Walsall Healthcare NHS
NHS Trust

# Annual Report
## 2015/16

Improving for **patients** | Improving for **colleagues** | Improving for the **long-term**

# Welcome

**Richard Kirby,**
Chief Executive

Welcome to Walsall Healthcare's 2015/16 Annual Report which is set against the backdrop of a year in which the NHS has rarely been out of the news whether it be a focus on financial challenges, performance targets, inspections, or the ongoing efforts to better integrate health and social care.

Here in Walsall we've been hitting the headlines too and sometimes this has made for a difficult read but, equally, we've been encouraged by the positive stories we have also been able to share.

It almost goes without saying that the past 12 months have proved to be another challenging time for the Trust. The demand for our services in both hospital and community settings has continued to grow and, once again, we have found ourselves under pressure which has undoubtedly had an effect on our patients and their families.

A year ago we set out plans to improve the quality and safety of the care we provide, restore operational performance and develop our 2020 strategy – this was our Year of Improvement. Over the last 12 months we have:

- Established a new model of care for community services based on five locality teams, set up a new Rapid Response Team in the community and created a new Frail Elderly Service at the hospital front door
- Delivered our best ever infection control performance
- Halved the number of patients waiting more than 18 weeks for elective procedures and treated our longest waiting patients

We have delivered these improvements within the financial plan we set at the start of the year of a deficit of no more than £17.7m

There is still a lot of work to be done and we identified the key areas for improvement well ahead of our Care Quality Commission inspection which took place between 8 and 10 September 2015. Following the inspection the Trust was issued with a Section 29A Warning Notice, outlining the significant improvements that we needed to make. The inspection team did not believe that our improvement plan was going far enough fast enough and gave the Trust an overall rating of "Inadequate" when it published its report in January 2016. The Trust was placed into Special Measures shortly afterwards due to the major concerns highlighted, particularly in Maternity Services and our Emergency Department.

We need to acknowledge that our Community services were rated "Good" and there were "Good" ratings in services for children – in both the hospital and community and it is important that we don't lose sight of this as we work through our shortcomings in other areas.

Since the inspection report we have developed our Patient Care Improvement Plan which sets out our

actions to make sustainable change. Working with Walsall Clinical Commissioning Group we have capped the number of births at the hospital to stabilise the maternity service and to ensure that every Walsall mother and baby gets effective high quality care. We are also developing our £3m plan for the extension of the neonatal unit.

Recruitment in both the Emergency Department and Maternity Services has also been a priority as well as across the Trust as a whole.
Work will start this summer on our much-needed Integrated Critical Care Unit (ICCU), costing more than £9m.

Our staff and patient experience survey results were also well below average reinforcing the extent of improvement that is still required.
We understand and accept the challenges we face and recognise the need to improve and improve quickly to set a strong patient safety culture.

The Trust has undertaken significant work to improve its approach to risk and risk management following issues highlighted and the detail of this is covered within the Annual Governance Statement later in this report.

Our partnerships with colleagues in primary care, social care and mental health will continue so we can collectively deliver the most appropriate services that enable people to continue to live happily and healthily at home and help reduce demand for hospital care.

There is a lot to do in 2016/17 in order to continue to progress the improvement journey we started in 2015/16 and ensure that we are able to successfully take the next significant steps in that journey to deliver our vision to become Your Partners for First Class Integrated Care.

"The Trust has undertaken significant work to improve its approach to risk and risk management following issues highlighted and the detail of this is covered within the Annual Governance Statement later in this report"

# About us

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# About us

Walsall Healthcare NHS Trust is an integrated Trust.The Manor Hospital provides the full range of district general hospital services while community health services for adults and children run from more than 60 settings across the borough, including health centres and GP surgeries, as well as people's own homes. The model of care for community services features five locality teams based around clusters of GP practices serving around 50,000 people.

We have unconditional registration with the Care Quality Commission under section 10 of the Health & Social Care Act – 2008, and are registered to provide the following services:

- Diagnostic and/or screening services
- Family Planning Services
- Maternity and Midwifery Services
- Nursing Care
- Children's Services
- Services for Everyone
- Services in Slimming Clinics
- Surgical procedures
- Termination of Pregnancy
- Treatment of disease, disorder or injury
- Caring for adults under 65 years
- Caring for adults over 65 years

The Palliative Care Centre in Goscote covers a wide range of palliative care and End of Life services with teams in the centre and in the community delivering medical, nursing and therapy care for local people living with cancer and other serious illnesses, as well as offering support for their families and carers.
We have forged a strong working partnership with Walsall Clinical Commissioning Group, Walsall Council, Dudley and Walsall Mental Health Partnership Trust and Healthwatch. We also work closely with many other external organisations to help us provide the best possible services to our patients along with charitable and voluntary organisations.

## The environment in which we operate

Around 272,000 people live in the borough (ONS mid 2013 estimate) and are served by Walsall Healthcare NHS Trust's general hospital and community services, as well as a number of residents from the surrounding areas. The health of people in Walsall is generally worse than the England average. According to the June 2015 Health Profile produced by Public Health England, deprivation is higher than average and about 27.9% (15,500) children live in poverty. Life expectancy for both men and women is lower than the England average.

Priorities for the healthcare economy in Walsall include reducing infant mortality, promoting healthy weight, tackling alcohol, and tackling health inequalities, particularly in men.

# Our promises to our colleagues and patients

Our six promises for patients and colleagues are designed to ensure we provide a consistently first class patient experience, in the right way, by engaging with colleagues across the organisation to improve services. The first three promises are to the people who use our services and focus on the standards they can expect from us. The second set of promises is aimed at our colleagues, to encourage them to feel part of one team.

We want to accelerate our improvement to enable the Trust to come out of Special Measures, meet the triple aims of the Five Year Forward View and deliver the national Constitutional Standards. We have to ensure that our financial deficit does not worsen while we deliver the quality and operational improvement that we need.

The chart below outlines the risk and mitigations for successful delivery of our plan:

| Measure | 2013/14 | 2014/15 |
|---|---|---|
| **Availability of resources** | The Trust cannot identify sufficient resources within the 2016/17 plan to make progress quickly enough. | Current plan includes some provision – will be assessed as plan developed further. |
| **Support from Partners** | Our partnership approach in Walsall does not lead to improved care pathways. | Quality Summit secured initial commitment to and from partners – following up with more detailed partner discussions. |
| **Staff engagement** | Our people need to engage with us in delivering change in order for it to be sustainable. | We are preparing a robust approach to staff engagement through Listening into Action. We will deliver some quick wins to show commitment from the senior team to listen and act. |
| **Capital availability** | We need sufficient capital to address our estate issues. | Discussion commenced with Trust Development Authority (now NHS Improvement) about access to the capital we need. Will continue as part of planning for 2016/17. |
| **Reputation and recruitment** | Being in Special Measures makes it harder to recruit clinical staff in key specialities. | Previous "Care to Join Us" campaign provides basis to develop our approach |
| **Culture change** | A slow change in our culture will affect our ability to focus on patient safety at a quick enough pace. | Clear commitment from the Board to new culture at the start of the plan and Executive Team linked to effective Organisational Development activity. |
| **Leadership instability** | Changes in the senior management team of the Trust undermine our attempts to improve. | Recruitment underway. Development programme should reduce future instability. |

