

INTEGRATED ANNUAL REPORT AND ACCOUNTS INCORPORATING THE QUALITY ACCOUNT

2017–2018



CONSISTENCY OF CARE

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70

YEARS
OF THE NHS
1948 - 2018

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Front cover captions

- Pic 1: Staff Nurse, Anthea Forsythe completing the Ten out of Ten safety plan checklist
- Pic 2: Nicola Ager, Service Development Librarian, supporting Speak Up Day, by signing a Promise.
- Pic 3: District nurse Rebecca Vivian looking after patient Hanif Harvey at his home.
- Pic 4: The launch of our Purple Point service with Ian McGarry (centre) from Healthwatch Sandwell.
- Pic 5: Sickle cell and thalassemia centre Nurses Liz Green and Amanda Tembedza.



Staff on Priory 2 ward at Sandwell Hospital gather for the opening of the new surgical monitored unit which aims to reduce admissions to our intensive care unit.

1 Introduction

Welcome to our 2017/18 annual report and accounts that includes our quality account.

This year the report theme is “Consistency of Care” as we have focused throughout the year on getting our basic safety checks in place and fully embedded into our Trust’s day by day and shift by shift practices. We are delighted that at the time this report is published we have successfully been shortlisted for the patient safety award in the culture change category for our Safety Plan work. Throughout this report you will see stories from colleagues and patients that relate back to Consistency of Care – getting the basics of good care right, every time. We hope you are inspired by reading about their experiences.

There are many achievements to be proud of during the year, where we have demonstrated excellent care and innovation to better serve our patients and communities. These quality improvements have been recognised by the Care Quality Commission who returned for a re-inspection in parts of our Trust in March 2017 and published their reports in October. Whilst our overall rating remained unchanged, the inspectors were able to recognise our improvements in key areas giving us outstanding ratings for end of life care and in the caring domain. Our aim before their next inspection is to sustain and further build improvements so that we achieve an overall “good” rating.

We were able to meet our financial plans and are one of the few NHS Trusts reporting a small surplus at year end. The work to create sustainable services continues and the next two years will see us work more collaboratively with commissioners and primary care providers to create an integrated care system that seeks to boldly challenge the way we invest and plan our care services. We aim to focus of course on health care but also on the other factors that have a significant impact on people’s health such as housing and employment.

We have continued to support the Black Country and West Birmingham Sustainability and Transformation Partnership, aiming to develop and deliver financially and clinically sustainable health and care plans across the Black Country that will improve the health and wellbeing of our residents; The Partnership has identified three distinct but interconnected aims or ‘accountabilities’ that sum up what we are trying to achieve together. They are: Integrating hospital, community, primary and social care services on a place by place basis; collaborating as NHS partners across the Black Country on key areas such as mental health and cancer services; and working at scale across the Black Country with the Combined Authority, our local councils and other stakeholders to address the wider, economic and social determinants of health that can make such a difference to people’s wellbeing.



The stroke research team who were awarded the star rating for their excellent work on the predicting language outcome and recovery after stroke research study.

Some services have necessitated change throughout the year. Cancer services remain a vital part of our provision but there have been changes to patient pathways for oncology treatment for some cancer patients. We look forward to the wider review of cancer care that is being led by NHS England during 2017/18 and are pleased that commissioners remain committed to providing chemotherapy services locally at the convenience of patients.

Construction of the Midland Metropolitan Hospital unfortunately paused from the middle of January 2018 due to the insolvency of Carillion, our construction partner. We have worked closely with government officials, our private finance partner and local and national partners on future arrangements so that any delay to the opening is minimised. We recognise the impact that any delay has on patients, on our staff and other care providers and are doing all we can to seek a favourable resolution that is not at local taxpayers' expense. It does appear likely that the delay will be considerable and that interim safety measures may be needed.

This year we will go live with our new electronic patient record, Unity, that means a big investment in capital and staff time and effort. The new system promises to provide clinicians with more time to care as they are less reliant on paper systems and duplication of entries into multiple existing systems. We expect one of the major benefits to be the introduction of electronic prescribing, reducing medication errors significantly.

We know of course that our workforce are our biggest assets and in 2017/18 we will give our attention to improving our organisation as a place to work and to do a great job. Our engagement plans will involve listening closely to what colleagues are saying and acting on that. Our Speak Up Day in September was a good example of our commitment to encourage people to speak up and then make sure we listen and act.

We enter 2018/19 with much optimism about the future, yet recognising and understanding the challenges ahead. We are grateful for the support we have had from many of our partners during the year and continue to believe that it is in collaboration with others that we will truly meet our 2020 vision to integrate care locally.

Richard Samuda, Chairman

Toby Lewis, Chief Executive

About Sandwell and West Birmingham Hospitals NHS Trust

Sandwell and West Birmingham Hospitals NHS Trust is an integrated care organisation. We are dedicated to improving the lives of local people, to maintaining an outstanding reputation for teaching and education, and to embedding innovation and research.

We employ over 7,000 people and spend around £430m of public money, largely drawn from our local Clinical Commissioning Group. That Group and this Trust is responsible for the care of 530,000 local people from across North-West Birmingham and all the towns within Sandwell.

Our teams are committed to providing compassionate, high quality care from City Hospital on Birmingham's Dudley Road, from Sandwell General Hospital in West Bromwich, and from our intermediate care hubs at Rowley Regis and at Leasowes in Smethwick.

The Trust includes the Birmingham and Midland Eye Centre (a supra-regional eye hospital), our Sickle Cell and Thalassaemia Centre, and is the regional base for the National Poisons Information Service – all based at City. Inpatient paediatrics, most general surgery, and our stroke specialist centre are located at Sandwell. We have significant academic departments in cardiology, rheumatology, ophthalmology, and neurology.

Our community teams deliver care across Sandwell providing integrated services in GP practices and at home, and offering both general and specialist home care for adults, in nursing homes and hospice locations. Our new hospital – the Midland Metropolitan – is around two thirds built and is located on Grove Lane, on the Smethwick border with west Birmingham.

We are a key partner in efforts to change the shape of care in our area. We have built strong partnerships in primary care and are changing some of our care pathways so that patients can receive follow-up care locally rather than having to rely on a visit to one of our acute hospital sites. Our intention is to provide substantially more care at home and rely less on acute hospitals. We expect to progress a local integrated care system during the year that will be focused around improving outcomes for patients at the start and end of life, and linking up other determinants of health such as employment and housing.

Most of our patient contacts are out in the community and we have expanded our clinical group for communities by introducing three medical specialties. This demonstrates our commitment to delivering care for people with long term conditions on much more of a community basis than it is today.

Our training and education team are outward facing in sourcing the workforce we need for the long term. We have a very active programme of apprentices and school experience joint working. We have a partnership with Sandwell University Technical College and Sandwell College and more widely work closely with Birmingham City University, Wolverhampton University, Birmingham and Aston Universities. The Learning Works is our community-based recruitment and training resource.

We are committed to developing ever more consistent links into our local communities, working with voluntary sector, faith, and grassroots organisations. We continue to make major investments in the skills and training of our workforce; in the technology we use to both care for and communicate with patients and partners; and in our estate – in part through the construction of the Midland Metropolitan Hospital that changes where acute care is delivered care.

Over the last year:

- 5,795 babies were born at our Trust.
- There were 191,497 patient attendances plus 31,627 attendances seen under GP triage at our emergency departments with over 40,570 people admitted for a hospital stay.
- 44,533 day case procedures were carried out.
- 517,431 patients were seen in our outpatient departments.
- Over 618,000 patients were seen by community staff.

Consistency of Care

Ann Robinson, Senior Sister on D11, said:
“Part of our greatest achievements through the Consistency of Care programme, would have to be improving documentation. We have made great strides with this. We have also significantly improved engagement with staff, who have really jumped on board with the initiative. They didn’t want their ward to be seen as underperforming. This has led to ensuring patients and their families that they are being cared for well.”



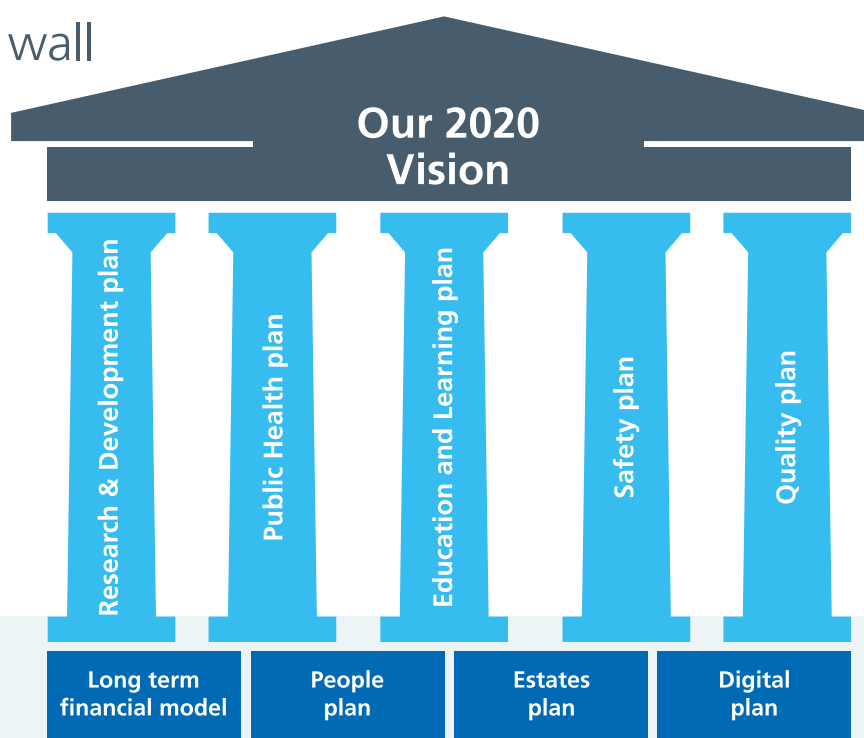
2 Performance Report

Introduction to performance report

Our work is driven by our 2020 vision and the plans and enablers that support it. This year we focussed on embedding our safety plan across all our wards and launching the

Consistency of Care programme in our medical group. We decided to have a refreshed emphasis on our quality plan in 2018/19 once we were confident that the project supporting patient safety had completed.

Our 2020 wall



During the year we developed a new public health plan in conjunction with Sandwell Metropolitan Borough Council. This plan recognises the value in addressing people’s quality of life rather than just extending life and we are pleased to be part of that endeavour. Our research and development efforts continue to expand not just the number of patients who take part in clinical trials here but also in the range of specialties where we are running or participating in research. All of this is evidence that our Trust is a leader in research and some of our research in fields such as cardiology and diabetes are world renowned.

We have supported our people this year in continued protected training budgets, a new personal development review process that rewards performance as well as behaviours recognising potential so that we can talent spot and further support individual careers. All our managers are receiving standardised training that is enabling them to learn from each other and apply consistent, good management practice.

Performance Overview

The performance overview sets out a summary of our performance throughout the year against our key priorities and plans. It includes our top ten achievements and also explains any priorities that we were not able to fully deliver during the year.

We have made great progress during the year on projects supporting our 2020 vision. Read about our top ten highlights here;

1 Embedding our Safety Plan

The safety initiative introduced in January 2017 has delivered impressive results in wards across the Trust. Involving multi-disciplinary clinical staff, the plan relies on the completion of a series of safety checks, also known as Always Events, when assessing a patient. This happens within the first 24 hours of admission. In addition to the 30 per cent reduction in falls, figures also show that 99 per cent of patients are receiving all checks within 24 hours following admission. A system is in place to ensure that any of those missed are then completed within 48 hours. The process has been judged a success at the Trust, with more chances of potentially dangerous conditions, like Venous Thromboembolisms (VTE) being picked up and treated in a timely manner. Once the condition of the patient is assessed a treatment plan is devised which includes looking at their medical history, as well as looking at their current prescriptions and an expected date of discharge. We introduced the safety plan in our surgical wards and then rolled it out to medical and community inpatient facilities. Our work has been recognised by the national Patient Safety Awards for 2018.

2 Consistency of Care

During the year our Consistency of Care programme began beginning with our medical inpatient wards. We wanted to be assured that basic good standards of care were being met for every patient on every shift. The programme was led by our Director of Governance, Kam Dhami, and her executive director colleagues but the improvement ideas and delivery of those came from the ward multi-disciplinary teams. Lead consultants for each ward were established who, in conjunction with the nurse and therapy leads, developed their own improvement plans. A big part of the programme was participation by ward teams in a series of Listening into Action events where they generated their own ideas and then put them into practice. Throughout this report you will see stories from many of those who took part in the programme. In 2018/19 the programme progresses to include our emergency departments and community services.

3 Speak up Day sees hundreds make a commitment to raise concerns

Hundreds of colleagues from all areas of the organisation took part in our first ever Speak up Day on 27 September 2017. Speak Up Day aimed to raise awareness of the number of ways colleagues can raise a concern about safety at work. As part of the day, hundreds of our employees made a

promise to speak up. Our Trust has high levels of reporting for incidents in comparison to other, similar organisations but we wanted to continue to make sure that everyone knows how to raise a concern and where they can go for help, recognising that by raising concerns we will create safer care for our patients. It wasn't just our employees who recognise the importance of speaking up. On the day we were supported by positive feedback from patients, GPs and even people in the media. Speak Up Day will take place at least once in 2018/19 but of course the spirit of speaking up continues throughout the year.

4 Purple Point phone line launches to give immediate help to patients

The new hospital hotline 'Purple Point' has been installed outside ward areas at Sandwell, City and Rowley Regis Hospitals, which have phones that link directly to a team of advisors. The aim is to address concerns about inpatient care quickly, before the patient is discharged. The move comes after a survey was conducted by Healthwatch Sandwell which found patients wanted concerns resolved in a more timely manner. The phone line is manned between 9am and 9pm every day and is available in English and other languages. The service is not intended to replace the many ways we already have to act on patient feedback. It is an additional option for patients or relatives who want to give a compliment or need to have an issue dealt with promptly.

5 Successful recruitment leads the way

Nursing recruitment remains one of the Trust's key priorities as we aim to ensure safe staffing levels and deliver outstanding care to our patients. Since April last year, more than 100 conditional job offers were made to nurses through nursing recruitment events, held at City Hospital, and also at the RCNi (Royal College of Nursing) Jobs Fairs in Birmingham, London, Liverpool and Nottingham. With 240 vacancies last year, we currently have just over 90 to fill by the end of 2018. This is a remarkable result, especially in challenging times when the NHS nationally is experiencing a shortage of nurses across the country. Our new branding 'Bring your Ambition to Life', award-winning employee benefits schemes, and opportunities for nurses to develop their skills through training and team support, are some of the key things that have encouraged nurses to join us. We are pleased that our success in running local recruitment fairs has also been highlighted by NHS Employers for best practice and has been promoted widely across the NHS and in the local and national media.

6 Research and development

Across our research and development we are currently working to a three year plan which takes us up to 2020. The plan includes 11 objectives which cover the increase of the breadth of research we carry out, the number of patients we recruit onto studies, empowering patients to influence the research we pursue and increasing involvement of non-medical healthcare professionals in research and development. We have currently over 150 clinical trials on our books with almost 3,000 patients recruited across a wide

Consistency of Care

Sophia Panton, Sister AMU 1 and 2, said:
“Consistency of Care is very important to us. However, it isn’t a new thing within our profession, as we were always taught to look at the patient as a whole, not just their illness that has brought them into hospital. An example of this would be how we admitted a lady on one occasion, who aside from her illness, was struggling with alcohol and smoking issues. As a result we were able to refer her to our cessation services.”



range of specialities including ophthalmology, cardiology, sickle cell, maternity and dermatology.

7 Investing in our people

During the year we launched a new personal development review (PDR) (appraisal) process that support employees and their managers in setting clear objectives, and recognises people’s performance as well as the behaviours they have exhibited as part of our workforce. The PDR, Aspiring for Excellence, asks employees to demonstrate how well they have lived up to the Trust’s nine care promises. For the first time, managers are scoring employees on their performance and behaviours as well as giving them a score for their potential. All our managers have been trained in this new process that formed part of the new accredited manager training programme. Included in the programme are bespoke courses on managing wellbeing, recruiting for success, managing resources effectively and governance. On completion of the programme each manager receives accreditation and a passport that will form part of their own performance development. A big investment was made in our estate with the opening of the new Education Centre for the benefit of all colleagues. The newly refurbished centre at Sandwell Hospital is hosting hundreds of employees every week for course, training, learning and meetings. The library facilities are available to all and it even hosts our very own Amazon drop box for those important deliveries!

8 Tackling alcohol misuse

A £250,000 grant from Your Trust Charity is transforming patient lives and saving our organisation a significant number of bed days a month by funding a specialised alcohol team to work with patients at City and Sandwell Hospitals. The grant has enabled the creation of the team, which consists of alcohol specialist nurses and alcohol practitioners, under the management of Consultant Toxicologist, Dr Sally Bradberry. The team are based at both City and Sandwell Hospitals and offer clinical and psychosocial support. They advise colleagues on the treatment of alcohol withdrawal

and support them in the clinical management of these patients. The project began in December 2017 and is already delivering some impressive results having seen and treated over 260 people with ages ranging from 17 to over 65. 72 per cent of these were admitted into hospital for treatment and since then most have continued to access outpatient appointments through the dedicated work of the specialist team, and have been referred into other services, including counselling and rehabilitation sessions.

9 Meeting our financial commitments

We are one of the few NHS Trusts who were able to report a small surplus at year end. We benefited from the sale of land at the City Hospital site that will not be retained when we move to Midland Met. Our financial plans going forward are challenging and we are working closely with commissioners so that we can make the cost savings required, support them in their quality, innovation, productivity and prevention programme and generate investment so that we are able to balance our books, retain control over our finances and make new investments.

10 Working with partners

We continue to work closely with partners from across a range of sectors, both nationally and locally. We have received considerable support from third sector organisations in volunteering projects across our Trust such as Agewell, Kissing it Better, Sandwell Cares, the West Bromwich African Caribbean Resource Centre and many others. Our partnerships with primary care providers have progressed considerably during the year with a signed agreement with the Modality group of GP practices. We seek to further build on this during 2017/18. Acute and community providers have continued to collaborate together and within the Black Country and Birmingham Sustainability and Transformation Partnerships. We have agreed to be part of the Black Country Pathology Service, which we expect will be the largest pathology service in the country and will service four hospital Trusts and local general practice.

How we performed against our priorities

2017/18 Table of priorities

| Strategic Plan | Priorities | Delivered? |
|--------------------------|---|------------|
| Quality | Review our Care Quality Commission report that is due during the year and implement our action plan to continue improving safety standards and quality of care. | ✓ |
| | Implement the improvement plans to reduce avoidable mortality in surgery, cardiology, deaths due to sepsis and perinatal mortality. | X |
| Safety | Improve care in medicine by comprehensive implementation of Consistency of Care in all of our inpatient wards. | ✓ |
| | Implement the Safety Plan in all inpatient areas (including community wards) so that patients have all safety checks as standard. | ✓ |
| | Complete targeted recruitment for our hard to fill nurse roles that will create fully staffed teams reducing reliance on temporary workers. | ✓ |
| Service performance | Meet our four hour AandE waiting time commitment to patients sustainably in Q4. | X |
| | Reduce length of stay by increasing the number of morning discharges and cutting delayed transfers of care | X |
| | Deliver reductions in wait time and improved productivity through successful execution of our annual production plan for elective care. | ✓ |
| Our people | Cut sickness absence to below 3%. | X |
| | Create a more engaged workforce through promoting opportunities to speak up, make suggestions and listen to colleagues. | Partially |
| | Implement the changes needed to meet our workforce plans for 2018 – 2020. | X |
| | Deliver our Aspiring for Excellence: New PDR process. | ✓ |
| Digital workstream | Successfully implement our new electronic patient record during the Autumn supporting our journey towards a paper-free environment. | X |
| | Fully embed digital dictation and speech recognition, reducing time taken for patients and healthcare professionals to receive Trust correspondence. | Partially |
| | Ensure robust, improved infrastructure for our technology. | X |
| Our places | Finalise and publish our final location plans for services in the Sandwell Treatment Centre. | ✓ |
| | Exit 2017/18 with delivery plan for Midland Met on track and seven day service model developed, costed and agreed. | X |
| Long-term financial plan | Reduce agency spend by £10m during the year. | ✓ |
| | Meet financial commitments to generate a surplus by year end with all groups meeting their income and expenditure budgets. | X |
| | Work with the Black Country Alliance and STP partners to deliver efficiency savings including across corporate back office functions and in procurement of supplies and services. | Partially |

Priorities we did not fully deliver

We chose to focus on embedding the safety plan this year and the programme around delivering our quality plan will be refreshed in 2018/19 which will mean that we will see improvements in avoidable mortality in cardiology, stroke, surgery and deaths from sepsis. We are working with others across the Black Country on doing more to reduce perinatal mortality.

Along with other Trusts in the NHS, our performance on four hour waits for treatment in our emergency departments have not reached the standard we planned for by year end. Throughout the year we put plans in place to improve the patient journey through from emergency admission to discharge so that we could minimise delays for patients. The benefits of those plans are yet to be fully

realised. Our length of stay has also not improved at the rate needed and we have had to staff additional beds to care for patients. We plan to return to our sustainable bed base by Q1 of 2018/19 and continue to progress improvements in patient flow that will have an impact on our time to see and treat patients at the front door.

We have held a number of engagement activities with our colleagues including Listening into Action events and our Speak Up Day to ensure that colleagues feel heard and valued within the organisation. Our health and wellbeing offer is extensive and the services are well-used. In 2018/19 we will create even more opportunities for colleagues to feel engaged and empowered.

Our long-term workforce plans for 2018-2020 are currently being finalised to ensure that they meet our long-term financial plan and enable us to have the right skilled staff in the right places in preparation for our move to a new hospital and single site working for some teams. Each group is looking at their own workforce plans so that we can build the right training support and workforce change programmes. We have more to do to further reduce absence due to sickness and will in the year ahead put in place a dedicated programme of support for colleagues experiencing mental ill-health.

We delayed the implementation of the electronic patient record to 2018 to ensure we were ready to implement well this large-scale change that touches the majority of our workforce who are involved in clinical care. Our Trust has introduced a number of improvements to our infrastructure and hardware and continues to drive forwards the digital infrastructure plan. We were not affected by the cyber-attack that impacted on many NHS organisations and we ensure the security and safety of our systems are robust. Case note scanning went live during the year as preparation for electronic patient notes. Despite a difficult start, the system is now working reasonably well and has enabled the paper notes on site to be dramatically reduced. We continue to experience difficulties with the system for digital dictation and speech recognition and recognise that, when fully functioning, it will save considerable time for our clinicians and their support staff.

The Midland Metropolitan Hospital has experienced a pause in construction work due to the regrettable liquidation of our construction partner, Carillion. We continue to work with others to find a solution to complete this vital new hospital. This delay has impacted on our ability to finalise the Sandwell Treatment Centre locations as well as our seven day working model within the new hospital.

We met our financial commitments during the year, with a small surplus at year end. Not all groups met their group income and expenditure budgets. Our work with Black Country partners has continued as part of the Sustainability and Transformation Partnership. Acute providers have worked together on shared pathology services to form a hub and spoke model with the hub provided at New Cross Hospital, Wolverhampton. The business case has been reviewed by all four Trusts in the Black Country who have committed to moving forwards on this exciting new venture.

Working with Primary Care

GP partnerships

Forming close collaborations with partners continues to be a strong value of the Trust and this year we have further strengthened and formalised some of our GP partnerships, taking great strides towards our vision to be the best integrated care organisation in the NHS. The focus of the partnership working this year has been on building strong governance and working relationships with organisations in our area, including the local authorities, mental health trusts, GP networks and other acute and community providers. We are committed to working closely with all providers delivering health and social care so that care is seamless for patients and their families.

In some areas of Sandwell and West Birmingham our partnerships mean we are working as one team across primary and secondary care delivering joined up care for people. In West Birmingham we have a formal agreement with GP partnership Modality to work together on non-clinical and clinical services for three years. Dr Naresh Rati, of Modality Partnership, commented: "The agreement is a commitment to work collaboratively over the next three to five years with a view to forming more seamlessly integrated care pathways for patients."

There are also informal agreements in place with two other GP groups, Pioneers for Health and Intelligent Commissioning Federation (ICOF). In Sandwell there is an agreement place to work with the Modality practices and Your Health Partnership and we have also had initial discussions with three other GP networks. We have worked together on specialties including cardiology, gynaecology, dermatology, rheumatology and ophthalmology, developing joint primary and secondary care clinics. In 2018 we will focus on Ear Nose and Throat (ENT), gastroenterology, pain management, neurology, urology and musculoskeletal.

We will continue to look at new ways to provide seamless care for our whole population in collaboration with our partners.

How our groups performed

Primary Care, Community and Therapies

Budget: £71.5m

Headcount: 992 WTE

A medical workforce, including primary care has strengthened our community services further and prepared us to deliver new models of care. It means many different services are now delivered to acute inpatients, intermediate care and re-ablement beds, outpatients clinics, emergency and assessment departments, outpatients clinics, patient's homes and a diverse range of community locations.

Key achievements:

Community matrons Sue Wills and Dena Ross scooped a prestigious award for their hard work in reducing elderly admissions in July. The pair, from the community matron care homes team, won the Nursing Older People category at the Royal College of Nursing (RCNi) Awards. The matrons' project saw a reduction in elderly patient admissions to A&E by 18 per cent, and to hospital by 29 per cent. Initially they worked with West Midlands Ambulance Service (WMAS) to deliver the well-known First-Person-On-Scene (FPOS) course to 50 carers from 10 care homes in the area. However, following feedback, Sue and Dena decided the programme needed to be more tailored to meet the needs of care home staff. A bespoke course was devised, in collaboration with WMAS and then delivered to carers who work at a further 11 homes.

A unique collaboration between the British Red Cross and our organisation has been benefitting patients within the community. Two support workers from the Red Cross are visiting patients at home following their discharge from our care and offering them a befriending service, as well as carrying out essential errands such as shopping and collecting prescriptions. The initiative helps those who are at risk of being readmitted to hospital and it ensures that people can often remain in their own homes. External funding for the 18-month project will pay for both the support worker roles and a service coordinator. All three are based at Sandwell Hospital and work alongside the communities and therapies team, who will identify patients in need of extra support. One of those patients is Graham Harrison, of Oldbury. He has hailed the service as a "brilliant idea".

The Diabetes Team was recognised for its innovative work after being shortlisted for a national award. Judges sitting on the panel for the Healthcare Transformation Awards 2017 were impressed with the team's DiCE (Diabetes in Community Extension) service, which works closely with GP surgeries in providing the right care, in the right place, to the right patients. As a result of their on-going successful work, they were named as finalists in July last year for the Innovation in Diabetes award 2017. The DiCE model involves upskilling Primary care with GPs and Practice Nurses identifying challenging patient cases, who need support from our hospital diabetes specialists. The team then

provide advice and management plans for those patients. These sessions have been carried out in many forms, such as virtual clinics, joint consultations, case notes review or communication through emails and telephones along with on-going education. This model was commissioned by Sandwell and West Birmingham Clinical Commissioning Group (CCG) in 2014 to deliver it to all 89 practices in the area.

The iCares 'care homes' team have been working with care home residents to decorate their walking frames, an initiative that has proved extremely successful in reducing falls in other parts of the country. Residents in Dovedale Court, Wednesbury have benefitted from the scheme, in the hope that it will encourage them to use their frames more regularly. Clinicians found that residents in care homes weren't using their frames as often as they should, which results in falls and admission to hospital. Sometimes they forget their frames, or use someone else's because they look the same. The team believe the project will see a huge benefit to patients.

In early 2018 we signed an Memorandum of Understanding (MOU) with the Modality Partnership, one of the largest GP super-partnerships in the region.

The long term deal means a wide range of specialist services will be delivered to patients within the community setting, such as joint appointments with specialists and their GP at surgeries and hospitals run by the Trust. The goal is to take each of the major adult and children outpatient services that we offer and deliver them into a community setting, giving patients more access to specialist care. We want to particularly focus on patients who are most in need, and those with long term conditions. We want to deliver better care for those patients. We are also working with a number of other GP partnerships in the region to provide similar services. Cardiology, dermatology, gynaecology and rheumatology teams from the Trust are already working as an integrated service within practices run by the Modality Partnership.



Community Matrons (L-R) Sue Wills and Dena Ross who scooped an award for their hard work in reducing elderly admissions.

Future plans:

The iCares team will be undertaking a collaborative project working with West Midlands Ambulance Service (WMAS) to identify patients requesting emergency support who could be successfully cared for at home. iCares is expanding its team of advanced practitioners consisting of nurses and therapists with extended clinical skills to support the existing staff in their aim to provide integrated high quality care for patients in their own homes. The collaborative project will see iCares and WMAS working together to ensure patients receive the right care from the right source and in the right location. Dedicated referral pathways will be finalised to enable WMAS to liaise directly with iCares and staff from both services will work together during sessions in our emergency departments. It is anticipated that this will lead to a reduction in unnecessary hospital admissions and an increase in patient satisfaction and outcomes.

We will also continue to work with local GPs on a number of initiatives aimed at improving patient outcomes and eliminating delays and barriers to care across different providers. For example the Musculoskeletal (MSK) service is commencing a dedicated support and telephone triage to ensure that patients are seen by the most appropriate professional. This will also reduce delays experienced by patients with MSK issues who initially wait for GP appointments prior to being referred to a physiotherapist. In addition a new collaborative project between us and the Black Country Family Practice is planned to examine health and social care provision for patients in care homes and sheltered accommodation. The joint pilot project will identify the needs of this particular patient group and develop services to meet their unique need.

Consistency of Care



Phoebe Spooner, Acute Medical Unit A (AMU) Healthcare Assistant, added: "As part of the Consistency of Care plan, the Adapt programme, was introduced to our unit. It is a discussion between therapists, social workers and nursing staff to ensure if there are any issues social or medical needs, they can be met before the patient is discharged."

Imaging

Budget: £10.7m

Headcount: 279 WTE

Our patients benefit from a wide range of imaging services which includes x-ray, interventional radiology, CT and MRI scans, DEXA, ultrasound, nuclear medicine and breast screening. We also provide a direct access service for GPs. An increase in equipment means shorter waiting times and also the opportunity for patients to have more choice over where they would like to receive their treatment.

Key achievements:

Our nuclear medicine department offers patient-centred functional imaging and reporting services to patients from hospitals across the West Midlands. They have recently introduced a new system which allows results to be shared

with neighbouring trusts much quicker. There are many types of test which the department performs, including myocardial perfusion scans, which is a test to look for any blockages in the artery which supplies blood to the heart muscle, and a Datscan which looks for Parkinson's in the brain. Previously, the results of these and other tests had to be sent to the referring doctor by post. But sometimes this took up to a week to reach the correct person. The imaging team worked with informatics and the PACS team to devise a system whereby the report and images can be sent electronically to the external hospital's PACS systems. This now means that our state of the art images can appear on the referring hospital's PACS team and patient information system, which helps to convey the information written in the report. This export can take just a few hours, rather than days as we experienced when we were posting them.



(L-R) Dr Roger Stedman, with Dr Nicola Strickland, President of the Royal College of Radiologists, and Dr Sarah Yusuf, Group Director for Imaging.

A number of radiographers have undergone additional training which allows them to report on a number of x-rays and CT scans. The reporting radiographers assist in managerial aspects of the department and also have a set time to report on images. They undertake additional training in the form of modules from a master's degree in diagnostic imaging. Each of the modules means they can report on different areas of the body – for example after completing one module the trainee can report on the appendicular skeleton (shoulders to the fingers and then the hips to the toes) a second module would enable them to report on axial skeleton images (skull and facial bones) and completion of the full masters would enable a radiographer to report on most images, including chest and abdomen. Essentially the workload is being lifted off some radiologists which frees them up to look at more complex cases such as CT scans, ultrasound and MRI scans. This improves the turnaround times and reduces the amount of time that patients are waiting for a diagnosis.

The recruitment strategy for radiologists was praised by Dr Nicola Strickland, president of the Royal College of Radiologists. The Trust has been bucking the trend and is close to filling all radiologists and radiographer posts.

A new process, which will improve the way emergency patients and inpatients are managed by the imaging department has been introduced. The duty radiologist system will streamline the requesting process and reduce the number of calls needed to arrange a scan for a patient. It means that one radiologist will take all the calls on that particular day, with a contact number on each site. This means that colleagues on the wards do not have to ring for every scan, or that our other radiologists can report on scans without getting interrupted. We aim to complete the vetting and scheduling process for urgent cases within 30 minutes of receiving the request, and as soon possible for emergency departments.

Future plans:

This year will see the continued refreshment of equipment with new CT and MRI scanners being installed in the Birmingham Treatment Centre (BTC). This will fit with the model of working envisaged once the acute site moves to BTC. Three new consultants have been recruited and will join the Trust in late summer; two breast/general and one nuclear medicine. The interventional radiology service continues to participate in the Black Country Alliance interventional radiology out of hours service and is gearing up to full participation later this year. We are also looking at working with partners to investigate the use of artificial intelligence as an adjunct to our services.

Pathology

Budget: £21.3m

Headcount: 337 WTE

Within our pathology department, we offer a wide range of services which allow speedy results, as well as services that go out to meet patients such as anticoagulation services and point of care testing. We offer comprehensive services that all us to apply modern clinical science to the diagnosis, treatment and monitoring of disease.

Key achievements:

Since 2011 our clinical biochemistry department has offered a direct to the public service for vitamin D levels. This service is based on a vitamin D dried blood spot test card that was developed in clinical biochemistry, with its unique design allowing samples to dry in an enclosed space without blood spot deterioration. Initially the service used a telephone order line however, it is now mainly online. We are seeing considerable growth with requests coming from right across the United Kingdom and from countries around the world. The service determines those members of the public who do not produce enough vitamin D naturally from sunlight on their skin. Many of us have sub-optimal vitamin D levels and our pathology team send back thousands of reports every year to members of the public who are clearly deficient in vitamin D. However, they also detect people who have been taking far too much vitamin D with the risk of toxicity.

A team of our clinicians have joined forces with Sandwell and West Birmingham CCG to bring screening for TB and blood-borne viruses to the community. This initiative has seen our practitioners visit key places within the area to promote and carry out tests for Tuberculosis (TB), HIV, Hepatitis B and C. Patients who have the test must be aged between 16 and 35 and must have arrived in the UK from a number of countries in Asia, and Africa, but also Vietnam and Peru, within the last five years, countries known to have a high incidence of TB.

Our serology team have produced a dried blood spot testing service which is being used in particular in secure units where we are diagnosing people with serious conditions including Hepatitis and HIV.

Our expertise has gained media attention, when we were asked to test a lethal substance called DNP, which is being used as a diet pill. We highlighted the dangers of the drug, an industrial compound which is sometimes inserted into capsules and sold on the internet as a weight loss agent. Our modern equipment, which includes a screen of 1,500 drugs and metabolites, enables us to detect the misused substances in a timely manner, so that clinicians can have the right information to treat patients effectively.

The histopathology department welcomed 10 new recruits to the team. Two new senior biomedical scientists, as well as newly qualified biomedical science degree students, a medical secretary and a multi-disciplinary team coordinator have joined the service. The senior members are involved in using advanced dissection techniques to prepare specimens for diagnosis, whilst also playing a role in training their junior colleagues.

A new handbook has been produced by us, which offers help and guidance on how effective use of complex services can positively impact the patient sample journey. The publication has been circulated to users in primary care and around our hospital sites. The 16-page book includes general information about pathology, the different laboratory services, and clear details on how to take the perfect blood sample.

Future plans:

We are now part of the Black Country Pathology initiative which aims to take forward Pathology across the Black Country. This is a long term process with staff across Pathology now involved in meetings looking at all aspects of the services that we provide. A main hub department will be based at New Cross hospital with satellite facilities in other hospitals including ours.



A team of our clinicians bring screening for TB and blood-borne viruses to the community. (L-r) Afzol Hussain, Medical Laboratory Assistant, with Alamgir Khandoker, Health Advice Officer at the Bangladeshi Islamic Centre, Pav Jheeta, Cassandra Craig, Medical Laboratory Assistant, and Tracy Morrod, Clinical Nurse Specialist for TB.

Surgical Services

Budget: £113.7m

Headcount: 1,368 WTE

The Surgery group has combined all surgical specialities together, providing seamless services to patients and enhancing cross learning for staff. We provide general surgery, orthopaedics, plastics, urology, vascular, anaesthetics and critical care, as well as ophthalmology at the Birmingham and Midland Eye Centre (BMEC), which is based at our City Hospital site. We treat patients who present to our AandE departments with acute surgical or orthopaedic emergencies and perform a large number of elective operations.

Key achievements:

We opened a new surgical monitored unit at Sandwell Hospital to enable the surgery team to provide level one care to patients, allowing us to optimise patient recovery, with the aim of preventing intensive care unit (ITU) admissions where possible.

Our clinicians have been using a new less invasive way of removing kidney stones from patients which drastically reduces their time in hospital. The new procedure called Percutaneous nephrolithotomy (BCNL) involves using a thin telescopic instrument called a nephroscope. It is less risky and more convenient, reducing the length of time the patient has to stay in hospital from five days to just one.

We established a new nurse led service to reduce waiting time for yag laser capsulotomy. This procedure is to improve patient's vision after cataract surgery. In the past, it was carried out by doctors and a handful of nurses across the region. Now, with this established nurse led service, patients are able to access the treatment in a timely manner.

Surgeons at BMEC became one of the first in the UK to perform a sight-saving operation, known as the GATT procedure (Gonioscopic Abinterno Transluminal Trabeculotomy). The patient, a 20-year-old man had been diagnosed with glaucoma and was suffering from excruciating headaches



Patient Daniyaal Farooq (left) became one of the first and youngest patients to undergo the GATT procedure carried out by Mr Imran Masood (right), consultant Ophthalmic Surgeon.

and blurred vision. Our surgeon suggested a more advanced and minimally invasive technique and the patient underwent the procedure in both eyes with a positive outcome..

Our breast team were selected to take part in a UK multi-centre study, testing a device called MarginProbe. The device uses electromagnetic waves to identify breast cancer cells at the margin of specimens. It was developed to allow surgeons to be able to establish how much tissue should be removed during a lumpectomy - an operation in which a lump is removed from the breast. If the outcome is successful, using MarginProbe in our unit may save our patients around 50 extra operations a year.

Future Plans:

The opening of a 23 hour unit in the Birmingham Treatment Centre will see a reduction in the number of short notice cancellations due to bed availability and a shorter wait on their surgical pathways.

Plans are also in development to provide a 23 hour unit on the Sandwell site to support surgical pathways with a short length of stay for orthopaedic and general surgery specialities. It will also lead to improved access to specialist support in community settings (e.g., GP surgeries).



Our breast team were selected to take part in a UK multi-centre study, testing a device called MarginProbe.

Consistency of Care



Alice Sibanda, a sister on Priory 5, said: "On Priory 5 we have created a checklist for all the documentation. This has made a huge impact on patient care, which means they get their medication on time, and are checked regularly. It has reduced pressure sores on the ward."

Medicine and Emergency Care

Budget: £120.9m

Headcount: 1,429 WTE

The Clinical Group of Medicine and Emergency Care group includes over 300 medical staff, over 1,300 nursing staff, a range of administration and allied health professionals working across the two directorates - Emergency Care and Admitted Care. We have recruited over 300 people during the past year. The directorate of emergency care covers Emergency Medicine, Acute Medicine, the Mental Health Service, RAID and toxicology. The directorate of Admitted Care covers elderly care, stroke, neurology, neurophysiology, cardiology, gastroenterology, respiratory; haematology, oncology, endoscopy and all ward clinical teams.

Key achievements:

In the last 12 months, the group has successfully recruited to all of the key senior clinical and managerial roles, creating a solid foundation to enable sustained improvements to care delivery going forward.

Through the Consistency of Care Programme, the group has demonstrated improved quality in the way in which care has and is being delivered.

The latter part of 2017/18 has seen the implementation of a 'Consultant of the Week' model to enable consistency in the approach to medical management of our patients and to support safe and timely discharging.

The Group has successfully recruited into the consultant workforce in the Emergency Department, Respiratory Medicine, Cardiology and Elderly Care and the nursing workforce across all specialities.

New initiatives have included a dedicated Older Persons Assessment Unit based at Sandwell Hospital. The Ambulatory Assessment Units both at City Hospital and Sandwell Hospital have expanded their portfolios both in terms of access and

pathways and now see, treat and discharge in excess of 30 patients a day and has made a significant contribution toward admission avoidance. These units are planned to expand further in 2018/19.

There was double success for the Acute Medicine team who showcased their new clinical skills lab at a Royal College of Physicians conference, and also went on to win first prize for innovation in a training poster explaining the concept. Judges were impressed, not only with the design of the poster, but how this unique training model enables junior doctors and nurses to put their learning into practice improving patient safety as their skills and confidence grow. Since the launch of the clinical skills lab, the unit has seen a much improved discharge and patient satisfaction rate, as patients on the unit are seen in under four hours and have a more efficient patient journey. The clinical skills lab is believed to be the first in the country, providing short training sessions in an acute medical unit that is accessed 24/7. The lab contains extensive medical equipment ranging from lumbar punctures, chest drains and central venous puncture kits, to an ultrasound machine and a patient simulator. Medical trainees are taught how to perform procedures and have the opportunity to practice in the lab supervised by senior doctors.



Our sickle cell patients became the first recruits for a worldwide study that looked into trialling a new medicine. Nurses Liz Green and Amanda Tembedza helped to recruit patients to the trial.

Our sickle cell patients became the first recruits for a worldwide study that looked into trialling the new medicine IMR-687 to help prevent sickling, therefore reducing the number of painful sickle cell crises. Four centres in the UK and 10 centres in the US are taking part in this trial.

Our Cardiology team implemented e-prescribing to ensure accurate and timely prescribing while carrying out procedures, enhancing patient safety.

Patients who need that extra bit of help and support with their breathing are now able to benefit from Non Invasive Ventilation (NIV) following the opening of a new specialised unit on Priory 5. NIV is a treatment which helps patients to breathe in and out by using a ventilator. Patients are able to recover and breathe naturally whilst wearing a mask as opposed to a tracheal tube or tracheostomy. Patients on traditional ventilators are put to sleep and a tube is inserted into the throat. However, those patients who undergo NIV are fully conscious and breathing support is provided through a face mask. The advantages of are that the patient can eat and drink as normal, maintain their oral health, they can communicate with their friends and family, and they can remove the mask for short periods of time. We also find that NIV treatment gives improved outcomes for patients, reduces mortality and allows reduced hospital stays. The majority of patients who have NIV treatment suffer from Chronic Obstructive Pulmonary Disease (COPD), but we also treat those with breathing difficulties as a result of obesity, deformities in the chest wall and muscle weakness. The NIV unit is open seven days a week, so that patients are continuously receiving treatment.

We continue to achieve almost 100 per cent in seeing the TIA referrals within 24 hour if high risk and seven day if low

risk. We saw around 1,000 patients last year (almost 30 per cent more to what the service was designed to manage in 2013). We see people outside our area because of the Birmingham and Midland Eye Centre referrals.

The Chronic Total Occlusion (CTO) angioplasty programme has expanded and is one of the largest in the country, with very high success rates.

We have been committed to developing the CESR program for middle grade doctors within our Emergency Department, who are not on a Deanery training scheme. It has already been hailed a success and has also been recognised as such by the Trust board members. This program stabilises our staffing in the future for our ED Departments.

Future plans:

We are building on the collaboration with Modality which started in 2017, by training another GP as a 'GP with special interest' in cardiology. Collaborative community Atrial Fibrillation clinics will also be set up in the future. Community clinics and diagnostics including echocardiography are planned for surgeries in Tipton and Handsworth. Modality have pledged to see cardiology follow-up cases in their community clinics, allowing SWBH to see more new clinic patients and keep all the lab work. Work to develop AMU continues and there are a number of initiatives ongoing, including collaborating with radiology to improve diagnostics accessibility seven days a week. A new research project with the University of Birmingham will look at fluid resuscitation and IVC. Within the clinical group, there is an ongoing recruitment activity with a view of hiring more consultants and clinical nurse specialists. We are also looking at upgrading our endoscopy software.



