



# ANNUAL REPORT AND ACCOUNTS 2019/20

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**Caring for Walsall together**



# CONTENTS

	Page
<b>Welcome to Walsall Healthcare NHS Trust’s Annual Report and Accounts</b>	<b>3</b>
<b>1 Performance Report</b>	<b>5</b>
Overview	
Chief Executive’s Statement on Performance	
Purpose and Activities of Walsall Healthcare NHS Trust	
Looking back over the last 12 months	
Key Issues and Risks	
Statement of Going Concern	
<b>2 Accountability Report</b>	<b>21</b>
<b>2a Corporate Governance Report</b>	<b>21</b>
Directors’ Report	
Trust Board Composition	
Register of Interests	
Personal data incidents 2019/20	
Statement of Disclosure to Auditors	
Statement of directors’ responsibilities in respect of the accounts	
Statement of the Chief Executive’s responsibilities as the accountable officer of the trust	
Governance Statement	
Modern Slavery Act 2015 – Transparency in Supply Chains	
<b>2b Remuneration and Staff Report</b>	<b>43</b>
Remuneration Report	
Remuneration Policy	
Fair Pay Disclosure	
Salary and Pension Entitlement of Senior Managers	
Staff Report	
Staff Numbers Analysis	
Number of Senior Managers	
Sickness Absence	
Staff Policies	
Regulation 8, Schedule 2 2017/328 Declaration of Facility Time	
Consultancy Costs	
Off Payroll Arrangements	
Exit Packages	
Certificate on summarisation schedules	
● Trust Accounts Consolidation (TAC) Summarisation Schedules for Walsall Healthcare NHS Trust	
● Finance Director Certificate	
● Chief Executive Certificate	
<b>3 Financial Statements and Notes</b>	<b>53</b>
<b>Independent auditor’s report</b>	<b>58</b>

# Welcome to Walsall Healthcare NHS Trust's Annual Report and Accounts

We started the financial year with a degree of optimism as we awaited publication of our latest Care Quality Commission (CQC) inspection; our third inspection in as many years. And we were not disappointed.

Continuing improvement, a positive culture and innovative ideas led to the trust coming out of special measures. The CQC rated care as "Outstanding" across the trust and highlighted a number of areas of outstanding practice in both the hospital and community.

While the trust has been rated as "Requires Improvement" overall, there has been significant progress made since it was rated Inadequate in 2016 and Requires Improvement in 2017.

The 2019 assessment followed the CQC's new inspection regime, which examines whether the trust is well-led and looks at its use of resources.

**Professor Stephen Powis, National NHS Medical Director, said: "We have accepted the CQC's recommendation to remove Walsall Healthcare NHS Trust from quality special measures. This decision reflects the improvements that have been made and sustained by the trust since its previous inspection, particularly in maternity and urgent and emergency services."**

**"This has been a long journey for Walsall Healthcare and staff can be rightly proud of their achievements to date and their strong desire to improve. There is of course more work still to do to ensure that patient services are the very best they can be and we will continue to work closely with the trust to ensure that further improvements are made and sustained."**

To be able to exit quality special measures was an incredibly proud moment for all of us at Walsall Healthcare. There's no clearer proof that the effort, commitment and pride that our staff have demonstrated obviously made a huge impact. Inspectors also noted the promotion of a positive culture across the trust with staff feeling supported and valued and a "significant improvement" in their sense of pride in representing the organisation.

The CQC detailed the areas which need to improve including ensuring staffing levels are safe and reduce the risk of patient harm, greater engagement with patients and better monitoring of infection risk.

Under the well-led domain, while stating that leaders were well engaged with external partnerships to secure experiences and quality across health and care, inspectors noted that staff below director level could do more to ensure accountability and the flow of information.

The trust has also got a long way to go in making the most effective use of its estate and its workforce and is picking this up through its improvement programme, which is the trust's strategic response to how we will achieve our ambition of being an outstanding rated organisation by 2022.

Moving into 2020, the NHS has been involved in responding to the biggest public health crisis in over 100 years - the COVID-19 (Coronavirus) pandemic.

There have been and, at the time of writing, will continue to be logistical challenges through critical care demand increases, PPE availability, staffing resilience and communication in a time of unprecedented stress. We also are now moving to a period in which we must link post COVID surge recovery with the ambitions of our improvement programme.

Our staff have been flexible and shown great resilience amidst this crisis and have demonstrated our values of Compassion, Respect, Professionalism and Teamwork admirably. But we have to be realistic and say that COVID-19's aftermath will have a significant impact on our organisation both in the coming months and well beyond and none of us can truly predict how that will look.

Walsall is one of the most deprived and diverse boroughs in the country and its residents are relying on us to step up to this challenge and lead by example by using the precious resources we have available to us in the most careful and least wasteful way. Going forward, our strategy and delivery will be much more focused on reducing health inequalities and working with residents to better manage their health and wellbeing. This will help us to protect those resources for those who most need it.

The image shows two handwritten signatures in black ink. The signature on the left is 'Daniell' with a long, sweeping horizontal line extending to the right. The signature on the right is more cursive and appears to be 'Shameela'.

# SECTION 1: PERFORMANCE REPORT

## Overview

This overview is a short summary to inform an understanding of the organisation, its purpose, the key risks to the achievement of its objectives and how it has performed during the year.

## Chief Executive's Statement on Performance

Winter pressures were reportedly the most severe on record for the NHS and Walsall certainly hasn't been immune to this. In December we had our highest month of Type 1 (unplanned) Emergency Department attendances ever, and January saw our third highest month on record.

Yet Walsall Healthcare managed to deliver safer and more timely emergency care than many other trusts this winter.

Our national ranking for the 4-hour emergency access standard rose from 108th (out of 132 trusts) in April 2019 to 53rd in February 2020, (out of 118 trusts, the number has reduced due to a number of trusts scoping the new national ED measures and not submitting the 4-hour data). Our Midlands regional ranking rose from 15th (out of 21 Midland trusts) to 9th (out of 29 trusts) in February 2020. March 2020 saw deterioration in ED 4 hour performance due to the Covid-19 pandemic.

This couldn't have happened without a huge team effort that saw:

- ED managing assessment waiting times so well despite record demand
- Our emergency assessment units in Medicine, Surgery, Gynaecology and Paediatrics supporting patient flow from ED so effectively, despite such high demand.
- Ambulatory Emergency Care, Frail Elderly Service and Surgical Ambulatory Care Unit for timely acute assessments, and brilliant admission avoidance.
- Inpatient wards, Therapies, Community and Intermediate Care Service teams for contributing to reduced length of stay, and reduced numbers of medically fit for discharge patients staying in hospital compared to last year.
- Critical care managing some extremely unwell patients, particularly during peak influenza season.
- Pharmacy support to ensure safe, timely patient discharges.
- Radiology significantly reducing turnaround times for scans - helping clinicians make the right decisions for our patients.
- Discharge Lounge superbly managing record numbers of patients, and freeing up acute ward beds earlier in the day.
- Operating Theatres managing a substantial emergency surgical and trauma caseload at times.
- Infection Prevention and Control colleagues and our Housekeeping team supporting our wards during outbreaks.
- Our Portering team keeping the hospital moving in a timely manner.
- The Clinical Site Practitioner Team staying calm and professional in the face of extreme pressure, and co-ordinating the site so well.



Members of staff also picked up additional shifts to support our Winter Plan, and all our management, administration and corporate teams helped to deliver it.

On RTT (Referral To Treatment) the total incomplete waiting list has seen a reduction; at its peak in October 2019 there were 16,225 patients waiting on a 18 weeks pathway, this reduced to 14,852 patients in March 2020. Our focus continues to bring long waits down.

On cancer services, work continues across a number of tumour sites to improve the 62 day RTT performance with a focus on reducing the front end of the pathway.

Walsall patients will have access to more surgical clinics across the Cancer Alliance footprint, which will support efforts to reduce delays.

Performance against the national constitutional standard for treatment within 62 days varied through the year, however it improved in March 2020 to 85.9% and achieved the national target of 85%.

We use a system called CareFlow Vitals and from March an upgrade to this system was made available throughout the hospital, including the Emergency Department.

The number of patients being seen by our Rapid Response Team has increased during the year due to recruitment within the team and also within the locality teams allowing Rapid Response to hand over patients earlier to create more capacity.

The service has also been piloting a model whereby in addition to GPs, ambulance crews are able to refer in for patients that otherwise would have been taken to ED. The numbers of patients being seen has increased, but the percentage of referrals kept in their place of residence has remained stable, indicating that the quality of referrals has remained consistent and that greater demand exists than the service currently has capacity for.

We have a Private Nursing Homes scheme that provides a healthcare service for patients in nursing homes that identifies and treats deteriorating patients in their place of residence. The scheme covers seven residential homes and provides a pharmacist to support medication reviews.

A Quality in Care Team is now established with action plans for all care homes in the borough. The trust is now four years into its five year strategy to deliver its vision of "Caring for Walsall together".

This vision is underpinned by five strategic objectives.

1. **Provide Safe, High Quality Care.** We will provide care that we would want for our family and friends.
2. **Care for Patients at Home.** We will keep people well at home, provide alternatives to acute care and return people home safely and quickly after admission.
3. **Work Closely with Partners.** We cannot do this alone and will work with our partners in Walsall and the Black Country.
4. **Value Colleagues.** We will be a clinically-led, engaged and empowered organisation.
5. **Use Resources Well.** We will ensure future sustainability by living within our means.

Our Walsall Together integrated care partnership, with us as host provider, is now underway, and the trust is undergoing a massive digital transformation with the introduction of the EPR (Electronic Patient Record) system.

These are just two of the elements that we hope will help us achieve our ambition of becoming an Outstanding trust by 2022.



**Richard Beeken, Chief Executive.**

## Purpose and Activities of Walsall Healthcare NHS Trust

Walsall Healthcare NHS Trust is an integrated trust. The Manor Hospital provides a full range of district general hospital services and community health services for adults and children which are run from more than 60 settings across the borough, including health centres and GP surgeries, while community services also provide support in people's own homes.

The trust has integrated health and social care with the development of seven Integrated Locality Teams. The teams are co-located Community, Social Care staff and Mental Health staff who provide a 'wrap-around' service to GP practices.

## The area the trust serves

Walsall borough is made up of a diverse multi-cultural population of 283,400 (ONS, mid-2018) and suffers from a number of health inequalities.

According to the Local Authority Health Profile 2019, the health of people in Walsall is varied compared with the England average. Walsall is one of the 20% most deprived districts/unitary authorities in England and about 25.8% (15,070) children live in low income families. Life expectancy for both men and women is lower than the England average.

Life expectancy is 10.4 years lower for men and 8.8 years lower for women in the most deprived areas of Walsall than in the least deprived areas.

In Year 6, 26.2% (958) of children are classified as obese, worse than the average for England. The rate for alcohol-specific hospital admissions among those under 18 is 15\*, better than the average for England. This represents 10 admissions per year. Levels of teenage pregnancy, GCSE attainment (average attainment 8 score) and breastfeeding are worse than the England average.

The rate for alcohol-related harm hospital admissions is 688\*. This represents 1,814 admissions per year. The rate for self-harm hospital admissions is 182\*. This represents 520 admissions per year. Estimated levels of excess weight in adults (aged 18+) are worse than the England average. The rates of new sexually transmitted infections and those killed and seriously injured on roads are better than the England average. The rates of hip fractures in older people (aged 65+) and new cases of tuberculosis are worse than the England average. The rate of statutory homelessness is better than the England average. The rates of under 75 mortality rate from cardiovascular diseases, under 75 mortality rate from cancer and employment (aged 16-64) are worse than the England average.

\*Per 100,000 population.

Walsall is a culturally diverse town where people of Indian, Pakistani and Bangladeshi background form the largest minority ethnic groups. Walsall now has a small Eastern European population.

## Looking back over the last 12 months

### Care Quality Commission inspection report

The trust was inspected by the CQC in February and March 2019 and the team visited all of our medical inpatient areas and critical care services. Inspectors also attended both our public and private Board sessions. Inspectors published their report in July 2019.



Walsall Healthcare NHS Trust came out of quality special measures following this inspection which rated care as “Outstanding” across the trust and highlighted a number of areas of outstanding practice in both the hospital and community.

While the trust has been rated as “Requires Improvement” overall, there has been significant progress made since it was rated Inadequate in 2016 and Requires Improvement in 2017.

The report highlighted several areas of “outstanding practice” which included:

- The new Advanced Clinical Practitioner role to improve patient target times for triage and treatment
- The award-winning initiative to improve patient care for frequent Emergency Department attendees
- The introduction of “What Matters To Me” boards for elderly patients and those living with dementia
- The introduction of communication clinics for relatives
- The CASH (Contraception And Sexual Health) team providing an exemplary programme of sex and relationship education to young people



Inspectors also noted the promotion of a positive culture across the trust with staff feeling supported and valued and a “significant improvement” in their sense of pride in representing the organisation.

The CQC detailed the areas which need to improve including ensuring staffing levels are safe and reduce the risk of patient harm, greater engagement with patients and better monitoring of infection risk.

Under the well-led domain, while stating that leaders were well engaged with external partnerships to secure experiences and quality across health and care, inspectors noted that staff below director level could do more to ensure accountability and the flow of information.

## Key estate improvements

### New neonatal unit opens

The trust’s new £5.6m Neonatal Unit at Walsall Manor Hospital opened in November 2019.

The unit houses a purpose-built Intensive Therapy Unit and High Dependency Unit and a new obstetric theatre has also been created.

Caroline Whyte, Walsall Healthcare’s Divisional Director of Nursing – Children, Young People and Neonates, said: “We’ve increased our provision to 20 cots – taking our HDU cots from two to four and our special care cots from 11 to 14 – and the extra space we have is fantastic.

“The construction was a challenge in as much as parts of this expansion have had to be live and running alongside the existing unit. Staff have been so accommodating – ensuring safe, high quality care has not been compromised while juggling the demands necessary for a major expansion project – and I’d like to thank them for their patience and co-operation.”



Neonatal Unit Senior Nurse/Ward Manager Lisa Poston added: "As well as the much-needed investment in neonatal care that this represents there are also some lovely features in the new unit."

"We've got a special bell that can be rung when babies are ready to go home and in some windowless areas we've got some stunningly colourful light panels."

## Partnership approach to building for the future



A potential layout for the new £36m Emergency Department and Acute Medical Unit at Walsall Manor Hospital has been drawn up following workshops with service users.

Interserve Construction has been appointed to build the new development and it will replace the current building whose physical environment struggles to meet increasing patient flow demands.

A full business case has been developed for NHS England/Improvement approval and enabling works are due to start in autumn 2020 with the building ready to use in 2022.

The Capital Build itself will incorporate a new Emergency Department with "front door" access to a new Urgent Treatment Centre and Paediatric Assessment Unit within it. The first floor will then provide a new Acute Medical Unit along with a Medical Ambulatory Unit.

Walsall Healthcare NHS Trust's clinical teams have been working with Interserve to define the new ways of working that will represent Best Practice and high standards of care to patients so that the building can meet these needs.

In January, all the services that are involved – including the Frailty Service, Palliative and End of Life Care, Pharmacy and Infection Prevention and Control - signed off their clinical models which will now be used to start to define the initial layout and drawings.

Colleagues from the Emergency Department, Patient Experience Team, Interserve project Team and BDP Architects joined patients, carers, service users, volunteers and stakeholders to take part in a workshop in January to pool their expertise to deliver more effective and sustainable outcomes and an improved experience for all involved. The session was opened by Miss Ruchi Joshi, Clinical Director and those taking part took part in discussions, used interactive Virtual Reality and visual exercises to help shape the ideal patient experience.

Miss Joshi said: "We looked at all aspects of the patient's journey from arrival and waiting to treatment and care, taking on board communication and information, the actual environment and all the factors that influence how we make our patients and their families feel.

"We want to thank everyone who took part and helped us enjoy an enthusiastic and lively session with plenty of food for thought in terms of feedback. People told us they'd prefer to see calming colour palettes moving away from a clinical look, audio and visual privacy with consideration to visually impaired visitors and those with hearing impairments and soft furnishing for sound absorption to name just a few suggestions.

"This co-production and co-design model will be continued over the lifespan of the project with patients, carers, 'staff as service users' and different groups from the community getting involved at specific phases of the planning and building work."

"This is a tremendously exciting time for our trust as we work in partnership to deliver a brand new department that is fit for purpose for many generations to come."

## Birthing restrictions relaxed

From April 2019 women registered with all GP practices were able to give birth at Walsall Manor Hospital after restrictions were released.

A birthing cap was introduced in 2016 to reduce the number of births at the hospital and ensure the safety and stability of Maternity Services.

Following an improved CQC rating and the ongoing efforts of staff and senior leaders, Walsall Healthcare was able to release these restrictions.

It meant that from April 2019 the trust was able to increase its birth rate to its capping level of 4,200 each year and started accepting bookings from all GP practices for any pregnant women who wish to give birth at Walsall Manor Hospital. Low risk women who were already booked to deliver at another trust who would like to birth at the Manor Hospital could also request a transfer. This had previously been restricted.