Financial plans that we have agreed with NHS England for 2015/16 and 2016/17 mean we are forecasting a continued deficit for the next two years. A Section 30 Letter was issued by the external auditor in year because of the Trust's continued deficit position. However, NHS England has agreed to support our cash requirements over the coming 12 months. For this reason, the Governing Body believes the organisation remains viable in that there are plans to bring spending within budget within the near future. It is for this reason the Trust has prepared financial statements as a "going concern"

# Performance

| Measure | 2013/14 | 2014/15 | Target 2014/15 | 2015/16 | Target 2015/2016 |
|---|---|---|---|---|---|
| Total Time in Emergency Department - 4 Hour Wait Overall | 93.73% | 89.19% | 95.00% | 87.97% | 95.00% |
| C Difficile Cases | 30 | 16 | 28 | 7 | 18 |
| MRSA Cases | 1 | 0 | 0 | 1 | 0 |
| Percentage of patients whose operations cancelled for non-clinical reasons on the day of admission | | | | 0.47% | 0.75% |
| Cancer 2 week Waits | **96.06%** | 91.77% | 93.00% | 94.77% | 93.00% |
| Cancer 2 week Waits Breast Symptoms | **96.02%** | 90.70% | 93.00% | 90.78% | 93.00% |
| Cancer 31 day diagnosis to treatment | **99.48%** | 98.90% | 96.00% | 99.09% | 96.00% |
| Cancer 31 day waits surgery | **97.39%** | 99.26% | 94.00% | 97.32% | 94.00% |
| Cancer 31 day waits drug | **100.00%** | 99.62% | 98.00% | 99.57% | 98.00% |
| Cancer 62 day waits all cancers | **85.97%** | 76.77% | 85.00% | 79.82% | 85.00% |
| Cancer 62 day waits screening | **97.78%** | 96.41% | 90.00% | 100.00% | 90.00% |
| Cancer 62 day waits consultant upgrade | **96.20%** | 90.50% | 91.00% | 91.12% | 91.00% |


We continued to endeavour to meet the requirements placed on us by our regulators and the Government. Our figures show how well we are meeting those key performance requirements across all areas of the Trust. res show how well

We are disappointed to report that as a result of many pressures across the system, we failed to meet the national Emergency Department 4 Hour Wait Overall target.

We were also unable to meet the 18 week Referral to Treatment Time target and the 62 day target for Referral to Treatment for patients diagnosed with cancer. The Trust performed well in other areas, including infection control where the number of hospital acquired Clostridium difficile cases totalled 7, a reduction of 56% on the previous year.

Where we breached national targets, we have been fined by Walsall Clinical Commissioning Group (CCG) under the contract that we have with them. These fines totalled £2.7million; however, the Trust received reinvestment from the CCG to help improve our performance.

# Activity

| | 2015/16 | 2014/15 | 2013/14 | 2012/13 |
|---|---|---|---|---|
| **Emergency Activity** | 38,420 | 35,056 | 34,036 | 25,184 |
| **Day Case** | 21,864 | 22,281 | 23,712 | 26,567 |
| **Elective** | 3,749 | 3,968 | 3,997 | 4,208 |
| **Total Outpatient** | **263,380** | 262,038 | 324,556 | 346,960 |
| **Emergency Department** | **64,806** | 66,777 | 71,656 | 74,628 |
| **Community F2F** | **329,939** | 340,158 | 411,865 | 417,734 |
| **Total** | **722,158** | 730,278 | 869,822 | 895,281 |

The main activity trend for Walsall Healthcare in 2015/16 has been a surge in Obstetric admissions which put significant pressure on the hospital's maternity facilities. Just over half of the additional admissions were from outside Walsall. There were also significant increases in Orthopaedic and Paediatric admissions.

During our busiest period in January 2016, we were forced to put a number of emergency arrangements in place to focus on the priorities of ensuring we could care safely for the patients already in the hospital, arranging the safe discharge of those patients who were well enough to go home and reducing the long waits for admission in our Emergency Department.
These arrangements included cancelling some planned surgery, scaling back Trust-provided training and reviewing our outpatient clinics to ensure as many clinical staff as possible were at the frontline where they were most needed. All our colleagues, whether based in the hospital or the community, worked exceptionally hard throughout this period to ensure we continued to provide the highest standard of care possible in very difficult circumstances.

The slight decline in the number of day cases reflects staffing issues in Urology and Rheumatology which are now being addressed in collaboration with neighbouring Trusts. There has been a compensating increase in the number of endoscopies which has driven the improvement in our performance against diagnostic targets for Cancer. The reduction in elective inpatients reflects continuing emergency pressures – particularly in Trauma & Orthopaedics.

While the number of outpatient attendances has only grown slightly during the year, the number of A&E attendances went down. It should be noted that this reflects a trend over a number of years towards less serious cases being diverted to the Urgent Care Centre, with minimal impact on those cases likely to be admitted. Also the trend appears to have reversed itself in the latter part of the year.

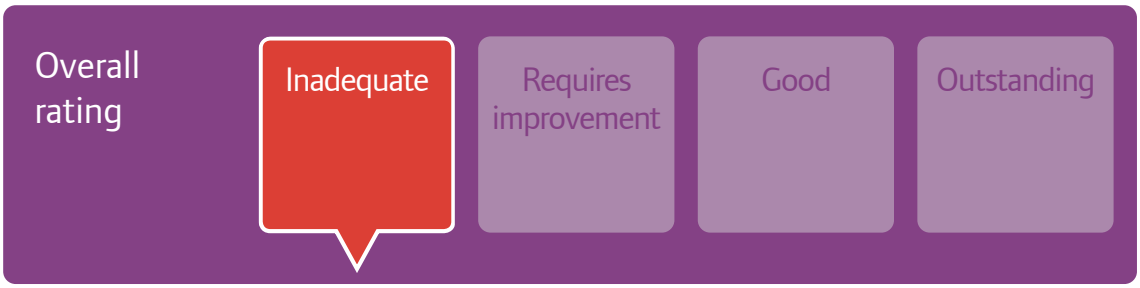
The Trust fared disappointingly in the 2015 NHS National Staff Survey - recommendation of the Trust as a place to work or receive treatment is low. More information is available on page 24.

The period April 2015 to the end of March 2016 has been one of significant challenge for the Trust including continuing to respond to the impact of significant increases in activity and the ongoing challenges to our waiting lists linked to the launch of a new IT system the previous year.

The Care Quality Commission carried out its inspection in early September 2015. Following the inspection on 26 October 2015

the Trust received a Section 29A Warning Notice highlighting areas for immediate action. The Warning Notice requested work to be carried out to address midwifery staffing, issues within the Emergency Department including paediatric support to the Emergency Department Team and improved Mental Capacity Assessments and Deprivation of Liberties Safeguards. In addition, the Warning Notice highlighted issues associated with the completion of DNAR (Do Not Attempt Resuscitation) orders as well as the Trust's End of Life care pathway and our approach to risk and risk management.