Members of the team, from the Non Invasive Ventilation Unit (NIV), which was launched in 2017.

Consistency of Care

Joy Walker, senior sister on D26, said:

"Consistency of Care means cohesiveness to us within our team. Without this we cannot work together. In order to have cohesiveness, we have to have structure, which is something we were lacking. We've implemented that by having the 'rhythm of the day'. It sets up what our plan is throughout the day. We talk about our board meetings, we have huddles as a team, and meet with the relatives of our patients, because that is important. The clinical team also has time to meet with patients. From a quality point of view, our surveys are quite positive, in that patients report they have had a good experience. Patients can see we are working together and there is structure. It instils confidence and quality in the patient that they are receiving good care."



Women's and Child Health

Budget: £76.2m

Headcount: 917 WTE

The Women's and Child Health clinical group encompasses gynaecology services, maternity and neonatal services, and acute and community paediatric services which includes health visiting and best start practitioners services.

Key achievements:

We have been working with a number of organisations in wave one of a new national maternity safety initiative which aims to improve services and reduce death rates. We are part of the first wave of trusts to take part in The National Maternal and Neonatal Health Safety Collaborative, which has been set up by NHS Improvement (NHSI). It has seen a Government investment of £40,000. We are also working closely with charities, including Kicks Count, to raise awareness around preventing neo-natal deaths and stillbirths. The project is focusing on four main areas with a view to improving care provided to all who access our maternity and neonatal services.

Our paediatric service is leading the way when it comes to treating children for a wide range of allergies. The story of Louis Malanaphy gained national media attention, after his desensitisation treatment for an extreme allergy to grass, has transformed his life. The youngster was unable to play his favourite sports outside because he would suffer a severe reaction. He was put on a special treatment plan, which involves dissolving a special tablet containing small amounts of grass pollen under his tongue every day so that he would get used to it. Since starting the treatment, Louis can now play outdoor cricket and football without any reaction.

The Best Start Programme, which provides advice and support to pregnant women and new mums was launched by us in July. We were commissioned by Sandwell Council to deliver the scheme, which helps women who are pregnant with their physical and emotional health, as well as those in their first year of motherhood. They receive practical tips on their parenting skills, and advice on how to strengthen relationships with close family and friends, including their baby, which in turn will ensure that their child will achieve their full potential. Women taking part are offered six home visits in the antenatal period and 12 home visits from birth to one year. In certain circumstances the Best Start Programme can continue until the child's second birthday. Best Start replaced the Family Nurse Partnership (FNP) programme which had been running since 2009.

We are one of the best when it comes to training and support for obstetrics and gynaecology students. Eighty-one per cent of students told the survey, carried out by the School of Obstetrics and Gynaecology that they would recommend a placement at SWBH. When our trainees come here to carry out their training, we arrange for each of them to have a consultant as their supervisor so they will always have the close support that they need. The trainees are encouraged to give feedback and share with us any problems that they have so we can address them immediately. We also provide engaging training sessions to ensure they have hands-on experience.

Our infant feeding team have worked with the Southern and West Midlands Newborn Network to create a short film encouraging women who have had preterm babies to express milk. The film is being viewed locally by fellow trusts and will also be shared nationally.

Future plans:

We are working collaboratively with key stakeholders as part of the Black Country Local Maternity System which is chaired by our Chief Executive. This is an exciting time as we implement the recommendations of the national maternity review, Better Births. The key objectives are to achieve Consistency in Care across all four providers with a focus nationally on continuity of care being the driver for success in improving safety, experience and outcomes for all women and babies. Engagement of our multi-disciplinary team is key to this, with work having begun and opportunities for all to become involved.

We continue our work to reduce perinatal mortality in line with the national agenda with a number of initiatives to progress this. We recognise the need to further increase surveillance in pregnancy for babies whose growth may reduce as the pregnancy progresses. To achieve this we need to increase our third trimester scanning service.

We are actively engaging with Health Education England projects to successfully secure funding to train more midwives and identify opportunities to seek support for the additional equipment and staff to achieve this ambition. Our consultants will also be present on wards, seven days a week.

We are also implementing a model of support and advocacy for our midwives through the training of Professional Midwifery Advocates; our first cohort are expected to have qualified by May 2018. The model replaces the previous statutory supervision of midwives with inclusion of four mandated components: clinical supervision, personal action for quality improvement, education and development and monitoring and evaluation. Restorative supervision is a key



Rachel Carter, Director of Midwifery, at the launch of the National Maternal and Neonatal Health Safety Collaborative.

change in this model which we are embracing as a supportive model to empower our midwives to strive for excellence and ultimately improve the care provided to women, babies and families.

Work is underway to extend the type procedures offered under local anaesthetic for women requiring gynaecology surgery. A new purpose built unit opens at Sandwell in July 2018 allowing more women to have surgery in a dedicated outpatient setting.

Our incredibly successful Allergy Service is extending its capacity and scope with the recruitment of a Consultant Allergy Nurse and a second Paediatric Allergy Consultant. This will provide additional capacity and capability to deliver excellent outcomes for children that enter our service.

Consistency of Care



Emma Ward, a sister on Newton 5, said: "We focused our Consistency of Care project onto our clinical team, improving communications between the nurses and doctors on the ward. We did this by introducing a clinical meeting on a weekly basis, which followed our Multi-Disciplinary-Team meetings. This involves the consultants, nurses, clinical nurse specialists and pharmacists discussing how the ward has been over the past week and any issues or concerns we have experienced. We will discuss ways we can improve the care that we can offer to our patients. We openly and honestly discuss problems, and the lessons learned. This has impacted on patient care by improving the information we have given to them as it is now consistent. It has made us more efficient as a team."

Corporate

Budget: £17.5m

Headcount: 1,500 WTE

The Corporate function covers our workforce and organisational development, estates, strategy, governance, communications, operations, nursing and facilities, finance and the medical director's office.

Key achievements:

We launched a brand new initiative - the first in the NHS - which supports and promotes career development of healthcare assistants and nurses for bands 2 through to band 6 colleagues. The Band 2-6 nursing career accelerator programme provides intensive training, supporting people to develop their nursing careers from healthcare assistant roles through to band 6 nurse roles. Band 5 nurses who progress successfully through the programme will also receive financial rewards at the start and end of the scheme. The programme creates opportunities for bands 2- 6 who want to develop their nursing careers.

Our organisation is one of the first trusts in the region to introduce charge points for electric vehicles. We have recently installed six new charge points at Sandwell, City and Rowley Regis Hospitals for colleagues, patients and visitors. The project has been part funded by salary sacrifice provider Tusker and the Office for Low Emission Vehicles (OLEV), and installed by 'EV Charging Solutions'. The move is part of the organisation's strategy to curb emissions and tackle pollution. We have already won a number of national awards this year for our environmentally-friendly approach.

As part of our commitment to supporting colleagues within our organisation with training opportunities, we have launched a brand new programme called 'SWBH – Learn a Language.' Our hospital sites are situated within a very diverse community, which means we see many patients who don't speak English as their first language. We wanted to offer an opportunity for colleagues across the organisation to learn basic language skills so that they can help our patients to feel more at ease during their stay with us. We are working with Brasshouse Languages who are providing 10 week training courses, either on-site or at their training centre in Birmingham City Centre. Twenty-two different languages are on offer including British Sign Language, Polish and Arabic and colleagues will need to commit to 1.5 hours of learning per week.

We have seen the launch of our new Purple Point phone service, to help patients who are staying with us as inpatients get the help that they need immediately. This is a new way for patients and relatives to raise concerns about care on our wards and will enable us to make a difference straight away to people's experiences. The new phone service can also be used to record a thank you or pay a compliment to our hard-working teams. The phone service should provide us with rich feedback on our services and will help us to understand what really matters to our patients and their loved ones.



Nicola Ager, Service Development Librarian, supports Speak Up Day, by signing a Promise.

We have approximately 750 line managers within our organisation and over half of them are already on their way to becoming 'SWBH accredited managers' and by the end of March 2018, every line manager will have been through our internal training programme. Each manager will undertake five core modules in Year one, which started in January this year and will run until the end of March, following which any new managers entering our organisation will also attend the accredited manager modules.

After extensive refurbishment, The Education Centre reopened at Sandwell Hospital in November. Described as a "fantastic asset", the building has been extended and fully refurbished and houses state-of-the-art learning facilities for all that use it, and a well-stocked library. Since opening its doors, the Education Centre has been well used by colleagues, with the new-look conference room playing host to its first Trust Board meeting in December. Residents of Sandwell will be able to use the facilities on offer at the centre.

Hundreds of colleagues from all areas of the organisation took part in our first ever Speak up Day in September. Our Freedom to Speak up Guardians were joined by executive directors, trade union colleagues and Trust specialists on stands at Rowley Regis Hospital, City and Sandwell sites as well visiting Leasowes Intermediate Care Centre. Across the Trust, colleagues were encouraged to make a promise, either online via Connect or on a promise card, to speak up should they have a concern. The message of the day was simple -



The Education Centre was officially opened in December. Medical Director David Carruthers welcomes guests to the event

if you see a concern at work, don't just walk by. There are lots of ways you can speak up, so take the opportunity of speak up day to find out how to raise a concern and make a promise to speak up.

Our "Safety Plan" initiative for patients has seen a 30 per cent reduction in falls since June. The project involves clinical staff completing 10 safety checks, also known as Always Events, when assessing a patient. This happens within the first 24 hours of admission. Statistics show the number of falls which have resulted in an injury has decreased by 30 per cent a week as a result of the safety plan being implemented across the Trust. Figures also show that 99 per cent of patients are receiving all 10 checks within 24 hours following admission. A system is in place to ensure that any of those missed are then completed within 48 hours. The process has been hailed a success at the Trust, with more chances of potentially dangerous conditions, like Venous Thromboembolisms (VTE) being picked up and treated in a timely manner. This is down to a more detailed check being completed by clinicians upon admission. Once the condition of the patient is assessed a treatment plan is devised which includes looking at their medical history, as well as looking at their current prescriptions and an expected date of discharge.

More than 100 conditional job offers have been handed out to nurses through our successful year-long recruitment campaign. This outstanding number is the result of a series of recruitment initiatives, which saw the organisation carry out two successful major recruitment events at City Hospital in July and November, as well as attending RCNi (Royal College of Nursing) jobs fairs in Birmingham, London, Liverpool and Nottingham. Vacancies for Band 5 nurses were at 150 last year, but now there are 40 to fill.

Future plans:

Work is continuing on our project to reduce our huge spend on postage by signing up patients to receive appointment letters by email. It is essential that we sign up as many patients as possible to receive email communications, provide a more efficient service to patients, contribute to reducing missed appointments and as this will save us money. We're already gathering email addresses through a number of routes including directly through our website, call centres and face to face through volunteers working across our outpatient areas.

This year we will confirm our rewards and sanctions as a consequence of the scores within our new performance development review process, Aspiring for Excellence. These will support people who perform well and ensure that the right support and consequences are in place for those who have not been able to achieve the standards required.

In 2018 we will go live with Unity, our new electronic patient record. Over 400 digital champions have been appointed and trained. Unity brings together many of our existing clinical systems as well as introducing electronic systems where none existed before such as electronic prescribing. Hundreds of colleagues have been involved in the programme during 2016/17 and even more will be engaged during 2018. The Oracle Trust wide Finance and Procurement System went live in April. The programme gives us the potential to use more modules within the system, help manage stock and has an advanced reporting structure, which will improve the management of the Trust. The system changes impacts all users of the existing finance and procurement system. This includes requisitioners, budget holders, finance and procurement colleagues. If we use the system to its potential we can reduce non-pay spend. The more we can save on non-pay the less we will have to deliver in pay savings.



The Nursing Escalator Programme was launched in March. (L-R) Cordu Jarra, Senior Staff Nurse, Gemma Stone, Healthcare Assistant, Nina Faroon, Senior Staff Nurse, Elaine Newell, former Chief Nurse, Shirley Castro, Clinical Lead Nurse and Susan Grantham, Ward Manager.

Our Quality Account

Chief Executive's Statement

Our Quality Account includes information on our performance against a range of quality and safety indicators. Our main achievements in the year include our success in embedding the safety plan and engaging medical ward teams on our Consistency of Care programme. Both of these schemes have aimed to ensure that the basics of good care are always in place for every patient, every day and every shift. We are beginning to see improvements in patient outcomes as a result of the efforts of the ward team.

We chose to focus on our quality plan in 2018/19 and are looking forward to the changes we can make to achieve our ambitions to be among the best in the region or the best in the country for certain health conditions, services or treatments.

I am pleased that inspectors from the Care Quality Commission recognised the strides we have taken in improving safety and quality and have rated us good or outstanding in over 70 per cent of our service areas. The inadequate rating for safety has been removed and we achieved outstanding ratings for the caring domain and our innovative end of life care service, delivered in partnership with different providers – a truly integrated service.

I am looking forward to the year ahead and with that another inspection visit where, if we deliver our plans as described in this document, we should achieve a “good” rating from the Care Quality Commission, which will be a well-deserved reflection on the improvements our committed staff are making in safety and quality.

The data within this report is drawn from our performance dashboard that is reported to our Trust Board monthly, in public. To the best of my knowledge the information within this report is accurate.



Toby Lewis, Chief Executive

Statement of directors' responsibilities in respect of the Quality Account

The directors are required under the Health Act 2009 to prepare a Quality Account for each financial year. The Department of Health has issued guidance on the form and content of annual Quality Accounts (which incorporates the legal requirements in the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2012 (as amended by the National Health Service (Quality Accounts) Amendment Regulations 2011)). In preparing the Quality Account, directors are required to take steps to satisfy themselves that:

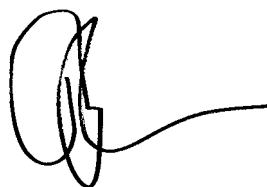
The Quality Account presents a balanced picture of the Trust's performance over the period covered;

- The performance information reported in the Quality Account is reliable and accurate;
- There are proper internal controls over the collection and reporting of the measures of performance included in the Quality Account, and these controls are subject to review to confirm that they are working effectively in practice;
- The data underpinning the measures of performance reported in the Quality Account is robust and reliable and conforms to specified data quality standards and prescribed definitions, and is subject to scrutiny and review; and
- The Quality Account has been prepared in accordance with Department of Health guidance.

The Trust's directors confirm to the best of their knowledge and belief that they have complied with the above requirements in preparing the Quality Account.



Richard Samuda, Chairman



Toby Lewis, Chief Executive

Priorities for Improvement in 2018/19

We have made great strides in ensuring our Safety Plan is embedded across our Trust. During the year we will continue to progress our Consistency of Care programme and we

will make progress on objectives within our quality plan. Listening and learning from the experience of patients in our care and their relatives and carers is a priority for the year.

Priority 1

Improved outcomes from patients presenting with signs and symptoms of Sepsis as a first step in delivering our Quality Plan

Rationale and measurement

Patients presenting with or developing infection while in hospital have an increased risk of prolonged hospital stay, poor health outcomes and a higher mortality. Early identification of sepsis with appropriate assessment of those at risk and prompt commencement of antibiotics is key to successful management. Our Safety Plan has contributed to improvements in the care of sepsis but there is room for improvement, particularly in the management of those receiving cancer or immunosuppressive treatment who, as a consequence, are at risk of neutropenic sepsis.

Patients with suspected neutropenic sepsis should receive antibiotics within an hour of arrival in AandE and achievement of this target will be monitored.

In addition we will monitor the percentage of patients who are assessed for sepsis who have triggered on the wards for an assessment to occur (early warning NEWS score of >5) using the Sepsis Action Tool.

Reporting

The outcomes of sepsis management will be reported and monitored by clinical leaders at the Executive Quality Committee and for the Board by our monthly Quality and Safety Committee.

Priority 2

Achieving a good rating under the framework of the CQC assessment

Rationale and measurement

The Trust was inspected in 2014 and 2017, and the latest report demonstrates material progress in very many services. More than 70% of our services are now rated as good or outstanding.

We have a well-developed and detailed plan for improvement which is closely monitored. We aim to deliver that plan during Q1 of 2018/19 and spend the balance of the year testing and retesting our compliance. In particular we need to see significant changes in:

- our A&E departments
- urgent and emergency admitted care wards
- Birmingham and Midland Eye Centre (BMEC)

Reporting

Progress against our improvement plan is reported and monitored by clinical leaders at the Executive Quality Committee and for the Board by our monthly Quality and Safety Committee.

Priority 3

We will improve the Consistency of Care provided to patients while on our wards and sustain our Safety Plan delivery

Rationale and measurement

Having Consistency of Care provided is very important both with respect to having the right documentation completed at the right time, but also when considering consistency of staff involved in making those care decisions. Making sure that the correct documentation and risk assessments are completed on all patients at the time they are admitted to our wards is part of providing Consistency of Care.

Actions based on these assessments, particularly around patient safety, are important to maintaining high quality care. A regular ward based team, particularly around senior decision makers supports the consistency model. Changes in junior staff rostering to improve care in our assessment unit also provides more consistency on the ward.

The new initiative of consultant of the week, along with the changes in junior staff working allow closer cooperation with nursing and therapy teams to plan care more effectively, improving communication to patients and relatives and planning for timely discharge. Links with community teams to make sure that clear handover for ongoing care are a crucial part of this aim.

We will regularly review completion of documentation so that Consistency of Care can be achieved and monitored. This will allow us to make sure that every time we are getting the basics right. Having an expected date of discharge is an important part of planning care so that families and staff can work towards a safe and supported discharge. Improvements in achieving this target date will be monitored.

For those patients recognised to be in the last months, weeks or days of their life, application of the supportive care pathway will be monitored.

Reporting

These initiatives will be reported and monitored by clinical leaders at the Executive Quality Committee and for the Board by our monthly Quality and Safety Committee.



D11 and D26 at a Listening into Action event to promote their best practices in implementing safety plan.

Quality Plan 2017 – 20

| | |
|----|--|
| 1 | We will reduce deaths in hospital that could be avoided so that we are among the top 20 per cent of comparable NHS Trusts in the UK. We will take action to cut avoidable deaths from Sepsis, Hospital Acquired Venous Thromboembolism, Stroke, Acute Myocardial Infarction (Heart Attack), Fractured Neck of Femur and High Risk Abdominal Surgery. |
| 2 | Cancer patients will have early access to diagnostic services to support their management pathway as the new models of cancer service provision at SWBH develop. |
| 3 | We will coordinate care well across different services so that patients who are discharged are cared for safely at home and don't need to come back for an unplanned further hospital stay. |
| 4 | We will deliver outstanding quality of outcomes in our work to save people's eyesight, with results among the top 20 per cent of comparable NHS Trusts in the UK. |
| 5 | More Sandwell and West Birmingham residents will take up the health screening services that we provide than in other parts of the West Midlands. |
| 6 | We will reduce the number of stillbirths and deaths in the first week of life so that we are providing a better service than others in the West Midlands. |
| 7 | Patients at the end of their lives will die in the place they choose, receiving compassionate end of life care. |
| 8 | We will ensure the wellbeing of the children we care for, in particular reducing lost days of school as a result of hospital care; and ensuring the safe transition of care to adult services at the appropriate time. |
| 9 | Patients will report that their health is better following treatment with us than elsewhere in England, ranking SWBH in the top 20 per cent of NHS trusts for patient-reported outcomes. |
| 10 | We will work in close partnership with mental health care partners to ensure that our children's, young people's, adult and older people's crisis and ongoing care services are among the best in the West Midlands. |

How we performed against external measures

Care Quality Commission Inspection

Over 50 inspectors from the Care Quality Commission (CQC) visited parts of the Trust in March 2017 over three days, followed by unannounced visits. They met, observed and talked to colleagues, patients and family members. The inspection reports were published in October 2017.

Although the overall Trust rating, 'requires improvement' has not changed, there are significant improvements in our service and domain ratings, in fact 70 per cent of our services are now rated as 'good' or 'outstanding'. The CQC rated our End of Life Care as 'outstanding' which is a distinctive achievement; very few such services UK-wide have that accolade. Our Surgery and Imaging services moved into a 'good' rating. Recognising the compassion of our workforce, the CQC rated us as 'outstanding' in the caring domain. The safety domain is now rated as 'requires improvement', better than the previous 'inadequate' rating. Disappointingly, the CQC rated our community inpatient wards as 'inadequate' following their visits to Rowley Regis Hospital. The teams have taken the criticism, as well as the positive comments, on board and already addressed most of the areas called out for attention.

The Board is pleased with the success recognised by the CQC and real improvements made since the previous inspection in 2014, but acknowledges there is work to do. The Trust's successes in embedding the Safety Plan and putting in place the Consistency of Care programme on our medical and community wards provides the key strands in the Trust's plans to achieve an overall 'good' rating in the next CQC inspection.

131 actions were detailed in the CQC report from our March 2017 inspection, which was published in October 2017. The aim was to deliver the planned actions by March 2018. A formal 'closeout' report will be presented to the May 2018 Trust Board confirming the position, but the indications are that the majority of concerns raised by the CQC have been addressed. The two actions which are proving challenging to complete within the set times are:

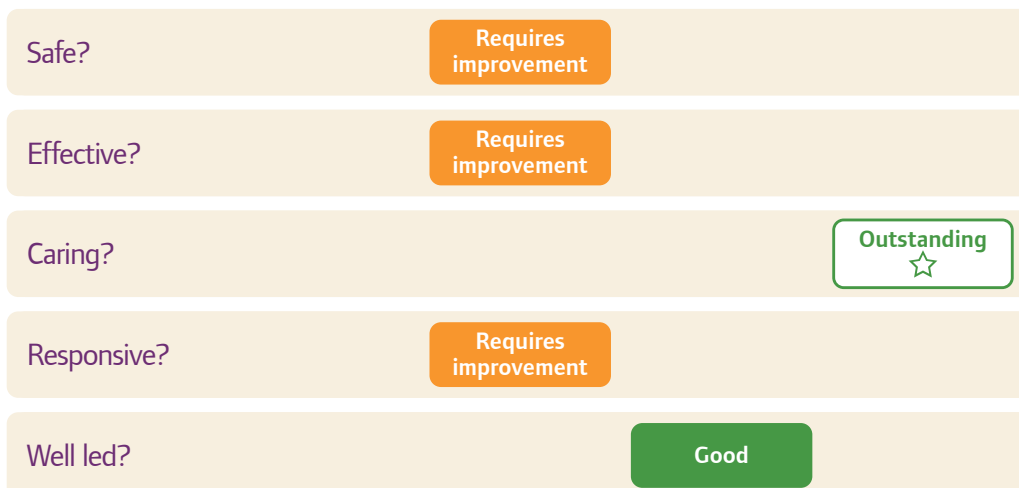
1. Addressing the requirement for substantive middle grade staff overnight in the Emergency Departments.
2. Working with other Trusts to implement a SLA to provide Paediatric Ophthalmology cover out-of-hours and substantive posts in hours

In respect of middle grades in ED, these are being advertised externally although it is recognised that there is a national shortage. A plan is in place being overseen by the Chief Operating Officer. The Medical Director is pursuing the plan with respect to ensuring adequate Paediatric Ophthalmology out-of-hours cover is in place. Both of these issues are being actively managed and progress will continue to be monitored by the Clinical Leadership Executive until resolved.

Sandwell and West Birmingham Hospitals NHS Trust is registered with the Care Quality Commission and has no conditions attached to that registration. The Care Quality Commission has not taken enforcement action against Sandwell and West Birmingham Hospitals NHS Trust during 2017/18 and the Trust has not participated in any special reviews or investigations by the CQC during the reporting period.



Are services

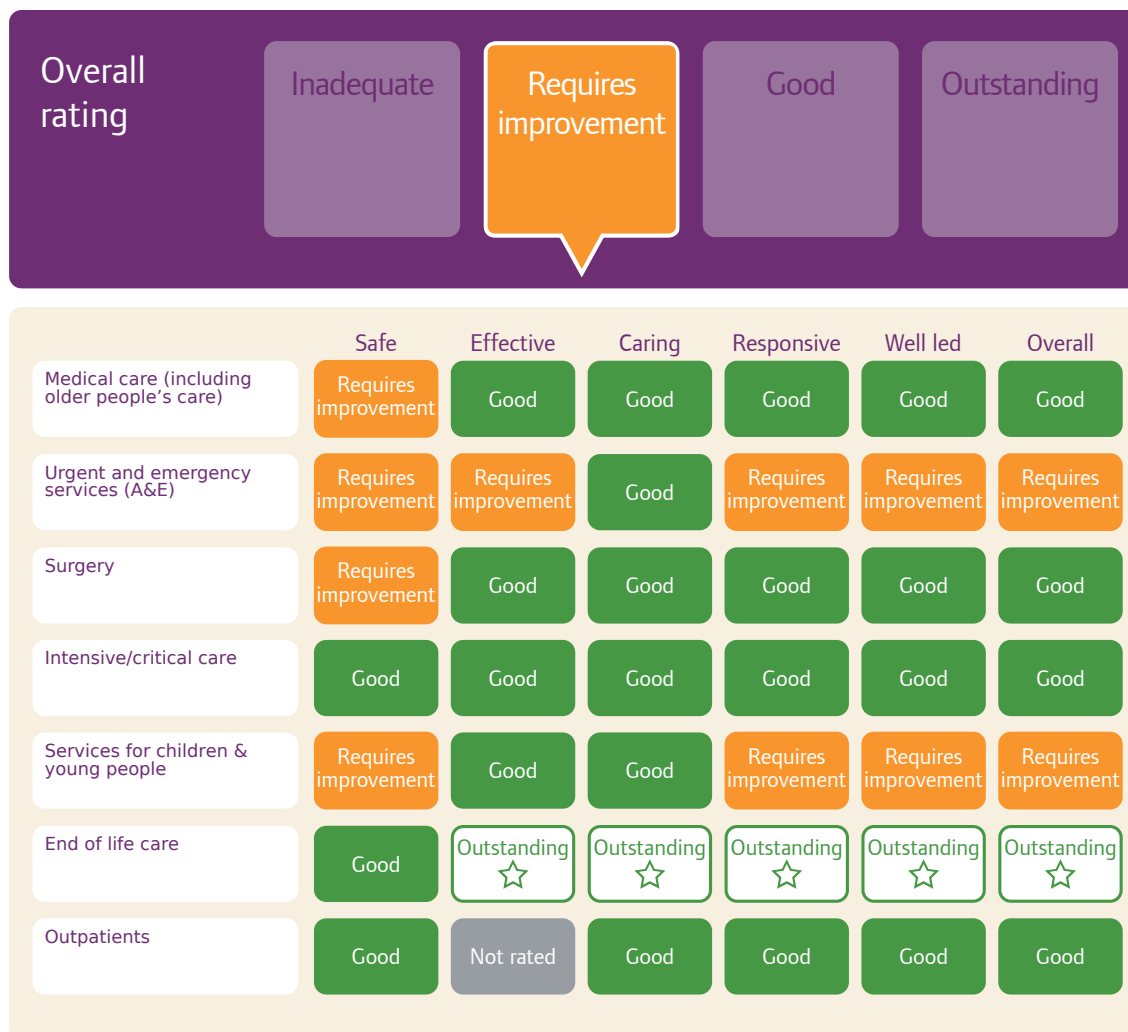


City Hospital

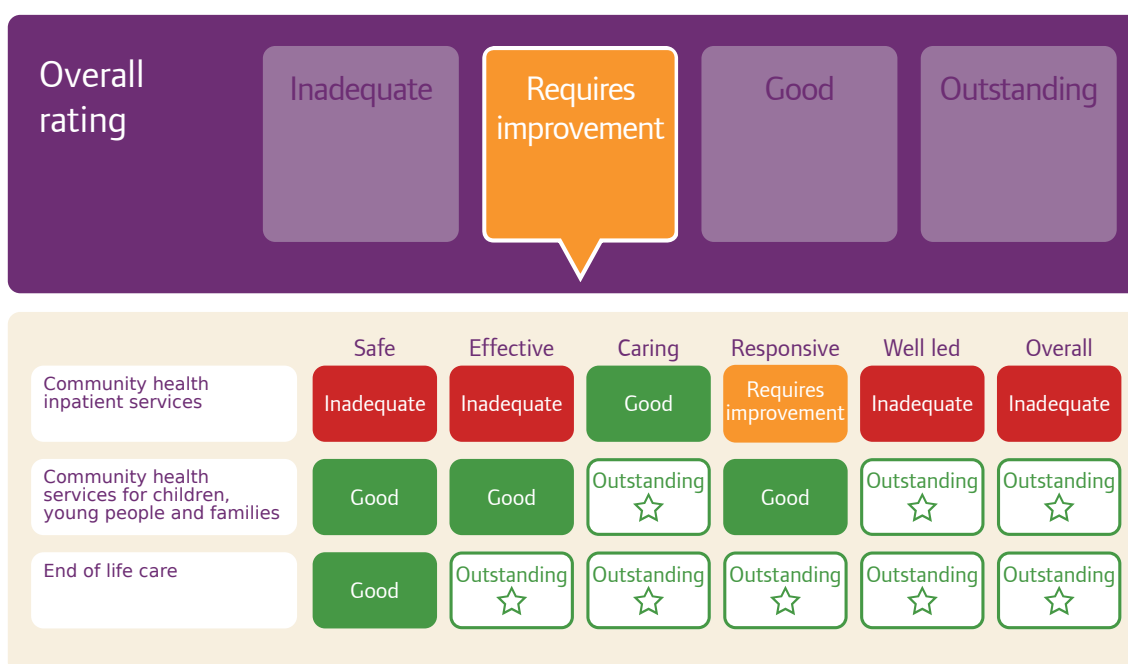


| | Safe | Effective | Caring | Responsive | Well led | Overall |
|--|----------------------|----------------------|--------|----------------------|----------------------|----------------------|
| Maternity and gynaecology | Good | Good | Good | Good | Good | Good |
| Medical care (including older people's care) | Inadequate | Requires improvement | Good | Requires improvement | Requires improvement | Requires improvement |
| Urgent and emergency services (A&E) | Requires improvement | Good | Good | Requires improvement | Requires improvement | Requires improvement |
| Surgery | Good | Good | Good | Good | Requires improvement | Good |
| Intensive/critical care | Good | Good | Good | Good | Good | Good |
| Services for children & young people | Requires improvement | Requires improvement | Good | Inadequate | Requires improvement | Requires improvement |
| End of life care | Good | Outstanding ☆ | Good | Outstanding ☆ | Outstanding ☆ | Outstanding ☆ |
| Outpatients | Good | Not rated | Good | Good | Good | Good |

Sandwell General Hospital



Sandwell and West Birmingham Hospitals NHS Trust (Community)



How we measure quality

We review our performance against external frameworks, primarily the NHS Single Oversight Framework effective from September 2016, which sets out how trusts are overseen using one consistent approach, and CQC Framework. We also set internal performance targets on a broad range of indicators published in our Integrated Quality and Performance Report (IQPR). The IQPR is published monthly to a number of senior committees (including the Quality and Safety Committee) as well as the Trust Board. Performance is managed through Group Management meetings, overseen by dedicated Group Performance Review meetings.

We also audit the quality of clinical care we provide against a number of national standards that are published by external organisations for example National Institute for Clinical Excellence (NICE), National Confidential Enquiry into Patient Outcomes and Death (NCEPOD) and specialty specific bodies for example; National Bowel Cancer Audit Programme (NBOCAP), National Hip Fracture Database (NHFD) and Sentinel Stroke National Audit Programme (SSNAP).

Data quality improvement approach

The Trust has taken the following actions to improve data quality. We have implemented a performance indicator assessment process, the data quality kitemark, which provides assurance on underlying data quality published in the IQPR. Each indicator is assessed against seven data quality domains to provide an overall data quality assurance

rating, which is included in the IQPR. We have an annual audit data quality improvement plan in place to ensure that the quality of our performance information continues to improve. During the year we have improved data quality as reported in the IQPR. Our audit plan is a rolling programme covering all performance and quality indicators. We have established a Data Quality Committee whose scope is to identify and implement data quality improvements and address data quality issues as they are found and monitor their improvement to a compliance standard. Each Group is represented by a data quality lead.

The Trust's SUS (Secondary Users System) data quality is benchmarked monthly against others via the HSCIC SUS Data Quality Dashboards which are used to monitor compliance with mandatory fields and commissioning sets.

Hospital Episode Statistics

The Trust submitted records during April 2017 – January 2018 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data;

- which included the patient's valid NHS number was 98.1% for admitted patient care; 99.6% for out-patient care; and 97.7% for accident and emergency care.
- which included the patient's valid General Medical Practice Code was 98.89% for admitted patient care; 99.28% for out-patient care; and 97.13% for accident and emergency care.

Services provided and / or subcontracted

During 2017/18 we provided and/or subcontracted 44 NHS services. We have reviewed all the data available on the quality of the care in these services. Where we have subcontracted any activity, it would only be to a provider, who like us was registered with the CQC but has no conditions attached to that registration. Agreements between the Trust and the subcontracted providers require that the same high standards of care are given when giving care on our behalf. The health benefit and activity data undergo the same level of scrutiny as that delivered in the Trust. The Income generated by the NHS services reviewed in 2017/18 represents 100 per cent of the total income generated from the provision of NHS services by Trust.

How we performed in 2017/18

In 2016/2017 we launched important development plans to improve safety and quality. The Safety Plan was introduced in 2017 and takes a multi-disciplinary approach to ten evidence based clinical standards that have now become a standard part of care in the Trust. By improving the safety culture, the care provided to patients is improved and the risk of harm reduced. The Quality Plan, which aims to build on this Safety Plan, has elements that are specialty specific and those that cut across all disciplines in the Trust. It aims to improve evidence based care across the organisation by producing measurable and meaningful outcomes for patients. Full implementation of the ten objectives of the Quality Plan will be relaunched in 2018/19 on the foundation of the Safety Plan and in parallel with the introduction of our new electronic patient record and service plans for a new single site hospital.

Safety Plan - 99.6% of all safety checks completed

During the year our Safety Plan has been deployed within all assessment and ward based areas (43 areas in total). Input of data has become part of the ward's daily core business – evident by daily reports showing significantly improved input compliance. Our wards have exhibited sustained compliance by completing more than 98 per cent of all checks within the first 24 hours of admission. On average, 1.5 checks per day are missed out of an average of 2,500 total checks. Daily reporting continues and includes information on missed checks, allowing senior staff and ward managers to check, challenge, address and complete any missed checks within the next 24 hours on a shift by shift basis.

Our Safety Plan Standards

| | Standard | Output |
|-----|--|--|
| 1. | Ten out of Ten – The starting point for safety risk assessment of which care plans are then built upon | A safety checklist made up of ten sub-standards that must be completed for every admitted patient within 24 hours. |
| 2a. | Pressure Ulcer | A plan of care is in place for patients identified to be at a tissue viability risk. |
| 2b. | Falls | A plan of care is in place for patients identified to be at a risk of a fall. |
| 3. | Infection Control | A plan of care is in place for patients identified to be at a risk of acquiring a hospital acquired infection (HAI) or having a HAI on admission to be managed. |
| 4. | Observations – Early Warning Score (EWS) reporting and management | Monitoring vital signs as clinically required - taking in time appropriate action(s) to prevent an avoidable deterioration in a patient . Early warning scores are recorded (vital Pac or paper)– EWS were acted upon and this is evidenced in the patient's health care records. |
| 5. | Care Plans signed by patients and carers/family | Nursing care plans are in place and individualised; reflecting risks identified (physical, social and psychological) through discussion with the patient /carer. |
| 6. | Focused care /John's Campaign | A plan of care is in place for patients identified at risk from falls, absconding, self-harm, challenging behaviour or acutely unwell to ensure appropriate level of supervision with appropriately skilled HCP and reflecting partnership working with carers. |
| 7. | Antibiotic review every 72 hours | Reduction in inappropriate prescribing of antibiotics - an assessment has been done and the outcomes are documented of all patients on IV/oral antibiotics after 72 hours that reflects appropriate or inappropriate use. |
| 8. | Reduced omissions | Patient's drugs are prescribed, correctly given and taken within a window that is deemed to be the right prescribed time. That a clinical omission for not giving the drug is recorded in the designated area. |
| 9. | Informed consent | All elective patients undergoing invasive procedures have been consented in accordance to policy. |
| 10. | Expected date of discharge (EDD) and home care package | Accurate EDD and 48 hour follow up. |

We are beginning to see improved outcomes which, whilst limited, show statistically significant improvements in key areas of patient safety such as falls, with a moderate to strong correlation with completing the safety checks and reduced falls with injury. Since 5th June 2017, compliance

with the Safety Plan has increased from 96.8 per cent to 99.6 per cent on average. During the same period, falls with injury have decreased on average from 7.2 (per week) to five per week.

Commissioning for Quality and Innovation (CQUINs) 2018/19

The following CQUIN (commissioning for quality innovation) targets are agreed with our NHS commissioners. We assign CQUIN leads on clinical and operational levels to appropriately support each CQUIN. We publish monthly data on how we are doing against milestones and this is published in the Trust's Integrated Quality and Performance

Report, which is discussed in our public board meetings. The NHS Commissioners are informed of progress on a quarterly basis.

Some CQUINs are part of a two year agreed target for 2017/19. The target period has been indicated against each initiative in the table below.

| | CQUINs for 2018/19 | Target Periods |
|----------|---|----------------|
| National | Staff Health and Wellbeing - annual staff survey results to improve by five per cent in two of the three NHS annual staff surveys: on health and well-being, MSK and stress. | 2017/19 |
| | Staff Health and Wellbeing - Maintain the four outcomes that were implemented in 2016/17. Introduce three new changes to food and drink provision in year one, 17/18 : 70 per cent of drinks stocked must be sugar free, b) 50 per cent of confectionary and sweets do not exceed 250 kcal c) 60 per cent or pre-packed sandwiches and other savoury pre-packed meals available contain 400kcal or less and do not exceed 5.0g saturated fat. | 2017/19 |
| | Staff Health and Wellbeing - year one - achieving update of flu vaccination for frontline clinical staff of 75 per cent. | 2017/19 |

| CQUINs for 2018/19 | | Target Periods |
|----------------------|--|----------------|
| National | Reducing the Impact of Serious Infections (Antimicrobial Resistance and Sepsis): Timely identification of sepsis in emergency departments and acute inpatient settings - the percentage of patients who met the criteria for sepsis screening (needed it) and were screened for sepsis (applies to all adult and child patients arriving in ED and IP wards). | 2017/19 |
| | Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis): Timely treatment for sepsis in emergency departments and acute inpatient settings - the percentage of patients who were found to have sepsis and received IV antibiotics within one hour (applies to all adult and child patients arriving in ED and IP wards). | 2017/19 |
| | Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis): Antibiotic review - assessment of clinical antibiotic review between 24-72 hours of patients with sepsis who are still inpatients at 72 hours. | 2017/19 |
| | Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis): Reduction in antibiotic consumption per 1,000 admissions - there are three parts to this indicator. | 2017/19 |
| | 1. Total antibiotic usage (for both in-patients and out-patients) per 1,000 admissions | |
| | 2. Total usage (for both in-patients and out-patients) of carbapenem per 1,000 admissions | |
| | 3. Total usage (for both in-patients and out-patients) of piperacillin-tazobactam per 1,000 admissions. | |
| National | Improving services for people with mental health needs - Improving services for people with Mental Health needs who present to AandE. | 2017/19 |
| National | A&G support should be provided either through the NHS e-Referral Service (e-RS) or local solutions where systems agree this offers a better alternative. | 2017/19 |
| National | Supporting proactive and safe discharge - increasing proportion of patients admitted via non-elective route discharged from acute hospitals to their usual place of residence within seven days of admission by 2.5% points from baseline (Q3 and Q4 2016/17). | 2017/19 |
| Local | Improving the assessment of wounds - the indicator aims to increase the number of wounds which have failed to heal after four weeks that receive a full wound assessment. | 2017/19 |
| National | Personalised Care / support planning - this CQUIN is to be delivered over two years with an aim of embedding personalised care and support planning for people with long term conditions. In the first year, activity will be focused on agreeing and putting in place systems and processes to ensure that the relevant patient population can be identified, the relevant workforce receive appropriate training, and that personalised care and support planning conversations can be incorporated into consultations with patients and carers. | 2017/19 |
| National | Preventing ill health by risky behaviours - tobacco screening. | 2018/19 |
| | Preventing ill health by risky behaviours - tobacco brief advice . | 2018/19 |
| | Preventing ill health by risky behaviours - tobacco referral and medication offer. | 2018/19 |
| | Preventing ill health by risky behaviours - alcohol screening. | 2018/19 |
| Specialised Services | Improving haemoglobinopathy pathways through Operational Delivery Networks (ODN). | 2017/19 |
| Specialised Services | Paediatric networked care to reduce recourse to critical care distant from home. | 2017/19 |
| Public Health | Bowel Screening - improving access and uptake through patient and public engagement. | 2017/19 |
| Public Health | Bowel Scoping. | 2017/19 |
| Public Health | Breast Cancer Screening - Improving access and uptake through patient and public engagement. | 2017/19 |

CQUINs (Commissioning for Quality and Innovation)

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

contracted to deliver the CQUIN schemes in the table below during 2017/18 which had a value of £8.8m on delivery. Further details of the agreed goals for 2017/18 and for the following 12 month period are available electronically at <https://www.swbh.nhs.uk/about-us/trust-board/public-trust-board-papers/2017-2/>

| CQUINs for 2017/18 | | | |
|--------------------|----|---|---------|
| National | 1a | Staff Health and Wellbeing - annual staff survey results to improve by five per cent in two of the three NHS annual staff surveys: on health and well-being, MSK and stress | No |
| National | 1b | Staff Health and Wellbeing - Maintain the four outcomes that were implemented in 2016/17. Introduce three new changes to food and drink provision in year 1, 17/18 : 70 per cent of drinks stocked must be sugar free, b) 50 per cent of confectionary and sweets do not exceed 250 kcal c) 60 per cent or pre-packed sandwiches and other savoury pre-packed meals available contain 400kcal or less and do not exceed 5.0g saturated fat | ✓ |
| National | 1c | Staff Health and Wellbeing - Year one - achieving update of flu vaccination for frontline clinical staff of 75 per cent | ✓ |
| National | 2a | Reducing the Impact of Serious Infections (Antimicrobial Resistance and Sepsis): Timely identification of sepsis in emergency departments and acute inpatient settings - The percentage of patients who met the criteria for sepsis screening (needed it) and were screened for sepsis (applies to all adult and child patients arriving in ED and IP wards) | Partial |
| National | 2b | Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis): Timely treatment for sepsis in emergency departments and acute inpatient settings - The percentage of patients who were found to have sepsis in 2a and received IV antibiotics within one hour (applies to all adult and child patients arriving in ED and IP wards). | Partial |
| National | 2c | Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis): Antibiotic review - Assessment of clinical antibiotic review between 24-72 hours of patients with sepsis who are still inpatients at 72 hours. | ✓ |
| National | 2d | Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis): Reduction in antibiotic consumption per 1,000 admissions - There are three parts to this indicator. 1. Total antibiotic usage (for both in-patients and out-patients) per 1,000 admissions 2. Total usage (for both in-patients and out-patients) of carbapenem per 1,000 admissions 3. Total usage (for both in-patients and out-patients) of piperacillin-tazobactam per 1,000 admissions | No |
| National | 4 | Improving services for people with Mental Health needs - Improving services for people with Mental Health needs who present to AandE | ✓ |
| National | 6 | Offering advice and Guidance (AandG) - Providers to set up and operate AandG services for non-urgent GP referrals; AandG support should be provided either through the ERS platform or local solutions where systems agree this offers a better alternative. | ✓ |
| National | 7 | NHS e-Referrals CQUIN – GP referrals to consultant-led first outpatient services only and the availability of services and appointments on the NHS e-Referral Service. | ✓ |
| National | 8 | Supporting Proactive and Safe Discharge - Increasing proportion of patients admitted via non-elective route discharged from acute hospitals to their usual place of residence within seven days of admission by 2.5% points from baseline (Q3 and Q4 2016/17). | ✓ |

CQUINs for 2017/18

| | | | |
|-----------------------------|----|--|----------------|
| National | 10 | Improving the assessment of wounds - The indicator aims to increase the number of wounds which have failed to heal after four weeks that receive a full wound assessment. | ✓ |
| National | 11 | Personalised Care / support planning - This CQUIN is to be delivered over two years with an aim of embedding personalised care and support planning for people with long term conditions. In the first year, activity will be focused on agreeing and putting in place systems and processes to ensure that the relevant patient population can be identified, the relevant workforce receive appropriate training, and that personalised care and support planning conversations can be incorporated into consultations with patients and carers. | ✓ |
| Specialised Services | | Improving Haemoglobinopathy Pathways through ODN Networks | ✓ |
| Specialised Services | | Paediatric networked care to reduce recourse to critical care distant from home | ✓ |
| Specialised Services | | Activation system for patients with long term conditions – HIV – activate patients (the knowledge, skills and capacity to manage their own condition) to enable better outcomes including reduced frequency of exacerbations and associated high cost interventions. | Partial |
| Public Health | | Secondary care dental - sugar free medicines audit - A prospective audit and re-audit of day-case activity carried out in the department in accordance with the terms of reference issued by the service commissioner. | No |
| Public Health | | Bowel screening - Improving access and uptake through patient and public engagement. | ✓ |
| Public Health | | Bowel scoping | ✓ |
| Public Health | | Breast cancer screening - Improving access and uptake through patient and public engagement. | ✓ |



The bowel cancer screening team. (left to right: Clair Millard, Ange Johnson, both Specialist Screening nurses, Maggie Preston, Programme Manager and John Rudge, Administrator.

