



**Annual Report**

**and Accounts 2014/15**

Weston General Hospital

Grange Road

Uphill

Weston-super-Mare

BS23 4TQ

Tel: 01934 636363

www.waht.nhs.uk



***Final DRAFT May 2015***

**The Annual Report consists of:**

**A Directors’ Report, based on the requirements of Chapter 5 of Part 15 of the Companies Act 2006, and;**

**A Remuneration Report based on Chapter 6 of Part 15 of the Companies Act 2006**

Contents

|  |  |  |
| --- | --- | --- |
|  |  | Page |
| 1.1 | Details of the Directors |  |
| 1.2 | Audit and Assurance Committee |  |
| 1.3 | Remuneration Committee |  |
| 1.4 | Declaration of Interests |  |
| 2.1 | Nature, objectives and strategies of the Trust |  |
| 2.1.1 | What we do |  |
| 2.1.2 | Our vision and values |  |
| 2.1.3 | Development and performance of the Trust during 2014/15 and in the future |  |
| 2.2.1 | Improving Financial Standing |  |
| 2.2.2 | Meeting national performance objectives |  |
| 2.2.3 | Improving service quality and patient satisfaction |  |
| 2.2.4 | Annual Quality Account |  |
| 2.3 | The resources, principal risks and uncertainties and relationships that may affect the Trust’s long-term value |  |
| 2.4 | Financial position of the Trust |  |
| 2.4.1 | Financial position |  |
| 2.4.2 | Financial position 2014/15 |  |
| 2.4.3 | Financial recovery |  |
| 2.4.4 | Accounting policies |  |
| 2.5 | Emergency preparedness |  |
| 2.6 | The Trust and the Environment |  |
| 2.6.1 | Environmental policy |  |
| 2.6.2 | Carbon footprint |  |
| 2.6.3 | Building use |  |
| 2.6.4 | Staff involvement |  |
| 2.6.5 | Travel |  |
| 2.6.6 | Purchasing |  |
| 2.6.7 | Waste and recycling |  |
| 2.7 | Working with staff |  |
| 2.7.1 | Staff engagement |  |
| 2.7.2 | Equality and Diversity |  |
| 2.7.3 | Workplace health |  |
| 2.7.4 | Developing the skills of our workforce |  |
| 2.8 | Paying our bills promptly |  |
| 2.9 | Land valuations |  |
| 2.10 | Pension liabilities |  |
| 2.11 | Auditors |  |
| 2.12 | Protecting information |  |
| 2.13 | Compliance with charges for information |  |
| 3.1 | Remuneration report 2014/15 |  |
| 3.2 | Salaries and allowances |  |
| 3.2.1 | Salaries and allowances comparative year |  |
| 3.2.2 | Salaries and allowances notes |  |
| 3.3 | Pension benefits |  |
| 3.3.1 | Guide to pension benefits |  |
| 3.4 | For all off-payroll engagements as of 31 March 2015, for more than £220 per day and that last longer than six months |  |
| 3.4.1 | For all new off-payroll engagements between 1 April 2014 and 31 March 2015, for more than £220 per day and that last longer than six months |  |
| 4 | Annual Governance Statement 2014/15 |  |
| 4.1 | Statement of the CEO’s responsibilities as the Accountable Officer of the Trust |  |
| 4.2 | Statement of Director’s responsibilities in respect of the accounts |  |
| 4.3 | Independent auditor’s report to the Trust Board of Weston Area Health Trust |  |
| 5 | Annual accounts 2014/15 |  |
| 6 | Letter of representation June 2015 |  |
| 7 | Glossary of financial terms |  |
| 8 | Glossary of abbreviations |  |

Section 1: Companies Act Requirements

# 1.1 Details of the Directors

During 2014/15 the Weston Area Health NHS Trust Board was made up of 11 members comprising Executive and Non-Executive Directors. 5 of the Executive Directors and 5 of the Non Executive Directors are voting members. The Board was led by the Chairman, Mr P. Carr. The Chief Executive has remained Mr N Wood throughout 2014/15.

The Trust Board met on 8 occasions in public during 2014/15 and the agenda and papers for these meetings were sent out in advance of the meeting and are made available through the Trust’s website.

Members of the public are invited to attend board meetings and dates of meetings are published in the local press.

The details of the Trust’s Directors are included within the Remuneration Report (page 43).

# 1.2 Audit and Assurance Committee

The Trust Audit and Assurance Committee comprises four Non-Executive Directors of the Trust. It’s primary role is to conclude upon the adequacy and effective operation of the organisation’s overall internal control system.

In performing that role the Committee’s work is predominantly focused upon the framework of risks, controls and related assurances that underpin the delivery of the organisation’s objectives (the Assurance Framework).

As a result, the Committee has a pivotal role in reviewing the disclosure statements that flow from the organisation’s assurance processes. Members of this Committee during 2014/15 were I Turner (Chairman), G Reah, G Paine and B. Musselwhite. The committee reviewed it’s effectiveness using the Audit Committee Handbook assessment tool in June 2014.

# 1.3 Remuneration Committee

The Trust Remuneration Committee comprised the Chair and all of the Non Executive Directors of the Trust.

The Committee reviews the salaries of the Executive Directors of the Trust. It also determines any annual performance bonuses in line with individual and corporate achievement of performance objectives, subject to the terms and conditions of the individual’s contract of employment.

The remuneration of the Chair and the Non Executive members of the Board is determined by the Secretary of State for Health. Details of the remuneration paid to Trust Board members are reported in the Remuneration Report.

# 1.4 Declaration of Interests

Directors are required to declare details of any company directorships or other significant interests held where those companies do business or are seeking to do business with the NHS - where this may result in a conflict with their managerial responsibilities. There were no directorships or interests disclosed in 2014/15 that would have resulted in significant conflict.

All the Directors have stated that:

* as far as they are aware there is no relevant audit information of which the Trust’s auditors are unaware and
* they have taken all the steps they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Section 2: Operating and Financial Review

# 2.1. Nature, Objectives and strategies of the Trust

## 2.1.1 What we do

Weston Area Health NHS Trust was established in April 1991 being one of the first wave of 57 NHS Trusts created following the enactment of the NHS and Community Care Act 1990. The Trust is based at Weston General Hospital, built in 1986 near Uphill in the south of Weston-super-Mare.

The Trust provides a wide range of acute and rehabilitation hospital services, as well as some community health services primarily to residents of the North Somerset area. Services are provided on a contractual basis to local health bodies that are responsible for purchasing health care for the resident population.

The Trust serves a resident population which, in 2011 was estimated to be 202,566 people (source: 2011 census), with over 70% of people living in the four main towns of Weston, Clevedon, Portishead and Nailsea. A further 3.3 million day trippers and 375,000 staying visitors increase this base population each year. The Trust also provides services to North Sedgemoor which has an estimated population (April 2012) of 47,825. The largest town is Bridgewater, followed by Burnham-on-Sea and Highbridge.

NHS North Somerset Clinical Commissioning Group is the Trust’s main commissioner accounting for approximately 66% of Trust healthcare income, with NHS Somerset accounting for circa 25% of income. In addition, the Trust receives other non-patient related income including education and training monies.

Since 2001, the population of North Somerset is estimated to have increased by over 10%. By 2033, the total population of North Somerset is anticipated to increase by 40%, significantly higher than the national average growth rate of 18% (Mid 2011 JSNA).

Older people make up a higher proportion of the population than the national average - 23.8% locally, compared with 19.5% nationally (Mid 2011 JSNA). The temporary resident population aged over 65 years is considerably increased during summer months as a consequence of tourism.

The biggest growth is expected in the over 65s (80%) and in those aged 85 years and over. By 2030, it is expected that in North Somerset there will be a 91% increase in the over 65s with dementia compared to the level in 2009. Population increases are also expected in children aged 0-15 (34%), and those of working age (26%).

North Somerset is a very diverse area with extremes of affluence and considerable deprivation and is therefore more likely to experience wider inequalities than areas with more similar populations. Using the 2010 Index of Multiple Deprivation, North Somerset has the 7th widest inequalities gap in the country. Evidence shows that levels of relative deprivation have increased in North Somerset in recent years. Weston-super-Mare Central and Weston-super-Mare South Wards are the most deprived areas in North Somerset, falling in the bottom 1% in the country. High levels of deprivation translate to lower than average life expectancy figures. Within North Somerset the gap in life expectancy is 22 years for men and 15 years for women between the 10% most deprived areas and 10% most affluent areas. There is evidence that this gap is widening because life expectancy in the most affluent areas has risen faster than in the most deprived areas. In North Sedgemoor, the Index of Multiple Deprivation score is lower than that of the surrounding Somerset area and England scores, indicating a lower prevalence of deprivation.

Weston Area Health NHS Trust provides clinical services from three sites. The General Hospital is located in the main town of Weston-super-Mare and there are two children’s centres providing community children’s services located in Weston-super-Mare and Clevedon.

The Trust provides a wide range of acute health services to the population of North Somerset and Sedgemoor and works closely with other hospitals in Bristol as part of ‘clinical networks’ including, for example, cancer, pathology and cardiology.

The Trust owns its fixed assets, including the land and buildings at Weston General Hospital. The Trust’s asset base is valued at £64.3m (31 March 2015)

The Trust is registered without conditions with the Care Quality Commission (CQC), the independent regulator of health and social care in England.

## 2.1.2 Our vision and values

The vision of Weston Area Health NHS Trust is:

***to put patients at the heart of what we do and be the local healthcare provider of choice by delivering the right care in the right place at the right time and with the right care team.***

This vision reflects the sociological and demographic challenges of the area served by the Trust and the relative small size of the Trust which determines that service integration is key to delivery of safe and sustainable local services.

This vision is supported by a series of local values which guide actions, behaviours and decision making within the organisation and which are consistent with the NHS Constitution. These values are:



**People and Partnership** – working together with colleagues, other organisations and agencies to achieve high care standards or specifically helping a service user, visitor or colleague (**C**are and **C**ommitment)

**Reputation** –actions which help to build and maintain the Trust’s good name in the community (**C**ommunication)

**Innovation** – demonstrating a fresh approach or finding a new solution to a problem (**C**ourage)

**Dignity** – Contributing to the Trust’s Dignity in Care priorities (**C**ompassion)

**Excellence and equality** – demonstrating excellence in and equality of service provision (**C**ompetence)

# 2.1.3 Development and performance of the Trust during 2014/15 and in the future

The business plan for the Trust in 2014/15 detailed a range of strategic and operational objectives which supported achievement of the Trust’s vision. These objectives were aligned with the key Care Quality Commission and NHS Trust Development Authority themes of ensuring that services are Safe, Caring, Well Led, Responsive and Effective.

The Trust’s vision and strategic objectives are consistent with the vision established for the whole health economy by NHS North Somerset.

**Strategic Objectives 2014-16**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **CQC/TDA key theme** | **Ensuring services are safe** | **Ensuring services are caring** | **Ensuring services are well led** | **Ensuring services are responsive** | **Ensuring services are effective** | |
| **Strategic Objectives** | **Ensure that people have a positive experience of care, being treated in a safe environment that protects them from harm** | | **Provide a flexible workforce with the capacity and capability to deliver high standards of patient care in line with changing service needs** | **Provide efficient and effective services, affordable and desirable to patients and referrers** | **Provide affordable services and demonstrate value for money** | **Secure a strategic partner(s) to manage the future delivery of clinically and financially sustainable and viable services which improve experience and outcomes for patients** |

The strategic objectives are supported by six key enabling strategies relating to:

* Finance
* Estates
* Information Management and Technology
* Workforce Development
* Communications and Engagement
* Governance

The strategic objectives are also supported by a range of operational objectives, in turn supported by department and division work plans. Operational objectives for the past year and for the coming twelve months are detailed below.

**Operational Objectives 2014 - 2016**

| **CQC/TDA key themes** | **Operational objectives** | | | |
| --- | --- | --- | --- | --- |
| **Ensuring services are safe** | Deliver clinically effective services which meet benchmarked best practice through implementation and audit of evidence based practice | Embed clinical leadership providing clinicians sufficient time to lead together with clear, deliverable, objectives |  |  |
| **Ensuring services are caring** | Deliver dignified care that is responsive to patients’ personal needs, ensures a positive experience of care and which meets CQUINs Family and Friend test standards | Provide a safe environment for patients and reduce the incidence of avoidable harm, maintaining the level of harm free care above 93% as measured by the patient safety thermometer |  |  |
| **Ensuring services are well led** | Provide a safe, effective and affordable workforce | Improve and drive two way communication to increase staff engagement and build staff confidence and capability | Invest in and develop our staff to continually deliver high standards | Improve the Health and Wellbeing of our staff |
| **Ensuring services are responsive** | Meet and sustain national performance standards | Provide responsive, flexible and consistent services, appropriate to the needs of the patient and in line with commissioner intentions | Make efficient use of resources through service redesign across Emergency and Planned Care |  |
| **Ensuring services are effective** | Deliver the financial plan for revenue income and expenditure, capital expenditure and cash. | Deliver the savings programme for each year. | Develop the IM&T plan to support safe, effective and efficient service delivery |  |
|  | Deliver the Trust’s responsibilities within the transition programme as defined in the transition plan. |  |  |  |

The Trust demonstrated a generally strong service delivery and performance against objectives during 2014/15.

|  |  |  |
| --- | --- | --- |
| **Ensuring services are safe** | **Evidence based and benchmarked practice** | Successful implementation and roll-out of the model ward concept resulting in improved senior clinical patient review, reducing length of stay relative to peer and improved management of the discharge process. |
|  | **Best practice** | Implemented the QI methodology through the Quality Improvement Hub to improve response to and implementation of clinical audit findings/recommendations for improvement to practice. |
| **Ensuring services are caring** | **Infection control and prevention and harm-free care** | Challenging year, particularly in relation to Clostridium difficile with two cases reported in August and three in September. We saw an outbreak of Norovirus across a number of wards from September 2014 which has continued into the new calendar year, hampering operational delivery of the four hour target. |
|  | **Harm-free care** | Excellent progress in reducing harm from care with a reduction from 10% to 2% for new harms during the year, improvements in the reduction of medication errors, a reduction in complaints and increased feedback from patients. |
| **Ensuring services are well led** | **Leadership and management development** | Full advantage taken of the opportunities offered through the NHS National Leadership Academy for managers and supervisors to gain nationally recognised qualifications in Leadership. 23 members of staff supported through the Mary Seacole programme, a Postgraduate Certificate in Leadership. Thirteen of those staff have recently completed the programme successfully and of those, 6 have obtained a merit. In addition, 3 Senior Managers are continuing to undertake the 2-year Elizabeth Garrett Anderson, Masters in Leadership.  Many Senior Managers have been supported to translate theory into practice through one-to-one coaching opportunities. |
|  | **Staff development and Modern Apprentices** | 40 existing staff of all ages enrolled on an Apprenticeship programme run through Weston College. Staff can select from a range of Apprenticeship opportunities dependent on their job role including Customer Services, Team Leading, Business Administration and Health and Social Care. Completion takes between 15-18 months with a designated college assessor visiting staff on site, setting tasks to be completed and reviewing progress at subsequent meetings. Staff feedback is that achieving a nationally recognised qualification has not only improved their performance in role but has given them the confidence to go on to further NHS career opportunities.  The Trust is also pleased to recognise the value of its Modern Apprentices, recruited though Weston College and offering a young and vibrant contribution to the workforce. In 2014 we employed 13 Modern Apprentices. Recruits typically are contracted to work 15-18 months with day release to attend college and complete the theory elements of their Apprenticeship programme. In many cases, at the end of their fixed term contract, Modern Apprentices go on to secure permanent employment at the Trust. |
| **Ensuring services are responsive** | **Emergency Department four hour target** | Challenging due to an ongoing increase in demand coupled with higher numbers of delayed discharges. The Trust continues to work with the Urgent Care Network, which includes partner organisations from the Local Authority, Community Partnership, Ambulance Trust and Mental Health Services to bring about the required level of improvement. Plans to deliver sustained recovery coupled with resilience through the winter period are being implemented internally and across the health community. |
|  | **Cancer targets** | Improved as a result of work undertaken by the Trust with primary care to improve pathways and address issues of data completeness and patient availability on referral. This target however remains fragile given the number of complex pathways to neighbouring tertiary centres for a proportion of our patients but we continue to work with these centres to ensure a seamless transfer of care where this is necessary. |
|  | **RTT Recovery Plan** | Excellent progress towards delivery. Whilst the Trust did not have a significant number of patients waiting longer than 18 weeks for treatment to the extent of the majority of Acute Trusts nationally, it was felt that this opportunity should be pursued to enable us to reduce our waiting lists and provide a better service for the local population. By the end of September the Trust had admitted an additional 248 elective patients and seen almost 700 additional outpatients over the summer months as planned and had met its trajectory to achieve all three referral to treatment targets which has been sustained into the new year 2015. |
| **Ensuring services are effective** | **Financial plan** | The Trust has delivered the plan with significant improvements made in year in the delivery of recurrent savings. |

The environment in which health and social care services nationally and specifically within North Somerset and Sedgemoor are operating is becoming increasingly complex. Analysis of national and local drivers for change clearly demonstrates that existing single organisation-focussed responses will be insufficient to meet the challenges facing health and social care services and that instead there needs to be a fundamental redesign of the way in which these services are delivered.