The Care Quality Commission report was published on 26 January 2016 and our Care Quality Summit took place on 1 February 2016. The Trust was rated "Inadequate" overall and placed in Special Measures by the Trust Development Authority (TDA). The Trust was rated "Inadequate" for the Safe, Effective and Well-Led domains. At service level Maternity and Emergency Care were rated "Inadequate" – both of these services had been affected by changes at neighbouring Trusts. Our community services however were rated "Good".




| | Safe | Effective | Caring | Responsive | Well-led | Overall |
|---|---|---|---|---|---|---|
| Urgent and emergency services | Inadequate | Inadequate | Requires improvement | Inadequate | Inadequate | Inadequate |
| Medical care | Requires improvement | Requires improvement | Good | Requires improvement | Requires improvement | Requires improvement |
| Surgery | Requires improvement | Requires improvement | Good | Requires improvement | Requires improvement | Requires improvement |
| Critical care | Requires improvement | Requires improvement | Good | Requires improvement | Requires improvement | Requires improvement |
| Maternity and gynaecology | Inadequate | Inadequate | Requires improvement | Requires improvement | Inadequate | Inadequate |
| Services for children and young people | Requires improvement | Good | Good | Good | Requires improvement | Requires improvement |
| End of life care | Good | Requires improvement | Good | Requires improvement | Requires improvement | Requires improvement |
| Outpatients and diagnostic imaging | Requires improvement | N/A | Good | Requires improvement | Requires improvement | Requires improvement |
| Overall | Inadequate | Inadequate | Requires improvement | Requires improvement | Inadequate | Inadequate |

| | Safe | Effective | Caring | Responsive | Well led | Overall |
|---|---|---|---|---|---|---|
| Community health services for adults | Requires improvement | Good | Good | Good | Good | Good |
| Community health services for children, young people and families | Requires improvement | Good | Good | Good | Good | Good |
| End of life care | Good | Good | Good | Good | Good | Good |

# Our Year of Improvement

We had a third year of significantly increased demand for our hospital and community-based healthcare services from a growing Walsall population. Patients who were admitted to hospital were more poorly than those seen in previous years and stayed with us for longer periods of time. This sustained increase in pressure put our emergency and urgent care pathways under considerable strain, compromising our ability to deliver timely elective inpatient care.

When it became clear that 2014/15 was going to be the most challenging year experienced by the Trust since its 2011 inception, largely through this significant increase in demand, we launched our Year of Improvement initiative.

Established in April 2015, this was based on the three key themes of Improving for Patients, Improving for Colleagues and Improving for the Long-term. It set out 10 core objectives for the Trust for improvement over a 12 month period and was underpinned by the Trust's values.

## Improving Objectives for 2015/16

We have set 10 core objectives for the Trust for 2015/16 to deliver our aim of improving for patients, improving for colleagues and improving for the long-term.

| | |
|---|---|
| **Improving for patients** | 1. Care for more patients in their own homes through new community model – 5 x locality teams working with GPs, social care and mental health teams. |
| | 2. Quality & Safety – progress on key priorities (mortality rates, infection control, pressure ulcers, falls, patient experience) and respond to our mock CQC inspection. |
| | 3. Improve our Emergency Care Pathway (ED 4 hour standard). |
| | 4. Improve our Elective Care Pathway (18 weeks, cancer, diagnostics, follow ups). |
| **Improving for colleagues** | 5. Invest in Safer Staffing (inpatient ward nursing, midwifery and community teams) to improve colleague experience and quality of care. |
| | 6. Improve colleague experience by understanding and responding to what matters most through "Colleague Connect" approach. |
| | 7. Support devolved decision making and accountability based on the "team of three" medical / nursing / general management approach. |
| **Improving for the long-term** | 8. Deliver financial plan of a deficit of no more than £17.7m including delivery of a savings programme of £10.5m (4.1% of expenditure). |
| | 9. Design a service strategy and Long-Term Financial Model working with health economy partners to set out route to clinical and financial sustainability. |
| | 10. Act on outcomes of Governance Review (Foresight) and Financial Review (KPMG). |

It was launched to both colleagues and stakeholders through a series of engagement initiatives with progress updates provided on a regular basis. Two Improvement Groups, one for Culture for Quality and the other for Care at Home, were also launched.

Following our Care Quality Commission inspection, see page 44, we stepped up activity as it was acknowledged that these improvements needed to be made faster and go further. The initiative will continue run beyond a 12 month cycle as we deliver our vision of a nationally recognised, integrated care organisation.
We continue to focus on three key points:

- Supporting patient care at home
- Delivering promises to patients and colleagues
- Delivering high quality care.

By listening and acting upon what our patients and colleagues say about our services we can make a real difference to the Trust's future.

# Junior Doctors' industrial action

Junior doctors staged industrial action in January and February carrying out emergency work only, and staged a full withdrawal of labour over two days in April.

The Trust has tried and tested plans to deal with a range of disruptions including industrial action and there were robust plans in place to ensure the safety and wellbeing of our patients and staff who were working at this time.

# Perinatal review

A review was jointly commissioned by Walsall Council Public Health and Walsall Clinical Commissioning Group to investigate the underlying causes of perinatal and infant deaths. The aim of the review, which was published in November 2015, was to identify areas for learning and prioritise actions for improvement.

Compiled by the Perinatal Institute, it looked at the contributing factors that make Walsall's infant and perinatal mortality rates higher than the regional and national average. Examples of good practice were identified in the review and included good pre-conception care, good continuity of care by community midwives and good quality neonates' care.

Specific learning points from the cases examined included the need for a thorough review of foetal growth surveillance techniques and improvements in ongoing learning.

The review was presented to Walsall Healthcare NHS Trust and Walsall Clinical Commissioning Group Boards and followed the national confidential enquiry process.

It reviewed 66 cases between April 2010 and March 2014, identifying seven stillbirths and one neonatal death where different care would reasonably be expected to have made a difference. A confidential helpline for parents concerned about any of the issues raised within the report was set up by the Trust

All parties developed a combined action plan to address the areas identified and will continue to monitor the progress that is being made.

