 February 2018 seconded Lesley Writtle into the role of Interim Director of Operations retaining her substantive role of Director of Operations at Black Country Partnership NHS Foundation Trust.

The Board of Dudley and Walsall Mental Health Partnership NHS Trust is ultimately responsible for the actions and decisions of the organisation and notably for service delivery and quality, financial stewardship and strategic direction. It is composed of both Non-Executive and Executive Directors and meets in public in varied and accessible venues every month; the details of these meetings are publicised via the website.

Our Chair is appraised on an annual basis by NHS Improvement following a 360 degree review. Following the Chair's appraisal a summary of the appraisal outcomes is produced and shared with the Chair.

All Non-Executive Directors are independent of the Trust and any direct business interests or otherwise must be declared. Our Non-Executive Directors come from a variety of working backgrounds and each has specific interests and skills that contribute to the overall structure of our Trust Board.

In 2012 as preparation for our transition to Foundation Trust a shadow Council of Governors was established. Governors represent the views of the membership and have the opportunity to relay members' thoughts to the Trust Board. This important role ensures that the membership directly influences the future development of mental health services across Dudley and Walsall boroughs.

However as the Trust's application for Foundation Trust status remained deferred and with the emergence of the TCT Partnership and the decision of all three partner Board's was taken to formally integrate which provided a clear direction for the Trust, the formalities of the Council of Governors were disbanded in October 2016. Through 2017/18, the Trust has continued to engage with those former shadow Governors who wished to be engaged as Ambassadors for the Trust. That engagement focused largely on influencing the proposed membership and Council of governors for the enlarged organisation that would have been formed through the TCT Partnership. Following clarity on the future strategy and direction of the Trust and in discussion with the remaining Ambassadors the Trust will need to make a decision about the role of former Governors / Ambassadors to align with that direction.

Senior Managers Service Contracts (directors only)

The remuneration and terms and conditions for Directors who sit on the Board (except Non-Executive Directors) are set by the Nominations and Remuneration Committee. For all post holders except the Medical Directors, the remuneration and terms and conditions are in accordance with Very Senior Manager terms and conditions. The Chief Executive's pay has been set using benchmark information for similar Chief Executive Positions in other comparable Trusts.

All Directors receive regular appraisals. The Non-Executive Directors are appraised by the Chair of the Trust, as is the Chief Executive. The other directors are appraised by the Chief Executive. The Nominations and Remuneration Committee have not determined any performance related pay arrangements or bonuses. Any inflationary pay award for the Chief Executive is determined annually by the Nominations and Remuneration Committee.

All Directors are on substantive contracts of employment, with the exception during the year of the Interim Director of Operations from 24 April 2017 to 28 February 2018. This Director was seconded to the Trust, under a sharing and secondment agreement with Black Country Partnership NHS Foundation Trust. The Chief Executive is subject to a six month notice period as are all other Directors who are on very Senior Manager Contracts of Employment. Any termination payment would be determined in line with the standard NHS redundancy payment scheme, where appropriate. No termination payments have been made during the reporting period.

There are no other additional benefits that will become receivable by a senior manager in the event he/she retires early. It is customary that staff retiring from service within the Trust or NHS have their contribution recognised in the form of a gift and/or leaving event. Staff are given a gift with a maximum Trust contribution of £100, in accordance with the Trust Retirement Policy.

5.1.1 Board and Committees

The Board has established a number of Board Committees to ensure good Board governance and a focus on specific key strategic themes. These committees are:

The Remuneration and Nominations Committee which advises the Board on appropriate pay and terms of service for all Board level posts, excluding the Chair and Non-Executive Directors whose pay and terms of service are set by NHS Improvement (NHS I). The Nominations and Remuneration Committee is chaired by the Trust Chair and comprises all the Non-Executive Directors and Associate Non-Executive Directors.

The Mental Health Act Scrutiny Committee which is responsible for ensuring the Trust's compliance with all aspects of the Mental Health Act and that significant reports, including those from the Care Quality Commission (CQC) are appropriately actioned. The Mental Health Act Scrutiny Committee was chaired by Gill Cooper, Non-Executive Director (and Vice Chair) and then by John Burbeck, Associate Non-Executive Director. The other substantive members of this Committee are the Director of Nursing, Operations and Estates, the Director of People and Corporate Development and the Joint Medical Directors.¹

The Audit Committee which provides an independent and objective view of financial systems and governance, financial information, assurance processes and compliance with regulations governing NHS Trusts. The Audit Committee is chaired by John Lancaster Non-Executive Director and to maintain its independence the other members of the Committee are Non-Executive Directors.

The Auditor Panel which has been established by the Trust, in accordance with the Local Audit and Accountability Act 2014 and constituted with the same membership as the Audit Committee to provide advice on the appointment of external auditors which became the responsibility of the Trust for the financial year 2017/18, advise the Board on their removal or resignation and also advise on the contents of the Trust's policy on the purchase of non-audit services from the appointed external auditor.

The Finance and Performance Committee which is responsible for reviewing the Trust's performance against key financial and operational targets. It is also responsible for reviewing the Trust's key financial strategies and policies. The Finance and Performance Committee was chaired by Pawiter Rana, Non-Executive Director, until August 2017 following which it was Chaired by Harry Turner, Non-Executive Director, until he was appointed Chair on 1 February 2018, after which it has been chaired by Dr Simon Murphy, Non-Executive Director. At 31 March 2018 other substantive¹ members of this Committee were John Lancaster, Non- Executive Director, Pawiter Rana, Non-Executive Director the Chief Executive, the Director of Finance, Performance and IM&T, the Director of Nursing, Operations and Estates, the Joint Medical Director (s) and the Director of People and Corporate Development.

The Quality and Safety Committee is responsible for reviewing and maintaining effective systems for integrated governance, risk management and internal control across all of the Trust's activities, both clinical and non-clinical. The Quality and Safety Committee is chaired by Simon Murphy, Non-Executive Director. At 31 March 2018 the other substantive members of this Committee were John Burbeck, Associate Non- Executive Director, the Chief Executive, the Director of Nursing, Operations and Estates, the Director of People and Corporate Development and the Joint Medical Directors.²

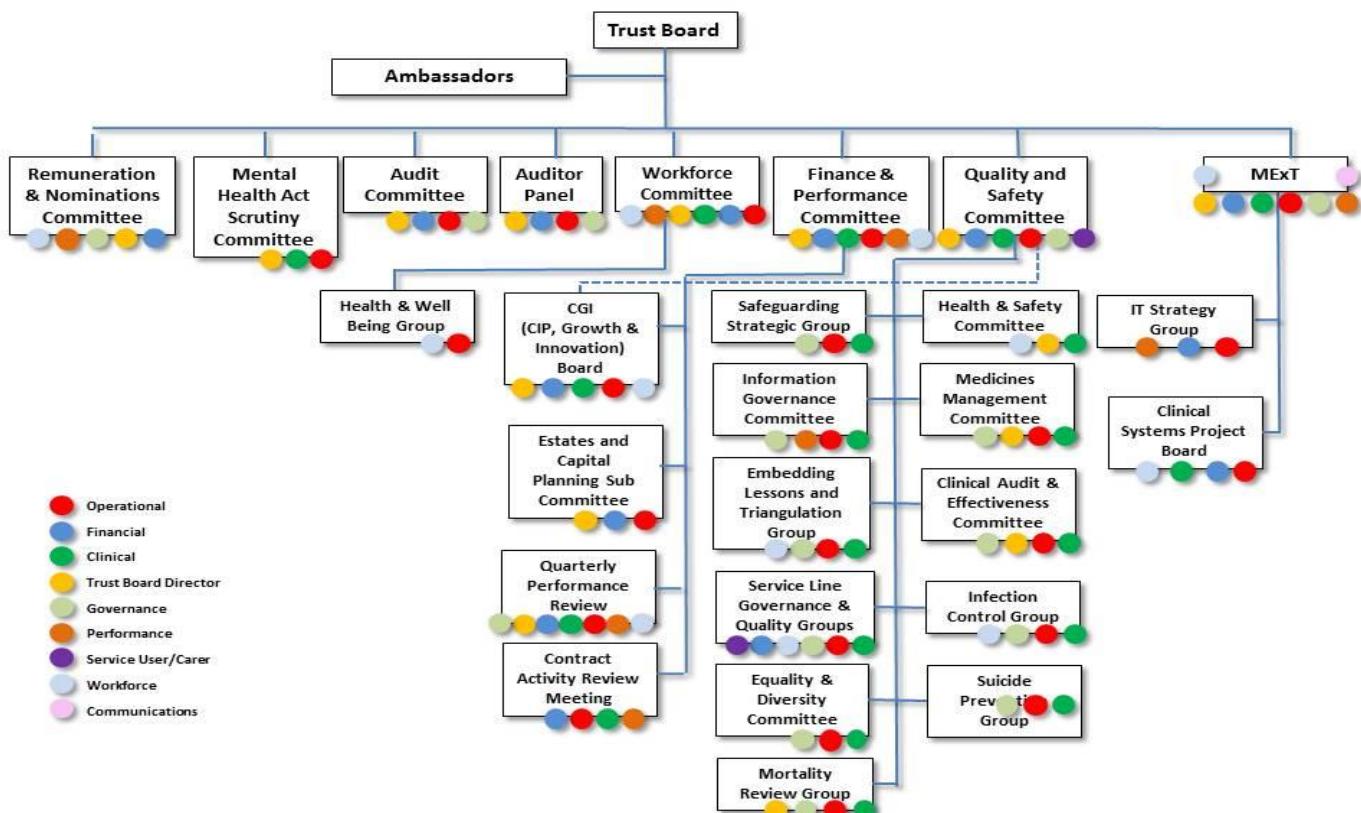
¹ Acting arrangements have been in place since 18 November 2017, agreed by the Nominations & Remuneration Committee

² Acting arrangements have been in place since 18 November 2017, agreed by the Nominations & Remuneration Committee

The Workforce Committee which is responsible for ensuring that there is a coordinated strategic response to the workforce needs of the organisation and ensure the delivery of the Trust's strategic objectives in relation to "People" and ensure that there is an appropriate response to the strategic workforce risks and performance against workforce standards and key performance indicators. The Workforce Committee was chaired by Olivia Clymer, Non-Executive Director, until 11 August, after which it was Chaired by Harry Turner, Non-Executive Director, until he was appointed Chair of the Trust from 1 February 2018, since when it has been chaired by Pawiter Rana, Non-Executive Director. At 31 March 2018 the other substantive members of this Committee were, the Chief Executive, the Director of Finance, Performance and IM&T, the Director of Nursing, Operations and Estates, the Director of People and Corporate Development and the Joint Medical Directors.³

Management Executive Team (MExT) operates as the Trust's 'Operational Board' and oversees all day-to-day matters of operational and corporate significance. MExT is Chaired by the Chief Executive the other substantive members of MExT are Director of Finance, Performance and IM&T, Joint Medical Directors, Director of Operations, Nursing and Estates, Director of People and Corporate Development, Clinical Development Director, the Clinical Directors, Deputy and Associate Directors, Heads of Service, the Chief Pharmacist the Communications Manager and the Governance Manager.

Figure 48 Board and Committees



5.1.2 Composition of Management Executive Team (MExT)

The executive team comprises:

- Chief Executive (Chair)
- Director of Finance, Performance and IM&T
- Joint Medical Directors
- Director of Operations, Nursing and Estates
- Director of People and Corporate Development
- Clinical Development Director
- Clinical Directors
- Deputy and Associate Directors
- Heads of Service
- Chief Pharmacist
- Communications Manager
- Governance Manager

5.1.3 Names of Directors forming Audit and other committees

These are included in the profiles within Board Directors 2017/18.

5.1.4 Details of company directorships and other interests

These are included within section 4.1 figure 46.

5.1.5 Statement that Directors are satisfied that the adoption of the going concern basis is not in doubt

The Board of Directors is satisfied that the Trust is not about to take or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency and is therefore satisfied of the adoption of a going concern basis.

5.1.6 Statement as to disclosure to auditors

As far as the Directors are aware, there is no relevant audit information of which the Trust's Auditors are unaware. As a Board of Directors, we have taken all appropriate steps to make ourselves aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

5.2 Information on Governance

5.2.1 Cost Allocation and Charges for Information

We certify that Dudley and Walsall Mental Health Partnership NHS Trust have complied with HM Treasury's Managing Public Money guidance on the setting of charges for information.

5.2.2 Disclosure of Personal Data Related Incidents

In 2017/18, the Trust experienced one Level 2 reportable IG related incident. The process the Trust adopts when such an incident occurs is that the person who has caused / noticed the breach notify their line manager and record the incident on the Trust's incident reporting system (Safeguard). The IG Manager would launch an investigation and score the incident via the Information Governance Toolkit incident reporting tool. If the score/severity of the breach warrant it, the IG Manager would alert the SIRO, the Caldicott Guardian and the Clinical Governance Department.

5.3 The Statement of the Chief Executive's Responsibilities as the Accountable Officer of the Trust

The Chief Executive of NHS Improvement, in exercise of powers conferred on the NHS Trust Development Authority, has designated that the Chief Executive should be the Accountable Officer of the trust. The relevant responsibilities of Accountable Officers are set out in the *NHS Trust Accountable Officer Memorandum*. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the trust;
- the expenditure and income of the trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.



Signed Mark Axcell (Chief Executive)

Date: 21.05.2018

5.4 Statement of Director's Responsibilities in Respect of the Accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, recognised gains and losses and cash flows for the year. In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

By order of the Board



Signed Mark Axcell (Chief Executive)

Date: 21.05.2018



Signed Rupert Davies (Finance Director)

Date: 21.05.2018

5.5 Annual Governance Statement

5.5.1 Scope of responsibility

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

5.5.2 The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Dudley and Walsall Mental Health Partnership NHS 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 Dudley and Walsall Mental Health Partnership NHS Trust for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts.