These drivers include:

* local and regional population projected growth and increasing aging population suggesting increasing demand for services,
* increasing economic constraints and a local commissioning intent which seeks to reduce activity within the Trust and the potential challenge in terms of managing demand and critical mass and interdependencies between specialties arising from these reductions,
* changes to medical training and national recruitment problems in some clinical specialties.

Work undertaken by the Weston Area Health NHS Trust in partnership with NHS North Somerset over the last few years has demonstrated that Weston Area Health NHS Trust, as a stand alone entity, and as an Integrated Care Organisation in partnership with other local health and social care provider organisations is unable to satisfy the financial requirements required to achieve Foundation Trust status.

At a meeting with NHS South West Health Authority on 1 October 2012, it was therefore agreed that a strategic partner should be sought for Weston Area Health NHS Trust by testing the market and running a procurement process. However, delays arising due to a procurement “pipeline” and concerns that there was no certainty regarding the likely approvals timescales impacting adversely on the ability of the Trust to retain and recruit staff resulted in consideration and subsequently approval being given by the NHS Trust Development Authority (NTDA) to an NHS-only procurement route - to enable the Trust to achieve the clinical and financial sustainability needed for the local population.

The move to an NHS-only transaction offers the benefits of scale to ensure economic and effective clinical service delivery with the continuing local delivery of most services. In addition, formal integration may help to sustain the long-term viability of smaller specialties where opportunity for sub-specialisation is high, thereby improving the range of services available, making some posts more attractive. The potential to develop, over time, specialist services from a larger pool of professional skills and resources, thereby improving the range of services currently provided may also ensure improved recruitment and retention of staff through enhanced opportunities for staff training, continuing professional development, research and improved career paths.

In June 2014, the NTDA and the Trust issued a notice to 14 local Foundation Trusts and NHS Trusts inviting expressions of interest in participating in a Divestment Project: Process to Find a Statutory Acquirer or Merger Partner for Weston Area Health NHS Trust. Expressions of interest were received from University Hospitals Bristol NHS Foundation Trust, Taunton and Somerset NHS Foundation Trust and Somerset Partnership NHS Foundation Trust. In August 2014 an Invitation to Participate (ITP) was sent to these three organizations. One organisation, Taunton & Somerset NHS Foundation Trust, submitted a response.

The submission was evaluated against the Financial, Legal, Patient Experience, Service Quality, Service Range and Integration, Workforce, Infrastructure and Administrative Support Service, and Mobilisation criteria described in the ITP. A vendor legal and financial due diligence were also undertaken. The outcome of the evaluation process was a decision to invite Taunton & Somerset NHS Foundation Trust to enter into negotiations.

This position was agreed by the Transaction Board, endorsed by the Weston Area Health NHS Trust Board and subsequently by the NTDA at their respective meetings in November 2014.

The objectives for this project are to:

* Provide a sustainable pattern of appropriate, high quality and safe services for all people in North Somerset and Sedgemoor currently served by the Trust by removing uncertainty concerning the future of the hospital and improving the ability to fill, in particular, clinician vacancies,
* Address strategic challenges relating to local demographics, national policy and local strategic and commissioning intent,
* Address strategic and operational medical staffing issues including increasing specialisation, requirement for 24/7 senior doctor cover, planned Junior Doctor reductions by the Deanery, national shortages within some specialties, the difficulty in offering attractive job plans in a smaller DGH offering limited service range, and reliance on locum clinical staff,
* Commit the maximum spend on services, and the minimum spend on overhead and support the delivery of financial balance within the North Somerset Health Care System by improving economies of scale and so deliver value for money,
* Deliver value for money and a balanced financial position by year 3.

In addition to managing the transition to a new organisation, the Trust will also need to focus during the coming months on continuing to deliver high quality services and meet new operational standards detailed within the NHS Five Year Forward View and The Forward View into Action - Planning for 2015/16.

The operational strategy for the forthcoming year remains predicated on five key areas of focus:

* Ensuring that people have a positive experience of care, being treated in a safe environment that protects them from harm,
* Providing a flexible workforce with the capacity and capability to deliver high standards of patient care in line with changing service needs,
* Providing efficient and effective services, affordable and desirable to patients and referrers,
* Providing affordable services and demonstrating value for money,
* Delivering the actions required to ensure successful completion of the transaction and secure the future delivery of clinically and financially sustainable and viable services.

The strategic and operational objectives for the forthcoming year remain. Each operational objective is underpinned by a range of activities which will support delivery of the objective, taking into account new national imperatives. This work is detailed in the Trust’s operational plan for 2015/16.

## 2.2.1. Improving Financial Standing

The Trust’s financial plan for 2014/15 was to achieve a planned year end deficit position of £4,950,000.

The Trust has reported a retained deficit of £4,456,000 in 2014/15. The retained deficit includes an impairment charge of £393,000 and the impact of the elimination of the donated assets reserve of £161,000. As per the Department of Health guidance on break even duty for NHS Trusts the costs relating to impairments and donated assets are excluded when measuring a Trusts breakeven performance see Note 43.1 of the Annual Accounts. Therefore taking this into account the Trust has achieved a deficit of £3,902,000 for the year which is an improvement of £1,048,000 when compared against the planned year end deficit position.

To get to this position savings of £4,504,000 were achieved during the year. The Trust has met or improved on its planned position over the previous three years, after taking into account the Department of Health guidance on break-even duty for NHS Trusts, £4,683,000 deficit (2013-14), £2,250,000 surplus (2012-13) and £3,610,000 surplus (2011-12).

The other statutory requirements of absorbing the rate of capital and managing external financing limit (EFL) and capital resource limits (CRL) were satisfactorily met.

The Trust is required to absorb the cost of capital at a rate of 3.5% of average relevant net assets. The rate is calculated as the percentage of dividends paid on public dividend capital, totalling £1,895,000 when compared to the average relevant net assets of £54.2m.

The EFL is a measure of the Trust’s change in its borrowings and cash balances during the year. The limit set for 2014/15 was (£5,292,000), which meant the Trust needed to increase its cash or decrease borrowings by at least this amount. This target was met.

The CRL is a control that measures capital expenditure against a limit set annually by the Department of Health and which the Trust is not allowed to exceed. The limit for 2014/15 was £3,982,000 and the charge made against it was £186,000 below, and within an acceptable tolerance.

The Trust continued to strengthen its key controls in order to achieve these targets in 2014/15 including, improvement in monitoring and reporting of activity and additional measures in year to control costs with delivery of a significant in year savings programme.

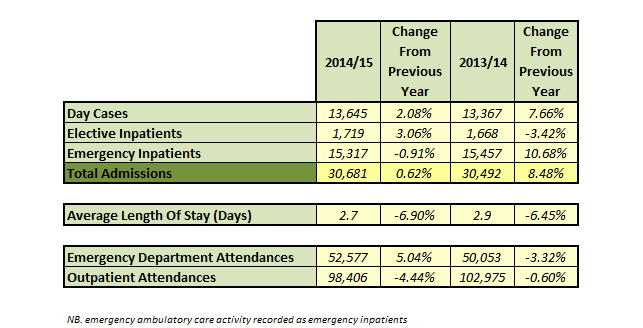
## 2.2.2. Meeting National Performance Objectives

Our Performance

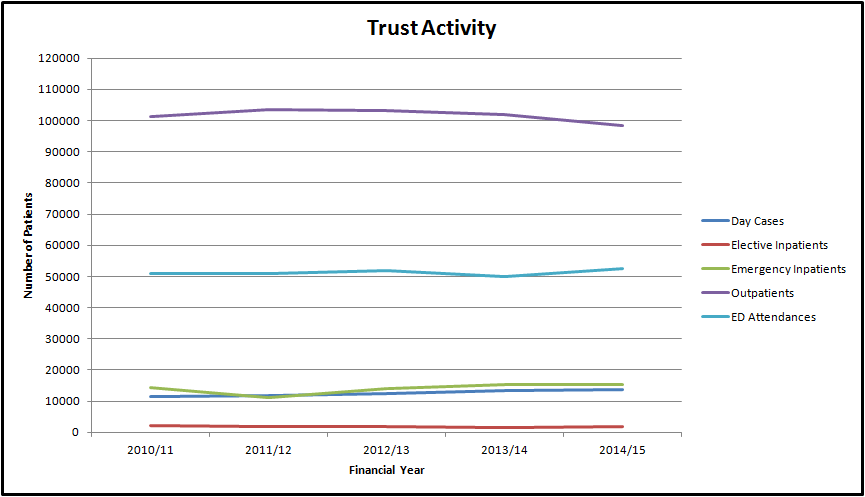
This section sets out the Trust performance for the financial year ending 31st March 2015. The first part describes patient admissions by type of patient. The second part shows the Trust’s performance against some specific, nationally-set operational access and quality targets. Performance against each of these targets together with a wide range of clinical quality, patient safety, operational, human resource and financial targets is reported to the Trust Board in public meeting, in the Trust’s “Integrated Performance Report”. Copies of these reports are available on the Trust website on [www.waht.nhs.uk](http://www.waht.nhs.uk)

Further detail relating to achievement of clinical quality and patient safety targets, together with our plans to further improve achievement in these key areas are detailed in our Annual Quality Account which is also available on the Trust’s website.

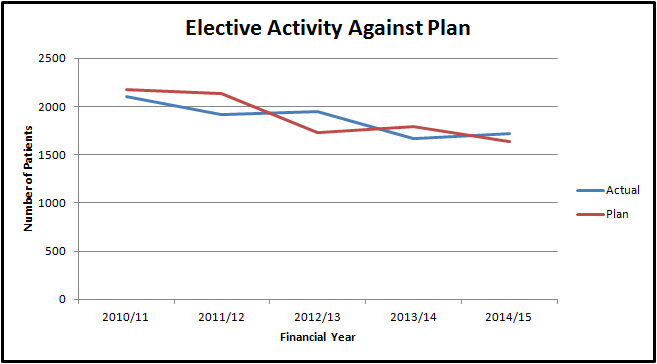
Patient Admissions



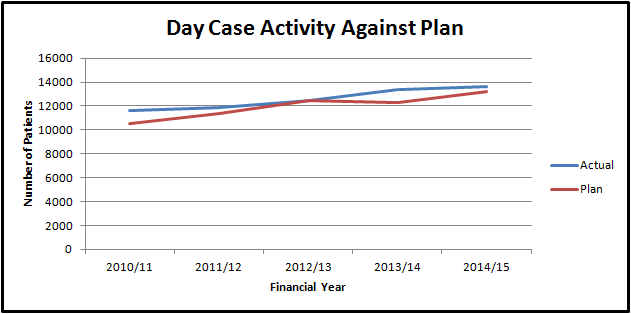
‘Elective’ inpatients are patients who come into hospital for planned operations, procedures and treatment. ‘Emergency’ patients are admitted without appointment and generally need urgent treatment. The population the hospital cares for has a higher than average proportion of people who are elderly and frail, which means patients often have to be treated for more than one condition and on occasions their discharge is dependent on suitable care being available for them at home or in the community. For a small acute hospital Weston has an unusually high proportion of emergency inpatient admissions to beds. Weston’s average length of stay during 2014/15 was 2.7 days while the peer-group average was 2.5 days.



The graph above shows all the hospital activity between 2010/11 and 2014/15. The following graphs describe the performance against plan for those five years. (“Plan” is the level of activity each year expected by the Hospital in agreement with the Clinical Commissioning Group.)

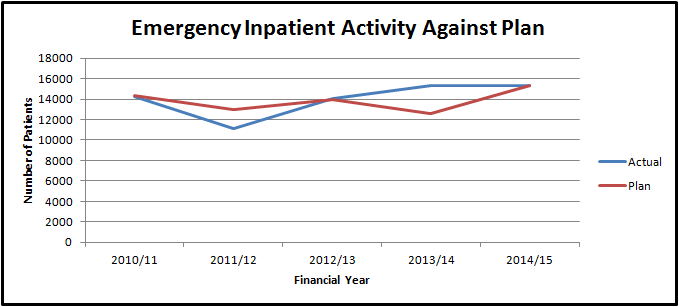


The Trust has experienced a slight increase in elective activity against plan in 2014/15 which is reflective of the increased population of North Somerset and lower mortality rates across the area.



The number of day cases undertaken by the Trust has increased by 17.7% over the past five years. This is due in some part to advancements in medicine - many procedures that used to mean patients needed to stay in hospital at least one night can now be done with patients going home the same day (“day cases”).

The increase is also due to an increase in demand as a result of the ageing population in the Trust’s catchment area with around 23.8% of the population being over 65 compared to the national average of 19.5%.

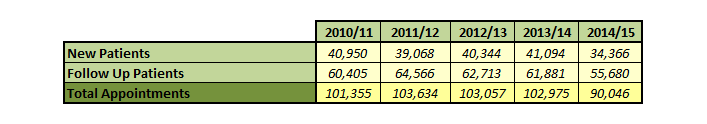


The number of emergency inpatients seen by the Trust has increased, although remains in line with planned activity. Despite improvements in partnership working between the Trust, Local Authority and Community Partnership there remains increasing demand on the hospital’s services.