Seven day hospital services

Working towards the same standards of care for patients over seven days is vital in ensuring that our patients receive consistent care no matter what day of the week they are admitted and whether they are staying in hospital or discharged.

Ten clinical standards have been identified that define what a seven day service should achieve. Of those ten standards, four have been identified as priority standards to be achieved by 2020.

- **Standard 2:** Time to first consultant review. All emergency admissions must be seen and have a thorough clinical assessment by a suitable consultant as soon as possible but at the latest within 14 hours from the time of admission to hospital.
- **Standard 5:** Access to diagnostic tests. Consultant-directed diagnostic tests and completed reporting will be available seven days a week with a 24-hour

turnaround time. For urgent requests this reduces to within one hour for critical patients and within 12 hours for urgent patients.

- **Standard 6:** Access to consultant-directed interventions. Hospital inpatients must have timely 24 hour access, seven days a week, to key consultant-directed interventions that meet the relevant specialty guidelines, either on-site or through formally agreed networked arrangements with clear written protocols.
- **Standard 8:** Ongoing review by a consultant twice daily for high dependant patient's, daily for others. Once a clear pathway of care has been established, patients should be reviewed by a consultant at least once every 24 hours, seven days a week, unless it has been determined that this would not affect the patient's care pathway.

In March 2017 we completed a self-assessment survey which covered the management of patients admitted as an emergency, measured against the four priority standards. Our results from this survey are shown in the table below.

| Trust Achievement of Priority Seven Day Service Standards (March 2017) | | | | |
|--|------------|------------|------------|------------|
| | Standard 2 | Standard 5 | Standard 6 | Standard 8 |
| Weekday Results | 73% | 100% | 100% | 94% |
| Weekend Results | 85% | 95% | 100% | 83% |
| Seven Day results | 77% | 97% | 100% | 92% |

This baseline information has informed our improvement focus and service development. This year we have established a Non Invasive Ventilation Unit and level one - two high dependency for surgery. Once we have implemented our new electronic patient record system, Unity, during 2018 we will be able to have a live data set on standards two and eight.

We planned to achieve standards two, five and six by March 2018. The delay to the new hospital, the Midland Metropolitan, will impact on our ability to achieve standard eight as we expect to be only able to fully meet this when we move to a single acute site. We have two service development and improvement plans agreed with the Sandwell and West Birmingham Clinical Commissioning Group for seven day urgent care and respiratory services.

NHS Staff Surveys

The NHS Staff Survey provides an opportunity for organisations to survey their staff in a consistent and systematic way. This makes it possible to build up a picture of staff experience and, with care, to compare and monitor change over time and to identify variations between different staff groups. Obtaining feedback from staff, and taking account of their views and priorities, is vital for driving real service improvements in the NHS.

The results are primarily intended for use by organisations to help them review and improve their staff experience so that their staff can provide better patient care. The Care Quality Commission use the results from the survey to monitor ongoing compliance with essential standards of quality and safety. The survey will also support accountability of the Secretary of State for Health to Parliament for delivery of the NHS Constitution.

The key finding below show a selection of results for our Trust (SWBH) compared with other combined acute and community trusts. We have included three core indicators required for the Quality Account and our highest three and lowest three results.

| NHS Staff Surveys | 2016 Survey | 2017 Survey Results | | | | | |
|---|-------------|---------------------|---------------------------------|-----------------------------|-----------------------------|--------------|---------------|
| | SWBH 2016 | SWBH 2017 | National Average (Median score) | Threshold for below average | Threshold for above average | Lowest Trust | Highest Trust |
| Core Indicators | | | | | | | |
| Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion | 86 | 80 | 85 | 82 | 88 | 71 | 93 |
| Percentage experiencing harassment, bullying or abuse from staff in last 12 months (lower is better) | 20 | 21 | 24 | 23 | 25 | 20 | 32 |
| Staff who would recommend the Trust as a provider of care to their family and friends - performance is based on staff who agreed or strongly agreed as part of the NHS Staff Survey | 59 | 58 | 69 | N/A | N/A | N/A | N/A |
| SWBH Highest 3 Indicators | | | | | | | |
| Percentage reporting most recent experience of violence | 82 | 82 | 67 | 65 | 70 | 59 | 82 |
| Percentage agreeing that their role makes a difference to patients/service users | 89 | 93 | 90 | 89 | 91 | 86 | 93 |
| Percentage able to contribute towards improvements at work | 66 | 74 | 70 | 68 | 71 | 60 | 77 |
| SWBH Lowest 3 Indicators | | | | | | | |
| Percentage attending work in last three months despite feeling unwell because they felt pressure (lower is better) | 56 | 60 | 53 | 52 | 54 | 47 | 60 |
| Percentage feeling unwell due to work related stress in last 12 months (lower is better) | 33 | 44 | 38 | 36 | 40 | 30 | 45 |
| Quality of appraisals | 2.95 | 2.97 | 3.11 | 3.05 | 3.14 | 2.87 | 3.46 |

Data Source: National NHS Staff Survey Co-ordination Centre

The Trust considers that this data is as described for the following reasons: It is the latest available on the NHS Digital website.

The Trust intends to take the following actions to improve this percentage, and so the quality of its services, by implementing our nursing escalator programme, a dedicated development scheme to support health care assistant and nursing careers for bands 2-6. The programme offers bespoke training and support to enable colleagues to progress through the bands. Band 5 nurses who take part in the programme will also benefit from a bonus paid at the start and on successful completion of the scheme.

We are committed to a focused programme of engagement during the year so that colleagues are empowered to act

to make improvements in their area of work. We expect to improve our staff engagement score to that of the national average by the end of the year.

During the year we held a Speak Up Day to raise awareness of the various ways for colleagues to speak up if they have a concern at work. Although predominantly about safety concerns we recognise that through continued promotion of the different routes to raise concern we can hope to address bullying and harassment behaviour. Our trade union colleagues are valuable sources of support and challenge to the Trust.

Responsiveness to personal needs of patients

This indicator measures hospitals' responsiveness to inpatients' personal needs based on a selection of five questions from the National Inpatient Survey. Each question describes a different element of the overarching theme, "responsiveness to patients' personal need". The survey is completed by a sample of patients aged 16 years and over

who have been discharged from an acute or specialist trust, with at least one overnight stay.

An average weighted score (by age and sex) is calculated for each of the questions and Trust scores are calculated from a simple average of the question scores.

| Responsiveness to inpatients personal needs | SWBH 15/16 | 2016-2017 | | | |
|---|---------------|---------------|---------------------|------------------|-----------------|
| | SWBH 15/16 | SWBH 16/17 | National Average | Highest Trust | Lowest Trust |
| The Trust's responsiveness to the personal needs of its patients during the reporting period. | 69 | 64.9 | 68.1 | 85.2 | 60.0 |

The Trust considers that this data is as described for the following reasons: It is the latest available on the NHS Digital website.

The Trust intends to take the following actions to improve this percentage, and so the quality of its services, by continuing to collect patient experience information first hand to help improve patient care. This is one of our quality improvement priorities for 2018/19.

Patient Stories

During 2017/18 we have continued to include patient stories as part of our Trust board meetings. There has been considerable changes and actions taken during the last year in response to a series of very impactful patient stories. We are currently considering how we might better disseminate the valuable learning and insight, as well as the resulting actions, amongst our employees. The table below shows the actions that have been undertaken from patient stories this year.

Patient Stories 2017/18

| Month | Key focus | Actions taken |
|----------|---|--|
| April 17 | Presentation from LGBT network Lead | <ul style="list-style-type: none"> Numerous awareness raising sessions throughout the year including LGBT history month and the participation in Birmingham's Pride event. Diversity lead appointed; Transgender policy approved. The LGBT networks have been represented at a variety of recruitment events to raise awareness of the Trust's commitment to supporting diversity. The Trust has become a Stonewall Diversity Champion thereby improving access to key resources. The Trust has benchmarked against the Workplace Equality Index with a view to submitting to Stonewall in 2018 with an ambition to eventually being ranked within the top 100 employers. |
| May 17 | Transition Diabetic services – young people to adult | <ul style="list-style-type: none"> Appointment of Children's and Young Peoples Champion to lead on transition arrangements within the Trust. Transition policy approved with agreed standards for young people who are in the process of transition between children's/adult services. Ready, Steady, Go checklist introduced Trust-wide to assess readiness of young people for transition. |
| Jun 17 | A patient who had experienced care within our Critical Care service and had subsequently stepped down to ward based care. The patient had experienced issues when receiving care from temporary staff members | <ul style="list-style-type: none"> The Trust has worked proactively to reduce reliance on temporary staff – largely driven by a very successful recruitment campaign, addressing vacancy gaps. More recently, we have introduced a checklist to check the competence of temporary staff at the start of every shift. |

| Month | Key focus | Actions taken |
|---------|--|--|
| Jul 17 | Spanish patient who spoke English but lost language skills during health crisis | <ul style="list-style-type: none"> A trial involving clinicians and patients wearing an ear piece which would translate speech, the use of which would be monitored especially when translating complex medical jargon. The interpreter service has renegotiated contracts which have increased the diversity of languages available via our translators. |
| Aug 17 | Staff member presented a story on behalf of an end of life care patient for whom service provision was complicated due to cross boundary issues | <ul style="list-style-type: none"> Equipment needs raised and rectified at time of event. |
| Sept 17 | Paediatric patient with severe allergies | <ul style="list-style-type: none"> Appointment of one nurse consultant, now in post. The Trust has agreed to support appointment of another Consultant paediatrician with interest in allergy. The service is currently supporting the in house development and training of a Band 5 nurse who will progress to the role of a Band 7 CNS on completion of training. All of the above roles will enhance and extend service provision to meet the growing demand for this service. |
| Oct 17 | We heard from a hearing and visually impaired patient who had experienced difficulties when arranging and accessing outpatient appointments | <ul style="list-style-type: none"> Patient letter templates have been changed to ensure that the number for the contact centre is more clearly visible. All template letters further adjusted to include the following wording: Please let us know if you require any support or have any disabilities that you would like to make us aware of. If you would like to discuss this please contact us on... The Equality and Diversity (EandD) lead has met with all members of the contact centre team to raise awareness around requests for reasonable adjustments. Arrangements are in place to signpost those patients with specific individual requirements to the EandD team who will support the planning and facilitation of reasonable adjustments for these patients where necessary. The Primary Care Liaison Manager is working with GPs to raise awareness about signposting patients with disabilities on referral letters. All eye appointments printed on yellow paper. The Trust is exploring the potential for all outpatient appointments to be sent on yellow paper. 140 staff have received deaf awareness and/or Basic Sign Language (BSL) training during last 12 months. Funding secured to continue BSL training in 2018/19 Assistance dogs: Policy revised and agreed. |
| Dec 17 | A Video was presented highlighting how patients learn techniques to deal with panic attacks, anxiety, and anger within the Fatigue, Anxiety and Breathlessness clinic. | <ul style="list-style-type: none"> The Board supported the need for ongoing promotion of the service with partners. |

| Month | Key focus | Actions taken |
|----------|--|--|
| Jan 18 | Maternity/Cardiology. A patient described her experience as a recent new and breastfeeding mother admitted to an area outside of Maternity showing the determined efforts made to ensure that mother and baby were not separated. | <ul style="list-style-type: none"> New infant feeding policy about to be put on the intranet promotes zero separation when a mother is admitted to any area of the Trust. This will be promoted in all areas when it is on the intranet. The Infant Feeding Team are producing posters (currently with medical illustration) to be put up in all areas of the trust where a mother may be cared for - signposting to local resources and support on all aspects of infant feeding. The emphasis of the poster, being that Health Care Practitioner's should not be the reason a woman stops breastfeeding. Active social media campaign established to raise awareness of the Trust's commitment to supporting breastfeeding. |
| Feb 18 | An elderly gentleman described his experience when transferred between our hospital sites out of hours | <ul style="list-style-type: none"> Work to reduce the non-clinical patient bed moves out-of-hours will be focused in orthopaedics as this is a focal point in the data set and in medicine to increase morning discharge rates to 35 per cent - this will improve daytime bed moves from the assessment unit to the wards and address the avoidable non-clinical out-of-hours patient moves. A review of our transport services in Q1 may also give opportunity for improvement. |
| March 18 | Story from a patient who had used our recently established Level one care service | <ul style="list-style-type: none"> The Group are monitoring the impact of this service on the release of ITU capacity. |

Complaints

Our complaints management remains effective and timely, focusing on the needs of complainants. Establishing the outcomes sought from complainants upfront, and offering

resolution meetings alongside, or instead of written responses continues to be a focus of the complaints team.

Patient complaints

| Patient experience | 2016/2017 | 2017/2018 |
|-----------------------------|-----------|-----------|
| Complaints received- Formal | 1176 | 1037 |

Of note, this total figure is made up of 990 new complaints made to the Trust (67 of which have since been withdrawn) and 127 were reopened complaints. This resulted in 876 new complaints being actively managed by the Trust, which is a decrease of formal complaint numbers managed. Whilst most of the Clinical Groups and Corporate Directorates have

seen decreased numbers the most significant decrease is in Surgery. The KPI result for complaint resolution returned to a stronger result of 92% of formal complaints being responded to in time, with the average turnaround time for all cases presented to the Trust in 2017/18 being 29.58 days.

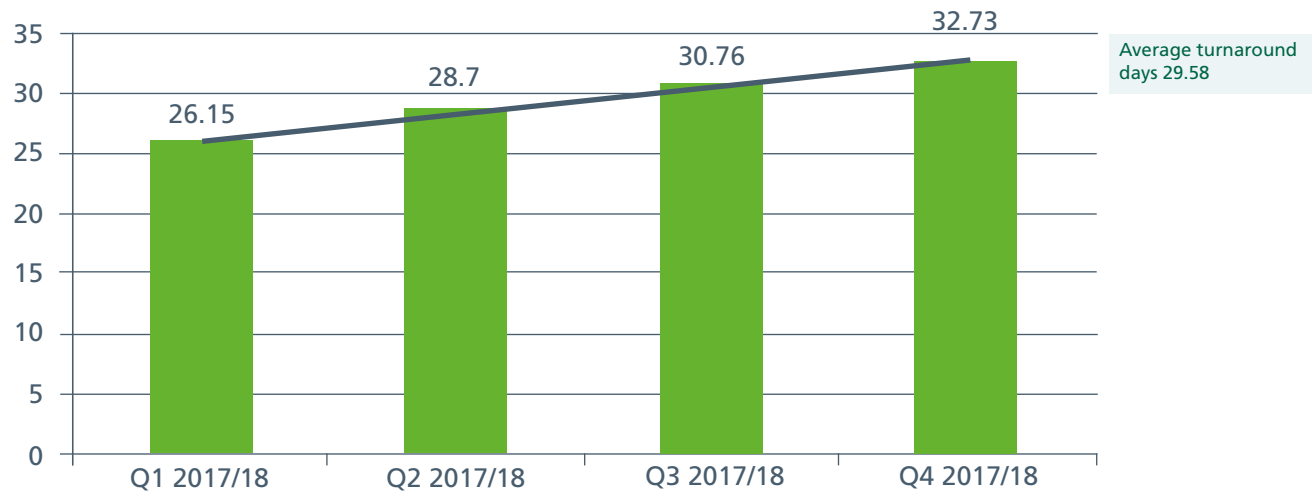


Our Trust recently launched the a new initiative, Purple Points, that allow patients and relatives to contact us more quickly if they have a complaint or want to compliment staff.

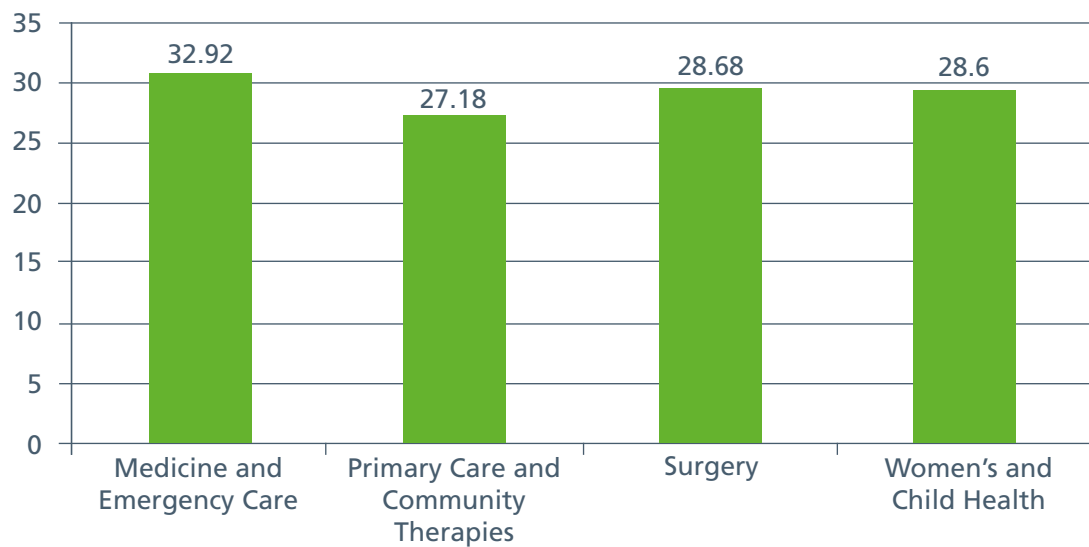


Ian McGarry from Sandwell Heathwatch.

Average number of days to respond to complaints by quarter



Average response time by Groups



Purple points

Our Purple Points initiative has been launched across our sites. Working with Healthwatch Sandwell, the Purple Points are a new way that inpatients and their relatives can address concerns they have, whilst they are still being treated in hospital. Patients and their loved ones can use the phone to call our Purple Point team and talk about any issues they may have, or they can compliment excellent care they have experienced.

The phones are located at 'Purple Points' which are near inpatient ward areas across our hospitals, so that concerns can be dealt with as quickly as possible. The Purple Point

team will be answering these calls and facilitate a safe and quick resolution. In getting this right, we will be responding to issues as they arise and resolving problems before they escalate. This means we can make a difference at the time, rather than when our patients have gone home.

Lessons learned from complaints are still actively reported and when learning opportunities are identified they are recorded in order that they can be monitored for implementation. Learning from informal complaints and from Purple Point enquiries will also be added to this report in 2018/19.

Most common themes of complaints comparing 2016/17 – 2017/18

| The most common themes | 2016/2017 % | 2017/2018 % |
|---------------------------------------|-------------|-------------|
| All Aspects of Clinical Treatment | 48 | 57 |
| Appointment Delay/cancel (outpatient) | 16 | 11 |
| Attitude of Staff | 14 | 12 |
| Communication/Info to Patient | 7 | 6 |
| Admissions/ discharges, Transfers | 4 | 3 |
| Privacy And Dignity | 1 | 2 |
| Personal Records | 2 | 2 |
| Patients Property And Expenses | 1 | 2 |

Where learning can be evidenced, this is shared with the complainant even if this is sometime after the complaint has closed. The following are examples of learning that has taken place as a result of complaints.

As a result of a misunderstanding as to how fetal tissue is investigated following early pregnancy loss, a new patient leaflet is being developed explaining this in informative and sensitive terms. The leaflet is aimed at providing information about the purpose of investigating the fetal tissue so as to support women at this difficult time, but be clear that this is not to establish why the early pregnancy loss occurred but to ensure that the miscarriage is complete.

- A patient suffered a fall down the escalators in the Birmingham Treatment Centre and it was also reported that the signage to the lifts (their preferred mode of transporting from floor to floor) was not clear enough, resulting in them not knowing where the lifts were. They thought they had no alternative but to use escalators even though they knew that might mean risking a fall. There is now improved signage around the lift areas, and signage highlighting where the lifts are.
- A complaint was received about the fact that one of the Trust Patient Transport drivers did not actively support a

patient who became very unwell in the Trust car park. The driver had the word Ambulance written on the back of their High Visibility jacket. It has since been recognised that this was a misleading indicator that the driver may have been able to offer clinical support, like that of a paramedic. The jackets with Ambulance written on them are no longer in use to avoid, this confusion in the future, and the resultant distress this caused both the patient's family, and the driver themselves.

PALS (informal complaints)

Local resolution is encouraged on the basis that wards and outpatient teams are well placed to deal with issues that arise on a day to day basis and is indeed emphasised even more now through the Purple Points. Where local resolution cannot be achieved, and where a formal complaint is not necessary, an informal complaint can be logged so that the complainant can get support from the PALS/complaints team to provide an essential liaison service between patient and the Trust. They can also support patients who need clarification, additional information about our services or where they are concerned about an aspect of care, but not yet sure if a complaint is warranted.

Total number of enquiries made to PALS 2016/17- 2017/18

| The most common themes | 2016/2017 % | 2017/2018 % |
|------------------------|-------------|-------------|
| Appointment issues | 28 | 28 |
| Clinical Issues | 27 | 15 |
| Communication | 13 | 18 |
| Attitude of staff | 6 | 5 |

Engaging with patients and the public

During the year we have introduced increasingly innovative ways to engage with our communities. A series of Facebook Live events have engaged patients and the public with some of our leading clinicians on subjects such as the importance of bowel screening, paediatric medicine and heart health care.

Our carers group was established during the year and has helped to inform our carers' strategy which aims to better support relatives or carers whilst their loved one is receiving care within our Trust. Areas of improvement have included our support for John's Campaign, allowing people to stay in a bed alongside their relative and open visiting hours on all our wards.

Members' Leadership Group

We are privileged to have the support of many committed individuals who are part of our Members' Leadership Group. During the year, this group has supported many of our key initiatives and plans such as transport for the new Midland Metropolitan Hospital, our CQC inspections and improvement plans, our volunteer service and our safety plan. During 2018/19 we intend to work closely with other

partners to better join up our formal patient engagement activities.

Local Interest Group

Our Local Interest Group (LIG) monitors and influences inclusion within our workplace for all protected characteristic groups including age, sex, race, religion, disability, sexual orientation, gender reassignment, marriage, civil partnership, pregnancy and maternity.

The LIG is made up of senior colleagues from our organisation including the leads from each of our staff networks and chaplaincy service and members of the public who have a desire to improve the diversity and inclusion within our organisation. The group works with the Trust to ensure a co-ordinated approach to service improvement to meet the needs of the protected characteristics and disadvantaged groups.

The public members of the LIG provide a critical role to the organisation, making sure we're being inclusive of all and promoting the ethos of diversity of thought. They do an amazing job that is purely voluntary and they are a fantastic sounding board for the Trust.

Patient Reported Outcome Measures (PROMs)

| Patient Reported Outcome Measures (PROMs) | | | | |
|---|---|-------|---|-------|
| | Health Status Questionnaire Percentage improving | | | |
| | Finalised data for April 15– March 16 (Published November 2017) | | Provisional data for April 16– March 17 (Published February 18) | |
| | National | SWBH | National | SWBH |
| Hip replacement | 89.6% | 90.6% | 88.8% | 89.7% |
| Knee replacement | 81.6% | 77.5% | 80.9% | 82.1% |

PROMs assess the quality of care delivered to NHS patients from the patient perspective. Currently these cover two clinical procedures where the health gains following surgical treatment is measured using pre- and post-operative surveys. The Health and Social Care Information Centre publish PROMs national-level headline data every month with additional organisation-level data made available each quarter. Data is provisional until a final annual publication is released each year.

The tables below shows the percentage of patients reporting an improvement in their health status following the procedure and the average adjusted health gain achieved compared against the average for England.

| | Health Status Questionnaire Average adjusted health gain | | | | | | | |
|------------------|---|-------|------------------|-----------------|---|-------|------------------|-----------------|
| | Finalised data for April 15– March 16 (Published November 2017) | | | | Provisional data for April 16– March 17 (Published February 18) | | | |
| | National | SWBH | Highest National | Lowest National | National | SWBH | Highest National | Lowest National |
| Hip replacement | 0.438 | 0.435 | 0.495 | 0.348 | 0.437 | 0.467 | 0.508 | 0.366 |
| Knee replacement | 0.320 | 0.253 | 0.373 | 0.229 | 0.323 | 0.311 | 0.384 | 0.264 |

- SWBH below England average
- SWBH above England average

The Trust considers that this data is as described for the following reasons: It is the latest available on the NHS Digital website and SWBH data is consistent with trust reported data.

The finalised data for 2015/16 and the provisional data for 2016/17 shows that there are areas where the reported outcome is above the average for England, however there are some areas for improvement. The Trust is not an outlier against national data in any of the measures.

The Trust intends to take the following actions to improve this percentage, and so the quality of its services, by: Hip and knee replacement; Pre-operative questionnaires and an information leaflet explaining the importance of completing the pre-operative PROMs booklets are posted to patients at home with their admission letter for completion and return

on the day of surgery. Information on the expected outcomes from surgery are communicated in a variety of formats. Patients attend a 'joint club' where advice and information is imparted. This includes discussion with patients so they are fully aware of the risks and benefits, as well as expected outcome. A contact point after discharge is provided if there are any problems and there is direct access to clinic if needed. Patient information regarding the importance of completing PROMs is displayed on waiting room TV screens in both fracture clinics cross site. Focused data gathering has also improved the return of completed questionnaires from patients.

How we performed in 17/18 against our Key Performance Indicator (KPI) standards

| Access Metrics | Measure | Target | 2016/17 position | 2017/18 position | Comments |
|---|---------|--------|------------------|------------------|---------------------|
| Cancer – 2 week GP referral to first out patient | % | =>93.0 | 94.6 | 95.3 | Full year |
| Cancer – 2 week GP referral to first outpatient (breast symptoms) | % | =>93.0 | 95.7 | 96.5 | Full year |
| Cancer – 31 day diagnosis to treatment all cancers | % | =>96.0 | 98.0 | 97.8 | Full year |
| Cancer – 62 day wait for first treatment from urgent GP referral for suspected cancer (excluding rare cancer) | % | =>85.0 | 86.2 | 86.2 | Full year |
| Cancer – 62 day wait for first treatment from urgent GP referral for suspected cancer (including rare cancer) | % | =>85.0 | 86.7 | 81.4 | Full year |
| Cancer – 62 day wait for first treatment from NHS Cancer Screening Service referral | % | =>90.0 | 95.5 | 97.1 | Full year |
| Emergency Care – 4 hour waits | % | =>95.0 | 87.2 | 83.4 | Full year |
| Referral to treatment time – incomplete pathway < 18 weeks | % | =>92.0 | 93.1 | 92.0 | Full year |
| Acute Diagnostic waits < 6 weeks | % | <1.0 | 1.32 | 1.16 | Full year |
| Cancelled operations | % | 0.8 | 1.1 | 1.2 | Full year |
| Cancelled operations (breach of 28 day guarantee) | Number | 0 | 10 | 8 | Full year |
| Delayed transfers of care | % | =<3.5 | 2.1 | 2.3 | Full Year |
| Outcome Metrics | | | | | |
| MRSA Bacteraemia | No | 0 | 1 | 0 | Full Year |
| C Diff | No | <30 | 21 | 29 | Full Year |
| Mortality reviews | % | =<90 | 61 | 44 | As at end Jan 2018 |
| Risk adjusted mortality index (RAMI) | RAMI | <100 | 104 | 109 | 3 months in arrears |
| Summary hospital level mortality index (SHMI) | SHMI | <100 | 101 | 108 | 3 months in arrears |
| Caesarean Section rate | % | <=25.0 | 26.3 | 25.6 | Full Year |
| Patient safety thermometer – harm free care | % | =<95 | 94.3 | 94.5 | Full Year |
| Never Events | No | 0 | 4 | 3 | Full Year |
| VTE risk assessment (adult IP) | % | =>95.0 | 95.4 | 96.1 | Full Year |
| WHO Safer Surgery Checklist (all 3 sections) | % | =>100 | 99.9 | 99.8 | Full Year |

| Quality Governance Metrics | | | | | |
|--|------|--------|------|-------|-----------------|
| Mixed sex accommodation breaches | No | 0 | 51 | 314 | Full year |
| Staff sickness absence (rolling 12 months) | % | =<2.5 | 4.67 | 4.50 | Full Year |
| Staff appraisal (PDR) | % | =>95 | 87.9 | 81.9 | Full Year |
| Medical staff appraisal and revalidation | % | =>95 | 84.9 | 81.4 | Full year |
| Mandatory training compliance | % | =>95 | 87.2 | 91.5 | Full year |
| Clinical Quality and Outcomes | | | | | |
| Stroke care – patients who spend more than 90% stay on Stroke Unit | % | =>90 | 94.5 | 92.8 | To be validated |
| Stroke care – Patients admitted to an Acute Stroke Unit within 4 hours | % | =>80 | 78.4 | 75.2 | To be validated |
| Stroke care – patients receiving a CT scan within 1 hour of presentation | % | =>50.0 | 72.0 | 72.2 | To be validated |
| Stroke care – Admission to thrombolysis time (% within 60 minutes) | % | =>85 | 67.4 | 66.1 | To be validated |
| TIA (High Risk) Treatment within 24 hours of presentation | % | =>70 | 98.0 | 94.9 | Full year |
| TIA (Low Risk) Treatment within 7 days of presentation | % | =>75 | 97.2 | 95.6 | Full year |
| MRSA screening elective | % | =>80 | 91.2 | 89.0 | Full year |
| MRSA screening non elective | % | =>80 | 93.0 | 91.4 | Full year |
| Inpatient falls reduction – acute | No | <804 | 654 | 577 | Full year |
| Inpatient falls reduction – community | No | | 340 | 366 | Full year |
| Hip fractures – operation within 36 hours | % | =>85 | 74.7 | 69.4 | Full year |
| Patient Experience | | | | | |
| Complaints received – formal and link | No | N/A | 1176 | 1037 | Full year |
| Patient average length of stay for all patients excluding elective day cases | Days | N/A | 3.56 | 4.21 | Full year |
| Coronary heart disease - primary angioplasty (<150 mins) | % | =>80 | 96.1 | 95.9 | Full year |
| Coronary heart disease – rapid access chest pain (<2weeks) | % | =>98 | 99.7 | 100.0 | Full year |

Data in the table above is subject to final validation and year end results when available.

Children's Safeguarding

We continue to work closely with Sandwell and Birmingham Multi-agency Safeguarding Hubs (MASH) to raise awareness of safeguarding children among our frontline staff so that they are aware of their individual responsibilities. Our safeguarding team provide a programme of targeted training, advice and support. Currently our compliance rates for safeguarding training is over 85 per cent for key groups such as health visitors, midwives and emergency care staff. During the year the Emergency Department (ED) Domestic Abuse Advocacy Partnership Project with Black Country Women's Aid continues to prove to be a positive venture in increasing the visibility of domestic abuse in ED. We have seen an increase in Emergency Department Practitioner response, identification and onward referral to the Independent

Domestic Violence Advisors (IDVA) based in Sandwell and City Hospital's for victims of domestic violence and abuse. Analysis of current data demonstrates that there are an increased number of victims being identified from Black

and Minority Ethnic Groups which have previously not been represented in groups accessing domestic abuse services. Data shows that 77 per cent of victims have accepted ongoing support following initial referral into the project.

Our Domestic Abuse Lead Nurse Team continues to contribute to the Multi-Agency Domestic Abuse Screening Process in MASH to ensure that information relating to risk is shared with health professionals involved with the victim and children in order to protect, safeguard and reduce the negative impact that domestic violence and abuse poses.

The team have delivered specific training to staff across the Trust on Safe Lives (formerly CAADA/DASH Risk Assessment) and domestic abuse training forms part of our Safeguarding Children and Adult Safeguarding Mandatory Training requirements. Earlier this year a domestic violence and abuse leaflet was distributed to all employees.

Identifying Child Sexual Exploitation (CSE) remains a high priority for our organisation and during the year we have continued to deliver bespoke CSE training jointly with Barnardo's to our Emergency Department teams, paediatric ward staff, front line community nurses and allied health professionals. The training aims to raise the profile of CSE ensuring they are alert to the signs and triggers. We have good representation at Sandwell and Birmingham's CSE Health Groups from the paediatric areas including our Integrated Sexual Health Services, Safeguarding Team and ED.

We flag all children and young people who are known to Sandwell CSE Team as being at risk of CSE on our clinical systems. Audit has shown an improvement in ED practitioner response to a flag and in contacting Children's Social Care to share information on ED attendance and ensure appropriate support is in place.

The Child Protection Information Sharing (CP-IS) Project is embedded within our EDs and audit has shown that staff are reviewing systems to check for this information to inform their assessment. We currently manually flag our systems for Sandwell children where there is a child protection plan in place as the local authority are not currently live with CP-IS to ensure that this information is equally available.

We are currently developing systems in maternity services to ensure information in relation to female genital mutilation risk is available and are working closely with NHS England to implement Female Genital Mutilation Information Sharing system (FGM-IS).

Priorities for 2018/19 will continue to focus on CP-IS integration with our new electronic patient record (EPR), Unity, and implementation of the FGM-IS system across maternity services ensuring this information is integrated into Unity to inform risk. We will continue to maintain current compliance with mandatory safeguarding children training to ensure we have a skilled and knowledgeable workforce and focus on domestic violence and abuse with a view to secure substantive funding for our Advocacy project post June 2018.

Adult Safeguarding

We changed the adult safeguarding team during the year and now we have an Adult Safeguarding Lead Nurse and the appointment of a second Adult Safeguarding Nurse to provide visibility and operational support to frontline staff and patients.

Our dedicated Tissue Viability team includes a continence specialist nurse and we are excited to be recruiting a nurse dedicated to falls prevention. The adult safeguarding team are supported by other specialists such as learning disability, and dementia. Our new dementia, delirium and distress pathway aims to improve care for patients with cognitive impairment and promote least restrictive care. We have appointed two new activity co-ordinators and developed a training programme for volunteers who are attending the wards to provide therapeutic activity for patients with dementia, delirium and learning disabilities during their hospital admission.

We have focused on Deprivation of Liberty applications for those patients, with training for senior nurses, consultants, senior therapists and managers within the organisation. In addition a tool for assessing capacity and prompt for raising a Deprivation of Liberty application which reinforces the Mental Capacity Act (2005) has been created. Whilst it is recognised that this work is required to continue within the organisation to ensure it is fully embedded initial data is encouraging. We applied for more than double the Deprivation of Liberty safeguards during the year when compared with the previous year.

We continue to work closely with Sandwell and Birmingham multi-agency safeguarding board participating in work streams for both prevention and protection of shared strategies. We prioritise full cooperation with any identified cases meeting the criteria for public enquiries and we are committed to learning lessons and improving practices around patient safeguards. PREVENT duties within the Trust continue to develop with participation at multiagency meetings (Channel Panel) contributing to individual case management. We participate in PREVENT forums chaired by NHS England. All activities of the Safeguarding Nurse are recorded on a dashboard to ensure trends and themes can be identified to improve and maintain the safety of our patients.

Readmission rates

The table below details our readmission rates. This excludes deaths and stillbirths. The information is collected during a financial year period and we now measure readmission within 30 days (previously 28 days). Readmission reduction remains a priority for the Trust.

The Trust intends to take the following actions to improve this percentage, and so the quality of its services, by continuing to monitor performance through group management meetings and group performance review meetings.

Age 0 – 15 years

| SWBH | Number of Patients | Total Number of Re-admissions | Percentage of Re-admissions |
|---------|--------------------|-------------------------------|-----------------------------|
| 2017/18 | 16145 | 934 | 5.8% |
| 2016/17 | 16367 | 998 | 6.1% |
| 2015/16 | 16015 | 1105 | 6.9% |
| 2014/15 | 16058 | 1382 | 8.6% |

Age 16 and over

| SWBH | Number of Patients | Total Number of Re-admissions | Percentage of Re-admissions |
|---------|--------------------|-------------------------------|-----------------------------|
| 2017/18 | 95113 | 8997 | 9.5% |
| 2016/17 | 96427 | 8789 | 9.1% |
| 2015/16 | 98232 | 9930 | 10.1% |
| 2014/15 | 100662 | 9831 | 9.8% |

All Ages

| SWBH | Number of Patients | Total Number of Re-admissions | Percentage of Re-admissions |
|---------|--------------------|-------------------------------|-----------------------------|
| 2017/18 | 111258 | 9931 | 8.9% |
| 2016/17 | 112794 | 9787 | 8.7% |
| 2015/16 | 114247 | 11035 | 9.7% |
| 2014/15 | 116720 | 11213 | 9.6% |

Quality Improvement Half Days (QIHDs)

2017/18 saw the continued development and expansion of Quality Improvement Half Days (QIHDs), our unique approach to staff involvement, with over 1,000 colleagues across the organisation regularly attending each time. The four hour QIHD sessions provide a chance for multi-disciplinary teams to take time away from their normal day-to-day duties to consider how to learn and develop new ideas.

April saw the introduction of 'ward' QIHDs, two hours of protected time for the team to spend together to consider how best to improve the quality of services provided to patients and staff on the wards. The use of this time has had mixed success with some wards finding it challenging to organise their QIHDs while others have embedded this into their routine so they have a known time when they can come together to talk about service improvements. A

review has reconfirmed support for ward QIHDs so help is being provided to create the right environment for these sessions to succeed everywhere.

A new accreditation system was launched this year to allow teams to put themselves forward for recognition that their QIHDs are achieving quality improvement through staff involvement. Teams meeting the entry level can then put themselves forward for bronze, silver or gold status. The palliative care team led the way and impressed the awards panel and earned themselves a silver award. Imaging, health visiting, newborn hearing services, obstetrics and gynaecology, rheumatology, elderly care, stroke and neurology and governance celebrated too after their hard work on quality improvement gained them a bronze award. Moving forward the aim is to have all teams rated in 2018/19.

Learning from deaths

Mortality data is now extracted from the CHKS (Casper Healthcare Knowledge) System, which reports the Risk Adjusted Mortality Index (RAMI) as the principle measure of our organisation's mortality, and the HED (Healthcare Evaluation Data) System which reports the Hospital Standardised Mortality Ratio (HSMR) and the Summary Hospital-level Mortality Indicator (SHMI).

Hospital Standardised Mortality Ration (HSMR)

The HSMR is a method of comparing mortality levels in different years, or for different sub-populations in the same year, while taking account of differences in population structure. The ratio is of (observed) to (expected) deaths, multiplied conventionally by 100. Thus if mortality levels are higher in the population being studied than would be expected, the HSMR will be greater than 100. This information is derived from the HED system, which is rebased monthly to providing the most up to-date-data.

Our HSMR is currently 122 (December 2017) for the Trust and outside statistical confidence limits. There is ongoing scrutiny and oversight of mortality statistics at the Mortality and Quality Alerts Committee (now the Learning from Deaths Committee). A report was commissioned with HED (Healthcare Evaluation Data), analytics provider which concluded Sandwell General Hospital is a statistically significant HSMR outlier and City Hospital remains within expected limits. A Trust-wide investigation of the following diagnoses groups was conducted:

- Pneumonia
- Pleurisy
- Respiratory failure; insufficiency; arrest (adult)

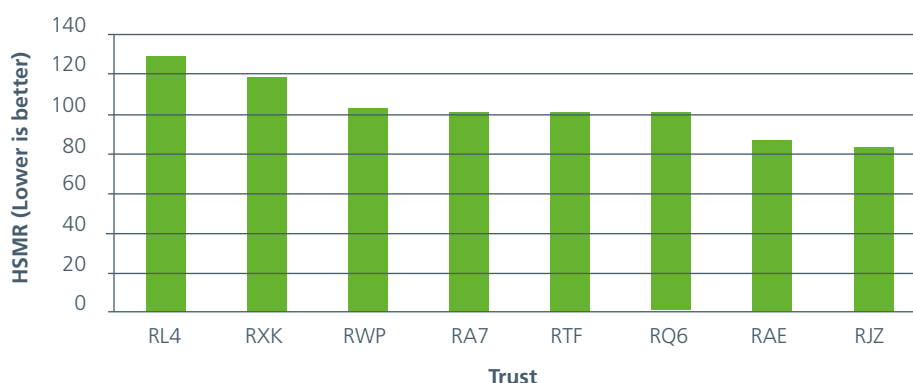
There were no significant quality of care issues identified. The broadening gap between HSMR for weekend and weekday admissions is subject to close monitoring at the monthly Learning from Deaths committee to identify actions to improve this position.

Changes in Palliative Care practice, i.e establishment of the Connected Palliative Care Hub and the coding of this change, look to be impacting on SWBH's HSMR. This is demonstrated by the HSMR model without palliative care. This is being addressed by:

- Reviewing the numbers of patients being seen in hospital by the palliative care team to ensure that HES coding accurately reflects practice.
- Ensuring that the appropriate distinction between supportive care and palliative care is being made during coding.

Further investigation and external audit was commissioned by the Trust information team which concluded that the coding practices at SWBH is robust and is inclusive of multiple co-morbidities in all spells of care. However there is ongoing close monitoring of Palliative Care coding practice to understand the reason for the reduction and establishing if this is consistent with the 'on the ground' view of patients seen at the Trust.

Hospital Standardised Mortality Ratio (HSMR)



KEY

- RL4 – The Royal Wolverhampton Trust
- RXK – Sandwell and West Birmingham Hospitals NHS Trust
- RWP – Worcestershire Acute Hospitals NHS Trust
- RA7 – University Hospitals Bristol NHS Foundation Trust
- RTF – Northumberland Healthcare NHS Foundation Trust
- RQ6 – Royal Liverpool and Broadgreen University Hospitals NHS Trust
- RAE – Bradford Teaching Hospitals NHS Foundation Trust
- RJZ – King's College Hospital NHS Foundation Trust

Risk Adjusted Mortality Index (RAMI)

This is a methodology developed by Caspe Healthcare Knowledge Systems (CHKS) to compute the risk of death for hospital patients on the basis of clinical and hospital characteristic data. It is a ratio of the observed number of deaths to the expected number of deaths that occur within a hospital. The Trust's RAMI for the most recent 12 month cumulative period (January 2018) is 109 and outside of statistical confidence limits. It is also above the National HES peer RAMI of 88. The aggregate RAMI for the City site is within statistical confidence limits with a RAMI of 98, and the Sandwell site with a RAMI of 116, which is outside of statistical confidence limits. Mortality rates for the weekday and weekend low risk diagnosis groups are within or beneath the statistical confidence limits.

Summary Hospital-level Mortality Indicator (SHMI)

The SHMI is the ratio between the actual number of patients who die following hospitalisation at the Trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there. It includes deaths which occur in hospital and deaths which occur outside of hospital within 30 days of discharge. Our SHMI score is currently 108 (November 2017) for SWBH Trust. This data is derived from HED (Healthcare Evaluation Database) for the Summary Hospital Level Mortality Indicator (SHMI).

Mortality comparisons using highest SHMI against national results: July 2016 June 2017

| Indicator | Lowest | Highest | SWBH NHS Trust |
|--------------|--------|---------|----------------|
| Score (SHMI) | 0.726 | 1.228 | 1,036 |
| Observed | 554 | 1291 | 2029 |
| Expected | 763 | 1052 | 1958 |

The data above compares our mortality figures against all other Trusts nationally. A Trust would only get a SHMI value of one if the number of patients who died following treatment was exactly the same as the expected number using the SHMI methodology.