5.5.3 Capacity to handle risk

The management of risk is everybody's responsibility within the Trust. Risk management forms an aspect of the "introduction to Governance" training provided as part of the Trusts package of induction training. All staff should familiarise themselves with the risk management process be aware of risks within their working environment and identify any new risks to their line manager. Risks are identified through the Service Line Meetings and are owned and managed by the services.

The Trust Board retains overall responsibility for ensuring that appropriate risk management systems are in place to enable the organisation to deliver its objectives. Board Committees and Sub Committees / Groups through the parent Committee have the responsibility to provide assurance to the Board that risks within its remit are being identified and managed appropriately

I have overall responsibility for the Trusts risk management programme and for ensuring that this system operates effectively. The Executive Directors are responsible for ensuring that there are appropriate processes for risk management within the directorate.

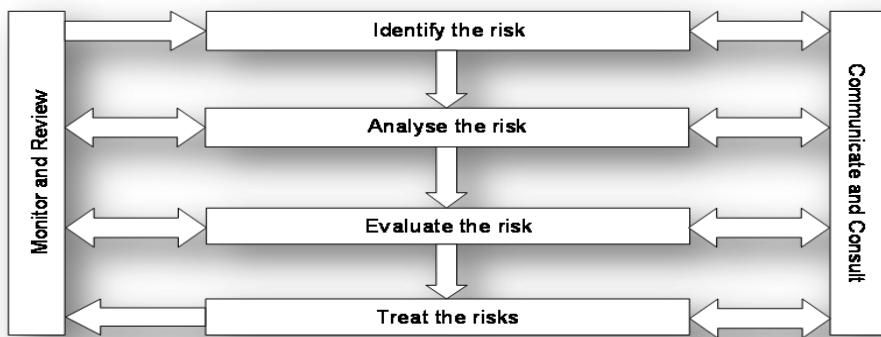
The Trust adopts a structured and pragmatic approach to risk management training and will provide a comprehensive programme of risk management training.

All board members and senior managers (those with a responsibility for a tier 3 directorate risk register undergo specialist risk management training on a 12 monthly basis as a mandatory requirement.

5.5.4 The risk and control framework

The process of risk management in the Trust, graphically demonstrated below is a continuous process and involves the identification, evaluation and treatment (mitigation) of risks, aiming to reduce either the severity or the likelihood of a risk occurring.

Figure 49



The Trust's risk management strategy sets out the Trust's risk management arrangements, defining a framework that enables the effective management of these risks and in particular those relating to the achievement of strategic, corporate and clinical objectives. Specifically the strategy:

- Provides a framework for proactively identifying uncertainties in order that risks can be mitigated and opportunities to eliminate and prevent risks utilised.
- Provides systems and structures for identifying, assessing, prioritising managing, and reporting risk in a consistent manner across all services in the Trust.
- Facilitates the development of an embedded culture of safety awareness throughout all levels of the Trust.
- Provides a framework from which meaningful risk metrics can be provided to the Trust Board, Senior Management and Service Lines.
- Provides a framework for assurance to the Trust Board and senior management that risks are being appropriately identified, appraised, managed and monitored.
- The use of a robust framework allows the organisation to identify, assess, record, prioritise and escalate risk in a systematic and consistent manner, thus allowing risks to be managed to a level which is seen as acceptable. The Trust uses a structured approach to risk identification and assessment, and the subsequent collation, prioritisation and management of risks at both an organisational and local level.

Risk appetite in the Trust represents a balance between the potential benefits of innovation or change and the threats that this innovation or change will potentially bring and is circumstance dependent and therefore individually assessed. The Trust's identification is twofold. Residual risk ratings are established for all risks and are a means of expressing a target for the lowest acceptable (tolerated) level for that risk. A trigger score has been set, currently that is a risk score of 15 or above which automatically trigger a discussion via the risks held on the Trust Wide Risk Register

Risks are identified through a variety of external and internal sources and the Trust takes the widest possible approach to the identification of risks, with risks identified at all levels throughout the organisation.

On identification of a risk, the current controls in place to mitigate the risk are assessed and the risk is allocated a risk rating using a matrix and agreed likelihood and severity (consequence) descriptors. This prioritisation tool (risk matrix) is based upon the Australian and New Zealand Risk Management Risk Management Standard (AS/NZ 4360:1999).

The matrix below is used to assess both the initial and residual likelihood and severity of identified risks, providing an overall risk rating.

Figure 50 Overall Risk Rating Matrix C (Severity) x L (Likelihood) = Risk Score

		Severity (Consequence)				
		1	2	3	4	5
Likelihood	1	1	2	3	4	5
	2	2	4	6	8	10
	3	3	6	9	12	15
	4	4	8	12	16	20
	5	5	10	15	20	25
Risk Score =						
Severity (Consequence) x Likelihood						

For identified risks, a programme of actions is agreed to manage and control the risks. The Trust uses the following approaches to risk control:

- Reduce/mitigate - The taking of action to reduce risk as far as is possible, either through reducing the likelihood of the occurrence or reducing its severity.
- Eliminate - The taking of action to completely eliminate the risk of the occurrence.
- Avoid - Whether a particular task can be undertaken in a different way so that the risk does not occur.
- Transfer - The movement of risk from one party to another (department/individual/ organisation).
- Acceptance/Retention - If the risk is small or cannot be reduced, eliminated, avoided or transferred the Trust will need to accept it and prepare an action plan to avoid its exposure. Action plans are developed to set out the steps required to manage each risk. Where additional resources are required to effectively manage a risk, this is linked into the Trust's business planning process.

Along with a robust structure/framework for risk management, the Trust's risk management strategy is further underpinned through effective communication of risk including the use of risk registers and through suitable risk management education and training. The use of a robust framework allows the organisation to identify, assess, record, prioritise and escalate risk in a systematic and consistent manner, thus allowing risks to be managed to a level which is seen as acceptable. Risks are therefore escalated in accordance with their risk score and as such a tiered approach to this is taken in accordance with the following framework.

Tier 1 (Team Risk Registers) – These are Team Risk Registers and hold only green risks and as such do not contain amber or red risks which are escalated upwards according to the Trust's risk escalation framework.

Tier 2 (Department Risk Registers) – These are Department Risk Registers which contain Amber and Green risks (dependent upon the risk escalation framework within that particular directorate). Red will not be managed via this risk register as red risks should be escalated in accordance with the agreed framework.

Tier 3 (Directorate Risk Register) – These contain the Red Operational Risks for the directorate, each of these are held by the Trust's appropriate Executive Director. These risks will be presented to the Trust Board via a monthly report and to appropriate Board Committees

5.5.5 Quality Governance

Quality Governance in the Trust is the combination of structures and processes at and below board level to lead on trust-wide quality performance including

- ensuring right standards are achieved;
- investigating and taking action on substandard performance
- planning and driving continuous quality performance
- identifying, sharing and ensuring delivery of best practice; and
- identifying and managing risks to quality of care

The Trust reports at all levels within the organisation regarding quality of care, culminating with detailed information to the Trust's Quality and Safety Committee and the Trust's Board. Quality within the Trust is embedded from the BAF, where the risk to achieving quality of care is identified as a risk and action is monitored. All targets can be tracked through Board reporting, with clear progress identified against each objective along with clear risks to their achievement and mitigation to be undertaken. The Trust also has a number of mechanisms in place to review lessons learned from enquiries and capture actions from internal and external reviews. Mechanisms include the Embedding Lessons and Triangulation Group and the Clinical Audit Effectiveness Committee (CAEC), which report through the Quality and Safety Committee.

The Trust did receive a regulation 28 prevention of future death report from the Coroner on 30 November 2017 in relation to the death of a former inpatient discharged from hospital, who died in the community. The Trust subsequently wrote to the Coroner on 19 January 2018 outlining the action it had taken following the Coroner's investigation.

Data quality is subject to internal review with actions taken where appropriate. At each Quality and Safety Committee and Board meeting a report is provided on progress against quality of care standards.

The Trust has processes in place to ensure the engagement of staff, patients, carers and other stakeholders in the consideration of the quality of care, with various groups established to facilitate this. The Trust's Experts By Experience have a comprehensive work programme and regularly report on their activity and observations around the quality and safety of the care afforded to the Trust's patients to the Quality and Safety Committee.

The Trust's strategy sets out a focus on continuous improvement and the strategy contains reference to a number of Trust wide quality improvement goals and CQUINs. The Trust has continued to deliver an annual programme of quality improvement which includes the nationally defined CQUINs. The process to deliver this has been applied across the Trust and also for each service line to address key areas of risk and is in line with the strategic direction of Trust.

Areas for improvement have been based on continuous intelligence about the quality of service, including from performance data, incidents, internal audits, clinical audit, appreciative enquiries, service user and stakeholder feedback. Improvement Plans have been developed on a project management approach, with assurance on the delivery of those plans being given to the Trust Board through its Quality & Safety Committee. Measurement is through both quantitative and qualitative methods.

Metrics enable the trust to identify variations against plans and targets, provide analyses and commentary on performance, and enable review of projections and trajectories and risks to achieving these. Improving the use of metrics has focused on accuracy, timeliness, completeness and reliability of data and measures in line with the Trust's Data Quality Policy and their increased use at Service, Team and Individual level through the quality improvement education programme.

The Trust seeks assurance that it complies with the CQC registration requirements through the work of the Trust's CQC Steering Group. The Group is central in the development and monitoring of the any action plans developed in relation to CQC compliance and CQC Mental Health Act Visits. The Trust also undertakes compliance / supportive visits which review services against set criteria / standards aligned to the CQC standards outlined within the CQCs registration requirements. Action plans are developed in relation to the outcomes of these compliance / supportive visits which are reviewed and monitored by Trust's CQC Steering Group.

The Trust has an Incident, Near Miss and Serious Untoward Incident Policy; any events falling under the definition of the policy are reported and managed through the Trust's online incident reporting system. The policy clearly requires all staff to report incidents as soon as practicable. Considerable work continues to be undertaken by the Trust's Staff Engagement Lead working with engagement champions across the organisation to encourage the reporting of incidents to enable the trust to learn and continual improve the delivery of safe quality services to its patients. The Trusts Compliance and Safety Team actively engages with the Trusts clinical teams to provide advice, guidance and training in relation to the incident reporting system where required and regularly provide feedback, sharing trends and analysis to appropriate Committees and Individuals. Incident reporting is also discussed as part of the Trusts induction training and is also included on a number of other training programs, such as nursing preceptorship and band 5 nursing development sessions.

In 2017/18, all major service development and redesign projects were managed through project management principles supported by an electronic software solution, embedding Quality Impact Assessments. The Trust has an effective Quality Impact Assessment process in place to ensure that quality of care is not compromised through its Cost Improvement Plans.

Quality and Equality Impact assessments have been completed for all service transformation developments and cost improvement programmes. These assess the potential positive impacts on quality and will detail the measurement methodology. They also identify any potential risks to quality and describe how these risks will be mitigated including agreement of early warning indicators.

Quality Impact assessments are linked to the 6 strategic quality objectives in the Trusts Quality Improvement Strategy. These are signed off by the Director of Nursing and Medical Director and all major schemes requiring a Quality Impact Assessments are presented to the Quality and Safety Committee for formal consideration of quality impacts before being presented to Board for discussion and approval.

This helps to ensure that quality and safety issues are robustly debated before presentation to Board. Mechanisms exist within the Trust to ensure the impact of initiatives on quality is measured on an ongoing basis and that mitigating action is taken where necessary and is a clear remit of the Quality and Safety Committee.

Data Protection Assessments are also being embedded within the process in readiness for the General Data Protection Regulations (GDPR)

The Trust continues to encourage the sharing of best practice and innovation. Whilst this will take place within the operations of the services the Trust's embedding lessons and Triangulation Group supports and promotes the sharing of learning across the organisation.

5.5.6 Major Risks

The Trust has a 5 year strategy - Integrated Business Plan (IBP) which supports its Clinical and Social Care Strategic Vision, resulting in a clear annual “strategy on a page” linking the Trust’s vision and values into strategic domains which feed into annual corporate objectives. Risk awareness training is provided to the Board each year and risks to the achievement of the strategy are managed through the Board Assurance Framework (BAF) whilst organisational risks identified are managed through the high level corporate risk register.

The strategic risks to delivering the IBP are clearly identified and inform the BAF. Board members are able to comprehensively describe the same set of risks facing the organisation. The Trust Board receives assurance on key issues from each Committee the impact of the risks on the Trust’s strategic aims and objectives being monitored quarterly by the Trust Board’s Committees to provide assurance to the Board on the effective management of the strategic risks to the organisation. The process by which this happens is monitored through the Audit Committee.

The Board Assurance Framework initially included five strategic risks, a sixth (SR6) was added in year and these are outlined below and there is further detail elsewhere in the Trust’s annual report. These were informed by a strategic risk review at Trust Board and committee level and a review of operational risk from the Trust’s directorate risk registers.

Figure 51

RISK REFERENCE	Risk Description
SR1	Sustainability of the Organisation
SR2	Financial Sustainability
SR3	Achieving quality of care
SR4	Ability to recruit and retain staff
SR5	Management, Maintenance and Strategy for the Estate
SR6	Transforming Care Together (TCT) Partnership Integration

The Trust’s BAF underpins the delivery of its key objectives and incorporates the highest risks faced by the organisation. It therefore aligns the Trust’s principal risks with the key controls and assurances for each of the Trust’s key objectives. Where gaps in assurances are identified, mitigating actions are developed to reduce the risk of the non-delivery of these key objectives.

I am satisfied that corporate governance systems in place are appropriate. The Trust was subject to a CQC re-inspection in November 2017. The report on this inspection was published on 28 March 2017. Improvements had been made in the Children and Young People’s service and to the Safe domain, such that this was rated Good by the CQC. The Trust was rated good in all Domains with the exception of the Effectiveness Domain which was rated as ‘Requires Improvement’. Overall the Trust’s rating improved to Good which was a real achievement and reflected the positive response to the outcome of the previous inspection and the hard work of staff across the Trust.