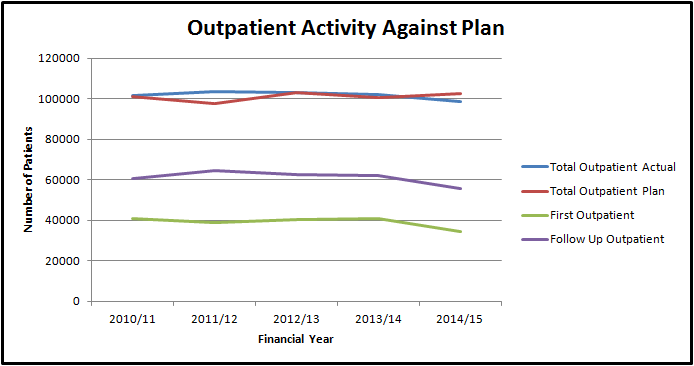
Outpatient Clinics

The Trust provides a wide range of specialist clinics, some of which are supported by visiting Consultants from Bristol. These services reduce the need for local residents to travel long distances for specialist opinion and support.

The total number of patients seen in Outpatients Clinics (includes first and follow up appointments) is shown in the table below.



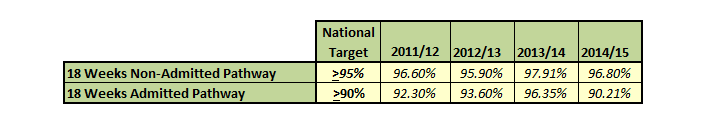
*NB: Maternity Services ceased being recorded as outpatients in 2013/14. Planned Ambulatory care activity recorded from 2013/14. Anticoagulation, oral surgery and orthodontics services ceased 31.3.13. Some ‘daycase’ procedures are now being offered and performed as outpatient appointments, in the outpatient department.*



The graph above shows that overall the number of outpatient appointments provided by the Trust has remained relatively static.

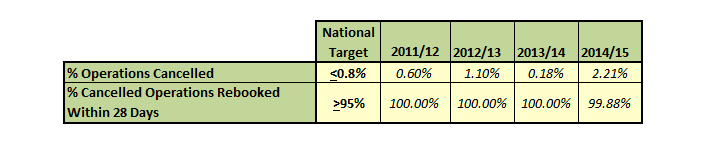
18 Weeks Referral to Treatment Access Target

The Trust performed well against this national target which sets a maximum wait of 18 weeks from initial point of referral to the start of any treatment necessary. This demonstrates that the Trust continues to deliver efficient and effective pathways of care to our patients.



Cancelled Operations

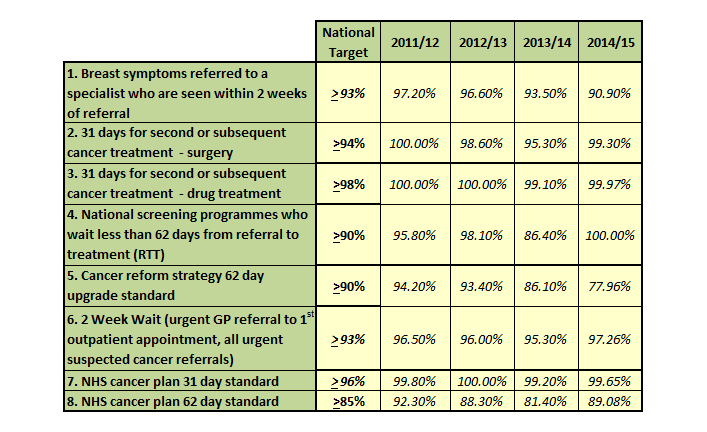
The Trust recognises that having to cancel operations is very distressing for patients and their families at a time that is already very worrying and stressful. The Trust missed the national target to cancel no more than 0.8% of operations for the year due to pressures of emergency admissions during the latter half of the year. 99.88% of patients cancelled had their operations rebooked within 28 days.



Cancer Patients

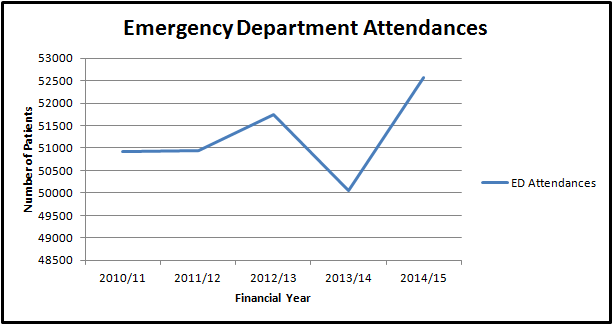
The 2009 Cancer Reform Strategy sets out 8 national cancer performance objectives for Trusts to deliver against. During 2014/15 the Trust met six of the national targets in full.

The following table sets out the 8 key targets and the Trust performance against each.



4 Hour Emergency Access Target

The Emergency Department is the department where many patients come initially for care. The graph below demonstrates that over the past five years emergency department attendances have increased overall by 3.2%.



The Trust is required to meet the target of 95% of patients spending four hours or less from arrival to admission, transfer or discharge. The Trust did not achieve the target for the year with a year-end position of 92.55%. Increasing demand from June onwards (summer and winter pressures) meant that performance against this standard dipped.

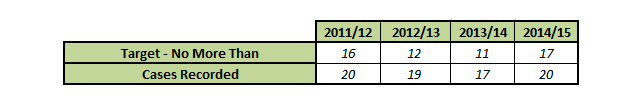
Stroke

All Trusts have been set a target to ensure 80% of stroke patients spend 90% of their stay in a specialised stroke unit. In 2014/15 the Trust achieved 88.92% of stroke patients spending 90% of their stay in a stroke unit, for 2013/14 the figure was 83.5% demonstrating that key work in this area has improved performance and patient care significantly during the last year.

**Clostridium Difficile Infections**

A Clostridium difficile infection (CDI) is a type of bacterial infection that can affect the digestive system. It more commonly affects people who are receiving healthcare either in hospital or in community residential settings.

The two most commonly quoted risk factors for this infection are age (over 65 years) and receiving antibiotic treatment. Weston therefore has a large “risk group” since a high proportion of patients admitted to this hospital are over 65 years in age and up to a third of them are receiving antibiotic treatment at any one time.

In response to our performance, the Trust has worked with Community Partners to improve awareness of the risks of antibiotic prescribing to all Doctors in the hospital and in primary care. Enhanced monitoring of antibiotic prescribing in hospital was put in place from October 2013. A revised risk assessment for patients with diarrhoea was introduced and the infection control nursing team enhanced their monitoring of ward based practice.

In 2014/15 the Trust further increased monitoring of antibiotic prescribing, supported by a newly introduced drug chart. The work that was commenced with primary and community care colleagues continued, ensuring that patients received the highest standard of care across the whole patient pathway. We are investigating the potential for introducing new cleaning and disinfection technologies during the year.

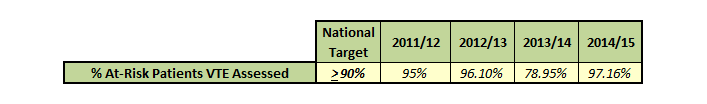
**MRSA Blood Infections**

Having had no MRSA bloodstream infections for 1,000 days, the Trust reported two cases of hospital apportioned MRSA blood stream infections in 2013/14 and a further two cases in 2014/15. In response to these cases, the Trust has reviewed diagnostic procedures for diabetic patients with foot ulcers, has introduced MRSA screening for patients with extended hospital stays, and has commenced further training on the procedures for taking blood cultures. These specific actions are in addition to ongoing monitoring of practice, including hand washing, isolation practices and care of invasive devices.

**Venous Thrombo Embolism**

It is a national requirement that 90% of patients admitted to hospital should be assessed as to their risk of developing a venous thrombosis (blood clot). In 2013/2014, assessment levels fell below the 90% level expected. There were two principal reasons for this failure. In May 2013, to comply with NICE guidance, only those patients who were assessed within the first 24 hours of their admission were regarded as having been properly assessed. Assessments made outside of this time frame were discounted for the purposes of the audit, and this undoubtedly impacted on the assessment rate. The second reason for the failure was a lack of 'auditors' to ascertain each month which patients were assessed and which not, - an exercise that involves checking the medical records of about 2500 patients. Of these 2500 patients as many as 500 patients are lost to the auditors simply because their number is too few to collect all the data.

Addressing both of these measures was expected to return the Trust's performance to that expected nationally. This was the case as reflected in the 2014/15 figures below.



## 2.2.3 Improving Service Quality and Patient Satisfaction

**Learning from the Care Quality Commissions new inspection framework**

Weston Area Health NHS Trust is required to register with the CQC and the Trust’s current registration status is ‘registered without conditions or restrictions’

The Trust has not been inspected by the CQC during 2014/15 but has developed its internal self assessment processes in response to their new inspection framework. It has done this by, for example aligning committee agendas and risk reporting to the CQC domains of safe, effective, caring, responsive and well led, introducing mock inspections for all services, briefing staff of the changes and developing audit tools for ward sisters based on the new CQC prompts.

### Patient Experience Monitoring

Our ability to measure patient experience is critical to making positive changes and supporting staff in delivering best care. Throughout 2014/15 there has been a significant focus on care delivery and the engagement of patients in informing how care and hospital services should and can be delivered.

The Trust has demonstrated a commitment to improving the experience of patients with the development and implementation of a service user council (the Patients’ Council). They have a remit to challenge and hold the Trust to account on delivery of and improvement of excellent patient experience.

During 2014/15 Council members have continued as members of the key committees in the Trust. They have piloted two new approaches to assessing the quality of care at the Trust through gathering patient stories using a modified ‘Discovery Interview’ and surveying patients using prompts from the Care Quality Commission caring domain.

The Patient Experience Review Group is key to demonstrating openness and accountability to patients and key stakeholders across the community. The Group includes membership from local charities and ensures that the Trust reviews and acts on the results of patient experience monitoring. This includes, but is not limited to;

* Patient or carer surveys
* Observations of care
* Service reviews that involve patients or their carers
* Patient stories
* Departmental audits that include measures of patient experience
* Direct approaches from patients via PALs, complaints, letters to the media, complements and social media feedback.

During 2014/15 both the Patients’ Council and Patient Experience Review Group worked with us to review and refresh our Patient and Public Engagement Strategy and patient experience improvement priorities for 2015/16 described in our 2014/15 Quality Account. Both of these documents are available on the Trust’s website.

**National Inpatient Survey**

The annual adult inpatient survey is carried out in 156 Trusts ([www.cqc.org.uk](http://www.cqc.org.uk)). The survey is based on a sample of consecutively discharged inpatients who attended Weston in June, July and August 2014. At Weston 850 questionnaires were sent to patients of which 813 were eligible to partake in the survey. The Trust received 406 completed responses giving the Trust a response rate of 50%, slightly higher than the previous year of 48%.

Overall our results have changed little since the 2013 survey. Of the questions used in both the 2013 and 2014 surveys, the Trust performed significantly better on 1 question, significantly worse on 2 questions and showed no significant differences in 57 questions.

In comparison with other Trusts, in 2013 we scored worse than average on 24 questions. In 2014 this figure has slightly improved and we scored worse than average on 22 questions.

The Picker Institute, who manages the survey on behalf of the Trust, noted significant improvements for the Trust. Patients reported improved satisfaction levels with;

* Using bath or shower area not shared with the opposite sex
* Cleanliness of the toilets
* Offered choice of food

Areas of concern and ongoing improvement include;

* Involving patients more in decisions about their care
* Patients not being given notice of when discharge from hospital would occur
* Patients not being informed of the side effects of medication
* Being fully told of the danger signals to look for after discharge
* Patients not told who to contact if worried

The Trust is investing in improving the ways it provides information to patients, for example by reviewing pharmacy activities with the aim of improving patient contact with pharmacists at the hospital.

**Local inpatient survey**

The Trust currently conducts real time inpatient surveys every month with volunteers surveying up to 100 inpatients against an agreed set of standardised questions. The data from these surveys is reported to the Trust Board each month in the Integrated Performance Report.

Currently, 28 questions are asked which are based around the Care Quality Commission inspection framework*.*

|  |  |  |
| --- | --- | --- |
| Survey question – respondents reported: | 2013/14  % answering Yes | 2014/15  % answering Yes |
| They were told how they would expect to feel after their operation | 82% | 69% |
| Were given enough time to discuss their operation/procedure with their consultant | 85% | 55% |
| Rated their overall experience as 5\* | 36% | 47% |
| Were welcomed on arrival to the ward | 89% | 85% |
| Did not have to wait long for a bed on the ward | 77% | 85% |
| Received enough information about ward routines | 61% | 51% |
| Were not bothered by noise at night from other patients | 49% | 52% |
| Were not bothered by noise at night from staff | 87% | 80% |
| Had somewhere to keep their belongings safe | 79% | 70% |
| All the staff introduced themselves | 87% | 82% |
| Did not sleep in an area shared by a member of the opposite sex | 86% | 98% |
| Were given enough privacy when discussing their condition/treatment | 91% | 94% |
| Always got clear answers from their doctors to their questions | 83% | 86% |
| Had confidence and trust in the doctors | 89% | 93% |
| The doctors didn’t talk in front of them as if they weren’t there | 76% | 85% |
| They had the opportunity to talk to their doctor when needed | 69% | 68% |
| Their family had the opportunity to talk to their doctor when needed | 61% | 57% |
| The doctors knew enough about their condition/treatment | 77% | 82% |
| They always got clear answers from nurses to their questions | 90% | 90% |
| Had confidence and trust in their nurses | 96% | 94% |
| The nurses didn’t talk in front of them as if they weren’t there | 93% | 90% |
| They felt there were enough nurses on duty | 43% | 49% |
| They had the opportunity to talk to the nurses when needed | 88% | 90% |
| The nurses knew enough about their condition/treatment | 81% | 82% |
| They were involved in decisions affecting their care and treatment | 61% | 71% |
| They had been given enough information about their condition/treatment | 77% | 86% |
| Had never taken more than 5 minutes to answer their call bell | 62% | 58% |

The value of patient and service user feedback is critical to enabling the Trust to learn and to inform future developments, particularly where scores have slipped back from previous years. The information generated from the surveys described above along with information from ‘Feedback’ forms which are voluntarily completed by those people who use our services is reviewed at our Patient Experience Review Group – who also seek assurance that any themes identified are addressed.

Following these results, for example, a system whereby patients can book appointments with medical staff has been introduced at the Trust. This enables relatives to attend to support patients if required.

### Our Friends and Family Test results

The Friends and Family Test is a single question survey which asks patients whether they would recommend the NHS service they have received to friends and family who need similar treatment or care. As well as the standard six-point response we have included additional questions to generate a richer data base to inform learning and change. The Trust introduced this survey tool in January 2013 for all acute wards and the Accident and Emergency Department. In October 2013 the survey was extended to include Maternity services. Each Division and ward receives a breakdown of the outcome of their survey results to allow them to take relevant action. In October 2014 the survey was extended to outpatients.