## MLU re-opened for births



Walsall's Midwifery-Led Unit (MLU) re-opened for births on 6 January 2020. The MLU also continues to offer supportive antenatal, postnatal and perinatal mental health clinics.

Births were suspended again in March 2020 due to the pressures of COVID-19.

## Electronic Patient Record (EPR) investment



The trust is implementing a new Electronic Patient Record (EPR) system this year as part of its exciting digital transformation journey. EPR is one of the trust's key priorities as it works towards a more effective and efficient NHS.

The programme has been through a rigorous testing phase in order to identify any issues and is due to go live in autumn 2020.

There has been fantastic engagement from colleagues across the trust and EPR has been embraced as a great opportunity to develop and improve.

**MEDWAY** will replace the Patient Administration System (PAS), Lorenzo.

The Emergency Department will use a MEDWAY system specifically designed for ED, which will include **VITALS**.

**BLUESPIER** will replace ORMIS, currently used in Theatres.

**CAREFLOW CONNECT** will enable clear communication between clinicians creating improved patient care and experience - Piloted by Pharmacy.

This is not just a new IT system; it is transformational change with a long term commitment to service improvements.

### **NHS Staff Survey**

Our 2019 NHS Staff Survey results showed an overall decline across ten of the 11 themes compared to the results of the 2018 survey.

In response to the outcomes of the 2018 survey, throughout 2019 the trust applied a particular focus to the health and wellbeing of colleagues and increasing the quality of appraisals. Whilst it was early days in terms of the impact of work in these areas it is encouraging to receive the following feedback from this year's survey:

- More staff have told us that their appraisal has helped them to improve how they do their job to 22.5%, the highest score since 2015.
- More staff have told us that they believe that we take positive action on health and wellbeing. 26.5% which is an increase from 25.8% in 2018 and is close to the peer benchmark average of 27.8%

Our Employee Engagement Index score fell slightly from 6.7 in 2018 to 6.6 with staff telling us that they feel unable to make suggestions and make improvements in the work of their team/department. These results contrast with our Quality Improvement approach and suggest more work is required to focus on a QI programme to enable the trust to achieve sustainable quality and efficiency improvements.

### **Walsall Together Integrated Care Partnership**

Walsall Together Integrated Care Partnership (ICP) is a partnership between Walsall Healthcare Trust as the host provider, Walsall Clinical Commissioning Group, Black Country Partnership NHS Foundation Trust, Walsall Council, Walsall Housing Group and One Walsall.

It was fully established in April 2019 and the aim is to work together to improve the population's health outcomes, increase the quality of care provided to our residents and provide long-term financial sustainability in the system.

### **Governance Arrangements**

A Walsall Together Partnership Board, with senior representation from each organisation, meets on a monthly basis to provide strategic oversight and operational co-ordination for the services in scope. All organisations have signed an alliance agreement which sets out how they will work together to deliver sustainable, effective and efficient services.

The Executive Director of Integration leads a Senior Management Team and Programme Office, which are responsible for overseeing the operational delivery and co-ordination of services. A robust plan is in place that describes the remit, programme governance and outcomes of the individuals and teams tasked with delivering the new clinical model.

A Clinical and Professional Leadership Group (formally known as the Clinical Operating Model Group) is chaired by the Director of Public Health. This provides strategic clinical direction and assurance on the model of care as well as overseeing and ensuring effective engagement to enable the integration of services to work. This group also co-ordinates the selection of clinical pathway redesign based on population health needs.

A Section75 agreement has been developed between Walsall Healthcare Trust as the host provider of the ICP and Walsall Council. The agreement sets out how Walsall Healthcare acts as the host for delivery of Adult Social Care Services.

### **Our plans for delivering an Integrated Care Partnership**

Since the partnership was established, it has been working on and looking at ways in which we can plan and deliver services in a more joined up way in order to meet the changing needs of the population.

A strategic business case, supported by all partners, was approved outlining the future intentions of the partnership and further enshrined by an Alliance Agreement, which demonstrates how the partnership plans to deliver integrated care for the people of Walsall.

This includes a new model of care that will see all the people involved in a person's care operating together such as GPs, mental health, social care, pharmacy, voluntary sector and the hospital.



All levels of care will be accessed via a single point creating a seamless navigation and co-ordination service for all health and social care services. This will be accessible in person, via telephone, a mobile app or online.

### **Investment**

In order to develop and deliver a fully integrated care partnership we are investing in our communities, workforce, digital equipment, technology and estates:

#### ***Resilient Communities***

Focusing on prevention rather than treatment, we are looking at ways we can support our communities by equipping them with the tools and resources they need to improve the health and wellbeing of their population.

We are working with Walsall Council and One Walsall to align our Resilient Communities Programmes, giving people better access to services such as social prescribers, Making Connections Walsall, housing, education and training information, Expert Patient Programme, Care Navigation and Co-ordination, carer support and opportunities to be involved in volunteering projects.

Healthwatch Walsall has also been commissioned to support Walsall Together in engaging and communicating with service users, carers and the people of Walsall about the evolving integrated ways of working.

This organisation will take the lead in identifying and seeking the views of patients and the public on services delivered across the Walsall Together ICP, inform people of the benefits of integrated working and enable communities to be fully represented in the decision making process of future delivery of services and service change.

It attends the Walsall Together Partnership Board and provides patient and user stories that outline both the need and the benefits of integration.

#### ***Workforce***

Building on and bringing together existing workforce into new teams to enable them to work closely together to deliver each tier of care within the model.

This will include teams to support people to manage their own health and social care within the community, a single point of access team, expanding on existing community based service teams and creating a network of specialist teams to deliver outpatient and diagnostic services as well as a range of intermediate, unplanned and crisis services.



Secondary care consultants, advance practitioners, social prescribers, pharmacists and therapists are just a few examples of the services that are being invested in to ensure that the right support is in the right place at the right time for the population.

As well as the physical co-location of teams we are also investing in organisational and workforce development to ensure that all our staff are fully engaged with the aims of the partnership and integrated working and are given the opportunity to train and develop their skills in order to deliver these.

### ***Digital Technology***

We are developing resources, digital tools and the infrastructure that will enable the integrated partnership to be effective and efficient in its delivery.

This includes the Single Point of Access which will support the different tiers in allowing people to access the self-care health and social care information they need, online applications such as telehealth, appointment booking and fitness trackers and access for health and social care professionals to data from individual records (with consent) to enable informed decision making and better outcomes for individuals.

### ***Estates***

Looking at how and where we can deliver the new model of care.

This includes Health and Wellbeing Centres based across the four existing localities (North, South, East and West), a number of easily accessible buildings across the borough for integrated primary, social and community services as well as specialist services and Walsall Manor Hospital for high quality acute services including A&E.

Whilst some of these will be achievable in the short term, some will form part of the longer term deliverables over a five year period.

### **Benefits of Integrated Working**

For local people and their families it will mean they are better supported within a community setting to maintain their health and independence, the way their care is provided will be easier to understand and use, professionals will have access to individuals information so they don't have to keep sharing their health and social care history and they will have more choice in who provides their care.

For our health and social care professionals they will be part of new ways of working that better meets the need of local people, will have flexibility in their roles and more development opportunities, the ability to access patient information quicker and improved communication between primary and secondary care.



For the health and care economy as a whole it will improve existing working relationships, allow for shared knowledge, resources and expertise between organisations, reduction of duplication, improved digital and technological support, ability to share resources to provide safer, more co-ordinated care that is sustainable in the future.

## Achievements so far

We have made excellent progress since the partnership was formed in laying the foundations and setting out our vision and how we aim to achieve it. We recognise we have a long way to go but some of the achievements to date include:

- Co-location of all adult social care and community based service staff into new teams within the existing North, East, South and West localities in Walsall. This will enable staff to work as one team, allowing for better decision making, sharing of skills and expertise and the reduction of duplication of work.
- Recruitment of a Multi-Disciplinary Team Co-Ordinator and GP Leads across all four localities, which will allow for a co-ordinated approach of the MDT across all localities. This will lead to improved and more effective sharing of information to ensure a clear overview of the needs of Walsall population as a whole.
- Adoption of a strengths-based approach workforce development programme which is due to be rolled out imminently. Strengths-based approaches focus on individuals' strengths, including personal strengths and social and community networks. It is an holistic and multidisciplinary approach and works with the individual to promote their wellbeing. This will equip staff with the skills they need to embed the model of care into their work, improve team engagement.
- Commissioned Healthwatch Walsall to develop a Walsall Together Service User Group ensuring effective engagement with the population of Walsall enabling them to provide feedback on service redesign proposals and pathways of care. This will allow services to be designed jointly with services users ensuring they are accessible, delivered effectively and in a timely manner. It will lead to improved health and wellbeing outcomes both in terms of managing existing conditions and preventing new cases.
- Transfer of Stroke Rehabilitation patients from a hospital setting into the community to enable improved quality of care through a more integrated approach by all specialists involved in their care and improved access to intermediate care and other community services. It will also reduce the risk to these vulnerable patients of hospital associated infections, increased falls due to unfamiliar surroundings and reduce waiting times for therapy care which will lead to improved recovery times for patients.
- Piloting a Single Point of Access for GPs and Paramedics focusing on admission avoidance during winter 2019/20. This allows for a more co-ordinated and streamlined approach to patient care with their needs met in a more effective and efficient way and where possible through specialist MDT teams in the community rather than a hospital setting.



- Roll out of virtual clinics to a wide range of services such as bereavement, dermatology, paediatrics and care home service users. This allows online consultations to take place between clinicians and patients, without the need for a face to face visit, reducing the number of visits for follow up care within the hospital and community and the barriers faced by patients in accessing appointments.
- Implementing a Bedside Mobility Assessment Tool (BMAT) within the hospital to support the discharge of patients, who are medically stable, into the community by improving mobilisation and reducing deconditioning. Through the use of BMAT patients are kept mobilised and the risks of bed sores and falls are decreased which leads to reduced lengths of stay in hospital.
- Review of Respiratory, Cardiology, Diabetes, End of Life, Mental Health and 0-19 Year pathways to identify improvement opportunities, focus on prevention and management of Long Term Conditions and ways in which more care can be delivered in the community. This will allow service users to access care closer to home therefore reducing the need to travel and the cost and time associated with that. In addition they will have access to integrated services which can manage multiple conditions/issues without having to refer to other teams which will mean less waiting times and uncertainty.
- Development of a single electronic referral form to allows referrals to go directly from a GP clinical system into locality teams. This will enable the referral to be reviewed by a Multi-Disciplinary Team approach and patient care be delivered in a more effective and timely manner without the need for them to repeat their health and social care history to multiple providers.
- Review and expansion of Advance Care Planning to deliver ReSPECT forms, and planning for subsequent transition to an electronic system (EPaCCS), across all organisations. This will enable a person (or suitable alternative) to express preferences for clinical care in a future emergency in which they are unable to consent. It will reduce inappropriate referrals or treatment where this is not desired and/or appropriate. This will enable more personalised care with patients able to have more control over their care and their wishes taken into account at all stages of their care allowing them to die in a place of their choosing, where appropriate.

## Next Steps

The Walsall Together Programme Office along with all partners is currently reviewing the proposals set out in the original business case and looking at the key deliverables and the investment required to achieve the aims set out in 2020/2021.

## BMAT – helping our patients, helping our staff



BMAT (Bedside Mobility Assessment Tool) is a nursing tool that enables nursing staff to assess and identify a patient's mobility status in order to safely get them out of bed. It recommends equipment for safe patient transfers and mobility.

Staff across Walsall Manor Hospital have been receiving training in BMAT and the tool is seeing some really good results with positive feedback from staff. It provides a standardised way for staff to assess patient mobility in order to determine safe and effective practices for patient handling.

Our BMAT team is made up of Michelle Shore, Senior Paediatric Occupational Therapist, Zoe Waldron, Assistant Practitioner for Stroke Services and Sara Marple, a Clinical Support Worker from our complex discharge Ward 14.

Michelle said: "We all know how important it is to get our patients out of bed on a daily basis. Ten days in hospital can lead to 10 years of muscle aging for some patients so anything we can do to prevent deconditioning and prolonged hospital stays has to be a good thing."

Zoe said: "BMAT helps maintain the safety of both patients and staff by avoiding the use of bad practice. This should reduce work-related illness and therefore time off work which puts pressure on the remainder of the team."

While BMAT is a four step tool many patients may not need all four steps. It is a quick tool that can be incorporated into everyday tasks such as washing, changing and getting out of bed for mealtimes.

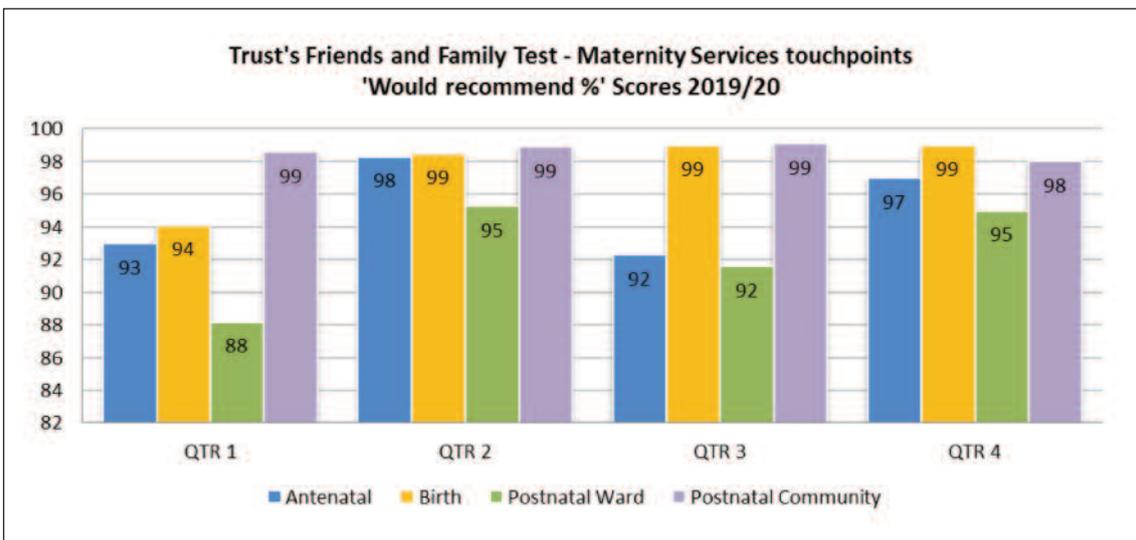
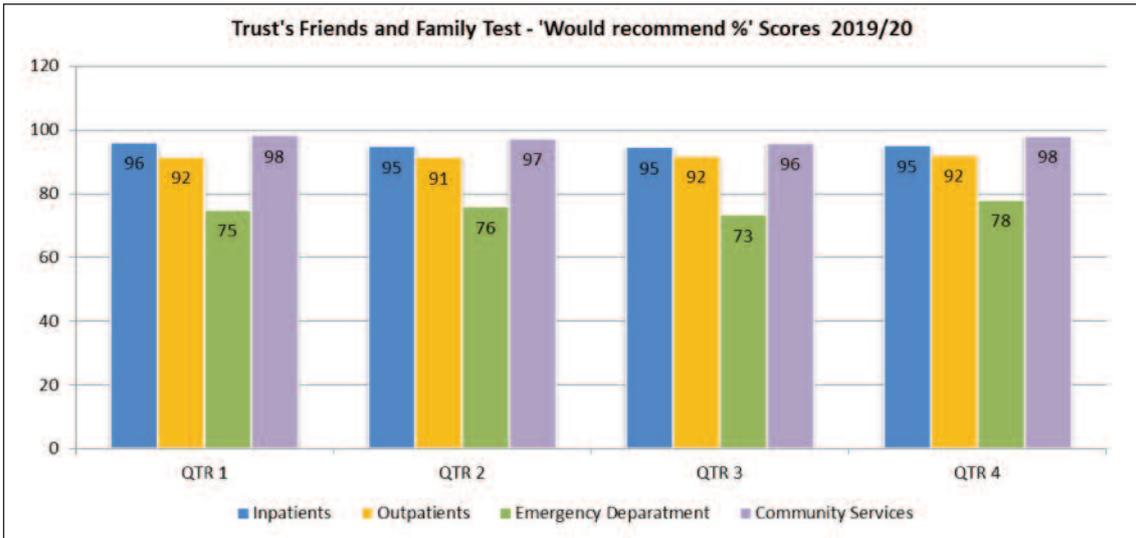
Where the patient has been seen by therapies with a mobility plan above the bed, the BMAT should still be completed on a daily basis with the aim of achieving that level of mobility. Where this is not possible, liaison is required with the appropriate Physiotherapist or Occupational Therapist.

### Patient experience progress

Over the last year, we have progressed further with our work for putting patients and carers' voices at the heart of our services to ensure that the trust has a co-ordinated approach of 'listening to' and 'learning from' feedback. We have particularly increased patient involvement in production and design of services and clinical units.

Around 92% of patients who used our hospital and community services said they would recommend us to their friends and family if they needed similar care or treatment. This recommendation score is based on over 52,000 Friends and Family Test (FFT) surveys completed by our patients and service users. Our national survey results continued to show improvements and also highlight areas where more work is needed such as communication, patient involvement in decisions about care and treatment, arrangements around discharge and waiting times.