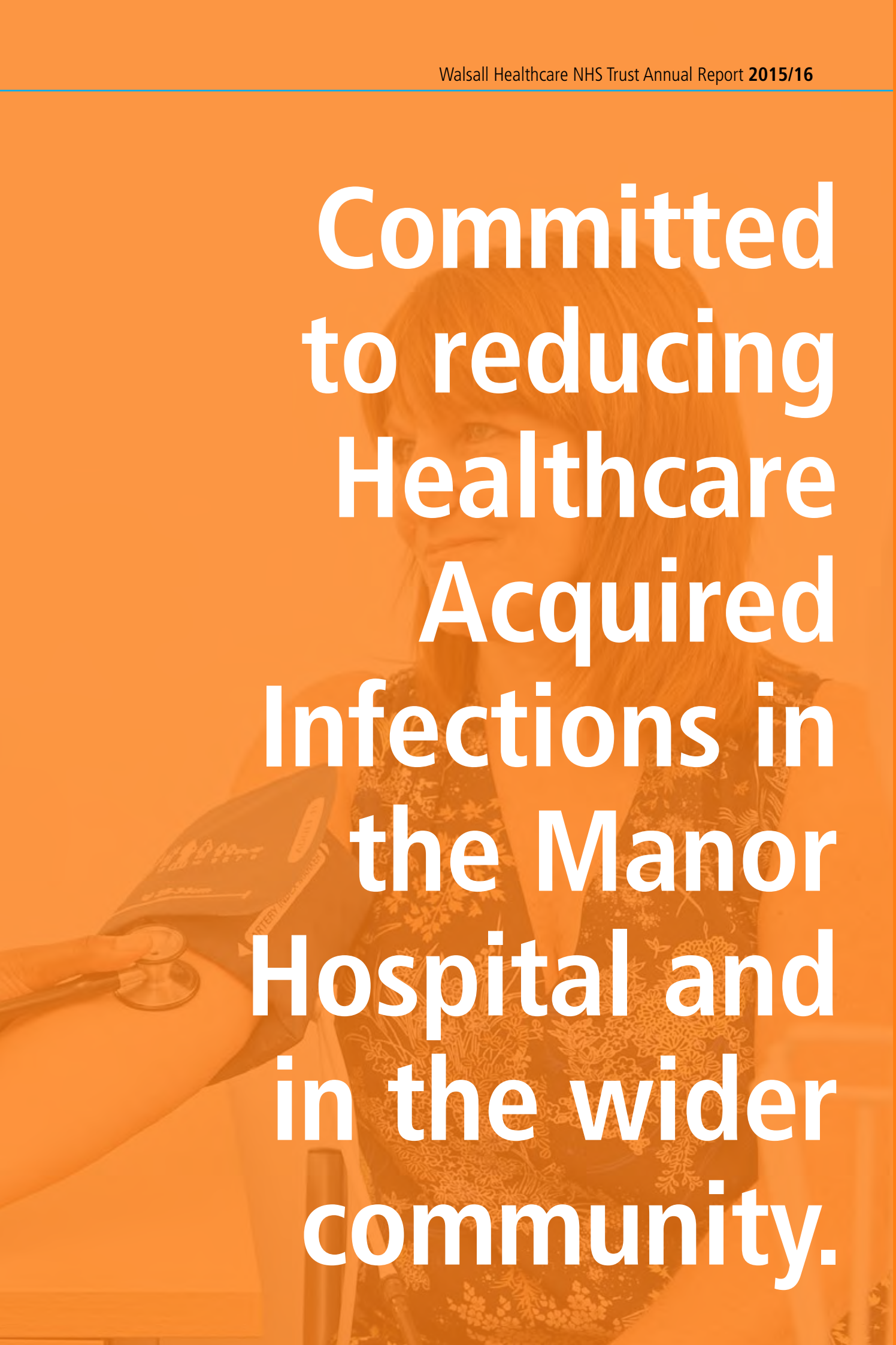
# Infection Control

During 2015/16 for Clostridium difficile (C.diff) we surpassed our previous results with 7 cases against our target of no more than 18 cases. Every case of Clostridium difficile is fully investigated to identify factors that could lead to the prevention of future cases.

We had 1 case of the bloodstream infection MRSA bacteraemia during 2015/16, against a target of zero. This was fully investigated and measures implemented to reduce the risk to future patients. The Trust continued with the early reporting of presumed, rather than confirmed, cases of MRSA, enabling decolonisation treatment to start as soon as possible, as well as the re-screening for MRSA of all patients who have been in the hospital for more than 28 days.

The Trust experienced 1 episode of Norovirus over the winter period 2015/16, at the end of March this year - later this year than previously. A system of bay/ward closures managed by the Microbiologist and Infection control team resulted in only bays being closed and did not impact on the delivery of care.

We will also be maintaining our focus during 2016/17 on measures to identify and prevent the spread of multi-drug resistant organisms, such as MERS Corona Virus and Carbapenem Resistant Enterobacteriaceae (CRE). We will be working closely within the hospital and with colleagues across the wider health economy to ensure appropriate use of antimicrobials in our aim to ensure that antibiotics are available for use in the future.



# Committed to reducing Healthcare Acquired Infections in the Manor Hospital and in the wider community.

# Improving for Patients

Since 1 April 2015 the Trust has received 35,713 responses from patients on their care and experience of care across the Trust. The Friends and Family Test Positive Promoter Score for the Trust is at a strong level of 95.50%.

# Patient Feedback

## Concerns and Complaints

Patients, their families or carers, have the opportunity to be engaged in the Trust's complaints process right from the beginning, and are fully informed of any lessons learned and changes made as a result of an investigation.
Each month our Trust Board meeting opens with a patient story which enables complainants to talk directly to the Board about their experience of care. This is a powerful tool for learning. Complainants also assist us with training and participate in reflective practice sessions for staff. A report is presented in public each month detailing the number of complaints received by the Trust, the key causes of complaint and the changes we have made as a result of the complaint. This report also includes the number of cases referred to the Parliamentary Health Service Ombudsman for review and details the outcome and associated actions.

In 2015/2016 a total of 3,405 referrals were received by the Trust which includes a total of 403 written complaints about care which were received by the Chief Executive. This includes 369 written complaints, 6 MP letters and 28 informal to formal converted complaints.

The main causes of complaint related to:

- Clinical care, assessment and treatment
- Appointments
- Communication
- Diagnosis
- Staff attitude

In 2015/2016 our target of responding within 30 working days remained a challenge with the average number responded to within 30 working days being 52%. Whilst this has to remain a priority for improvement, the quality of complaint responses should not be affected. Emphasis on involving and negotiating a good quality response should be the prime aim. We have been working with the University of Salford in Manchester and are now able to offer Train the Trainer – Complaints Handling & Investigation Training. The course will identify the principles of good complaint handling, including prevention of formal complaints and will tie complaints investigation into the Trust's broader processes for learning and follow up of actions.
By taking this "Train the Trainer" approach, within 12 months around 1,000 colleagues will be fully trained which will be a major improvement.

# Friends and Family Test

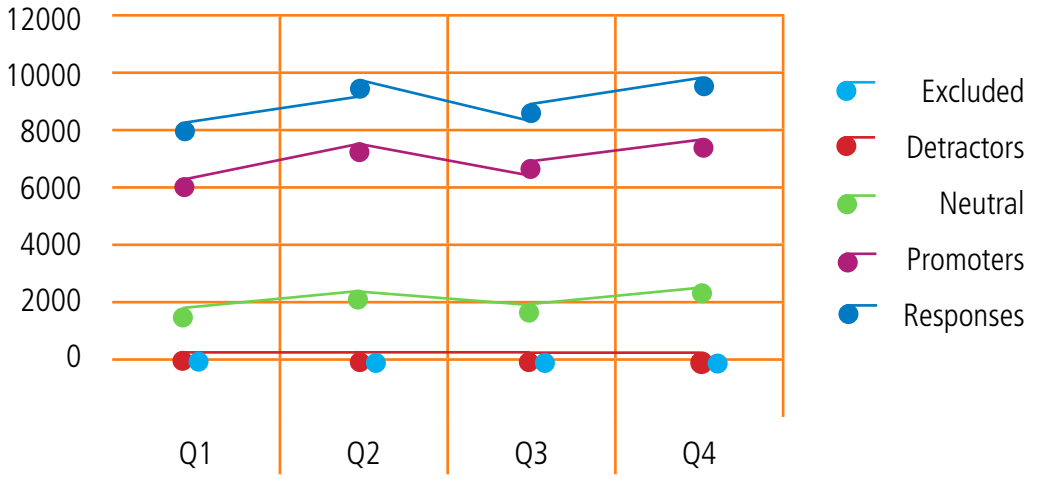
The Friends and Family Test (FFT) is an important feedback tool that supports the fundamental principle that people who use NHS services should have the opportunity to provide feedback on their experience.