In its inspection of the Trust the CQC rated the services well-led through evidence that a healthy culture existed within the organisation. This stems from team briefs open to all staff across different Trust sites Board visits, the “you said, we did” portal on the Trusts website and from the Staff Engagement Lead and Freedom To Speak Up Guardian who are supported by 20 staff engagement champions across the Trust. There has been a positive culture of team working and mutual support and staff feeling able to raise concerns and issues. The CQC also concluded that the Trust demonstrated a degree of progress in its governance and monitoring of staff supervision, appraisal and mandatory training since the previous inspection and feedback from external partners of the trust was positive.

However, the Trust understood that there was still improvements to be made and added further to the Trust’s CQC action plan in 2017/18 to further improve the Trust towards an outstanding rating. The Trust has also maintained a Sector 2 banding within the Single Oversight Framework.

The Trust had an operational plan developed and approved by the Board for 2017/8. The monitoring against delivery of this plan occurred through the committees of Board on a regular basis through the business cycle of reporting and has been triangulated by the internal audit programme and other mechanisms including visits to clinical areas, wards and departments. The Trust has in place a robust governance framework that includes the Standing Orders, Standing Financial Instructions and a Scheme of Delegation, which along with the Committee Terms of reference provide the mechanisms to support effective Board and committee structures, clear responsibilities for the Board and committees.

I and the Executive Directors (both voting and non-voting) who report to the Board are suitably qualified, both professionally and through experience. A robust process is in place to ensure compliance with the Fit and Proper Persons Regulations.

Our Chairman set objectives for the Chief Executive and Non-Executive Directors for 2017/18. In turn, the Chief Executive set objectives for the Executive Directors and Corporate Directors in relation to the delivery of the Annual Plan for 2017/18. Performance against objectives is reviewed formally on an annual basis by the Chairman and Chief Executive.

There are a number of acting and interim arrangements within the Executive Director team however the externally appointed interim arrangements continued to add experience to the Board and the internal acting up arrangements are experienced practitioners in their profession and have undertaken the aspiring leaders programme. Following the decision of the three Trusts under the TCT Partnership to formally integrate, preparations for the integration of the Trust under the TCT partnership, stretched the capacity of the Board during the year.

Marsha Ingram, Director of People and Corporate Development, acting into the role of Director of Operations was seconded to Birmingham Community Healthcare NHS Trust as the TCT Integration Director in April 2017 and a formal arrangement entered into with Black Country Partnership NHS Trust to share its Director of Operations, Lesley Writtle. That arrangement ceased on 1 March 2018 when the TCT Partnership and proposed acquisition of Dudley and Walsall Mental Health Partnership NHS Trust by Birmingham Community Healthcare NHS Foundation Trust was stood down.

The term of office of Gill Cooper ended on 31 July 2017, Harry Turner, Associate Non-Executive Director, was appointed Non-Executive Director with effect from 1 August 2017 and the Trust appointed John Burbeck an experienced NED to a role of Associate Non-Executive Director on a short term basis to increase capacity from 1 August 2017 to 31 March 2018.

Olivia Clymer stood down from her position of Non-Executive Director effective from the 11 August 2017 and the Trust carried this vacancy pending the proposed acquisition of the Trust,

The Trust's Chair, Ben Reid OBE stood down effective 31 January 2018, Harry Turner an existing Non-Executive Director was appointed Chair from 1 February 2018. Following the end of the TCT Partnership arrangements were made in March 2018 to appoint two substantive Non-Executive Directors Christine Fearns, Debbie Nixon and two Associate Non-Executive Directors Tracey Orr and Adam Williams to the Trust's Board, all of whom took up post from 1 April 2018.

Dr Kate Gingell, stood down from her position of Joint Medical Director on the Board effective from 31 January 2018.

It is against this background that as a proxy measure of the effectiveness of the Board's leadership the Trust delivered a surplus of £3.384 million, maintained performance against its Key Performance Indicators and received some very positive results through the Staff Survey. A full review of the Board's effectiveness will be undertaken as the Board stabilises in 2018/19.

Following an internal audit diagnostic review with recommendations for improving the governance around the management and monitoring of the Trust's Cost Improvement Programme, those improvements were implemented in 2017/18. The Trust however didn't meet its CIP Plan recurrently and this has been built into the Plan for 2018/19 supported by implementing further improvements to the governance processes.

There has been a process in place to further develop the service lines within the Trust to support delivery and accountability All staff have access to performance information dashboards. Each division has its own governance structure and is responsible for gaining assurance on performance including quality indicators of their service. Service level meetings help foster a culture whereby learning points can be noted and shared through the Management Executive Team and this will continue as a corporate priority into 2018/19.

Appropriate governance structures are in place to support working towards compliance with healthcare standards, in particular through the Quality and Safety Committee and its sub Committees. A CQC Steering Group has operationally led the almost complete delivery of the CQC action plan following the Trust's inspection and re-inspection in February 2016 and November 2016, overseen particularly by the Quality and Safety and Mental Health Act Scrutiny Committees. The one significant area of work to conclude is the implementation of a revised Electronic Patient Record. The considerable work undertaken by the Trust in 2016/17 to procure a new Electronic Patient Record was appropriately put on hold, with a view to aligning systems across the partner Trust's under the TCT Partnership in anticipation of the integration of the three Trusts. When the partnership and the acquisition was stood down a new approach to quickly mobilise the procurement of a new EPR was developed.

There are no conditions attached to the Trust's CQC registration, therefore the trust is fully compliant with the registration requirements of the Care Quality Commission.

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

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

The Trust has undertaken a facilities energy review across its main sites and identified a range of investment proposals directly supporting carbon reduction. Those proposals are being prioritised and funding sought to implement the most suitable schemes over the next financial year in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

As Accounting Officer, I am responsible for ensuring that the Trust has arrangements in place for securing value for money in the use of its resources. To do this I have maintained systems to:

- Set, review and implement strategic and operational objectives;
- Engage actively with patients, staff, members and other stakeholders to ensure key messages about services are received and acted upon;
- Monitor and improve organisational performance; and
- Establish plans to deliver cost improvements.

The Trust submits to NHS Improvement (NHS I) an Annual Plan incorporating a supporting financial plan approved by the Board of Directors. This informs the detailed operational plans and budgets which are also approved by the Board. The Trust actively engages Commissioners, NHS Improvement and others as necessary to develop and agree detailed financial and operational plans. Prior to approval the Board takes the views obtained from stakeholders into account.

The Board agrees annually a set of corporate objectives and milestones which are communicated to colleagues. Achievement of those milestones is reviewed on a quarterly basis. Operational performance is kept under constant review by the Executive Team and Board of Directors.

5.5.8 6.1 Performance Management Reporting

To ensure that the Board is aware to a sufficient degree of what is happening across the Trust, a comprehensive Integrated Performance Report and Dashboard is reviewed at each monthly public Board meeting. The report is structured across the domains of Quality, Finance, Workforce and Contract Performance. This includes outcome and quality governance measures and performance indicators rated red, amber or green. Importantly the quality and performance report includes information on 'Serious Incident' and 'never events' and the Trust Board receives information on follow-up action. The Trust keeps under review the indicators by which it monitors its quality financial, operational and workforce performance and has reviewed these in accordance with the implementation of the Single Oversight Framework. The Trust has clear performance reporting on Human Resource issues and through performance management reporting the Board are sighted on service level achievement of targets for statutory and mandatory training, appraisal details and levels of sickness.

This formal Board performance management reporting framework is accompanied by a series of measures to achieve a more interactive style of governance, moving beyond paper reporting. Examples include: patient stories and 'Experts By Experience (EBE) reflection, which are presented quarterly and Board members carry out programmed onBoard Walks. These shine a light on individual experiences of care provided by the Trust and act as a catalyst for improvement;

These arrangements allow Board members to help model our values through direct engagement, as well as ensuring that Board members take back to the boardroom a better understanding of the lived reality for staff, public and patients.

5.5.9 Cost Improvement

The Trust designs annually a programme of Cost Improvements to drive efficiency and the transformation in services across the Trust. The Trust achieved the target for its programme in 2017/18, albeit not all recurrently.

5.5.10 The Role of the Board and its Committees

The Trust Board is held accountable by the Department of Health on behalf of the Secretary of State to ensure effective financial stewardship through value for money, financial control and financial planning and strategy and to oversee the delivery of planned results by monitoring performance against objectives and ensuring corrective action is taken where necessary.

The infrastructure of the Board and its Committees, which has been considered and revised periodically to reflect independent review and revised regulatory guidance has a key role in ensuring that resources are used economically, efficiently and effectively and currently comprises:

Figure 52 The role of committees

Committee	Role/ Function	Frequency
Trust Board	Retains overall responsibility for setting strategic direction, monitoring the delivery of strategic objectives and ensuring that appropriate risk management systems are in place. It sets the risk appetite for the organisation in relation to new business cases and the balance between potential benefits of innovation or change and potential threats.	Monthly
Quality and Safety Committee	The Committee holds the delegated responsibility for ensuring that clinical and operational risks are managed appropriately. It has an overview of service quality, patient experience, clinical audit, patient safety and incident management. The Committee also scrutinises the assurances associated with the development and sign-off of the Trust's Quality Governance Assurance Framework and Quality Account.	Monthly
Audit Committee	The Committee provides an objective opinion to the Trust Board on whether there are effective internal control systems in place within the organisation. It also presides over the internal audit programme which verifies the suitability and effectiveness of internal controls in respect to risk management.	Quarterly
Auditor Panel	Established by the Trust, in accordance with the Local Audit and Accountability Act 2014 and constituted with the same membership as the Audit Committee to provide advice on the appointment of external auditors which will become the responsibility of the Trust for the financial year 2017/18, advise the Board on their removal or resignation and also advise on the contents of the Trust's policy on the purchase of non-audit services from the appointed external auditor.	As required
Finance & Performance Committee	Reviews the Trust's financial management and performance , makes recommendations and provides advice to management and the Trust Board. It is also responsible for reviewing the Trust's performance against key financial and operational targets and for reviewing key financial and performance strategies. It has the authority to require the attendance of any officers of the Trust and hold them to account for financial and operational performance.	Monthly
Workforce Committee	This Committee holds the delegated authority for ensuring that there is a coordinated strategic response to the workforce needs of the organisation and ensure the delivery of the Trust's strategic objectives in relation to "People" and ensure that there is an appropriate response to the strategic workforce risks and performance against workforce standards and key performance indicators	Monthly

Committee	Role/ Function	Frequency
Mental Health Act Scrutiny Committee	Oversees and scrutinises the use of the Mental Health Act within the Trust. It oversees the functioning of the Mental Health Act Lay Managers.	Quarterly
Nominations and Remuneration Committee	Holds responsibility for reviewing and agreeing executive terms and conditions and receives executive appraisals	As required (at least annually)
Management Executive Team (MExT)	Oversees all significant operational issues and their delivery within the Trust. It provides executive and senior management input and discussion into key decisions to implement Trust strategy. It provides a forum in which senior managers can formally raise and discuss concerns and issues.	Monthly

5.5.11 Internal and External Audit

During the year, a comprehensive programme of internal audit work has reviewed a wide range of issues and has contributed significantly to the framework of assurance.

There are no significant control issues (as defined by HM Treasury) that have been highlighted as a result of these programmes of work. External Audit had not identified any control weaknesses, however internal audit identified some Level 2 Audit Recommendations.

These are recommendations where a system has been subject to high levels of risk or has prevented the system from meeting its objectives and may have impacted on the Trust from meeting its objectives and which were included in the following reports:

Care Records: Least Restrictive Practices

The Trust has in place a formally documented Search Policy and Locked Door Policy. The Internal Audit noted that compliance with policy requirements has strengthened since previous reviews and noted improvements made to care record documentation held in support of access and exit arrangements for informal patients and the management of blanket restrictions. Documentation in relation to Searches had also improved in the most part although it was recommended that the noted issues of non-compliance should be investigated and staff reminded of the importance of maintaining appropriate records to evidence the completion of searches upon admission including consent.

Fire – Premises Assurance

The Internal Audit report summarised that the Trust, supported by its Fire Advisor, has made good progress in relation to the management of fire risks and addressing a number of estates related challenges.

The report recommended the finalisation and availability to staff of evacuation plans, learning from evacuation drills to identify any actions or training needs and that a schedule of papers prepared for the Trust's Fire Safety Group to ensure that it routinely receives assurance on key items such as evacuation plans and fire drills.

Unexpected Deaths

The Internal Audit review highlighted that deaths including unexpected deaths were identified, documented, and categorised in a timely manner, with clear reporting mechanisms in place to support this process however the Trust was experiencing problems in terms of interfacing national patient data into its patient administration system which presented the risk that there are some deaths which the Trust may be unaware of.

The report recommended the resolution of this issue would enhance the current controls in operation and that the process for Mortality Review Tool completion could be enhanced by establishing clearer links into the Serious Incident investigation process, ensuring enhanced data triangulation and better learning across the Trust. A small sample of deaths were noted where the Mortality Review Group had not been informed due to various delays in the Trust being informed the report recommended that Improvements to the Mortality Review Tool process, and the associated processes that it links into, should be pursued as planned.

Action plans have been developed and agreed with internal audit in respect of all of the recommendations identified through their reviews and the implementation of those plans is being monitored. These plans are overseen on behalf of the Trust Board, by the Audit Committee. The Audit Committee has in place a robust audit recommendation tracking system which is extremely effective in monitoring progress against actions taken.

5.5.12 Information governance

The Trust is committed to ensuring that it operates best practice with regard to all aspects of information governance. The Trust has achieved a satisfactory score against the standards of the national Information Governance Toolkit, demonstrating consistent performance in this area. One Information Governance incident was reported to the Information Commissioner in the 4th quarter of the year. This was a confidentiality breach involving historic data. At the time of preparing the Annual Governance Statement, the matter was being reviewed by the Information Commissioner.