The chart below shows average FFT results for positive recommendation scores (%) for inpatients, emergency department, maternity services, outpatients and community services during 2019-2020.



**Feedback comments themes**

Patients positively commented the most about staff attitude, implementation of care and our healthcare environment. The themes below have been generated from over 39,000 FFT comments given by patients. The themes are ranked, and in relation to comments reported positively or negatively:

Top 10 Themes			
+ Positive		- Negative	
1. Staff attitude	26894	1. Staff attitude	1279
2. Implementation of care	11696	2. Waiting time	1011
3. Environment	6927	3. Environment	942
4. Patient Mood/Feeling	5395	4. Implementation of care	716
5. Clinical Treatment	5371	5. Communication	685
6. Communication	4768	6. Clinical Treatment	600
7. Waiting time	4066	7. Patient Mood/Feeling	582
8. Admission	3751	8. Admission	464
9. Staffing levels	926	9. Staffing levels	238
10. Catering	462	10. Catering	102

### Key achievements and improvements include:

- “Making Magic with Bubbles and Butterflies - Doing What Matters!” Ward 2 Patient Experience project shortlisted for a national award.
- Patient involvement to influence the feel, look and design of the new Emergency and Urgent Care Centre.
- Partnership working with Healthwatch Walsall for ward quality and safety reviews Partnership working with Manor Farm volunteers to enhance the discharge lounge experience.
- ‘Hear2Care’ Patient, Carer and Staff experience stories programme improved and expanded.
- ‘What matters to me’ patient boards on wards.
- Quiet Protocol introduced to the paediatric wards to help patients and parents sleep well at night.
- Maternity 15 Steps – Gaining service user perspective on the maternity journey.
- Feedback Friday and Star comments initiatives promoted positive feedback for services/wards on our website and social media.
- Co-produced user-friendly visual patient journey maps for Emergency Department and Maternity Triage.
- ‘You & I’ Patient Experience awareness programme completed in Maternity Services and rollout began for Community Services.
- Rolled out Neonatal Unit Face2Face project to deliver a live audio/visual stream to new mothers who could not see or visit their babies in NNU.
- ‘Images speak a thousand words’ project on ward 3 - using pictures to help patients feel at home and less anxious about their hospital stay.
- Supported Maternity Services - its aim to gain Baby Friendly Initiative accreditation by working closely with our League of Friends Shops.
- Lay Reading Panel participation increased for reviewing non-clinical patient leaflets/information.
- Trust Quality Improvement Programme: Supported working groups and involvement of lay members/volunteers.
- Partnership work with local schools such as Queen Mary School for community project and curriculum’s enrichment programme on PAU/Ward 21.
- Kids Saturday Club - Operation theatre tour for anxious children and those with additional needs/Learning disabilities to reduce anxiety when they actually go for their procedure.
- Monthly FFT staff award – A recognition Award for wards with most positive staff member mentions in the Friends & Family Test.

The trust is also extremely grateful to over 300 volunteers who support staff and patients across the hospital, Palliative Care Centre, Chaplaincy and Self Care Management. We continue to increase the number of our volunteers and develop new roles based on the requirements of our different clinical and non-clinical services.

### QI update



The trust’s Quality Improvement Academy launched its formal Quality, Service Improvement and Redesign (QSIR) training across the organisation.

QSIR is supported by NHSE/I and has two separate accredited programmes; a one day Fundamentals which gives participants enough understanding to get started with a QI project, and a five day Practitioner level course that covers eight modules.

The initial plan was to have three cohorts of delegates but colleagues within the trust were engaged to a greater extent and five cohorts were completed. In total 87 colleagues completed the five day practitioner programme and 150 colleagues completed the one day Fundamentals.



The Senior Nurses Development Programme required delegates to undertake a QI Project within their clinical area. The first QI Awards event took place in July 2019 showcasing the Quality Improvement Projects which medical colleagues had been working on. The event saw submissions from all divisions and was a platform to build on for a multi-professional event to be held each year moving forward.

The QI Academy also sponsored two QI Conferences through the year, with national speakers across a wide range of topics including Compassionate Leadership, Leading Improvement and Plot the Dots delivered by the NHSI Analytics team, as well as local QI Projects being presented at both events.

The QI Academy also took over the sponsorship and co-ordination of the Human Factors training that was being delivered within the trust and across the STP. This programme of training supports staff to make it easier to do the right things within high-pressured clinical roles as well as within other services, using scenario and simulation training techniques. Three sessions introducing the concepts within Health Care Systems Engineering were also delivered to a range of colleagues through the summer.

Towards the end of the year, the trust demonstrated its commitment to continuous Quality Improvement with the appointment of Divisional Clinical Leads for QI and Research. Their role along with the trust's Clinical Lead for QI, is to promote QI and research within their division and to engage the clinical body in applying QI tools and methodology in all that they do.

### **Charity year success stories**

From climbing Mount Snowdon, to a trek in the Sahara with sponsored bike rides, head shaves, a boxing match and a fashion show – fundraisers for our Well Wishers charity have had another busy year!



A host of charity events have taken place over the last 12 months to help swell our charity coffers and Well Wishers also teamed up with Marks & Spencer for a fundraising partnership to support the parents and carers of premature babies.

A successful partnership with Enoch Evans LLP Solicitors continued with a Make A Will Fortnight and the charity's Patron Martin Gethin, former British Lightweight Champion and IBF Super Lightweight Champion, has carried out his own events as well as supporting the charity throughout the year.

Donations have also continued to flood into the Purple Hub on the outpatients corridor. Books and bric a brac are sold Monday to Friday and this has helped generate additional funds for the charity.



Other highlights include the charity funding adapted Tai Chi training courses for Assistant Practitioners within the Community Neurological Rehabilitation Team based at Short Heath Clinic. This has meant Walsall patients with Parkinson's Disease and Multiple Sclerosis have been able to try these specialist sessions to help them manage their long term conditions.

Well Wishers has also joined the Best of Walsall, which champions the borough's businesses and shops and is helping to promote the charity.

## Key issues and risks

During 2019/20, the trust identified the following key risks to the delivery of its strategic objectives. The major risks identified and monitored through the Board Assurance Framework during the year related to:

- Prolonged or substantial failure to deliver fundamental standards of care, results in harm to patients.
- Failure to engage patients and the public in service development results in poor patient experience and services which do not meet the needs of patients
- Failure to develop effective partnerships within the Walsall Together partnership may result in the trust being unable to deliver integrated secondary care pathways and social care collaboration
- Failure to deliver the objectives defined in the long-term plan, results in poor partnership working across the system, therefore impacting on the trusts long-term sustainability.
- Lack of an inclusive and open culture impacts on staff morale, staff engagement and patient care
- Failure to deliver the trusts financial plan:
  - Impacts on the quality of care the trust is able to deliver
  - Results in the trust being placed into financial special measures

## Statement of Going Concern

These accounts have been prepared on a going concern basis.

The trust recorded a surplus in 2019/20. The Board is committed to continue to generate surpluses in future years and current long term planning models show the trust at breakeven or surplus for the financial years 20/21 to 23/24. To achieve this forecast the Trust will be relying on support from the Financial Recovery Fund (FRF) from NHSI/E. For the Trust to receive the funds financial targets need to be achieved by both the Trust and the wider Black Country and West Birmingham Sustainability and Transformation Partnership (STP). Planning has been centred around ensuring these targets are met. In March 2020 of this year, NHSE/I informed all trusts in England that funding would be provided to ensure that each trust could achieve breakeven in April 2020 to July 2020. Where allocated funding was insufficient trusts have the opportunity to bid for further funds to cover expenditure incurred for meeting the challenges associated with the Covid 19 pandemic. The Trust awaits further updates about the exact funding arrangements for 20/21.

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. The affected loans totalling £130,534 is classified as current liabilities within these financial statements. As the repayment of these loans will be funded through the issue of PDC, this does not present a going concern risk for the Trust.

The Board has concluded that the Directors have a reasonable expectation that the Trust has access to sufficient resources, including revenue allocations, additional funding to support Covid 19 and capital loan funding, to continue to provide services to patients for the foreseeable future. For this reason, the Board has adopted the going concern basis when preparing these accounts.

# SECTION 2: ACCOUNTABILITY REPORT

## 2a CORPORATE GOVERNANCE REPORT

### Directors' Report

The Trust Board meets in public and the meetings are open to anyone who wants to attend. Details, including agenda and papers are available on the trust website.

Ms Danielle Oum is the Chair of the trust and took office on 8 April 2016.

Mr Richard Beeken is the Chief Executive of the trust (Accountable Officer) and was appointed on 26 February 2018.

The table below sets out the names of the Chair, Chief Executive and all individuals who were directors of the trust from April 2019 until the publication date of this Annual Report. The individuals in the table form the composition of the Trust Board and have authority or responsibility for directing or controlling the major activities of the trust during the year.

Non-executive directors are not employees of the trust and are appointed to provide independent support and challenge to the Trust Board. All Board directors are required to comply with the trust Standards of Business Conduct, including declaration of any actual or potential conflict of interest.

## Trust Board Composition

Name	Designation	In Year Start / Leave Dates
<b>NON EXECUTIVE DIRECTORS</b>		
Danielle Oum John Dunn Sukhbinder Heer Philip Gayle Anne Baines	Chair Non-executive Director Non-executive Director Non-executive Director Non-Executive Director with effect from 14 December 2018 (Associate NED pre December 2018)	April 2016 February 2015 September 2016 August 2016  July 2018
Pam Bradbury Ben Diamond	Non-Executive Director Non-Executive Director	December 2018 October 2019
<b>ASSOCIATE NON EXECUTIVE DIRECTORS</b>		
Dr Elizabeth England Alan Yates Sally Rowe Paul Assinder Rajpal Virdee	Associate Non-Executive Director (non-voting) Associate Non-Executive Director (non-voting) Associate Non-Executive Director (non-voting) Associate Non-Executive Director (non-voting) Associate Non-Executive Director (non-voting)	December 2018 to July 2019 April 2018 to August 2019 April 2019 October 2019 October 2019
<b>EXECUTIVE DIRECTORS</b>		
Richard Beeken Daren Fradgley Russell Caldicott Jenna Davies Catherine Griffiths Margaret Barnaby Dr Karen Dunderdale Dr Matthew Lewis Ned Hobbs Ann Marie Riley	Chief Executive Officer Director of Integration/ Deputy CEO Director of Finance and Performance Director of Governance Director of People & Culture Interim Chief Operating Officer Director of Nursing / Deputy CEO Medical Director Chief Operating Officer Interim Director of Nursing	February 2018 December 2015 July 2015 June 2018 September 2018 December 2018 to July 2019 August 2018 to March 2020 - July 2019 March 2020
<b>NON EXECUTIVE AND EXECUTIVE DIRECTORS WHO HAVE LEFT THE TRUST</b>		
Dr Elizabeth England	resigned from her role as an Associate Non-Executive Director in July 2019.	
Mr Alan Yates	resigned from his role as an Associate Non-Executive Director in August 2019.	
Mrs Karen Dunderdale	has been seconded to another NHS Trust since March 2020.	

## Trust Board Member Profiles



### **Danielle Oum**

*Chair of the Trust Board (Voting Position)  
Appointed April 2016*

Danielle has more than 10 years' experience of leading public service business improvement and programme management, and has also worked extensively in the private sector, building and leading international teams. Danielle's professional expertise is in stakeholder engagement and transformational change. Her other professional interests are socio-economic inclusion, cross sector partnerships and regeneration. Danielle was previously the Chair of Dudley and Walsall Mental Health Partnership NHS Trust. Danielle has also recently joined The Royal Wolverhampton NHS Trust Board as a non-executive member to improve collaboration and partnership working.



### **John Dunn**

*Non-Executive Director (Voting Position)  
Chair of Performance, Finance and Investment Committee  
Appointed February 2015*

John's professional life was spent almost exclusively in the Telecoms sector and he has extensive experience in the field of operations, and customer service. His career includes 20 years' experience at divisional board level in a variety of executive and non-executive roles and his last position with BT was as Managing Director - Openreach. As MD, he was responsible for the delivery and repair of customer service and for the provision and maintenance of the local access network for the south of the UK.



### **Sukhbinder Heer**

*Non-Executive Director (Voting Position)  
Chair of Audit Committee  
Appointed September 2016*

Sukhbinder has more than 30 years' senior management experience in corporate finance and private equity as well as leading one of the UK's top professional services companies. Over the past few years Sukhbinder has also undertaken a number of non-executive positions in private, public and charity sectors and is currently also Non-Executive Director and Chair of Audit at Birmingham Community Healthcare Foundation Trust (BCHCFT).



### **Philip Gayle**

*Non-Executive Director (voting position)  
Appointed August 2016*

Phil is currently Chief Executive Officer for Connect West Midlands, an organisation that supports those affected by substance misuse. Phil has considerable experience of the health sector and has also worked as a Non-executive Director for Sandwell and West Birmingham NHS Trust. Phil is passionate about contributing to improving services for patients in particular their experience of care at the Trust and has a strong interest in equality, diversity and ethics.



### **Anne Baines**

*Non-Executive Director (voting position)  
Chair of Walsall Together Committee  
Appointed 14th December 2018*

Anne has had near 40 years' experience within the NHS in the West Midlands. Before taking (semi) retirement in 2017 she had spent the last 15 years in and around Board level roles in both providing and commissioning roles covering strategy, business development and transformation, communications and HR. She was the Director of Strategy at Walsall Healthcare Trust from 2010-2014 and is happy to have returned as a Non-Executive member as she has fond memories of the Trust and colleagues working there. Anne is a member of the Quality and Safety Committee and has been appointed the NED lead for the Freedom to Speak Up policy.



**Sally Rowe**

*Associate Non-Executive Director  
Appointed October 2019*

Sally Rowe has been a qualified social worker for 30 years, working across children's and adults services in different types of local authorities and in frontline and management roles. She has also spent time as Her Majesty's Inspector of local authorities and a senior manager within Ofsted. She is now Director of Children's Services in Walsall, a Non-Executive Director of a Health Trust and a Trustee of a national charity Grandparents Plus.



**Paul Assinder**

*Associate Non- Executive Director  
Chair of Charitable Funds  
Appointed October 2019*

Paul is one of the most experienced and respected finance professionals working in healthcare in the UK. He was elected as National President of the Healthcare Financial Management Association (HFMA), the leading professional body for finance staff working in UK healthcare, in December 2009 and has more than 25 years' experience at board level in both the public and commercial sectors.

Doubly qualified as an accountant, with a University background in both economics and management, he trained and worked with Ernst & Young Co in the UK after graduation, before specialising in the healthcare and technology sectors.

Paul is a graduate of the Senior Managers Course at Insead (French Business School) and was one of the first FDs to be selected to join the elite NHS Top Leaders Programme in 2010. Paul has a broad portfolio of financial and business experience most recently as European CFO of the US transformational genomics provider Nant Health Inc. In the local NHS, Paul has advised policy makers on transformational change through the NHS STP Programme and has also served as Director of Finance and Deputy Chief Executive of Dudley Group NHS Foundation Trust. Before that he held similar positions at Sandwell & West Birmingham Hospitals NHS Trust, Birmingham City Hospital NHS Trust and a number of other board-level appointments in the NHS and private sector.

He is committed to the development of the next generation of healthcare leaders and holds the position of Senior lecturer at the University of Wolverhampton Business School and with others, founded the MBA qualification in Business & Finance for the HFMA Academy in 2017.



**Rajpal Virdee**

*Associate Non-Executive Director  
Appointed October 2019*

Rajpal has 30+ years of being involved in both the public and voluntary sector. Initially, a social worker rapidly moving through to senior management in Dudley Social Services and latterly at Birmingham Social Services.

He has extensive experience with health care bodies, in the capacity of a Non-Executive Director, which included East Birmingham Primary Care Trust, Walsall Primary Care Trust and Walsall Clinical Commissioning Group.

Amongst his many achievements as a Non – Executive Director include, the development of Castle Vale Health Care Centre, Pelsall Medical Health Centre and Walsall Hospice where he was the Chair of the project.

Another passion of Raj is the provision of affordable housing and he has been involved with numerous housing associations, including Black Country Housing Group where as Vice Chair he leads the development of numerous affordable housing schemes, to the benefit of local families.

Raj was appointed in 2002 by the Judiciary to sit as a Lay Member at the Birmingham Employment Tribunal, which deals with employment disputes between employers and employees over employment rights.



**Ben Diamond**

*Non- Executive Director  
Appointed October 2019*

Ben has recently retired from the Fire Service after over 30 years working in emergency response and senior management positions throughout the West Midlands.

During his time in the Fire Service, he developed many innovative partnerships, all focussing on prevention of incidents and ill health. Ben's focus is on prevention being better than cure and he is keen to influence partnerships to develop this principle at Walsall Healthcare NHS Trust.



**Pamela Bradbury**

*Non-Executive Director  
Appointed December 2018*

Pam's career has spanned far and wide, gaining experience as a nurse, manager and leader in the NHS and as a professional advisor within the Dept.of Health. Pam is also a key figure within Healthwatch England – central region.