The Trust Friends and Family response rate and recommendation score is compared with the average scores for NHS acute services across England. The recommendation score is calculated using the proportion of patients who are extremely likely to recommend minus those who are unlikely and extremely unlikely to recommend, or who are indifferent. The responses are divided into two categories; inpatients and A&E attendees. Our inpatient response rate and A&E recommendation score has compared favourably with the national average.

The graphs below give further detail.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Apr-14** | **May-14** | **Jun-14** | **Jul-14** | **Aug-14** | **Sep-14** | **Oct-14** | **Nov-14** | **Dec-14** | **Jan-15** | **Feb-15** | **Mar-15** |
|  | **In-Patient** | **Trust** | **91.7%** | **92.1%** | **95.9%** | **96.1%** | **92.0%** | **92.8%** | **95.1%** | **93.0%** | **95.0%** | **92.0%** | **97.6%** | **96.5%** |
| **Would** | **England** | **N/A** | **94.0%** | **94.0%** | **94.0%** | **94.0%** | **93.0%** | **94.0%** | **93.0%** | **95.0%** | **92.0%** | **95.0%** | **N/A** |
| **Recommend** | **A&E** | **Trust** | **95.0%** | **98.7%** | **86.3%** | **97.1%** | **98.3%** | **97.9%** | **94.4%** | **98.0%** | **94.0%** | **95.0%** | **95.0%** | **92.0%** |
|  | **England** | **N/A** | **N/A** | **86.0** | **86.0** | **87.0** | **86.0** | **87.0** | **87.0** | **86.0** | **88.0** | **88.0** | **NA** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Response Rate** | **In-Patient** | **Trust** | **37.5** | **34.7** | **41.3** | **37.9** | **28.6** | **41** | **48.9** | **51.9** | 39.5 | 47.3 | 42.4 | 45.6 |
| **England** | **34.8** | **35.5** | **37.7** | **38.0** | **36.3** | **36.2** | **37.0** | **36.8** | 33.5 | 35.8 | 39.8 | N/A |
| **A&E** | **Trust** | **17** | **14.3** | **22.7** | **21.9** | **13.1** | **25.7** | **27.7** | **21.9** | 18.6 | 28.9 | 22.7 | 28.1 |
| **England** | **18.6** | **19.1** | **20.8** | **20.2** | **20** | **19.5** | **19.6** | **18.7** | 18.1 | 20.1 | 21.2 | N/A |
|  |  |  |  | Calculated values | | |  |  |  |  | Recorded Values | | |  |

**Learning from PALs and complaints**

The Trust has a well established Patient Advice and Liaison Service (PALS) and a complaints-management system, supported and facilitated by a Senior Manager. Both services are used to ensure that patients and people using Trust services are supported in navigating the system and finding resolution to questions, concerns and complaints. The information from these questions, concerns and complaints is routinely analysed and used to inform service development and reported to the Trust Board through formal monthly reports.

The Senior Manager for complaints and PALS actively engages in supporting the development of staff to ensure they are able to respond appropriately and sensitively to complaints, whilst handling sensitive situations and data. Staff training in complaints resolution will remain high on the training agenda for the Trust.

The Trust received a total of 238 formal complaints which represents a 5.7% increase on the last year’s total of 225 for 2013/2014.

The Trust looks for trends in complaints to see if there are any recurring or growing issues that may need special attention. The proportion of complaints linked to nursing care has continued to decrease and reflects the significant effort that Trust staff have made throughout the year to improve the standards of nursing care. The main subjects of complaint are around medical treatment and communication however both have seen a reduction in numbers this year.

Clinical and Nursing Leads have undertaken specific reviews in areas where a high number of complaints have been received including the Emergency and Orthopedic Departments. As a result of these reviews the Leads have reflected with the Consultants and other staff on the themes identified to learn from the patients’ experience and improve the way treatment is delivered in the future.

Complainants are always invited to come into the Hospital and discuss their concerns with the relevant staff, and this helps staff to get a better understanding of how things are from a patient’s or family’s perspective as well as helping patients and families to hear the staff view.

The table below shows the main types of complaints received during 2014/15 and the changes from last year.

**Main types of complaints received during 2014/15:**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2012/13** | **2013/14** | **2014/15** |
| Complaints about staff attitude - % | 8% | 6.9% | 8% |
| Complaints about medical treatment - % | 25% | 30% | 24% |
| Complaints about nursing care - % | 16% | 14% | 11% |
| Complaints about communication - % | 22% | 23% | 23% |

**Parliamentary and Health Service Ombudsman**

The Parliamentary Ombudsman can investigate complaints when individuals feel they have been treated unfairly or have received poor service from government departments and other public organisations and the NHS in England. The Ombudsman can decide not to investigate, to agree with how the original complaint was dealt with, or to uphold a complaint and insist that the public organisation puts things right.

During 2014/15 six complaints were accepted by the Ombudsman for investigation. The Ombudsman confirmed that three of these complaints would be “not upheld”, and is still considering their decision on three cases.

**Complying with the vision of good complaint handling**

The Trust continues to cooperate with the Ombudsman when required. The vision of good complaint handling outlined in by the Parliamentary and Health Service Ombudsman report was published in November 2014. The Complaints Policy and Procedures have been reviewed to ensure that best practice is being followed. The framework introduced in this report will be used in the new format of the complaints satisfaction survey for 2015/16.

## 2.2.4 Annual Quality Account

All providers of NHS services are required to produce an annual Quality Account as set out in the National Health Service (Quality Account) Regulations 2010. This requirement took effect in April 2010. This is therefore the fourth year that we have published a mandatory Quality Account.

Quality Accounts are annual public reports from providers of NHS healthcare about the quality of services they deliver. The primary purpose of Quality Accounts is for healthcare organisations to assess quality across all of the healthcare services they offer and to demonstrate a commitment to continuous, evidence-based quality improvement.

The Trust’s Quality Account describes our quality priorities across three ‘domains’ or areas:

***Patient Safety –*** having the right systems in place to effectively report, analyse and prevent errors, ensuring that our patients receive the safest possible care.

***Clinical Effectiveness –*** providing treatment and care for our patients that produces the best possible outcomes with the most effective use of financial resources.

***Patient Experience –*** meeting our patients’ emotional as well as physical needs. This includes being treated with dignity and respect in a comfortable and safe environment, and being given the appropriate information about their care.

In the Trust’s Quality account 2014/15, we describe our progress against the priorities that we established for 2014/15. We also identify a number of areas for focus during the next twelve months and we explain how we intend to improve quality during 2015/16. Throughout the year we will report on our progress to the Trust Board, to our Patients Council and to our Commissioners.

**Ensuring Performance Against Our Priorities**

Managing effectively to ensure we have and can demonstrate we are achieving our priorities is important for both staff and service users. The Trust has recently reviewed how it monitors performance through a revision of its Governance Framework. Governance is the term used to describe a systematic approach to planning, monitoring and improving the quality of care and services we deliver. It is a framework we use to ensure accountability for the continuing improvement of services we provide, whilst safeguarding high standards and creating an environment which provides excellence for those in our care.

Performance against our priorities is reviewed routinely at key committee meetings in the Trust, including the Trust Board and has been shared with our service users through the revised Patient and Public Engagement Strategy we describe above.

Performance against priorities is also subject to scrutiny and review by our commissioners, and the Trust Development Authority as well as the Care Quality Commission.

# 2.3 The Resources, Principal Risks and Uncertainties and Relationships That May Affect the Trust’s Long-Term Value

The key risks to achievement of the Trusts objectives during the last year were identified as being:

* + Risk that medical staffing will not be at the required numbers or skills to deliver safe and dignified care.
  + Risk that the Trust does not meet CQC requirements for a minimum of good rating.
  + Failure to ensure medicines are safely and securely procured, prescribed, dispensed, prepared, administered and monitored in accordance with the statutory requirements of the Medicines Act 1968 and the Health and Social Care Act 2008.
  + Risk that the Trust is unable to deliver a sustainable solution in a reasonable timescale as the process is external to the Trust and subject to national approvals and policy directives.

Specific risk mitigation processes were utilised to manage these risks including:

* + Participation in whole healthcare community Urgent Care Groups to respond to emergency demand.
  + Daily monitoring, risk scoring and reporting of incidents, concerns, and staff risks in each service area.
  + Quarterly audit of the management of high risk medications.
  + Monthly executive review of all risks, assurances and risk mitigation plans.

These risks were managed through the Assurance Framework and risk management processes. In addition, the Board sought assurance that the Trust’s objectives were being achieved and the risks controlled through a variety of assurance processes, including performance reports with high level KPIs, audits (internal and external), assessments by regulatory and monitoring agencies (e.g. Healthwatch, Royal Colleges, NHS Trust Development Authority).

The Risk Management Strategy defines the Trust’s key external stakeholders and who is required to be kept informed of high level risks and where appropriate, consulted in the management of risks faced by the Trust. Executive Directors have taken responsibility for assuring that external stakeholders are informed as necessary, particularly in the event of a serious untoward incident.

During the last 12 months, the Trust has continued its active involvement as required by the Civil Contingencies Act with the new Local Resilience Partnership Health which takes into account in terms of health emergency planning, risks identified on the Community Risk Register.

The Trust continues to work closely with the main commissioner of services, North Somerset Clinical Commissioning Group, to jointly plan and develop services.

The Trust will continue to work closely with other key partners during the coming months, notably the NHS Trust Development Authority, the North Somerset Clinical Commissioning Group, Somerset Clinical Commissioning Group, North Somerset Council, Weston College and the local Healthwatch. The Trust will also continue to take an active part in sector-wide networks in particular:

Regional meetings and forums:

* Chairs and Chief Executives with the Trust Development Authority
* Specialist forums for Directors of Finance, Nursing & Human Resources

Bristol, North Somerset, Somerset & South Gloucestershire Area (BNSSSG) meetings and forums :

* BNSSSG Quality Review Meetings
* North Somerset Infection Prevention and Control Forum
* West of England Academic Health Sciences Network
* West of England Patient Safety Collaborative Board

Clinical Networking:

* Care pathway networks including the Avon, Somerset, Gloucester and Wiltshire Cancer Network and Urgent Care Network
* North Somerset Safeguarding Adults Board
* North Somerset Safeguarding Children Board
* Avon and Somerset Local Health Resilience Partnership
* North Somerset Health Overview and Scrutiny Committee
* North Somerset Health and Wellbeing Board (People and Communities Board)

Participation in and strengthening of partnership arrangements for the Trust has continued to make a significant contribution to the achievements of the Trust and to the wider objectives of the health and social care economy including:

* Contribution to the North Somerset Partnership Health and Wellbeing Partnership sustainable Community Strategy shared priorities, with particular regard to increased integrated working with the local authority, community services social enterprise, voluntary agencies and clinical commissioning group to improve hospital discharge timeliness, coordination of care closer to home and avoidance of inappropriate hospital admissions together with active involvement in the local alcohol and smoking cessation strategies,
* Partnership working with North Somerset Community Partnership, the Local Authority, NHS 111, South West Ambulance Service and Avon and Wiltshire Mental Health Partnership was significantly strengthened this winter through improved working across the health and social care economy. Daily operational meetings improved further the already well-formed urgent care network forums and this led to a significant positive improvement in winter performance. This partnership working further strengthens the already strong foundations for service delivery during the next twelve months of seamless care for patients,
* Work with the community learning disability team, local authority and user groups to improve services for adults with learning disabilities,
* Active involvement in the safeguarding adults and safeguarding children boards,
* Work with a range of multiagency and multidisciplinary groups to meet the standards detailed within the national dementia strategy,
* Active involvement in the regional south west equality delivery scheme to ensure ongoing improvements in assuring equality and diversity for staff and patients.

Outcomes from the work undertaken are clearly evident within the Trust, including for example:

* Continued progress against the national quality targets. In particular we have reinforced our cancer pathways to ensure that we meet the national standards for cancer treatment. Throughout 2014/15 we saw a sustained improvement in our delivery of these targets and in Quarter 3 we have delivered all eight of these standards,
* Reducing the number of patients waiting for planned treatments to ensure that we met the national guidance on Referral to Treatments. We have continued to meet all of these targets throughout 2014/5 with over 90% of patients being treated within 18 weeks,
* Reducing wait times for children and young people who use our community paediatric services. This had been a very challenging area for us over the past couple of years, but deployment of further specialist staff this year has reduced initial wait times to 18 weeks,
* Improving the experience of our patients when they use our services with an increased focus on measuring patient experience and engaging with our Patients Council. We have seen a steady increase in the response and outcome measures from the Friends and Family tests particularly in our Emergency Department and Maternity Services,
* Introducing a steady improvement in how quickly we respond to complaints and a renewed focus on learning from these important aspects of feedback from service users,
* Continued stability in our financial position in the Trust despite a national picture of worsening fiscal deficit.

# 2.4 Financial Position of the Trust

## 2.4.1 Financial Position

The Trust has reported a retained deficit of £4,456,000 in 2014/15. The retained deficit is after an impairment charge of £393,000 and the elimination of the donated assets reserve of £161,000. As per the Department of Health guidance on break-even duty for NHS Trusts, the costs relating to impairments and donated assets are excluded when measuring a Trust’s break-even performance (see Note 43.1 of the Annual Accounts). Therefore taking this into account the Trust has recorded a deficit of £3,902,000 an improvement of £1,048,000 when compared to the planned deficit of £4,950,000. To get to this position savings of £4,504,000 were achieved during the year.

****

## 2.4.2 Financial Position 2015/16

The Trust is planning to deliver a deficit of £7,950,000 in 2015/16.

## 2.4.3 Financial Recovery

A budget for 2015/16 has been approved by the Trust Board and includes details of risks and clear assumptions. Further significant savings of £3,750,000 are planned to be delivered in 2015/16. These plans are identified and will be closely monitored and reported through the Executive Review of Business Planning Delivery Group meetings which will include a focus on all aspects the savings plans.



## 2.4.4 Accounting Policies

These set out the accounting rules that all NHS trusts are required to follow. They explain the basis on which all entries in the accounts are made. The policies are largely dictated by the Department of Health’s Manual For Accounts, although the Trust is able to tailor the policies as it sees fit. One of the main requirements is for the accounts to be reported on an accruals basis, which means that income and expenditure are recorded in the year they arise, regardless of when the cash is transferred. These accounting policies follow International Financial Reporting Standards (IFRS) and HM Treasury’s Resource Accounting Manual to the extent that they are meaningful and appropriate to the NHS. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

**2.5 Emergency Preparedness**

The Civil Contingencies Act 2004 places a clear statutory duty on NHS Trusts as Category 1 responders to develop appropriate plans to manage Major Incidents and to cooperate with other responders at all stages of the emergency planning process.

Weston Area Health NHS Trust recognises its duties and responsibilities as a Category 1 responder under the Civil Contingencies Act (2004). In addition its responsibility for ensuring it meets the legal requirements and care standards for Emergency Preparedness Resilience and Response (EPRR) and business continuity as detailed in the NHS Commissioning Board EPRR and Business Continuity Management Frameworks.