5.5.13 Annual Quality Account

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year.

The Trust's Quality Account is based on the Quality Account Toolkit published in 2010, additional guidance published by the Department Of Health in 2013 and the NHS (Quality Accounts) Amendment Regulations 2017 adding new mandatory disclosure requirements relating to 'Learning From Deaths'. The Quality Account will be developed through a process which has received previous assurance from both internal and external audit.

The internal assurance process for the quality account includes scrutiny by Quality & Safety Committee, Audit Committee and Trust Board. Data contained within the report has been subject to scrutiny throughout the year through internal performance and quality governance processes, for example KPI monitoring by Finance & Performance Committee and clinical audits by the Audit and Effectiveness Group and Quality & Safety Committee.

In line with NHS England guidance on the Quality Account reporting for 2017/18 and the Quality Account toolkit 2010 the draft Quality Account will receive local external scrutiny from:

- Dudley CCG
- Walsall CCG
- Dudley HealthWatch
- Walsall HealthWatch
- Dudley Health and Well Being Board
- Walsall Health and Well Being Board

External Audit has been engaged to ensure the Quality Account contains mandated data and also carry out detailed audit testing of two mandated KPIs in relation to data quality. The assurance report will be published as part of the Quality Account. The quality account will be published as set out in NHS England guidance.

In reviewing the draft Quality Account 2017/18, the Quality and Safety Committee has noted our internal controls and standards which underpin the Statement of Directors' responsibilities in respect of the Quality Account.

5.5.14 Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee and the Quality and Safety Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part Internal Audit's work. The Head of Internal Audit provided 'significant assurance', within his Head of Internal Audit Opinion for 2017/18, that:

- there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently.
- An Assurance Framework has been established which is designed and operating to meet the requirements of the 2017/18 Annual Governance Statement and provide reasonable assurance that there is an effective system of internal control to manage the principal risks identified by the organisation.
- taking account of the respective levels of assurance provided for each audit review, an assessment of the relevant weighting of each individual assignment and the extent to which agreed actions have been implemented, that the Trust has a generally sound system of internal control.

Executive Managers within the Trust who are responsible for the development and maintenance of the system of internal control provide assurance in relation to the same.

The Board Assurance Framework provides evidence that the adequacy and effectiveness of controls that manage the principal risks to the organisation achieving its principal objectives are being reviewed. Furthermore the Internal Audit opinion is that an Assurance Framework has been established which is designed and operating to meet the requirements of the 2017/18 Annual Governance Statement and provides reasonable assurance that there is an effective system of internal control to manage the principal risks identified by the organisation.

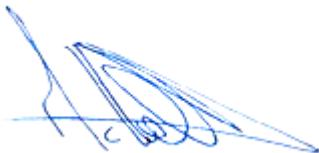
The internal and external audit programme, the clinical audit programme, CQC registration, the performance framework, the Quality Governance Framework and the CQC Chief Inspector of Hospitals inspection provide further assurance on the effectiveness of the internal control systems.

The Audit Committee continues to manage the programme of internal audit, whilst the Quality and Safety Committee has reviewed and approved clinical audit plans, monitored progress and outcomes and have provided confirmation to Audit Committee that there are appropriate levels of assurance in place to enable Audit Committee to approve the draft Annual Governance Statement. Compliance with the CQC Registration requirements is monitored through the Trust's CQC Steering Group.

I take further assurance from the Quality and Safety Committee which has continued to receive feedback from the Trust's Experts by Experience and from the Board which has heard their reflections on a quarterly basis through the year. The Board has also continued during the year to receive patient stories on a quarterly basis, this practice has been expanded to also receive staff stories. This triangulation has been supplemented during the year through a protocol to embed the Board Visibility Programme OnBoard in the quality improvement process.

5.5.15 Conclusion

There have been no significant internal control issues that have been identified.

A handwritten signature in blue ink, appearing to read "Mark Axcell".

Signed Mark Axcell (Chief Executive)

Date: 21.05.2018

6 REMUNERATION AND STAFF REPORT

6.1 Remuneration Policy

6.1.1 Directors' Remuneration and Terms and Conditions

The remuneration and terms and conditions for Directors who sit on the Board (except Non-Executive Directors) are set by the Nominations and Remuneration Committee. Remuneration for Executive Directors (excluding the Joint Medical Directors) has been set using benchmark information for similar Very Senior Manager Pay. The Joint Medical Directors pay is in line with the Medical

Consultant Contracts and an element of their pay reflects their Board/management responsibilities

All Executive Directors receive regular appraisal. The Non-Executive Directors are appraised by the Chair of the Trust, as is the Chief Executive. The other Executive Directors are appraised by the Chief Executive. The Nominations and Remuneration Committee have not determined any performance related pay arrangements or bonuses. Any inflationary pay award for the Chief Executive is determined annually by the Nominations and Remuneration Committee.

All Directors are on substantive contracts of employment and are subject to a six month notice period including the Chief Executive. Any termination payment would be determined in line with the standard NHS redundancy payment scheme, where appropriate. No termination payments have been made during the reporting period.

The purpose of the Nominations and Remuneration Committee is to advise the Trust Board about appropriate remuneration and terms of service for the Chief Executive and other Executive Directors and to regularly review the structure, size and composition (including the skills, knowledge and experience) required of the Board and make recommendations to the Board with regard to any changes.

The Nominations and Remuneration Committee has no authority to determine remuneration arrangements for Non-Executive Directors for whom nationally determined terms will apply.

The Nominations and Remuneration Committee was chaired by the most part by Ben Reid in 2017/18 and from Feb 2018 onwards by Harry Turner and members are the Chair and all the Non-Executive and Associate Non-Executive Directors. In addition, when appointing executive directors other than the Chief Executive, the Chief Executive will attend the Committee.

6.1.2 Remuneration report tables

Table 1: Single total figure table – 2017/18

Name Title <i>Period of Office (if not 01/04/2017 – 31/03/2018)</i>	(a) Salary (bands of £5,000) £000	(b) Expense payments (taxable) total (to nearest £100) £00	(c) Performance pay and bonuses (bands of £5,000) £000	(d) Long term performance pay and bonuses (bands of £5,000) £000	(e) All pension-related benefits (bands of £2,500) £000	(f) TOTAL (a to e) (bands of £5,000) £000
Ben Reid Chair <i>01/04/2017 – 31/01/2018</i>	20.0 - 25.0	0	-	-	-	20.0 – 25.0
Harry Turner Non-Executive Director <i>01/04/2017 – 31/01/2018</i> Chair <i>01/02/2018 – 31/03/2018</i>	10.0 – 15.0	4	-	-	-	10.0 – 15.0
Mark Axcell Chief Executive	140.0 – 145.0	10	-	-	100.0 – 102.5	245.0 – 250.0
Rupert Davies Director of Finance, Performance and IM&T	95.0 – 100.0	0	-	-	-	95.0 – 100.0
Wendy Pugh Director of Nursing, Operations and Estates	105.0 – 110.0	0	-	-	15.0 – 17.5	120.0 – 125.0
Marsha Foster Acting Director of Operations <i>01/04/2017 – 21/04/2017</i> <i>01/03/2018 – 31/03/2018</i>	10.0 – 15.0	0	-	-	-	10.0 – 15.0
Rosie Musson Acting Director of Nursing	80.0 – 85.0	7	-	-	70.0 – 72.5	155.0 – 160.0
Ashi Williams Acting Director of People	80.0 – 85.0	12	-	-	47.5 – 50.0	130.0 – 135.0

Dr Kate Gingell Medical Director <i>01/04/2017 – 31/01/2018</i>	115.0 – 120.0	9	-	-	60.0 – 62.5	180.0 – 185.0
Dr Mark Weaver Medical Director	195.0 – 200.0	14	-	-	75.0 – 77.5	270.0 – 275.0
Simon Murphy Non-Executive Director	5.0 – 10.0	5	-	-	-	5.0 – 10.0
Pawiter Rana Non-Executive Director	5.0 – 10.0	0	-	-	-	5.0 – 10.0
Gillian Cooper Non-Executive Director <i>01/04/2017 – 31/07/2017</i>	0.0 – 5.0	0	-	-	-	0.0 – 5.0
Olivia Clymer Non-Executive Director <i>01/04/2017 – 11/08/2017</i>	0.0 – 5.0	0	-	-	-	0.0 – 5.0
John Lancaster Non-Executive Director	5.0 – 10.0	9	-	-	-	5.0 – 10.0
John Burbeck Non-Executive Director <i>01/08/2017 – 31/03/2018</i>	0.0 – 5.0	0	-	-	-	0.0 – 5.0

Medical Directors remuneration in relation to their clinical roles was as follows:

- Dr Kate Gingell £100,000 - £105,000
- Dr Mark Weaver £135,000 - £140,000

During the secondment of Marsha Foster to a Transforming Care Together role from 21 April 2017 to 28 February 2018 the services of Lesley Writtle as Acting Director of Operations were provided under an agreement with Black Country Partnership NHS Foundation Trust.

Lesley Writtle was not directly remunerated by Dudley and Walsall Mental Health Partnership NHS Trust for services performed as the Acting Director of Operations. The benefit paid to Black Country Partnership NHS Trust in respect of these services was £54,346.

Senior staff members that regularly attend the Board and are non-voting include the following:

- Paul Lewis-Grundy, Company Secretary

Table 2: Single total figure table – 2016/17

Name Title <i>Period of Office</i> (if not 01/04/2016 – 31/03/2017)	(a) Salary (bands of £5,000) £000	(b) Expense payments (taxable) total (to nearest £100) £00	(c) Performance pay and bonuses (bands of £5,000) £000	(d) Long term performance pay and bonuses (bands of £5,000) £000	(e) All pension-related benefits (bands of £2,500) £000	(f) TOTAL (a to e) (bands of £5,000) £000
Danielle Oum Chair 01/04/2016 – 07/04/2016	0-5	5	-	-	-	0-5
Ben Reid Chair 08/04/2016 – 31/03/2017	25-30	0	-	-	-	25-30
Mark Axcell Acting Chief Executive 01/04/2016 – 07/08/2016 Chief Executive 08/08/2016 – 31/03/2017	130-135	4	-	-	215.0-217.5	350-355
Rupert Davies Director of Finance, Performance and IM&T	95-100	-	-	-	-	95-100
Wendy Pugh Director of Nursing, Operations and Estates	100-105	-	-	-	15.0-17.5	115-120
Marsha Ingram Director of People and Corporate Development 01/04/2017 – 17/11/2016 Acting Director of Operations 18/11/2016 – 31/03/2017	95-100	-	-	-	22.5-25.0	120-125
Rosie Musson Acting Director of Nursing 18/11/2016 – 31/03/2017	25-30	-	-	-	852.5-855.0	880-885
Ashi Williams Acting Director of People 18/11/2016 – 31/03/2017	25-30	6	-	-	225.0-227.5	255-260

Dr Kate Gingell Medical Director	180-185	12	-	-	72.5-75.0	255-260
Dr Mark Weaver Medical Director	195-200	15	-	-	20.0-22.5	215-220
Michael Higgs Non-Executive Director <i>01/04/2016 – 30/09/2016</i>	0-5	-	-	-	-	0-5
Simon Murphy Non-Executive Director	5-10	14	-	-	-	5-10
Pawiter Rana Non-Executive Director	5-10	-	-	-	-	5-10
David Matthews Non-Executive Director <i>01/04/2016 – 31/08/2016</i>	0-5	-	-	-	-	0-5
Gillian Cooper Non-Executive Director	5-10	3	-	-	-	5-10
Olivia Clymer Non-Executive Director	5-10	38	-	-	-	5-10
Paul Davis Non-Executive Director <i>01/11/2016 – 16/11/2016</i>	0-5	-	-	-	-	0-5
John Lancaster Non-Executive Director <i>01/11/2016 – 31/03/2017</i>	0-5	7	-	-	-	0-5
Harry Turner Associate Non-Executive Director <i>01/11/2016 – 31/03/2017</i>	0-5	5	-	-	-	0-5

Medical Directors remuneration in relation to their clinical roles was as follows:

- Dr Kate Gingell £125,000 - £130,000
- Dr Mark Weaver £145,000 - £150,000

The following employees Rosie Musson and Ashi Williams are first time entries to Greenbury requirements and, therefore, previous year figures are not available. As such the real increases and, as a result, pension related benefits reported in the single total figure table above are inflated and do not represent true growth or benefit figures for this financial year.

Senior staff members that regularly attend the Board and are non-voting include the following:

- Paul Lewis-Grundy, Company Secretary

Table 3: Pension benefits – 2017/18

Name Title <i>Period of Office (if not 01/04/2017 – 31/03/2018)</i>	(a) Real increase in pension at pension age (bands of £2,500) £000	(b) Real increase in pension lump sum at pension age (bands of £2,500) £000	(c) Total accrued pension at pension age at 31 March 2018 (bands of £5,000) £000	(d) Lump sum at pension age related to accrued pension at 31 March 2018 (bands of £5,000) £000	(e) Cash Equivalent Transfer Value at 1 April 2017 £000	(f) Real increase in Cash Equivalent Transfer Value £000	(g) Cash Equivalent Transfer Value at 31 March 2018 £000	(h) Employer's contribution to stakeholder pension £000
Mark Axcell Chief Executive	5.0 – 7.5	7.5 – 10.0	45.0 – 50.0	120.0 – 125.0	577	114	697	0
Wendy Pugh Director of Operations and Nursing	0.0 – 2.5	2.5 – 5.0	50.0 – 55.0	150.0 – 155.0	903	80	992	0
Marsha Foster Acting Director of Operations <i>01/04/2017 – 21/04/2017</i> <i>01/03/2018 – 31/03/2018</i>	0.0 – 2.5	0.0 – 2.5	25.0 – 30.0	70.0 – 75.0	379	5	419	0
Rosie Musson Acting Director of Nursing	2.5 – 5.0	10.0 – 12.5	40.0 – 45.0	120.0 – 125.0	639	107	752	0
Ashi Williams Acting Director of People	2.5 – 5.0	2.5 – 5.0	10.0 – 15.0	25.0 – 30.0	121	39	161	0
Dr Kate Gingell Medical Director <i>01/04/2017 – 31/01/2018</i>	2.5 – 5.0	10.0 – 12.5	70.0 – 75.0	210.0 – 215.0	0	0	0	0
Dr Mark Weaver Medical Director	2.5 – 5.0	12.5 – 15.0	90.0 – 95.0	280.0 – 285.0	1,794	190	2,002	0

During the secondment of Marsha Foster to a Transforming Care Together role from 21 April 2017 to 28 February 2018 the services of Lesley Writtle as Acting Director of Operations were provided under an agreement with Black Country Partnership NHS Foundation Trust. Lesley Writtle was not directly remunerated by Dudley and Walsall Mental Health Partnership NHS Trust for services performed as the Acting Director of Operations. The benefit paid to Black Country Partnership NHS Trust in respect of these services was £54,346.