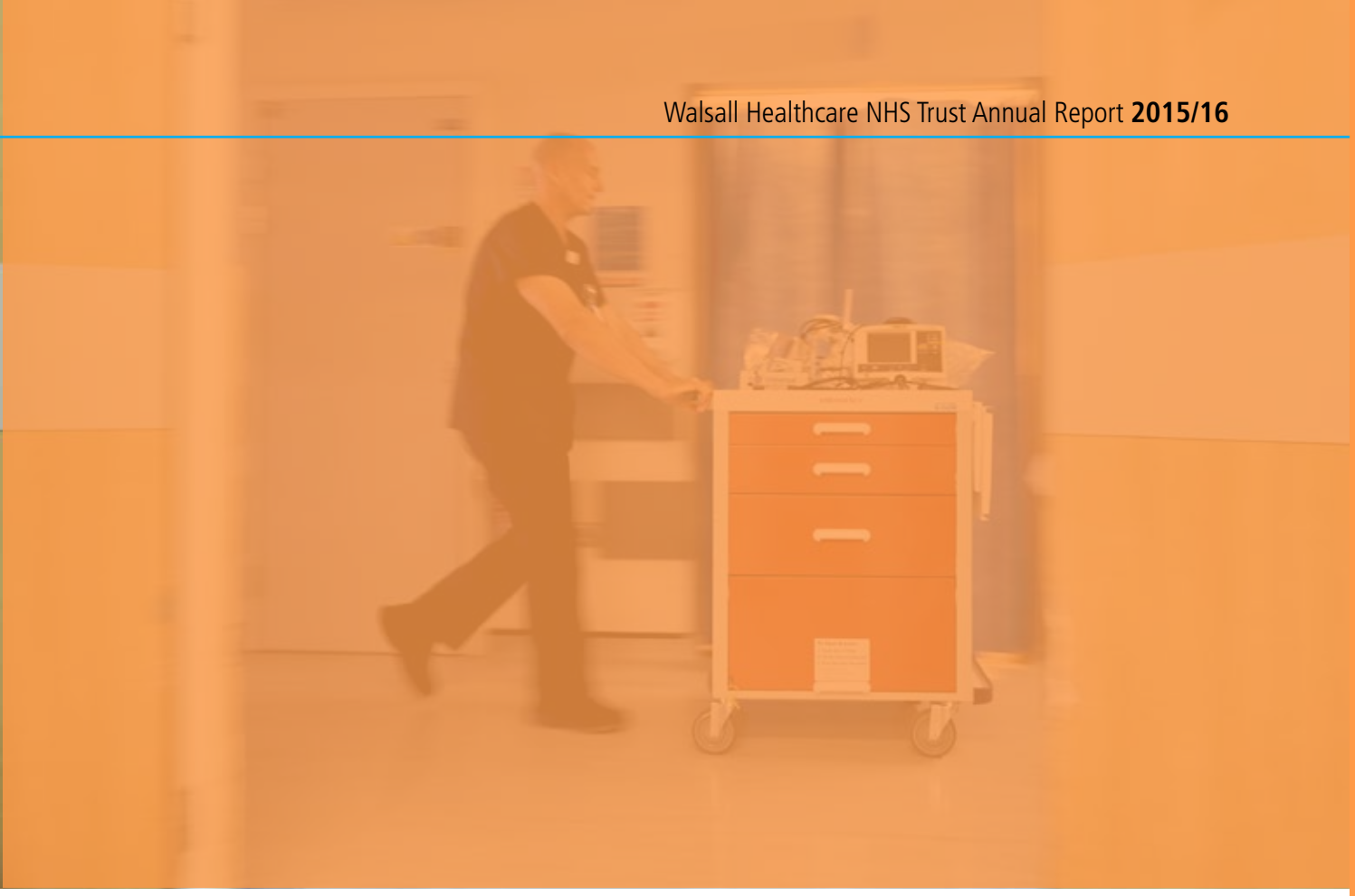
It asks people if they would recommend the services they have used and offers a range of responses. When combined with supplementary follow-up questions, the FFT provides a mechanism to highlight both good and poor patient experience. This kind of feedback is vital in transforming NHS services and supporting patient choice.

Since 1 April 2015 the Trust has received 35,713 responses from patients on their care and experience of care across the Trust. The FFT Positive Promoter Score for the Trust is at a strong level of 95.50%

# Trust Performance - Friends and Family Test

Responses: 35714 | Promoters: 26868 | Neutral: 7238 | Detractors: 891 | Excluded: 717