**Preparedness**

* The new structures include the formation of health subgroup of the Local Resilience Forum, the Local Health Resilience Partnership which has as it’s focus a planning remit. The Director of Operations is the Trust representative on the Strategic LHRP group, and the Emergency Planning Lead is the representative on the Tactical Planning Group. The latter has produced a work programme based on the risks within the Community Risk Register.
* The Trust Severe Weather Plan was ratified.

**Response**

* A Trust-wide Winter Plan 2014/15 was developed and implemented from November 2014, this included additional bed and staff capacity to respond to surges in activity.
* The Radiology department activated their Business Continuity plan for the planned loss of the CT Scanner which had its regular maintenance. The disruptive event went as planned with individual teams taking appropriate actions. There were learning points which have been acted upon as highlighted in the Business Continuity Standard IS023301.

**Training**

A range of training activities have been undertaken in 2014/15 and these have included the following:

* Strategic Leadership in a Crisis
* Surviving Public Enquiries
* Loggist Training
* Business Continuity Planning Workshops
* Major Incident awareness now features in all Trust induction for new staff
* Setting up the Incident Control Room training for On Call Managers
* EVD (Ebola) response training and exercise
* CBRN Train the Trainer

**2.6 The Trust and the Environment**

## 2.6.1 Environmental Policy

The Trust recognises its environmental and social responsibilities. It also acknowledges the impact its activities may have on the environment. The Board-approved Sustainable Development Management Plan sets out Trust strategy for improving its performance in key areas, including:

* Energy procurement and use.
* Waste production and disposal.
* Transport and car parking.
* Purchasing and contract arrangements.

The Director of Finance is the Executive Lead for sustainability and the operational lead is the Head of Estates and Facilities. The Executive and Operational Lead work with key leads in the Trust and have implemented key elements of the Good Corporate Citizen assessment model. The Operational Lead also monitors progress against the NHS Carbon Reduction Strategy.

## 2.6.2 Carbon Footprint

The Trust is committed to reducing its carbon footprint, however there is increasing clinical use of computers and electrical equipment. The Trust is committed to meet the challenges of the NHS Carbon Reduction Strategy while continuing to develop patient services.

The Trust has calculated its Carbon Footprint forYear ending 31st March 2015 below, which enables the Trust to monitor performance against a Department of Health recognised assessment tool and to compare with other similar organisations.

|  | **2014-15**  **Tonnes CO2e** | **2013-14**  **Tonnes CO2e** | **Change +/-**  **Tonnes CO2e** |
| --- | --- | --- | --- |
| **SCOPE ONE EMISSIONS**  **Fuel Combustion**  Gas Boilers | **1209.9** | **1278.10** | **-68.2** |
| **SCOPE TWO EMISSIONS**  **Purchased Energy Consumption**  Electricity | **3220.76** | **2682.43** | **+538.33** |
| **SCOPE TWO EMISSIONS**  **Admin Travel**  Private vehicles used for duty purposes | **96.69** | **81.98** | **+14.71** |
| **Water usage:** 0.34kg per M3 | **19.36** | **15.41** | **+3.95** |
| **Non recycled waste**  Clinical Incinerated all types  Clinical Alternative treatment  General waste | **14.39**  **18.45**  **69.793** | **10.60**  **12.40**  **65.518** | **+3.79**  **+6.05**  **+4.27** |
| **Recycled Waste**  Mixed municipal recycled :  Glass | **1.961**  **0.057** | **1.755**  **0.062** | **+0.206** |
| OPERATIONAL EMISSIONS  Not measured  REDUCTIONS | **Nil** | **Nil** | **Nil** |
| **TOTAL EMISSIONS** | **4651.60** | **4148.23** | **+503.09** |

## 2.6.3 Building Use

The Trust completed two significant projects during 2014/15 to improve the patient care environment.

## Dr Daniel Poulter MP, Parliamentary Under Secretary of State for Health, officially opened the Outpatients Department and Front Entrance at Weston General Hospital on 11 April 2014

Taking seven months to complete, Outpatients has undergone a £1.8 million refurbishment in order to create:

* 50 new consulting and treatment rooms, replacing an old suite of 25 rooms.
* Specialist clinic rooms for Audiology, Respiratory and an Ophthalmology laser room.
* Two new procedure rooms including Dermatology and Gynaecology.
* Bariatric (treatment and care of obesity) room.
* Planned procedure room.
* A new, improved diabetic centre. Two clinic rooms and a drop-in centre have been created and newly positioned next to the Endocrine (diabetic) clinic replacing one room.
* Five new Clinical Measurement Rooms (CMS) measuring height, weight and blood pressure.
* Designated treatment room with a pod for the transfer of bloods to the Pathology Dept.
* Phlebotomy (blood tests) has moved from the first floor to Quantock Outpatients so patients have all services positioned in one place.
* A new waiting area for patients and a fully equipped Reception desk.
* New self check- in digital units.
* Staff facilities, including new coffee room and changing area.

The front entrance has also been completely remodelled to create a welcoming reception area and improved help and information services for patients and visitors. A revolving door has been installed to prevent heat loss through this busy entrance.

The Information desk has been moved from the side to more central position. The [**Patient Advice and Liaison Service**](http://www.waht.nhs.uk/en-GB/Patients-Visitors-and-Carers/Patient-Advice-and-Liaison-Service-PALS/) (advocacy and support service for patients) has now moved from its previous position inside the hospital to the lobby behind the Reception desk - which is staffed by volunteers from the local community.

The League of Friends shop, selling newspapers, snacks and hospital essentials like toiletries and flowers has a prime location in the lobby.  Costa coffee has opened a new cafe to improve the comfort services for everyone who uses the hospital.

The Trust continues to replace high energy light fittings with further LED lighting throughout the hospital during refurbishments.

## 2.6.4 Staff Involvement

The housekeeping staff continue in supporting the recycling of waste During the year Trust staff have also continued to be involved in reducing the volume of waste and in particular removing waste from the expensive and emission intensive incineration stream.

## 2.6.5 Travel

With over 2,000 staff and volunteers, the Trust has a key role to play in influencing how people travel to work.

In previous years the Green Travel Group secured funding from North Somerset Council for the installation of secure cycle storage and now provides lockable covered cycle storage for 40 bicycles at the main site.

We have recently also secured further funding from North Somerset Council and installed cycle storage at the Trusts Community Children's Services site in Drove Road in December 2014.

We have dedicated webpages for staff on the Trust intranet providing information on public transport, showering facilities in the hospital, discounts on public transport in partnership with the local bus service, cycle route planners.

The Trust also continues to offer staff the opportunity to buy a bicycle(s) and equipment via salary sacrifice, as part of the Government’s green travel initiative, and this continues to be very popular and successful.

The Green Travel Group continue to meet periodically to review the action plan and discuss further green travel initiatives in partnership with North Somerset Council, who have expressed their appreciation of our efforts.

In 2014 we ran another survey aimed at finding out what further initiatives we can offer to encourage green travel, and again worked with North Somerset Council on this.

Since then we have had another Sustainable Travel Roadshow, arranged free bike checks for staff with a local cycle retailer, set up a cycle club in the hospital, distributed leaflets for local cycle and scooter schemes for new starters in induction packs and updated the Trusts green travel flyer, we are also planning further initiatives for 2015 including further eco driving lessons and more roadshows.

There are also plans to update the Trusts travel plan, written in 2010, with the assistance of our very helpful travel planning officer at North Somerset Council. The group is also considering an entry into the South West Travel Awards, again with the help of North Somerset Council.

**2.6.6 Purchasing**

The Trust is part of Bristol & Weston NHS Purchasing Consortium which provides a comprehensive range of purchasing services to support the Trust.

The purchasing department are NHS employees hosted by North Bristol NHS Trust and their services include all aspects of clinical and non-clinical purchasing, supply chain management and capital equipping and our system tools include e-tendering, reporting, spend analysis and order management.

The consortium provides a key role in supporting the delivery of high quality patient care whilst ensuring value for money is achieved by:

* Delivering cost efficiencies and productivity gains
* Improving outcomes at reduced cost through clinical procurement partnerships
* Improving leadership and capability of procurement across the constituent organisations
* Strengthening procurement governance
* Improving data, information and transparency
* Sustainable procurement policy and practice
* Fair and equitable trading
* Corporate and social responsibility

**2.6.7 Waste and Recycling**

The Trust is keen to ensure the safe and sustainable management of wastes produced from healthcare activities on the Weston General Hospital and drove Road sites, through:

* Enduring all waste streams are disposed of appropriately, according to legislation and good practice.
* Reducing the waste produced
* Making best use of the waste that is produced by maximizing re-use, recycling.
* Minimising the amount of waste disposed of to landfill
* Providing relevant training and information to staff, patients and visitors
* Providing the necessary equipment and facilities to allow the safe and correct handling and storage of waste.

The Trust works in partnership with a number of waste contractors to reduce the amount of domestic waste sent to landfill and increase the amount of waste recycled.

During 2014/15 the Trust reorganised its internal waste stream storage. Both clinical and domestic waste containers have been removed from all wards sluice areas and have been re-sited from the ward sluice areas to an internal purpose built waste compound.

**2.7 Working with Staff**

**Workforce Profile**

The graph presented below demonstrates the workforce headcount by occupational group for the last two years, highlighting changes in the workforce configuration. The overall headcount workforce profile has decreased from the year ending March 2013 to March 2015.

This change mainly relates to a decrease in Nursing and Midwifery, Additional Clinical Services and Administration and Clerical. The reason for this decrease is a result of the Trusts progress in our efficiency programmes which have led to a reduced bed capacity. This has allowed the Trust to reduce the overall number of nurses whilst making sure that the number of nurses to beds in use has not decreased. The Trust has also seen an increase in vacancies and has an ongoing programme to reduce the number of vacancies across key clinical posts.

**2.7.1 Staff Engagement**

We recognise that a fully engaged and motivated workforce results in better patient outcomes and this has continued to be a key area of focus during 2014/15.

Listening and learning from staff feedback is therefore essential in improving our services and that’s why the Trust uses a selection of tools and methods to encourage meaningful two-way conversation with staff.

At the end of August we re-launched the Trust newsletter. Replacing a previous large monthly publication, the new compact online edition out every fortnight, is designed to provide all Trust staff with a balance of corporate news, operational updates, staff engagement (such as the PRIDE Award) staff promotions and events. It also gives managers a useful tool for departmental meetings. Two new sections, ‘Introducing’ and ‘Spotlight on’ have proved popular. Highlighting the work of individuals and teams they give colleagues an insight into departments they otherwise may not know much about.

Team Brief – a monthly open forum gives every member of staff instant access to the Chief Executive to ask any question about any Trust matter- departmentally or trustwide. In the last year an estimated 700 staff have used this forum which attracts around 50 colleagues every month, over half are normally newcomers. Colleagues actively use the forum to ask challenging and direct questions covering a variety of issues such as staffing, quality, safety, the NHS-only acquisition and finances.

Going forward both initiatives will be reviewed and developed so they continually service colleagues’ needs.

All executive directors have an on-going programme of visits to wards and departments to meet and discuss key issues with staff and action any concerns raised and in 2014 we ran a series of ‘listening events’ which were chaired by executive directors to share results from the Staff Friends and Family Test.

The NHS National Staff Survey took place between October and December 2014. Of the 750 Weston Area Health NHS Trust (WAHT) staff surveyed, 396 took part. This is a response rate of 53% which is higher than average for acute trusts in England (42%) and compares with a response rate of 49% in the 2013 survey.

The table below shows the Trust’s response rate and compares against the national average.

**Percentage of staff responding to the survey**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2013** | | **2014** | |  |
|  | **Trust** | **National Average** | **Trust** | **National Average** | **Improvement/**  **Deterioration** |
| **Response rate** | 49% | 49% | 53% | 42% | Improvement |

As in previous years, the staff survey results have been reported to the Board and work is already underway to identify key areas of work and priorities for the coming year.

**5 Top Ranking Scores** – compared to other acute Trusts in England

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Finding** | | **Trust Score 2014** | **National Average** | **Ranking** |
| KF4 | Effective team working | 3.85 | 3.74 | Highest (best) 20% |
| KF6 | Percentage of staff receiving job-relevant training, learning or development in the last 12 months | 85% | 81% | Highest (best) 20% |
| KF27 | Percentage of staff believing the trust provides equal opportunities for career progression or promotion | 91% | 87% | Highest (best) 20% |
| KF28 | Percentage of staff experiencing discrimination at work in the last 12 months | 9% | 11% | Lowest (best) 20% |
| KF7 | Percentage of staff appraised in the last 12 months | 89% | 85% | Above (better than) average |

**Bottom 5 Ranking Scores**– compared to other acute Trusts in England

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Key Finding** | | **Trust Score 2014** | **National Average** | **Ranking** |
| KF3\* | Work pressure felt by staff | 3.20 | 3.07 | Highest (worst) 20% |
| KF12\* | Percentage of staff witnessing potentially harmful errors, near misses or incidents in the last month | 44% | 34% | Highest (worst) 20% |
| KF16\* | Percentage of staff experiencing physical violence from patients, relatives or the public in the last 12 months | 19% | 14% | Highest (worst) 20% |
| KF17\* | Percentage of staff experiencing physical violence from staff in the last 12 months | 4% | 3% | Highest (worst) 20% |
| KF18\* | Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months | 34% | 29% | Highest (worst) 20% |

\*The lower the score the better

Whilst the Trust is encouraged to see that more staff have responded to the survey, there have been no significant changes in 28 of the 29 key findings since 2013. During 2015/16 it is therefore proposed to focus efforts where Trust results are in the ‘worst 20%’ performing category.

**Staff Engagement Scores**

Despite the improvements made against Key Finding 24 since 2012, the overall staff engagement score has not shown a significant statistical change since the 2013 survey. In 2013 the overall staff engagement score was 3.70 and in 2014 this dipped slightly to 3.64 and remains in the lowest (worst) 20%category. The overall engagement score is calculated by using the questions that make up Key Findings 22, 24 and 25.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Key Finding** | **2013 Score** | **2014 Score** | **Ranking** | **Significant Change since 2013?** |
| KF22 | Staff ability to contribute towards improvements at work | 72% | 69% | Average | No |
| KF24 | Staff recommendation of the Trust as a place to work or receive treatment (scored out of 5 with 5 being highest) | 3.46 | 3.42 | Lowest (worst) 20% | No |
| KF25 | Staff motivation at work  (scored out of 5 with 5  being highest) | 3.88 | 3.78 | Below (worse than) average | No |

It is disappointing that the overall engagement score has declined and staff engagement and motivation will remain a key focus during the forthcoming year.

The Trust continues to engage with staff through the Staff Experience Group which meet every two months and through the monthly meeting with Trade Unions via the Joint Negotiating and Consultative Committee (JNCC).

**2.7.2 Equality and Diversity**

The Trust Equality and Diversity Policy sets out our commitment to promoting equality of opportunity for all, and ensuring that staff and patients are free from discrimination. The policy sets out clear responsibilities for directors, managers, staff, patients and visitors.

All staff joining the Trust as part of the induction programme take part in a dedicated Equality and Diversity session and this has contributed to the improved score within the national staff survey which shows an increase from 60% to 65% of staff having received Equality and Diversity Training in the last year (making the Trust above the national average in this category).