Senior staff members that regularly attend the Board and are non-voting include the following:

- Paul Lewis-Grundy, Company Secretary

6.1.3 CETV disclosures for each director (Subject to audit)

Cash Equivalent Transfer Values Disclosures for Directors – subject to audit

As Non-Executive directors do not receive pensionable remuneration, there are no entries in respect of pensions for Non-Executive directors.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated in accordance with SI 2008 No.1050 Occupational Pension Schemes (Transfer Values) Regulations 2008.

Real Increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation or contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement).

6.1.4 Treatment of Pension Liabilities in the Accounts

The policy on accounting for pensions can be found at note 8 to the Annual Accounts, and details of the pension schemes to which Dudley and Walsall Mental Health Partnership NHS Trust has contributed, together with the amount of employer contributions, are detailed in note 7 to the Annual Accounts.

Details of Directors' pension entitlements are contained in the Remuneration Report.

6.1.5 Compensation for loss of office (subject to audit)

The Trust made no compensation for loss of office during 2017/18.

6.1.6 Payments to past directors (subject to audit)

The Trust made no payments to past directors during 2017/18.

6.1.7 Pay Multiples(Subject to audit)

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

The banded remuneration of the highest paid director in the Trust in the financial year 2017/18 was £197,500 (2016/17: £197,500). This was 7.4 times (2015-16: 6.9 times) the median remuneration of the workforce, which was £26,565 (2016/17: £28,482).

The increase in the ratio between 2016/17 and 2017/18 was due to the increase in the median remuneration of the workforce of £1,897 (6.7%).

Median remuneration of the workforce has reduced in year from £28,462 (Spine Point 23) to £26,565 (Spine Point 21). The decrease can be attributed in part to the increased reliance on the use of apprentices across the Trust and a conscious effort by the Trust to replace Agency workers with Bank workers at reduced full-time annualised pay rates.

In 2017/18, no employees (2016/17, no employees) received remuneration in excess of the highest-paid director. Remuneration ranged from £7,000 to £198,000 (2016/17, £6,000 to £199,000).

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

6.2 Staff Report (Subject to audit)

Our workforce is typical of most NHS provider organisations with female staff making up the majority of employees, in our case 76.2% of our workforce. 39% of colleagues have worked in our organisation for more than 10 years and only 15% of the workforce has less than 12 months service.

6.2.1 Number of senior civil service staff (or senior managers) by band

Figure 53 Number of senior civil service staff (or senior managers) by band

Band	Headcount No.
Senior Manager	6
Consultant	1
Total	7

6.2.2 Staff Numbers and Costs – subject to audit

Figure 54 Analysis of staff numbers – average number of employees on a whole time equivalent (WTE) basis

Average Staff Numbers	2017/18			2016/17
	Permanent No.	Other No.	Total No.	Total No.
Medical and dental	77	15	92	92
Ambulance staff	0	0	0	0
Administration and estates	255	30	284	277
Healthcare assistants and other support staff	150	67	217	214
Nursing, midwifery and health visiting staff	386	39	425	387
Scientific, therapeutic and technical staff	122	12	134	120
Other	16	0	16	18
Total average numbers	1,006	162	1,168	1,108
Of which:				
No. of employees engaged on capital projects	0	1	1	3

Figure 55 Staff costs

Staff Costs	2017/18			2016/17
	Permanent £000	Other £000	Total £000	Total £000
Salaries and wages	36,531	2,116	38,647	36,405
Social security costs	3,505	179	3,684	3,546
Apprenticeship levy	160	0	160	0
Employer's contributions to NHS pensions	4,767	0	4,767	4,556
Pension cost – other	3	0	3	2
Temporary staff		4,348	4,348	5,000
Total gross staff costs	44,966	6,643	51,609	49,509
Of which:				
Costs capitalized as part of assets	15	154	169	197

6.2.3 Staff Composition – subject to audit

Figure 56 Staff composition by gender

Gender	Headcount No.	Headcount %
Female	850	76.2
Male	266	23.8
Total	1,116	100.0

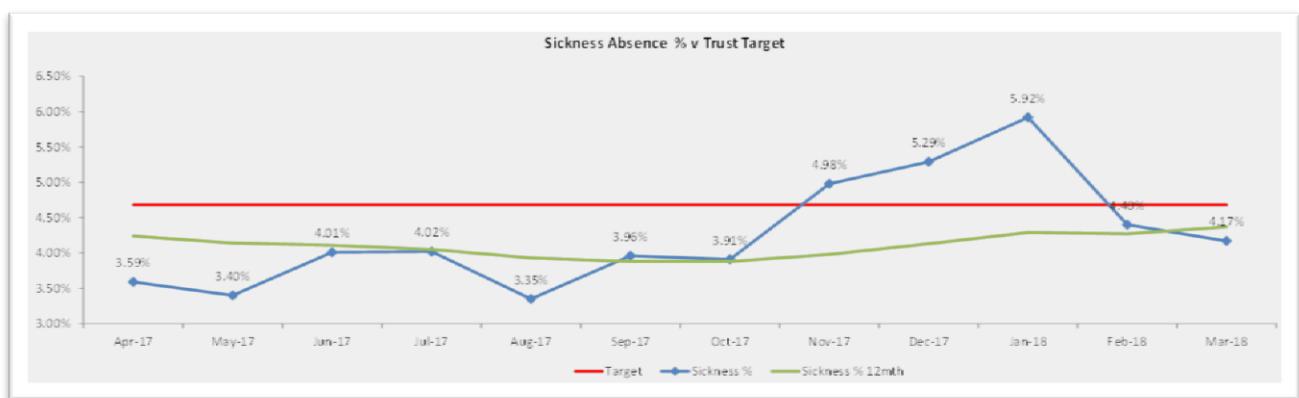
Figure 57 Staff composition by grade

Grade	Female Headcount No.	Male Headcount No.	Total Headcount No.
Director	3	3	6
Employee	847	263	1,110
Total	850	266	1,116

6.2.4 Sickness absence data

Figure 58 Sickness absence data

	2017/18 No.	2016/17 No.
Total Days Lost	9,350	9,651
Total Staff Years	993	935
Average Working Days Lost	9	10



6.3 Staff policies

6.3.1 Supporting staff with disabilities

We are committed to supporting staff that have a disability or become disabled during the demonstrating that we meet the standard to encourage and make adjustments for applicants with disabilities, and to guarantee an interview to those who meet the person specification for the post. We actively work with staff who become disabled to seek and make reasonable adjustments which will enable them to continue at work. We also actively support staff with both physical and mental health needs and have a robust Occupational Health and Staff Support service. The Trust holds the Positive about Disability Two Ticks kite mark.

The Trust is signed up to the Mindful Employer charter. The Charter for Employers who are Positive About Mental Health is a tangible display of commitment to improving the working lives of staff. It's different to the 'two ticks' Disability Symbol and other accreditations and is a Charter for Employers who are Positive About Mental Health.

All Policies are equality Impact assessed to ensure that there is no adverse impact on staff who may have a disability or if a disability should arise.

Modern Slavery Statement 2017/18

This statement, made pursuant to section 54(1) of the Modern Slavery Act 2015, sets out the approach taken by the Trust to understand all potential modern slavery risks related to its business, and the actions undertaken to mitigate any such risks during the financial year ended 31st March 2018.

The Trust is committed to delivering high standards of corporate governance and a key element of this is managing the Trust in a socially responsible way. The Trust is absolutely committed to preventing slavery and human trafficking in its corporate activities and its supply chains. The Trust also expects the same high standards which we set for ourselves from those parties with whom we engage, such as our suppliers and customers.

Due to the nature of our business and our approach to governance, we assess that there is very low risk of slavery and human trafficking in our business and supply chains. However we aim to periodically review the effectiveness of the relevant policies and procedures that we have in place. We do not have key performance indicators in relation to slavery or human trafficking as any instance would be expected to be a breach of law, our supplier standards and/or our company policies.

6.3.2 Positive about Mental Health - Mindful Employer Charter

The Trust **is** a signatory of the Mindful Employers Charter. As a Trust we recognise that:

- People who have mental health issues may have experienced discrimination in recruitment and selection procedure. This may discourage them from seeking employment
- Whilst some people will acknowledge their experience of mental health issues in a frank and open way, others fear that stigma will jeopardise their chances of getting a job
- Given appropriate support, the vast majority of people who have experienced mental ill health continue to work successfully as do many with on-going issues

As an employer we:

- Show a positive and enabling attitude to employees and job applicants with mental health issues. This will include positive statements in local recruitment literature
- Ensure that all staff involved in recruitment and selection are briefed on mental health issues and the Equality Act 2010, and given appropriate interview skills
- Make it clear in any recruitment or occupational health check that people who have experienced mental health issues will not be discriminated against and that disclosure of a mental health problem will
- enable both employee and employer to assess and provide the right level of support or adjustment
- Do not make assumptions that a person with a mental health issue will be more vulnerable to workplace stress or take more time off than any other employee or job applicant
- Provide non-judgemental and proactive support to individual staff who experience mental health issues
- Ensure all line managers have information and training about managing mental health in the workplace

6.4 Expenditure on Consultancy

Expenditure on consultancy in 2017/18 was £501,000 (2017/18: £347,000).

6.5 Reporting related to the review of Tax Arrangement of Public Sector Appointee

Following the Review of the Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the treasury on 23 May 2012, departments and their arm's length bodies (this is taken to include all those bodies included within the DHSC reporting boundary) must publish information on their highly paid and/or senior off-payroll engagements.

6.6 Off-payroll engagements

For all off-payroll engagements as of 31 March 2018, for more than £245 per day and that last for longer than six months.

Figure 59 Off-payroll engagements longer than 6 months

	Number of off-payroll engagements No.
No. of existing engagements as of 31 March 2018	2
Of which:	
No. that have existed for less than one year at time of reporting	1
No. that have existed between one and two years at time of reporting	1
No. that have existed between two and three years at time of reporting	0
No. that have existed between three and four years at time of reporting	0
No. that have existed between four years or more at time of reporting	0

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

Figure 60 New Off-payroll engagements

	Number of off-payroll engagements No.
No. of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018	5
Of which:	
No. assessed as caught by IR35	0
No. assessed as not caught by IR35	5
No. engaged directly (via PSC contracted to the entity) and are on the departmental payroll	0
No. of engagements reassessed for consistency / assurance purposes during the year	0
No. of engagements that saw a change to IR35 status following the consistency review	0

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

Figure 61 Off-payroll board members/senior official engagements

	Number of off-payroll engagements No.
No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	-
No. of individuals that have been deemed 'board members, and/or, senior officials with significant financial responsibility', during the financial year	9

6.7 Exit packages

Figure 62 Reporting of compensation schemes – exit packages 2017/18

Exit package cost band (including any special payment element)	Number of compulsory redundancies No.	Number of other departures agreed No.	Total number of exit packages No.
<£10,000	-	-	-
£10,001 - £25,000	-	-	-
£25,001 - £50,000	-	-	-
£50,001 - £100,000	-	-	-
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	-	-	-
Total resource cost (£)	-	-	-

Figure 63 Reporting of compensation schemes – exit packages 2016/17

Exit package cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
<£10,000	-	-	-
£10,001 - £25,000	-	1	1
£25,001 - £50,000	-	-	-
£50,001 - £100,000	-	-	-
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	-	1	1
Total resource cost (£)	-	24,000	24,000

Figure 64 Exit packages: other (non-compulsory) departure payments

	2017/18		2016/17	
	Payments agreed No.	Total value of agreements £000	Payments agreed No.	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignation (MARS) contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders	-	-	1	24
Non-contractual payments requiring HMT approval	-	-	-	-
Total	-	-	1	24
Of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-	-	-

I confirm adherence to the reporting framework in preparation of the Accountability Report.

Signed Mark Axcell (Chief Executive)

Date 21.05.2018

6.8 Independent auditor's report to the Directors of Dudley and Walsall Mental Health Partnership NHS Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dudley and Walsall Mental Health Partnership NHS Trust (the 'Trust') for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the Department of Health and Social Care Group Accounting Manual 2017-18 and the requirements of the National Health Service Act 2006.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2018 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2017-18; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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.

Who we are reporting to

This report is made solely to the Directors of the Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Trust's Directors 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 Trust and the Trust's Directors, as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report set out on pages AR3 to AR104, other than the financial statements and our auditor's report thereon.