**Richard Beeken**

*Chief Executive (Voting Position)  
Appointed March 2018*

A graduate of the NHS Management Training Scheme and the NHS Top Leaders Programme, Richard has extensive NHS Leadership experience, having been an executive director since January 2005. As CEO at Wye Valley NHS Trust, Richard led the organisation out of special measures.

He was previously Delivery and Improvement Director for NHS Improvement West Midlands, Interim Chief Executive at Worcestershire Acute Hospitals NHS Trust, and most recently was the Chief Operating Officer for University Hospitals of North Midlands NHS Trust.



**Daren Fradgley**

*Director of Integration/ Deputy Chief Executive Officer  
SIRO  
Appointed January 2016*

Daren joined the Trust after holding numerous operational and director posts at West Midlands Ambulance Service NHS Foundation Trust (WMAS). A paramedic by background Daren joined WMAS in 1994 on frontline operations initially in the Black Country and then Birmingham before moving to the Emergency Control Rooms in 2005. He then went on to manage the Trust Performance Improvement team including informatics and Business Intelligence team. In 2013 he became the A&E Operations Director before moving to NHS 111.

Daren is the Lead for the Walsall Together PLACED based model, and is also the executive lead for Digital Technology.



**Russell Caldicott**

*Director of Finance and Performance (Voting Position)  
Appointed July 2015*

Russell lives locally and has in excess of 20 years' experience of working within the acute sector of the NHS, formerly undertaking roles such as Senior Divisional Accountant, Associate Director of Finance and Deputy Director of Finance. A Qualified Accountant and advocate of continuing professional development, Russell occupies the role of Executive on the Board of the West Midlands Healthcare Financial Management Association, providing support and opportunities for development to the finance teams of Central England.



**Jenna Davies**

*Director of Governance  
Appointed 04th June 2018*

Jenna joined the NHS in 2008 and has predominately worked in senior leadership roles in the Corporate and Clinical Governance fields. Jenna studied Law at the University of Birmingham and qualified in June 2008. Jenna has led and contributed to a number of large scale improvement programmes including a highly complex OD project and preparation for FT application status. Jenna was appointed as Director of Governance in June 2018 and is responsible for the efficient administration of the Trust, particularly with regard to ensuring compliance with statutory and regulatory requirements and for ensuring that decisions of the board of directors are implemented. Jenna is the lead for Governance across the organisation including Health and Safety, Quality Governance and Information Governance



**Catherine Griffiths**

*Director of People & Culture  
Appointed - 10th September 2018 (non-voting position)*

Catherine has a background in local government and more than 20 years' experience of HR and large scale service transformation and redesign. Her expertise lies in employee engagement and empowering those around her to make positive changes for the benefit of the organisation and its service users.

She joined the NHS for the first time in 2015 where she took on the role of Deputy Director of HR as part of Royal Wolverhampton NHS Trust.

Catherine then made the move to Walsall Healthcare in September 2018 and now sits on the Trust Board as Director of People and Culture – overlooking HR and Organisational Development.

Her focus is to ensure a positive and inclusive culture amongst the workforce to ensure staff have the support they need to develop their own talents in order to improve patient experience. Her role also means ensuring staff are living by the trust values (Respect, Compassion, Professionalism and Teamwork) and are supported to be happy and healthy while at work.

Catherine has lived in and around the West Midlands for more than 25 years and is qualified at Masters level in Strategic HR management and holds an LLM in Employment Law.



**Dr Matthew Lewis**

*Medical Director / Caldicott Guardian  
Appointed 22nd October 2018 (voting position)*

Matthew was previously Consultant Gastroenterologist at Sandwell & West Birmingham Hospitals NHS Trust, where he has also been a Divisional Director. As Medical Director at Walsall Healthcare NHS Trust, his key areas of focus are to further develop our service integration with primary care and other hospitals, to improve medical engagement in quality governance and patient safety and to better link service plans to medical workforce plans. Matthew is also the organisation's Caldicott Guardian. Patient Safety and quality of care are key priorities for Matthew in ensuring that our clinical outcomes for patients are of a high standard.



**Ned Hobbs**

*Chief Operating Officer  
Appointed July 2019*

Ned graduated from the University of Nottingham with a first class degree in Pure Mathematics before joining the NHS Graduate Management Training scheme in 2008 in the West Midlands region. He completed his Masters in Health & Public Leadership from Birmingham's HSMC in 2011 and has carried out a variety of operational management roles – predominantly in the acute hospital sector and within mental health.

Ned's previous role was as Director of Operations for the Division of Surgery, Women & Children at Dudley Group NHSFT where he delivered the fifth best elective 18-week Referral to Treatment waiting times in the country.

He has a passion for clinical leadership, having written his dissertation on this subject, and has lectured to medical students and doctors in training on leadership in the NHS. He also has a keen interest in Quality Improvement and the use of comparative clinical outcome measurements to improve patient care.



**Ann Marie Riley**

*Interim Director of Nursing  
Appointed March 2020*

Ann-Marie joined the Trust from Nottingham University Hospitals (NUH) where she was deputy Chief Nurse. Ann-Marie hails from Lancashire originally and has worked in senior nursing positions in both Birmingham and the Black Country before starting her four year stint as the Deputy to one of the most respected and experienced chief nurses in the country, Mandie Sunderland.

Ann-Marie has vast experience and has implemented some award-winning innovative ideas such as #NUHmemorymenu as well as being one of the key people behind the national #endPJparalysis campaign.

## Arrangements for the performance review of Board members

All Board members have an annual appraisal. The Chair has her appraisal with the appropriate Director of NHSE/I. The Chair conducts appraisals with all Non-Executive Directors. The annual objectives of the Chief Executive reflect the priorities of the Trust set by the Trust Board and are agreed with the Chair. The Chair reviews the Chief Executive's performance against these objectives. Each executive director agrees objectives with the Chief Executive. The Chief Executive conducts performance reviews for each Director. The annual appraisals for all Executive Directors, including the Chief Executive, are reported to the Remuneration Committee.

## Attendance at Trust Board meetings

Trust Board	Total %	Attended	Sessions
<b>Executive Directors</b>			
Richard Beeken	100%	10	10
Russell Caldicott	100%	10	10
Catherine Griffiths (non voting)	100%	10	10
Matthew Lewis	100%	10	10
Mags Barnaby	100%	3	4
Karen Dunderdale	90%	9	10
Ned Hobbs	100%	7	7
Daren Fradgley (non voting)	100%	10	10
Jenna Davies (non voting)	100%	10	10
<b>Non-Executive Directors</b>			
Danielle Oum	100%	10	10
John Dunn	90%	9	10
Philip Gayle	90%	9	10
Sukhbinder Heer	90%	9	10
Pam Bradbury	90%	9	10
Anne Baines	80%	8	10
Ben Diamond	100%	5	5
Sally Rowe (non voting)	67%	6	9
Elizabeth England (non voting)	50%	2	4
Alan Yates (non voting)	25%	1	4
Paul Assinder (non voting)	80%	4	5
Rajpal Virdee (non voting)	60%	3	5

## Company Directorships and Other Significant Interests held by members of the Board

The Board of Directors has a legal obligation to act in the best interests of the organisation in accordance with its governing document and to avoid situations where there may be a potential conflict of interest. As such, there is a requirement for Board Members to register company directorships and other significant interests that they hold that may be perceived as conflicting with their overriding duty as a Board Member.

The Trust's register of interest is shown below and is also available on our public website and can be found by using the following link:

[www.walsallhealthcare.nhs.uk](http://www.walsallhealthcare.nhs.uk)

The register is updated as interests are declared and at least annually and is reviewed by the Audit Committee and the Trust Board.

## Register of Interests

Name	Position held in Trust	Description of Interest	Date
Ms Danielle Oum	Chair	Chair: Health watch Birmingham Committee Member: Health watch England Chair: Midlands Landlord WHG Non-Executive Director: Royal Wolverhampton NHS Trust Co-Chair of the NHS Confederation BME Leaders Network Co - Chair, Centre for Health and Social Care Leadership, University of Birmingham	03/06/2020
Mr John Dunn	Non-executive Director	No Interests to declare	17/01/2019
Mr Sukhbinder Heer	Non-executive Director	Powerfab Excavators Limited Evoke Education Technologies (UK) Limited Non-executive Director Birmingham Community NHS Foundation Trust (NHS Entity) Non-executive Director Black Country Partnership NHS Foundation Trust Mind Matrix (Europe) Limited Consilium Consulting (Cardiff) Limited Chester Rutland Limited Persona Holdings Limited	05/12/2018
Mr Philip Gayle	Non-executive Director	Chief Executive Newservol (charitable organisation – services to mental health provision) Non-Executive Director – Birmingham and Solihull Mental Health Trust Director of PG Consultancy	
Mrs Anne Baines	Non-executive Director	Director/Consultant at Middlefield Two Ltd Associate Consultant at Provex Solutions Ltd	17/01/2019
Ms Pamela Bradbury	Non-executive Director	Consultant with Health Education England People Champion – NHS Leadership Academy Partner Dr George Soloman is a Non-Executive Director at Dudley Integrated Healthcare Trust	05/05/2020

<b>Name</b>	<b>Position held in Trust</b>	<b>Description of Interest</b>	<b>Date</b>
Mr Ben Diamond	Non-executive Director	Director of the Aerial Business Ltd  Partner - Registered Nurse and General Manager at Gracewell of Sutton Coldfield Care Home	
Mr Paul Assinder	Non-executive Director	Chief Executive Officer - Dudley Integrated Health & Care Trust  Director of Rodborough Consultancy Ltd.  Governor of Solihull College & University Centre  Honorary Lecturer, University of Wolverhampton  Associate of Provex Solutions Ltd	01/04/2020
Mr Rajpal Virdee	Non-executive Director	No Interests to declare	
Mr Richard Beeken	Chief Executive	Spouse Fiona Beeken is a Midwifery Lecturer at Wolverhampton University  Director – Watery Bank Barns Ltd	08/01/2019
Mr Russell Caldicott	Director of Finance and Performance	Member of the Executive for the West Midlands Healthcare Financial Management Association (HFMA)	28/05/2020
Mr Daren Fradgley	Director of Integration	Director of Oaklands Management Company  Clinical Adviser NHS 111/Out of Hours  Non-Executive Director at WHG	
Dr Matthew Lewis	Medical Director	Spouse Dr Anne Lewis, is a partner in general practice at the Oaks Medical, Great Barr  Director of Dr MJV Lewis Private Practice Ltd	
Ms Jenna Davies	Director of Governance	No Interests to declare	
Ms Catherine Griffiths	Director of People and Culture	Catherine Griffiths Consultancy Ltd  Chartered Institute of Personnel (CIPD)	17/01/2019
Mr Ned Hobbs	Chief Operating Officer	Father – Governor Oxford Health FT  Sister in Law – Head of Specialist Services St Giles Hospice	01/08/2019
Ms Allison Heseltine	Associate Nurse Director Infection, Prevention Control	Employed by Staffordshire and Stoke on Trent CCGs until 31/01/19  Director of husband's Company NetTechnology UK Ltd	04/03/2019
Mrs Sally Rowe	Associate Non-executive Director	Executive Director - Childrens Services Walsall MBC  Trustee Grandparents Plus - Registered charity	29/04/2019

## Personal data incidents 2019/20

During this period, the Trust had 1 reportable incident relating to an information governance data breach. The breach occurred as a result of inappropriate access by two Trust employees to a patient's confidential health record. Whilst both employees had legitimate access to the information system to enable them to fully undertake their duties, they were not authorised to access the record of the data subject. The incident was promptly reported to the Information Commissioner's Office and appropriate remedial and investigative actions taken. The Information Commissioner was satisfied with the trusts approach and issued a Decision Notice on 04/09/2019.

Incident Date	Nature of Incident	Nature of Data Involved	Number of Data Subjects	Notification Steps
29/07/2019	<p>A patient raised an informal concern via our Patient Advice &amp; Liaison Team that their personal health data may have been accessed by relatives who work for the organisation.</p> <p>This incident occurred as a direct result of these staff accessing the personal data of the patient to which they had no legitimate right to do so. The employees were both aware of the policies that were in place to protect personal data, and that access in these circumstances was strictly prohibited.</p>	Personal health data of the patient held on the Trusts Clinical Portal (Fusion) included demographics, test results and a discharge summary.	One	<p>The Information Governance Team was notified 26/07/2019.</p> <p>Duty of Candour applied.</p> <p>Reported on STEIS 29/07/2019</p> <p>Reported on the IG Toolkit 29/07/2019</p> <p>Acknowledgement received from ICO 30/07/2019</p>

### Statement of Disclosure to Auditors

Each individual who is, or was, a member of the Trust Board in the year covered by this report confirmed that, as far as they are aware, there is no information which would be relevant to the auditors for the purposes of their audit report, and of which the auditors are not aware, and have taken all the steps that they ought to have taken to make themselves aware of any such information and to establish that the auditors are aware of it.

## 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 HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, recognised gains and losses and cash flows for the year. In preparing those accounts, the directors are required to:

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

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

The directors confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS trust's performance, business model and strategy.

By order of the Board.

Date: 24/06/20



Chief Executive

Date: 24/06/20



Finance Director

## Statement of the Chief Executive's responsibilities as the accountable officer of the trust

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

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

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

Date: 24/06/20



Chief Executive

## Governance Statement 2019/20

### Scope of responsibility

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

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Walsall Healthcare NHS Trust, to evaluate the likelihood of those risks being realised and the impact, should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Walsall Healthcare NHS Trust for the year ended 31 March 2020 and up to the date of approval of the Annual Report and Accounts.

### Capacity to handle risk

The Trust Board has the ultimate responsibility for risk management and must be satisfied that appropriate policies and strategies are in place and that systems are functioning effectively. The Board has established an Audit Committee, which assists the Board in this process by performing an annual review of the effectiveness of the risk management activities supported by the Chief Internal Auditor's annual work, report and opinion on the effectiveness of the system of internal control.

The Trust Board is supported by a range of committees that scrutinise and review assurances on internal control; such committees include the People and Organisational Development Committee, Performance, Finance, and Investment Committee, and the Quality, Patient Experience, and Safety Committee.

The Trust Board regularly scans the horizon for emergent opportunities or threats, and considers the nature and timing of the response required in order to ensure risk is kept under prudent control at all times.

Operationally, risk management is led by the Executive Team, who have responsibility for the overall management and mitigation of risks within their areas of responsibility. The Director of Governance leads the overall Risk Management Group, which has an operational overview of risk across the Trust to support the Board and its committees. All staff have both the opportunity and expectation of reporting all perceived risks within their area of operation, which are then subject to a process of review, validation and (if appropriate) scoring and management. Management of risk is undertaken at a level appropriate to the potential impact of the risk, including departments, care groups, divisions and on a cross-Trust basis. Additionally, the Board maintains a Board Assurance Framework, reflecting the risks identified to the achievement of the Trust's strategic objectives and how they are managed.

Training and education are key elements of the development of a positive risk management culture. Risk management forms a fundamental aspect of many training activities throughout the Trust, where staff are provided with the necessary awareness, knowledge and skills to work safely and to minimise risks at all levels. Risk management awareness training is delivered to all members of staff through our induction programme and to existing staff through mandatory training programmes.

### The risk and control framework

The Risk Management Strategy provides a framework for managing risks across the Trust and is consistent with best practice and Department of Health guidance. During the 2019/20 year the Trust has revised its Risk Management Strategy which was approved by the Trust Board in October 2020. The strategy provides a clear, structured and systematic approach to the management of risks to ensure that risk assessment is an integral part of clinical, managerial and financial processes across the organisation. The strategy sets out the role of the Trust Board and its committees together with the individual responsibilities of the Chief Executive, Executive Directors and all staff, in managing risk.

There are comprehensive policies and systems in place for the identification and management of risks at all levels, within a single framework to ensure that the evaluation of risk is consistent and reliable. The Trust has also approved a new risk management policy to ensure that risks are managed at the level appropriate to the identified impact and likelihood of the risk eventuating, including departmental, divisional and cross-divisional structures. Overall responsibility for oversight of operational risks is undertaken by the Risk Management Group, led by the Director of Governance to ensure that there is appropriate leadership and accountability for the management of risk. The Board and Board Committees

are regularly updated on high-rated risks on the operational and corporate risk registers, enabling them to challenge and assess the level of assurance available.

The Board Assurance Framework (BAF) sets out the key risks to the Trust's strategic objectives together with the controls in place to mitigate the risks and the assurance that can be evidenced relating to their control.

The Board has overall responsibility for ensuring systems and controls are in place, sufficient to mitigate risks which may threaten the achievement of the Trust's objectives. The Board achieves this primarily through the work of its sub committees, through use of Internal Audit and other independent inspection and by systematic collection and scrutiny of performance data to evidence the achievement of the objectives.