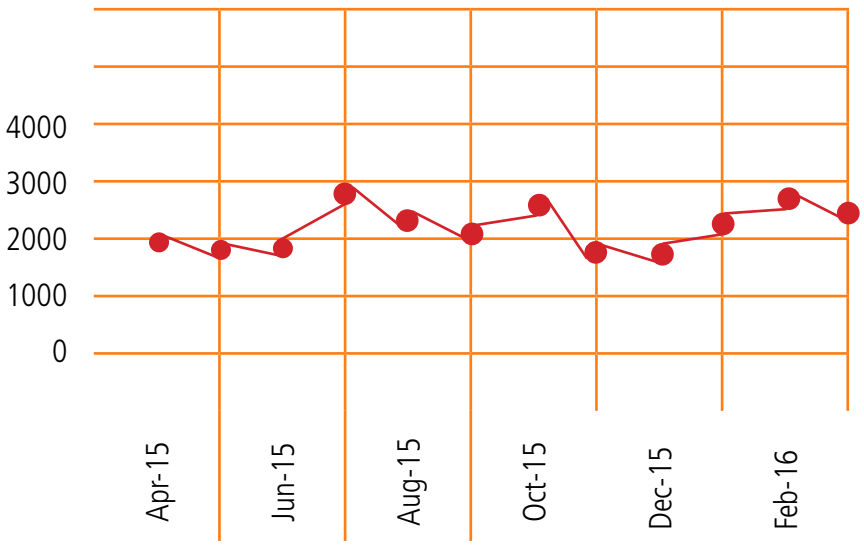


# Promoters and Free Text Comments

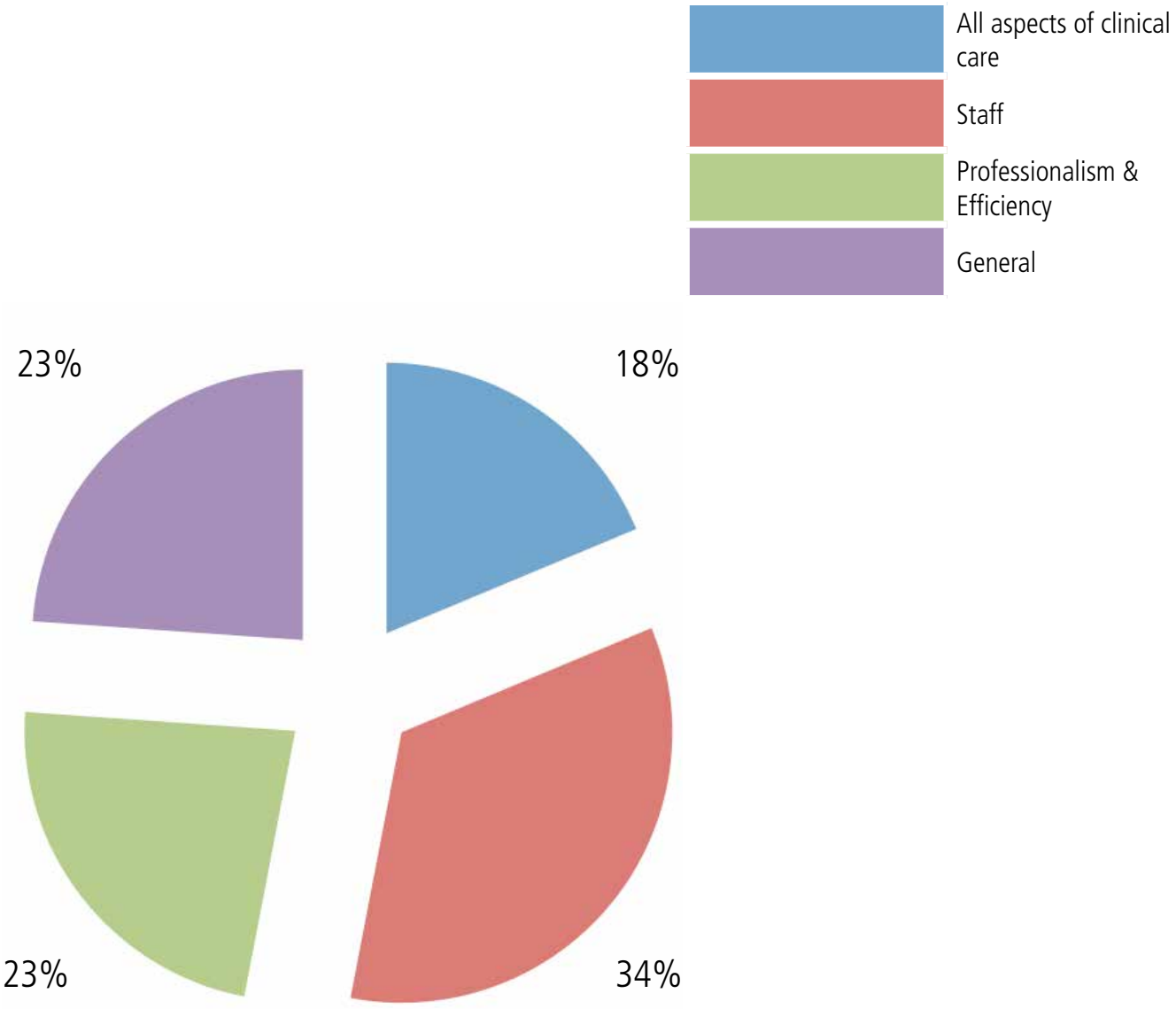
Overall, the feedback received shows that a positive experience is provided to the majority of patients. By far the most frequent form of feedback received from patients relates to praise for staff, but this praise can also be accompanied by suggestions for improvement, most typically relating to better communication and reducing waiting/delays.

Since 1 April 2015 the Trust has received 26,307 freetext comments from patients on their care and experience of care in the Trust, details of which are shown below:

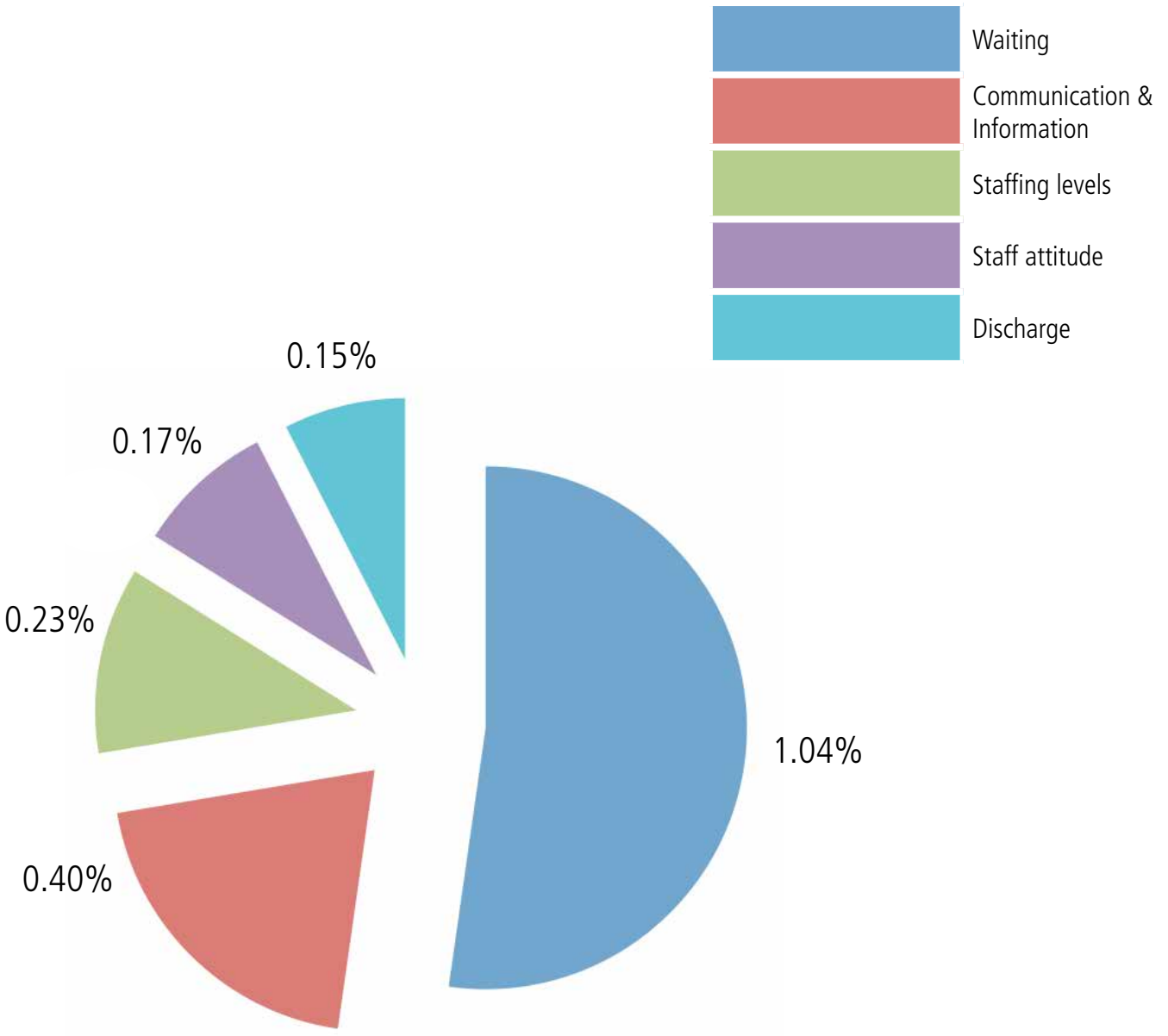


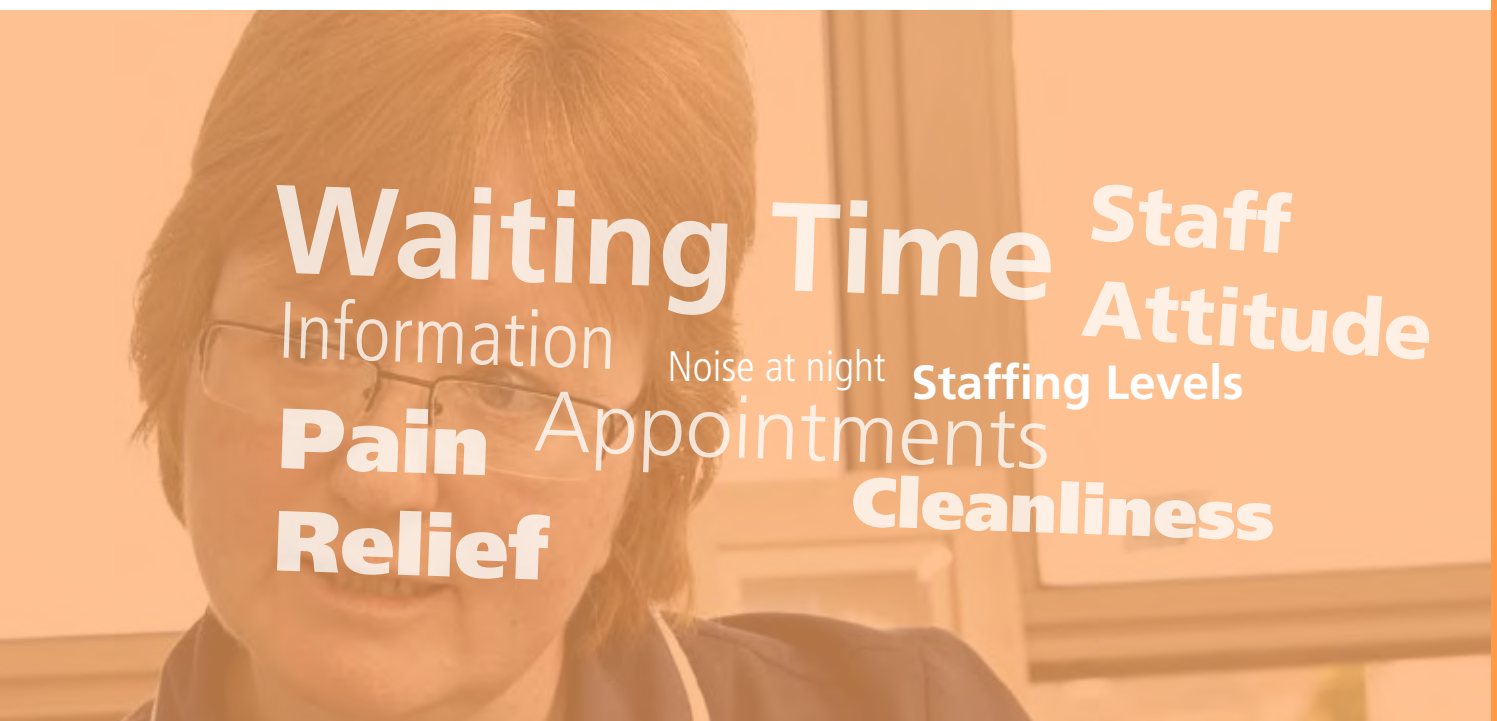

| Month | Freetext Responses |
|---|---|
| Apr-15 | 2005 |
| May-15 | 1873 |
| Jun-15 | 1892 |
| Jul-15 | 2872 |
| Aug-15 | 2128 |
| Sep-15 | 2048 |
| Oct-15 | 2570 |
| Nov-15 | 1882 |
| Dec-15 | 1834 |
| Jan-16 | 2059 |
| Feb-16 | 2680 |
| Mar-16 | 2464 |

# Positive Themes




# Negative Themes



# National Comparisons

The table below illustrates the response rates per measure for February 2016 as well as national and regional ranking.

| | A&E | Inpatient | Maternity and Birth |
|---|---|---|---|
| % Recommended | 96% | 95% | 95% |
| National rank | 9/137 | 98/137 | 91/137 |
| Regional rank | 1/14 | 9/14 | 11/14 |
| Response rate | 3.84% | 33.40% | 25.36% |
| National rank | 117/137 | 21/137 | 57/137 |
| Regional rank | 13/14 | 1/14 | 7/14 |

# Improvement Actions

- Continue to explore ways to improve our response rate across all areas
- Explore other methods for collection of FFT e.g: SMS/Text/App, Electronic Tablets, Online Surveys etc
- Increase the visibility of FFT across the Trust
- All wards and departments to continue to display their FFT results as part of the ward communication boards
- Publicise patient experience data locally, including actions taken as a result of feedback
- Use the website as a means of communicating how we are performing with regard to patient experience, publishing friends and family test scores
- Use social media as a way of communicating with and engaging local people and groups

# Volunteering

There can be no doubt that the commitment, dedication and continuing contribution of our volunteers makes a very real difference to our services in the community and at the Manor Hospital.

During 2015/16, a total of 345 volunteers were registered with the Trust, covering 37 different roles including areas such as acting as Stroke Buddies, providing mealtime support to patients and providing Day Hospice support and drivers at Walsall Palliative Care Centre.

The League of Friends also supports the organisation with fundraising and with the provision of volunteers who work in the shops or who meet and greet patients and visitors to the hospital. The group has raised more than £107,000 over the last 12 months alone.

Our Kissing it Better programme has continued to run across many of our inpatient wards and in our adult and children's Outpatients Departments. A wide range of organisations and individuals from the wider Walsall community are invited into the hospital to share their time and skills on a voluntary basis. During the past year we have welcomed a range of young people, including hairdressers and beauticians and public service students into the hospital on a voluntary basis.

We also have two dogs that come into the hospital and one that visits Holly Bank House on a regular basis. We work closely with other partners including Age UK and Walsall Link Line who recruit volunteers to support services within the hospital.

During 2016/17, our Volunteering Services will

continue to work hard to ensure that we maximise the opportunities that are offered by our volunteers. We are pro-actively seeking innovative ways of accommodating people within the organisation to ensure that everybody benefits from the experience. For more information about volunteering, please contact the Volunteering Service on 01922 656689 or email volunteer.services@walsallhealthcare.nhs.uk

# Frail Elderly Service

A new integrated way of working has been developed to make a real difference to the way that elderly patients are seen and treated.

In January 2016 the Frail Elderly Service (FES) based at the Manor Hospital site joined forces with specialist teams based in the community and launched the Walsall Healthcare NHS Trust Integrated Frail Elderly Service. Their multi-disciplinary approach 'at the front door' means that elderly patients showing symptoms of frailty are assessed and treated at the same time by a number of healthcare professionals on admission to hospital, helping to reduce long-term stays.