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 course of our work including that gained through work in relation to the Trust's arrangements for securing value for money through economy, efficiency and effectiveness in the use of its resource 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.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the guidance issued by NHS Improvement or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration Report and Staff Report to be audited have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2017-18 and the requirements of the National Health Service Act 2006; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Trust gained through our work in relation to the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources, the other information published together with the financial statements in the annual 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

Under the Code of Audit Practice we are required to report to you if:

- we have reported a matter in the public interest under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we have referred a matter to the Secretary of State under Section 30 of the Local Audit and Accountability Act 2014 because we had reason to believe that the Trust, or an officer of the Trust, was about to make, or had made, a decision which involved or would involve the body incurring unlawful expenditure, or was about to take, or had begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or
- we have made a written recommendation to the Trust under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters.

Responsibilities of the Directors and Those Charged with Governance for the financial statements

As explained more fully in the Statement of Director's Responsibilities AR70, the Directors are responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions, for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trust lacks funding for its continued existence or when policy decisions have been made that affect the services provided by the Trust.

The Audit Committee is Those Charged with Governance.

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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements – Conclusion on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception - Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice we are required to report to you if, in our opinion we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

We have nothing to report in respect of the above matter.

Responsibilities of the Accountable Officer

As explained in the Statement of the Chief Executive's Responsibilities, as the Accountable Officer of the Trust, the Accountable Officer is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 21(3)(c) and Schedule 13 paragraph 10(a) of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to

the guidance on the specified criterion issued by the Comptroller and Auditor General in November 2017, as to whether in all significant respects, the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018, and to report by exception where we are not satisfied.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to be satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Report on other legal and regulatory requirements – Certificate

We certify that we have completed the audit of the financial statements of Dudley and Walsall Mental Health Partnership NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Mark Stocks

Mark Stocks
Partner
for and on behalf of Grant Thornton UK LLP

The Colmore Building
20 Colmore Circus
Birmingham
West Midlands
B4 6AT

25 May 2018

PART C Financial statements

Dudley and Walsall Mental Health Partnership NHS Trust

Annual accounts for the year ended 31 March 2018

Statement of Comprehensive Income

		2017/18	2016/17
	Note	£000	£000
Operating income from patient care activities	3	62,988	61,381
Other operating income	4	6,494	4,912
Operating expenses *	5, 7	(65,545)	(79,174)
Operating surplus/(deficit) from continuing operations		3,937	(12,881)
Finance income	10	50	33
PDC dividends payable		(747)	(717)
Net finance costs		(697)	(684)
Surplus / (deficit) for the year		3,240	(13,565)
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	6	-	-
Revaluations	13	276	(2,705)
Other recognised gains and losses		-	-
Other reserve movements		-	-
Total comprehensive income / (expense) for the period		3,516	(16,270)

* Operating expenses in 2016/17 included impairments totalling £15,764,000 which arose as a result of the Trust adopting Modern Equivalent Asset (MEA) alternative site valuation methods for its land and building assets on 1 April 2016.

Statement of Financial Position

		31 March 2018	31 March 2017
	Note	£000	£000
Non-current assets			
Intangible assets	11	639	844
Property, plant and equipment	12	29,829	28,253
Total non-current assets		30,468	29,097
Current assets			
Trade and other receivables	14	4,525	2,580
Cash and cash equivalents	15	17,982	16,966
Total current assets		22,507	19,546
Current liabilities			
Trade and other payables	16	(7,953)	(7,092)
Provisions	17	(611)	(656)
Total current liabilities		(8,564)	(7,748)
Total assets less current liabilities		44,411	40,895
Total assets employed		44,411	40,895
Financed by			
Public dividend capital		47,536	47,536
Revaluation reserve		757	481
Income and expenditure reserve		(3,882)	(7,122)
Total taxpayers' equity		44,411	40,895

The notes on pages AA05 to AA32 form part of these accounts.

Name



Position

Chief Executive

Date

21 May 2018

Statement of Changes in Equity for the year ended 31 March 2018

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at 1 April 2017 - brought forward	47,536	481	(7,122)	40,895
Surplus/(deficit) for the year	-	-	3,240	3,240
Revaluations	-	276	-	276
Taxpayers' equity at 31 March 2018	47,536	757	(3,882)	44,411

Statement of Changes in Equity for the year ended 31 March 2017

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at 1 April 2016 - brought forward	47,536	3,186	6,443	57,165
Surplus/(deficit) for the year	-	-	(13,565)	(13,565)
Revaluations	-	(2,705)	-	(2,705)
Taxpayers' equity at 31 March 2017	47,536	481	(7,122)	40,895

Information on reserves

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the Trust.

Statement of Cash Flows

		2017/18	2016/17
	Note	£000	£000
Cash flows from operating activities			
Operating surplus / (deficit)		3,937	(12,881)
Non-cash income and expense:			
Depreciation and amortisation	5.1	1,656	1,720
Net impairments	6	144	15,764
(Increase) / decrease in receivables and other assets		(1,936)	(515)
Increase / (decrease) in payables and other liabilities		654	925
Increase / (decrease) in provisions		(45)	(37)
Net cash generated from / (used in) operating activities		4,410	4,976
Cash flows from investing activities			
Interest received		43	33
Purchase of intangible assets		(222)	(302)
Purchase of property, plant, equipment and investment property		(2,466)	(1,225)
Net cash generated from / (used in) investing activities		(2,645)	(1,494)
Cash flows from financing activities			
PDC dividend (paid) / refunded		(749)	(810)
Net cash generated from / (used in) financing activities		(749)	(810)
Increase / (decrease) in cash and cash equivalents		1,016	2,672
Cash and cash equivalents at 1 April - brought forward		16,966	14,294
Cash and cash equivalents at 31 March	15.1	17,982	16,966

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

The Department of Health and Social Care has directed that the financial statements of the trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2017/18 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to accounts.

Note 1.1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.1.2 Going concern

As part of the financial statements preparation process and as required under IAS 1, the Trust's directors have assessed the Trust's ability to continue as a going concern. As a result of this review, these accounts have been prepared on a going concern basis.

Note 1.2 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

The Trust has concluded that it operates and reports as a single segment - the provision of mental healthcare. The judgement has been reached through analysis of IFRS 8 by senior management and via a consultation process with similar organisations. The judgement does not impact on the financial statements, merely what is disclosed in the notes to the accounts.

Note 1.2.1 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Property Valuation - Non-current land and building assets were subject to a formal valuation at 1 April 2016. The valuation was undertaken on a Modern Equivalent Asset (MEA) alternative site basis. This assumed that the assets would be replaced with a modern equivalent asset with the same service potential but not of an identical design to the physical assets. As a result the MEA asset is smaller, having a reduced Gross Internal Area (GIA) and valuation. An interim valuation was performed on the same basis at 31 March 2018 to ensure a true and fair view is reflected in this years accounts. Future valuations of the Trust's asset base may result in further material changes to the carrying value of non-current assets.

Note 1.3 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of health care services.

Where income is received for a specific activity which is to be delivered in a subsequent financial year, that income is deferred.

Note 1 Accounting policies and other information (continued)

Note 1.4 Income (continued)

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

Revenue grants and other contributions to expenditure

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.5 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. There, the schemes are accounted for as though they are defined contribution schemes.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

Other Pension Schemes

In line with the Government's auto-enrolment pension roll-out, the Trust also offers the NEST Pension Scheme to employees who may not be eligible to join the NHS Pension Scheme. The NEST Pension Scheme is a defined contribution scheme.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

Apprenticeship levy

The Apprenticeship Levy is a levy introduced by the UK Government on 6 April 2017, requiring all employers operating in the UK, with a pay bill over £3 million each year, to invest in apprenticeships. The Trust is required to pay a levy of 0.5% of their pay bill, less an allowance of £15,000. The Trust are able to access funding for apprenticeships through an account on the digital apprenticeship service. These funds will be used to make payments directly to approved training providers.

The Trust see an outflow of assets when cash is paid over under the terms of the levy and as such the levy is treated as a tax expense, surrenderable to the Consolidated Fund. As such the levy is recognised as an additional social security cost within these accounts.

Note 1.6 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1 Accounting policies and other information (continued)

Note 1.7 Property, plant and equipment

Note 1.7.1 Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Note 1.7.2 Measurement

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

All assets are measured subsequently at valuation.

Land and buildings are stated in the Statement of Financial Position (SOFP) at their revalued amounts, being the fair value at the date of revaluation less any impairment.

- Land and non-specialised buildings – market value for existing use.
- Specialised buildings – depreciated replacement cost.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

All land and buildings are restated to fair value using professional valuations in accordance with IAS16 every five years. Three-year interim revaluations and annual desktop valuation exercises are also carried out. The last asset valuation was undertaken in 2016 as at the prospective valuation date of 1 April 2016.

Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

The property valuations are carried out primarily on the basis of (DRC) for specialised operational property (e.g. NHS patient treatment facilities) and Existing Use Value (EUV) for non-specialised operational property. The value of land for existing use purposes is assessed at EVU. For non-operational land including surplus land, the valuations are carried out at Market Value.

The Department of Health has adopted the Modern Equivalent Asset (MEA) approach for its DRC valuations rather than the previous identical replacement method. The MEA approach used to value the property will normally be based on the cost of a modern equivalent asset that has the same service potential as the existing asset and then adjusted to take account of obsolescence. In the past, functional obsolescence has not been reflected in asset valuations for the NHS.

Note 1 Accounting policies and other information (continued)

Valuation (continued)

Functional obsolescence examines a building's design or specification and whether it may no longer fulfil the function for which it was originally designed or whether it may be much more basic than the MEA. The asset will still be capable of use but at a lower level of efficiency than the MEA, or may be capable of modification to bring it up to a current specification. Other common causes of functional obsolescence include advances in technology or legislative change. The obsolescence adjustment will reflect either the cost of upgrading, or if this is not possible, the financial consequences of the reduced efficiency compared with the modern equivalent.

The MEA approach incorporates the Building Cost Information Service Index to determine an increase or decrease in building costs which impact on the asset valuation.

Additional alternative Open Market Value figures have only been supplied for operational assets scheduled for imminent closure and subsequent disposal.

The carrying values of PPE are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

The costs arising from financing the construction of PPE are not capitalised but are charged to the Statement of Comprehensive Income (SOCI) in the year to which they relate.

All impairments resulting from price changes are charged to the SOCI. If the balance on the revaluation reserve is less than the impairment the difference is taken to SOCI.

The Trust's land and building valuation was carried out by the Trust's current valuer District Valuer Services (DVS), the commercial arm of the government owned Valuation Office Agency on a MEA "Alternative Site" method valuation, and applied on 1 April 2016.

The valuation has been undertaken having regard to IFRS as applied to the UK public sector and in accordance with HM Treasury guidance. The Trust has valued its land and buildings at fair value - non specialised assets at existing use value and specialised operation assets at depreciated replacement cost.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful economic lives or low values or both, as this is not considered to be materially different from current value in existing use.

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Note 1 Accounting policies and other information (continued)

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

Note 1.7.3 Derecognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;

- the sale must be highly probable ie:

- management are committed to a plan to sell the asset
- an active programme has begun to find a buyer and complete the sale
- the asset is being actively marketed at a reasonable price
- the sale is expected to be completed within 12 months of the date of classification as 'held for sale' 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.

Note 1.7.4 Useful economic lives of property, plant and equipment

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The range of useful economic

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	0	28
Dwellings	-	-
Plant & machinery	0	12
Transport equipment	0	4
Information technology	0	5
Furniture & fittings	0	9

The gross carrying amount of fully depreciated property, plant and equipment assets still in use is £767,000 at 31 March 2018.

Note 1 Accounting policies and other information (continued)

Note 1.8 Intangible assets

Note 1.8.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use
- the trust intends to complete the asset and sell or use it
- the trust has the ability to sell or use the asset
- how the intangible asset will generate probable future economic or service delivery benefits, eg, the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the trust to complete the development and sell or use the asset and
- the trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Note 1.8.2 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Note 1.8.3 Useful economic lives of intangible assets

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The range of useful economic lives are shown in the table below:

	Min life Years	Max life Years
Software licences	0	5

The gross carrying amount of fully amortised intangible assets still in use is £661,000 at 31 March 2018.

Note 1 Accounting policies and other information (continued)

Note 1.9 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.10 Financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorised as loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market.

The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and other receivables.

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Financial liabilities

All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Note 1 Accounting policies and other information (continued)

Impairment of financial assets

At the Statement of Financial Position date, the trust assesses whether any financial assets, other than those held at “fair value through income and expenditure” are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset’s carrying amount and the present value of the revised future cash flows discounted at the asset’s original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the use of a bad debt provision.

Note 1.11 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Note 1.11.1 The trust as lessee

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

Note 1.11.2 The trust as lessor

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Note 1.12 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.

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 17.2 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any “excesses” payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1 Accounting policies and other information (continued)

Note 1.13 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 the audit of the annual accounts.

Note 1.14 Value added tax

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.15 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

Note 1.16 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1 Accounting policies and other information (continued)**Note 1.17 Accounting Standards that have been issued but have not yet been adopted**

The DH GAM does not require the following Standards and Interpretations to be applied in 2017-18. These standards are still subject to HM Treasury FReM adoption, with IFRS 9 and IFRS 15 being for implementation in 2018-19, and the government implementation date for IFRS 16 and IFRS 17 still subject to HM Treasury consideration.

- IFRS 9 Financial Instruments – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS 15 Revenue from Contracts with Customers – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRIC 22 Foreign Currency Transactions and Advance Consideration – Application required for accounting periods beginning on or after 1 January 2018.
- IFRIC 23 Uncertainty over Income Tax Treatments – Application required for accounting periods beginning on or after 1 January 2019.

The Trust is unable to provide a full assessment of the impact of the adoption of these standards at this time, however, early work suggests that the impact will not be significant.

Note 2 Operating segments

The Trust operates as a single operating segment, the provision of Healthcare.

As a single segment the Trust receives £60,690,000 (2016/17: £59,653,000) of its income from CCGs. This equates to 87% (2016/17: 90%) of the Trust's total income of £69,482,000 (2016/17: £66,293,000).