The values for the Trust must be taken from two different periods as reported by NHS Digital, and include the lowest and highest value for other Trusts from the reporting period, by way of comparison.

The Trust also monitors its SHMI value taken from a national benchmark data provider (HED) site and includes this within its various mortality and performance monitoring reports. This data is available for a more recent period than is available from the NHS Digital website.

Trust Mortality Review System

For the year 2017/18 we set ourselves a target of reviewing 90 per cent of all hospital deaths within 42 days and 100 per cent of all hospital deaths within 60 days. By reviewing the care provided we can identify areas where learning can take place to improve outcomes for our patients. Mortality Review compliance has been set as a local Quality Standard for 2017/18. We have not been able to achieve this target due to a number of contributing factors. In the forthcoming year, new targets will be set as well as rolling out a new review method, Structured Judgemental Review methodology, recommended by Learning From Deaths Guidance March 2017.

2017/18

| | Apr | May | Jun | Q1 | Jul | Aug | Sep | Q2 | Oct | Nov | Dec | Q3 | Jan | Feb | Mar | Q4 | YTD |
|-----------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|
| Death | 101 | 105 | 120 | 326 | 134 | 111 | 106 | 351 | 130 | 115 | 164 | 409 | 176 | 138 | 139 | 453 | 1539 |
| Reviewed | 51 | 50 | 67 | 168 | 63 | 45 | 46 | 154 | 44 | 45 | 74 | 163 | 79 | 55 | 39 | 173 | 658 |
| % Reviewed | 50 | 47 | 55 | 51 | 47 | 40 | 43 | 43 | 33 | 39 | 45 | 39 | 44 | 39 | 28 | 38 | 42 |
| % Cumulative Reviewed | 50 | 49 | 51 | 51 | 50 | 48 | 47 | 47 | 45 | 44 | 44 | 44 | 44 | 44 | 42 | 42 | 42 |

Data highlighted in red has not been finalised for year end.



Chief Executive Toby Lewis speaking with clinicians about our Trust's Safety Plan at a Listening into Action Event.



Sister, Lynne Hackett talks to patient, Sarah Meanley.

During 2017/18 Q1 to Q3, 1591 of SWBH NHS Trust's patients died in hospital. 347 deaths in Q1, 360 deaths in Q2, 421 deaths in Q3, 463 in Q4.

By 31st January 2018, 492 mortality case record reviews and 22 investigations have been carried out in relation to 25 of the deaths. In 22 cases a death was subject to both a case review and an investigation. The number of deaths in each quarter for which a case record review or investigation was carried out was 170 in the first quarter, 156 in the second quarter, 166 in the third quarter, data for Q4 is not yet available.

Nine patient deaths, representing 0.80% of the patient deaths during the reporting period, are judged to be more likely than not to have been due to problems in the care provided to the patient. In relation to each quarter this consisted of four patient deaths representing 0.35% of the patient deaths for the first quarter, two patient deaths representing 0.18% of the patient deaths for the second quarter, three patient deaths representing 0.27% of the patient deaths for the third quarter, data for Q4 is not yet available.

These numbers have been estimated using the SWBH NHS Trust Mortality Review System. The Mortality Review System (MRS) is based on the PRISM methodology. It is in place to ensure that there is a review of the management of a large proportion of patients who have died in our care. On notification of the death to the CARES office, the notes of the patient are scanned into the CDA and a notification is sent to the Clinical Director and a Consultant of the Directorate in which the death occurred. The electronic notification system has been set up to allocate the reviews to a consultant colleague within the Directorate, but not to a consultant who provided care to the patient. A comprehensive review of each case is performed (within 42 days of the death) using the scanned notes of the ultimate, and where appropriate, penultimate inpatient episode.

The MRS allows each case to be examined for excellence as well as errors or deficiencies in care and the death is categorised as expected or unexpected and whether the death was preventable. A MRS report is compiled monthly and scrutinised at the monthly Learning From Deaths committee and any actions arising are also monitored for completion. The purpose of the report is to identify the deaths that have been categorised with preventable codes.

We also use a 'trigger method' to identify the cases not categorised with a preventable code, but where there has been a negative response to a significant number of questions (three or more) relating to the clinical assessment or ongoing management. These are investigated further through the Learning From Deaths committee. The outcome and actions from these incidents are reviewed by the committee to identify quality improvement themes and opportunities. The

MRS also provides a report of the lessons learnt where this is recorded for cases reviewed.

Data from the MRS is also used to investigate and respond to external mortality alerts for example CQC alerts and alerts in relation to specific diagnoses/procedure groups. The committee also reviews the outcome of HMC Inquest and from all these sources identifies learning and quality improvement opportunities.

The following areas have been identified as learning points from case record reviews and investigations conducted in relation to the deaths identified in 2017/18 through our MRS and from investigation of other internal and external mortality alerts.

- Compliance with the Sepsis Bundle notably delayed administration of antibiotics.
- Late recognition of AKI and delay in identifying and managing the end of life are some of the more common problems identified.
- Other areas noted for quality improvement are delayed intervention eg commencement of CPAP, suboptimal preoperative assessment, compliance with the head injury pathway, compliance with discharge criteria and delayed diagnosis of subarachnoid haemorrhage.

Examples of the quality improvement projects that have come from our work are:

- Development of the AKI guidelines and outreach acute renal services, supported by electronic flagging system to Nephrology team.
- Revision of the sepsis bundle and trust-wide sepsis audit supported by the sepsis team.
- End of Life Care and Specialist Palliative Care are now coordinated through a palliative care hub covering in and outpatient care.
- The Commissioning of a dedicated NIV unit on the respiratory ward.
- Updated head injury proforma.
- Focused education within ED.
- Participation in the TARN audit.
- Implementation of the NHSI enhanced discharge initiatives e.g. Red to Green and the SAFER flow Bundle.

Action in the reporting period by SWBH to achieve quality improvement in these areas has come through several pieces of work.

- We have implemented a medical examiner service as part of the Trust's Learning from Deaths programme to support accurate death certification and junior doctor training in this area. This team will triage all deaths and identify deaths where review, investigation, reporting to coroner or as incidents very soon after death is needed. The medical examiners will also support and engage relatives and carers to further identify cases for review and learning.

- The acquisition and implementation of the new structured judgemental review method and analysis tool and the participation by trust staff in SJR training internally and externally as tier one trainers.
- A defined trained pool of SJR reviewers is being identified.
- Participation in the National Learning Disability Mortality Review Programme (LeDeR) led by the University of Bristol and notification of Learning Disability Deaths to the LeDeR programme, which went live for submission in October 2018. The Trust also reports monthly in detail on learning disability patients who have died in the preceding month.
- We work across Black Country Trusts and our mortality lead chairs the NHS England West Midlands Mortality Concordat to learn from regional good practice.
- Learning and news of QI projects are shared through monthly email Learning from deaths e-bulletin, DEATH

Matters quarterly newsletter. Each group is represented at LfD committee and SJR reviewers are taken from every specialty.

- Corporate work streams identifying group and specialty quality improvement of end of life care and specialist palliative care are monitored regularly.
- When implemented our new EPR system will ensure reliable medical record review and support for full timely case review of cases identified for review.

Reporting requirements prescribe that a comparison of mortality data for the previous reporting period is included. At SWBH we have a process in place and have this data available for 2016/17, however this has not been mapped with the Learning from Deaths methodology, therefore comparison against previous years data will be reported in future quality accounts.



The Connected Palliative Care Team celebrated a successful first year by holding an event to mark the occasion in June. The team are pictured with our partners from our end of life services across the area.

Deaths of patients with involvement from palliative care services

Diagnostic care coding = Z5.15. The table below provides information relating to the number of deaths at the Trust where there was a diagnosis of Palliative Care made. A Trusts Mortality data is affected by palliative care and

specialist palliative coding as well as comorbidity coding. Changes in external mortality data calculation methods and rebasing, changes in palliative care provision (eg focusing on community care) and coding can affect our data and comparison with peer Trusts.

Mortality comparisons against national results: July 2016/17

| Total number of deaths | Total number of deaths | Palliative Care | Percentage (%) |
|------------------------|------------------------|-----------------|----------------|
| 2029 | | 387 | 19.1 |

Venous Thromboembolism (VTE)

A Venous thrombo-embolism (VTE) is a blood clot that forms in a vein. A calf vein is the most common site for this to occur but occasionally pieces of the clot can break away and flow towards the lungs and become a pulmonary embolism (PE). The Department of Health requires all Trusts to assess patients who are admitted for their risk of having a VTE. This is to try and reduce some of preventable deaths that occur following a VTE while in hospital.

We report our achievements for VTE against the national target (95 per cent) and report this as a percentage. The calculation is based on the number of adults admitted to hospital as an inpatient and of that number, how many had a VTE assessment within 24 hours. Our year end position is 96.1%

| Venous Thromboembolism (VTE) risk assessment (National Target 95%) | 2016/17 | 2017-2018 (Apr – Dec) | | | | |
|---|---------|-----------------------|-------|------------------|---------------|--------------|
| | SWBH | | SWBH | National Average | Highest Trust | Lowest Trust |
| The percentage of patients who were admitted to hospital and who were risk assessed for venous thromboembolism during the reporting period. | 95.36% | Q1 | 96.1% | 95.1% | 100% | 51.4% |
| | | Q2 | 96.4% | 95.2% | 100% | 71.9% |
| | | Q3 | 96.5% | 95.3% | 100% | 76.1% |
| | | Q4 | 95.2% | TBC | TBC | TBC |

The Trust considers that this data is as described for the following reasons: It is the latest available on the NHS Digital website and SWBH data is consistent with Trust reported data.

The Trust intends to take the following actions to improve this percentage, and so the quality of its services, by continuing to monitor compliance of VTE assessments on admission as part of the Trust's Safety Plan compliance. It is also monitored as part of our Integrated Performance Report

which is monitored at our Quality and Safety committee and reported to the Trust Board monthly. We believe the introduction of our new electronic patient record system, Unity, will help us to improve our compliance.



The Connected Palliative Care team welcomed the news that the Care Quality Commission had rated our end of life care as outstanding.

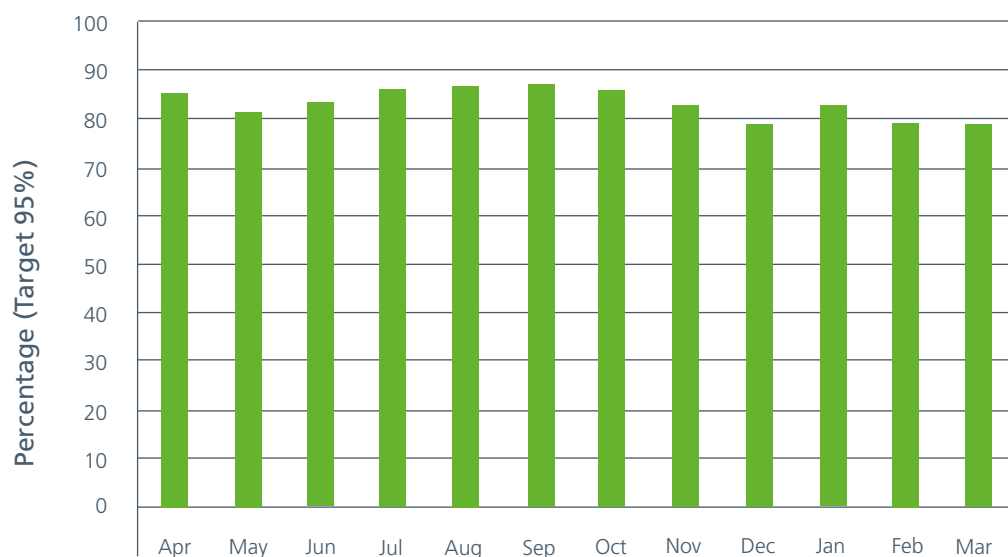
Emergency care four hour waits

In line with the national standard we aim to ensure that 95 per cent of patients will wait for no more than four hours within our Emergency Departments (ED). Although the majority of patients were seen in four hours on average we achieved 83.4% at year end.

We continue to see good results in ambulance handover time, meaning that ambulance crews can get back on the road more quickly. We remain committed to improving our performance and have expanded our Rapid, Treatment and Assessment (RAT) this year which has shown an improvement in time to treatment.

Percentage of patients waiting four hours or less in Emergency Departments 2017/18 (Higher is better – target 95%)

Emergency Care 4 Hour Waits



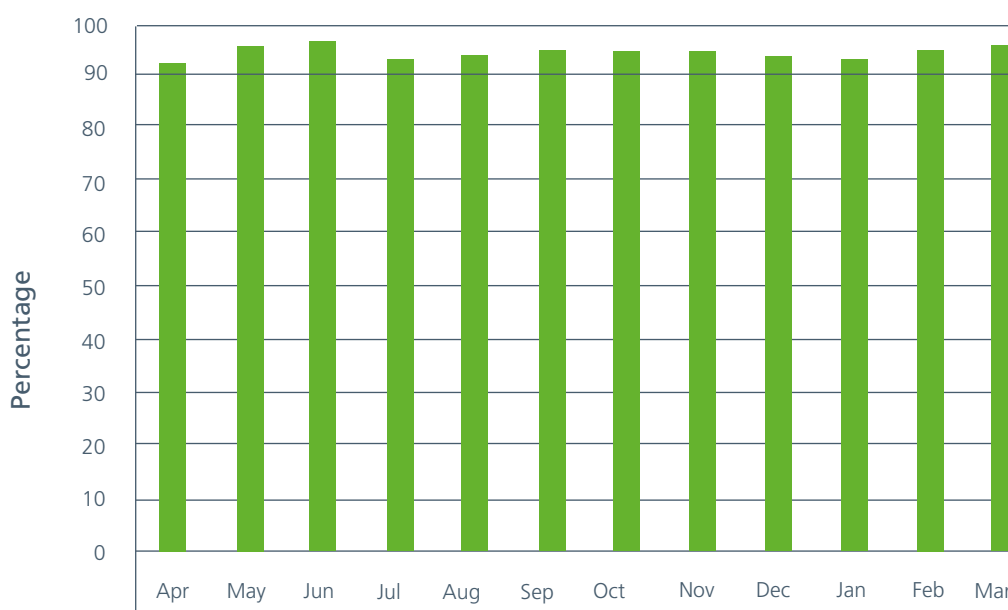
Harm free care

2017/18

We continue to undertake monthly prevalence audits looking at four harms – pressure ulcers, falls; catheter related urinary tract infections (UTI) and deep vein

thrombosis (DVT). We review harms via the incident reporting framework with lessons learned shared locally and across the organisation.

Harm free care



2017/18

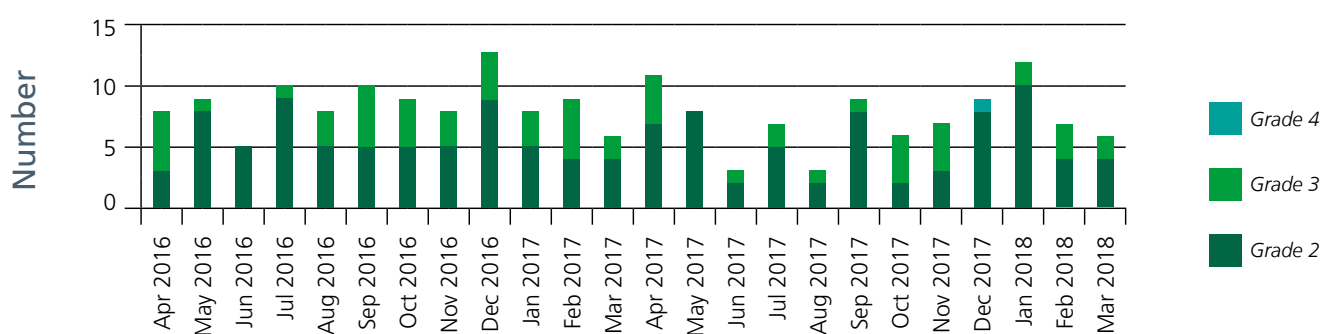
Pressure ulcers

Pressure ulcer prevention remains one of the key priorities in line with the Trust vision to provide patients with safe care. We continue to promote being open with the reporting of pressure damage incidences in order to learn and improve future care for patients.

Pressure ulcer prevention is one of the key parts of our Safety Plan for 2018 which focuses on ensuring consistency in identifying when our patients are at risk of developing pressure damage and ensuring they have all the preventative strategies in place to reduce the risk of pressure damage.

The Tissue Viability service is engaged in the National NHS Improvement 'Stop the Pressure' campaign to eliminate avoidable pressure ulcers within the Trust. The campaign focuses on the early identification of at risk patients and reacting quickly to the early warning signs and preventing pressure damage occurring. This initiative supports any areas in the Trust who are identified as reporting any increases of pressure damage occurring. The campaign has proven effective in a number of areas, supporting staff with education and training in pressure ulcer prevention and has reduced the incidence of reported pressure damage in these areas.

Hospital Acquired Avoidable Pressure Sores by Grade

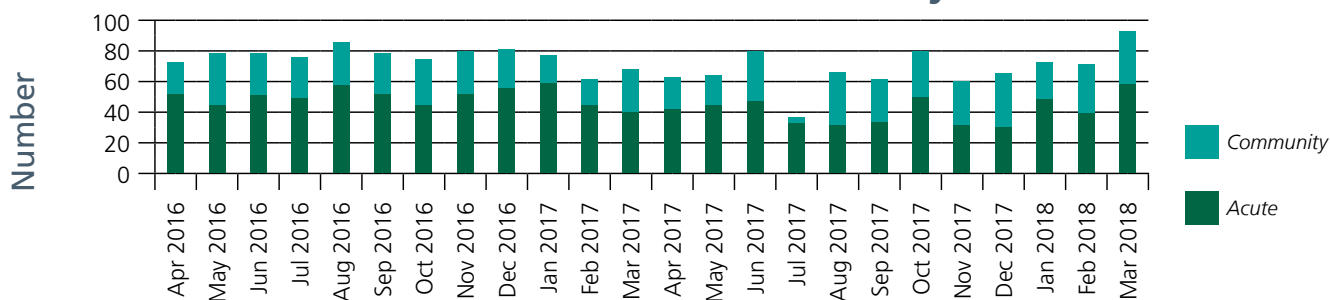


Falls

The number of falls for 2017/18 was 943 with 14 of the falls resulting in serious injury. This is a reduction of 51 falls compared with 2016/17 data. Falls resulting in serious harm have also reduced year on year from 24 to 14.

The Trust remains committed to patient safety and reducing harm occurring to our patients and we will continue to focus on falls prevention with a key emphasis on the assessment of patients and the implementation of preventative strategies to keep our patients safe.

Falls - Acute & Community



Infection prevention and control

The aim of the Infection Prevention and Control Service (IPCS) is to develop, utilise and promote infection prevention and control practices that are cost effective, safe and efficient, minimising the risk of patients acquiring infections, during or as a result of their stay in hospital. Working in partnership with health care professionals across the health economy, the Trust is committed to a zero tolerance ambition to eliminate all avoidable HCAs.

To comply with current legislation and meet the requirements from professional bodies such as: Department of Health, the Care Quality Commission and NHS Improvement [NHSI], we adopt a proactive approach to identification, management and monitoring of infections through education, training,

surveillance, and monitoring of clinical and non-clinical practices in line with national standards such as National Institute for Health and Care Excellence [NICE] guidance, Patient Lead Assessment in the Clinical Environment [PLACE] and standards of cleaning, guidance and recommendations from professional bodies.

Organisational structures continue to work well both within our own organisation and across the wider healthcare economy. Partnership working with the Clinical Commissioning Groups (CCG), NHS Improvement [NHSI], Health Protection Unit (HPU) and Public Health England (PHE) through the Health Economy Groups for Infection Prevention and Control continues.

| Target for 2017/18 | Agreed target/ rate [year end] | Trust rate | Compliant | Comments | |
|---|--------------------------------|--------------------------------|-----------|---|--|
| MRSA bacteraemia | 0 tolerance | 0 | Yes | Pre 48hrs [laboratory identified] 4 | Post 48hrs [laboratory identified] nil |
| | | | | All bacteraemias identified in the laboratory have had a post infection review as per PHE guidance to identify issues and lesson learnt. Of the cases identified 0 has been attributed to SWBH. | |
| C.difficile acquisition toxin positive | 30 | 28 attributed to SWBH | Yes | The rate per 100,000 bed days of cases of C.difficile infection reported within the trust amongst patients aged two or over during the reporting period is 12.85 | |
| MRSA screening - elective [YTD] | 85% | 89.0% | Yes | Locally agreed target. | |
| MRSA screening - non elective [YTD] | 85% | 91.4% | Yes | Locally agreed target. | |
| Post 48hrs MSSA Bacteraemia (rate per 100,000 bed days) | N/A | 10 (4.69 per 100,000 bed days) | NA | All post 48 hrs bacteraemias have a post infection review to identify issues and lesson learnt. | |

| Blood culture contamination rates (Target = 3% by ward, dept. and site.) | Sit | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar |
|---|--------|------|------|------|------|------|------|------|------|------|------|------|------|
| | City | 2.4% | 0.9% | 2.3% | 1.2% | 1.6% | 1.9% | 1.2% | 1.9% | 1.9% | 1.4% | 1.3% | 2.6% |
| | S.Well | 2.5% | 3.3% | 2.5% | 2.8% | 2.3% | 3.6% | 2.9% | 2.4% | 3.7% | 3.5% | 5.4% | 2.6% |
| Overall Trust rate 2.9%. It needs to be recognised that due to the clinical condition of some patients there is a risk of obtaining an unavoidable blood contaminant. However, any clinician identified as taking a contaminated blood culture is required to attend for further training to reiterate practices. In addition to this, since Aug 2014 the IPCS has introduced a training programme for all new doctors to the Trust. This is now managed by the clinical fellows. | | | | | | | | | | | | | |

We monitor incidences of infections so that we can identify and act on periods of increased incidents [PII]. This includes outbreaks of diarrhoea and vomiting, those attributed to a variety of micro-organisms including: Clostridium difficile [CDI], Extended Spectrum beta lactamase organisms [ESBL], Carbapenemase resistant organisms [CRO]; Vancomycin

resistant enterococci [VRE], MDR Acinetobacter. In all incidences strains have been typed to determine any outbreaks and post infection reviews undertaken and multi-disciplinary and agency meetings held to identify root causes and lessons learnt.

| Site | Organism | 2017-18 month | PII or outbreak | Ward or bay closure |
|---------------|-----------|---------------|-----------------|---------------------|
| Sandwell CCS | VRE | June 17 | PII | NA |
| City D15 | CDI | July 17 | PII | NA |
| Sandwell P5 | CDI | Sept17 | PII | NA |
| Maternity NNU | ESBL | Oct | outbreak | NA |
| Sandwell P2 | CDI | Oct17 | PII | NA |
| Sandwell L4 | Norovirus | Dec 17 | outbreak | Bays |
| Rowley Regis | Norovirus | Dec17 | outbreak | Bays |
| City D16 | Flu | Dec 17 | outbreak | Bays |
| Sandwell L4 | Flu | Dec 17 | outbreak | Bays |
| Maternity NNU | ESBL | Dec17 | PII | NA |
| Sandwell L4 | Flu | Feb 18 | outbreak | Bay |
| Rowley Regis | Norovirus | Feb 18 | outbreak | Bays |
| Sandwell P5 | Norovirus | Mar 18 | outbreak | bay |

The Trust considers that this data is as described for the following reasons: It is the latest available on the NHS Digital website and SWBH data is consistent with Trust reported data.

The Trust intends to take the following actions to improve this percentage, and so the quality of its services, by continued commitment and compliance with infection prevention and control policies by clinical and non-clinical groups and clinicians. Audit and training continues to be prioritised as a means of monitoring and delivering continuous improvements.

Information Governance Toolkit (IGT) attainment levels

We are compliant across the Information Governance Toolkit requirements for 2017/18. The Trust Information Governance Assessment Report overall score for 2017/18 was 93 per cent and was graded GREEN. This means that a minimum Level 2 was achieved for all requirements (as required for the NHS standard contract). We will continue

to build on this to strengthen our IG practices and processes and work towards achieving full mandatory compliance with the new data security and protection toolkit which replaces the information governance toolkit in April 2018.

Incident reporting

A positive safety culture remains essential for the delivery of high quality care. The Trust continues to submit its incident data to the National Reporting and Learning System (NRLS) which is publically available and provides comparative data with like-sized trusts. This data shows as at September 2017, we are in the middle 50 per cent of reporters of trusts with a reporting rate of 47.98 per 1000 bed days.



L– R Ward Manager, Tracy Weston and Staff Nurse, Anthea Forsythe complete the Ten out of Ten safety plan checklist.

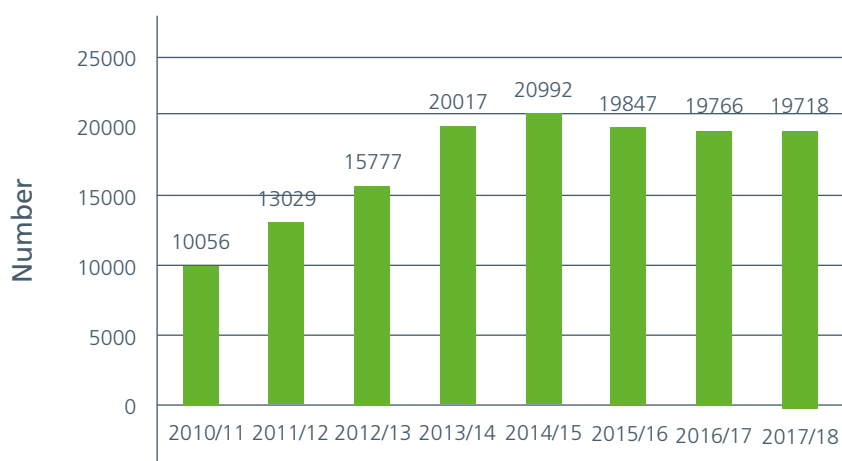


District Nurse Clinical Lead for Tipton, Andy Churm (central) is leading on the mobile working project.

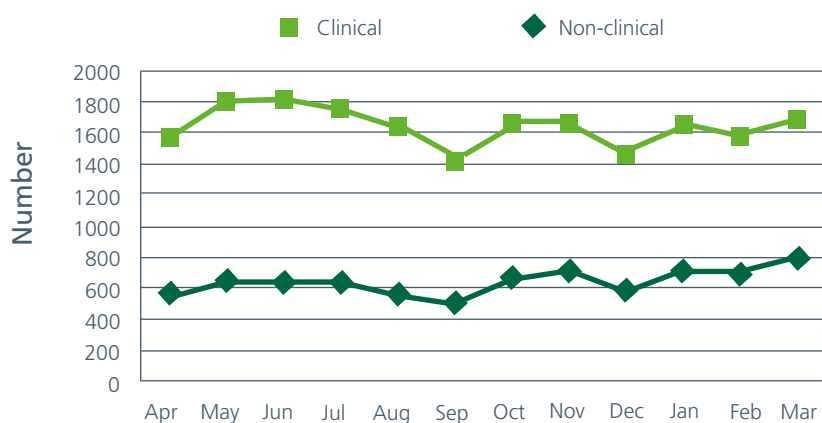
| Date | Average rate of reporting per 100 admissions | Best reporter/ 100 admissions | Worst reporter/ 100 admissions | Number of incidents resulting in severe harm | Percentage of incidents resulting in severe harm | Number of incidents resulting in death | Percentage of incidents resulting in death |
|------------------------------|--|-------------------------------|--------------------------------|--|--|--|--|
| 2011/12 | 6.29 | 9.82 | 2.34 | 86 | 1.15 | 14 | 0.2 |
| 2012/13 | 9.58 | 12.65 | 2.49 | 32 | 0.32 | 19 | 0.15 |
| 2013/14 | 11.67 | 12.46 | 1.72 | 24 | 0.2 | 16 | 0.1 |
| Date | Average rate of reporting per 1000 bed days | Best reporter/ 1000 bed days | Worst reporter/ 1000 bed days | Number of incidents resulting in severe harm | Percentage of incidents resulting in severe harm | Number of incidents resulting in death | Percentage of incidents resulting in death |
| 2014/15 | 56.19 | 84 | 7 | 28 | 0.32 | 7 | 0.1 |
| 2015/16 | 50.1 | 76 | 16.5 | 20 | 0.2 | 6 | 0.1 |
| 2016/17 (April 16 to Sep 16) | 44.48 | 73 | 22 | 8 | 0.2 | 1 | 0.0 |
| 2016/17 (Oct 16 to Mar 17) | 47.93 | 70 | 23 | 4 | 0.1 | 3 | 0.1 |
| 2017/18 (Apr 17 to Sep 17) | 47.98 | 111.69 | 23.47 | 2 | 0.0 | 1 | 0.0 |

The latest data (April 17 - September 17) shows an overall position of reduced incidents resulting in severe harm or death.

Total incidents reported by financial year



Incidents reported during 2017/18 split by Clinical and Non-clinical



Incidents are generally categorised into clinical (patient safety) and non-clinical and then further categorised dependant upon their causative factor. The chart on page 57 shows the data for the main types of incidents throughout the year, month on month. Serious incidents continue to be reported to the CCG. The Trust intends to take the following actions to improve this percentage, and so the quality of its services, by continuing to facilitate investigations and

learning through the corporate risk team. Patient safety incidents resulting in moderate harm or above that do not meet external reporting criteria are investigated at clinical group or corporate directorate level. The number of serious incidents reported in 2017/18 is shown in the following table. This does not include pressure sores, fractures from falls, ward closures, some infection control issues, personal data or health and safety incidents.

| 2017/18 | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar |
|------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| No of SIs (by date reported as SI) | 0 | 3 | 1 | 0 | 3 | 4 | 1 | 2 | 2 | 3 | 1 | 3 |

General Data Protection Regulation

The General Data Protection Regulation (GDPR) will replace the Data Protection Act (1998) from 25th May 2018.

Like all NHS trusts we are in a good position due to the work undertaken as part of the Information Governance toolkit. We have an action plan in place to review our information processes, particularly with regards to children's information and transfer to non EU countries.

Never Events

During 2017/18 three never events were reported. A never event is a serious untoward incident that has either caused or has the potential to cause serious harm that should never happen if robust controls are in place to prevent them from happening.

Never events reported in 2017/18

| Specialty and Date | Type of Never Event | Root Causes | Changes made |
|-----------------------------------|------------------------|---|---|
| T and O Theatres/ Anaesthetics | Wrong site block | Failure to complete WHO Safe Surgery "Sign In" | Mandatory sign in part of Safe Surgery Checklist use and responsibilities reinforced Mandatory stop before you block standard operating procedure and the SOP updated reinforced Stop before you block video has been circulated to all anaesthetists Process in place for practitioner performing a procedure is present for the whole process Reprinted stop before you block poster in A3 size |
| BMEC | Wrong eye lasered | Failure to follow the correct procedures | We have amended our standard operating procedure for the practice of consenting sequential procedures. We have introduced a modified WHO checklist for use in BMEC OPD procedures. We have produced a standard operating procedure requiring site marking and inclusion in the WHO surgical safety checklist. |
| Dermatology | Wrong patient biopsied | Failure to follow positive patient identity procedure | Our Positive Patient Identification (PPID) video has been recirculated to all staff as reminder of its importance. All staff in Dermatology have attended a training session on PPID and use of WHO checklists. We have introduced patient ID bracelets for those attending outpatient (OPD) theatre sessions in dermatology. |

Duty of Candour

The Trust has a robust method, through use of the electronic incident reporting system, to identify those incidents which, by the nature of the degree of harm, trigger the statutory duty of candour.

When incidents are reported which identify that the level of harm to a patient is moderate, severe or they have died due to care issues clinicians are engaged in discussions to clarify that the outcome meets the recognised definitions to trigger this level of candour, recognising that being open and the professional duty of candour continues to happen at all or no level of harm.

The Incident reporting system allows for capture of the duty of candour conversations taking place. Since 1 April 2017 453 incidents have met the statutory requirements and of those 95 per cent (430) are evidenced as being complete. The remaining 23 are being reviewed.

Participation in clinical research

The number of patients receiving NHS services provided or sub-contracted by the Trust in 2017/18 that were recruited during that period to participate in research approved by a research ethics committee was 3850. Of these, in excess of 3400 were recruited into National Institute for Health Research (NIHR) portfolio studies whilst 450 were recruited into non-NIHR portfolio studies.

The numbers of patients involved in research at the Trust have increased year on year over the last four years, reflecting the Trust's ongoing commitment to support and develop research. Through this we continue to improve the quality of care offered to patients locally, ensure that our staff remain abreast of the latest treatment possibilities and make important contributions to the wider health environment.

There are over 385 research studies being undertaken across the Trust in various stages of activity, from actively recruiting participants into new studies to those in long term follow-up. In 2017/18, 60 new studies have been given Trust approval to commence (46 NIHR portfolio studies and 14 non NIHR portfolio studies). 104 NIHR portfolio studies have actively recruited research participants in 2017/18.

During 2017/18, patient recruitment was highest in cardiovascular disease, ophthalmology and rheumatology although research activity has taken place across a full range of disciplines including stroke, diabetes, gastroenterology, surgery, dermatology, maternity, obstetrics and gynaecology, paediatrics, respiratory, orthopaedics and physiotherapy and cancer (breast, lung, colorectal, and haematological, gynaecological, and urological malignancies).

Important new developments in 2017/18 include:

- Increasing the internationally recognised excellence of our research portfolio: We are for example a key partner in the new Arthritis Therapy Acceleration Programme (<https://www.kennedy.ox.ac.uk/about/translational-research/atap>) linking universities and hospitals in Oxford and Birmingham. Some of our leading researchers have secured major highly prestigious grants and awards including the NIHR Senior Investigator award to Prof Greg Lip.
- Increasing the breadth of our clinical research portfolio with new research initiatives in a range of areas including sickle cell disease, critical care, maternity and orthopaedics.
- Increasing the range of health care professionals contributing to our research portfolio: physiotherapists have made major contributions to our research, and we have seen important developments in the involvement of clinical nurse specialists and laboratory scientists in the development and delivery of research and innovation. We have created secondment opportunities to allow clinical nurses/midwives to gain exposure to research.
- Translating research into better and safer care: Our researchers have been involved with/led the development of national/international clinical guidelines for a range of diseases over the last 12 months including Systemic Lupus Erythematosus.
- We are actively working to enhance the quality of space for research and development activities at the Trust. Some of our team have recently moved into new space in the Birmingham treatment centre and we are in detailed discussion about the creation of enhanced space at the Sandwell site.

Participation in Clinical Audits

During 2017/18, Sandwell & West Birmingham NHS Hospitals Trust has participated in 53 national clinical audits and 3 national confidential enquiries covering NHS services which the Trust provides. The Trust has reviewed all the data available to them on the quality of care in these services.

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

| National Audits | Participated Yes /No | Percentage of eligible cases submitted (Provisional) |
|--|-------------------------|--|
| Women's & Child Health | | |
| Maternal, Newborn and Infant Clinical Outcome Review Programme (CORPS) - Perinatal Mortality surveillance | yes | 100% |
| Maternal, Newborn and Infant Clinical Outcome Review Programme (CORPS) – Perinatal Mortality and Morbidity | yes | 100% |
| Maternal, Newborn and Infant Clinical Outcome Review Programme (CORPS) – Maternal Mortality Surveillance | yes | 100% |
| Maternal, Newborn and Infant Clinical Outcome Review Programme (CORPS) – Maternal Morbidity confidential enquiries | yes | 100% |
| National Neonatal Audit Programme (NNAP) | yes | 100% |
| British Thoracic Society: Paediatric Bronchiectasis | yes | 100% |
| National Paediatric diabetes Audit | yes | 100% |
| National Maternity and Perinatal Audit (NMPA) | yes | 100% |
| National Pregnancy in Diabetes (NPID) Audit | yes | 100% |
| Acute care | | |
| Hip, knee and ankle replacements (National Joint Registry) | yes | 100% |
| Severe trauma (Trauma Audit & Research Network) | yes | 50% |
| Intensive National Care Audit (ICNARC) | yes | 100% |
| Surgical Site infection Surveillance – Hip and Knee | yes | 100% |
| Sentinel Stroke and Stroke Improvement – National Audit Programme | yes | >90% |
| Royal College of Emergency Medicine Audit – Sepsis | yes | 100% |
| Royal College of Emergency Medicine Audit – Consultant Sign Off | yes | 100% |
| Royal College of Emergency Medicine Audit – Asthma | yes | 100% |
| National Emergency Laparotomy Audit | yes | 100% |
| Long term conditions | | |
| National Inpatient Diabetes Audit | yes | 100% |
| National Pregnancy in diabetes | yes | 100% |
| National COPD Audit (Pulmonary Rehabilitation) | yes | 100% |
| National COPD Audit (Secondary Care Audit) | yes | 100% |
| National COPD Registry (Secondary care Audit) | yes | 100% |
| National Audit of Dementia | yes | 100% |
| UK Parkinsons Audit | yes | 100% |
| National Diabetic Footcare Audit | yes | 100% |
| Inflammatory Bowel Disease (IBD Registry)* | no | |
| Cardiology | | |
| Myocardial Infarction (MINAP) | yes | 100% |
| National Heart Failure Audit | yes | 77% |
| National Audit of Percutaneous Coronary Interventions | yes | 100% |
| National Audit of Cardiac Rehabilitation | yes | 100% |
| ICNARC NCAA – Cardiac arrest | yes | 100% |
| Rhythm Management | yes | 100% |
| Cancer | | |
| Oesophago-gastric Cancer Audit (NAOGC) | yes | >90% |
| National Prostate Cancer Audit | yes | 100% |
| National Audit of Breast Cancer in Older People (NABCOP) | yes | 100% |
| Head and Neck Cancer Audit | yes | 100% |

| National Audits | Participated Yes /No | Percentage of eligible cases submitted (Provisional) |
|---|-------------------------|--|
| National Lung Cancer Audit | yes | 100% |
| (NBCP) Colorectal Cancer Audit | yes | 100% |
| Blood and Transplant | | |
| National Comparative Audit of Blood Transfusion: Re-audit of the 2016 audit of red cell and platelet transfusion in adult haematology patients | yes | 100% |
| National Comparative Audit of Blood Transfusion: 2017 National Comparative Audit of Transfusion Associated Circulatory Overload (TACO) | yes | 79% |
| Older people | | |
| Falls and Fragility Fractures Audit Programme (FFFAP) | yes | 100% |
| Falls and Fragility Fractures Audit Programme – Fracture Liaison Service Database | yes | 100% |
| Falls and Fragility Fractures Audit Programme – Inpatient Falls (BAUS) | yes | 100% |
| <ul style="list-style-type: none"> - Nephrectomy Audit - Percutaneous Nephrolithotomy - Stress Urinary Incontinence Audit - Urethroplasty Audit | no yes yes no | Procedure not currently performed 100% 100% Procedure not currently performed |
| Other | | |
| Patient Reported Outcome Measures (PROMS) Varicose Vein - terminated September 2017 | yes | 75% |
| Patient Reported Outcome Measures (PROMS) Groin Surgery – terminated September 2017 | yes | 68% |
| Patient Reported Outcome Measures (PROMS) Hip and Knee Surgery | yes | 76% |
| National Ophthalmology Audit | yes | 81% |
| Endocrine and Thyroid National Audit | yes | on going |
| National Audit of Intermediate Care (NAIC) | yes | 100% |
| National Confidential Enquiries (Patient Outcome Data) | | |
| Chronic Neurodisability | yes | 90% |
| Young People's Mental Health | yes | 83% |
| Acute Heart Failure | yes | 45% |

*The IBD registry was not participated in due to difficulties with resourcing. Measures taken to improve compliance 2018-19 are; Recruitment of administration staff, support

from the Clinical Effectiveness department and integration between the Unity EPR system and the Registry.



The Emergency Gynaecology Assessment Unit team achieved 100% safety checks for patients. L-R Kuldip Manak, CNS Emergency Gynaecology, Lis Hesk, Matron for Gynaecology and Annette Black, Cancer Nurse Specialist.



Healthcare Assistant Sandra Burton with patient Carol Potter.

Partner statements

Healthwatch Birmingham

Healthwatch Birmingham welcomes the opportunity to provide our statement on the Quality Account for Sandwell and West Birmingham NHS Trust. We are pleased to see that the Trust has taken on board some of our comments regarding the previous Quality Account. For example, the Trust has:

Given examples of patient experience and feedback, and how these are used to develop solutions that improve the quality of services.

- Demonstrated how the Trust learns from complaints and actions taken based on these lessons.
- Demonstrated how staff, patients and carers are involved in decision-making and activities within the Trust.

Patient and Public Involvement

It is positive to see that listening and learning from experience of patients in the Trust's care and their relatives or carers is a priority for 2018/19. We note the varied ways in which the Trust has engaged with patients and the public.

Firstly, by holding Facebook live events where members of the public can engage with clinicians on various subjects such as heart health care. This is an innovative way of sharing information with patients and the public that they might not have time to ask in a consultation. Equally, the Trust can use these events to understand patients' needs about what they expect from services based on their experiences.

Secondly, we welcome the establishment of a carers' group during the year that has informed the development of the Trust's carers' strategy. This is a good resource for understanding how best to support relatives and carers. We note that some action has already been taken in relation to carers, such as allowing people to stay in a bed alongside their relative and open visiting hours on all wards.

Thirdly, we note the initiatives of the Members Leadership Group. For instance, involvement in the Care Quality Commission inspections and improvement plans, and the supporting safety plan. We welcome that in 2018/19 the Trust intends to work closely with other partners to better join up the Trust's formal patient engagement activities.

Lastly, we welcome the work of the Local Interest Group to ensure inclusion within the workplace for all people who might otherwise be discriminated against. It is positive to see that the Local Interest Group (which is made up of leads from staff networks, chaplaincy service, and members of the public) works with the Trust to ensure that there is a coordinated approach to service improvement in order to meet the needs of those with protected characteristics and disadvantaged groups.

In our response to the 2016/17 Quality Accounts, we asked the Trust to consider developing a strategy for involving patients, carers and the public in decision-making. Our

examination of the various initiatives around patient and public involvement, shows that the Trust has the foundation on which it can develop such a strategy. As we argued in our previous response, such a strategy should clearly outline how and why patients, the public and carers are to be engaged in order to improve health outcomes and reduce health inequality. This will ensure that there is commitment across the Trust to using patient and public insight, experience and involvement. To be effective, the strategy needs to be understood by all staff, promoted, and arrangements for collating feedback and experience should be clearly outlined.

In our response to the 2016/17 Quality Account, we asked the Trust to provide examples of changes or improvements to services and practice that have occurred as a result of that feedback. We also hoped to read how the Trust uses patient feedback and experiences to understand barriers different groups face. We are pleased to see examples of these in the 2017/18 Quality Account. We note the appointment of a diversity lead and implementation of awareness raising sessions on LGBT issues. In addition, the implementation of an 'infant feeding policy' that promotes zero separation from the mother when admitted in areas outside of maternity. Lastly, changes to templates for patient letters (e.g. making writing more visible; printing appointment letters on yellow paper) and deaf awareness training for staff.

We look forward to reading more about the impact of feedback, and we would like to read how the Trust communicates with patients about how they are using their feedback to make changes. At Healthwatch Birmingham, we believe that demonstrating to patients how their feedback is used to make changes or improvements shows service users and the public that they are valued in the decision-making process. Consequently, this has the potential to increase feedback as service users and the public will know that their views matter and lead to actual changes/improvement to services.

In our response to the Trust's 2016/17 Quality Accounts, we expressed concern that the number of formal complaints the Trust receives had increased from 871 in 2015/16 to 1026 in 2016/17. We are pleased to see that the number of formal complaints has reduced from 1026 (2016/17) to 825 (2017/18). We also note that complaints responded to within the target date has increased, from 81% (2016/17) to 92% (2017/18). However, the average number of days the Trust takes to respond to complaints steadily increased over the year. The most common themes of complaints has remained the same for the past three years. Complaints are mainly about clinical treatment, appointment delay or cancellations, communication and discharge and transfers. We note the lessons learnt from complaints and actions taken. However, we believe that the Trust needs to take innovative action in order to identify where the problems are, for instance in the discharge process, and understand and address these issues.