The BAF is designed to provide the Board with a simple but comprehensive method for the effective and focused management of Principal Risks to Trust objectives. The Board defines the Principal Risks and ensures that each is assigned to a Lead Director as well as to a Lead Committee:

- The Lead Director is responsible for assessing any principal risks assigned to them by the Board and for providing assurance as to the effectiveness of primary risk controls to the Lead Committee.
- The role of the Lead Committee is to review the Lead Director's assessment of their Principal Risks, consider the range of assurances received as to the effectiveness of primary risk controls, and to recommend to the Lead Director any changes to the BAF to ensure that it continues to reflect the extent of risk exposure at that time.
- The Audit Committee is responsible for reviewing the whole BAF in order to provide assurance to the Board that Principal Risks are appropriately rated and are being effectively managed; and for advising the Board as to the inclusion within the BAF of additional risks that are of strategic significance.

During 2019/20 the Board has spent time revising its approach to risk management and has approved a revised the Risk Management Strategy and Policy. The Board recognises that, working in a healthcare environment, many of its day-to-day activities will carry relatively high risks that are not susceptible to effective reduction. This arises from the specialist nature of many medical procedures, and also the need to provide care and treatment for individuals who are undergoing acute health challenges.

Within that context, the Board has adopted an approach to risk appetite. The assessment of each risk includes an assessment of the risk appetite in relation to that risk, which seeks to identify the Trust's willingness to accept risk in that area; and a target score is set, which seeks to express the irreducible minimum risk associated with the activity (the point where the decision becomes to accept the risk or cease the activity). Each assessment of risk appetite and target risk score is reviewed regularly at the appropriate level of governance, with the Board reviewing the assessments for risks on the Board Assurance Framework on a regular basis. The Board is in the process of its annual reviews of the Trust's overall approach to risk appetite. The Trust Board has also started reviewing and revising the way that the Board Assurance framework is presented to the Board and Committees, to enable better understanding of the information presented.

The Trust Board has received and reviewed the high-level Board Assurance Framework risks, twice throughout the year. The Trust Board has received and reviewed, at a high-level, some of the Board Assurance Framework risks, in the year. The Committees, except for Audit Committee, have reviewed extracts from BAF during the year, and challenged the strategic risks, together with controls and assurances.

Internal audit has reviewed the Board Assurance Framework together including the processes and controls. The conclusion of the Audit concluded that the processes provide partial assurance with improvement required. The Audit specifically identified some moderate weaknesses in the activities and controls. The Board Assurance Audit raised one high and one medium risk rated recommendation. The high rated recommendation relates to the reporting of the Board Assurance Framework to the Board on a regular basis as this was identified as a gap during 2019/20. The Audit also highlighted that the Board has received high level snapshots of the BAF but had not received a full BAF during 2019/20.

The major risks identified and monitored through the Board Assurance Framework during the year related to:

1. Failure to deliver fundamental standards of care, which may result in harm to patients.
2. Failure to develop and cultivate effective partnerships within the local integrated care partnership, impacts on the Trust's ability to deliver care in patients' homes, or in local community setting which results in;
  - Poor patient experience
  - Poor patient outcomes
  - Continued reliance on acute and emergency based care provision.
3. Failure to integrate functional and organisational form change within the Black Country will result in lack of resilience in workforce and clinical services, potentially damaging the trust's ability to deliver sustainable high-quality care.

4. Lack of an Inclusive and open culture impacts on staff morale, staff engagement, staff recruitment, retention and patient care.
5. Long term sustainability negatively impacted through failure to deliver an efficient and productive healthcare offering to the staff, visitors and users of the services.

The Trust undertook a comprehensive review of the Board Assurance Framework in response to feedback from the Board. We updated the risk descriptors added a further BAF risk;

6. If we do not engage and involve patients and carers in service quality assessment and quality improvement then we will fail to deliver the Patient Experience Improvement programme, which forms part of the Safe, High Quality workstream, and we will not maximise opportunities to improve processes of care delivery, improve patient outcomes and improve patient experience.

The Trust has agreed an additional Board Assurance Framework risk in relation to COVID-19 pandemic on the provision of services.

7. The impact of COVID-19 on our clinical and managerial operations is such that it prevents the organisation from delivering its strategic objectives and annual priorities.

The key risk factors are:

- Our people and the impact on their overall health and wellbeing.
- Patient Safety and the Quality of Care.
- Clinical Equipment, Personal Protective Equipment, Environmental and Procurement.
- Financial.
- Recovery and Post-Pandemic impacts.

The response to this risk is being undertaken through the Emergency Preparedness, Resilience and Response (EPRR) route, with national leadership and co-ordination provided by NHS England/Improvement and the Department of Health and Social Care. Internally, the Trust has adopted a Command structure, with clear levels of responsibility. The Board has approved temporary changes to the Scheme of Delegation and related documents, to reflect the temporary command structure and to ensure that necessary expenditure for COVID-19 work can be approved, whilst retaining appropriate levels of control.

Ensuring that quality is at the heart of everything that the Trust does for patients is a key activity for the Board. This is undertaken in a number of ways:

At each scheduled meeting, the Board receives a detailed Integrated Performance Report which includes performance data for all significant areas of activity. Areas that have failed to achieve the agreed or nationally set targets are subject to exception reporting which outlines the details of the failures, any identified underlying causes, and the steps being taken by management to bring performance back to target. The Board has the opportunity to challenge the steps proposed and to require further or different actions to be taken in order to address these challenges.

The Board has appointed a Quality, Patient Experience and Safety Committee, which is responsible to the Board for detailed oversight of management actions to ensure the quality of services; and for recommending to the Board strategic actions to improve service quality. The committee meets on a monthly basis, and exercises detailed oversight of the quality of services provided by the trust; including reviewing deaths and serious untoward incidents, quality performance data, and feedback from patients. The committee reports both findings and recommendations to the Board at each Board meeting following a committee meeting, for consideration and approval. At each scheduled meeting, the Board receives a 'patient story' to understand the journey and experience of care at the trust.

The Board has also appointed a People and Organisational Development Committee to ensure that there is a key focus on ensuring the workforce is sufficient in numbers and skills to provide safe and quality care. The committee regularly reviews performance and future strategy on workforce and Organisational Development matters. The Board regularly reviews information of nursing staffing on a ward basis, together with details of new and continuing investigations where staff suspensions have been judged necessary.

The Audit Committee is responsible for scrutinising the overall systems of internal control (clinical and non-clinical) and for ensuring the provision of effective independent assurance via internal audit, external audit and local anti-fraud services. The Audit Committee reports to the Board via a Highlight Report after every meeting and annually on its work via the Annual Report of the Audit Committee in support of the Annual Governance Statement, the completeness and extent to which risk management is embedded in the Trust and the integration of governance arrangements. The Audit Committee also assesses its own effectiveness, what it has accomplished and whether it has fulfilled its responsibilities along with that of the Board sub committees.

Performance information is subject to regular review to ensure that it is reliable and continues to meet the requirements of the Trust. Performance information produced through data systems is regularly triangulated against the Quality elements of care, using qualitative information from sources such as complaints and compliments, national and local surveys of patients experience (including the 'Friends and Family' test), and triangulation visits from Board Members, External visits and reviews. Mismatches are challenged in a variety of forums, and it is a responsibility of the Director of Finance and Performance to ensure that mismatches are explored to ensure that the data reporting systems remain reliable. Performance reporting systems are also subject to regular review by both the Internal and External Audit services.

The Trust's approach to quality improvement is clear that quality is the responsibility of all staff from 'ward to board'. The Board is committed to ensuring patients receive the highest level of safe, high quality, compassionate care, through a shift to a culture of continuous quality improvement based upon the sustainable implementation of a trust-wide Improvement Programme. Reporting processes and mechanisms through Trust Board, its committees, Executive Team and through to Divisions and their governance processes reflect this approach. Accountability for quality is clear through the leadership and management arrangements within the trust. The revised governance and assurance structure implemented in 2015 continues and is aligned with the clinically-led management model in the Divisions providing ward to board reporting and assurance. Divisions continue to enable better and more rapid decision-making, as close as possible to the point of care delivery, which, in turn, enables more effective clinical engagement and leadership in service development and delivery as well as providing service users with greater access to decision-making.

During the course of the year, the Board has undertaken a programme of development focused on addressing key areas of Board responsibility, as well as delivering sessions focused on the delivery of the strategic objectives. The Board as a unitary board has also taken part in Board Effectiveness to support improved communication, and relationships with an external facilitator.

Executive leadership, accountability and responsibility for quality governance is held by the Director of Nursing and the Medical Director. Quality governance oversight and integration with corporate governance is overseen by the Director of Governance.

The Trust's approach to clinical quality improvement is supported by the Quality Improvement Faculty which has been established to support colleagues on the improvement journey. This encompasses the existing Listening into Action (LiA) Programme and the Service Improvement Team. This provides additional innovative, research, and evidence-based support to the services and clinicians. The first phase focuses on Human Factors in Maternity and Gynaecology.

The Trust's strategic priorities and combined support service offer aligns clinical services and support functions to deliver the best care possible to those who use Trust services. Trust Board receives regular reports, directly and through the Quality, Patient Experience & Safety Committee, on all aspects of clinical quality and safety including management of incidents and complaints, equality and diversity, service user experience, control of infection and research and development. The Quality, Patient Experience & Safety Committee provides assurance to Trust Board that issues and risks identified in a number of portfolio areas, such as managing aggression and violence, safeguarding adults and children, infection prevention and control, and information governance, are being addressed. Where Quality, Patient Experience & Safety Committee identifies an area of concern, which has been raised at a particular time, we scrutinise that on behalf of the Trust Board by receiving regular reports for a period.

The Trust's quality governance framework provides the Trust Board with assurance that essential standards of quality and safety are being delivered within the Trust. It provides assurance that the processes for the governance of quality are embedded through the Trust. Performance and Quality reports to Trust Board provide assurance against a range of Key Performance Indicators relating to service quality and, where reports indicate underperformance, action plans are provided to and monitored by Trust Board.

The Trust recognises that it is vital to ensure that risk management is embedded throughout the organisation. There are a range of systems and procedures in place that support this embedding, including:

- The trust continues to encourage all staff, at all levels, to identify and report incidents including 'near misses'. There is a comprehensive system in place to enable colleagues to report incidents, supported by dedicated resource that reviews all reports and identifies the appropriate level for response. Learning from incidents is a key part of the process, and each colleague who reports an incident is entitled to a response that identifies both the response of the trust and how learning will be taken to prevent recurrence of that type of incident. During the course of the year, the trust has identified the need to improve our current system and process and this will be delivered through the safe, and high quality care workstream of our improvement programme in 2020/21.
- Similarly, there are systems in place to enable risk at all levels to be identified, from the ward to the Board of Directors. Risks are regularly reviewed at the appropriate level: with the management-level Risk Management Group on a monthly basis. Each Board Committee has responsibility for review and assessing available levels of assurance for risks within its area of responsibility, and the Board regularly reviews both the Board Assurance Framework and the high-rated risks on the Corporate Risk Register.

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- Each death of a patient under the care of the Trust is subject to review, with the aim of identifying and sharing learning; this may be either good practice, or areas for development. There are established systems to ensure that this learning is shared and embedded across the care that the Trust provides. Throughout the year the Trust has reviewed and improved its mortality review processes, and has gained assurance through independent NHSi review that our process align to the national framework.

In 2019/20, NHS Trusts have been required to make an annual statement of confirmation in relation to compliance with elements of the NHS Provider Licence as follows:

- G6 – Meeting the requirements of the licence and the NHS Constitution, and, having implemented effective arrangements for the management of risk
- FT4 – Relates to corporate governance arrangements covering systems and processes of corporate governance in place and effective; effective Board and Committee arrangements; compliance with healthcare standards; effective financial decision making; sufficient capability and capacity at Trust Board and all levels in the organisation; accountability and reporting lines.

The NHS Long-Term Plan informs workforce strategy; recognising that all strategic and operational objectives depend on the collective skills, power and strength of our workforce. This principle underpins a workforce planning methodology, which places long-term sustainability, achieved through system-wide improvement approach, at the heart of all Trust objectives.

In line with recommendations, outlined within 'Developing Workforce Safeguards', the Trust will address workforce challenges, maximise opportunities and deploy safe staffing by;

- Setting medical and nursing establishments
- Proactively managing Temporary Staffing Usage
- Taking a Proactive Approach to Brexit-Related Risks
- Implement New Roles & Workforce Opportunities

Regular reviews of both the Medical and Nursing establishment provide evidence-based intelligence to inform proactive decision making, both at board and service level. A clinically-led Safeguarding Team ensures that suitably qualified and competent colleagues are providing safe, effective care to patients. Workforce Transformation forums, adhering to both current legislation and best practice, provide professional accountability in regard to new processes or working practice.

Management of risk to the security of the data held by the trust, both on patients and staff colleagues, is a key activity. Data risks are included within the overall risk management process, and regularly reviewed. A comprehensive suite of policies and procedures are in place to ensure that data is handled appropriately and with care, and these are supported by a comprehensive programme of training for staff. The Trust participates in the annual assessment of our compliance through the national Data Security and Protection Toolkit (which has replaced the Information Governance Toolkit), and our compliance has been reviewed by the Internal Audit service, which reported Significant Assurance in April 2020.

Where a data security incident is identified, it will be treated as a serious incident and investigated accordingly. All incidents meeting the requirements of the Information Commissioner are reported to their office as a matter of course, and that office may also choose to investigate independently. During the year, two incidents have required reporting to the Information Commissioner; however, both of these have resulted in no further action taken by their office.

The Trust is committed to promoting equality and human rights and valuing diversity in all areas of Walsall Healthcare NHS Trust. It does this by ensuring that Equality Impact Assessments are integrated into core business ensuring due regard to the aims of the Equality Act at the point when decisions are made. The purpose of an Equality Impact Assessment (EIA) is to improve the work of the Trust by making sure it does not discriminate and that, where possible, it promotes equality. The Equality Impact Assessment (EIA) focuses on systematically assessing and recording the likely equality impact of an activity or policy. There is a focus on assessing the impact on people with protected characteristics. This involves anticipating the consequences of activities on these groups and making sure that, as far as possible, any negative consequences are eliminated or minimised and opportunities for promoting equality are maximised. The Trust has made limited progress in year in aligning the equality impact assessment processes into our business processes, for example of annual planning cycle, however through the valuing colleagues workstream of the improvement programme we will be progressing improving our equality impact assessment processes.

In response to the concerns raised through both the WRES and Staff survey feedback the Trust has established an accelerated improvement in equality, diversity and inclusion practice plan, which will be overseen by the Trust refreshed Equality Diversity and Inclusion Group, together with the Trust People and Organisational Development Committee.

The trust has published an up-to-date register of interests for decision-making staff within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance.

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

Control measures are in place to ensure that the organisation complies with all relevant equality, diversity and human rights legislation.

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

The trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

The Trust recognises that there are ongoing challenges to the Trust ensuring services achieve best outcomes against the premises of achieving financial balance; no impact on the quality of care; and maintaining the quality of patient, service user and staff experience.

The most significant risk to becoming an outstanding trust by 2022 is poor colleague experience of the trust as a place to work and the fact that structural inequalities persist. Our WRES, WDES and NHS staff survey results evidence discrimination in recruitment and career progression opportunities and heightened experience of bullying, our focus group work with colleagues evidence the trust values are not a lived experience. Whilst the improvement programme seeks to address the evident inequalities and to change behaviours that are not in line with trust values, the actions are not embedded yet and have not yet made an impact on the long-standing organisational culture challenges the trust faces.

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

I and the Trust recognise that Parliament has set out a requirement for the Trust to ensure that the services that are provided have due regard to the economy, efficiency and effectiveness of the use of public resources. The Trust undertakes a number of activities to seek to ensure the it's activities deliver all three of these requirements, each of which Parliament has given an equal weighting.

Ultimate responsibility for ensuring that the Trust complies with this legal duty rests with the Board of Directors, through setting the strategic direction of the Trust, together with monitoring and oversight of performance. This work is supported by the Board's committees, which look more closely at both performance and strategic direction and provide advice and recommendation to the Board. In particular, the Finance, Performance and Investment Committee (PFIC) has a close oversight of the Trust's efficiency plans which closely support the delivery of these responsibilities. The Quality, Patient Experience and Safety Committee oversees the quality impacts which impacts on the efficiency and effectiveness of delivery of services: both preventive of illness and treating illness when it arises.

The Trust's executive leadership is also aware of the need to ensure that the provision of services meet these requirements. When considering service developments, consideration is given to how the proposals will impact on these requirements, both when proposals are being developed and considered through governance for approval. In line with regulatory requirements, efficiency is recognised through the need for quality impact approval from the Medical Director and the Director of Nursing for all significant projects. When reviewing implementation, consideration is given to how well the project or development has advanced these requirements, and where further improvements might give better achievement of them.

The effective and efficient use of resources is managed by the following key policies:

#### ***Standing Orders***

The Standing Orders are contained within the Trust's legal and regulatory framework and set out the regulatory processes and proceedings for the Trust Board and its committees and working groups including the Audit Committee, whose role is set out below, thus ensuring the efficient use of resources.

#### ***Standing Financial Instructions (SFIs)***

The SFIs detail the financial responsibilities, policies and principles adopted by the Trust in relation to financial governance. They are designed to ensure that its financial transactions are carried out in accordance with the law and Government policy in order to achieve probity, accuracy, economy, efficiency and effectiveness.