The following table shows the gender distribution across all staff, senior managers and directors.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **All Staff** |  |  | **Board Directors (Including Non Executives)** | | |  |
|  |  |  |  |  |  |  |
| Gender | Total |  | Gender | Org P4 | Role | Total |
| Female | 1393 |  | Female | Executive Directors | Director of Strategic Development | 1 |
| Male | 354 |  |  |  | Director of Nursing  Medical Director  Director of Operations  Director of Human Resources | 1  1  1  1 |
| **Grand Total** | **1747** |  |  |  |  |  |
|  |  |  |  | Non Executive Directors | Board Level Director | 1 |
|  |  |  | **Female Total** |  |  | **6** |
| **Senior Managers** |  |  | Male | Executive Directors | Chief Executive  Finance Director | 1  1 |
|  |  |  |  |  |  |  |
| Gender | Total |  |  | Non Executive Directors | Board Level Director | 3 |
| Female | 36 |  |  |  | Chair | 1 |
| Male | 21 |  | **Male Total** |  |  | **6** |
| **Grand Total** | **57** |  | **Grand Total** |  |  | **12** |

During the last 12 months, the Trust Board membership has been compliant with the legal Order which establishes the Trust both in terms of numbers and in relation to the required executive membership; specifically a Medical Director, Director of Nursing, Director of Finance and Chief Executive. Non-Executive members offer a range of skills including finance, strategy, and statistical analysis, information technology, commercial and legal.

In addition, the Trust Board is supported by a number of attending but non-voting Directors with expertise in operations, human resource and organisational development. A representative from Healthwatch and the Trust’s Patients’ Council are also in attendance at each Board meeting and participate fully within discussions.

This breadth of attendance in addition to the core Trust Board membership enables and ensures an appropriate depth of discussion and provides assurance concerning the validity of decisions reached. Most importantly, it also ensures that the patient voice is heard and taken into account within all discussions.

The Trust Board, together with its committees also review in-year performance and achievements collectively to ensure the ongoing relevance and effectiveness of each committee and where performance or relevance might be improved.

**2.7.3 Workplace Health**

The Trust has continued to have a strong focus on sickness absence management with a small decrease in sickness absence since 2013. The table below demonstrates the monthly sickness rate for the previous 12 months.

We have continued to concentrate on the health and wellbeing of staff during 2014/15 with a renewed investment in our Employee Assistance Programme (EAP) Optum. Optum provide a confidential advice and information service on work and personal matters ranging from legal and financial advice to telephone and face to face counselling. We encourage our employees to access our EAP provider as soon as issues arise and feedback has been positive with counselling services receiving the highest usage during this reporting period.

The staff physiotherapy clinics have continued for a third year and during 2014/15 over 294 staff have accessed the service, which has increased from 2013/14. This service helps form part of the Trusts Health and Wellbeing programme and focuses on reducing sickness and aiding staff in returning to work sooner.

**2.7.4 Developing the Skills of our Workforce**

The Trust is committed to providing the best possible care for our patients and that means investing in our staff to ensure that they are appropriately trained and skilled for their roles. During 2014 we continued to make training and development a high priority, not only in meeting our statutory and mandatory obligations but also to make sure that staff had access to on-going professional development opportunities. The success of our approach is demonstrated in the 2014 Staff Survey results where we are performing in the highest 20% of acute trusts for the ‘*percentage of staff reporting that they had received job-relevant training, learning or development in the last 12 months’* and better than average in the *‘percentage of staff receiving health and safety training in the last 12 months.’*

**Apprenticeships**

The Trust is keen to support the development of its Band 1-4 workforce and in early 2015 has enrolled a further 19 existing staff of all ages on an Apprenticeship programme run through Weston College, joining the 40 staff already enrolled. Staff can select from a range of Apprenticeship opportunities dependent on their job role. These include Customer Services, Team Leading, Business Administration and Health and Social Care. Completion takes between 15-18 months with a designated college assessor visiting staff on site, setting tasks to be completed and reviewing progress at subsequent meetings. Feedback from staff tells us that achieving a nationally recognised qualification has not only improved their performance in role but has given them the confidence to go on to further NHS career opportunities. This is reflected in the 2014 Staff Survey results where the ‘*percentage of staff believing the trust provides equal opportunities for career progression or promotion’* scores in the highest (best) 20% of acute trusts.

The Trust is also pleased to recognise the value of its Modern Apprentices, recruited though Weston College and offering a young and vibrant contribution to the workforce. In 2014 we employed 13 Modern Apprentices. Recruits typically are contracted to work 15-18 months with day release to attend college and complete the theory elements of their Apprenticeship programme. We are very happy to say that in many cases, at the end of their fixed term contract, Modern Apprentices go on to secure permanent employment at the Trust.

**Leadership and Management Development**

Providing leadership and management development opportunities continued to be a high focus for the Trust throughout 2014. Offered through the NHS National Leadership Academy, the Trust has taken full advantage of the opportunities available for its managers and supervisors to gain nationally recognised qualifications in Leadership. In late 2013 and throughout 2014, we have been able to support 23 members of staff through the Mary Seacole programme, a Postgraduate Certificate in Leadership. Thirteen of those staff have recently completed the programme successfully and of those, 6 have obtained a merit.

In addition, 3 of our Senior Managers are continuing to undertake the 2-year Elizabeth Garrett Anderson, Masters in Leadership.

But the Trust recognises that qualifications alone do not lead to a better performing and capable managers and further guidance and support is often required to translate theory into practice. As such, we have been able to support many of our Senior Managers with one-to-one coaching opportunities and we aim to extend our coaching opportunities to a wider audience during 2015.

## 2.8 Paying Our Bills Promptly

All NHS Trusts are required to pay their creditors within 30 days of receipt of a valid invoice unless other terms have been agreed with the supplier. This is in accordance with the Confederation of British Industry (CBI) Better Payments Practice Code. Details of compliance with this code are shown in note 11 of the annual accounts.

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

The Trust is signed up to the Prompt Payment Code.

As at the end of the financial year, the Trust had paid 97.2% of the total number of non-NHS invoices against the Code. This compares with 95.5% in 2013/14. With 84.0% of the total number of NHS invoices paid within 30 days compared with 79.4% in 2013/14.

The overall total number of invoices paid, both NHS and non NHS, was 96.7%.

## 2.9 Land Valuations

The valuations for land have been undertaken having regards to International Financial Reporting Standards (IFRS) as applied to the United Kingdom public sector and in accordance with HM Treasury guidance. The District Valuer has estimated the land value as at 31 March 2015 at £6,870,000. The Directors of the Trust are not aware of any material differences between the carrying values and the current market values

## 2.10 Pension Liabilities

Past and present employees of the Trust are covered by the provisions of the NHS Pensions Scheme. Further information including how pension liabilities are treated in the accounts can be found in accounting note 1.7 of the full set of the accounts. Pension information for Directors of the Trust is shown in the Pensions benefit table of the Remuneration Report within this annual report.

## 2.11 Auditors

Grant Thornton are the auditors appointed to audit the Trust’s statutory accounts. They provide audit and related services carried out in relation to the statutory audit e.g. reporting to the Department of Health.

The audit report gives the auditor’s opinion stating whether the accounts give a ‘true and fair’ view of the Trust’s financial position for the year. This opinion includes an assessment of whether the annual report is consistent with their knowledge of the Trust.

The audit opinion, for 2014/15 was that the accounts do give a ‘true and fair’ view and have been prepared in accordance with accounting policies.

The audit report also comments on the Trusts arrangements for securing economy, efficiency and effectiveness. The opinion states that the auditor is satisfied that in all significant respects Weston Area Health NHS Trust put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2015, except for matters in relation to financial resilience.

In 2014/15, the Trust’s external audit fees were £88,000 compared to £88,000 in 2013/14.

## 2.12 Protecting Information

The role of Senior Risk Information Owner is performed by the Director of Finance. Information risks are managed and controlled through the Trust’s programme of compliance with the Information Governance Toolkit, the Health Informatics Committee and through the implementation of the Information Governance assurance programme.

There were no serious incidents involving data loss in 2014/15.

## 2.13 Compliance with Charges for Information

## The Trust has complied with the Treasury’s guidance on setting charges for information as required.

Section 3: Remuneration Report 2014/15

# 3.1 Remuneration Report 2014/15

The Chair and all Non-Executive Directors of the Trust form the Remuneration and Terms of Service Committee with the Chair of the Trust also being Chair of the Committee.

The Committee reviews the salaries of the Executive Directors of the Trust taking regard of duties and responsibility, span of control and rates of pay prevalent at the time of recruitment. The variation to this arrangement is the Executive Medical Director, who receives remuneration for clinical duties together with remuneration for Executive duties. Executive Directors do not receive performance related pay.

The Executive Directors of the Trust with voting rights on the Board were appointed on the following dates:

* N Wood, Interim Chief Executive (from 01/04/2013 to 30/09/2013) Chief Executive (from 01/10/2013)
* R Little, Director of Finance and IM&T (from 01/07/2010)
* N Gallegos, Executive Medical Director (from 01/05/2010 to 30/04/2014)
* A Martin, Interim Executive Medical Director (from 01/05/2014)
* C Perry, Interim Director of Nursing (from 01/04/2013 to 30/09/2013) Director of Nursing (from 01/10/2013)
* B Bishop, Director of Strategic Development (from 01/10/2008)

The Executive Directors of the Trust without voting rights on the Board were appointed on the following dates:

* K Croker, Interim Director of Operations (from 02/04/2013 to 30/09/2013) Director of Operations (from 01/10/2013)
* S Flavin, Interim Director of Human Resources (from 01/10/2012 to 30/09/2013) Director of Human Resources (from 01/10/2013)

Mr N Gallegos was the only Executive Director to stand down from his Director duties during the year 2014/15 but continued his Consultant General Surgeon duties with the Trust.

Executive Directors are employed on permanent contracts and are required to give six months notice of termination to the Trust with the Trust being required to give six months notice to individuals. No payments are awarded for the early termination of a contract.

The NHS Trust Development Authority appoints the Chair and Non-Executive Directors whose remuneration is determined by the Secretary of State for Health. The Chair and Non-Executive positions are appointed for a fixed period as determined by the Secretary of State and with immediate notice of termination.

Mr P Carr was appointed to the post of Chair from 01/08/2013 for a two year term.

Other Non-Executive Directors were appointed, or reappointed on four year appointments from the following dates:

* Ms J Ferguson January 2013 (reappointment) resigned July 2013
* Mr I Turner August 2011 (reappointment)
* Dr G Reah February 2012 (reappointment)
* Mr G Paine March 2012 (reappointment)
* Mr R Lloyd September 2011 (resigned April 2014)
* Mrs B Musselwhite October 2013

Following consultation with the NHS Trust Development Authority is was decided that due to the Trusts intended acquisition by Taunton & Somerset NHS Foundation Trust that a Non-Executive Director would not be appointed into the vacancy created following the resignation of Mr R Lloyd in April 2014.

No awards have been made to past Senior Managers of the Trust.

The salaries and allowances and pension benefits for the Trust’s Senior Managers are detailed on page 45 to 46 and have been audited by Grant Thornton.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid Director and the median remuneration of the organisation’s workforce. The median employee has been calculated based on staff directly contracted to the Trust and also agency and bank employees.

The banded remuneration of the highest paid Director in Weston Area Health NHS Trust in the financial year 2014/15 was £155k - £159.9k (2013/14, £170k - £174.9k). This was 6.5 times (2013/14, 7.8 times) the median remuneration of the workforce, which was £24,293 (2013/14, £22,024). This reduction is due to a change in the responsibilities held by the highest paid director resulting in reduced remuneration and the median remuneration increasing due to the increased use of costly agency staff.

In 2014/15, two (2013/14, one) Trust employees received remuneration in excess of the highest-paid Director. Trust employees remuneration ranged from £6k to £175k (2013/14 £6k to £185k).

Total remuneration includes salary, non-consolidated payments-related pay, benefits-in-kind as well as severance payments. It does not include employer’s pension contributions or the cash equivalent transfer value of pensions.

Signed by: .......................................................................... Chief Executive

# 3.2 Salaries and Allowances



# 3.2.1 Salaries and Allowances Comparative Year



# 3.2.2 Salaries and Allowances Notes

\* Both N Gallegos and A Martin were contracted to carry out clinical duties as well as their Director's duties during the year. Mr Gallegos as a Consultant General Surgeon and Miss Martin as a Consultant Vascular Surgeon.

\*\* Mrs Perry holds responsibilities at Swindon CCG for which the Trust has invoiced £11.9k (£11.6k in 2013-14), the value disclosed above is the full cost to the Trust prior to receiving this income.

\*\*\* B Musselwhite also had an off payroll engagement with the Trust during 2014/15 and 2013/14. This was due to her undertaking consultancy work relating to the Trust's ongoing Procurement process

\*\*\*\* K Croker was seconded from Yeovil District Hospital NHS Foundation Trust for the first two months of 2013/14 before becoming an employee of the Trust. There were two invoices from Yeovil totalling £16.6k, which have been included in full within Mrs Croker's salary.

The amounts shown in the Expense payment (taxable) column of the table all relate to Travel expenses agreed paid to senior managers for work to home mileage.

The amounts shown in the All pension-related benefits column of the table are calculated according to the Manual for Accounts 2014/15 guidance: The annual pension increase, adjusted for inflation, is expressed over an expected 20 year payment period ie. An annual increase of £10k = £200k.

# 3.3 Pension Benefits



# 3.3.1 Guide to Pension Benefits

\* As Mr Little is over the age of 60 CETV is no longer applicable.

Figures are adjusted for the time in post where this has been less than the whole year.

Figures in (brackets) indicate a decrease

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

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member’s accrued benefits and any contingent spouse’s pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and are provided by the NHS Pensions Department.

Column H in the guidance for 'Employer's contribution to stakeholder pension' does not apply here as all Directors are part of the Defined Benefit Scheme only.

|  |
| --- |
| 3.4 For all off-payroll engagements as of 31 March 2015, for more than £220 per day and that last longer than six months: |

|  |  |  |
| --- | --- | --- |
|  | Number | |
| Number of existing engagements as of 31 March 2015 | 0 | |
| *Of which, the number that have existed:* | | |
| for less than one year at the time of reporting | | 0 |
| for between one and two years at the time of reporting | | 0 |
| for between 2 and 3 years at the time of reporting | | 0 |
| for between 3 and 4 years at the time of reporting | | 0 |

There were two off-payroll engagements for more than £220 a day that lasted longer than six months in year however both of these engagements had finished as at 31st March 2015.

These engagements were subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

# 3.4.1 For all new off-payroll engagements between 1 April 2014 and 31 March 2015, for more than £220 per day and that last longer than six months:

|  |  |
| --- | --- |
|  | Number |
| Number of new engagements, or those that reached six months in duration, between 1 April 2014 and 31 March 2015 | 2 |
| Number of new engagements which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations | 2 |
| Number for whom assurance has been requested | 1 |
| *Of which:* | |
| assurance has been received | 1 |
| assurance has not been received | 0 |
| engagements terminated as a result of assurance not being received | 0 |
| Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the year | 1 |
| Number of individuals that have been deemed “board members, and/or senior officers with significant financial responsibility” during the financial year. This figure includes both off-payroll and on-payroll engagements | 8 |

The one off-payroll engagement for a Board member is not included in the number of new engagements as it was for a period of 6.5 days on a strategic project re the future of the Trust.