The Trust receives in excess of 10% of its income from two single organisations, Walsall CCG £28,130,000 (2016/17: £27,575,000) and Dudley CCG £28,325,000 (2016/17: £28,397,000).

Note 3 Operating income from patient care activities

Note 3.1 Income from patient care activities (by nature)	2017/18	2016/17
	£000	£000
Mental health services		
Block contract income	61,050	60,417
Clinical partnerships providing mandatory services (including S75 agreements)	896	369
Other clinical income from mandatory services	1,038	533
All services		
Other clinical income	4	62
Total income from activities	62,988	61,381

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2017/18	2016/17
	£000	£000
NHS England	1,405	1,399
Clinical commissioning groups	60,683	59,551
Local authorities	896	369
Non NHS: other	4	62
Total income from activities	62,988	61,381
Of which:		
Related to continuing operations	62,988	61,381

Note 4 Other operating income

	2017/18	2016/17
	£000	£000
Education and training	2,325	1,692
Charitable and other contributions to expenditure	6	-
Non-patient care services to other bodies	1,050	1,020
Sustainability and transformation fund income	1,889	995
Rental revenue from operating leases	6	24
Income in respect of staff costs where accounted on gross basis	770	701
Other income	448	480
Total other operating income	6,494	4,912
Of which:		
Related to continuing operations	6,494	4,912

Note 5.1 Operating expenses

	2017/18 £000	2016/17 £000
Purchase of healthcare from NHS and DHSC bodies	369	255
Purchase of healthcare from non-NHS and non-DHSC bodies	164	168
Staff and executive directors costs	51,440	49,312
Remuneration of non-executive directors	65	69
Supplies and services - clinical (excluding drugs costs)	178	202
Supplies and services - general	607	593
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	1,496	1,427
Consultancy costs	501	347
Establishment	951	1,026
Premises	3,452	4,352
Transport (including patient travel)	578	473
Depreciation on property, plant and equipment	1,278	1,402
Amortisation on intangible assets	378	318
Net impairments	144	15,764
Increase/(decrease) in provision for impairment of receivables	(58)	43
Audit fees payable to the external auditor		
audit services- statutory audit	49	48
other auditor remuneration (external auditor only)	12	12
Internal audit costs	50	51
Clinical negligence	164	132
Legal fees	175	186
Insurance	3	-
Education and training	803	295
Rentals under operating leases	263	250
Other services, eg external payroll	2,039	2,058
Other	444	391
Total	65,545	79,174
Of which:		
Related to continuing operations	65,545	79,174

Note 5.2 Other auditor remuneration

	2017/18 £000	2016/17 £000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the Trust	-	-
2. Audit-related assurance services	12	12
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. Internal audit services	-	-
6. All assurance services not falling within items 1 to 5	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-
8. Other non-audit services not falling within items 2 to 7 above	-	-
Total	12	12

Note 5.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2,000,000 (2016/17: nil).

Note 6 Impairment of assets

	2017/18 £000	2016/17 £000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations	7	7
Changes in market price	137	(717)
Other	-	16,474
Total net impairments charged to operating surplus / deficit	144	15,764
Impairments charged to the revaluation reserve	-	-
Total net impairments	144	15,764

Impairments in 2016/17 totalling £15,764,000 arose as a result of the Trust adopting Modern Equivalent Asset (MEA) alternative site valuation methods for its land and building assets on 1 April 2016.

Note 7.1 Employee benefits

	2017/18 Total £000	2016/17 Total £000
Salaries and wages		
Salaries and wages	38,647	36,405
Social security costs	3,684	3,546
Apprenticeship levy	160	-
Employer's contributions to NHS pensions	4,767	4,556
Pension cost - other	3	2
Temporary staff (including agency)	4,348	5,000
Total gross staff costs	51,609	49,509
Recoveries in respect of seconded staff	-	-
Total staff costs	51,609	49,509
Of which		
Costs capitalised as part of assets	169	197

Note 7.2 Retirements due to ill-health

During 2017/18 there was 1 early retirement from the Trust agreed on the grounds of ill-health (none in the year ended 31 March 2017). The estimated additional pension liabilities of this ill-health retirement is £106,000 (nil in 2016/17).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 8 Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2016 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

NEST Pension Scheme

As of 1 April 2013 it became a statutory requirement to enrol all eligible staff into a workplace pension scheme. Where employees are not eligible to enrol in the NHS Pension Scheme they are enrolled in the NEST Pension Scheme as an alternative. The employee can choose to "opt out" of the scheme after they have been auto-enrolled, this opt out lasts for three years, after which time the Trust will be required to re-enrol the employee. The Trust is required to make employer contributions of 1% of the employee's qualifying salary to the NEST Pension Scheme. For the period 1 April 2017 to 31 March 2018 the Trust has contributed £3,000.

Note 9 Operating leases

Note 9.1 Dudley and Walsall Mental Health Partnership NHS Trust as a lessor

This note discloses income generated in operating lease agreements where Dudley and Walsall Mental Health Partnership NHS Trust is the lessor.

During 2017/18, the Trust leased an area of land, forming part of a larger site owned by the Trust, to a third party. The carrying value of the whole site is £3,625,000 (2016/17: £3,625,000), with the carrying value of the area of land leased being valued at £264,000 (2016/17: £264,000). This lease agreement expired during 2017/18.

	2017/18 £000	2016/17 £000
Operating lease revenue		
Minimum lease receipts	6	24
Total	6	24

	31 March 2018 £000	31 March 2017 £000
Future minimum lease receipts due:		
- not later than one year;	-	4
Total	-	4

Note 9.2 Dudley and Walsall Mental Health Partnership NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Dudley and Walsall Mental Health Partnership NHS Trust is the lessee.

The Trust has a number of operating leases where lease agreements expire between October 2022 and September 2027. These lease agreements do not contain any contingent rent clauses, specific purchase options or significant restrictions.

	2017/18 £000	2016/17 £000
Operating lease expense		
Minimum lease payments	263	250
Total	263	250

	31 March 2018 £000	31 March 2017 £000
Future minimum lease payments due:		
- not later than one year;	245	226
- later than one year and not later than five years;	623	625
- later than five years.	269	393
Total	1,137	1,244

Note 10 Finance income

Finance income represents interest received on assets and investments in the period.

	2017/18 £000	2016/17 £000
Interest on bank accounts	50	32
Interest on other investments / financial assets	-	1
Total	50	33

Note 11.1 Intangible assets - 2017/18

	Software licences £000
Valuation / gross cost at 1 April 2017 - brought forward	2,349
Additions	173
Gross cost at 31 March 2018	2,522
Amortisation at 1 April 2017 - brought forward	1,505
Provided during the year	378
Amortisation at 31 March 2018	1,883
Net book value at 31 March 2018	639
Net book value at 1 April 2017	844

Note 11.2 Intangible assets - 2016/17

	Software licences £000
Valuation / gross cost at 1 April 2016 - as previously stated	2,108
Additions	262
Disposals / derecognition	(21)
Valuation / gross cost at 31 March 2017	2,349
Amortisation at 1 April 2016 - as previously stated	1,208
Provided during the year	318
Disposals / derecognition	(21)
Amortisation at 31 March 2017	1,505
Net book value at 31 March 2017	844
Net book value at 1 April 2016	900

Note 12.1 Property, plant and equipment - 2017/18

	Land £000	Buildings excluding dwellings £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2017 - brought forward	3,852	22,835	828	48	2,180	581	30,324
Additions	-	2,474	179	-	50	19	2,722
Revaluations	-	276	-	-	-	-	276
Disposals / derecognition	-	-	(27)	-	-	(13)	(40)
Valuation/gross cost at 31 March 2018	3,852	25,585	980	48	2,230	587	33,282
<hr/>							
Accumulated depreciation at 1 April 2017 - brought forward	-	20	447	37	1,281	286	2,071
Provided during the year	-	832	106	2	267	71	1,278
Impairments	-	231	3	-	-	4	238
Reversals of impairments	-	(94)	-	-	-	-	(94)
Disposals / derecognition	-	-	(27)	-	-	(13)	(40)
Accumulated depreciation at 31 March 2018	-	989	529	39	1,548	348	3,453
<hr/>							
Net book value at 31 March 2018	3,852	24,596	451	9	682	239	29,829
Net book value at 1 April 2017	3,852	22,815	381	11	899	295	28,253

Note 12.2 Property, plant and equipment - 2016/17

	Land £000	Buildings excluding dwellings £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2016 - as previously stated							
Additions	10,794	34,097	947	48	2,278	688	48,852
Impairments	-	1,272	4	-	90	9	1,375
Revaluations	(6,815)	(9,946)	-	-	-	-	(16,761)
Disposals / derecognition	(127)	(2,578)	-	-	-	-	(2,705)
Valuation/gross cost at 31 March 2017	3,852	22,835	828	48	2,180	581	30,324
Accumulated depreciation at 1 April 2016 - as previously stated							
Provided during the year	-	304	459	32	982	326	2,103
Impairments	-	729	110	5	487	71	1,402
Reversals of impairments	-	(286)	1	-	-	5	(280)
Disposals/ derecognition	-	(717)	-	-	-	-	(717)
Accumulated depreciation at 31 March 2017	-	20	447	37	1,281	286	2,071
Net book value at 31 March 2017	3,852	22,815	381	11	899	295	28,253
Net book value at 1 April 2016	10,794	33,793	488	16	1,296	362	46,749

Note 12.3 Property, plant and equipment financing - 2017/18

	Land £000	Buildings excluding dwellings £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2018							
Owned - purchased	3,852	24,596	451	9	682	239	29,829
NBV total at 31 March 2018	3,852	24,596	451	9	682	239	29,829

Note 12.4 Property, plant and equipment financing - 2016/17

	Land £000	Buildings excluding dwellings £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2017							
Owned - purchased	3,852	22,815	381	11	899	295	28,253
NBV total at 31 March 2017	3,852	22,815	381	11	899	295	28,253

Note 13 Revaluations of property, plant and equipment

The Trust's property assets (land and buildings) were subject to an interim valuation in the financial year. The valuation was undertaken by an independent valuer (District Valuation Service (DVS), the commercial arm of the government-owned Valuation Office Agency). The interim valuation was carried out by Jonathan Jones BSc (Hons) MRICS, Senior Surveyor, DVS.

Since 1 April 2016 the Trust's property asset valuations have been undertaken using MEA techniques. They take into account the size, location and service potential of existing physical land and building assets and the basis on, and extent to which, they would be replaced with modern equivalent assets.

The interim valuation was performed with an effective date of 31 March 2018 to recognise any changes in indices in the financial year. The valuation resulted in an overall increase in the value of the Trust's non-current assets of £139,000, this was transacted through a net impairment in the SOCI of £137,000 offset against an increase in the Trust's revaluation reserve of £276,000. This overall increase is attributed to changes in market prices over the financial year.

Note 14.1 Trade receivables and other receivables

	31 March 2018 £000	31 March 2017 £000
Current		
Trade receivables	1,706	731
Accrued income	2,156	1,612
Provision for impaired receivables	(1)	(72)
Prepayments (non-PFI)	435	99
Interest receivable	7	-
PDC dividend receivable	16	14
VAT receivable	169	196
Other receivables	37	-
Total current trade and other receivables	4,525	2,580

Of which receivables from NHS and DHSC group bodies:

Current	3,834	1,910
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Note 14.2 Provision for impairment of receivables

	2017/18 £000	2016/17 £000
At 1 April as previously stated	72	58
Increase in provision	154	159
Amounts utilised	(13)	(29)
Unused amounts reversed	(212)	(116)
At 31 March	1	72

The Trust do not impair receivables due from other Department of Health bodies. Other trade receivables (based on individual invoice amount and date) are fully impaired if invoices are 90 days old or older at the period end without confirmation of payment from the customer.

Note 14.3 Credit quality of financial assets

	31 March 2018 receivables £000	31 March 2017 receivables £000
Ageing of impaired financial assets		
0 - 30 days	-	-
30-60 Days	-	-
60-90 days	-	5
90- 180 days	-	67
Over 180 days	1	-
Total	1	72

Ageing of non-impaired financial assets past their due date

0 - 30 days	184	-
30-60 Days	1,020	-
60-90 days	148	133
90- 180 days	64	21
Over 180 days	-	20
Total	1,416	174

Non-impaired financial assets are trade receivable invoices less than 30 days old and, therefore, not yet considered due and trade receivables due from other Department of Health bodies.

Note 15.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2017/18 £000	2016/17 £000
At 1 April	16,966	14,294
Net change in year	1,016	2,672
At 31 March	17,982	16,966
Broken down into:		
Cash at commercial banks and in hand	4	4
Cash with the Government Banking Service	17,978	16,962
Total cash and cash equivalents as in SoFP	17,982	16,966
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	17,982	16,966

Note 15.2 Third party assets held by the trust

The Trust held cash and cash equivalents which relate to monies held by the the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2018 £000	31 March 2017 £000
Bank balances	22	7
Total third party assets	22	7

Note 16.1 Trade and other payables

	31 March 2018 £000	31 March 2017 £000
Current		
Trade payables	2,420	3,039
Capital payables	799	592
Accruals	2,426	1,315
Social security costs	564	536
Other taxes payable	444	410
Other payables	1,300	1,200
Total current trade and other payables	7,953	7,092

Of which payables from NHS and DHSC group bodies:

Current	929	1,862
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Note 16.2 Early retirements in NHS payables above

The payables note above includes amounts in relation to early retirements as set out below:

	31 March 2018 £000	31 March 2018 Number	31 March 2017 £000	31 March 2017 Number
- to buy out the liability for early retirements over 5 years	-	-	-	-
- number of cases involved	-	-	-	-
- outstanding pension contributions	-	-	-	-

Note 17.1 Provisions for liabilities and charges analysis

	Legal claims	Other	Total
	£000	£000	£000
At 1 April 2017			
Arising during the year	56	600	656
Utilised during the year	10	176	186
Reversed unused	(6)	(35)	(41)
	(37)	(153)	(190)
At 31 March 2018	23	588	611
Expected timing of cash flows:			
- not later than one year;	23	588	611
Total	23	588	611

The obligations categorised as 'Legal Claims' relate to provisions made by the Trust in respect of clinical negligence claims recognised by the NHS Litigation Authority on the Trust's behalf. The provision balance relates to the excess that is expected to payable on these claims.