Staff and PPI (Patient and Public Involvement)

We note that the Trust did not meet its target to improve by 5% the percentage of staff responding to two of the three NHS staff survey. We welcome that the staff survey indicates improvement in the percentage of staff who believe that their role makes a difference to patients and service users.

It is positive to see the varied ways that the Trust is engaging staff. For instance, the Listening into Action events and Speak up Day, to ensure that staff feel heard and valued. We particularly welcome the 'Quality Improvement Half Days' that the Trust holds for staff to consider how to learn and develop new ideas. In addition the introduction of ward quality improvement days, where for two hours a team comes together to consider how best to improve the quality of services they provide within their wards. We would like to read in the 2018/19 Quality Accounts ideas from these meetings that have been taken up.

We believe that these Quality Improvement Days present an opportunity for staff delivering care to discuss issues around the effective use of patient feedback, and also as a means to communicate patient feedback to staff delivering care. Quality Improvement days can also be used to inform staff how feedback from patients/service users has been used to make informed decisions within their department/directorate. We believe that the basic approach of Healthwatch Birmingham's Quality Standard for PPI has some questions that might help the Trust to develop this further. The Quality Improvement Days can discuss whether:

- there is a clear strategic approach for PPI that staff understand across the Trust?
- staff understand what their responsibilities are in relation to PPI?
- they have set objectives for PPI that are regularly monitored?
- they understand how PPI informs decision-making in their service area to make improvement and address inequality? and,
- they understand that improvements or changes made as a result of feedback should be shared with patients and the public?

Trust Performance against standards and CQUIN

Similar to our response to the 2016/17, we are concerned that the Trust has failed to meet standards in a number of areas that have the potential to lead to variability in the quality of care leading to poor health outcomes. We note that there has been some improvement in falls, and falls with injuries, due to improvement in safety checks and assessments. However, there are other key areas where the Trust has failed or partially achieved its target. Such as: Meeting the four hour A&E waiting times commitment to patients

- Cutting delayed transfers of care
- Implement the improvement plans to reduce avoidable mortality in surgery, cardiology, deaths due to sepsis and perinatal mortality

- The percentage of patients who met the criteria for sepsis screening, and were screened for sepsis, and the percentage of patients found to have sepsis following a screening and received IV antibiotics within one hour
- Creating a more engaged workforce
- Implementing an activation system for patients with long term conditions, such as HIV, to enable better outcomes (activate patients knowledge, skills and capacity to manage their own condition).

Regarding inspections, we note that the Trust was inspected in March 2017 by the CQC and a report published in October 2017. The Trust is still rated 'requires improvement'. We recognise that 70% of services are rated good or outstanding (i.e. end of life care is outstanding; imaging and surgery services is good; caring domain is outstanding). Equally, the safety domain has improved from inadequate to requires improvement. However, community inpatient wards have now been rated inadequate.

We note that the Trust has worked to address the actions detailed in the CQC report. Although the aim was to deliver actions by March 2018, we see that the Trust is facing problems with the following:

- Addressing the requirement for substantive middle grade staff overnight in A&E departments
- Working with other Trusts to implement Service Level Agreements (SLA) to provide paediatric ophthalmology cover out of hours and substantive posts in hours.

Healthwatch Birmingham is particularly concerned about the impact delays in the building of the Midland Metropolitan hospital is having on access and quality of services. For instance, failure to finalise Sandwell Treatment Centre locations and the seven day hospital service. More concerning is that failure to move to the new hospital means that high dependency patients cannot receive ongoing reviews by a consultant. Considering that the opening of the new hospital might be further delayed (reports says until 2022), the Trust needs to develop a plan to ensure that access to services and quality of care does not suffer. Alongside this, the Trust should ensure that they are prepared for the new hospital with the right staff skills mix and numbers.

We look forward to reading about improvement on these in the 2018/19 Quality Account, in addition to the missed targets above.

In our response to the 2016/17 Quality Account we were concerned that the Trust had only carried out 68.3% mortality reviews against a target of 90%. We argued that reviews are an important tool for ensuring that learning occurs and helps improve the quality of care. We note that mortality reviews have further decreased to 44% in 2017/18 from 61% in 2016/17 (against a target of 90%). We also note that there have been three never events against a target of zero, and mixed sex accommodation breaches have increased from 51 in 2016/17 to 314 in 2017/18.

We note the process the Trust takes when a death occurs, the learning points identified and actions taken. However, it is not clear how and when the Trust involves families and carers in the review or investigation process. We ask that the Trust demonstrates how it follows the NHS National Guidance on Learning from Deaths regarding family and friends. The guidance states: "Providers should have a clear policy for engagement with bereaved families and carers, including giving them the opportunity to raise questions or share concerns in relation to the quality of care received by their loved one. Providers should make it a priority to work more closely with bereaved families and carers and ensure that a consistent level of timely, meaningful and compassionate support and engagement is delivered and assured at every stage, from notification of the death to an investigation report and its lessons learned and actions taken"

Involving families and carers in case reviews and investigations offers a more rounded view and understanding of patient experience. We would like to read in the 2018/19 Quality Accounts, how families and patients have been involved in various stages of case reviews and investigations. In addition, how the Trust weights families' and patient's views, compared with how they weight the views of clinical staff.

The Trusts Priorities for 2018/19

Healthwatch Birmingham has taken note of the Trust's priorities for 2018/2019. We believe that a continued focus on improved outcomes for patients with signs and symptoms of sepsis; improving the consistency of care

(correct documentation and risk assessments); and listening to patients experiences to help improve patient care are important. In particular, plans under the listening to patients priority, namely to listen and act on experiences heard through PALS, complaints and friends and family test. Including plans to complement this by introducing 'Purple Points' which are a phone based system accessible from all in-patient areas. This will enable patients and carers to raise concerns or compliments about the care or information provided to them at that time.

To conclude, Healthwatch Birmingham would like to commend the Trust for taking action in response to some of our comments on the 2016/17 Quality Accounts. It is positive to see examples of the use of feedback to make changes, learning from complaints and death, and actions taken in response. We would like to see further improvements in these areas in the 2018/19 Quality Account.

As per our role, Healthwatch Birmingham is running various projects to support providers in Birmingham to meet their statutory role of consulting/engaging with patients and the public. Consequently, ensuring that Trusts are using public and patient feedback to inform changes to services, improve the quality of services and understand inequality in access to services and health outcomes. We have worked with some Trusts to review their patient and public involvement process (PPI), identify areas of good PPI practice and recommend how PPI practice can be made more effective. We would welcome the opportunity to explore how we can support the Trust to improve in the year ahead.

Sandwell and West Birmingham CCG

This Quality Account, prepared by Sandwell and West Birmingham Hospitals Trust (SWBH), is a true reflection of the work undertaken by the trust during the 2017/18 contract year.

SWBH engages fully and openly with its CCG commissioners, providing opportunity for dialogue at both a contract and locality level, via CQRM, and CRM meetings.

SWBH has demonstrated its commitment to quality by the introduction of a number of quality improvement schemes during the year, including: The 'Purple Points' initiative, which improves the way patients and carers can raise issues or concerns about patient care; and the continuation of Quality Improvement Half Days (QIHDs), which provide opportunities for multi-disciplinary teams to develop innovations or improvements to service. The Trust has also seen a significant reduction in the number of complaints it has received, and has also seen a significant improvement in PROMS (Patient Reported Outcome Measures).

During the 2017/18 contract year, the CCG wishes to acknowledge and congratulate SWBH on their continued reduction of patients experiencing pressure damage and pressure damage resulting in significant harm; their continued progress on reducing hospital acquired infections (with low numbers of C-Diff and MRSA infections acquired by patients in 2016/17; the Trust's success in achieving their strategic priorities in relation to: Implement the safety plan in all inpatient areas (including community wards) so that patients have all safety checks as standard; Deliver reductions in wait time and improved productivity through successful execution of our annual production plan for elective care;

and Reduce agency spend by £10m during the year. The CCG also wish to acknowledge the Trust's moderate success in achievement against most National CQUIN schemes for 2017/18.

The CCG also wishes to recognise and acknowledge the challenges faced by SWBH to: improve Mortality Index scores; to achieve the emergency care 4 hour wait target; to continue to address workforce issues - notably sickness absence and numbers of agency staff; improving safety in relation to patient falls, and to improve average adjusted health gain scores against PROMs indicators. The CCG also wishes to acknowledge the challenges faced by the Trust due to the pause in construction work of the Midland Metropolitan Hospital and the impact this has had across the organisation. The CCG wishes to acknowledge the CQC inspection of March 2017, which led to an overall Trust rating of 'requires improvement', but recognises the significant improvements that have been made as well as the excellent rating awarded to the End of Life Care service, which received a score of 'Outstanding'.

Looking forward, the CCG welcome the Trust's Quality Plan Objectives for 2017-20, its aspiration to: reduce avoidable deaths in hospital so Trust is in the top 20% of comparable Trusts; deliver better quality outcomes, so that Trust is in top 20%; continue to improve Patient Reportable Outcome Measures so that the Trust falls within the top 20% of comparable organisations nationally; implement the electronic patient record; and ensure that work continues in relation to achieving 'Seven Day' hospital standards.

Trust response

We welcome the comments from our partners relating to our Quality Account. Understanding and improving the experience of our patients, their carers and families is really important to us. We look forward to working with our

partners over the next 12 months as we work to continue to improve the services we provide for our patients through the delivery of our Safety Plan and our quality and safety priorities for 2018/19.

Independent Practitioner's Limited Assurance Report to the Board of Directors of Sandwell & West Birmingham NHS Trust on the Quality Account

We have been engaged by the Board of Directors of Sandwell & West Birmingham NHS Trust to perform an independent assurance engagement in respect of Sandwell & West Birmingham NHS Trust's Quality Account for the year ended 31 March 2018 ("the Quality Account") and certain performance indicators contained therein as part of our work. NHS Trusts are required by section 8 of the Health Act 2009 to publish a Quality Account which must include prescribed information set out in The National Health Service (Quality Account) Regulations 2010, as subsequently amended in 2011, 2012, 2017 and 2018 ("the Regulations").

Scope and subject matter

The indicators for the year ended 31 March 2018 subject to the limited assurance engagement consist of the following indicators:

- rate of clostridium difficile infections;
- percentage of patient safety incidents resulting in severe harm or death

We refer to these two indicators collectively as "the indicators".

Respective responsibilities of the directors and Practitioner

The directors are required under the Health Act 2009 to prepare a Quality Account for each financial year. The Department of Health and NHS Improvement has issued guidance on the form and content of annual Quality Accounts (which incorporates the legal requirements in the Health Act 2009 and the Regulations).

In preparing the Quality Account, the directors are required to take steps to satisfy themselves that:

- the Quality Account presents a balanced picture of the Trust's performance over the period covered;
- the performance information reported in the Quality Account is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Account, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Account is robust and reliable, conforms to specified data quality standards and prescribed definitions, and is subject to appropriate scrutiny and review; and
- the Quality Account has been prepared in accordance with Department of Health and NHS Improvement guidance.

The Directors are required to confirm compliance with these requirements in a statement of directors' responsibilities within the Quality Account.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Account is not prepared in all material respects in line with the criteria set out in the Regulations;
- the Quality Account is not consistent in all material respects with the sources specified in the NHS Quality Accounts Auditor Guidance 2014-15 issued by the Department of Health in March 2015 ("the Guidance"); and

- the indicators in the Quality Account identified as having been the subject of limited assurance in the Quality Account are not reasonably stated in all material respects in accordance with the Regulations and the six dimensions of data quality set out in the Guidance.

We read the Quality Account and conclude whether it is consistent with the requirements of the Regulations and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Account and consider whether it is materially inconsistent with:

- Board minutes for the period April 2017 to May 2018;
- papers relating to quality reported to the Board over the period April 2017 to May 2018;
- feedback from commissioners dated 25/05/2018;
- feedback from local Healthwatch organisations dated 21/05/2018;
- the Trust's complaints report published under regulation 18 of the Local Authority, Social Services and National Health Service Complaints (England) Regulations 2009, dated Quarter 1 2017/18, Quarter 2 2017/18, Quarter 3 2017/18 and Quarter 4 2017/18;
- the national patient survey dated 2017;
- the national staff survey dated 2017;
- the local staff survey dated June 2017 and March 2018;
- the Head of Internal Audit's annual opinion over the Trust's control environment dated 04/05/2018;
- the annual governance statement dated 25/05/2018; and
- any other information obtained during our limited assurance engagement.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with these documents (collectively the "documents"). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Board of Directors of Sandwell & West Birmingham NHS Trust. We permit the disclosure of this report to enable the Board of Directors to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permissible by law, we do not accept or assume responsibility to anyone other than the Board of Directors as a body and Sandwell & West Birmingham NHS Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement under the terms of the Guidance. Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;

- limited testing, on a selective basis, of the data used to calculate the indicators tested against supporting documentation;
- comparing the content of the Quality Account to the requirements of the Regulations; and
- reading the documents.

A limited assurance engagement is narrower in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques that can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the Quality Account in the context of the criteria set out in the Regulations.

The nature, form and content required of Quality Accounts are determined by the Department of Health and NHS Improvement. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS organisations.

In addition, the scope of our limited assurance work has not included governance over quality or non-mandated indicators which have been determined locally by Sandwell & West Birmingham NHS Trust.

Our audit work on the financial statements of Sandwell & West Birmingham NHS Trust is carried out in accordance with our statutory obligations. This engagement will not be treated as having any effect on our separate duties and responsibilities as Sandwell & West Birmingham NHS Trust's external auditors. Our audit reports on the financial statements are made solely to Sandwell & West Birmingham NHS Trust's directors, as a body, in accordance with the Local Audit and Accountability Act 2014. Our audit work is undertaken so that we might state to Sandwell & West Birmingham NHS Trust's directors those matters we are required to state to them in an auditor's report and for no other purpose. Our audits of Sandwell & West Birmingham NHS Trust's financial statements are not planned or conducted to address or reflect matters in which anyone other than such directors as a body may be interested for such purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than Sandwell & West Birmingham NHS Trust and Sandwell & West Birmingham NHS Trust's directors as a body, for our audit work, for our audit reports, or for the opinions we have formed in respect of those audits.

Conclusion

Based on the results of our procedures, as described in this report, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2018

- the Quality Account is not prepared in all material respects in line with the criteria set out in the Regulations;

- the Quality Account is not consistent in all material respects with the sources specified in the Guidance; and
- the indicators in the Quality Account identified as having been subject to limited assurance have not been reasonably stated in all material respects in accordance with the Regulations and the six dimensions of data quality set out in the Guidance.

Grant Thornton UK LLP

Grant Thornton UK LLP
Chartered Accountants
Birmingham

25 May 2018

Accountability Report

Corporate Governance Report

Director's Report

The Trust Board meets monthly. The Chair of the Board is Richard Samuda and the Vice-Chair is Olwen Dutton. Professor Thomas, a new Non-Executive Director was appointed from the University of Birmingham to the remaining vacancy.

Non-Executive Directors: Board and Committee attendance

| | Trust Board | Remuneration and Terms of Service | Audit and Risk Management | Quality and Safety | Finance and Investment | Charitable Funds | People and Organisation Development | Major Projects Authority | Public Health, Equality and Community Development |
|-------------------------------------|-------------|-----------------------------------|---------------------------|--------------------|------------------------|------------------|-------------------------------------|--------------------------|---|
| Richard Samuda, Chair | 11/12 | 1/1 | | 4/12 | 9/13 | 5/5 | 3/4 | 4/7 | 2/5 |
| Olwen Dutton, Vice-Chair | 10/12 | 1/1 | 2/5 | 11/12 | | | | | |
| Prof Kate Thomas, Non-Exec Director | 6/10 | 1/1 | | | | | | | 5/5 |
| Mike Hoare, Non-Exec Director | 9/12 | 1/1 | | 2/5 | 9/13 | | | 5/7 | |
| Harjinder Kang, Non-Exec Director | 10/12 | 1/1 | 3/5 | | 8/13 | | 4/4 | | |
| Waseem Zaffar, Non-Exec Director | 10/12 | 1/1 | 4/5 | | | 5/5 | | | 2/5 |
| Marie Perry, Non-Exec Director | 10/12 | 1/1 | 5/5 | 6/8 | 7/13 | | | | |

| | Trust Board | Quality and Safety | Finance and Investment | Charitable Funds | People and Organisation Development | Major Projects Authority | Public Health, Equality and Community Development |
|---|-------------|--------------------|------------------------|------------------|-------------------------------------|--------------------------|---|
| Toby Lewis, Chief Executive | 12/12 | | | | 3/4 | 5/7 | 3/5 |
| Rachel Barlow, Chief Operating Officer | 12/12 | 11/12 | 10/13 | | 3/4 | 5/7 | |
| Kam Dhami, Director of Governance | 11/12 | 10/12 | | | | | |
| Raffaella Goodby, Director of People and OD | 11/12 | | 8/13 | | 2/4 | 5/7 | 4/5 |
| Elaine Newell, Chief Nurse | 9/12 | 11/12 | | 4/5 | 3/4 | | 2/5 |
| Tony Waite, Director of Finance | 12/12 | 7/12 | 13/13 | 3/5 | | 6/7 | |
| Dr Roger Stedman, Medical Director* | 7/7 | 6/7 | | 1/5 | | 3/7 | 2/5 |
| Dr David Carruthers, Medical Director** | 3/3 | 1/3 | | | | 1/2 | |

KEY

* Stepped down from position as Medical Director in November 2017

** Appointed as Medical Director from January 2018

The Trust Executive Group (at 1st April 2018) is:

- Toby Lewis, Chief Executive Officer (Board Member)
- Rachel Barlow, Chief Operating Officer (Board Member)
- Dr David Carruthers, Medical Director (Board Member)
- Tony Waite, Finance Director (Board Member)
- Raffaella Goodby, Director of Organisational Development (Board Member)
- Kam Dhami, Director of Governance (Board Member)

- Paula Gardner, Chief Nurse (Board Member)
- Ruth Wilkin, Director of Communications
- Alan Kenny, Director of Estates and New Hospital Project
- Mark Reynolds, Chief Informatics Officer
- Dave Baker, Director of Partnerships and Innovation

The members of the Audit and Risk Management Committee at 31 March 2018 were Marie Perry (Chair), Olwen Dutton, Harjinder Kang and Waseem Zaffar.

| Committee | Purpose |
|--|--|
| Trust Board | The Trust is led strategically by the Board with Non-Executive Directors and the Executive Team working collectively to drive the strategic direction of the Trust and ensure high quality patient care, safe services and sustainable financial management over the medium/long term. The Board meets monthly. |
| Audit and Risk Management Committee | The Committee provides oversight and assurance in respect of all aspects of governance, risk management, information governance and internal controls across Trust activities. The committee meets five times a year. |
| Quality and Safety Committee | The Committee provides oversight and assurance in respect of all aspects of quality and safety relating to the provision of care and services to patients, staff and visitors. During this year the Committee has contributed to the development of the Trust's Quality and Safety Plans which form core pillars of the Trust's strategic direction. The Committee meets monthly. |
| Finance and Investment Committee | The Committee provides oversight and assurance in respect of the Trust's financial plans, investment policy and the robustness of major investment decisions. The Committee has retained a sharp focus on the Trust's delivery against its Long Term Financial Model. The Committee meets monthly. |
| Charitable Funds | The Committee provides oversight and assurance in respect of how the Trust's Charitable Funds are invested to the benefit of patients in accordance with the wishes of donors. The Committee meets quarterly. |
| People and OD | The Committee provides oversight and assurance of delivery against the Trust's workforce and OD strategies, including the programme of workforce transformation, recruitment and retention and sickness absence management. The Committee meets quarterly. |
| Major Projects Authority | The Committee provides the Board with assurance concerning the strategic direction of the Trust. Specifically implementation of the Electronic Patient Record system "Unity" and to support the project to establish the Midland Metropolitan Hospital (MMH). MPA ensures that programmes of work/reconfigurations are consistent with the long term direction towards the new hospital. The committee meets bi-monthly. |
| Public Health, Community Development and Equality Committee | The Committee provides oversight and assurance regarding plans to drive holistic public health interventions and the Trust's equality ambitions. The Committee meets quarterly. |
| Remuneration Committee | The Committee advises on the terms and conditions of employment and remuneration packages for the Chief Executive and Executive Directors. The Committee meets as and when required. The Remuneration Committee met once in 2017/18. |

REGISTER OF INTERESTS 2017/18


| Name/Title | Purpose |
|---|---|
| Chair | |
| Richard Samuda | <ul style="list-style-type: none"> Trustee – ‘Kissing It Better’ Non-Executive Director – Warwick Racecourse |
| Non-Executive Directors | |
| Olwen Dutton | <ul style="list-style-type: none"> Partner – Anthony Collins LLP Fellow – Royal Society of Arts Trustee – Writing West Midlands Trustee- The Almshouse Charity of Thomas Huntbach and Francis Tongue Croxall Member – Lunar Society Member – Labour Party |
| Michael Hoare | <ul style="list-style-type: none"> Director - Metech Consulting Director - CCL Group Director - Nobu Ltd |
| Harjinder Kang | <ul style="list-style-type: none"> Trustee – Birmingham Botanical Gardens Director – Abnasia Ltd Management Consultant – Vectura Group PLC |
| Marie Perry | <ul style="list-style-type: none"> Head of Finance and Procurement - Consumer Council for Water |
| Waseem Zaffar | <ul style="list-style-type: none"> Elected Councillor – Lozells & East Handsworth Ward (Birmingham City Council) School Governor at Heathfield Primary School. Member of Unite the Union and the Labour Party. Director - Simmer Down CIC Director – Midlands Community Solutions CIC Director – West Side BID |
| Kate Thomas | <ul style="list-style-type: none"> Vice Dean of Medicine and Programme Director MBChB, University of Birmingham Salaried GP – Our Health Partnership Sessional Post – GMC (Outcomes for Graduates) Sessional Examiner – Universities of Oxford and Exeter Sessional Validation Review – University of Keele Trustee - Medical Schools Council Assessment Alliance |
| Executive Directors | |
| Toby Lewis (Chief Executive) | <ul style="list-style-type: none"> Board member – Sandwell University Technical College Independent Member and Chair of Audit Committee - Council of Aston University |
| Rachel Barlow (Chief Operating Officer) | None |
| Elaine Newell (Chief Nurse) | None |
| David Carruthers (Medical Director) | None |
| Tony Waite (Director of Finance) | None |
| Raffaella Goodby (Director of People and OD) | <ul style="list-style-type: none"> Independent Member of Governing Body – Sandwell College Director - Multi Academy Trust, Sandwell College Chair - Local Workforce Action Board (LWAB) Recruitment and Retention Workstream |
| Kam Dhami (Director of Governance) | None |
| Executive Directors | |
| Mark Reynolds (Chief Information Officer) | None |
| Alan Kenny (Director of Estates and New Hospital) | None |
| Ruth Wilkin (Director of Communications) | None |
| Dave Baker (Director of Partnerships and Innovation) | None |

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 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.

A handwritten signature in black ink, consisting of a large, stylized 'T' followed by a horizontal line extending to the right.

Toby Lewis
Chief Executive
25/05/2018

Scope of responsibility

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

The purpose of the system of internal control

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

Assessment of effective governance framework

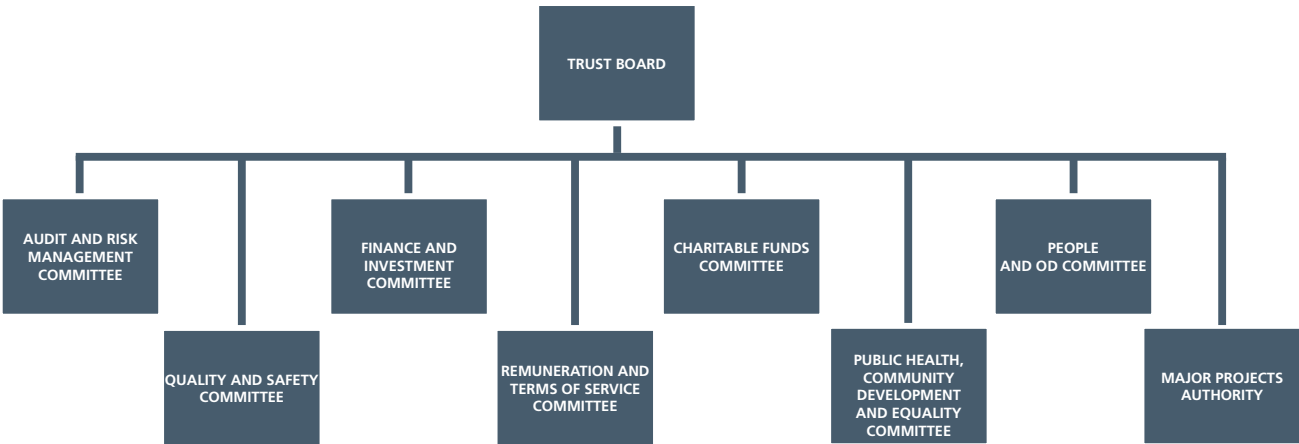
2017/18 saw continued collaborative working through the Black Country Provider Partnership with counterparts in Dudley, Wolverhampton and Walsall and through the Black

Country (and West Birmingham) STP. I continue to meet on a regular basis with the CCG Accountable Officer and representatives of the two local authorities to drive forward joint working through which health and social care services are more closely integrated to ensure timely and effective care pathways that meet the collective needs of the users of our services and their families and carers. To a much greater degree than in prior years we have held structured review meeting with primary care partners, which have given rise to changes and projects, including a memorandum of understanding with the Modality GP partnership, which we are in process of expanding across willing general practice colleagues in western Birmingham.

The structure of our governance working alongside Cerner and with the Hospital Company is understandably in focus, given delays with both deployment of Unity and the opening of Midland Met. The formal liaison committee for the latter development has met on numerous occasions, and the Trust has routinely attended as of right the board meetings of the SPV. A single Board committee, the major projects authority, oversees both developments, among other roles, and that committee has now moved to a monthly rather than bi-monthly footing.

The Trust is led strategically by the Trust Board. The Board sets out the strategic direction of the Trust. Below the Board there are 8 Board committees (figure 1) which serve an overview function against our 2020 Vision, and supporting plans. This structure is designed to ensure open and frank challenge from across the Board on progress against our agreed ambitions as a Trust.

Figure 1



One new Non-Executive Director joined the Trust Board in 2017, Professor Kate Thomas. Kate is the Vice Dean and Programme Director for the MB ChB medical degree programme at the University of Birmingham. Kate is now Chair of the Public Health, Community Development and Equality Committee. Dr David Carruthers joined the Trust Board as Medical Director in January 2018. The full membership and attendances at Trust Board and its committees for the year are outlined on page 68.

The Board's governance model continues to evolve in a planned and structured way to ensure focus and deliver against the Trust's key priorities. In addition we spend considerable time as a Board on informal learning and visit and view time with clinical services. At Board development sessions we have focussed on the membership and efficiency of our Trust Board and Committees, and as part of this work aligned our Non-Executive members to ensure maximum effectiveness/benefit (challenge and assurance) across our governance structure. All Board meetings include patient feedback, typically through a specific story of relevance to the work of the organisation or its partners.

The committees provided effective governance reporting to the Trust Board throughout 2017/18.

- The Quality and Safety Committee has retained a strong focus on safe staffing and the quality of care. During this year the Trust has monitored implementation of the Safety Plan and CQC Improvement Plan, and will focus in 2018-19 on our quality plan.
- The Finance and Investment Committee retains a focus on the Trust's financial position and the measures being taken to ensure the Trust manages the financial challenges that continue to face the NHS locally and nationally. This includes the wider system challenge set out in the "GE Report" which reviewed delivery of the full business case.
- The People and OD Committee has oversight of the Trust's People Plan. The committee also has oversight of the actions being taken to address skill shortages in areas for which there is a national as well as local shortage. It also takes delegated responsibility for education and the doctors' hours guardian's work.
- The Charitable Funds Committee has oversight of the work underway to develop a more streamlined fund, and monitoring the Midland Met appeal.
- The Public Health, Equality and Community Development Committee has focussed on volunteering, equality and diversity objectives and oversight of progress against the Public Health Plan.
- The Audit and Risk Committee has retained a focus of issues including business continuity planning, information governance, the Board Assurance Framework (BAF), key accounting judgements, a review

of Standing Orders and Schemes of Delegation and overseeing both internal and clinical audit programmes.

- The Major Projects Authority played an important role in oversight of the build for the Midland Metropolitan Hospital and oversight of key transformation projects such as the implementation of the Electronic Patient Record system "Unity".

The pivotal decision making role of the Clinical Leadership Executive (CLE) continues to evolve, and become both more visible and increasingly interactive. Operationally the Trust delivers care through seven Clinical Groups, each then sub-divided into directorates. The corporate group is our eighth and comprises seven directorates. Clinical services report to the Board through the Chief Operating Officer, who is supported by our Chief Nurse and Medical Director as an executive triumvirate. Since February 2018, the six Group directors have attended the private sessions of the Board – a measure designed to ensure full clinical engagement with the commercial challenges faced by the Trust.

Capacity to handle risk

The Risk Register is reported to the public Trust Board every month as well as the Audit and Risk Management Committee on a quarterly basis. The Risk Register is considered alongside the Trust's Integrated Quality and Performance Report providing a rounded assessment and challenge to Trust performance and progress against key objectives. We continue to devote time at public Board meetings on pre mitigated red risks to test whether mitigation plans are sufficiently robust to provide assurance around the direction of travel on an issue. These risks have been previously examined through the executive Risk Management Committee, and assessed collectively at the CLE.

As of 31st March 2018 the Risk Register had 19 key risks which were reported against monthly at Board level, 8 these had red residual risk scores after mitigation. These related to:

- Unfunded beds with inconsistent nursing and medical rotas, and spend relating to unfunded beds;
- The Trust's recent financial performance has significantly eroded cash balances and which were underpinning future investment plans;
- Financial implications to the Trust if the pay cost improvement programme is delayed or not delivered.
- Children-Young people with mental health conditions are being admitted to the paediatric ward due to lack of Tier 4 bed facilities;

The first three now have credible immediate action plans. As in prior and recent years, the Trust is unable to convincingly provide services to young people with complex psychiatric conditions attending our services for triage, but with no obvious onward ward plan.

Headline mitigating actions are reported and challenged at the Board and the Audit and Risk Management Committee. This reporting has led to focused challenge by the Board around sickness absence, financial performance and service delivery quality which means I am satisfied that this reporting is generating robust challenge over our performance on a regular basis.

New risks escalated to the Board in year included risks in respect of:

- Lack of results acknowledgement;
- Spend relating to unfunded beds.

Risks that have been the subject of repeated challenge by the Board have included:

- Trust wide implementation of a new Electronic Patient Record;
- Unfunded beds with inconsistent nursing and medical rotas;
- Delayed Transfers of Care (DTOC) patients remaining in acute beds due to a lack of EAB beds in nursing and residential care placements and social services;

Risks that have been managed down during 2017/18 and which are now being managed by the Groups include:

- Reduced ability to provide an Interventional Radiology service as a result of difficulties in recruiting Interventional Radiology consultants;
- Differential and extended chemotherapy wait times between sites due to staff vacancies results in inequality of service for patients.

The Trust continues to use an electronic risk system. This enables clinical groups and corporate directorates to import their risk registers and update mitigating actions directly on to the system. There remains more work to do to make that process interactive with front line staff.

The Trust Board receives our two year Strategic Board Assurance Framework at our meetings held in public. These high level organisation-wide risks are discussed at our Board sub-committees where Executive leads provide regular updates on actions/mitigation to address our strategic risks.

Risk and control framework

Cyber Security

The Trust completed its annual cyber security inspection undertaken by an external firm and an action plan to address issues raised during the inspection will be implemented during 2018/19. The report was more adverse than expected, and the Major Projects Authority will oversee in some detail the work being done by the Chief Information Officer in Q1 on this matter.

Counter-fraud and probity

The Trust is supported through its Internal Audit function by a Counter Fraud service that reports routinely to the Audit & Risk Management Committee. The Trust continues to successfully prosecute former Trust employees who have found to have committed fraud. The Trust Board and Clinical Leadership Executive have all completed their annual declarations of interest for 2017/18.

Whistleblowing and duty of candour

The Trust continues to invest in an independent reporting system which enables staff to raise whistleblowing concerns. Matters that are raised as whistleblowing concerns have been considered and addressed, and anonymised survey data from staff shows high levels of confidence in our system, responsiveness and integrity. Our Speak Up day brand is designed to amplify that confidence further, and in Q3 2017/18 we undertook a detailed look back exercise, reporting in full at the Board, of prior concerns expressed by staff and flagged by them as still “unresolved”.

Eight Freedom to Speak Up guardians have been appointed across the Trust. These nationally mandated roles are scaled to provide a peer group, bandwidth, and crucially a guardian in each Group – tackling the key challenge, which is responsiveness to concerns ‘in the middle’ of our Trust. Our reporting to the national Freedom to Speak Up Guardian process has been weak in the early part of the fiscal year, but the process is now resolved.

I am confident that as a Trust we continue to meet the requirements in respect of the duty of candour.

Coroner Regulation 28 Reports

Deeply regrettably in the last fiscal year we have had two regulation 28 reports from the Coroner.

One case related to care provided by the Trauma and Orthopaedic Team in relation to a failure to consent the patient and complete pathway documentation. A Safety Summit, which I chaired, took ownership of a plan of changed practice, which has been reported routinely since to the Board’s quality and safety committee. Progress has been strong.

The other case related to a failure to follow the head injury pathway in the Emergency Department, due to a delay in undertaking a CT scan of the head and a delay in providing a neck collar. This is the second such case in two years, and the fourth such serious incident. This report was received at the end of March 2018 and a formal response and action plan will be in place in Q1 of 2018/19. The medical director will take personal responsibility for ensuring that the agreed plan is implemented in full and the clinical audit function will undertake a review of compliance during Q2.

Ombudsman Investigations

In 2017/18 the Parliamentary and Health Services Ombudsman (PHSO) opened 12 investigations on complaints made previously to the Trust (of which we have around 1000 each year). Five cases each in Medicine and Emergency Care and Surgical Services, with one each for Women & Child Health and Corporate Nursing.

During the same period, 8 PHSO cases were concluded, with four being found in favour of the Trust's extant response. Of the others, one required an apology, and the other 3 required remedial action to be taken as a result of the failings found, which included financial remedy. The tracking of action plans from PHSO cases will be a specific matter for the Executive Quality Committee which meets monthly.

Health and Safety Executive Review

There have been no Health and Safety Executive on-site reviews in 2017/18. Further information was requested in December 2017 regarding a splash incident.

Safeguarding and Deprivation Of Liberty

We note the comments made by the Care Quality Commission in their report of 2017. Our own reviews prior to that inspection and since have found a more positive perspective, both on staff awareness and implementation of the policies we have, which reflect the law as it has emerged. The Board continues, through its visits, and audit review, to take a keen interest in this area, and to review quantitative and qualitative data. We have also reviewed our registration arrangements in respect of mental health patients and are progressing adjustments to ensure that we have in place what is required for our evolving role.

Equality and diversity

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 made considerable progress in work to support staff and patients with protected characteristics. We have completed on time our WRES and Equality Act annual reports, as well as responding to the Pay Gap review. These are all matters considered by both a board and an executive committee. We have invested in infrastructure not only to advance our management plans in this area, but also to support our three (soon to be four) employee networks.

Information governance

Information security and data protection

There are clear arrangements for information security within the Trust, including distinct roles for our Senior Information Risk Owner (SIRO), the Director of Governance and Caldicott Guardian, the Medial Director. Breaches and near miss issues are identified, acted upon and drawn as required to the attention of the relevant Board committee. The Trust's risk register process includes assessment of information security and data protection issues.

I can confirm that no level 3 incidents were reported to the Information Commissioner's Office in 2017/18.

The Trust's latest Information Governance Toolkit self-assessment declaration has led to an improvement on the previous year's score with the self-assessment score now at 93%. I am satisfied that sustained improvement has been achieved. That said, we will track in detail the opportunities and risks associated with GDPR.

The Trust has undertaken an assessment of the changes in General Data Protection Regulation (GDPR) and an action plan is in place to review our information processes and to work towards compliance as detailed in the Information Commissioner's Office (ICO) paper '12 Steps to Preparing for GDPR' which compliance will be reported on as part of the next Annual Governance Statement (2018/19 Annual Report).

Data Quality

The Trust 'Performance Indicator Assessment process, the Data Quality Kitemark' provides assurance on underlying data quality and performance assessment. Each indicator is assessed against seven data quality domains to provide an overall data quality assurance rating which is included in the Integrated Quality & Performance Report.

The Trust is in the process of developing a data quality improvement plan to ensure continuous improvement in performance information, this will be in place during Q2 of 2018/19. The continued development of the Integrated Quality & Performance dashboard provides assurance of accuracy and risks of data reporting from patient (including elective waiting times) and staff level to Trust position. The Trust audit plan includes a rolling programme of audit against all performance and quality indicators.

Data quality continues to be the focus of Board time in providing effective oversight and challenge. One of the key areas of assurance reporting to the Board is the safe staffing levels across the Trust provided through a report to each Board meeting with the matter subject to challenge at every public Board meeting. The move to a focus on care hours will make this work increasingly relevant to the quality of care experience that we are able to offer.

Annual accounts, including quality account

As in prior years, under the Health Act 2009 and the National Health Service (Quality Accounts) Regulation 2010, we have a clear and well understood process for settling our financial and quality accounts. We would expect to receive an unqualified opinion, notwithstanding material judgements to be made about the value placed on the stalled Midland Met development. Assurance has been provided to the Trust Board that the Quality Account presents a balanced view and appropriate controls are in place to ensure the accuracy of data.

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

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 Trust Board, the Audit and Risk Management Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

There have been 3 Never Events in 2017/18. Our governance arrangements, which had been agreed with regulators early in 2017 after external review, were again revised. Our Serious Incident process was amended at the start of 2017/18, and the effectiveness of those changes will be tested by the Board in Q1 of 2018/19, with the help of a slightly delayed external review. I would expect that to suggest improvement opportunities in how we track and respond to amber incidents, and we have in mind changed arrangements which we can implement in the first half of 2018/19, after good work to resolve incident reporting investigation backlogs against our 21-day standard. We continue to see all incidents reported in SWBH circulated each morning across the whole senior leadership of the Trust, providing an absolute focus on the importance of incidents as an insight into both care and staff experience.

More generally, or rather applying rigour to more episodes of care, we have implemented our bed-wide Safety Plan metrics with considerable, and increasing, success in year. The vast majority of inpatient care now benefits from these standards, and the 'chasing down' of missed checks testifies to a belt and braces approach. The implementation of Unity will strengthen that approach. Meanwhile, our work on patient documentation through our Consistency of Care work and the work being done to meet all of our District Nursing Key Performance Indicators confirms a continued focus on the important basics of patient care.

I can confirm that the Trust is fully compliant with the registration requirements of the Care Quality Commission.

Our overall Care Quality Commission (CQC) rating was Requires Improvement. 70% of Trust services are rated good or outstanding. Within that, we improved in three of five categories, achieving outstanding for caring, and, of relevance to the annual governance statement, a good rating for the well-led measure. As at March 2018, 106

of the recommendations and issues arising from the CQC report have been delivered with the issues addressed. In 23 areas improvements/ changes have been implemented but further evidence is needed around the impact of these changes for patients.

There remain two areas where further work or a different approach may be required to succeed; providing out of hours Paediatric Ophthalmology cover and substantive recruitment of middle grades in our Emergency Departments.

There has been robust enforcement of the use of bank and agency staff, along with requests for substantive posts being signed off by myself as Accountable Officer through a vacancy assessment process. These are enforced whilst always ensuring patient safety, in particular through the use of rolling adverts for key high risk roles (a register of which is reported monthly to the Board). There has been a significant reduction in the overall expenditure on bank and agency staff during the year – more than halving our position against 16/17 outturn, and a similar rate of improvement is needed in 18/19. The Trust's compliance against the agency framework cap is reported routinely to the Board's Quality and Safety Committee. Systemic action has been taken to remove payments that are above the framework cap, which also require authorisation from myself as Accountable Officer.

Our ability to exercise centrally, and localise intelligently, financial controls will be enhanced, we hope, by the implementation of our new financial system. This will permit routine reporting on compliance with our SFIs by requisitioner. This will address the non-pay control concerns that I reported in our 2016/17 Annual Governance Statement. Beyond this our payment compliance arrangements, for both contracts and employees, are strong. Any transition to shared service models over the coming year must maintain that grip.

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.

The trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Finally, looking into 2018/19, and based on weaknesses evident in 2017/18, I would highlight three residual areas of control concerns:

- The liquidation of Carillion Construction on 15th January 2018 has resulted in a significant impact/delay to the completion of the Midland Metropolitan Hospital. A substantial amount of remedial and negotiation work has taken place between the Trust, several Government Agencies, Legal Advisors and the Hospital Company Ltd to put in place a new contractor in adherence to procurement legislation, and timeline for completion of the new hospital within an agreed budget. This has been reported regularly to the Trust Board and will continue to be our most significant focus for the Trust in 2018/19. The considerable and ongoing delay in reaching agreement creates a series of risks to safety, finance and estate for the Trust which we had previously considered mitigated through the FBC. It makes it probable that we will inherit direct control for a period of a part built site and will need to develop a control regime sufficient to maintain that site and keep it ready for completion.
- The sufficiency and remedy of our IT infrastructure dominates day to day life inside the organisation. Identified by the Board in 2014-15 and fully funded since the underlying position is much improved. However, the operational impact of ageing architecture and botched prior remedy is if anything worsening in its impact on the patient, and mainly the staff, experience. A regime to track and pre-identify issues is in place but it will take the whole of 2018/19 to address in full the currently identified amber issues. Deploying Unity may surface new or additional issues and the non-retained estate vacation delay creates further risk.
- We are seeking to build up budgets at an ever more accurate and ever more local level, holding risk centrally only where that is truly unavoidable. This moves us away from a long term tradition of corporate reserves deployed throughout the year into positions

as adjustments. This transition creates unanticipated effects and demands new actions and behaviours. We will spend the year working that through, against a promise to adjust budgets very rarely 'in flight'. The change will demand ever more accurate real time data, and will be accompanied by changes to how and what we code, made possible through Unity. It will be important to construct this more directorate based system without losing control.

Conclusion

I have set out some specific control issues that are a focus currently and for the coming year. On that basis I am able to confirm that there are effective systems in place for the discharge of statutory functions with these having been checked for irregularities and to ensure they are legally compliant. These systems of internal control underpin our work to continue to enhance the quality of care we deliver to the communities of Sandwell and West Birmingham.

I confirm that, as far as I am aware, there is no relevant audit information of which the trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the trust's auditors are aware of that information. I confirm that the annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

Signed



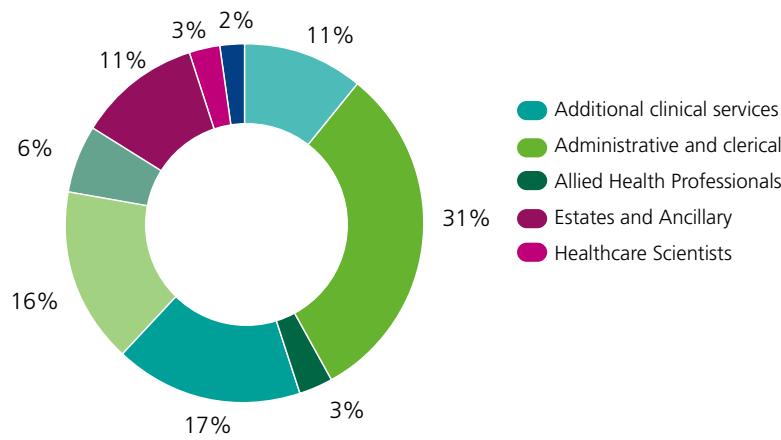
Toby Lewis Chief Executive (On behalf of the Board)

Our workforce

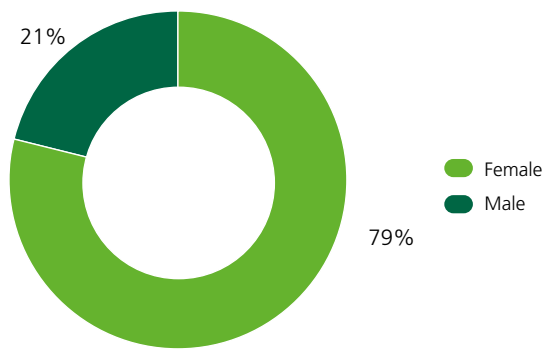
Our workforce are our biggest assets and we invest heavily in education, development and health and wellbeing services for all colleagues.