The Chief Executive and six Executive Directors, on payroll engagements, are deemed to have significant financial responsibility. The post of Medical Director has been occupied by two individuals in year bringing the total individuals to eight.

Section 4: Annual Governance Statement

# 4. Annual Governance Statement 2014/15

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **1.Scope of responsibility**  As Accountable Officer, and Chief Executive of this Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation’s policies, aims and objectives. I also have responsibility for safeguarding the public funds and the organisation’s assets for which I am personally responsible, as set out in the Accountable Officer Memorandum.  Scrutiny by the Non-Executive Directors in the Remuneration and Terms of Service Committee, by Non-Executive Directors and Auditors in the Audit and Assurance Committee, by Non-Executive Directors and Executive Directors in the Quality and Governance Committee and by Non-Executive Directors and Executive Directors in the Finance Committee, provides me with assurance of internal control including probity in the application of public funds and in the conduct of the organisation’s responsibilities. Reports from these Committees are received by the Board meetings and are publically available.  In my role as Accountable Officer I fulfill my responsibilities in close association with the Chief Executive and Senior Officers of NHS Trust Development Authority, the Chief Executive and Directors of Bristol, North Somerset, Somerset & South Gloucestershire Area Team and the Leaders of the North Somerset and Somerset Clinical Commissioning Groups.  Governance and risk issues are regularly discussed at a variety of health economy-wide forums. Regular meetings take place with our partners covering performance and strategy. The Trust also works closely with its key partners, notably North Somerset Council, North Somerset Community Social Enterprise, Weston College and Healthwatch North Somerset. The Trust takes an active part in sector-wide networks and both I and the Executive Directors represent the Trust in key strategic alliances. These include:  Regional meetings and forums:   * Chairs and Chief Executives with the Trust Development Authority * Specialist forums for Directors of Finance, Nursing & Human Resources   Bristol, North Somerset, Somerset & South Gloucestershire Area (BNSSG) meetings and forums :   * BNSSG Quality Review meetings * BNSSG System Leadership meetings * BNSSG Strategic Resilience Group meetings * BNSSG Director of Finance meetings * North Somerset Director of Infection Prevention and Control Forum * West of England Academic Health Sciences Network   Clinical Networking:   * Care pathway networks including the Avon, Somerset, Gloucester and Wiltshire Cancer Network and Urgent Care Network * North Somerset Safeguarding Adults Board * North Somerset Safeguarding Children Board * Avon and Somerset Local Health Resilience Partnership * North Somerset Health Overview and Scrutiny Committee * North Somerset Health and Wellbeing Board (People and Communities Board)   **2. The Governance Framework of the Organisation**  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 a 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 organisation’s policies, aims and objectives. * Evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.   The foundations of good governance are the means by which an NHS Trust pulls together all of the competing pressures on the Trust Board and its supporting structures to enable good governance. Good governance is a means to create greater focus, capacity and capability for NHS Boards. It allows NHS Board members to work more corporately as a team, to challenge NHS Board agendas, deliver objectives in a coherent way and review the NHS Board support structures that enable them to govern effectively.  Effective corporate and clinical governance is fundamental for the success of every NHS organisation. As we embark on our journey of strategic change, it is essential that the Trust has a healthy and effective NHS Board in place which can operate to the highest of corporate governance standards.  The ‘Healthy NHS Board Principles for Good Governance’[[1]](#endnote-1) report 2013 (published by the NHS National Leadership Council) highlights the requirement for all NHS Trust Boards to have a key role in safeguarding quality and to seek assurance that systems of control are robust and reliable.  The Trust is committed to complying with the principles set out in ‘Governing the NHS - A guide for NHS Boards’ published by the NHS Appointments Commission in June 2003. By so doing we aim to implement the principles of good governance to ensure the delivery of high quality patient-focused care that is well managed, cost-effective, and has a well trained and motivated work force.  It is against these principles and also from guidance and best practice from the NHS Code of Governance, The Intelligent Board and Foundations of Good Governance that the Trust’s current governance arrangements were first reviewed and assessed during 2011/12 and then consolidated by the Trust Board throughout 2012/13,2013/14 and 2014/15.  NHS Trusts are not required to comply with the UK Corporate Governance Code. The Trust does not comply with the Code. However, we have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the Trust and best practice, to ensure the delivery of high quality patient-focused care that is well managed and cost-effective, by a well trained and motivated work force.  **The Board Assurance Framework** links the main elements and aims of the Trust’s internal control and governance policies, identifying the risks to the Trust’s strategic objectives, the key controls in place to manage these risks and the level of assurance with regard to the effectiveness of the controls. The framework identifies any gaps in both the controls and the assurances that the controls are effective.  In line with national guidance it is structured around the high level risks which were deemed to be the most significant risks to prevent delivery of the corporate objectives in 2014/15. It has been considered by the Audit and Assurance Committee on behalf of the Trust Board at each of the six meetings held during the year. It has also been considered by the Trust Board twice during the year at public meetings.  The Framework is regularly reviewed and updated by Directors individually with the Associate Director for Governance and Patient Experience – but also together at the Executive Management Group. This has ensured that risks, controls and assurances against the Trust’s strategic objectives remain aligned, updated and transparent. Actions to address key risks have been fully documented during the year. Revised processes are carried forward into the coming year to ensure that gaps in control are closed.  **Care Quality Commission standards** The Trust Board has used its’ Assurance Framework to assess its’ position with regards to Care Quality Commission standards and other compliance requirements.  During 2014/15 the Board has considered the impact of the new inspection framework of the Care Quality Commission. The Board has overseen a revised assessment process in response to the learning from the Care Quality Commission, assessed its’ likely position and improved its governance processes – incrementally aligning reporting to the five CQC reporting domains of safe, effective, caring, responsive and well-led.  The Board has considered and responded to the new regulations for the Duty of Candour and Fit and Proper Persons.  **Incidents management.** The Trust uses a web based database to support staff to report safety and quality incidents. Each day incidents are risk scored by the Governance Team. Integration with other assurance reporting streams (for example concerns raised via Patient Advice & Liaison Services) occur and Executive and Operational leads are updated regarding any apparent trends. The quality of investigations and ongoing actions are monitored by the Governance Team.  **Clinical audit.** Following the publications of the Berwick, Francis and Keogh Reports in 2013 the Quality Improvement Hub was developed in October 2013. The aim of the Hub is to engage clinicians to focus on quality improvement methodology based on a number of sources:   * The Royal College of Physicians and the Joint Royal Colleges of Physicians Training Board *Learning to Make a Difference* initiative ([www.rcplondon.ac.uk](file:///E:\WAHT\Quality%20Account%202014.15\www.rcplondon.ac.uk)), * the Institute for Healthcare Improvement *Model for Improvement Framework* ([www.ihi.orgs](http://www.ihi.orgs)) and * The British Medical Journal *Quality Improvement Programme* ([quality.bmj.com](file:///E:\WAHT\Quality%20Account%202014.15\quality.bmj.com)).   The Hub is located in a central area in the hospital, enabling clinical staff to gain more direct support and guidance to undertake quality improvement projects. Clinical staff receive coaching and support to undertake baseline audits, to collect and organise data and to build improvement projects.  Outcome data from various sources (including clinical incidents, complaints, mortality indices and audits) prioritises areas for improvement.  In order to enable accountability, NHS Boards are statutorily required to establish committees responsible for patient safety and quality, audit and remuneration.  **The Trust Board** operates in accordance with the Trust Standing Orders and has overall responsibility for agreeing the risks, controls and assurances detailed in the Board Assurance Framework and for the framework’s maintenance and monitoring during the year. It’s annual review of committee structure in November 2014 included a review of Board to Ward governance.  During the reporting period of April 2014 to March 2015, there were six meetings of the Trust Board (May 2014, July 2014, September 2014, November 2014, January 2015 and March 2015 and two Extraordinary Meetings of the Trust Board (April and July 2014), for which the following Board Members’ attendance was recorded.   |  |  |  | | --- | --- | --- | | **Name** | **Title** | **Number of Meetings Attended During**  **This Period** | | Peter Carr | Chairman (V) | 7 | | Grahame Paine | Vice Chair / Non Executive Director (V) | 8 | | Brigid Musselwhite | Non Executive Director (V) | 8 | | George Reah | Non Executive Director (V) | 7 | | Ian Turner | Non Executive Director (V) | 7 | | Nick Wood | Chief Executive (V) | 7 | | Bronwen Bishop | Director of Strategic Development (V) | 5 | | Karen Croker | Director of Operations | 7 | | Sheridan Flavin | Director of Human Resources | 7 | | Rob Little | Director of Finance (V) | 8 | | Bee Martin | Executive Medical Director (V) | 6 | | Christine Perry | Director of Nursing (V) | 7 |   (V) Denotes Voting Member  Regular agenda items have included a CEO report and reports on the quality and safety of patient care. An integrated performance report – reviewed at each meeting - has included key performance indicators from regulatory frameworks and national priorities such as those described in the NHS TDA Accountability Framework 2014/15. The Chairs of the delegated subcommittees report issues by exception.  In Committee, agenda items have included feedback and surveys of patient experience, feedback and surveys of staff experience, reviews of investigations following serious incidents, regulatory updates and updates from the transaction programme.  Board seminars have occurred on six occasions. These seminars have been used to review the effectiveness of Board performance including the CQC Well – Led and Fit and Proper Persons frameworks and discuss business planning priorities.  **The Audit and Assurance Committee** considers the annual plans and reports of both the External and Internal Auditors and reviews the Corporate Risk Register, Board Assurance Framework and risk management process.  The Committee provides an independent and objective review of the Trust’s systems, information, internal control and probity, compliance with laws, guidance and regulations governing the NHS. The Committee of Non-Executive Directors met six times during 2014/15 and reports on its work to the Trust Board. It is chaired by a Non-Executive Director.  **The Quality and Governance Committee** is concerned with assurance in relation to clinical care and governance against patient safety and quality key performance indicators and standards. At each meeting it reviews governance reports from the Divisions and ensures new risks are escalated in line with the Trust risk management processes. Each quarter it reviews reports from incidents, audit and PALs and complaints. It also reviews the terms of reference of a wide range of its reporting committees. The Committee meets bi-monthly and reports on its work to the Trust Board. It is chaired by a Non-Executive Director. The Committee is authorised to seek any information it requires from any employee. All employees are directed to co-operate with any request made by the Committee.  **The Remuneration and Terms of Service Committee** has delegated powers to determine arrangements on matters relating to remuneration and terms and conditions for Board level post holders (excluding Non-Executive Directors). It also has the power to determine for all staff, arrangements for any non-contractual payments in line with Department of Health and NHS Trust Development Authority guidance.  **The Finance Committee** provides an independent and objective review of the Trust’s financial policy, management and reporting systems, and the medium term capital strategy. The Committee monitors progress against individual savings improvement plans.  The Committee meets at least quarterly and reports to the Trust Board. It has Non Executive and Executive Director membership and is chaired by a Non Executive Director.  It is recognised that whilst the Trust Board as a whole has collective responsibility for financial matters, the degree of planning and scrutiny required goes beyond the scope of the Board’s normal meeting agenda.  **The Executive Management Group** meets weekly. It includes Executive and Divisional Directors, and when necessary calls in representation from specialists such as members of the Trust finance function or external advisors. This forum ensures that control issues are constantly reviewed, monitored, and where necessary, updated.  **The Business Planning and Delivery Group,** chaired by the Chief Executive Officer was established in April 2014. It is responsible for oversight of business planning and ensures that quality impact assessments of Cost Improvement Programmes are robust.  **The Nursing and Midwifery Committee is a subcommittee of the Quality and Governance Committee** and was established in March 2012 to provide a forum for nurses and midwives from all grades to contribute to the development, delivery and measure of corporate, Regional and National Nursing and Midwifery objectives.  **The Patient Experience Review Group** **is a subcommittee of the Quality and Governance Committee,** chaired by a Non Executive Director was established in January 2014 and has met bimonthly since. The Group oversees the ways we collect evidence of patients’ experiences of the care we provide and ensures that themes arising from different assurance streams are identified, collated and actioned. The Group has also increased our engagement with third sector colleagues through shared membership on the Group.  **The Clinical Advisory Group**, **is a subcommittee of the Quality and Governance Committee,** chaired by the Medical Director it is responsible for ensuring that clinical care standards are monitored and continually improved. In particular the group works towards the elimination of all avoidable mortality. Established from the Clinical Audit and Effectiveness Committee in May 2014, the timing of the Group has been reviewed to enable improved attendance by medical members.  **The Health Informatics Committee is a subcommittee of the Audit & Assurance Committee,** chaired by the Director of Finance, meets on a bi-monthly basis. The Group receives a regular update from the Information Governance Committee who is responsible for reviewing any breaches of patient confidentiality and information security incidents and recommending appropriate action where necessary. Information Governance policy is overseen ensuring relevant legislation is adhered to.  **The Patients’ Council** reports directly to the Board. It has met monthly from September 2012. The Council supports monitoring of patient experiences of care and provides lay challenge of Trust processes via individual membership of key committees and support for complaints and PALS processes. The members are appointed through interviews conducted by external parties, not by the Trust. Representatives from the Patients’ Council sit on the following Trust committees:   * Nursing and Midwifery * Quality and Governance * Infection Control * Safeguarding * Patient Experience Review Group   The Chair or Deputy Chair of the Patients’ Council attends all Trust public Board meetings.  See below for Risk Management Committee  **3.0 The Risk and Control Framework**  The Trust’s **Risk Management Strategy** defines:   * The Trust’s attitude to risk * Unacceptable and acceptable risk * The principles of risk management which are to identify risk exposure, analyse the risk exposure, to select an appropriate risk management method to control the risk, to implement the chosen method of risk management, and to monitor and control an effective course of action.   The **Risk Management Committee** leads the Trust’s response to the management of all areas of risk and ensures that all elements of the Risk Management Strategy are addressed within available resources. This includes the management of risk in relation to the achievement of the Trust’s corporate objectives and the Assurance Framework. The Risk Management Committee reports to both the Audit and Assurance Committee and the Quality and Governance Committee. It is chaired by the Lead Director for Clinical Risk (the Director of Nursing).  The Trust’s Performance Assurance Framework is reviewed and discussed at the Trust’s Business Planning & Delivery Group. This monthly meeting monitors the performance of the Operational Divisions against key performance indicators including financial targets.  During 2014/15 the Board sought assurance that the Trust’s objectives were being achieved and risks were controlled through a framework of assurance processes, including performance reports with high level Key Performance Indicators, regular presentation and update of the Assurance Framework, regular review of the Corporate Risk Register, audits (internal and external), assessments by regulatory and monitoring agencies and reports from its assurance committees.  The Board has taken the following steps to assure itself that the Trust’s **Quality Account** is accurate with the Director of Nursing leading the development of the annual Quality Account.   * The Board reviews the quality metrics and performance data presented throughout the year as summarised within the Quality Account, through the work of its Committees and Executive Management Group. * Executives approve as accurate the data included in the Quality Account – in line with their individual responsibilities. * Key areas of the Trust are audited and monitored against internal and external standards. This work is reviewed and scrutinised by the Trust Board through the Audit and Assurance Committee. There are sound internal controls over the collection and reporting of performance measures included in the Quality Account. These controls are subject to review by our internal and external auditors to confirm that they are working effectively in practice. Key stakeholders have been involved in the development of the report.   **4.0 Risk Assessment**  The Trust has a Board approved **Risk Management Strategy** which identifies that the Chief Executive has overall responsibility and accountability for having an effective risk management system in place for meeting all statutory requirements, and adhering to guidance issued by the Department of Health and NHS Trust Development Authority in respect of Governance. The Board is committed to the continuous development of a framework to manage risks in a structured and focused way in order to protect patients, staff and the public from harm and to protect the Trust from losses or damage to its reputation.  The Medical Director and Director of Nursing have responsibility for managing the implementation of clinical risk management and clinical governance. All managers and clinicians accept the management of risks as one of their fundamental duties. These duties are defined in the Risk Management Strategy, which identifies the roles and responsibilities of Directors, managers and staff in relation to risk identification, analysis and control. Additionally the strategy recognises that every member of staff must be committed to identifying and reducing risks.  To this end the Trust:   * Promotes an environment of accountability to encourage staff at all levels to report when things go wrong, allowing open discussion to prevent their re-occurrence. * Provides all staff with access to risk management information, advice, instruction and training. Risk management is included in the core Staff Induction Programme which covers incident reporting and complaints, information governance, manual handling, infection control, and within regular mandatory updates in line with the Statutory and Mandatory Training Policy. The level of training varies according to need and is assessed as part of the annual formal staff appraisal process. Further training is given to appropriate staff on other risk related topics and there is ongoing support from the Governance Team which includes Health and Safety expertise. All staff receive written information on risk, safety and relevant Trust policies. * Promotes good governance and risk management practice which is disseminated using a variety of methods including training sessions, Divisional Governance Meetings, safety bulletins, staff intranet and other staff briefing sessions.   Through the **Quality and Governance Committee** the Trust seeks to learn and share good practice through rigorous assessment of corporate risk, incidents and complaints and compliance with standards, and shares this information widely, together with learning from these events and identified good practice to Directorate teams through formal briefings, training and active support.  The Board receives assurance from the **Audit and Assurance Committee** on processes employed by management with regard to the assessing and evaluating the control and the mitigation of significant risk. Specifically, the Audit and Assurance Committee provides the Board with the assurance that the Trust has in place:   * Key controls to assist in securing and delivering Trust business objectives, through the Board Assurance Framework. * Effective and reliable control systems. * Agreed and timely corrective action plans for any gaps in controls, systems or assurances.   Internal and external audit reports are reviewed by the Audit and Assurance Committee and references to best practice are identified and adopted wherever possible.  The Trust’s **significant strategic risk** relates to the organisational change agenda. At the end of 2012 the Trust announced that it would be working with the Trust Development Authority and local stakeholders to identify an organisational form for 2015/16 onwards, with the Trust either being acquired by another NHS organisation or entering into an NHS ‘Operating Franchise’ Agreement with a third party. In 2014/15 it was agreed that the preferred process would be acquisition by NHS providers only. A transaction programme with appropriate governance was established, preferred bidder identified and due diligence commenced. Throughout the procurement process the Trust Board has maintained its commitment to deliver safe, high-quality treatment and care to patients.  The Trust’s **principal operational risks** were the achievement of adequate medical and nurse staffing levels, A&E four hour wait from arrival target, Clostridium Difficile targets and financial performance. The Trust did achieve its medical and nursing staffing target for the year overall and improved on the financial plan, with successful mitigating actions.  The Trust’s **principal safety risks** were the achievement of a reduction in inpatient falls, pressure ulcers and medication incidents.  There is an established Information Governance Framework within the Trust, with the role of Caldicott Guardian being held by the Associate Medical Director and the SIRO (Senior Information Risk Officer) role being held by the Director of Finance. Operational management of data protection is the responsibility of the Trust’s in-house Solicitor.  The Trust has monitored and implemented the Information Governance toolkit plan in 2014/15. The final self-assessment submission achieved 73% compliance with the NHS Health and Social Care Information Centre requirements and is graded green and satisfactory.  We keep monitoring our data quality. The Trust has a Data Quality Policy and an Information Improvement Team. This policy, along with a wide range of others relevant to data quality, is regularly reviewed by the Trust’s Health Informatics Committee which also monitors the work of the Information Improvement Team and Health Informatics in general.  We have set up new initiatives, including the establishment of a Data Quality Group with our commissioners which will steer the data quality improvement plan. This is attended by the Information Improvement Manager, finance, information, and data warehousing. This Group is responsible for the monitoring the quality and accuracy of elective waiting time data and escalating any risks.  The Board regularly discuss a very wide range of data regarding quality and patient safety, operational performance, human resources and finance. This helps to improve data quality and presentation through robust discussion, questioning and analysis by executive directors, non-executive directors, patients’ representatives and members of the general public.  In order to achieve further transparency the Trust continues to benchmark its date against HES via CHKS statistics (an independent provider of healthcare intelligence and quality improvement services.).  Risks to information are managed and controlled via the Health Informatics Service risk register, divisional risk registers (if appropriate) the Trust’s corporate risk register and incident reporting mechanism. Through these above processes I am aware of the risk management systems in place for Information governance at the Trust. There have been no significant lapses of data security in 2014/15.  **5.0 Review of the Effectiveness of Risk Management and Internal Control**  **Review of Effectiveness**  As Accountable Officer I have responsibility for reviewing the effectiveness of the system of internal control.  My review is informed in a number of ways:   * The Board Assurance Framework itself provides me with evidence of the effective controls that manage the risks to the organisation achieving its principal objectives. * The work of the Audit and Assurance Committee provides me with assurance on key controls to assist in securing and delivering the Trust’s business objectives, effective and reliable control systems and agreed and timely corrective action plans for any gaps in controls, systems or assurances. * The Head of Internal Audit who provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework, and on the controls reviewed as part of the internal audit work. Within the annual opinion, the Head of Internal Audit has given a ‘Significant Assurance’ opinion for the year ended 31 March 2015. * Executive Directors within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance on the performance of key performance indicators and delivery of operational plans. * Reports and feedback from external agencies to the Trust provide me with independent evidence on quality and patient safety outcomes and learning.   My review is also informed by detailed major sources of assurance on which reliance has been placed during the year which include:  **External Assurance**   * Audits (clinical, financial, internal, external). * External body assessments/reports (Trust Development Authority, Healthwatch, NHS Protect). * Care Quality Commission Standards and Trust registration process – reports and full engagement of Executive and Non-Executive directors throughout the process. * Peer Reviews and re-accreditation of specific functions within the organisation (National Patients’ Association, Royal Colleges) * Benchmarking of key performance data where possible, including use of the CHKS benchmarking system. * Financial Monitoring and Accounts (FMA) returns. * Local public perception including feedback from regular meetings with the Patients’ Council, key local stakeholders and media coverage reports. * Hazard/safety notices – reports regarding compliance. * External professional guidelines (NICE, NPSA) – reports regarding compliance. * Reports on the effectiveness of work undertaken by the Local Counter Fraud Specialist. * National reports and surveys – reports detailing organisational compliance relative to other organizations (e.g. Friends and Family Test, National Inpatient survey, National Staff Survey).   **External Audit** has been provided to the Trust by Grant Thornton UK LLP. The results of external audits are reviewed through the Audit and Assurance Committee and the External Auditors attend the meetings of that Committee.  **Other Assurance Mechanisms**:  Special Reviews are undertaken from time to time by the Care Quality Commission, External Audit, and the Health and Safety Executive as well as other various external bodies. Peer reviews are also undertaken.  **Internal Assurance**   * Local Patient and Staff surveys and questionnaires. * Quarterly incidents, inquests, complaints, Patient Advice and Liaison Service and claims – reports to committees and trend analysis. * Training reports detailing feedback from training and compliance with attendance. * Feedback from staff through individual contact, larger group listening events and exit interviews including feedback from Trade Unions. * Clinical audit and effectiveness reports from the Quality Improvement Hub.   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, Audit and Assurance Committee, and the Quality and Governance Committee. The governance structures and systems of internal control detailed below have been in place during 2014/15 and the effectiveness of the Committee structure is regularly monitored. Board and Committee minutes record attendance at each meeting.  **Internal Audit** is provided by Audit South West and carries out a continuous review of the internal control system. It reports the results of reviews and recommendations for improvements in control to management and the Trust’s Audit and Assurance Committee. The annual internal audit programme is based around the Trust’s key objectives and the Assurance Framework. The results of audit are reviewed through the Audit and Assurance Committee and the Internal Auditors attend every meeting of the Committee. In March 2015 Audit South West reported an overall assurance opinion of CQC Governance as ‘green’ and in June 2015 Governance and Risk Management Arrangements at the Trust were assessed as ‘green’.  **The system of internal control** has been in place in Weston Area Health NHS Trust for the year ended 31 March 2015 and up to the date of approval of the annual report and accounts.  **6.0 Significant Issues**  No significant issues have been reported in year.  **6.1 Future form of the organisation**  The Trust continues to work closely with the Trust Development Authority (TDA) to identify a new organisational form, probably effective from 2015/16, due to issues concerning sustainability including a challenging financial position. This is a significant strategic risk which is managed by the Trust and the TDA.  The Head of Internal Audit has given a ‘Significant Assurance’ opinion for the year ended 31 March 2015. The opinion confirms that there is a generally sound system of internal control designed to meet the Trust’s objectives and that controls are generally being applied consistently.  **7. Concluding Statement**  My review confirms that Weston Area Health NHS Trust has a generally sound system of internal controls that supports the achievement of its policies, aims and objectives. |
| **Accountable Officer : Nick Wood, Chief Executive**  **Organisation: Weston Area Health NHS Trust**  **Signature:**  **Date:** |

STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTABLE OFFICER OF THE TRUST

The Chief Executive of the NHS has designated that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officers Memorandum issued by the Department of Health. 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 with the approval of the Treasury to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

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

**nb: sign and date in any colour ink except black**

Signed.........................................................................Chief Executive

Date..........................

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the 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, 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

**nb: sign and date in any colour ink except black**

..............................Date.............................................................Chief Executive

..............................Date............................................................Finance Director

Independent auditor’s report to the Trust Board of Weston Area Health NHS Trust

**TO INSERT**

Annual Accounts 2014/15

## 5 TO INSERT – annual accounts

Letter of Representation June 2015

**TO INSERT**

|  |
| --- |
| Wahtblk  **FINANCE DEPARTMENT**  Weston General Hospital  Grange Road, Uphill  Weston-super-Mare  Somerset  BS23 4TQ  Tel: 01934 636363  Direct Line: 01934 647002    Website: <http://www.waht.nhs.uk/> |

Glossary

# Glossary of Financial Terms

|  |  |
| --- | --- |
| Assets | An item that has a value in the future. For example, a debtor (someone who owes money) is an asset as they will in future pay. A building is an asset because it houses activity that will provide a future income stream. |
| Audit | The process of validation of the accuracy, completeness and adequacy of disclosure of financial records. |
| Average Relevant Net Assets | Average relevant net assets are normally found by adding the opening and closing balances for the year and dividing by two. Balances consist of the total capital and reserves (total assets employed) less donated asset reserve less cash balances in Government Banking Services accounts. This is used to calculate the Capital Cost Absorption Rate. |
| Capital | Land, buildings, equipment and other long-term assets owned by the Trust, the cost of which exceeds £5,000 and has an expected life of more than one year. |
| Capital Resource Limit (CRL) | A control set by the Department of Health onto NHS organisations to limit the level of capital expenditure that may be incurred in year. |
| External Financing Limit (EFL) | The External Financing Limit (EFL) is a fundamental element of the NHS Trusts financial regime. It is cash based public control set by the Department of Health. It represents the excess of its approved level of capital spending over the cash a trust can generate internally (mainly surpluses and depreciation) essentially controlling the amount of “externally” generated funding. |
| Fixed Assets | Land, buildings, equipment and other long term assets that are expected to have a life of more than one year. |
| Governance  Impairment loss | Governance is a system by which organisations are directed and controlled. It is concerned with how the organisation is run, how it is structured and how it is led. Corporate Governance should underpin all that an organisation does. In the NHS this means it must encompass clinical, financial and organisational aspects.  The amount by which the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. |
| Intangible Assets | Intangible assets are assets that cannot be seen, touched or physically measured. Examples include software licences, trademarks, patents and  some research and development expenditure. |
| Property, Plant and Equipment | A sub-classification of fixed assets which include land, buildings, equipment and fixtures and fittings. |
| Public Dividend Capital | When NHS trusts were first created, everything they owned (land, buildings, equipment and working capital) was transferred to them from the government. The value of these assets is in effect the public’s equity stake in the new NHS trusts and is known as public dividend capital |
| Retained Earnings Reserve | Retained earnings are the aggregate surplus or deficit the NHS trust has made in former years. |

# Glossary of Abbreviations

BNSSSG Bristol, North Somerset, Somerset & South Gloucestershire Area

CBI Confederation of British Industry

CCG Clinical Commissioning Group

CCA The Civil Contingencies Act

CCG Clinical Commissioning Group

CDI Clostridium difficile infection

CHKS Caspe Healthcare Knowledge Systems

CHP Combined Heat and Power

CO2e Carbon Dioxide Equivalent

CQC Care Quality Commission

CQUINS Commissioning for Quality & Innovation Schemes

CRL Capital Resource Limit

DGH District General Hospital

DEFRA GHG Department of the Environment, Fisheries and Rural Affairs Green House Gases

EAP Employee Assistance Programme

ED Emergency Department

EFL External Financing Limit

EPRR Emergency Preparedness Resilience and. Response

FMA’s Financial Monitoring and Accounts

FT Foundation Trust

GHG Green House Gases

GP General practitioner

IFRS International Financial Reporting Standards

ILM Institute of Leadership and Management

IM & T Information Management and Technology

KPI Key Performance Indicator

LED Light-emitting diode

LQAF NHS Library Quality Assurance Framework

LHRP Local Health Resilience Partnership

MRSA [Methicillin-resistant Staphylococcus Aureus](http://en.wikipedia.org/wiki/Methicillin-resistant_Staphylococcus_aureus)

NICE National Institute for Health & Clinical Excellence

NPSA National Patients Safety Agency

NHSTDA NHS Trust Development Authority

PALS Patient Advice & Liaison Service

PPC Positive People Company

PRIDE Patients First, Recognise & Respect, Invest in people, Delivery and Explain

QCF Qualifications & Credit Framework

QIPP Quality, Innovation, Productivity & Prevention

RTT Referral to treatment

VTE Venous Thromboembolism

1. [N:\Governance guidance\Healthy NHS Board Principles for Good Governance.pdf](file:///\\WAHT\Users\General\hoskinsg\Governance%20guidance\Healthy%20NHS%20Board%20Principles%20for%20Good%20Governance.pdf) [↑](#endnote-ref-1)