The obligations categorised as 'Other' relate to provisions made by the Trust for Medical Pay Arrears, Employees on Fixed Term Contracts and potential costs associated with Employment Relations and Tribunals.

Note 17.2 Clinical negligence liabilities

At 31 March 2018, £425,000 was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Dudley and Walsall Mental Health Partnership NHS Trust (31 March 2017: £64,000).

Note 18 Contractual capital commitments

	31 March 2018 £000	31 March 2017 £000
Property, plant and equipment	108	-
Intangible assets	-	-
Total	108	-

Note 19 Financial instruments**Note 19.1 Financial risk management**

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with commissioners and the way those commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The 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 Trust's internal auditors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust borrows from government for capital expenditure, subject to affordability as confirmed by NHS Improvement. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan.

The Trust may also borrow from government for revenue financing subject to approval by NHS Improvement. Interest rates are confirmed by the Department of Health (the lender) at the point borrowing is undertaken.

The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2018 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust's operating costs are incurred under contracts with clinical commissioning groups, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

Note 19.2 Carrying values of financial assets

	Loans and receivables £000
Assets as per SoFP as at 31 March 2018	
Trade and other receivables excluding non financial assets	3,906
Cash and cash equivalents at bank and in hand	17,982
Total at 31 March 2018	<u>21,888</u>

	Loans and receivables £000
Assets as per SoFP as at 31 March 2017	
Trade and other receivables excluding non financial assets	2,539
Cash and cash equivalents at bank and in hand	16,966
Total at 31 March 2017	<u>19,505</u>

Note 19.3 Carrying value of financial liabilities

	Other financial liabilities £000
Liabilities as per SoFP as at 31 March 2018	
Trade and other payables excluding non financial liabilities	6,945
Provisions under contract	611
Total at 31 March 2018	<u>7,556</u>

	Other financial liabilities £000
Liabilities as per SoFP as at 31 March 2017	
Trade and other payables excluding non financial liabilities	5,510
Provisions under contract	656
Total at 31 March 2017	<u>6,166</u>

Note 19.4 Maturity of financial liabilities

	31 March 2018 £000
In one year or less	7,556
Total	<u>7,556</u>

Note 20 Losses and special payments

	2017/18		2016/17	
	Total number of cases	Total value of cases £'000	Total number of cases	Total value of cases £'000
	Number		Number	
Losses				
Fruitless payments	29	14	13	7
Bad debts and claims abandoned	6	14	4	2
Stores losses and damage to property	-	-	1	1
Total losses	35	28	18	10
Special payments				
Ex-gratia payments	-	-	9	29
Total special payments	-	-	9	29
Total losses and special payments	35	28	27	39
Compensation payments received		-		-

Note 21 Related parties

During the year none of the Department of Health and Social Care Ministers, Trust board members or members of the key management staff, or parties related to any of them, have undertaken any material transactions with Dudley and Walsall Mental Health Partnership NHS Trust.

The Department of Health and Social Care is regarded as a related party. During the year Dudley and Walsall Mental Health Partnership NHS Trust has had a number of material transactions with entities for which the Department of Health and Social Care is regarded as the parent Department. These included:

- Health Education England
- NHS England
- Dudley CCG
- Walsall CCG
- Birmingham Crosscity CCG
- Cannock Chase CCG
- South East Staffs and Seisdon Peninsular CCG
- Wolverhampton CCG
- Sandwell and West Birmingham CCG
- Birmingham and Solihull Mental Health NHS Foundation Trust
- Black Country Partnership NHS Foundation Trust
- The Dudley Group of Hospitals NHS Foundation Trust
- West Midlands Ambulance Service NHS Foundation Trust
- South Warwickshire NHS Foundation Trust
- The Royal Wolverhampton NHS Trust
- Sandwell and West Birmingham Hospitals NHS Trust
- Walsall Healthcare NHS Trust
- NHS Resolution
- Care Quality Commission
- NHS Property Services
- Community Health Partnership

In addition, the Trust has had a number of material transactions with other Government Departments and Other Central and Local Government Bodies. These included:

- HM Revenue and Customs
- NHS Pension Scheme
- Dudley Metropolitan Borough Council
- Walsall Metropolitan Borough Council

Note 22 Better Payment Practice code

	2017/18 Number	2017/18 £'000	2016/17 Number	2016/17 £'000
Non-NHS Payables				
Total non-NHS trade invoices paid in the year	15,945	27,156	16,346	27,126
Total non-NHS trade invoices paid within target	14,801	26,157	13,726	25,171
Percentage of non-NHS trade invoices paid within target	92.83%	96.32%	83.97%	92.79%
NHS Payables				
Total NHS trade invoices paid in the year	623	6,224	437	4,715
Total NHS trade invoices paid within target	593	5,835	413	4,467
Percentage of NHS trade invoices paid within target	95.18%	93.75%	94.51%	94.74%

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of valid invoice, whichever is later.

Note 23 External financing

The trust is given an external financing limit against which it is permitted to underspend:

	2017/18 £'000	2016/17 £'000
Cash flow financing	(1,016)	(2,672)
External financing requirement	(1,016)	(2,672)
External financing limit (EFL)	845	844
Under / (over) spend against EFL	1,861	3,516

Note 24 Capital Resource Limit

	2017/18 £'000	2016/17 £'000
Gross capital expenditure	2,895	1,638
Charge against Capital Resource Limit	2,895	1,638
Capital Resource Limit	2,900	2,639
Under / (over) spend against CRL	5	1,001

Note 25 Breakeven duty financial performance

Breakeven duty financial performance is determined as guided by NHS Improvement, in a manner to be consistent with previous years in this note.

	2017/18 £'000
Adjusted financial performance surplus / (deficit) (control total basis)	3,377
Remove impairments scoring to Departmental Expenditure Limit	7
Breakeven duty financial performance surplus / (deficit)	3,384

Note 26 Breakeven duty rolling assessment

NHS Improvement has provided guidance that the first year for consideration for the breakeven duty should be 2009/10.

	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Breakeven duty in-year financial performance	376	883	1,163	3,575	1,936	888	1,960	2,199	3,384
Breakeven duty cumulative position	578	1,461	2,624	6,199	8,135	9,023	10,983	13,182	16,566
Operating income	66,578	67,918	67,298	71,302	65,388	64,750	64,546	66,293	69,482
Cumulative breakeven position as a percentage of operating income	0.87%	2.15%	3.90%	8.69%	12.44%	13.94%	17.02%	19.88%	23.84%

The breakeven cumulative net surplus of the Trust has exceeded 0.5% of operating income of the reporting year in every year of the breakeven period. The main reason for this is consistent delivery of in-year control totals as currently set by NHS Improvement.

PART D GLOSSARY

This glossary describes the acronyms used in this report.

Acronyms	Phrase	Description
ASD	Autism Spectrum Disorder	This is a condition that affects social interaction, communication, interests and behaviour.
ADHD	Attention Deficit Hyperactivity Disorder	This is a group of behavioural symptoms that include inattentiveness, hyperactivity and impulsiveness.
AFS	Anti-fraud specialist	
ALOIS		
ANS	Adult Neurodevelopmental Service	
ASC	Autistic Spectrum C	
BAF	Board Assurance Framework	Reporting infrastructure which enables the Board to monitor progress against the Trust's strategic objectives.
BCPFT	Black Country Partnership NHS Foundation Trust	Our partner provider in the Black Country, delivering mental health and learning disability services.
BPPC	Better Payment Practice Code	This is a target that NHS organisations will pay 95% of bills within contract terms or in 30 days where there are no terms agreed.
CAMHS	Child and Adolescent Mental Health Services	Mental Health services for under-18s. NB – inpatient beds for under-18s in Dudley and Walsall are provided by Birmingham Children's Hospital.
CCG	Clinical Commissioning Group	
CARM	Contract Activity review Meeting	
CCQI	Royal College of Psychiatrists Centre for Quality Improvement	The CCQI provide national initiatives which aim to improve standards of care in mental health services. They engage directly with managers, clinicians, and service users and support them to take responsibility for improving local services. CCQI also recognises local achievement, offering accreditation.
CDW	Community Development Worker	
CIP	Cost improvement Programme	Annual targets for reducing costs.
CO	Corporate Objective	The Trust's aims for the year ahead.
CPA	Care Programme Approach	An overall clinical approach which covers the assessment of individuals' needs, the planning of their care, evaluation of progress and review of treatment. As a result, of CPA, a 'Care Plan' is developed and agreed with the service user; this is a comprehensive description of all aspects of the person's care and treatment.
CQC	Care Quality Commission	Quality regulator for health and social care providers. In 2010, introduced a system of 'registering' providers as a demonstration of quality.
CQUIN	Commissioning for Quality and Innovation	CQUIN is a national initiative which aims to embed quality improvements within the commissioning cycle for NHS healthcare. The CQUIN payment framework enables commissioners to reward excellence, by linking a proportion of healthcare providers' income to the achievement of local quality improvement goals.
CRL	Capital Resource Limit	
DWROM	Dudley and Walsall Recovery Outcome Measure	
EBE	Expert by Experience	'Expert By Experience' use their experiences of mental health services - as a service user or a carer of someone with mental health problems - to inform and influence the delivery, planning and quality of services.

Acronyms	Phrase	Description
EDS	Equality Delivery System	This is an optional tool to support NHS commissioners and providers to deliver better outcomes for patients and communities and better working environments for staff, which are personal, fair and diverse.
EO AD	Early Onset Alzheimer's Disease	
EPR	Electronic Patient Record	
FFT	Friends and Family Test	The Staff Friends and Family Test is a simple feedback tool that allows staff to give their feedback on NHS services
F&P	Finance and Performance Committee	This is a sub-committee of the Trust Board that meets monthly
FYFV	Five Year Forward View	This document sets out a new shared vision for the future of the NHS based around the new models of care.
FT	Foundation Trust	Type of NHS provider organisation which has more autonomy and different governance arrangements. FTs are authorised and regulated by NHSI.
FTE	Full Time Equivalent	
FTSUG	Freedom to Speak Up Guardian	
GP	General Practitioner	
HBA	Harassment, Bullying, Aggression	
IAPT	Improving Access to Psychological Therapies	An NHS programme rolling out services across England offering interventions for treating people with depression and anxiety disorders.
KPI	Key Performance Indicators	These are measures of performance and are used by the Trust to evaluate levels of success in achieving its goals
LHE	Local Health Economy	Term used to refer to a system of health organisations within a geographical area, usually within the boundary of a particular Local Authority.
LO AD	Late Onset Alzheimer's Disease	
LGO	Local Government Office	
MBC	Metropolitan Borough Council	
MCP	Multi-Speciality Community Provider	The vision for the Dudley Multi-specialty Community Provider is to put patients at the heart of integrated GP-led health and social care services across the borough.
MERIT	Mental Health Alliance for Excellence, Resilience, Innovation and Training	Four mental health trusts in the West Midlands have come together in a new healthcare alliance to transform the way acute mental health services are provided.
MExT	Management Executive Team	A regular meeting. The Management Executive of the Trust meet regularly to discuss relevant Trust business and progresses.
MHSDS	Mental Health Service Data Set	Set of information which is used as the basis for measuring, recording and evaluating activity.
NCAP	National Clinical Audit of Psychosis	
NHS	National Health Service	The NHS provides free healthcare, regardless of wealth, for resident in the UK. It covers everything from antenatal screening and routine treatments

Acronyms	Phrase	Description
		for long-term conditions, to transplants, emergency treatment, and end-of-life care.
NHSI	National Health Service Improvement	NHS Improvement is responsible for holding NHS Providers to account to ensure patient receive high quality safe services from NHS providers
NHSLA	National Health Service Litigation Authority	A Special Health Authority which deals with legal claims against NHS organisations. The Trust is currently accredited at NHSLA level 1.
NRLS	National	
PC-MIS	Primary Care Management Information System	
PDC	Public Dividend Capital	This is a payment made each year by the Trust to the Department of Health to reflect the investment they have provided. It is calculated at 3.5% of the Trust's asset base and is generally regarded as being equivalent to the long term cost of capital in the public sector.
PHSO	Public Health Service Ombudsman	
PLACE	Patient Led Assessment of the Care Environment	A national programme of assessment managed by the National Patient Safety Agency. PLACE is a benchmarking tool which helps demonstrate how well healthcare providers are performing in non-clinical aspects of patient care, focusing on care environment, food, privacy and dignity.
POMH	Prescribing Observatory for Mental Health	
PPPH	Patient Preferences for Psychological Help	
PSMI	People with Severe Mental Illness	
QH	Quality Health	An organisation that carries out surveys including the NHS patient and staff surveys.
Q&S	Quality and Safety Committee	The Trust's Quality and Safety Committee has overarching responsibility for quality and for the monitoring and assurance of quality performance.
REQOL	Quality of Life	A questionnaire to help understand and monitor progress of recovery and quality of life
SED	Service Experience Desk	
STEPPS		
STP	Sustainability and Transformation Plans	The aim of this plan is to address on a larger scale the gaps in health and well-being, quality and care and finance and efficiency.
TCT	Transforming Care Together	A planned partnership agreement between the Trust, Birmingham Community Healthcare NHS Foundation Trust and Black Country Partnership NHS Foundation Trust that has subsequently dissolved.
TMS	Trans-cranial Magnetic Stimulation	
VIS	Voice impact Scale	
WMCA	West Midlands Combined Authority	

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