About our workforce

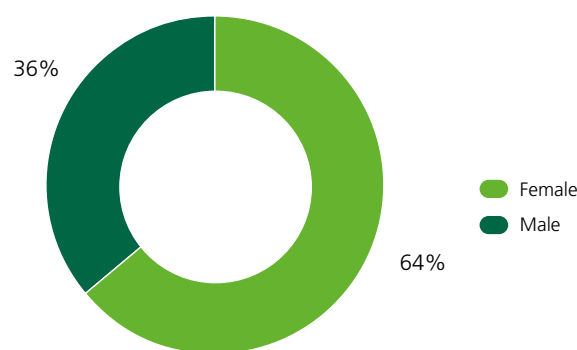
Workforce profile 2017/18



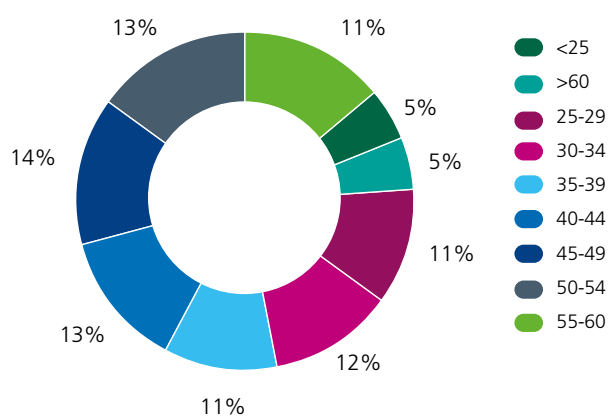
All employees gender profile 2017/18



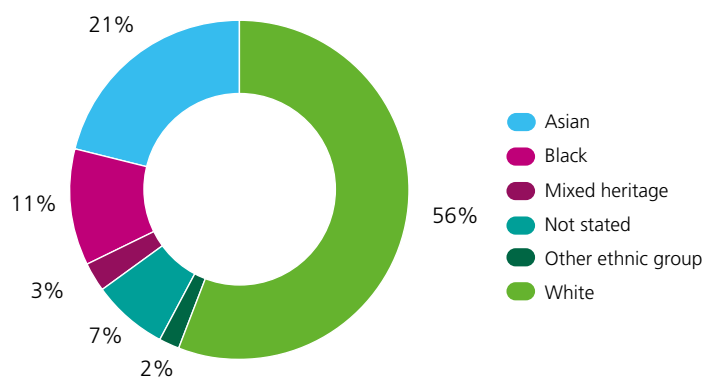
Directors gender profile 2017/18



Age profile 2017/18



Ethnicity profile 2017/18



Consistency of Care

Susan Grantham, Senior Sister on Priory 4, said:
 “Our main aim was to make the achievements set out in the Safety Plan, which focused on patient safety throughout their journey within our hospital.”



Managers and Senior Managers

| Band | Number |
|-------------------------------|--------|
| Band 7 | 31 |
| Band 8 - Range A | 35 |
| Band 8 - Range B | 25 |
| Band 8 - Range C | 20 |
| Band 8 - Range D | 12 |
| Band 9 | 10 |
| Directors and Chief Executive | 8 |
| Chair | 1 |

Gender pay gap

The aim of publishing the Gender Pay Gap report is to reduce any pay gap and achieve parity between males and females in the workforce. The gender pay report legislation requires all employers with 250 or more employees from April 2017 to publish statutory calculations every year showing how large the pay gap (if any) is between male and female employees within their organisations. A snapshot of data was taken using the NHS Electronic Staff Records system, a specific update was completed in December 2017 to allow trusts to produce the data required by the legislation. To see the full report go to: <https://www.swbh.nhs.uk/about-us/equality-and-diversity-2/meeting-our-legal-requirements>.

At the time of the snap shot was taken SWBH had 7,167 employees, the gender split within the overall workforce at that time consisted of 1,571 (22 per cent) male colleagues and 5,596 (78 per cent) female colleagues.

| All staff | Median Hourly Rate | Pay Gap |
|-----------|--------------------|---------|
| Female | 11.46 | 15.67% |
| Male | 13.59 | |

| AfC | Median Hourly Rate | Pay Gap |
|--------|--------------------|---------|
| Female | 11.32 | 1.03% |
| Male | 11.20 | |

| Medical staff | Median Hourly Rate | Pay Gap |
|---------------|--------------------|---------|
| Female | 11.46 | 21.17% |
| Male | 13.59 | |

| Executives | Median Hourly Rate | Pay Gap |
|------------|--------------------|---------|
| Female | 55.13 | 11.38% |
| Male | 62.20 | |

Engaging with our colleagues

Your Voice results show confidence in the care we provide

6,389 colleagues were sent the Your Voice questionnaires in May 2017. Out of these we received 1,203 responses giving an overall response rate of 18.8 per cent - a three per cent rise on the previous survey.

Overall the results are positive with 66 per cent of responders indicating confidence in areas such as:

- The care we provide
- Ability to make suggestions to make improvements within their team
- Looking forward to coming to work

Staff engagement increased by 1.2 percent on the previous survey with 66 per cent of colleagues saying they felt engaged. 67 per cent of colleagues who took part in the survey stated they felt involved and motivated within their teams.

Your Voice helps give an overview of how engaged our teams are and also allows the organisation to respond to concerns in a timely manner. Our clinical groups and directorates ensure teams take part in briefings at which the results are discussed and actions taken forward. For the first time this year we ran a 'You Said We Did' campaign which

addressed some of the recurring themes in the feedback from colleagues.

NHS staff survey reveals rise in enthusiasm about working for the Trust

Results for the 2017 NHS staff survey showed an increase in enthusiasm about the work colleagues are doing.

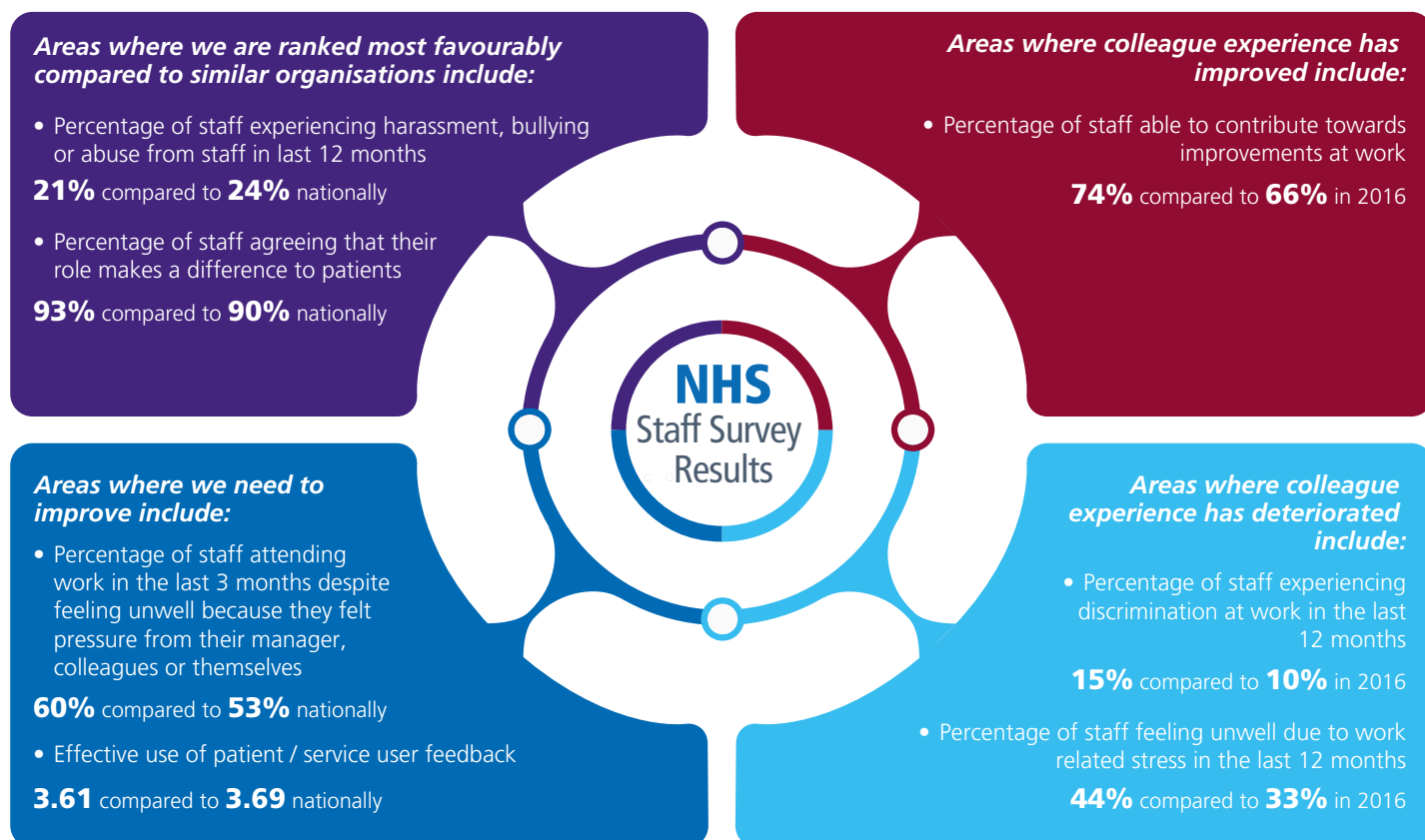
The number of colleagues agreeing that their role makes a difference to patients is 93 per cent which is above the national average.

Our overall indicator for staff engagement remains below average compared to trusts of a similar type. Our score was 3.74 compared to 3.78 nationally. However our engagement score is up from 3.71 in 2016. The engagement score includes:

- Perceived ability to contribute to improvements at work
- Willingness to recommend the Trust as a place to work or receive treatment
- The extent to which colleagues feel motivated and engaged with their work

1,250 colleagues were asked to give their feedback and 341 responded to the survey.

Summary of the findings:



Consistency of Care



Dilly Oakes, Ward Sister D15 and D16, said: "We've seen a real improvement since we've introduced this Consistency of Care plan, especially in our documentation. We've had a nurse in charge on each shift, and we have also carried out spot checks on documentation throughout the day to make sure everything is up-to-date. We've seen a massive improvement in monthly auditing."

Reward and recognition – Compassion in Care Awards

Compassion in Care is an award scheme which celebrates clinical and non-clinical colleagues who excel at consistently upholding the Trust's nine care promises. Colleagues nominate each other for going beyond the call of duty to provide excellent compassionate care.

Each month, a worthy winner is chosen who upholds our nine care promises:

- I will make you feel welcome
- I will make time to listen to you
- I will be polite, courteous and respectful
- I will keep you informed and explain what is happening
- I will admit to mistakes and do all I/we can to put them right
- I value your point of view
- I will be caring and kind
- I will keep you involved
- I will go the extra mile

Between April 2017 and April 2018, we received 68 nominations for the Compassion in Care awards. Winners were presented with a certificate, rewarded with £50 of high street vouchers and were also featured in Heartbeat (our internal magazine). Winners were also put forward as nominees for the annual Star Awards.

Colleagues shine at the Star Awards 2017

2017 saw our biggest ever Star Awards. Over 300 colleagues attended the annual event on 13 October last year. There were 18 award categories including Employee of the Year, Clinical Team of the Year (adults), Clinical Team of the Year (children) and Non-clinical Team of the Year. For the first time, we recognised the work carried out on a daily basis by our hardworking volunteers, by introducing a Volunteer of the Year category.

We had the highest number of nominations in the history of the awards with nearly 500 nominations received. Of these, 117 were from patients, carers and visitors, the highest number ever received for the Quality of Care award which honours colleagues who have improved the outcome of our patients and upheld and demonstrated our nine Care Promises. The award winners were chosen in a selection process involving Healthwatch Sandwell and Healthwatch Birmingham.

We were greatly encouraged to see support from businesses and organisations who helped us raised over £45,000 to help us stage a motivational event that praised and recognised the hard work and dedication of all our teams. One of the teams that attended the awards night were so appreciative they wrote to our chief executive to say: "From all of our team members we would like to thank you for a wonderful evening. Sadly we were not winners, but what a lovely way to boost morale."

SWBH benefits goes saves colleagues money and aids retention of key skills

Following its launch in October 2016 SWBH Benefits now has over 3'000 members in the Trust. The innovative employee benefits programme offers a unique platform that brings all of the benefits of working for SWBH in to one place. Colleagues access discounts at over 6'500 national and regional retailers, with the opportunity to save up to £600 a year. The offer includes all of the our health and well being offers, including smoking cessation, alcohol support, exercise classes, eye tests, access to debt advice and financial well being support, weight management, free yoga and Pilates classes, retirement planning, staff lottery and library services. The scheme also offers salary benefit schemes for cycle to work, car leave, childcare vouchers and smart phones and technology. SWBH Benefits hosts many events throughout the year, and generates sponsorship for the staff awards and local recognition schemes. The scheme has won two national awards and a finalist for three more, with other trusts learning from and adopting this approach.

Promoting mutual respect and tolerance through a focus on inclusion

We launched three employee networks in October 2016 to complement our approach to mutual respect and tolerance. This guidance clearly sets out the values of SWBH in how we treat each other, and expect to treat and be treated by our patients regardless of our beliefs, faith, ethnicity, orientation or any of the protected characteristics. We have supported three staff networks throughout the year by raising awareness, hosting events for staff and patients including marching at Birmingham PRIDE and hosting a recruitment stand, hosting a recruitment stand at Birmingham's Jamaica in the Square and FIESTA event. We have attended inclusion and diversity conferences and host the regional STP equality and diversity group in the Sandwell Education Centre.

During the year we launched a Disability and Long Term Conditions network, for colleagues and for our patients. There are a wide ranging set of pledges to achieve, agreed the board and sponsored by an executive, that will improve the experience of people with a seen or unseen disability or long term condition.

We hosted the first regional 'Stepping Up' Leadership Programme in partnership with the NHS Leadership Academy, and 100 colleagues from the four acute Black Country Trusts are attending a leadership programme to develop their skills. We implemented a policy to have a BME colleague on all interview panels, ensuring that panels are inclusive and reflect our staff and patient community. We have responded to the Workforce Race Equality Standard (WRES) for the second year, and published a Gender Pay Gap Report for the first time.

We celebrated LGBT History Month and Black History Month for the first time ever, celebrating colleagues as well as national and international role models. We have supported the Muslim Liaison Group (MLG) to raise awareness of Islam and the needs of Muslim patients and colleagues, and hosted an awareness raising day to engage and inform colleagues. Over 200 people visited the event and specific support for Ramadan and Eid is planned in partnership with the group. We won three national awards for our work on Inclusion and Diversity and continues to give executive and non executive

support to all employee networks, and plan to launch an Eastern European Network in early 2018.

Our work on Inclusion and Diversity is supported by our valued Patient Local Interest Group (LIG) which is chaired by a patient representative. The group meets on a quarterly basis to examine and scrutinise the work the Trust is doing, and offer challenge and ideas on how the Trust can be more inclusive.

Disability staff network

We value our disabled staff and support a Trust disability network that is focussed on awareness, wellbeing and career development. During the year we appointed a Head of Inclusion and Diversity, whose role is to ensure all our staff networks are supported to achieve their aims.

Application process

We treat all applications for employment equally. Shortlisting is done on skills and experience required for the role and without knowledge of any personal details. At interview stage every panel has representation from our BME workforce.

Counter-fraud and probity

The Trust is supported through its Internal Audit function by a Counter Fraud service that reports routinely to the Audit & Risk Management Committee and supports the implementation of the Counter-Fraud, Bribery and Corruption Policy. The Trust continues to successfully prosecute former Trust employees who have found to have committed fraud. The Trust Board and Clinical Leadership Executive have all completed their annual declarations of interest for 2017/18.

Aspiring for Excellence - New performance development review (PDR) process

We launched a new performance and development review, for all of the workforce, which will ensure that all colleagues have a set of objectives for the year ahead, agreed with their line manager, that they can work towards to aspire for and achieve brilliant patient care. The PDR also measures behaviours of every employee in how they display the Trust's nine promises. These are promises to our patients and promises



Pictured following their participation in our 'Stepping Up' leadership programme from left to right are Nashili Mann, Service Manager, Janice Barrett, Senior Sister, Karen Sylvester, Best Start Nurse Practitioner, Kuldeep Bal, Best Start Nurse Practitioner, Janice Nelson, Project Manager, Stuart Young, Head of Diversity & Inclusion, Donna Mighty, Assistant Primary Care Liaison Manager, Aleha Khan, Senior Clinical Scientist.

to each other. The PDR will involve a conversation about development, learning and training needed for the year ahead. During the past year over 750 managers have been trained in how to run the PDR conversation, and all employees have been trained in their role and the importance of the PDR. For the first time ever, all professions within the Trust will undergo the same, rigorous performance assessment, with a score being given for performance (1-4) and potential (A-D). These scores will inform the training needs analysis, workforce plan, clinical service plans and enable us to identify key talent and retain skilled individuals. There are training videos and toolkits available on our intranet and through managers and Staffside colleagues.

New accredited manager programme

The People Plan, theme 4, sets out the Trust's ambition to develop line managers in to high performing individuals who coach and stretch their teams and deliver the best patient care they possibly can. We know that skilled line managers are able to get the best of their teams, enable them to be productive, at work, manage sickness well, recruit great people and govern and manage the money. This is the basis of our Accredited Line Manager programme, which

has brought 770 line managers together to undertake five mandatory training modules to develop excellence in people management. The managers were trained in large groups, sharing their experiences and examples of line management, to learn and understand the basics of excellent line management, and their role and responsibility within the Trust. The five modules are

- Aspiring to Excellence - Performance and Development Review
- Recruitment and Retention
- Improving well being and decreasing sickness absence
- Good Financial management
- Governance process and procedure

It is envisaged that equipping line managers with the skills and knowledge to undertake their role well, it will improve the performance and productivity of the workforce and influence the key metrics within the People Plan. The programme has been developed and delivered internally by our own teams.

Consistency of Care

Jini Baiju, sister on Newton 4, said: "On our ward we have been highlighted for our excellent patient care from the Care Quality Commission inspection. However, we did find that our documentation was inconsistent. As a result we have put a number of measures in place to improve this issue. We have introduced audits in every shift, which has improved our documentation."



The Trade Union (Facility Time Publication Requirements) Regulations 2017 took effect on 1 April, meaning that as NHS employers we are now required to publish certain information on trade union officials and facility time.

Facility time covers duties carried out for the trade union or as a union learning representative, for example, accompanying

an employee to disciplinary or grievance hearing. It also covers training received and duties carried out under the Health and Safety at Work Act 1974. We have eight (7.48 FTE) employees recorded as taking time off for Union Activities out of a workforce of 6127.11, but recognise that the figure is under reporting true activity levels, so we will be working over the course of this year to improve recording.

| TU Official | % Time TU Activities | % Pay Bill TU Activities |
|-------------|----------------------|--------------------------|
| Employee 1 | 0.95% | 0.80% |
| Employee 2 | 3.15% | 2.66% |
| Employee 3 | 0.18% | 0.15% |
| Employee 4 | 7.64% | 6.44% |
| Employee 5 | 2.67% | 2.25% |
| Employee 6 | 0.19% | 0.16% |
| Employee 7 | 1.00% | 0.84% |
| Employee 8 | 0.08% | 0.06% |

Modern slavery and human trafficking

We fully support the Government's objectives to eradicate modern slavery and human trafficking and recognises the significant role the NHS has to play in both combatting it, and supporting victims. In particular, we are strongly committed to ensuring our supply chains and business activities are free from ethical and labour standards abuses. Steps taken to date include:

- We confirm the identities of all new employees and their right to work in the United Kingdom, and pay all our employees above the National Living Wage. Our Dignity at Work, Grievance & Disputes and Whistleblowing policies additionally give a platform for our employees to raise concerns about poor working practices.
- We provide training on safeguarding in respect of adults and children which includes reference to modern slavery as a form of abuse. The Trust policy on safeguarding adults provides advice and guidance to front line practitioners to ensure they are aware of and able to respond to incidents of modern slavery within care settings.

Our procurement approach follows the Crown Commercial Service standard and includes a mandatory exclusion question regarding the Modern Slavery Act 2015. When procuring goods and services, we additionally apply NHS Terms and Conditions (for non-clinical procurement) and the NHS Standard Contract (for clinical procurement). Both require suppliers to comply with relevant legislation. Procurement staff receive training on ethical and labour issues in procurement.

Review of effectiveness

We intend to take further steps to identify, assess and monitor potential risk areas in terms of modern slavery and human trafficking, particularly in our supply chains.

In 2018/19, our anti-slavery programme will also:

- continue to provide mandatory training to all staff, both clinical and non-clinical on safeguarding issues including modern slavery;
- continue to provide professional development to staff involved in procurement matters which makes reference to modern slavery;

- continue to ensure that the terms and conditions of supply to the Trust preclude modern slavery practices in the Trust's supply chain.

Data related incidents

During the year there were two incidents reported to the Information Commissioner's Office (ICO) which both required no further action. The first involved a request for a Caldicott approval form to be sent to the Caldicott Guardian by a data quality staff member. Both the Caldicott Guardian's personal assistant and an Information Governance manager were copied into the email. The information contained a spreadsheet of the associated patient data, which was deemed excessive for the purpose resulting in a confidentiality breach. The second incident involved a staff member emailing patient data to the wrong address.

Emergency Preparedness, Resilience and Response (EPRR) Statement of Compliance

As a Category one responder under the Civil Contingency Act 2004 the Trust is required to be ready to respond to any critical or major incidents. As part of the national NHS assurance process, acute health providers alongside other responding organisations need to submit a self-assessment.

Our continued commitment to ensure we can respond to an incident means this year we were fully compliant against the NHS England Core Emergency Preparedness Response and Recovery (EPRR) standards. Our work program over the last 12 months has addressed the six areas that we were not compliant with in last year's Core Standards and progressed the categories we previously met. In February we successfully held the Trusts Live Exercise, observers from NHS EPRR teams and other Emergency Planners supported the trust galvanised development plans on the areas that we need some focus for the forthcoming coming year.

The introduction of a series of committees in a governance structure that ensure developments and changes are reported to the Trust Board as appropriate. We confirm that our level of compliance with the EPRR core standards 2017/18 has been confirmed to Sandwell and West Birmingham Hospitals NHS Trust's Board of Directors.

Remuneration and staff report

Remuneration Report

The Trust has a Remuneration and Terms of Service Committee, whose role is to advise the Board about appropriate remuneration and terms of service for the Chief Executive and other Executive Directors. The Committee meets as required.

Membership of the Committee is comprised of the Trust's Chair and all Non-Executive Directors. At 31 March 2018, these were:

- Richard Samuda (Chair)
- Olwen Dutton (Vice Chair)
- Harjinder Kang
- Cathryn Thomas
- Waseem Zafaar
- Marie Perry
- Michael Hoare

During 2017/18, the composition of the Committee changed, Cathryn Thomas commenced on 1st June 2017 replacing the position vacated by Paramjit Gill on 28th February 2017. Remuneration for the Trust's Executive Directors is set

by reference to job scope, personal responsibility and performance, and taking into account comparison with remuneration levels for similar posts, both within the National Health Service and the local economy. Whilst performance is taken into account in setting and reviewing remuneration, there are no arrangements in place for 'performance related pay'. The granting of annual inflationary increases are considered and determined by the remuneration committee on an annual basis. In 2017-2018 no inflationary rises were approved.

It is not the Trust's policy to employ Executive Directors on 'rolling' or 'fixed term' contracts; all Executive Directors' contracts conform to NHS Standards for Directors, with arrangements for termination in normal circumstances by either party with written notice of 6 months. The salaries and allowances of senior managers cover both pensionable and non-pensionable amounts.

Items contained within the tables Salaries and Allowances of Senior Managers and Pension Benefits and the section on pay multiples are auditable and are referred to in the audit opinion.

SALARIES AND ALLOWANCES OF SENIOR MANAGERS

| Name and Title | 2017-18 | | | | 2016-17 | | | |
|---|---------------------------------------|---|--|---|---------------------------------------|---|--|---|
| | (a) Salary (bands of £5,000) | (b) Expenses payments (taxable) to nearest | (c) All pension related benefits (bands of £2,500) | (d) Total all payments and benefits (bands of £5,000) | (a) Salary (bands of £5,000) | (b) Expenses payments (taxable) to nearest | (c) All pension related benefits (bands of £2,500) | (d) Total all payments and benefits (bands of £5,000) |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Richard Samuda, Chair | 20-25. | 2.9 | 0 | 25-30. | 20-25 | 1 | 0 | 25-30 |
| Olwen Dutton, Non-Executive Director (Vice Chair) | 5-10. | 0 | 0 | 5-10. | 5-10 | 0 | 0 | 5-10 |
| Cathryn Thomas, Non-Executive Director (from 1/6/17) | 5-10. | 0 | 0 | 5-10. | 0 | 0 | 0 | 0 |
| Marie Perry, Non-Executive Director (from 1/10/16) | 5-10. | 0.8 | 0 | 5-10. | 0-5 | 0 | 0 | 0-5 |
| Waseem Zaffar, Associate Non-Executive Director (from 1/6/15) | 5-10. | 0 | 0 | 5-10. | 5-10 | 0 | 0 | 5-10 |
| Harjinder Kang, Non-Executive Director | 5-10. | 0 | 0 | 5-10. | 5-10 | 0 | 0 | 5-10 |
| Michael Hoare, Non-Executive Director Designate | 5-10. | 0 | 0 | 5-10. | 5-10 | 0 | 0 | 5-10 |
| Robin Russell, Non-Executive Director (1/6/15 to 31/8/16) | 0 | 0 | 0 | 0 | 0-5 | 0 | 0 | 0-5 |
| Paramjit Gill Non-Executive Director (to 28/2/17) | 0 | 0 | 0 | 0 | 5-10 | 0 | 0 | 5-10 |
| Toby Lewis, Chief Executive | 190-195 | 0 | 42.5-45 | 235-240 | 190-195 | 2 | 72.5-75 | 265-270 |
| Antony Waite, Director of Finance & Performance Management | 140-145 | 0.2 | 0 | 140-145 | 150-155 | 0 | 120.0-122.5 | 270-275 |
| Elaine Newell, Chief Nurse (from 19/12/16) | 110-115 | 0 | 250-252.5 | 365-370 | 35-40 | 0 | 60.0-62.5 | 95-100 |
| Roger Stedman, Medical Director (to 31/12/18) | 125-130 | 0 | 0 | 125-130 | 170-175 | | 137.5-140.0 | 305-310 |
| David Carruthers, Medical Director (from 1/1/18) | 20-25 | 0 | 15-17.5 | 40-45 | 0 | 0 | 0 | 0 |
| Rachel Barlow, Chief Operating Officer | 125-130 | 0 | 20-22.5 | 145-150 | 125-130 | 0 | 125.0-127.5 | 250-255 |
| Kam Dhami, Director of Governance | 95-100. | 0 | 15-17.5 | 115-120 | 95-100 | 0 | 22.5-25.0 | 120-125 |
| Raffaella Goodby Director of Organisation Development | 95-100. | 0 | 22.5-25 | 120-125 | 95-100 | 0 | 22.5-25.0 | 120-125 |

Notes to Salaries and Allowances of Senior Managers

1. Elaine Newell was Acting Chief Nurse from 19/12/16 to 28/2/17. From 1/3/17 the appointment was on a substantive basis
2. Non-Executive Directors - do not receive pensionable remuneration and therefore do not accrue any pension related benefits.
3. Pension Related Benefits are a nationally determined calculation designed to show the in year increase in notional pension benefits, excluding employee contributions, which have accrued to the individual. Changes in benefits will be dependent on the particular circumstances of each individual.

Pensions

The pension information in the table below contains entries for Executive Directors only as Non-Executive Directors do not receive pensionable remuneration.

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) pensions payable from the scheme. CETV's are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

On 16 March 2016, the Chancellor of the Exchequer announced a change in the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate from 3.0% to 2.8%. This rate affects the calculation of CETV figures in this report. Due to the lead time required to perform calculations and prepare annual reports, the CETV figures quoted in this report for members of the NHS Pension scheme are based on the previous discount rate and have not been recalculated

Real Increase in CETV

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

| PENSION BENEFITS | | | | | | | | |
|--|------------------------------------|--|---|---|---|---|---|---|
| Name and Title | 2017-18 | | | | 2016-17 | | | |
| | Real increase in pension at age 60 | Real increase in Lump sum at pension age | Total accrued pension at pension age at 31st March 2018 | Lump sum at pension age related to accrued pension at 31st March 2018 | Cash Equivalent Transfer Value at 31st March 2018 | Cash Equivalent Transfer Value at 31st March 2017 | Real Increase in Cash Equivalent Transfer Value | Employers Contribution to Stakeholder Pension |
| | (bands of £2500) £'000 | (bands of £2500) £'000 | (bands of £5000) £'000 | (bands of £5000) £'000 | £'000 | £'000 | £'000 | To nearest £'000 |
| Toby Lewis, Chief Executive | 2.5-5.0 | 0 | 42.5-45.0 | 125-130 | 772 | 703 | 62 | 0 |
| Antony Waite, Director of Finance & Performance Management | 0 | 0 | 0 | 135-140 | 953 | 951 | 0 | 0 |
| Elaine Newell, Chief Nurse (from 19/12/16) | 10.0-12.5 | 32.5-35.0 | 250-252.50 | 135-140 | 921 | 640 | 274 | 0 |
| David Carruthers, Medical Director | 0-2.5 | 0 | 50-55 | 150-155 | 1044 | 982 | 0 | 0 |
| Rachel Barlow, Chief Operating Officer | 0-2.5 | 0 | 20.0-22.5 | 100-105 | 657 | 593 | 58 | 0 |
| Kam Dhami, Director of Governance | 0-2.5 | 0 | 15.0-17.5 | 95-100 | 619 | 563 | 51 | 0 |
| Raffaella Goodby Director of Organisation Development (from 11/2/15) | 0-2.5 | 0 | 22.5-25.0 | | 33 | 18 | 15 | 0 |

Pay Multiples

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

The midpoint banded remuneration of the highest paid director/Member in the Trust in the financial year 2017-18 was £192,500 (2016-17, £192,500). This was 7 times (2016-17, 7) the median remuneration of the workforce, which was £26,565 (2016-17, £26,302).

In 2017-18, 4 (2016-17, 3) employees received remuneration in excess of the highest-paid director/member. Remuneration ranged from £195,000 to £230,000 (2016-17 £195,000-£275,000).

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

The Trust's average workforce numbers totalled 6048, and the change in average number of WTE employed across year was an increase of 27. The change in WTE employed from March 2017 to March 2018 was a decrease of 13. This has not resulted in any material changes to the composition of the workforce.

The basic pay of the Trust's most highly paid individual has reduced between 2016-17 and 2017-18 by 13% (from £262,594 to £227,894,). However, this includes elements of pay that are wholly variable and may change significantly from one year to another for this and any other individuals in receipt of them.

The vast majority of Trust employees are subject to national pay settlements and have, in accordance with those national settlements, received a consolidated inflationary increase in pay in 2017-18 of 1%. Where applicable, employees have continued to make incremental progression within existing pay scales. Pay settlements have not had a material effect on the calculation of the pay multiple above.

Staff Report

Staff Numbers - average Number of Employees under contract of service

| | Permanent Number | Other Number | 2017/18 Total Number | 2016/17 Total Number |
|---|---------------------|-----------------|----------------------------|----------------------------|
| Medical and dental | 760 | 104 | 864 | 821 |
| Administration and estates | 1,103 | 162 | 1,265 | 1,302 |
| Healthcare assistants and other support staff | 1,562 | 250 | 1,812 | 1,788 |
| Nursing, midwifery and health visiting staff | 1,928 | 306 | 2,234 | 2,248 |
| Scientific, therapeutic and technical staff | 664 | 41 | 705 | 737 |
| Healthcare science staff | 32 | - | 32 | - |
| Total average numbers | 6,049 | 863 | 6,912 | 6,896 |
| Of which: | | | | |
| Number of employees (WTE) engaged on capital projects | 94 | 8 | 102 | 96 |

Staff Costs - Cost of Employees under contract of service

| | Permanent £000 | Other £000 | 2017/18 Total £000 | 2016/17 Total £000 |
|--|-------------------|---------------|--------------------------|--------------------------|
| Salaries and wages | 247,353 | - | 247,353 | 238,645 |
| Social security costs | 24,260 | - | 24,260 | 23,743 |
| Apprenticeship levy | 1,180 | - | 1,180 | - |
| Employer's contributions to NHS pensions | 27,659 | - | 27,659 | 27,185 |
| Termination benefits | 919 | - | 919 | - |
| Temporary staff | - | 15,821 | 15,821 | 24,167 |
| Total gross staff costs | 301,371 | 15,821 | 317,192 | 313,740 |
| Recoveries in respect of seconded staff | - | - | - | - |
| Total staff costs | 301,371 | 15,821 | 317,192 | 313,740 |
| Of which | | | | |
| Costs capitalised as part of assets | 2,679 | - | 2,679 | 2,697 |

Staff Sickness absence and ill health retirements

Staff Sickness

| | 2017-18 * Number | 2016-17 Number |
|----------------------------------|---------------------|-------------------|
| Total Days Lost | 61,914 | 63,069 |
| Total Staff Years | 6,088 | 6,140 |
| Average working Days Lost | 10.17 | 10.27 |

*The data presented above represents information for the 2016 calendar year which the Trust considers to be a reasonable proxy for financial year equivalents.

Ill Health Retirements

| | 2017-18 Number | 2016-17 Number |
|---|-------------------|-------------------|
| Number of persons retired early on ill health grounds | 6 | 9 |
| | £000s | £000s |
| Total additional pensions liabilities accrued in the year | 305 | 323 |

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

Exit Packages

Reporting of compensation schemes - exit packages 2017/18

| Exit package cost band (including any special payment element) | Number of compulsory redundancies Number | Number of other departures agreed Number | Total number of exit packages Number |
|--|---|---|---|
| <£10,000 | 4 | - | 4 |
| £10,001 - £25,000 | 3 | - | 3 |
| £25,001 - 50,000 | 2 | - | 2 |
| £50,001 - £100,000 | 2 | - | 2 |
| £100,001 - £150,000 | - | - | - |
| £150,001 - £200,000 | - | - | - |
| >£200,000 | - | - | - |
| Total number of exit packages by type | 11 | - | 11 |
| Total resource cost (£) | £251,846 | £0 | £251,846 |

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Pensions Scheme. Exit costs in this note are accounted for in full in the year of departure. Where the Trust has agreed early retirements, the additional costs are met by the Trust and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

This disclosure reports the number and value of exit packages agreed in the year. Note: The expense associated with these departures may have been recognised in part or in full in a previous period.

Single exit packages can be made up of several components each of which will be counted separately in this note.

The Remuneration Report includes disclosure of exit payments payable to individuals named in that Report

Off Payroll Engagements

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

| | Number |
|--|--------|
| Number of existing engagements as at 31 March 2018 | 7 |
| Of which, the number that have existed: | |
| for less than 1 year at the time of reporting | 1 |
| for between 1 and 2 years at the time of reporting | 1 |
| for between 2 and 3 years at the time of reporting | 0 |
| for greater than 3 years | 5 |

Off payroll engagements are subject to risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where appropriate, that assurance has been sought and received.

For all off-payroll engagements as of 31 March 2018, for more than £245 per day and that last longer than six months there are no new engagements between 01 April 2017 and 31 March 2018.

There are no off payroll engagements of Board members or senior officials with significant financial responsibility between 01 April 2017 and 31 March 2018.

Consultancy Services

During 2015-16 the NHS Trust Development Authority introduced controls over expenditure on consultancy services which included the requirement for NHS Bodies to seek approval before signing contracts for consultancy projects over £50,000.

During 2017-18 the Trust complied with these controls and engaged with suppliers for Consultancy Services (as defined in Chapter 5, Annex 1 of the Department of Health Group Accounting Manual 2016-17), the total expenditure incurred was £0.425m (2016/17 £0.930m).

Sustainability Report

Our Trust is committed to environmental and social sustainability and has been working over the last few years to improve our performance. We recognise the importance of embedding sustainability into the heart of the organisation and that using resources, for example energy and water, efficiently will reduce wastage and help save costs.

Our overarching aim is to deliver high quality care without exhausting resources or causing environmental damage. We believe that investing in infrastructure to improve energy and water efficiency will bring about positive environmental impacts and cost savings. We also want to engage our colleagues - reducing energy and water wastage, generating less waste, and travelling actively and sustainably will benefit the environment and improve the wellbeing of our staff and patients.

Energy and water use in our buildings

We spend around £4 million every year heating and lighting our buildings. We remain committed to stabilising and then reducing our energy consumption. Overall energy usage has remained similar to 2016/17 and we have continued work on energy efficiency schemes, including boiler replacements, upgrade of lighting to LED, solar PV at City Hospital and Rowley Regis Hospital, chiller replacements, optimisation of heating controls, and staff engagement. Our carbon emissions generated from energy consumption for 2016/17 were 20,275 tonnes of CO₂e compared with 20,297 tonnes of CO₂e for 2017/18.

Our water consumption for 2017/18 is 210,538 m³*, a 9 per cent reduction from the previous financial year. Water is essential in maintaining high levels of hygiene but through on-going improvements it is hoped that water consumption will stabilise.

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

Waste

The Trust is passionate about reducing the amount of waste we generate and disposing of waste in the most

environmentally sustainable way. Through engaging with staff, moving to paperless/paper light working, and liaising with our waste contractor, we have significantly reduced the amount of general waste sent to landfill (100 per cent of our general waste is recycled or reprocessed at a local facility). Clinical waste is sent for incineration with energy recovery. The trust generated around 319* tonnes of confidential waste which is recycled.

Transport and Travel

The Trust supports and facilitates access to our sites via sustainable and active modes of travel. We are working to reduce the number of journeys taken by single occupancy vehicles. In enable this, we have a cycle to work scheme, free bike checks for staff, free pool bike hire for staff, cycle storage facilities, dedicated cycle lanes, travel information kiosks, lunchtime walks, discounts on public transport, and much more.

We have recently installed six 7KW electric vehicle charge points across three sites for staff, patients and visitors to use to incentivise low emission vehicles. The Trust is also working to ensure that our new Midland Metropolitan Hospital is energy efficient and easily accessible by sustainable modes of travel.

Wider Sustainability Plans

As part of the Trust's Public Health Plan, we are setting targets to stabilise energy consumption, reduce the amount we spend on waste disposal costs, and encourage travel to sites by walking, cycling, public transport and low emission vehicles.

We are pleased to have won the Birmingham Connected Sustainable Travel Award, Best Energy Efficiency Scheme, Best Greener and Healthier Lifestyles (Food) Scheme and Overall Winner at the Making Birmingham Greener and Healthier Awards (2017). The Trust has also been awarded a Platinum Top Active Travel Location for our work on sustainable and active travel. We are also proud to be shortlisted for the HSJ Awards 2017 category of 'Improving Social and Environmental Sustainability' and have most recently been shortlisted for the 'NHS Sustainability Day Awards' under the energy, travel and healthy food categories.

4 Financial Statements

Our finances and investments

Directors' Report

The Trust reported a headline deficit for 2016/17 of (£6.996m), having experienced a particularly challenging winter period, not managing to close additional capacity beds as it had planned to due to increased demand, particularly at the front door. Those environmental factors had continued to contribute to the growth of the underlying deficit brought forward from previous years, manifested by increased acuity and attendances at A&E, high levels of beds occupied by people medically fit for discharge as well as difficulties in the recruitment of certain staff groups. The underlying deficit brought forward into the 2017/18 financial year therefore stood in excess of circa £20m.

The Trust therefore entered 2017/18 with an ambitious financial plan that expected to carry on addressing the operational challenges outlined above and that accepted the NHSI Control Total offer, being a deficit of £0.550m, before Sustainability and Transformation Funding of £10.483m, therefore planning for a headline surplus of £9.933m.

The plan was in line with the long term strategy from the Trust to generate underlying, cash backed surpluses in order to support the necessary investment programme. The purpose therefore for 2017/18 was to address the underlying deficit and while securing the performance levels required for the Midland Met project. There was a high degree of risk associated with this outcome, as it meant that the disruption seen to capacity to deliver planned care during 2016/17 was addressed, as well as efficiency savings of circa £33m, representing nearly 8% of patient related income. The Trust was also continuing to address CQC actions, deliver the Midland Met project and continue with EPR implementation. The performance of NHS trusts is measured against four primary financial duties:

- The delivery of an Income and Expenditure (I&E) position consistent with the target set by the Department of Health (DH) (the breakeven target);
- Not exceeding its Capital Resource Limit (CRL);
- Not exceeding its External Financing Limit (EFL);
- Delivering a Capital Cost Absorption Rate of 3.5%.

These duties are further explained as follows:

Breakeven Duty

For 2017/18 the Trust agreed an income and expenditure target surplus with NHS Improvement of £9.933m. This reflected acceptance of the control total of a deficit of £0.55m, and STF of £10.483m. This target more than meets the breakeven duty required of the Trust. Due to the ongoing

environmental factors and inherent risk in the plan outlined above, achieving the target was challenging. At Month 6, the Trust conducted an internal review of its year to date performance and reforecast, identifying a potential risk to delivery of the control total. The Trust initiated a financial recovery plan with a core aim of both remediating back to control total for 2017.18 and addressing the underlying deficit, which was assessed at remaining stable at around £20m. Over the winter period, the Trust received Taper Relief funding of £7m from NHS England in support of double running costs during Midland Met construction, and was in receipt of circa £2m of additional funding from NHS Improvement to fund the additional costs of the winter period and to mitigate the risks to the financial plan in respect of this extraordinary pressure that was felt nationwide. The finance team also created a list of specific risks and opportunities to the outturn, with a specific risk management plan.

The outcome of this focused work, alongside tremendous efforts by operational and clinical colleagues to keep the show on the road and continue to meet patient need during such an operationally challenging time, was that by the year end the Trust had managed the risk to forecast outturn and was in an opportunity to consider whether it could take advantage of the STF "bonus" scheme, where improvement over and above control total is rewarded with a cash incentive. This would be absolutely in line with the Trust's strategy to deliver cash backed surpluses to fund its investment plans.

The Trust therefore ended the year with a surplus before STF of £6.352m, compared with a deficit of (£17.230m) the year before. Although this performance was assisted by a land sale at the City site during the year which generated a £16.3m profit, this still represents a significant improvement on the year before, under sustained challenge.

This overperformance led to additional STF cash bonus of £10.2m, on top of the £7.6m earned from the core scheme. For the purpose of measuring statutory accounts performance, the Trust generated a surplus in year of £32.538m, and this is shown below in figure 6.1.

As has been the case in previous years, the presentation of financial results requires additional explanation owing to adjustments generated by valuation updates to the Trust's assets as well as changes to the accounting treatment for donated and government grant funded capital assets. These technicalities are explained in the detailed notes to the Trust's published 2017/18 Statutory Accounts (separate document). Figure 6.1 shows how the Trust's reported performance is calculated. The surplus in the published Statutory Accounts is subject to technical adjustment and does not affect the assessment of the Trust's performance against the duties summarised above (ie I&E breakeven, CRL, EFL, capital cost absorption).