They do this by laying out very clearly who have responsibility for all the key aspects of policy and decision making in relation to the key financial matters. This ensures that there are clear divisions of duties, very transparent policies in relation to competitive procurement processes, effective and equitable recruitment and payroll systems and processes.

The budget planning and allocation process is clear and robust and ensures costs are maintained within budget or highlighted for action.

The SFIs are to be used in conjunction with the Trust's Standing Orders and the Scheme of Reservation and Delegation and the individual detailed procedures set by directorates.

### ***Scheme of Reservation and Delegation***

This sets out those matters that are reserved to the Trust Board and the areas of delegated responsibility to committees and individuals. The document sets out who is responsible and the nature and purpose of that responsibility. It assists in the achievement of efficient and effective resources by ensuring that decisions are taken at an appropriate level within the organisation by those with the experience and oversight relevant to the decision being made. It ensures that the focus and rigour of the decision-making processes are aligned with the strategic priorities of the Trust and it ensures that the Trust puts in place best practice in relation to its decision making.

### ***Anti-Fraud, Bribery and Corruption Policy***

The Bribery Act which came into force in April 2011 makes it a criminal offence for commercial organisations to fail to prevent bribes being paid on their behalf. Failure to take appropriate measures to avoid (or at least minimise) the risk of bribery taking place could lead to the imposition of fines, or imprisonment of the individuals involved and those who failed to act to prevent it. This will help ensure that the taking or receiving of bribes is less likely and improve the integrity and transparency of the Trust's transactions and decisions.

The Trust Board places reliance on the Audit Committee to ensure appropriate and sound governance arrangements are in place to deliver the efficient and effective use of resources and the Trust's internal control systems are robust and can be evidenced.

The Audit Committee agrees an annual work programme for the Trust's Internal Auditors and the Counter Fraud Team, and reviews progress on implementation of recommendations following audit and other assurance reports and reviews.

Independent assurance is provided through the Trust's internal audit programme and the work undertaken by NHS Counter Fraud Authority (NHSCFA) (formerly NHS Protect), reports from which are reviewed by the Audit Committee. In addition, further assurance on the use of resources is obtained from external agencies, including the external auditors and the Regulators.

The Trust Board also places reliance on the Performance, Finance and Investment Committee to provide appropriate scrutiny and review in respect of Trust performance relating to a number of areas including efficient and effective use of resources.

### **Information governance**

Management of risk to the security of the data held by the Trust, both on patients and staff colleagues, is a key activity. Data risks are included within the overall risk management process, and regularly reviewed. A comprehensive suite of policies and procedures are in place to ensure that data is handled appropriately and with care, and these are supported by a comprehensive programme of training for staff. The Trust participates in the annual assessment of our compliance through the national Data Security and Protection Toolkit (which has replaced the Information Governance Toolkit), and our compliance has been reviewed by the Internal Audit service, which reported Significant Assurance in April 2020.

Where a data security incident is identified, it will be treated as a serious incident and investigated accordingly. All incidents meeting the requirements of the Information Commissioner are reported to their office as a matter of course, and that office may also choose to investigate independently. During the year, two incidents have required reporting to the Information Commissioner; however, both of these have resulted in no further action taken by their office.

### **Cyber and Data Security**

Cyber and data security continues to be an important focus for the Trust. This became evident in light of the events on 12 May 2017 when the NHS was subject to a well-publicised worldwide cyber-attack. As a result of the co-ordinated emergency response to the threat by the Information Communications Technology (ICT) Department, the Trust defended itself against this particular attack and there was no operational impact to the Trust.

The Trust Information Governance Steering Group receives regular reports on plans and actions to maintain and improve cyber-security defences across the Trust. Some of the proactive work undertaken has included a cyber-security awareness campaign.

Each year the Trust undertakes a cyber-penetration as part of its internal audit plan. This involves being subjected to a simulated cyber-attack probing both our external and internal networks. The results provide areas for improvement including specific recommendations which are implemented to strengthen our cyber security.

## Ensuring Data Quality

The trust recognises the importance of having effective data collection and analysis, in order to understand the operation of its services and enable the Board to effectively judge what actions are needed to improve performance. The trust has in place a number of systems for the collection of data regarding the operation of services and these are automated where possible in order to reduce the possibility of human error. The Executive team receives a full suite of performance data monthly from across the trust, which is reviewed to identify any areas which are starting to be a concern and take immediate action to address them. This suite of performance data is used as part of the Trusts' Performance Review Process with Divisional and Corporate teams. The Board and its Committees review a more selective set of data, which enables them to focus on the key areas of strategic performance, together with exception reporting to identify the underlying cause of underperformance and the steps being taken to bring performance back to the required standard.

## Quality of Care

The trust has a clear policy process in place to ensure that the care provided to patients is safe and to the highest standards. It is important, in this context, to keep in mind that the general approach is that policies should normally be followed; but it is recognised that, in some circumstances, the professional judgement of clinical colleagues will justify a departure from policy in the individual case and for the best interests of the patient. Policies are subject to a formal process of development, approval and regular review, to ensure that they continue to reflect best practice. In respect of each patient the policy is to provide a care plan that responds to the individual needs of the patient, with a view to ensuring that they are cared for in a way that minimises the period and impact of their condition. In appropriate cases plans will be prepared on a multi-disciplinary basis, including colleagues from other agencies, in order to ensure that all relevant conditions are taken into account and that care is planned across agencies.

Having access to colleagues with the necessary skills and experience is also crucial in order to ensure that patient care is provided in a safe and appropriate manner. The Board, supported by the People and Organisational Development Committee, regularly reviews the level of staffing available in the various areas of the Trust: in respect of nursing and midwifery staff, this is prepared in accordance with the guidance of the National Quality Board and NHS Improvement and against local standards for medical and other staff. The Trust has also put into place workforce plans, taking into account anticipated acuity and demand levels, with the aim of ensuring that staff with the appropriate skills and experience are available when required. The Board has also sought to minimise the usage of agency staff, taking into account the national policy and this is reviewed by the full Board at each scheduled meeting.

The Trust has developed its capability for Referral To Treatment (RTT) time monitoring and reporting, using its data warehouse and bespoke reporting tool and based on national RTT guidance, to ensure that it is able to maintain compliance with the requirements. The data used to generate these reports is subject to rigorous, and routine, validation.

## Review of effectiveness

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

In describing the process that had been applied in maintaining and reviewing the effectiveness of the system of internal control, I have set out below some examples of the work undertaken and the roles of the Trust Board and committees in this process:

The Trust Board has met in public on ten occasions and each meeting has been both well attended and quorate. The committees of the Board operate to formal terms of reference that the Board has approved, and carry out a range of Board work at a level of detail and scrutiny that is not possible within the confines of a Trust Board meeting. Each of the committees provides assurance to the Board in relation to the activities defined within its terms of reference; this is reported to the next meeting of the Board in the form of a highlight report to ensure that necessary issues are highlighted in a timely way. The Board also receives the formal minutes of the meetings of each of the Committees once approved by the Committee as a true record.

The work that has been undertaken by the Committees includes:

- scrutiny and approval of the annual financial statements and Annual Report;
- receiving all reports prepared by the Trust's Internal and External Auditors and tracking of the agreed management actions arising;

- monitoring the Clinical Audit Programme, serious incidents and never events and ensuring that risk is effectively and efficiently managed and that lessons are learned and shared;
- monitoring of compliance with external regulatory standards including the Care Quality Commission and the Information Governance toolkit;
- monitoring of the Cost Improvement Programme and the delivery of service development;
- ensuring the adequacy of the Trust's Strategic Financial Planning;
- monitoring the implementation of the key strategies that the Board has approved; and relevant policy approval/ratification.

Taking account of national and local context, the strategic direction for the Trust has been reviewed by the Trust Board. Areas key to the delivery of the Trust's business strategy, managed and monitored by the Trust Board and the committees of the Board.

The Trust Board recognises the importance of ensuring that it is fit for purpose to lead the Trust and a programme of Board Development activity has taken place during the year through a programme of Board Development.

The Audit Committee has primary responsibility for oversight of the controls systems for the Trust, including financial and governance, and for advising the Board as to the available levels of assurance. It is supported in this work by the internal and external audit providers, the Local Counter-Fraud Service (LCFS), and work undertaken by other committees (as discussed below). Key functions that it undertakes which enable it to judge the amount of available assurance include:

- The regular reports of the Internal Audit service, which provide specific advice on the level of assurance available in relation to the area reviewed. These also enable the Audit Committee to review management's response and proposed actions to the review's findings, and to form a view about the level of assurance those responses provide;
- Advice from both the internal and external audit providers on the environment in which the Trust is operating;
- The work of the LCFS which provides evidence for the Committee to judge the available assurance for systems to detect and prevent fraud and misappropriation on the public funds made available to the Trust;
- Regular review of the main documentation related to the Trust's control systems - this will usually cover the Standing Financial Instructions, the Schedule of Delegations, and the Schedule of Matters Reserved to the Board of Directors (for decision).

The Trust Board is required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended in 2011 and 2012) to prepare a Quality Account for each financial year.

The Quality, Patient Experience, and Safety Committee also has oversight on behalf of the Board of clinical audit activities, which form an important part of the trust's work. A plan for clinical audits is agreed at the start of every year, and progress is monitored through the course of the year to ensure that the work plan is being appropriately prosecuted. The majority of the programme reflects national audit programmes and similar, which the Trust is expected to participate in, and details of which are provided in the Quality Report. The Trust does seek to ensure that it obtains learning and implements change as a result of the work of clinical audit, and the Quality, Patient Experience, and Safety Committee is responsible for assessing the assurance available and reporting to the Board.

Performance, Finance, and Investment Committee has provided a forum for the Trust Board to seek additional assurance in relation to all aspects of financial and general performance, including performance against nationally set and locally agreed targets, and monitoring of the Cost Improvement Programme.

The internal audit plan, which is risk based, is approved by the Audit Committee at the beginning of each year. Progress reports are then presented to the Audit Committee at each meeting with the facility to highlight any major issues. The Chair of the Audit Committee can, in turn, quickly escalate any areas of concern to the Trust Board via a Highlight Report and produces an annual report on the work of the committee and a self-evaluation of its effectiveness. The plan also has the flexibility to change during the year.

The Head of Internal Audit's overall opinion on the effectiveness of the organisation's system of internal control is that "during the period, partial assurance can be given on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control."

During 2019, the Trust requested that NHSI undertake a review of the Governance and Accountability processes within the organisation. The review specifically focused on the:

- Trust's Accountability Framework (AF);
- Divisional Governance specifically focused on the design of the system and how these seem to be working in practice;
- financial capacity and capability, delivery of financial targets and management of the Cost Improvement Programme (CIP).

The Trust received the final report and the recommendations in May 2020. The outputs of the review and the recommendations will be delivered through the Well-Led Workstream of the trust's Improvement programme.

## Conclusion

The Trust has made improvements to internal control systems during the financial year 2019/20, however we acknowledge that there are still weaknesses that require improvement. A number of control issues classified as limited assurance by our core internal audit processes were noted during the year, the Trust Board Assurance Framework and Risk Management internal audits both received limited assurance with improvement ratings. The Board Assurance Audit raised one high and one medium risk rated recommendation. The High rated recommendation relates to the reporting of the Board Assurance Framework to the Board on a regular basis as this was identified as a gap during 2019/20. Improvement plans have been agreed in response to both these audits.

In addition to the areas identified through Internal Audit, the Trust has also highlighted through the Annual Governance Statement that our overall staff survey results and our Workforce Race Equality Standards remain a concern and risk for the Trust. The Trust has agreed improvement plans to address both of these risks.



**Richard Beeken, Chief Executive.**

## Modern Slavery Act 2015 – Transparency in Supply Chains

The Modern Slavery Act 2015 established a duty for commercial organisations to prepare an annual slavery and human trafficking statement of the steps it has taken during the financial year to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its own business.

The Department of Health and Home Office have established that NHS bodies are not considered to be carrying on a business where they are engaged in publicly funded activities and that it was not intended that such activities should be within the scope of the Act. Income earned by NHS providers like the trust from government sources, including clinical commissioning groups and local authorities, is considered to be publicly funded for this purpose so the trust does not meet the threshold for having to provide a statement. Nevertheless the trust undertakes its procurement from suppliers in line with NHS standards and includes standard NHS terms. In relation to its own activities the trust has employment, identity and employee welfare arrangements in place to combat any exploitation of people.

In accordance with the Modern Slavery Act 2015, the Trust ensures that Modern Slavery i.e. slavery and human trafficking, is not taking place in any part of its own business or any of its supply chains. This is achieved through ensuring that services are procured through approved providers only or tendered through robust procurement processes.

## 2b REMUNERATION AND STAFF REPORT

### Remuneration Report

The Trust has a Remuneration Committee whose role is to advise the Board on appropriate remuneration and terms of service for the Chief Executive and other Executive Directors. Membership of the committee comprises of the Chair and all Non-Executive Directors.

Remuneration for the Trust's Executive Directors is set by reference to job scope, personal responsibility and performance. This also takes into account the comparison with remuneration levels for similar posts, both within the National Health Service and the local economy. Whilst performance is taken into account in setting and reviewing remuneration, there are currently no arrangements in place for "performance-related pay".

It is not the Trust's policy to employ Executive Directors on "rolling" or "fixed term" contracts. All directors' contracts conform to NHS standard for directors, with arrangements for termination in normal circumstances by either party with written notice of six months.

Remuneration for the Trust's Executive and Non-Executive Directors during the financial year ended 31 March 2020 is set out in the attached schedules.



**Richard Beeken, Chief Executive.**

### Remuneration Policy

The trust's approach to Remuneration Policy for directors is ensuring the salary is within the average range for trusts of a similar size and scope in order that directors' pay remains both competitive and value for money.

The trust has a Remuneration Committee that agrees the remuneration packages for Executive Directors. Further information about this committee can be found in the Remuneration and Staff Report section of this Annual Report.

#### Fair Pay Disclosure

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

In 2019/20, 0 employees received remuneration in excess of the highest-paid Director (there were 0 in 2018/19). Remuneration ranged from £18,005 to £165,479 (2018-19 - £17,652 to £162,075).

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

The Remuneration Committee agrees remuneration packages for Executive Directors. The notice period and termination payments are defined within the NHS Agenda for Change payment model as for all employees. No performance bonus payments were made to directors during the financial year.

The information contained within summary financial statements has been subject to external audit scrutiny. In addition, the directors' remuneration tables have been audited for compliance with Statutory Instrument 2008 No 410.

#### Pay Multiples – Audited

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

The banded remuneration of the highest paid director in Walsall Healthcare NHS Trust in the financial year 2019/20 was £165,479 (2018-19, £162,075). This was 6.04 times (2018-19, 5.97) the median remuneration of the workforce, which was £27,416 (2018-19, £27,146). In 2018/19, no employees received remuneration in excess of the highest-paid director.

The pay multiple has increased to 6.04 from 5.97 times the median salary largely due to the rate of the salary increase of the highest paid Director being greater than the rate of the median increase during the financial year.

# Salary and Pension Entitlement of Senior Managers - Audited

Name and Title	2019-20										2018-19									
	Salary	All Pension Related Benefits		TOTAL	Salary	Other Remuneration	Long term Performance Pay & Bonuses	Expenses Payments	All Pension Related Benefits	TOTAL	Salary	All Pension Related Benefits	TOTAL	Salary	Other Remuneration	Long term Performance Pay & Bonuses	Expenses Payments	All Pension Related Benefits	TOTAL	
	£	£	£	£	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	
Mr DODD, Chairman (from 1 April 2019)	15,000			15,000	30,315				30,315	30,315			30,315						30,315	30,315
Mr RIBEKEN, Chief Executive (from 28 February 2018)	145,679	30,285		175,964	165,179				165,179	165,179	11,187		176,366	148,975					148,975	176,366
Mr R CALLEBERT, Director of Finance (from 1 July 2015)	139,811	37,728		177,539	173,130				173,130	173,130	3,929		177,059	173,130					173,130	177,059
Mr E HOBBS, Chief Operating Officer (from 17 June 2019)	88,777	48,228		137,005	85,900				85,900	85,900			85,900						85,900	85,900
Ms M BARNABY, Joint Chief Operating Officer (from 6 December 2018 to 19 June 2019)	11,491	46,009		57,500	50,525				50,525	50,525			50,525						50,525	50,525
Mr P THOMAS HANSON, Chief Operating Officer (from 10 December 2016 to 6 June 2019)	0	0		0	0				0	0	49,892		49,892						49,892	49,892
Mr M LEWIS, Medical Director (from 21 October 2018)	133,226	86,997		220,223	60,467				60,467	60,467	21,306		81,773	20,320					102,093	102,093
Ms A BARKER, Medical Director (from 31 December 2018)																				
Mr K DENBERGDALE, Director of Nursing (from 30 July 2018, seconded on 31 February 2020)	115,994			115,994	115,140				115,140	115,140	0		115,140	88,789					88,789	115,140
Ms B BEECH, Director of Nursing (from 19 May 2018)														13,644					13,644	13,644
Mr D PADGUGLY, Director of Transformation and Strategy (April 2019 to 31 January 2020)	114,629	25,724		140,353	139,115				139,115	139,115	3,427		142,542	109,113					109,113	145,569
Mr C GRIFFITHS, Director of Culture & People (from 10 September 2018)	112,073			112,073	119,119				119,119	119,119	5,000		124,119	55,892					55,892	124,119
Ms J YANVIER, Director of Corporate Governance & Trust Secretary (from 1 June 2018)	90,114			90,114	95,100				95,100	95,100	8,087		103,187	80,815					80,815	103,187
Mr J WORTH, Interim Trust Secretary (from 11 March 2019)	0			0	0				0	0			0	171,131					171,131	171,131
Mr J JENNS, Non-Executive Director (from 1 February 2013)	0			0	3,100				3,100	3,100			3,100						3,100	3,100
Mr P GAYNE, Associate Non-Executive Director (from 1 August 2016)	0			0	5,100				5,100	5,100			5,100						5,100	5,100
Mr S HERR, Non-Executive Director (from 15 September 2016)	0			0	5,100				5,100	5,100			5,100						5,100	5,100
Ms J BURNETT, Non-Executive Director (from 1 July 2018)	0			0	5,100				5,100	5,100			5,100						5,100	5,100
Ms A YATER, Non-Executive Director (from 31 August 2019)	0			0	5,100				5,100	5,100			5,100						5,100	5,100
Ms VALERIE BURNETT, Non-Executive Director (from 1 December 2018)	0			0	5,100				5,100	5,100			5,100						5,100	5,100
Dr E ENGLAND, Non-Executive Director (from 3 July 2019)	0			0	5,100				5,100	5,100			5,100						5,100	5,100
Mr P ALLEN, Non-Executive Director (from 1 October 2019)	3,000			3,000	5,100				5,100	5,100			5,100						5,100	5,100
Mr E WILSON, Non-Executive Director (from 1 October 2019)	3,000			3,000	5,100				5,100	5,100			5,100						5,100	5,100
Mr E HOBBS, Non-Executive Director (from 1 October 2019)	3,000			3,000	5,100				5,100	5,100			5,100						5,100	5,100
Ms S BROWN, Non-Executive Director (from 1 May to 1 June 2019)	0			0	0				0	0			0						0	0
Ms V HARRIS, Non-Executive Director (from 10 December 2018)	0			0	0				0	0			0						0	0
Mr E BEECH, Non-Executive Director (from 4 December 2018)	0			0	0				0	0			0						0	0

\*\*Other Remuneration - Mr M Cook & Ms A Khan  
This is the salary payment as a Medical Consultant

Name and Title	Read increase in pension lump sum at pension age		Read increase in pension lump sum at pension age		Total accrued pension at pension age at 31 March 2020		Lump sum at pension age related to accrued pension at 31 March 2020		Read increase in pension lump sum at age 60 at 31 March 2020		Cash Equivalent Transfer Value at 31 March 2020		Cash Equivalent Transfer Value at 31 March 2019		Read increase in Cash Equivalent Transfer Value - Employer Funded contribution		Read increase in Cash Equivalent Transfer Value		All Pension Related Benefits	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Mr RIBEKEN, Chief Executive (from 28 February 2018)	3	0	125	57	1	182	984	911	1	182	984	911	36	51	20	27.5-30				
Mr P CALLEBERT, Director of Finance (from 1 July 2015)	2	0	74	36	2	110	595	544	2	110	595	544	26	38	28	27.5-30				
Ms MARGARET BARNABY, Interim Chief Operating Officer (from 19 June 2019)	2	0	82	31	2	113	712	644	2	113	712	644	37	53	41	40-42.5				
Mr E HOBBS, Chief Operating Officer (from 17 June 2019)	3	0	0	20	3	20	176	0	3	20	176	139	19	27	48	47.5-50				
Mr M LEWIS, Medical Director (from 22 October 2018)	5	6	136	59	12	196	1,182	1,045	12	196	1,182	1,045	78	112	87	85-87.5				
Mr D FRADGLEY, Director of Transformation and Strategy (1 January 2016)	2	0	81	37	2	118	593	545	2	118	593	545	25	35	26	25-27.5				

## Staff Report

As at 31 March 2020, Walsall Healthcare NHS Trust employed 4,230 substantive staff. Of these, 3,865 colleagues were permanently employed on recurrent, open-ended contracts of employment. A further 365 colleagues were employed on fixed term contracts of employment.

## Staff Numbers Analysis

The following table provides a snapshot of the average workforce composition during 19/20:

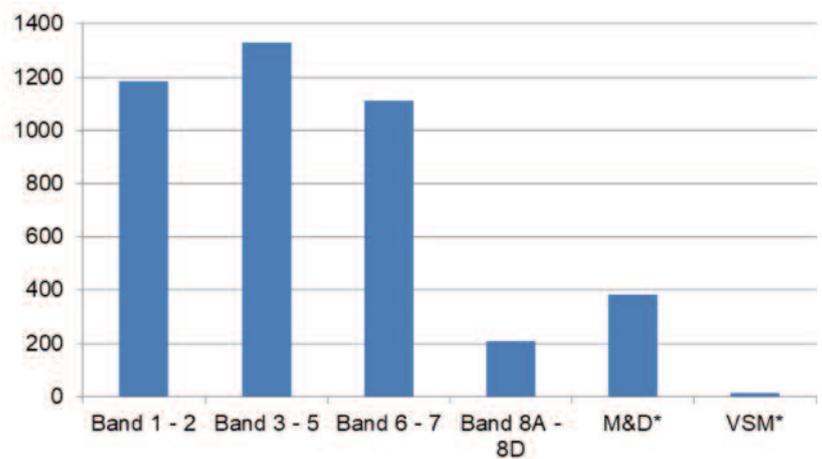
	Headcount
Additional Clinical Services	729
Additional Professional Scientific and Technical	140
Administrative and Clerical	933
Allied Health Professionals	258
Estates and Ancillary	386
Healthcare Scientists	53
Medical and Dental	385
Nursing and Midwifery Registered	1338
Students	8

### All staff by pay band:

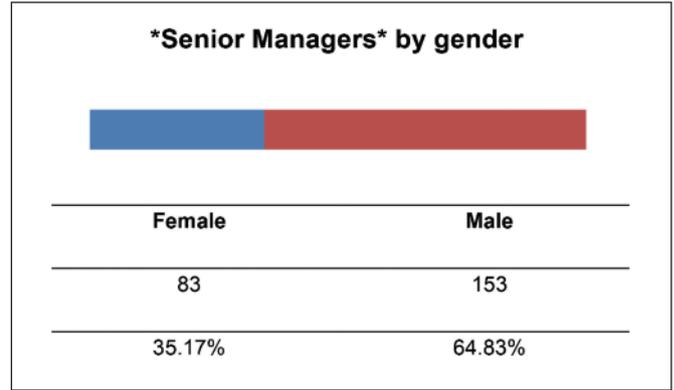
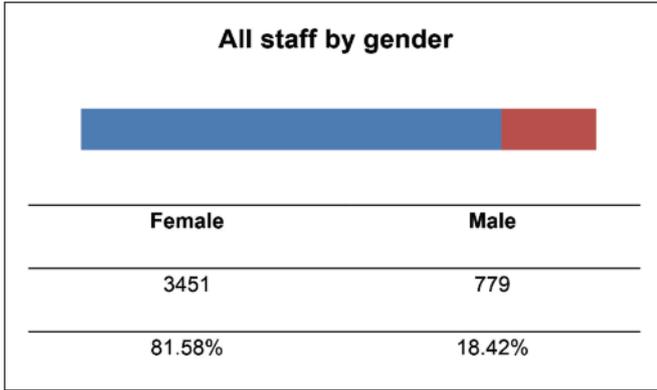
Band 1 - 2	1185	28.01%
Band 3 - 5	1329	31.42%
Band 6 - 7	1111	26.26%
Band 8 - 9	207	4.89%
M&D*	385	9.10%
VSM**	13	0.31%

\*Medical & Dental

\*\*Very Senior Manager/Director



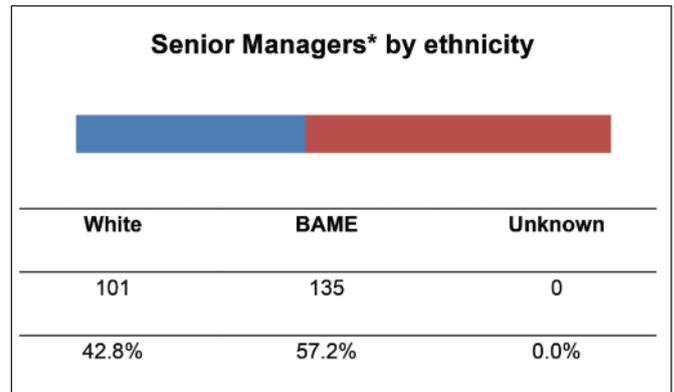
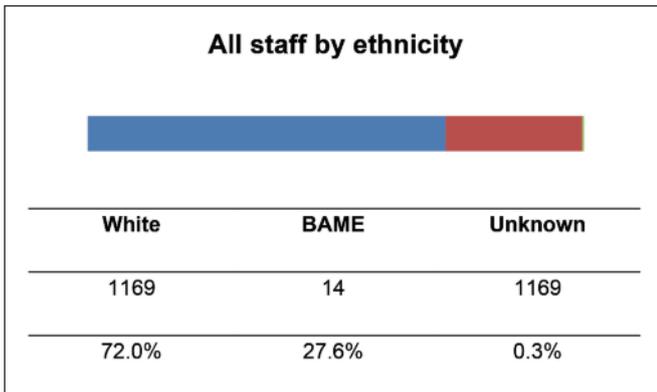
**Equal Opportunities**



\*For the purposes of this document, "Senior Managers" represent colleagues employed on a Band 8B+, VSM or Medical Consultant contract.

During the next year, specific actions will be carried out to reduce the gender pay gap, including:

- A review of current recruitment and selection practices to ensure that opportunities are inclusive;
- Establishing what more can be done to improve flexible working;
- Investigating how we can recognise female contributions to the continuous improvement of NHS services by encouraging applications for Clinical Excellence Awards (CEA).



99.7% of the substantive workforce has chosen to disclose its ethnic background, with 27.6% of colleagues declaring themselves to be from a BAME background, representative of the local population and national NHS Workforce. (NHS BAME Workforce population – 18.2%).

BAME (Black, Asian and Minority Ethnic) colleagues account for 73.2% of the medical consultant workforce, whilst 18.84% of the Band 8B – Band 8D workforce have identified themselves as being from a BAME background.

The trust is committed to equality of opportunity and recognises that a renewed Equality, Diversity and Inclusion action plan is required to address the disparity identified in publications such as the Workforce Race Equality Standards review.

## Number of Senior Managers

Substantive senior staff (or senior managers) by band	Headcount
Band 8 - Range B	36
Band 8 - Range C	16
Band 8 - Range D	3
VSM**	13
Consultant (Medical & Dental)	168
<b>Total</b>	<b>236</b>

\*\*Very Senior Manager/Director

	Female		Male	
All Substantive Colleagues	3451	81.6	779	18.4%
Of which are:				
Directors	3	37.5%	5	62.5%
Senior staff	83	35.2%	135	64.8%

Our workforce is predominately female (81.5%), and this is the predominant gender in all of the staff groups except for medical staff and senior managers where the position is the reverse.

NHS Employers estimates that the NHS workforce is 77% female and 23% male. Our workforce gender percentage is therefore slightly higher compared to the overall NHS gender percentage in England. As part of the Trust's Equality, Diversity and Inclusion Strategy consideration will be given to the gender distribution and whether targeted intervention is required, particularly at the senior manager level where the gender percentage is lower than average.

While the gender gap for colleagues within Band 1-7 roles falls in line with the overall NHS gender percentage in England, the average number of female colleagues holding more senior positions is 52%. Amongst the medical and dental workforce only 4 out of every 10 positions is held by a female colleague, with men making up 73% of consultant staff. We can use this data to inform our recruitment campaigns to try and rebalance the gender difference at higher bands.

## Other Protected Characteristics

Diversity and Inclusion is integral to how we attract, retain, develop and engage our staff and the team relationship we build with each other. If staff feel engaged, motivated, valued and part of a team with a sense of belonging patients are more likely to be satisfied with the service they receive. Inclusive workplaces are crucial for our wellbeing in improving the quality of patient care and outcomes and minimising risk.

Walsall Healthcare NHS Trust embraces the diversity of people from all groups in society. It values differences in age, disability, gender, marital status, pregnancy and maternity, race, sexual orientation, and religion or belief. It is committed to eliminating unlawful discrimination by ensuring that equality, diversity and human rights are central to its policy making, service planning, employment practices, patients and community engagement and involvement.

As a public sector organisation the trust has an obligation as an employer to have policies and procedures that are sensitive to these differences. It aims to employ a workforce which is representative of the population it serves because by doing so the trust is better able to treat its patients effectively and be a better place to work.

Although health overall is improving, unacceptable health inequalities persist between different communities in the region. As a provider of both acute and community services, the trust is in a powerful position to make a lasting difference to the health and wellbeing of the population.

The trust has made some gains in embedding inclusive practice as an integral part of the organisation, but still has much to do. As well as fulfilling its statutory responsibilities, the trust also needs to make sure that people in the West Midlands experience real improvements in health and wellbeing. The trust's ambition is for Walsall to be recognised as a leader of equality and diversity in the workplace and more importantly, in the delivery of inclusive and high-quality healthcare services for all.

## Sickness Absence

The NHS Digital publication of NHS sickness absence rates can be found by following this link:

<https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates>

## Staff Policies

The trust has a range of HR policies that support staff and which are widely available on the Intranet. In respect of disability, the trust's Recruitment and Selection Policy and Guidelines sets out the trust's commitment to ensuring that all staff, including those who are disabled are treated fairly and equitably in relation to the appointment processes. The trust is a disability confident employer and as two tick accreditation, guaranteeing an interview for disabled applicants who meet the person specification and to ensure reasonable adjustments are made.

The trust has an Equality, Diversity and Inclusion Group, which ensures that disabled persons have equal access to development and support.

The Attendance Policy and Occupational Health Service ensure that staff who become disabled are given appropriate training, support and redeployment opportunities. The Trust monitors its employment and policies to ensure actions are taken to avoid unlawful discrimination whether direct or indirect.

The trust has signed up to the Dying Matters pledge as promoted by Unison.

The full range of Human Resources Policies is available to all Trust employees via the Trust's Intranet.

The Trust maintains an excellent relationship with staff side representatives through established employee and management consultation and negotiating forums (Joint Staff Consultation and Negotiating Committee, Local Negotiating Committee and Junior Doctors forum). These forums continue to provide invaluable feedback to Trust management on matters of concern to employees and allow for consultation of any proposed changes.

The Trust continues to maintain the Department of Health and Social Care's principle of improving the working lives of staff and supports the NHS agenda of maintaining healthy work environment for all staff. Our Occupational Health service delivers health awareness and offers health surveillance programmes for staff and maintains a comprehensive counselling service.

## Regulation 8, Schedule 2 2017/328 Declaration of Facility Time

### Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2 FTE

### Percentage of time spent on facility time

Percentage of time	Number of Employees
0%	
1-50%	
51-99%	
100%	2 FTE

<b>Percentage of pay bill spent on facility time</b>	
Provide the total cost of facility time	£60k
Provide the total pay bill	£155.6m
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.04%
<b>Paid trade union activities</b>	
Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	100%

### Consultancy costs

The Trust paid £1.1m on consultancy costs during 2019/2020.

### Off Payroll Arrangements

**TABLE 1:** Off-payroll engagements longer than 6 months

For all off payroll engagements as of 31.3.20, for more than £245 per day lasting longer than 6 months	Number
Number of existing engagements as of 31.3.2020	3
<b>Of which, the number that have existed:</b>	
less than 1 year at the time of time of reporting	1
for between 1 and 2 years at the time of reporting	2
for between 2 and 3 years at the time of reporting	
for between 3 and 4 years at the time of reporting	
for 4 or more years at the time of reporting	

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2019 and March 2020, for more than £245 per day and that last for longer than six months.

**TABLE 2:** New Off-payroll engagements

	Number
No. of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020	1
Of which:	
No. assessed as caught by IR35	0
No. assessed as not caught by IR35	1
No. engaged directly (via PSC contracted to department) and are on the entities payroll	0
No. of engagements reassessed for consistency / assurance purposes during the year.	0
No. of engagements that saw a change to IR35 status following the consistency review	0

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2019 and 31 March 2020.

**Table 3:** Off-payroll board member/senior official engagements

Number of off payroll engagements of board members, and/or senior officers 'with significant financial responsibility' during the year (1)	0
Total no. of individuals on payroll and off-payroll that have been deemed 'board members and/or senior officials' with significant financial responsibility during the year. This figure includes both on payroll and off payroll engagements (2)	20

**Note:**

- (1) There should only be a very small number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, permitted only in exceptional circumstances and for no more than six months.
- (2) As both on payroll and off-payroll engagements are included in the total figure, no entries here should be blank or zero.

In any cases where individuals are included within the first row of this table the department should set out:

- Details of the exceptional circumstances that led to each of these engagements.
- Details of the length of time each of these exceptional engagements lasted.