Figure 6.1

| Income and Expenditure Performance | 2017/18 | 2016/17 |
|---|-----------|-----------|
| | £000's | £000's |
| Income for Patient Activities | 420,702 | 416,916 |
| Income for Education, Training, Research and Other Income | 73,456 | 43,281 |
| Total Income | 494,158 | 460,197 |
| Pay Expenditure | (314,512) | (311,043) |
| Non Pay Expenditure including Interest Payable and Receivable | (140,245) | (151,033) |
| Public Dividend Capital (PDC) - Payment | (6,863) | (5,117) |
| Total Expenditure (Including Impairments and Reversals) | (461,620) | (467,193) |
| Surplus/(Deficit) per Statutory Accounts | 32,538 | (6,996) |
| Exclude Sustainability and Transformation Fund | (17,813) | (5,297) |
| Exclude Impairments and Reversals | (8,435) | (5,161) |
| Adjustment for elimination of Donated and Government Grant Reserves | 63 | 224 |
| Surplus/(Deficit) per DH Target | 6,352 | (17,230) |

Although impairments and reversals are not counted towards measuring I&E performance, they must be included in the Statutory Accounts and on the face of the Statement of Comprehensive Income (SOCi). Impairments and reversals transactions are non-cash in nature and do not affect patient care budgets. However, it is important that the Trust's assets are carried at their true values so that users of its financial statements receive a fair and true view of the Statement of Financial Position (Balance Sheet). DH holds allocations centrally for the impact of impairments and reversals.

Although the reported performance, both per the Statutory Accounts and I&E was a huge success for the Trust and its patients, and the health economy of Sandwell and West Birmingham, the underlying deficit did neither improve nor deteriorate over the period, and therefore remains at just over £20m. As part of its in year 2017/18 financial recovery plan, this was addressed in the setting of the financial plan for 2018/19 and as at the date of this report the Trust had identified 75% of the financial challenge arising from addressing the deficit, and continues to work at pace on the balance.

CRL

Further detailed information on capital spend is shown below at Figure 6.5. The CRL sets a maximum amount of capital expenditure a trust may incur in a financial year (April to March). Trusts are not permitted to overshoot the CRL although the Trust may undershoot. Against its CRL of £23.212m for 2017/18, the Trust's relevant expenditure was £22.982m, thereby undershooting by £0.230m and achieving this financial duty.

EFL

The EFL is a control on the amount a trust may borrow and also determines the amount of cash which must be held at the end of the financial year. Trusts are not allowed to overshoot the EFL although the trust is permitted to undershoot. Against its EFL of £36.838m, the Trust's cash flow financing requirement was £34.826m, thereby undershooting by £2.012m and achieving this financial duty.

Capital Cost Absorption Rate

The capital cost absorption rate is a rate of return on the capital employed by the Trust which is set nationally at 3.5%. The value of this rate of return is reflected in the SOCi as PDC dividend (as shown in Figure 6.1), an amount which trusts pay back to DH to reflect a 3.5% return. The value of the dividend/rate of return is calculated at the end of the year on actual capital employed being set automatically at 3.5% and accordingly the Trust has achieved this financial duty.

Income from Commissioners and other sources

The main components of the Trust's income £494.158m in 2017/18 are shown below in Figure 6.2 which shows an overall increase of £33.961m, 7.38%.

The largest items driving this increase are £17.813m (2016/17, £5.3m) STF, and £7m (2016/17, £3m) taper relief from NHSE in respect of Midland Met double running costs. Also driving the variance is an increase in non-elective income due to the move to the new HRG4+, and prices for maternity increased by circa 20%. More activity with the Trust's host commissioner, SWBCCG, as well agreement of a year-end settlement was also a driver for increased income year on year.

Figure 6.2

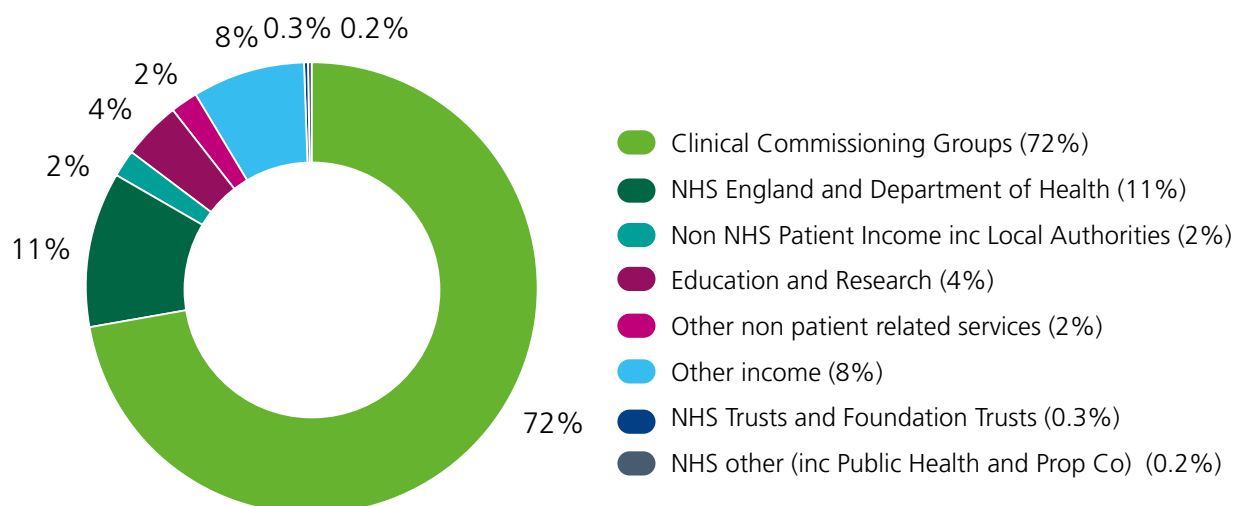
| Sources of Income | 2017/18 | 2016/17 |
|---|----------------|----------------|
| | £000's | £000's |
| NHS England and Department of Health | 353,748 | 343,930 |
| NHS Trusts and Foundation Trusts | 52,393 | 56,536 |
| Clinical Commissioning Groups | 12,195 | 11,820 |
| NHS Other (including Public Health England and Prop Co) | 21,251 | 20,351 |
| Non NHS Patient Income including Local Authorities | 10,988 | 5,387 |
| Education and Research | 41,217 | 17,543 |
| Other Non-Patient Related Services | 1,589 | 3,560 |
| Other Income | 777 | 1,070 |
| Total Income | 494,158 | 460,197 |

Within Figure 6.3, the pie chart below, the largest element 72% of the Trust's resources flowed directly from CCGs and 11% from NHSE with the next significant element 4% being education, training and research funds. The Trust is an

accredited body for the purposes of training undergraduate medical students, postgraduate doctors and other clinical trainees. It also has an active and successful research community.

Figure 6.3

Income by category 2017/18



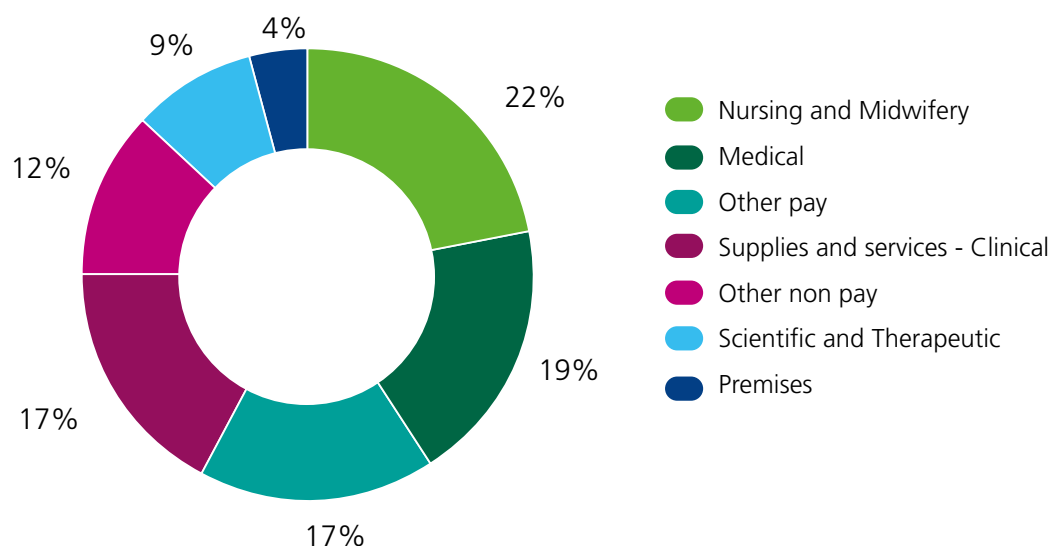
Expenditure

Figure 6.4, the pie chart below shows that 67% of the Trust's cost was pay and, within this, the three largest groups were nursing and midwifery 22%, medical staff 19%

and scientific and therapeutic 9%. The remaining 33% of operational expenditure was non pay, the largest element of which was clinical supplies and services which included drug costs at 17%.

Figure 6.4

Expenditure by category 2017/18



Use of Capital Resources

Capital expenditure differs to day to day operational budgets and involves tangible and non-tangible items costing more than £5,000 and having an expected life of more than one year. In total, the Trust's gross spend during 2017/18 on

capital items was £26.263m. This is adjusted by any donated items and the book value of assets disposed when measured against the CRL (see above). A breakdown of this gross expenditure is shown in the pie chart below.

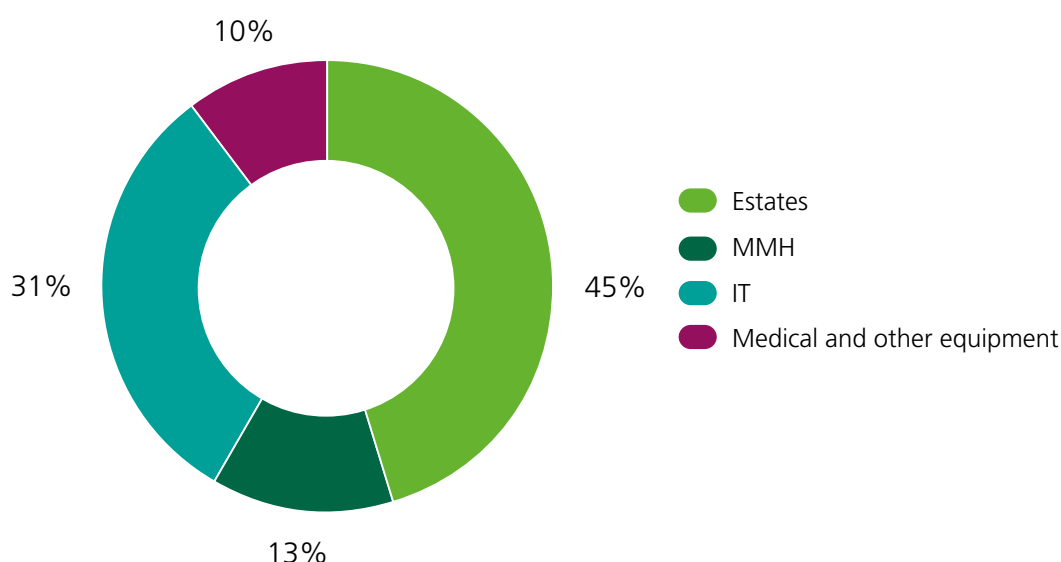
Figure 6.5

The Trust spent a significant proportion – 58% - of its capital budget on the Midland Metropolitan Hospital (MMH) and Estates. Specifically, £14.422m was spent on MMH and upgrading the Trust's residual Estate, and including ensuring compliance with statutory standards.

Medical and Other Equipment accounted for £2.249m, all of which has a direct impact on clinical quality improvement. IT spend totalled £8.314m, of which £5.791m was for the Electronic Patient Record system, Unity.

Figure 6.5

Capital spend 2017/18



Audit

The Trust's External Auditors are Grant Thornton UK LLP. They were appointed for 2017/18 by the Trust, following a competitive tendering process undertaken during 2016/17 ready for when the previous contract with KPMG LLP expired. The cost of the work undertaken by the Auditor in 2017/18 was £67k including VAT. The fee in respect of auditing charitable fund accounts at £7k is excluded from this sum, but the audit of the Quality Accounts is included.

As far as the Directors are aware, there is no relevant audit information of which the Trust's Auditors are unaware. In addition the Directors have taken all the steps they ought to have taken as directors to ensure they are aware of any relevant audit information and to establish that the Trust's Auditor is aware of that information.

The members of the Audit and Risk Management Committee at 31 March 2018 were Marie Perry (Chair), Olwen Dutton, Harjinder Kang and Waseem Zaffar.

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

25/7/18 Date  Chief Executive

25/7/18 Date  Finance Director

Statement of Comprehensive Income

| | | 2017/18 | 2016/17 |
|---|------|----------------|----------------|
| | Note | £000 | £000 |
| Revenue from patient care activities | 3 | 420,702 | 411,619 |
| Other operating revenue | 4 | 73,456 | 48,578 |
| Operating expenses | 6, 8 | (469,284) | (459,951) |
| Operating surplus/(deficit) from continuing operations | | 24,874 | 246 |
| Finance income | 11 | 49 | 66 |
| Finance expenses | 12 | (1,810) | (2,191) |
| PDC dividends payable | | (6,863) | (5,117) |
| Net finance costs | | (8,624) | (7,242) |
| Other gains / (losses) | 13 | 16,288 | - |
| Surplus / (deficit) for the year from continuing operations | | 32,538 | (6,996) |
| Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations | | - | - |
| Surplus / (deficit) for the year | | 32,538 | (6,996) |
| Other comprehensive income | | | |
| Will not be reclassified to income and expenditure: | | | |
| Impairments | 7 | 3,061 | 654 |
| Revaluations | 16.1 | 235 | - |
| Total comprehensive income / (expense) for the period | | 35,834 | (6,342) |

Statement of Financial Position

| | | 31 March 2018 £000 | 31 March 2017 £000 |
|--|------|--------------------------|--------------------------|
| | Note | | |
| Non-current assets | | | |
| Intangible assets | 15 | 106 | 166 |
| Property, plant and equipment | 16 | 227,475 | 207,430 |
| Trade and other receivables | 20 | 62,941 | 43,017 |
| Other assets | 21 | - | - |
| Total non-current assets | | 290,522 | 250,613 |
| Current assets | | | |
| Inventories | 19 | 4,742 | 5,268 |
| Trade and other receivables | 20 | 52,880 | 17,100 |
| Other assets | 21 | - | 8,043 |
| Cash and cash equivalents | 23 | 9,691 | 23,902 |
| Total current assets | | 67,313 | 54,313 |
| Current liabilities | | | |
| Trade and other payables | 24 | (59,549) | (63,473) |
| Borrowings | 27 | (2,166) | (903) |
| Provisions | 29 | (1,855) | (1,147) |
| Other liabilities | 26 | (4,657) | (5,039) |
| Total current liabilities | | (68,227) | (70,562) |
| Total assets less current liabilities | | 289,608 | 234,364 |
| Non-current liabilities | | | |
| Borrowings | 27 | (31,776) | (33,953) |
| Provisions | 29 | (3,454) | (3,396) |
| Total non-current liabilities | | (35,230) | (37,349) |
| Total assets employed | | 254,378 | 197,015 |
| Financed by | | | |
| Public dividend capital | | 226,891 | 205,362 |
| Revaluation reserve | | 9,744 | 7,574 |
| Other reserves | | 9,058 | 9,058 |
| Income and expenditure reserve | | 8,685 | (24,979) |
| Total taxpayers' equity | | 254,378 | 197,015 |

The notes on pages 6 to 55 form part of these accounts.

Signed

Name
Position
Date

Toby Lewis
Chief Executive
25/05/2018

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

| | Public dividend capital £000 | Revaluation reserve £000 | Other reserves £000 | Income and expenditure reserve £000 | Total £000 |
|--|---------------------------------------|--------------------------------|---------------------------|--|----------------|
| Taxpayers' equity at 1 April 2017 - brought forward | 205,362 | 7,574 | 9,058 | (24,979) | 197,015 |
| Surplus/(deficit) for the year | - | - | - | 32,538 | 32,538 |
| Other transfers between reserves | - | (37) | - | 37 | - |
| Impairments | - | 3,061 | - | - | 3,061 |
| Revaluations | - | 235 | - | - | 235 |
| Transfer to retained earnings on disposal of assets | - | (1,089) | - | 1,089 | - |
| Public dividend capital received | 21,529 | - | - | - | 21,529 |
| Taxpayers' equity at 31 March 2018 | 226,891 | 9,744 | 9,058 | 8,685 | 254,378 |

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

| | Public dividend capital £000 | Revaluation reserve £000 | Other reserves £000 | Income and expenditure reserve £000 | Total £000 |
|--|---------------------------------------|--------------------------------|---------------------------|--|----------------|
| Taxpayers' equity at 1 April 2016 - brought forward | 161,710 | 6,930 | 9,058 | (17,993) | 159,705 |
| Prior period adjustment | - | - | - | - | - |
| Taxpayers' equity at 1 April 2016 - restated | 161,710 | 6,930 | 9,058 | (17,993) | 159,705 |
| Surplus/(deficit) for the year | - | - | - | (6,996) | (6,996) |
| Other transfers between reserves | - | (10) | - | 10 | - |
| Impairments | - | 654 | - | - | 654 |
| Public dividend capital received | 43,652 | - | - | - | 43,652 |
| Taxpayers' equity at 31 March 2017 | 205,362 | 7,574 | 9,058 | (24,979) | 197,015 |

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.

Available-for-sale investment reserve

This reserve comprises changes in the fair value of available-for-sale financial instruments. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure.

Other reserves

The other Reserve of £9.058m (as per the Statement of Financial Position) represents the difference between the carrying value of Assets at the Trust inception date and the value of PDC attributed to the Trust. This reserve was created under the guidance of the Department of Health as a result of imbalances between the transfer of assets to Sandwell Primary Care Trusts and the issue of Public Dividend Capital (PDC) to Sandwell & West Birmingham Hospitals when the remainder of the Trust merged with City Hospital NHS Trust to become Sandwell and West Bromwich NHS Trust on 1st April 2002.

Merger reserve

This reserve reflects balances formed on merger of NHS bodies.

Income and expenditure reserve

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

Statement of Cash Flows

| | Note | 2017/18 £000 | 2016/17 £000 |
|---|------|-----------------|-----------------|
| Cash flows from operating activities | | | |
| Operating surplus / (deficit) | | 24,874 | 246 |
| Non-cash income and expense: | | | |
| Depreciation and amortisation | 6.1 | 14,893 | 14,015 |
| Net impairments | 7 | (8,436) | (5,161) |
| Income recognised in respect of capital donations | 4 | (164) | (62) |
| (Increase) / decrease in receivables and other assets | | (47,247) | (42,773) |
| (Increase) / decrease in inventories | | 526 | (1,172) |
| Increase / (decrease) in payables and other liabilities | | (3,454) | 12,463 |
| Increase / (decrease) in provisions | | 758 | (66) |
| Net cash generated from / (used in) operating activities | | (18,250) | (22,510) |
| Cash flows from investing activities | | | |
| Interest received | 11 | 49 | 66 |
| Purchase of intangible assets | 15.1 | (13) | - |
| Purchase of property, plant, equipment and investment property | | (27,367) | (16,718) |
| Sales of property, plant, equipment and investment property | | 18,800 | - |
| Receipt of cash donations to purchase capital assets | | 164 | - |
| Net cash generated from / (used in) investing activities | | (8,367) | (16,652) |
| Cash flows from financing activities | | | |
| Public dividend capital received | | 21,529 | 43,652 |
| Capital element of PFI, LIFT and other service concession payments | | (914) | (84) |
| Interest paid on PFI, LIFT and other service concession obligations | | (1,799) | (2,145) |
| PDC dividend (paid) / refunded | | (6,410) | (5,655) |
| Net cash generated from / (used in) financing activities | | 12,406 | 35,768 |
| Increase / (decrease) in cash and cash equivalents | | (14,211) | (3,394) |
| Cash and cash equivalents at 1 April - brought forward | | 23,902 | 27,296 |
| Prior period adjustments | | | - |
| Cash and cash equivalents at 1 April - restated | | 23,902 | 27,296 |
| Cash and cash equivalents at 31 March | 23.1 | 9,691 | 23,902 |

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

These accounts have been prepared on a going concern basis.

NHS organisations are required to produce financial statements in line with International Accounting & Financial Reporting Standards. The NHS also has the benefit of additional guidance in the group accounting manual (GAM). The impact of this is that Trusts should prepare financial statements on a going concern basis unless management concludes that the entity is not a going concern. IAS 1 requires this conclusion to be based on a management assessment of an entity's ability to continue as a going concern.

Management Assessment of Going Concern

Having reported a surplus above plan for the financial year 2017/18 the Trust has earned additional STF monies. This, together with the recovery actions undertaken internally, has enhanced the Trust's cumulative breakeven position by nearly 100% compared to 2016/17. The cumulative position is now at the highest level for 10 years. While many of the recovery actions have been cash generating in nature they have also been non-recurrent as the underlying recovery is delayed. Consequently the Trust enters 2018/19 with an underlying deficit.

This scenario was anticipated and during 2016/17 the Trust developed two year financial plans that addressed the deficit with the intention of securing underlying break even over that period. These plans recognise a potential for delay in recovery and a consequent short-term cash requirement. This cash requirement was to be addressed by receipt of a Department of Health (DH) loan.

Plan cash flow forecasts for the Trust confirm that there will be requirement for a DH loan in Q1 2018/19. The necessary NHSI teams are sighted on this, including the capital cash team; the mechanism for this has been confirmed by the NHSI. Based on this evidence it is clear that the Trust has financial plans which address the liquidity risks and secure the Trust's ability to make good liabilities as they fall due.

There is an explicit need for the services currently provided by the Trust as evidenced by the following:

- The Trust remains a partner of the Black Country Sustainability and Transformation Plan. The Trust's ongoing contribution to the health economy is recognised and appears to remain an integral component over the course of the period up to and including 2021.
- The Trust's Commissioners' intentions for 2018/19 also reaffirm that the Trust services are required to deliver their plans for serving the needs of the local population.

The Trust meets the criteria to be considered a going concern and the financial statements for the period 2017/18 have been prepared on that basis.

Under the provisions of IAS 27 Consolidated and Separate Financial Statements, those Charitable Funds that fall under common control with NHS bodies are consolidated within the entity's financial statements. In accordance with IAS 1 Presentation of Financial Statements, restated prior period accounts are presented where the adoption of the new policy has a material impact. The Board of Sandwell and West Birmingham Hospitals NHS Trust acts as a corporate Trustee for the Charitable Funds, however it has confirmed that the Charitable Funds are not material to the Trust accounts and has therefore not consolidated.

Note 1.3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the NHS Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Note 1.3.1 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:

Charitable Funds

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1st April 2013, the Trust has established that as it is the corporate Trustee of the Sandwell and West Birmingham Hospitals NHS Trust Charities, charity number 1056127, it effectively has the power to exercise control so as to obtain economic benefits.

Total donations received during 2017/18 were £1.2m and total resources expended were £2.1m which represent 0.27% of the Trust's Exchequer Funds.

IAS 1, Presentation of Financial Statements, says that specific disclosure requirements set out in individual standards or interpretations need not be satisfied if the information is not material and this guidance is reiterated in the GAM for 2017/18.

Thus, In line with IAS 1, charitable funds are not consolidated into Sandwell and West Birmingham Hospitals NHS Trust's accounts on grounds of materiality.

PFI Asset Valuation

From 1st April 2015, the Trust has accounted for the Valuation of its PFI Hospital (BTC) on the basis of Depreciated Replacement Cost excluding VAT, prior to this judgement the Trust included VAT in the Valuation

Managed Equipment Scheme

On 1st May 2016 the Trust entered into a Managed Service Contract for the provision and maintenance of imaging equipment. The contract is for a period of 10 years with an option to extend for a further 2 years. The estimated value of the contract is £30m and anticipated capital value of equipment to be provided under the contract is £18m. The accounting treatment for the scheme was determined to be considered as an IFRIC12 Service concession and included within 'on SOFP' PFI schemes included in Note 34.

Note 1.3.2 Sources of estimation uncertainty

Property Valuation

Assets relating to land and buildings were subject to a formal valuation at 1st April 2015, completed on an 'alternate MEA' basis. An Existing Use Value alternative MEA approach was used which assumes the asset would be replaced with a modern equivalent, i.e. not a building of identical design - but with the same service potential as the existing assets. The alternative modern equivalent asset may well be smaller (reduced Gross Internal Area) than the existing asset which reflects the challenges Healthcare Providers face when utilising historical NHS Estate. A subsequent annual valuation is performed at 31st March each year to ensure a true and fair view was reflected.

Note 1.4 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of health care services. At the year end, the Trust accrues income relating to patient care spells that are part-completed at the year end and are apportioned across the financial years on the basis of costs incurred to date compared to total expected costs.

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

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

The NHS Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid e.g. by an insurer. The NHS Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

The Trust receives revenue for the training of Medical and other Clinical Staff Groups under Learning and Development Agreements, this revenue is included within Note 4

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. Therefore, the schemes are accounted for as though they are defined contribution schemes: the cost to the NHS body of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

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.

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 1.7 Property, plant and equipment

Note 1.7.1 Recognition

Property, plant and equipment is capitalised if:

- 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 NHS Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and either
- 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, e.g., 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 are measured initially at cost, representing the cost 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. Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use.
- Specialised buildings – depreciated replacement cost, modern equivalent asset basis.

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowing costs. Assets are revalued and depreciation commences when they are brought into use. 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 increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

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

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.

The estimated useful economic life of an asset is the period over which the NHS Trust expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and the estimated useful lives.

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. Fair value is open market value including alternative uses.

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.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

Note 1.7.4 Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Note 1.7.5 Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the Trust. In accordance with IAS 17, the underlying assets are recognised as property, plant and equipment, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The NHS Trust therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a) Payment for the fair value of services received;
- b) Payment for the PFI asset, including finance costs; and
- c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'

PFI Asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value or, if lower, at the present value of the minimum lease payments, in accordance with the principles of IAS 17. Subsequently, the assets are measured at current value in existing use.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the initial value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the NHS Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term accrual or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the NHS Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the NHS Trust's Statement of Financial Position.

Other assets contributed by the NHS Trust to the operator

Assets contributed (e.g. cash payments, surplus property) by the NHS Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the NHS Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

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, and where the cost is at least £5000.

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 1.9 Inventories

Inventories are valued at the lower of cost and net realisable value using the first-in first-out cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

Note 1.10 Cash and cash equivalents

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

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

Note 1.11 Carbon Reduction Commitment scheme (CRC)

The CRC scheme is a mandatory cap and trade scheme for non-transport CO2 emissions. The Trust is registered with the CRC scheme, and is therefore required to surrender to the Government an allowance for every tonne of CO2 it emits during the financial year. A liability and related expense is recognised in respect of this obligation as CO2 emissions are made.

The carrying amount of the liability at the financial year end will therefore reflect the CO2 emissions that have been made during that financial year, less the allowances (if any) surrendered voluntarily during the financial year in respect of that financial year.

The liability will be measured at the amount expected to be incurred in settling the obligation. This will be the cost of the number of allowances required to settle the obligation.

Allowances acquired under the scheme are recognised as intangible assets.

Note 1.12 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.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below in note 1.13

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

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 classified into the following categories: financial assets at fair value through profit and loss; held to maturity investments; available for sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial liabilities are recognised on the statement of financial position when the NHS trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Financial assets and financial liabilities at “fair value through income and expenditure”

Financial assets and financial liabilities at “fair value through income and expenditure” are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Derivatives which are embedded in other contracts but which are not “closely-related” to those contracts are separated-out from those contracts and measured in this category. Assets and liabilities in this category are classified as current assets and current liabilities.

These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains or losses in the Statement of Comprehensive Income.

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 current investments, cash and cash equivalents, NHS receivables, accrued income and “other receivables”.

Loans and receivables are recognised initially at fair value, net of transactions 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.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are either designated in this category or not classified in any of the other categories. They are included in long-term assets unless the Trust intends to dispose of them within 12 months of the Statement of Financial Position date.

Available-for-sale financial assets are recognised initially at fair value, including transaction costs, and measured subsequently at fair value, with gains or losses recognised in reserves and reported in the Statement of Comprehensive Income as an item of “other comprehensive income”. When items classified as “available-for-sale” are sold or impaired, the accumulated fair value adjustments recognised are transferred from reserves and recognised in “finance costs” in the Statement of Comprehensive Income.

Other financial liabilities

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

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

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

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined by reference to quoted market prices where possible, otherwise by valuation techniques.

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 directly.

Where a bad debt provision is used and an asset is impaired, the asset's carrying value is written down directly against the provision.

Note 1.13 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 1.13.1 The Trust as lessee**Finance leases**

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

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

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

Leases of land and buildings

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

Note 1.13.2 The Trust as lessor**Finance leases**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trusts' net investment outstanding in respect of the leases.

Operating leases

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

Note 1.14 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Early retirement provisions are discounted using HM Treasury's pension discount rate of positive 0.10% (2016/17: positive 0.24%) in real terms. All other provisions are subject to three separate discount rates according to the expected timing of cashflows from the Statement of Financial Position date:

- A short term rate of negative 2.42% (2016/17: negative 2.70%) for expected cash flows up to and including 5 years
- A medium term rate of negative 1.85% (2016/17: negative 1.95%) for expected cash flows over 5 years up to and including 10 years
- A long term rate of negative 1.56% (2016/17: negative 0.80%) for expected cash flows over 10 years.

All percentages are in real terms.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A restructuring provision is recognised when the NHS trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS resolution on behalf of the Trust is disclosed at note 29.2 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The NHS 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 1.15 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 30 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 30, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Where the time value of money is material, contingencies are disclosed at their present value.

Note 1.16 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for

- (i) donated assets (including lottery funded assets),
- (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and
- (iii) any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.17 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 1.18 Foreign exchange

The functional and presentational currency of the Trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at "fair value through income and expenditure") are translated at the spot exchange rate on 31 March
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.19 Third party assets

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

Note 1.20 Losses and special payments

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

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

Note 1.21 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.22 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2017/18.

Note 1.23 Standards, amendments and interpretations in issue but not yet effective or adopted

- 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 has reviewed these Accounting Standards and determined that it is not practicable to assess the impact on the Financial Statements if they were already implemented.

Note 2 Operating Segments

The Board, as 'Chief Operating Decision Maker', has determined that the Trust operates in one material segment which is the provision of healthcare services. The segmental reporting format reflects the Trust's management and internal reporting structure.

The provision of healthcare (including medical treatment, research and education) is within one main geographical segment, the United Kingdom, and materially from Departments of HM Government in England.

The Trust has only one business segment which is provision of healthcare. A segmental analysis is therefore not applicable.

Note 3 Revenue from patient care activities

| Note 3.1 Revenue from patient care activities (by nature) | 2017/18 | 2016/17 |
|--|----------------|----------------|
| | £000 | £000 |
| Acute services | | |
| Elective income | 40,767 | 45,533 |
| Non elective income | 117,405 | 108,097 |
| First outpatient income | 28,815 | 27,342 |
| Follow up outpatient income | 39,300 | 42,742 |
| A & E income | 24,906 | 22,359 |
| High cost drugs income from commissioners (excluding pass-through costs) | 30,469 | 27,136 |
| Other NHS clinical income | 91,850 | 92,190 |
| Community services | | |
| Community services income from CCGs and NHS England | 29,720 | 27,091 |
| Income from other sources (e.g. local authorities) | 7,255 | 8,440 |
| All services | | |
| Private patient income | 158 | 172 |
| Other clinical income | 10,057 | 10,517 |
| Total income from activities | 420,702 | 411,619 |

Note 3.2 Revenue from patient care activities (by source)

| Revenue from patient care activities received from: | 2017/18 | 2016/17 |
|--|----------------|----------------|
| | £000 | £000 |
| NHS England | 52,313 | 51,239 |
| Clinical commissioning groups | 353,748 | 343,930 |
| Department of Health and Social Care | 80 | - |
| Other NHS providers | 1,589 | 3,560 |
| NHS other | 777 | 1,070 |
| Local authorities | 8,745 | 9,008 |
| Non-NHS: private patients | 165 | 172 |
| Non-NHS: overseas patients (chargeable to patient) | 2,612 | 1,100 |
| NHS injury scheme | 593 | 1,283 |
| Non NHS: other | 80 | 257 |
| Total income from activities | 420,702 | 411,619 |
| Of which: | | |
| Related to continuing operations | 420,702 | 411,619 |
| Related to discontinued operations | - | - |

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

| | 2017/18 | 2016/17 |
|--|---------|---------|
| | £000 | £000 |
| Income recognised this year | 2,612 | 1,100 |
| Cash payments received in-year | 466 | 309 |
| Amounts added to provision for impairment of receivables | 1,231 | 735 |
| Amounts written off in-year | 288 | 123 |

Note 4 Other operating revenue

| | 2017/18 | 2016/17 |
|---|---------------|---------------|
| | £000 | £000 |
| Research and development | 2,471 | 1,668 |
| Education and training | 18,780 | 18,683 |
| Receipt of capital grants and donations | 164 | 62 |
| Non-patient care services to other bodies | 10,988 | 5,190 |
| Sustainability and transformation fund income | 17,813 | 5,297 |
| Other income * | 23,240 | 17,678 |
| Total other operating income | 73,456 | 48,578 |
| Of which: | | |
| Related to continuing operations | 73,456 | 48,578 |
| Related to discontinued operations | - | - |

* Other Revenue includes £7m (£3m - 2016/17) that the Trust received for non recurrent funding in support of the development and transition to the Midland Metropolitan Hospital (MMH). That funding is part of a total of £22.3m which the trust expects to receive over the period 2016-2020. Such funding is in line with national arrangements for supporting large scale infrastructure projects such as MMH. There are also a number of other sources of Revenue from the Trust's Catering Facilities and Car Parking for Staff and Patients.

Note 5 Fees and charges

There are no Fees and Charges for the year ended 31st March 2018

Note 6.1 Operating expenses

| | 2017/18 £000 | 2016/17 £000 |
|---|-----------------|-----------------|
| Purchase of healthcare from NHS and DHSC bodies* | 11,459 | 9,236 |
| Purchase of healthcare from non-NHS and non-DHSC bodies | 3,171 | 3,397 |
| Purchase of social care | - | - |
| Staff and executive directors costs | 311,504 | 311,043 |
| Remuneration of non-executive directors | 62 | 64 |
| Supplies and services - clinical (excluding drugs costs) | 41,339 | 40,580 |
| Supplies and services - general | 7,140 | 6,950 |
| Drug costs (drugs inventory consumed and purchase of non-inventory drugs) | 38,183 | 38,553 |
| Inventories written down | - | 8 |
| Consultancy costs | 425 | 930 |
| Establishment | 4,650 | 4,518 |
| Premises | 21,432 | 19,026 |
| Transport (including patient travel) | 1,792 | 1,839 |
| Depreciation on property, plant and equipment | 14,820 | 13,853 |
| Amortisation on intangible assets | 73 | 162 |
| Net impairments | (8,436) | (5,161) |
| Increase/(decrease) in provision for impairment of receivables | 2,202 | 1,382 |
| Change in provisions discount rate(s) | 53 | 388 |
| Audit fees payable to the external auditor | | |
| audit services- statutory audit** | 67 | 91 |
| other auditor remuneration (external auditor only) | - | 14 |
| Internal audit costs | 254 | 220 |
| Clinical negligence | 10,608 | 7,577 |
| Legal fees | 191 | 97 |
| Insurance | 104 | 90 |
| Research and development | 1,309 | 242 |
| Education and training | 3,121 | 1,111 |
| Rentals under operating leases | 150 | 44 |
| Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT) on IFRS basis | 2,537 | 2,166 |
| Other | 1,074 | 1,531 |
| Total | 469,284 | 459,951 |
| Of which: | | |
| Related to continuing operations | 469,284 | 459,951 |
| Related to discontinued operations | - | - |

* Services from NHS bodies does not include expenditure which falls into a category below

** Audit Fees - External Audit fees are disclosed inclusive of VAT. The contract for 2017/18 was £55,950 plus VAT (2016/17 was £75,380 plus VAT).

Note 6.2 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 | - | 10 |
| 3. Taxation compliance services | - | 4 |
| 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 | - | 14 |

Note 6.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £500k (2016/17: £0k).

Note 7 Impairment of assets

| | 2017/18 £000 | 2016/17 £000 |
|---|-----------------|-----------------|
| Net impairments charged to operating surplus / deficit resulting from: | | |
| Unforeseen obsolescence | - | 58 |
| Changes in market price | (8,436) | (5,219) |
| Total net impairments charged to operating surplus / deficit | (8,436) | (5,161) |
| Impairments charged to the revaluation reserve | (3,061) | (654) |
| Total net impairments | (11,497) | (5,815) |

Note 8 Employee benefits

| | 2017/18 Total £000 | 2016/17 Total £000 |
|--|--------------------------|--------------------------|
| Salaries and wages | 247,353 | 238,645 |
| Social security costs | 24,260 | 23,743 |
| Apprenticeship levy | 1,180 | - |
| Employer's contributions to NHS pensions | 27,659 | 27,185 |
| Termination benefits | 919 | - |
| Temporary staff (including agency) | 15,821 | 24,167 |
| Total gross staff costs | 317,192 | 313,740 |
| Recoveries in respect of seconded staff | - | - |
| Total staff costs | 317,192 | 313,740 |
| Of which | | |
| Costs capitalised as part of assets | 2,679 | 2,697 |

Note 8.1 Retirements due to ill-health

During 2017/18 there were 6 early retirements from the trust agreed on the grounds of ill-health (9 in the year ended 31 March 2017). The estimated additional pension liabilities of these ill-health retirements is £305k (£323k in 2016/17).

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

Note 9 Pension costs

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

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

a) Accounting valuation

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

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

b) Full actuarial (funding) valuation

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

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

The next actuarial valuation is to be carried out as at 31 March 2016. 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.

The trust offers an additional defined contribution workplace pension scheme, the National Employment Savings Scheme (NEST), the contribution rate is 1%.

Note 10.1 Sandwell And West Birmingham Hospitals NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Sandwell And West Birmingham Hospitals NHS Trust is the lessee.

| | 2017/18 £000 | 2016/17 £000 |
|--|--------------------------|--------------------------|
| Operating lease expense | | |
| Minimum lease payments | 150 | 44 |
| Total | 150 | 44 |
| | | |
| | 31 March 2018 £000 | 31 March 2017 £000 |
| Future minimum lease payments due: | | |
| - not later than one year; | 160 | 43 |
| - later than one year and not later than five years; | 231 | 120 |
| - later than five years. | 109 | 151 |
| Total | 500 | 314 |
| Future minimum sublease payments to be received | - | - |

The Trust entered into new Lease Arrangements with the Homes and Communities Agency, the values for which are included in the analysis above. The details of this transaction can be found in Note 13 of these Accounts.

Note 11 Finance income

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

| | 2017/18 | 2016/17 |
|---------------------------|-----------|-----------|
| | £000 | £000 |
| Interest on bank accounts | 49 | 66 |
| Total | 49 | 66 |

Note 12.1 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money.

| | 2017/18 | 2016/17 |
|---|--------------|--------------|
| | £000 | £000 |
| Interest expense: | | |
| Interest on late payment of commercial debt | - | 1 |
| Main finance costs on PFI and LIFT schemes obligations | 1,277 | 1,332 |
| Contingent finance costs on PFI and LIFT scheme obligations | 525 | 813 |
| Total interest expense | 1,802 | 2,146 |
| Unwinding of discount on provisions | 8 | 45 |
| Other finance costs | - | - |
| Total finance costs | 1,810 | 2,191 |

Note 12.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

| | 2017/18 | 2016/17 |
|--|---------|---------|
| | £000 | £000 |
| Amounts included within interest payable arising from claims made under this legislation | - | 1 |

Note 13 Other gains / (losses)

| | 2017/18 | 2016/17 |
|---|---------------|----------|
| | £000 | £000 |
| Gains on disposal of assets | 16,518 | - |
| Losses on disposal of assets | (230) | - |
| Total gains / (losses) on disposal of assets | 16,288 | - |

During 2017/18 the Trust sold assets at the City site which led to a net gain on disposal of £16,288k. These assets comprise land and buildings and the Trust's ability to sell them arises from the investment in the new Midland Metropolitan Hospital (MMH) in Smethwick. This investment is a key enabler of the delivery of the Trust's vision to become the best integrated care organisation in the NHS.

This vision will involve the Trust delivering a range of services from the City, Sandwell, MMH and Rowley sites as well as a number of community locations. Completion of the MMH will allow the Trust to cease the use of outdated building infrastructure and deliver patient care within a modern facility. At the City site, as a direct consequence of this, the Trust will need to retain only the Birmingham Treatment centre (BTC) and the Birmingham and Midland Eye Centre (BMEC). Given the demand for housing in the local area the Trust has worked with the Homes and Communities Agency (HCA) to agree a deal that provides best value for patient services as well as meeting the housing needs of local residents. The HCA have purchased the land excluding that element required to support the delivery of patient services at the City Hospital site predominantly, BTCentre and BMEC. The transaction was completed in August 2017 and the agreement includes the Trust leasing the assets back until the point at which MMH is available. The HCA intention is to ensure the land is employed for the development of homes.