**Exit Packages**

Exit package cost band (including any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	Number	£000's	Number	£000's	Number	£000's	Number	£000's
Less than £10,000					0			
£10,000 - £25,000	1	15			1			
£25,001 - £50,000	2	85			2			
£50,001 - £100,000	1	81			1			
£100,001 -					0			
<b>Total</b>	<b>4</b>	<b>181</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>181</b>	<b>0</b>	<b>0</b>

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

A Mutually Agreed Resignation (MAR) Scheme is a scheme whereby organisations may offer a severance payment to an employee to leave their employment voluntarily. The scheme has been developed to assist employers in addressing some of the financial challenges facing the NHS and its key purpose is to create job vacancies for colleagues facing redundancy. The scheme is time limited and has HM Treasury approval. There have been no MARS agreements in the financial year.

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

**Compensation - Early Retirement/Loss of Office & Payments to Past Directors**

There were no compensation payments during the financial year ending on the 31st March 2020 for early retirements or loss of office or payments made to past directors.

## Certificate on summarisation schedules

### Trust Accounts Consolidation (TAC) Summarisation Schedules for Walsall Healthcare NHS Trust.

Summarisation schedules numbers TAC01 to TAC34 and accompanying WGA sheets for 2018/19 have been completed and this certificate accompanies them.

#### Finance Director Certificate

1. I certify that the attached TAC schedules have been compiled and are in accordance with:
  - the financial records maintained by the NHS trust
  - accounting standards and policies which comply with the Department of Health and Social Care's Group Accounting Manual and
  - the template accounting policies for NHS trusts issued by NHS Improvement, or any deviation from these policies has been fully explained in the Confirmation questions in the TAC schedules.
2. I certify that the TAC schedules are internally consistent and that there are no validation errors.
3. I certify that the information in the TAC schedules is consistent with the financial statements of the NHS Trust.



[Signature]

[Name] Russell Caldicott

[Date] 24/06/20

#### Chief Executive Certificate

1. I acknowledge the attached TAC schedules, which have been prepared and certified by the Finance Director, as the TAC schedules which the Trust is required to submit to NHS Improvement.
2. I have reviewed the schedules and agree the statements made by the Director of Finance above.



[Signature]

[Name] Richard Beeken

[Date] 24/06/20

# SECTION 3: FINANCIAL STATEMENTS AND NOTES

## 2019/20 Financial Position

The trust has reported a surplus of £50,000 for the financial year and has therefore achieved its revised financial duty to break even. The retained surplus figure that is used to evaluate financial performance for the year is adjusted for impairments relating to the new build and renovation of the maternity unit, and the change in accounting treatment for recording donated assets within exchequer accounts.

In order to maintain financial balance in 2019/20 the trust initially had to identify and achieve savings of £8.5 million (2.9% of turnover). These savings were needed to meet the required national efficiency savings target and also for reinvestment into service developments. The Trust however experienced a very challenging year in terms of meeting quality and performance targets. The Trust has had loan support during the year from the Department of Health to settle creditor accounts within reasonable time frames thereby ensuring continuity of services.

## How is our financial performance assessed?

The Department of Health measures NHS Trust financial performance against the following four targets.

Definition of Target		Target Set	Actual	Target Met
Income and Expenditure Revised Break Even (Managing Services within the income received by the Trust)	£'000	50	50	YES
External Financing Limit (Managing Services within the 'cash limit' agreed with the Department of Health)	£'000	39,282	31,293	YES
Capital Resource Limit (Managing Capital Expenditure within the Capital Resource Limits agreed with the Department of Health)	£'000	11,611	11,611	YES
Capital Cost Absorption Duty (return on assets employed). The trust was not required to submit a dividend payment.	%	3.5%	0.0%	YES

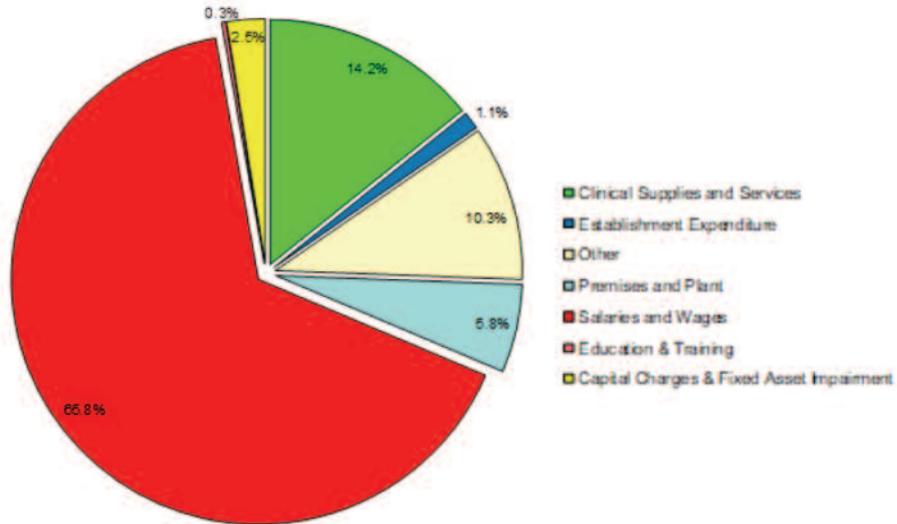
## Where our money comes from

The majority of trust income comes from the provision of patient care services (£257million), the remainder of income comes from such things as Education, Training and Research, Income Generation (car parking, staff catering and accommodation) and the provision of non-patient related services to Walsall Clinical Commissioning Group.

## What we spend our money on

The trust spent £295million in the financial year 2019/20. The largest component of this expenditure was salaries and wages where we spent £187million. The Trust spent a further £36.9million on clinical supplies and services such as drugs and consumables used in providing healthcare to patients.

The chart below shows a breakdown of the main categories of expenditure for 2019/20.



## Capital Investment

The total capital expenditure in 2019/20 totalled £11.6million. The main areas of investment were:

	£'m
Reconfiguration, lifecycle and refurbishment works	4.75
Computer replacement and Information systems	4.87
Medical and theatre equipment	1.98
<b>Total</b>	<b>11.6</b>

## Income and expenditure account for the year ended 31 March 2020

	2019/20 £'000	2018/19 £'000
Revenue from patient care activities	257,026	234,735
Other operating revenue	37,133	18,299
Operating expenses	(284,183)	(276,533)
<b>OPERATING SURPLUS</b>	<b>9,976</b>	<b>(23,499)</b>
Profit/(Loss) on disposal of asset	-	(160)
<b>SURPLUS BEFORE INTEREST</b>	<b>9,976</b>	<b>(23,659)</b>
Interest receivable	86	61
Other Gains and (Losses)	-	-
Finance Costs	(10,960)	(10,260)
<b>SURPLUS FOR THE FINANCIAL YEAR</b>	<b>(898)</b>	<b>(33,858)</b>
Public Dividend Capital Dividend Payable	-	-
<b>RETAINED SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>(898)</b>	<b>(33,858)</b>
<i>*Impairments (excluding IFRIC 12 impairments)</i>	983	6,186
Adjustments in respect of donated asset reserve elimination	130	131
Adjustments in respect of 16/17 CQUIN	-	-
Remove 2018/19 post audit PSF reallocation (2019/20 only)	(165)	-
<b>Adjusted retained surplus/(deficit)</b>	<b>50</b>	<b>(27,541)</b>

## Statement of Financial Position at 31 March 2020

	31 March 2020 £'000	31 March 2019 £'000
<b>Non-current assets</b>		
Property, plant and equipment	142,395	139,153
Intangible assets	1,610	1,277
Trade and other receivables	861	778
	144,866	141,208
<b>CURRENT ASSETS</b>		
Stock and work in progress	2,620	2,362
Trade and other receivables	39,001	16,532
Cash and cash equivalents	9,056	4,186
	50,677	23,080
<b>CURRENT LIABILITIES</b>		
Trade and other payables	(25,955)	(29,461)
Borrowings	(134,693)	(15,590)
Other Liabilities	(1,480)	(1,445)
Provision for liabilities and charges	(437)	(117)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	<b>(111,888)</b>	<b>(23,533)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>32,978</b>	<b>117,675</b>
<b>NON-CURRENT LIABILITIES</b>		
Trade and other payables	-	-
Borrowings	(116,013)	(202,939)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS EMPLOYED</b>	<b>(83,035)</b>	<b>(85,264)</b>
<b>FINANCED BY:</b>		
Public dividend capital	68,300	64,190
Revaluation reserve	14,832	15,925
Retained earnings	(166,167)	(165,379)
<b>TOTAL CAPITAL AND RESERVES</b>	<b>(83,035)</b>	<b>(85,264)</b>

## Cash flow statement for the year ended 31 March 2020

	2019/20 £'000	2018/19 £'000
<b>OPERATING ACTIVITIES</b>		
Net cash inflow from operating activities	(20,670)	(20,635)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest received	83	55
<b>Net cash inflow from returns on investments and servicing of finance</b>	<b>(20,587)</b>	<b>(20,580)</b>
<b>CAPITAL EXPENDITURE</b>		
(Payments) to acquire tangible fixed assets	(10,039)	(12,603)
(Payments) to acquire intangible fixed assets	(667)	(267)
Receipts from sale of tangible fixed assets	-	-
<b>Net cash (outflow) from capital expenditure</b>	<b>(10,706)</b>	<b>(12,870)</b>
<b>DIVIDENDS PAID</b>	<b>-</b>	<b>-</b>
<b>Net cash inflow before management of liquid resources and financing</b>	<b>(31,293)</b>	<b>(33,450)</b>
<b>MANAGEMENT OF LIQUID RESOURCES</b>		
(Purchase) of current asset investments	-	-
Sale of current asset investments	-	-
<b>Net cash inflow from management of liquid resources</b>	<b>-</b>	<b>-</b>
<b>Net cash inflow before financing</b>	<b>(31,293)</b>	<b>(33,450)</b>
<b>FINANCING</b>		
Public dividend capital received	4,110	5,872
Public dividend capital repaid	-	-
Other loans received	36,043	33,184
Other loans repaid	-	-
Capital element of finance leases and PFI	(3,990)	(3,697)
Capital grants and other capital receipts	-	-
<b>Net cash (outflow) from financing</b>	<b>36,163</b>	<b>35,359</b>
<b>Increase (reduction) in cash</b>	<b>4,870</b>	<b>1,909</b>
<b>Opening cash holding</b>	<b>4,186</b>	<b>2,277</b>
<b>Closing cash holding</b>	<b>9,056</b>	<b>4,186</b>

## Better Payment Practice Code

The trust is a member of the 'Better Payment Practice Code' in dealing with our suppliers. The code sets out the following principles:

- agree payment terms at the outset of a deal and stick to them.
- pay bills in accordance with any contract agreed with the supplier or as agreed by law  
i.e. the code requires the trust to pay all valid invoices by the due date or within 30 days of receipt.
- tell suppliers without delay when an invoice is contested and settle disputes quickly.

During 2019/20 the percentage of bills paid within target was:

- number of bills : 4%
- value of bills : 25%

	2019/20 Number	2018/19 Number
<b>Better payment practice code-measure of compliance</b>		
Total Non-NHS trade invoices paid in the year	64,799	64,650
Total Non-NHS trade invoices paid within the target	16,694	15,346
<b>Percentage of Non-NHS trade invoices paid within the target</b>	<b>25.8%</b>	<b>23.7%</b>
Total NHS trade invoices paid in the year	1,340	1,759
Total NHS trade invoices paid within the target	59	68
<b>Percentage of NHS trade invoices paid within the target</b>	<b>4.4%</b>	<b>3.9%</b>

	2019/20 Value £000's	2018/19 Value £000's
<b>Better payment practice code-measure of compliance</b>		
Total Non-NHS trade invoices paid in the year	109,975	110,084
Total Non-NHS trade invoices paid within the target	48,470	53,859
<b>Percentage of Non-NHS trade invoices paid within the target</b>	<b>44.1%</b>	<b>48.9%</b>
Total NHS trade invoices paid in the year	14,207	12,566
Total NHS trade invoices paid within the target	3,598	1,939
<b>Percentage of NHS trade invoices paid within the target</b>	<b>25.3%</b>	<b>15.4%</b>

# Independent auditor's report to the Directors of Walsall Healthcare NHS Trust

## Report on the financial statements

### Opinion on the financial statements

We have audited the financial statements of Walsall Healthcare NHS Trust ('the Trust') for the year ended 31 March 2020, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows, and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by HM Treasury's Financial Reporting Manual 2019/20 as contained in the Department of Health and Social Care Group Accounting Manual 2019/20, and the Accounts Direction issued by the Secretary of State with the approval of HM Treasury as relevant to NHS Trusts in England.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2019/20; and
- have been properly prepared in accordance with the requirements of the National Health Service Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Material uncertainty related to going concern

We draw attention to Note 1.2 in the financial statements, which indicates that the Trust is in a cumulative deficit position and is committed to achieving at least break-even until 2023/24. To achieve this, the Trust is reliant on support from the Financial Recovery Fund (FRF). As stated in Note 1.2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Trust's ability to continue as a going concern.

Our opinion is not modified in respect of this matter

### Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of the Directors and the Accountable Officer for the financial statements**

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Accounts, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. The Directors are required to comply with the Department of Health and Social Care Group Accounting Manual and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. The Directors are responsible for assessing each year whether or not it is appropriate for the Trust to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

As explained in the Statement of the Chief Executive's Responsibilities as the Accountable Officer of the Trust, the Accountable Officer is responsible for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Accountable Officer is responsible for ensuring that the financial statements are prepared in a format directed by the Secretary of State.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Opinion on other matters prescribed by the Code of Audit Practice**

In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the Accounts Direction made under the National Health Service Act 2006; and
- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

Referral to the Secretary of State under Section 30 of the Local Audit and Accountability Act 2014

We are required to report to you if we refer a matter to the Secretary of State under Section 30 of the Local Audit and Accountability Act 2014 because we have a reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

On 24 June 2020, we issued a referral to the Secretary of State under section 30 a) and b) of the Local Audit and Accountability Act 2014 in relation to both the breach of the Trust's statutory financial duty as at 31 March 2020 and the planned breach as at 31 March 2021 under Paragraph 2(1) of Schedule 5 of the National Health Service Act 2006 that:

"Each NHS trust must ensure that its revenue is not less than sufficient, taking one year with another, to meet outgoings properly chargeable to revenue account."

### Other matters on which we are required to report by exception

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the guidance issued by NHS Improvement; or
- we issue a report in the public interest under section 24 and schedule 7(1) of the Local Audit and Accountability Act 2014; or
- we make a written recommendation to the Trust under section 24 and schedule 7(2) of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

### The Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

#### Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

#### Adverse conclusion

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in April 2020, we are not satisfied that, in all significant respects, Walsall Healthcare NHS Trust put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

#### Basis for adverse conclusion

In considering the Trust's arrangements for properly informed decision making and for securing sustainable resource deployment, we identified the following matters:

- The Trust has achieved the control total for 2019/20 of a £0.3million deficit, including central funding of Provider Sustainability & Financial Recovery Funds (PSF & FRF). Whilst there is evidence of improvement over 2018/19, as at 31 March 2020, the Trust has a cumulative deficit in the Income & Expenditure Reserve of £165million and remains reliant on Financial Recovery Funds.
- The Trust exited special measures for quality in 2019 and currently holds a "Requires Improvement" rating from the CQC. However, clinical performance in a number of areas remain challenged with performance below the Trust's target and/or worse than 2018/19, including, but not limited to the following indicators as reported to Trust Board in May 2020:
  - Infections: Incidents of C-Difficile; and
  - Access: Cancer 2 week wait; Emergency re-attendances within 7 days; Delayed transfers of care.
- The Trust has failed to demonstrate basic principles of good governance for managing risk during 2019/20 by not giving the Board nor the Audit Committee regular opportunities to adopt or fully consider the Board Assurance Framework.
- In 2019/20, the Trust has continued to take action to address staff engagement through its People and Organisational Development Committee. However, these actions have not yet demonstrated a significant improvement in planning, organising and developing the workforce because the NHS Staff Survey published in February 2020 shows sustained issues for the Trust. Scores are below the national average in all 11 themes, including, but not limited to Staff Engagement, Immediate Managers, Morale, Safety Culture, and Quality of Care.

These matters are evidence of significant weaknesses in the Trust's arrangements for:

- Acting in the public interest, through demonstrating and applying the principles and values of sound governance;

- Planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions; and
- Planning, organising and developing the workforce effectively to deliver strategic priorities.

### **Responsibilities of the Accountable Officer**

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

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

We are required by section 21(3)(c) and schedule 13(10)(a) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in April 2020, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

### **Use of the audit report**

This report is made solely to the Board of Directors of Walsall Healthcare NHS Trust, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Directors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Certificate**

We certify that we have completed the audit of Walsall Healthcare NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Mark Surridge, Key Audit Partner  
For and on behalf of Mazars LLP

45 Church Street, Birmingham, UK, B3 2RT  
25 June 2020





# Annual Report 2019/20

If you require this publication in an alternative format and or language please contact the Patient Relations Service on 01922 656463 to discuss your needs.