Note 14 Discontinued operations

The Trust had no discontinued operations in 2017/18.

| | Software licences £000 | Licences & trademarks £000 | Total £000 |
|---|------------------------------|----------------------------------|---------------|
| Valuation / gross cost at 1 April 2017 - brought forward | 2,954 | 43 | 2,997 |
| Additions | 13 | - | 13 |
| Gross cost at 31 March 2018 | 2,967 | 43 | 3,010 |
| Amortisation at 1 April 2017 - brought forward | 2,831 | - | 2,831 |
| Provided during the year | 73 | - | 73 |
| Amortisation at 31 March 2018 | 2,904 | - | 2,904 |
| Net book value at 31 March 2018 | 63 | 43 | 106 |
| Net book value at 1 April 2017 | 123 | 43 | 166 |

Note 15.2 Intangible assets - 2016/17

| | Software licences £000 | Licences & trademarks £000 | Total £000 |
|--|------------------------------|----------------------------------|---------------|
| Valuation / gross cost at 1 April 2016 - as previously stated | 2,954 | 101 | 3,055 |
| Impairments | - | (58) | (58) |
| Valuation / gross cost at 31 March 2017 | 2,954 | 43 | 2,997 |
| Amortisation at 1 April 2016 - as previously stated | 2,669 | - | 2,669 |
| Provided during the year | 162 | - | 162 |
| Amortisation at 31 March 2017 | 2,831 | - | 2,831 |
| Net book value at 31 March 2017 | 123 | 43 | 166 |
| Net book value at 1 April 2016 | 285 | 101 | 386 |

Note 15.3 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 |
|-----------------------|-------------------|-------------------|
| Purchased | | |
| Software licences | 0 | 5 |
| Licences & trademarks | 0 | 1 |

Note 16.1 Property, plant and equipment - 2017/18

| | Land £000 | Buildings excluding dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Transport equipment £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|---|---------------|---|--------------------------------------|------------------------------|--------------------------------|-----------------------------------|---------------------------------|----------------|
| Valuation/gross cost at 1 April 2017 - brought forward | 16,640 | 145,067 | 13,823 | 105,283 | 3,833 | 37,860 | 1,997 | 324,503 |
| Additions | - | 9,397 | 5,460 | 2,824 | - | 8,478 | 91 | 26,250 |
| Reversals of impairments | 115 | 2,946 | - | - | - | - | - | 3,061 |
| Revaluations | 2,013 | (59) | - | - | - | - | - | 1,954 |
| Reclassifications | - | 2,899 | (2,899) | - | - | - | - | - |
| Transfers to/ from assets held for sale | (1,075) | - | - | - | - | - | - | (1,075) |
| Disposals / derecognition | (1,218) | (844) | - | (1,213) | (246) | - | - | (3,521) |
| Valuation/gross cost at 31 March 2018 | 16,475 | 159,406 | 16,384 | 106,894 | 3,587 | 46,338 | 2,088 | 351,172 |
| Accumulated depreciation at 1 April 2017 - brought forward | - | 1 | - | 85,839 | 3,465 | 26,136 | 1,632 | 117,073 |
| Provided during the year | - | 6,736 | - | 4,274 | 163 | 3,578 | 69 | 14,820 |
| Impairments | - | 6,949 | - | - | - | - | - | 6,949 |
| Reversals of impairments | (1,778) | (13,607) | - | - | - | - | - | (15,385) |
| Revaluations | 1,778 | (59) | - | - | - | - | - | 1,719 |
| Disposals / derecognition | - | (20) | - | (1,213) | (246) | - | - | (1,479) |
| Accumulated depreciation at 31 March 2018 | - | - | - | 88,900 | 3,382 | 29,714 | 1,701 | 123,697 |
| Net book value at 31 March 2018 | 16,475 | 159,406 | 16,384 | 17,994 | 205 | 16,624 | 387 | 227,475 |
| Net book value at 1 April 2017 | 16,640 | 145,066 | 13,823 | 19,444 | 368 | 11,724 | 365 | 207,430 |

Note 16.2 Property, plant and equipment - 2016/17

| | Land £000 | Buildings excluding dwellings £000 | Assets under construction £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 | 16,640 | 140,725 | 10,283 | 101,531 | 3,833 | 31,689 | 1,997 | 306,698 |
| Transfers by absorption | - | - | - | - | - | - | - | - |
| Additions | - | 4,837 | 3,540 | 4,446 | - | 6,206 | - | 19,029 |
| Reversals of impairments | - | 654 | - | - | - | - | - | 654 |
| Revaluations | - | (1,149) | - | - | - | - | - | (1,149) |
| Disposals / derecognition | - | - | - | (694) | - | (35) | - | (729) |
| Valuation/gross cost at 31 March 2017 | 16,640 | 145,067 | 13,823 | 105,283 | 3,833 | 37,860 | 1,997 | 324,503 |
| Accumulated depreciation at 1 April 2016 - as previously stated | - | - | - | 82,000 | 3,295 | 23,461 | 1,561 | 110,317 |
| Transfers by absorption | - | - | - | - | - | - | - | - |
| Provided during the year | - | 6,369 | - | 4,533 | 170 | 2,710 | 71 | 13,853 |
| Reversals of impairments | - | (5,219) | - | - | - | - | - | (5,219) |
| Revaluations | - | (1,149) | - | - | - | - | - | (1,149) |
| Disposals/ derecognition | - | - | - | (694) | - | (35) | - | (729) |
| Accumulated depreciation at 31 March 2017 | - | 1 | - | 85,839 | 3,465 | 26,136 | 1,632 | 117,073 |
| Net book value at 31 March 2017 | 16,640 | 145,066 | 13,823 | 19,444 | 368 | 11,724 | 365 | 207,430 |
| Net book value at 1 April 2016 | 16,640 | 140,725 | 10,283 | 19,531 | 538 | 8,228 | 436 | 196,381 |

Note 16.3 Property, plant and equipment financing - 2017/18

| | Land £000 | Buildings excluding dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Transport equipment £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|--|---------------|---|--------------------------------------|------------------------------|--------------------------------|-----------------------------------|---------------------------------|----------------|
| Net book value at 31 March 2018 | | | | | | | | |
| Owned - purchased | 16,475 | 136,538 | 16,384 | 10,657 | 205 | 16,442 | 386 | 197,087 |
| On-SoFP PFI contracts and other service concession arrangements | - | 21,527 | - | 6,603 | - | 172 | 1 | 28,303 |
| Owned - government granted | - | 975 | - | - | - | - | - | 975 |
| Owned - donated | - | 366 | - | 734 | - | 10 | - | 1,110 |
| NBV total at 31 March 2018 | 16,475 | 159,406 | 16,384 | 17,994 | 205 | 16,624 | 387 | 227,475 |

Note 16.4 Property, plant and equipment financing - 2016/17

| | Land £000 | Buildings excluding dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Transport equipment £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|--|---------------|---|--------------------------------------|------------------------------|--------------------------------|-----------------------------------|---------------------------------|----------------|
| Net book value at 31 March 2017 | | | | | | | | |
| Owned - purchased | 16,640 | 124,681 | 13,823 | 10,826 | 368 | 11,712 | 364 | 178,414 |
| On-SoFP PFI contracts and other service concession arrangements | - | 19,195 | - | 7,849 | - | - | 1 | 27,045 |
| Owned - government granted | - | 861 | - | - | - | - | - | 861 |
| Owned - donated | - | 329 | - | 769 | - | 12 | - | 1,110 |
| NBV total at 31 March 2017 | 16,640 | 145,066 | 13,823 | 19,444 | 368 | 11,724 | 365 | 207,430 |

16.3 (cont). Property, plant and equipment

Asset lives for currently held assets are as follow:-

| | Min life Years | Max life Years |
|-------------------------------|-------------------|-------------------|
| Buildings excluding dwellings | 19 | 63 |
| Plant & machinery | 5 | 15 |
| Transport equipment | 4 | 7 |
| Information technology | 5 | 10 |
| Furniture & fittings | 0 | 10 |

Note 17 Donations of property, plant and equipment

During 2017-18 the Trust received Donated equipment as detailed below, for each item - there were no specific restrictions imposed by the donor

| Item | Cost £000 |
|--|--------------|
| Barry RFA Haloflex Energy Generator | 42 |
| Keeler Symphony Digital Slit Lamp with Motorised Stand | 11 |
| Oculus Pentacam HR | 47 |
| Wide Field Camera | 40 |
| Digital Reminiscence Therapy Software Package | 13 |
| Video Nasopharyngo Scope | 11 |
| Total | 164 |

Note 18 Revaluations of property, plant and equipment

The Trust's property assets (land and buildings) were revalued during the year by the District Valuation Service, who are independent of the Trust and using Modern Equivalent Asset valuation techniques with a valuation date of 31st March 2018. Valuation was undertaken with reference to the size, location and Service Potential of existing buildings and the basis on which they would be replaced by Modern Equivalent Assets.

The Trust owns Non Operational Land assets of £850,000 which are currently held as surplus assets and are included within the Land Valuation in Note 16.1. These assets are required to be valued at 'Fair Value' in accordance with IFRS13. The valuation technique applied by the appointed Valuer in respect of all the Fair Value figures contained in his assessment was the market approach using prices and other relevant information generated by market transactions involving identical or comparable assets.

Note 19 Investment Property

The Trust does not have any investment properties.

Note 19 Inventories

| | 31 March 2018 £000 | 31 March 2017 £000 |
|---------------------------------------|--------------------------|--------------------------|
| Drugs | 1,456 | 1,523 |
| Consumables | 3,087 | 3,553 |
| Energy | 199 | 192 |
| Total inventories | 4,742 | 5,268 |
| of which: | | |
| Held at fair value less costs to sell | - | - |

Inventories recognised in expenses for the year were £38,649k (2016/17: £38,061k). Write-down of inventories recognised as expenses for the year were £0k (2016/17: £8k).

Note 20.1 Trade receivables and other receivables

| | 31 March 2018 £000 | 31 March 2017 £000 |
|--|--------------------------|--------------------------|
| Current | | |
| Trade receivables | 43,017 | 14,877 |
| Capital receivables (including accrued capital related income) | 604 | - |
| Provision for impaired receivables | (5,040) | (3,134) |
| Prepayments (non-PFI) | 1,281 | 1,090 |
| PFI lifecycle prepayments | 9,278 | - |
| PDC dividend receivable | - | 190 |
| VAT receivable | 1,666 | 2,003 |
| Other receivables | 2,074 | 2,074 |
| Total current trade and other receivables | 52,880 | 17,100 |
| Non-current | | |
| Provision for impaired receivables | (19) | (156) |
| Other receivables * | 62,960 | 43,173 |
| Total non-current trade and other receivables | 62,941 | 43,017 |
| Of which receivables from NHS and DHSC group bodies: | | |
| Current | 35,985 | 9,591 |
| Non-current | - | - |

The great majority of trade is with NHS Clinical Commissioning Groups (CCG's) . As CCG's are funded by Government to buy NHS patient care no credit scoring of them is considered necessary.

* The Non Current Other Receivable balance represents payments the Trust has made towards the construction of a new PFI Hospital (see information below). These payments are carried in Receivables until the PFI Hospital achieves Financial Close. The balance will be transferred to the Liabilities of the Trust. This will reduce the liability taken on by the Trust as the hospital is brought on to the Statement of Financial Position

* On 11/12/2015, the Trust entered into a PF2 contract to design, build, finance and maintain a new hospital at Grove Lane, named the Midland Metropolitan Hospital. Following a PF2 procurement and resultant funding competition, the Trust appointed The Hospital Company (Sandwell) Ltd as the prime contractor to deliver the project. The Hospital Company (Sandwell) contracted with Carillion Construction Ltd as prime contractor for construction. Carillion PLC and associated construction companies entered administration in January 2018 and since then the construction of the new site has largely halted. At year-end, the value of the work completed has been independently certified to be £206m and the Trust has made capital contributions towards this of £62m. Under the termination for contractor default clauses of a PF2 contract, these contributions are well protected and Management are now considering a range of options to complete the project. These range from restructuring but continuing the current PF2, reletting a new PF2 or taking ownership of the works completed to date and letting a new non-PF2 contract. Having considered the likely scenarios, Management are comfortable that the £62m paid to date is adequately protected and will generate at least that much value under the chosen option.

Note 20.2 Provision for impairment of receivables

| | 2017/18 | 2016/17 |
|--|--------------|--------------|
| | £000 | £000 |
| At 1 April as previously stated | 3,290 | 2,057 |
| Increase in provision | 2,202 | 1,382 |
| Amounts utilised | (433) | (149) |
| At 31 March | 5,059 | 3,290 |

Note 20.3 Credit quality of financial assets

| | 31 March 2018 | | 31 March 2017 | |
|--|-----------------------------|--------------------------------------|-----------------------------|--------------------------------------|
| | Trade and other receivables | Investments & Other financial assets | Trade and other receivables | Investments & Other financial assets |
| | £000 | £000 | £000 | £000 |
| Ageing of impaired financial assets | | | | |
| 0 - 30 days | 204 | - | 35 | - |
| 30-60 Days | 210 | - | 126 | - |
| 60-90 days | 171 | - | 77 | - |
| 90- 180 days | 1,106 | - | 476 | - |
| Over 180 days | 3,368 | - | 2,576 | - |
| Total | 5,059 | - | 3,290 | - |
| Ageing of non-impaired financial assets past their due date | | | | |
| 0 - 30 days | 15,508 | - | 2,592 | - |
| 30-60 Days | - | - | 1,275 | - |
| 60-90 days | 1,408 | - | 1,102 | - |
| 90- 180 days | 3,484 | - | 1,838 | - |
| Over 180 days | 1,165 | - | 1,022 | - |
| Total | 21,565 | - | 7,829 | - |

Impairment of receivables is based on an assessment of individual amounts receivable taking into account the age of the debt and other known circumstances regarding the debt or the debtor.

Note 21 Other assets

| | 31 March 2018 £000 | 31 March 2017 £000 |
|------------------------------------|--------------------------|--------------------------|
| Current | | |
| Short term PFI finance lease asset | - | 8,043 |
| Total other current assets | <u>-</u> | <u>8,043</u> |

Note 22 Non-current assets held for sale and assets in disposal groups

| | 2017/18 £000 | 2016/17 £000 |
|---|-----------------|-----------------|
| NBV of non-current assets for sale and assets in disposal groups at 1 April | - | - |
| Assets classified as available for sale in the year* | 1,075 | - |
| Assets sold in year* | (1,075) | - |
| NBV of non-current assets for sale and assets in disposal groups at 31 March | <u>-</u> | <u>-</u> |

* During 2017/18 the Trust sold assets at the City site. These assets comprise land and buildings and the Trust's ability to sell them arises from the investment in the new Midland Metropolitan Hospital (MMH) in Smethwick. This investment is a key enabler of the delivery of the Trust's vision to become the best integrated care organisation in the NHS.

This vision will involve the Trust delivering a range of services from the City, Sandwell, MMH and Rowley sites as well as a number of community locations. Completion of the MMH will allow the Trust to cease the use of outdated building infrastructure and deliver patient care within a modern facility. At the City site, as a direct consequence of this, the Trust will need to retain only the Birmingham Treatment centre (BTC) and the Birmingham and Midland Eye Centre (BMEC).

Given the demand for housing in the local area the Trust has worked with the Homes and Communities Agency (HCA) to agree a deal that provides best value for patient services as well as meeting the housing needs of local residents.

The HCA have purchased the land excluding that element required to support the delivery of patient services at the City Hospital site predominantly, BTCentre and BMEC. The transaction was completed in August 2017 and the agreement includes the Trust leasing the assets back until the point at which MMH is available. The HCA intention is to ensure the land is employed for the development of homes.

Note 22.1 Liabilities in disposal groups

The Trust had no disposal groups in 2017/18 and therefore have no liabilities in disposal groups.

Note 23.1 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 | 2016/17 |
|---|---------------|---------------|
| | £000 | £000 |
| At 1 April | 23,902 | 27,296 |
| Net change in year | (14,211) | (3,394) |
| At 31 March | 9,691 | 23,902 |
| Broken down into: | | |
| Cash at commercial banks and in hand | 32 | 29 |
| Cash with the Government Banking Service | 9,659 | 23,873 |
| Total cash and cash equivalents as in SoFP | 9,691 | 23,902 |
| Total cash and cash equivalents as in SoCF | 9,691 | 23,902 |

Note 23.2 Third party assets held by the trust

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

| | 31 March 2018 | 31 March 2017 |
|---------------------------------|------------------|------------------|
| | £000 | £000 |
| Bank balances | 3 | 1 |
| Total third party assets | 3 | 1 |

| | 31 March 2018 | 31 March 2017 |
|--|------------------|------------------|
| | £000 | £000 |
| Current | | |
| Trade payables | 18,606 | 26,670 |
| Capital payables | 6,101 | 7,218 |
| Accruals | 22,433 | 18,503 |
| Receipts in advance (including payments on account) | 5,877 | 4,946 |
| Social security costs | 3,543 | 3,408 |
| Other taxes payable | 2,726 | 2,728 |
| PDC dividend payable | 263 | - |
| Total current trade and other payables | 59,549 | 63,473 |
| Of which payables from NHS and DHSC group bodies: | | |
| Current | 11,644 | 10,012 |
| - outstanding pension contributions at year end | 3,841 | 3,762 |

Note 24.2 Early retirements in NHS payables above

There are no early retirements required to be included in the payables note above

Note 25 Other financial liabilities

The Trust have no other financial liabilities.

Note 26 Other liabilities

| | 31 March 2018 £000 | 31 March 2017 £000 |
|--|--------------------------|--------------------------|
| Current | | |
| Deferred income | 4,657 | 5,039 |
| Total other current liabilities | 4,657 | 5,039 |

Note 27 Borrowings

| | 31 March 2018 £000 | 31 March 2017 £000 |
|---|--------------------------|--------------------------|
| Current | | |
| Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle) | 2,166 | 903 |
| Total current borrowings | 2,166 | 903 |
| Non-current | | |
| Obligations under PFI, LIFT or other service concession contracts | 31,776 | 33,953 |
| Total non-current borrowings | 31,776 | 33,953 |

Note 28 Finance leases

The Trust has no finance leases as a lessor or as a lessee other than those detailed in Note 34.

Note 29.1 Provisions for liabilities and charges analysis

| | Pensions - early departure costs | Legal claims | Re-structuring | Redundancy | Other | Total |
|--|-------------------------------------|--------------|----------------|------------|--------------|--------------|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| At 1 April 2017 | 1,017 | 302 | 9 | 137 | 3,078 | 4,543 |
| Change in the discount rate | 7 | - | - | - | 46 | 53 |
| Arising during the year | 49 | 87 | - | 773 | 223 | 1,132 |
| Utilised during the year | (91) | - | (2) | (98) | (150) | (341) |
| Reversed unused | (47) | - | - | (39) | - | (86) |
| Unwinding of discount | 2 | - | - | - | 6 | 8 |
| At 31 March 2018 | 937 | 389 | 7 | 773 | 3,203 | 5,309 |
| Expected timing of cash flows: | | | | | | |
| - not later than one year; | 90 | 389 | 7 | 773 | 596 | 1,855 |
| - later than one year and not later than five years; | 361 | - | - | - | 570 | 931 |
| - later than five years. | 486 | - | - | - | 2,037 | 2,523 |
| Total | 937 | 389 | 7 | 773 | 3,203 | 5,309 |

Provisions relating to Early Departure Costs covers pre 1995 early retirement costs. Liabilities and the timing of liabilities are based on pensions provided to individual ex employees and projected life expectancies using government actuarial tables. The major uncertainties rest around life expectancies assumed for the cases.

Legal claims cover the Trust's potential liabilities for Public and Employer liability. Potential liabilities are calculated using professional assessment of individual cases by the Trust's insurers. The Trust's maximum liability for any individual case is £10,000 with the remainder being covered by insurers.

Other provisions cover Injury Benefits £2,749,000, HMRC Off Payroll Engagement £314,000 and National Poisons potential expenditure of £76,000 and Carbon Reduction Provision of £64,000

Injury benefit provisions are calculated with reference to the NHS Pensions Agency and actuarial tables for life expectancy.

Redundancy provisions covers staff who will be made redundant as part of the Trust's ongoing restructuring scheme

The timing and amount of the cashflows is shown above but it must be pointed out that, in the case of provisions, there will always be a measure of uncertainty. However, the values listed are best estimates taking all the relevant information and professional advice into consideration.

Note 29.2 Clinical negligence liabilities

At 31 March 2018, £170,234k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Sandwell And West Birmingham Hospitals NHS Trust (31 March 2017: £154,786k).

Note 30 Contingent assets and liabilities

| | 31 March 2018 £000 | 31 March 2017 £000 |
|--|--------------------------|--------------------------|
| Value of contingent liabilities | | |
| NHS Resolution legal claims | (167) | (188) |
| Other -Pension, Injury Liabilities and VAT | (345) | (92) |
| Gross value of contingent liabilities | (512) | (280) |
| Amounts recoverable against liabilities | - | - |
| Net value of contingent liabilities | (512) | (280) |
| Net value of contingent assets | - | - |

Both the legal claims and Pension and Injury Liabilities were informed by NHS Resolution. The Other Contingent Liability includes £306,000 to HMRC for a pending VAT review, the outcome of which is expected by 30th June 2018

Note 31 Contractual capital commitments

| | 31 March 2018 £000 | 31 March 2017 £000 |
|-------------------------------|--------------------------|--------------------------|
| Property, plant and equipment | 7,433 | 2,659 |
| Intangible assets | - | - |
| Total | 7,433 | 2,659 |

Note 32 Other financial commitments

The Trust has no other financial commitments which are not leases, PFI contracts or other service concession arrangements.

Note 33 Defined benefit pension schemes

The Trust has no defined benefit pension schemes other than disclosed in Note 9 - Pension costs.

Note 34 On-SoFP PFI, LIFT or other service concession arrangements

The information below is required by the Department of Health for inclusion in national statutory accounts.

Midland Metropolitan Hospital (MMH)

A contract for the development of a new hospital was signed by the Trust and its PFI partner on 11/12/2015. The purpose of the scheme is to deliver a modern, state of the art acute hospital facility on the Grove Lane site in Smethwick, Birmingham.

The suspension of work on the Midland Metropolitan Hospital (MMH) following the liquidation of the main contractor has delayed the programmed completion date. The hospital was being delivered through PF2 which involves a 30 year concession period ending in 2048/49. At the end of that concession period the asset would pass into the ownership of the Trust or successor body.

There remains commitment to complete the project and currently a range of options are being explored to secure that completion.

The anticipated asset value of the hospital when brought into use will be £323,638,000

The Trust shall receive £97m of Public Dividend Capital which it expects to pay to its PFI partner as a contribution to the costs of the hospital development

The Trust is contractually committed to a total Unitary Payment cost in respect of the Midland Metropolitan Hospital of £698,443,000 payable over the life of the 30 year concession

Note 16.1 (Property, Plant and Equipment) includes £16,385,837 (2016/17 £13,107,786) as Assets under Construction in respect of the Midland Metropolitan Hospital. This represents costs incurred directly by the Trust in support of the hospital development

The Trust currently operates the Birmingham Treatment Centre (BTC) under a PFI concession and accounts for a Managed Equipment Service (MES) as a PFI scheme. The values below represent the financial obligations relating to the BTC and MES Scheme only

Birmingham Treatment Centre (BTC)

Length of Contract is 30 Years

The purpose of the scheme was to provide a modern, acute facility on the City Hospital site which has now been fully operational since June 2005. The Trust is committed to the full unitary payment until 30th June 2035 at which point the building will revert to the ownership of the Trust.

Managed Equipment Scheme (MES)

Length of Contract is 10 Years

The Scheme provides for the maintenance and replacement of the Trust's Imaging Equipment. This contract was assessed against the scope of IFRC12 to establish the appropriate accounting treatment and it was determined that the criteria to account for the scheme as an on SOFP service concession arrangement had been met. The contract, with Siemens Healthcare Limited, commenced on 1st May 2016 and the Trust is committed to the full unitary payment until May 2026 at which point the ownership of the equipment will revert to the Trust

Note 34.1 Imputed finance lease obligations

Sandwell And West Birmingham Hospitals NHS Trust has the following obligations in respect of the finance lease element of on-Statement of Financial Position PFI and LIFT schemes:

| | 31 March 2018 £000 | 31 March 2017 £000 |
|---|--------------------------|--------------------------|
| Gross PFI, LIFT or other service concession liabilities | 46,986 | 41,117 |
| Of which liabilities are due | | |
| - not later than one year; | 3,411 | (5,868) |
| - later than one year and not later than five years; | 12,295 | 12,546 |
| - later than five years. | 31,280 | 34,439 |
| Finance charges allocated to future periods | (13,044) | (14,304) |
| Net PFI, LIFT or other service concession arrangement obligation | 33,942 | 26,813 |
| - not later than one year; | 2,166 | (7,140) |
| - later than one year and not later than five years; | 7,935 | 7,979 |
| - later than five years. | 23,841 | 25,974 |

Note 34.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future obligations under these on-SoFP schemes are as follows:

| | 31 March 2018 £000 | 31 March 2017 £000 |
|--|--------------------------|--------------------------|
| Total future payments committed in respect of the PFI, LIFT or other service concession arrangements | 128,408 | 136,061 |
| Of which liabilities are due: | | |
| - not later than one year; | 7,845 | 7,653 |
| - later than one year and not later than five years; | 33,390 | 32,576 |
| - later than five years. | 87,173 | 95,832 |

Note 34.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the trust's payments in 2017/18:

| | 2017/18 £000 | 2016/17 £000 |
|--|-----------------|-----------------|
| Unitary payment payable to service concession operator | 7,550 | 7,117 |
| Consisting of: | | |
| - Interest charge | 1,277 | 1,332 |
| - Repayment of finance lease liability | (7,151) | 83 |
| - Service element and other charges to operating expenditure | 2,537 | 2,166 |
| - Capital lifecycle maintenance | 1,113 | 2,723 |
| - Contingent rent | 525 | 813 |
| - Addition to lifecycle prepayment | 9,249 | - |
| Total amount paid to service concession operator | 7,550 | 7,117 |

Note 35 Off-SoFP PFI, LIFT and other service concession arrangements

The Trust had no Off-SoFP PFI, LIFT and other service concession arrangements

Note 36 Financial instruments

Note 36.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Trust has with CCG's and the way those CCG's are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS 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 therefore has low exposure to interest rate fluctuations.

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 CCG's, 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 36.2 Carrying values of financial assets

| | Loans and receivables £000 | Assets at fair value through the £000 | Held to maturity £000 | Available-for- sale £000 | Total book value £000 |
|--|----------------------------------|--|-----------------------------|--------------------------------|-----------------------------|
| Assets as per SoFP as at 31 March 2018 | | | | | |
| Trade and other receivables excluding non financial assets | 103,596 | - | - | - | 103,596 |
| Cash and cash equivalents at bank and in hand | 9,691 | - | - | - | 9,691 |
| Total at 31 March 2018 | 113,287 | - | - | - | 113,287 |

| | Loans and receivables £000 | Assets at fair value through the I&E £000 | Held to maturity £000 | Available-for- sale £000 | Total book value £000 |
|--|----------------------------------|---|-----------------------------|--------------------------------|-----------------------------|
| Assets as per SoFP as at 31 March 2017 | | | | | |
| Trade and other receivables excluding non financial assets | 56,834 | - | - | - | 56,834 |
| Cash and cash equivalents at bank and in hand | 23,902 | - | - | - | 23,902 |
| Total at 31 March 2017 | 80,736 | - | - | - | 80,736 |

Note 36.3 Carrying value of financial liabilities

| | Other financial liabilities £000 | Liabilities at fair value through the I&E £000 | Total book value £000 |
|--|---|--|-----------------------------|
| Liabilities as per SoFP as at 31 March 2018 | | | |
| Obligations under PFI, LIFT and other service concession contracts | 33,942 | - | 33,942 |
| Trade and other payables excluding non financial liabilities | 51,797 | - | 51,797 |
| Total at 31 March 2018 | 85,739 | - | 85,739 |

| | Other financial liabilities £000 | Liabilities at fair value through the I&E £000 | Total book value £000 |
|--|---|--|-----------------------------|
| Liabilities as per SoFP as at 31 March 2017 | | | |
| Obligations under PFI, LIFT and other service concession contracts | 34,856 | - | 34,856 |
| Trade and other payables excluding non financial liabilities | 63,473 | - | 63,473 |
| Total at 31 March 2017 | 98,329 | - | 98,329 |

Note 36.4 Fair values of financial assets and liabilities

The Trust considers that Book value is a reasonable approximation of fair value

Note 36.5 Maturity of financial liabilities

| | 31 March 2018 £000 | 31 March 2017 £000 |
|---|--------------------------|--------------------------|
| In one year or less | 53,988 | 63,473 |
| In more than one year but not more than two years | 2,349 | - |
| In more than two years but not more than five years | 5,585 | 5,791 |
| In more than five years | 23,817 | 29,065 |
| Total | 85,739 | 98,329 |

Note 37 Losses and special payments

| | 2017/18 | | 2016/17 | |
|--|---------------------------------------|---------------------------------|---------------------------------------|---------------------------------|
| | Total number of cases Number | Total value of cases £000 | Total number of cases Number | Total value of cases £000 |
| Losses | | | | |
| Cash losses | - | - | 6 | 0 |
| Bad debts and claims abandoned | 32 | 314 | 35 | 148 |
| Stores losses and damage to property | 7 | 30 | 12 | 48 |
| Total losses | 39 | 344 | 53 | 196 |
| Special payments | | | | |
| Ex-gratia payments | 47 | 92 | 76 | 145 |
| Total special payments | 47 | 92 | 76 | 145 |
| Total losses and special payments | 86 | 436 | 129 | 341 |
| Compensation payments received | | - | | - |

Note 38 Gifts

There are no cases of the Trust making gifts.

Note 39 Related parties

During the year two of the Department of Health Ministers, trust board members or members of the key management staff, or parties related to any of them, have undertaken material transactions with Sandwell & West Birmingham Hospitals NHS Trust :-

Cathryn Thomas (Non Executive Director of the Trust) and Vice Dean of Medicine and Programme Director MBChB - University of Birmingham

Raffaella Goodby (Director of People and Organisation Development of the Trust) and Independent Member of Governing Body & Director of Multi Academy Trust, Sandwell College

The Department of Health is regarded as a related party. During the year 2017/18 Sandwell and West Birmingham Hospitals NHS Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These are listed below:-

| | Revenue £000 | Expenditure £000 | Receivables £000 | Payables £000 |
|---------------------------------------|-----------------|---------------------|---------------------|------------------|
| NHS Sandwell & West Birmingham CCG | 268,631 | - | 3,285 | 1,816 |
| NHS Birmingham Cross City CCG | 42,309 | 598 | 278 | 920 |
| Health Education England | 18,420 | 35 | 384 | 25 |
| NHS Birmingham South & Central CCG | 23,518 | - | 601 | 616 |
| NHS Walsall CCG | 5,115 | 231 | 26 | 221 |
| NHS Resolution | - | 10,922 | - | - |
| The Dudley Group NHS Foundation Trust | 867 | 1,931 | 245 | 171 |
| Walsall Healthcare NHS Trust | 1,396 | 663 | 1,362 | 546 |
| Sandwell College | 233 | 42 | 33 | - |
| University of Birmingham | 271 | 1,539 | 198 | 728 |

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with Department for Education and Skills in respect of University Hospitals Birmingham NHS Foundation Trust, Sandwell MBC and Birmingham City Council.

The Trust has also received capital payments from a number of charitable funds including Sandwell & West Birmingham Hospitals NHS Trust Charity, certain of the trustees for which are also members of the Trust board. The summary financial statements of the Funds Held on Trust are included in this annual report and accounts.

Note 40 Prior period adjustments

There are no Prior Period Adjustments in 2017/18

Note 41 Events after the reporting date

There are no events to report that occurred after the reporting period.

Note 42 Third Party Assets

The Trust held cash and cash equivalents which relate to monies held by the NHS 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 2017 £000s | 31 March 2016 £000s |
|---|------------------------------------|------------------------------------|
| Third party assets held by the Trust - Patients' Monies | 3 | 1 |

Note 43 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 | 112,769 | 261,359 | 107,147 | 255,483 |
| Total non-NHS trade invoices paid within target | 62,371 | 202,845 | 56,239 | 204,246 |
| Percentage of non-NHS trade invoices paid within target | 55.31% | 77.61% | 52.49% | 79.95% |
| NHS Payables | | | | |
| Total NHS trade invoices paid in the year | 3,021 | 28,549 | 2,141 | 31,490 |
| Total NHS trade invoices paid within target | 1,439 | 18,995 | 1,011 | 16,038 |
| Percentage of NHS trade invoices paid within target | 47.63% | 66.53% | 47.22% | 50.93% |

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. During 2016/17 a cash management initiative became a component of the financial recovery programme. This saw creditors days extended and a consequent reduction in the BPPC measure. During 2017/18 this initiative has continued and, through the finance and investment committee, the board has approved further extension of creditor payments so long as the obligations to creditors are balanced against the Trust's cash requirements. As a consequence the Trust's performance against BPPC reflects an approved and managed position.

Note 44 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 | 34,826 | 46,962 |
| External financing requirement | 34,826 | 46,962 |
| External financing limit (EFL) | 36,838 | 56,399 |
| Under / (over) spend against EFL | 2,012 | 9,437 |

Note 45 Capital Resource Limit

| | 2017/18 £000 | 2016/17 £000 |
|--|-------------------------|-------------------------|
| Gross capital expenditure | 26,263 | 19,029 |
| Less: Disposals | (3,117) | - |
| Less: Donated and granted capital additions | (164) | (62) |
| Charge against Capital Resource Limit | 22,982 | 18,967 |
| Capital Resource Limit | 23,212 | 18,968 |
| Under / (over) spend against CRL | 230 | 1 |

Note 46 Breakeven duty financial performance

| | 2017/18 |
|--|---------------|
| | £000 |
| Adjusted financial performance surplus / (deficit) (control total basis) | 22,365 |
| Remove CQUIN risk reserve adjustment | 1,800 |
| Breakeven duty financial performance surplus / (deficit) | <u>24,165</u> |

Note 47 Breakeven duty rolling assessment

| | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|----------|---------|
| | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Breakeven duty in-year financial performance | | 7,260 | 2,193 | 1,863 | 6,523 | 6,751 | 4,653 | 3,857 | (11,933) | 24,165 |
| Breakeven duty cumulative position | 4,669 | 11,929 | 14,122 | 15,985 | 22,508 | 29,259 | 33,912 | 37,769 | 25,836 | 50,001 |
| Operating income | | 384,774 | 387,870 | 424,144 | 433,007 | 439,022 | 446,590 | 443,698 | 460,197 | 494,158 |
| Cumulative breakeven position as a percentage of operating income | | 3.10% | 3.64% | 3.77% | 5.20% | 6.66% | 7.59% | 8.51% | 5.61% | 10.12% |

Independent auditor's report to the Directors of Sandwell & West Birmingham NHS Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sandwell & West Birmingham 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 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 4 to 89, 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 set out on page 94, 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 & Risk Management 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 Sandwell & West Birmingham NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

M C Stocks

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

The Colmore Building
20 Colmore Row
Birmingham
B4 6AT

25 May 2018

For more information, please visit the Trust's website at www.swbh.nhs.uk

If you are unable to find the information you need on the website, then please contact the Communications Team by telephone on 0121 507 5303, by email at swbh.comms@nhs.net, or by post at:

Communications Department

Trinity House
Sandwell General Hospital
Lyndon
West Bromwich
West Midlands
B74 4HJ

The Freedom of Information Act (2000) entitles you to request information on a variety of subjects, including our services, infection rates, performance, and staffing. For more details on how to make a Freedom of Information request you can visit our website – click Contact and scroll to Freedom of Information on the left hand side. Alternatively, you can click on this link to visit the section: <https://www.swbh.nhs.uk/contact-locations/freedom-of-information/>

How to find us

For more details on how to get to our hospital sites, you can go on our website and select the 'Contact Us' tab (<https://www.swbh.nhs.uk/contact-locations/find-us/>).

To contact us by telephone, please call 0121 554 3801.

Birmingham City Hospital (this site includes Birmingham Treatment Centre, Birmingham Eye Centre, the Birmingham Skin Centre, and our midwife-led facility Serenity.) Dudley Road Birmingham West Midlands B18 7QH

Sandwell General Hospital Lyndon West Bromwich West Midlands B71 4HJ

Rowley Regis Community Hospital Moor Lane Rowley Regis West Midlands B65 8DA

Leasowes Intermediate Care Centre Oldbury Road Smethwick West Midlands B66 1JE

Car parking

Car parks are situated near the main entrances of each hospital site. Vehicles are parked and left at the owner's risk. Spaces for disabled badge holders can be found at various points all around our site. The car parks operate a pay by foot facility, except for two pay and display car parks at City Hospital. One is directly in front of the main entrance (for blue badge holders only), and the other is located by Hearing Services.

Reduced car parking charges

If a patient is seen more than one hour late in clinic, then they do not have to pay extra for their parking. Ask for a form at the reception desk, then please take the completed form to either the BTC Reception (at City), or to the General Enquires desk (found in the main reception at Sandwell). Please note there will still be a minimum charge of £2.80. You will then be given a ticket that allows you to exit the car

park without further charge.

Parking rates from May 2017/18

Standard Tariff (except Rowley Regis)

Up to 15 minutes - FREE

Up to 1 hour - £2.80

Up to 2 hours -£3.80

Up to 3 hours -£4.30

Up to 5 hours -£4.80

Up to 24 hours - £5.30

Concessions

One Shot Tickets - 4 for £10

Season Tickets

3 days £9 (+ £5 refundable deposit)

7 days £18 (+ £5 refundable deposit)

3 months £42 (+ £5 refundable deposit)

Rowley Regis

Up to 15 minutes – FREE

Up to 6 hours - £2.80

From 6-24 hours - £5.30

Discounted parking charge options

For regular visitors and patients there are the following discounted parking charge options: Season tickets Three days unlimited parking - £9.00. One week unlimited parking - £18.00. Three months unlimited parking - £42.00. A £5 refundable deposit is required for season tickets. One Shot Tickets – four for £10.

Blue Badge Holders

The tariff applies to Blue Badge Scheme users. Parking for blue badge holders is located as close to main hospital buildings as possible.

Patients on benefits

Anyone on a low income who is entitled to certain benefits or receives income support can claim for reimbursement of bus fare or receive a token to allow free exit from hospital car parks. Bring proof of your benefits to any of the main receptions, or to the City Hospital Cash Office (located on the ground floor main corridor).

Patient Advice and Liaison Service (PALS)

By contacting PALS, you can talk to someone who is not involved in your care. You can ask questions, get advice or give your opinions.

Providing help and support with the power to negotiate solutions or speedy resolutions of problems, PALS also acts as a gateway to independent advice and will help solve your problem either formally or informally. Contact PALS by emailing swb-tr.pals@nhs.net or by phoning 0121 507 5836 (10am – 4pm, Monday – Friday). Please leave a message if the line is engaged/you are calling outside office hours.

We have introduced Purple Points across our sites as a new way to ensure inpatients and their loved ones can speak to someone who can help them resolve a concern whilst they are still in our care. Patients and/or their relatives can use phones at our Purple Points, located outside inpatient wards, to call our advisors between 9am and 9pm every day.

They will contact staff on the ward in question, who will aim to resolve the concern so that we can make a difference at the time, rather than when they have gone home. The patient and/or relative will be kept up-to-date, ensuring they are happy with the outcome. Alternatively, they can call the team to compliment individual staff, teams or services. The phone line is also available in foreign languages. Patients or their loved ones can also call 0121 507 4999 direct from their own phone.

To make an official complaint

To make a complaint, you can send it in writing to:

Complaints Department

Sandwell & West Birmingham Hospitals NHS Trust
City Hospital
Dudley Road Birmingham
B18 7QH

Or by emailing swbh.complaints@nhs.net, or by phoning 0121 507 4346 (10am – 4pm, Monday – Friday). Please leave a message if the line is engaged/you are calling outside office hours.



April - James Morris, MP, with Richard Samuda, Sandwell and West Birmingham Hospitals NHS Trust Chairman, with the team from Heart of Sandwell Day Hospice.



May - Mayor of Sandwell Council Ahmadul Haque and Councillor Susan Eaves as Deputy Mayor. The Mayor chose to support Your Trust Charity during his year of service.



August - The Deteriorating Patient and Resuscitation Team led vital research into chest compressions. Pictured is John Hulme, Critical Care Consultant.



September - Our first ever annual Speak Up Day was a huge success, with more than 1,000 staff signing up to the promise to always speak up. Pictured are a selection of colleagues who made their promise to Speak Up.



December - We teamed up with the Red Cross in helping to support patients at home. (L-R) Kate Rowley, Physiotherapist, Paul Bennett, Trainee Advanced Nurse Practitioner, patient Graham Harrison, and Red Cross Support Worker, Pauline Nettleford.



January - Welcoming the Safety Plan, are Tracy Weston, ward manager for D17 and Anthea Forsythe, staff nurse. The initiative has seen a 30 per cent reduction in falls.



June - National audit results showed that our young diabetes patients are 'the best' in self-managing their condition. Pictured are some of the team, (L-R) Dr Chizo Agwu, Consultant Paediatrician, diabetes patient Lauren Smith, with Paediatric Diabetes Nurse Specialists Lizbeth Hudson and Sammie Bissell.



July - The Topping out ceremony at Midland Met Hospital saw the West Midlands Mayor Andy Street attend and speak about the development.



October - In October we celebrated Black History Month. Dr Donna Thompson, Consultant Dermatologist talks about her own history.



November - Our Care Quality Commission report was released, and 70 per cent of our services are now rated as 'good' or 'outstanding'. Pictured are the Connected Palliative Care Team (above) and the Stroke Newton 4 Team (below).



February - Kam Dhami (L), Director of Governance, talking to stroke patient Barry Fisher (R) about how to use our Purple Point.



March - We launched our Nurse Escalator Programme which will help elevate nurses quickly through the ranks. Welcoming the initiative are (L-R) Cordu Jarra, Senior Staff Nurse, Gemma Stone, Healthcare Assistant, Nina Faraon, Senior Staff Nurse, Elaine Newell Chief Nurse, Shirley Castro Clinical Lead Nurse, Susan Grantham, Ward Manager.

2017/18

IN NUMBERS

44,533

Day case
procedures
completed



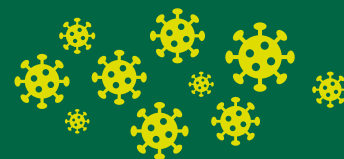
191,497

A&E
attendances



6

Previously undetected
HIV cases in secure units
were found



517,431

outpatients seen



**4.9
hours**

Average therapy
time each patient
on community
wards receive
every week



4.4 days

Average length of
stay after surgery



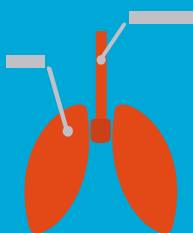
83.8%

of all our surgical
procedures were daycase



1,012

Primary angioplasty
procedures
performed



35

New midwives
recruited



Number of breast cancer
tissues evaluated



1,247

Total number of
incidents reported

19,718



*Your
Trust
Charity*

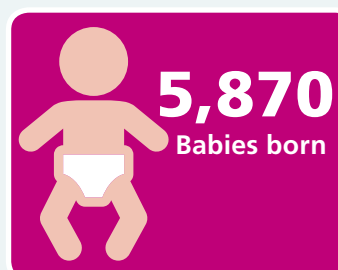
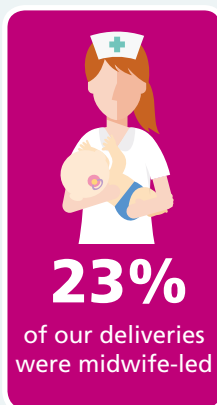
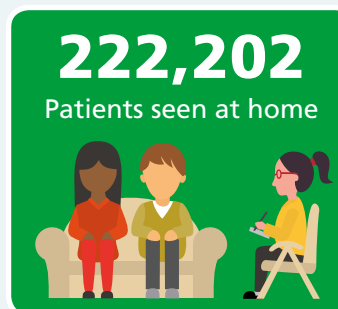
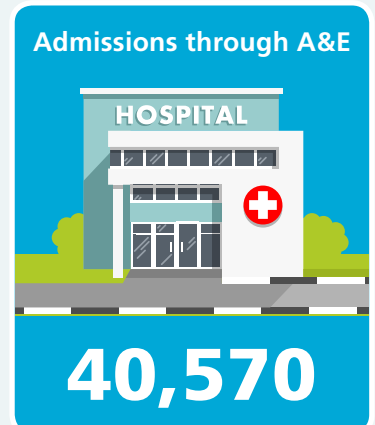
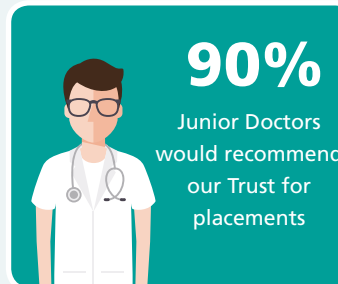
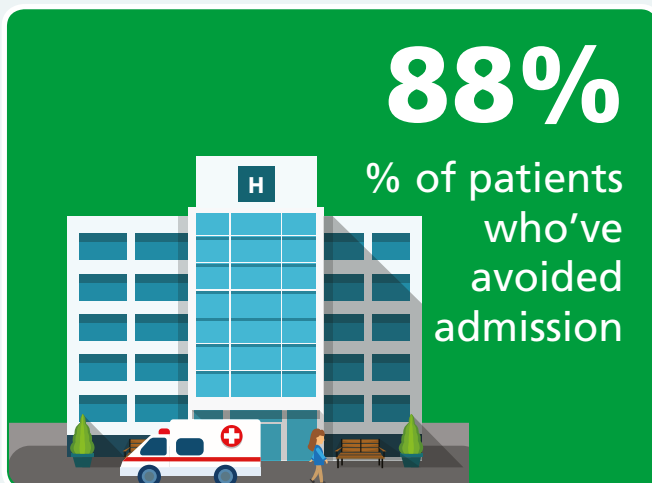
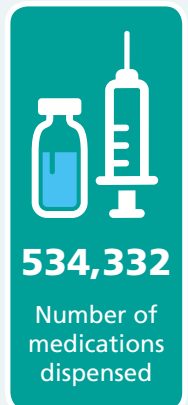
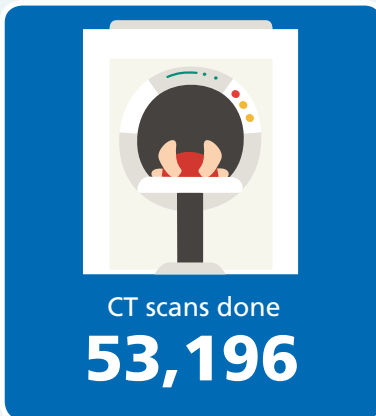
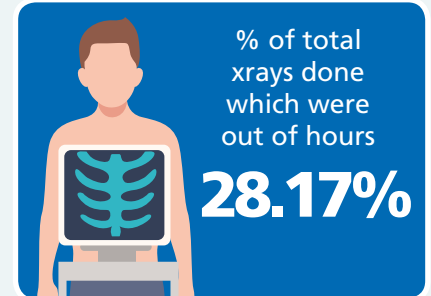
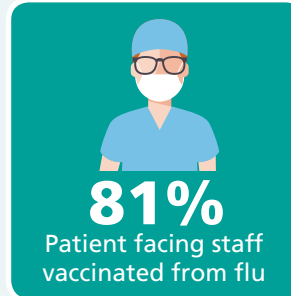
making everyone matter

£935,000

Amount spent by Your Trust charity
on projects

Sandwell and West Birmingham Hospitals

NHS Trust



70

**YEARS
OF THE NHS
1948 - 2018**

where everyone matters



@SWBHnhs



SWBHnhs



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