The team consists of a Geriatrician, GPs, middle grade doctor, senior specialist nurses, Pharmacists, Physiotherapists, Occupational Therapists, clinical support workers, and input from a social worker and from the Older People's Mental Health Team.

Walsall Healthcare NHS Trust Frail Elderly Service

In the first two weeks of the new service the team saw 152 patients who were referred from the hospital's Emergency Department and Acute Medical Unit. With assessment from the specialist team, the team was able to make 112 same day discharges, with referrals into services in the community, such as social care, the falls team or intermediate care. During February the team saw 275 patients use the service and discharged 188 on the same day. These numbers have remained constant.

The team's efforts in arranging patient care to be provided in the right place, at the right time have been highly commended by patients and their families.

# VItalPAC and Acute Medical Unit

Nurses and clinical staff at the Manor Hospital are now using iPads and iPods to record patients' blood pressure, heart rate and temperature.

The new electronic system, VitalPAC, means faster escalation of concerns to doctors, leading to a reduced hospital stay for patients.

VitalPAC combines a patient's observation details with test results and other data to automatically establish their condition – known as an Early Warning Score.

If a patient's Early Warning Score is higher than it should be, doctors or specialist staff are immediately alerted and can take action if necessary.

Medical staff are able to access important data about their patients' conditions from anywhere on the hospital's computer network.

The Trust was awarded more than £677,000 from the Government's National Nursing Technology Fund to support the introduction of the new system.

A new hi-tech system was installed across two bays of the Acute Medical Unit in September 2015 allowing ward staff to keep track of patients' vital signs, such as heart rate, respiration rate and oxygen levels at one central monitoring point.

The system is improving efficiency in how patients' vital observations are monitored.

# Surgical Assessment Unit

A new Surgical Assessment Unit was introduced at the Manor Hospital last summer has resulted in reduced waiting times and same day discharges.

Nine trollies and a waiting area have been created which mean people no longer have to sit in a GP waiting area until a bed becomes available.

Patients are now seen and reviewed by a consultant surgeon and discharged home with a planned Theatre date and day case emergency surgical cases are able to go to Theatre in the morning.

The pilot Surgical Assessment Unit was developed by consultant Mr Steve Odogwu, to tackle unnecessary hospital surgical admissions as well as improve the experience of patients. He developed it with Miss Sarah Addison, Clinical Director for General Surgery, and patients' feedback has been encouraging.

The unit also provides an emergency clinic.
Colleague feedback has also been positive as they feel patient flows from the unit to wards has been more efficient and junior doctors are reporting that assessment and treatment is more effective. The Trust Board has since agreed to make the Surgical Assessment Unit a permanent feature.

Quote from a grateful patient:

"There was much better support for the patient and communication had improved which makes such a difference. I didn't feel I'd been left to fend for myself."

# Purple Hub


Volunteering, Membership and Fundraising, has come together under one roof - The Purple Hub located at the Manor Hospital.
Members of the public can call in and find out more about volunteering opportunities, how to become involved with Walsall Healthcare NHS Trust's charity Well Wishers or how to become a Member of the Trust.

well wishers
Raising funds for a healthy Walsall

Our Walsall Healthcare charity was re-launched as "Well Wishers" last July and fundraising concentrates on providing items that are over and above what the NHS is able to provide to make a real difference to our patients, their families and our staff who treat them.

Our money is raised, held and accounted for independently from the Trust's NHS funds and is spent exclusively for charitable purposes to improve the health and wellbeing of the NHS patients of the Trust's hospital and community services.

Notable fundraising highs have included a donation of more than £5,000 from grateful Darlaston mother Diane Watkiss whose premature son was cared for in our neonatal unit and Midland businessman and lung cancer patient Jack Moody's donation for a medical thoracoscopy machine.

Throughout the year there have been regular book sales, cake sales, tombolas and events in the main atrium at the Manor Hospital to raise the charity's profile.

# John's Campaign

The Trust has joined more than 200 organisations who have signed up to John's campaign – encouraging family and carers of patients with dementia to be given the right to stay with their loved ones in hospital.

In Walsall, patients' carers and families are encouraged to stay with their loved ones whilst they are in hospital and a lot of positive work is being done around dementia.

Our security guards have been through a training programme to equip them with the skills and knowledge to recognise and support patients with dementia and other vulnerable groups.

# Organ Donation

More than 80 borough residents signed up to the Organ Donor Register following a campaign run by the Trust during Transplant Awareness Week last September.

The week featured moving accounts from both donor families and recipients as well as a plea from the Trust's clinical lead for organ donation Dr Opeyemi Babatola.

Following this work the number of people registering to become donors in the WS postcode area rose by 85.

Kidney donor, Colin Underwood and wife Sharon

# End of Life Care

A new, personalised End of Life Care plan for patients who are dying has been developed by the Trust, working in partnership with Members and carers.

A working group was set up last summer with staff from the Trust's community services and the hospital to develop the plan to ensure patients receive appropriate and compassionate care. A consultation group was formed with

Walsall Healthcare Membership to discuss processes and come up with a first draft before finalising the plan that is now being used by patients and their families.

Josephine Baker, of Shelfield, said: "From my personal experience, I think this is great. You can tell that a great deal of work has gone into it."

# Chaplaincy

Patients have been supported with their spiritual and religious needs at the Manor Hospital, Dorothy Pattison Hospital and the Palliative Care Centre and workload has grown, reflecting the increase in demand on Trust services. Support from a dedicated team of volunteers is invaluable. Four new volunteers have been trained and cleared to volunteer as chaplaincy visitors.

Two new colleagues have joined the Trust, filling existing vacancies: Rev Keith Duckett at the Palliative Care Centre and Fr Andrew Martinez as Roman Catholic Chaplain working alongside Fr Thomas. We still have a vacancy for our Muslim Imam's post.

The major religious festivals have been celebrated with the support of local communities: Easter, Vaisakhi, Eid and Diwali. Special annual events have included Sister Dora's Sunday Service (with Trust and civic dignitaries) Service of Thanksgiving at St John's Church, Bloxwich, to remember patients from the Palliative Care Centre; Baby Memorial Service at St Andrew's Church, Birchills; and Light up a Life service in Aldridge Shopping Centre.

Following a large increase in funeral numbers in 2014/15, demand has remained steady during 2015/16, and new Trust and Crematorium procedures have been adopted. We have conducted 27 funerals for adults, 82 funerals for babies and led prayers of commendation prior to cremation on 38 occasions in the Mortuary.

Black Country Alliance
Better Care for All

An exciting NHS partnership to bring benefits to Walsall patients of all ages and encourage staff in its hospital and community services to design better ways of working was launched last summer.
The Black Country Alliance, fittingly launched on Black Country Day (14 July 2015), is an equal partnership between Walsall Healthcare NHS Trust, The Dudley Group NHS Foundation Trust and Sandwell and West Birmingham Hospitals NHS Trust.

The three Trusts felt that working together in this way could better improve health outcomes for the one million plus people who use their services in the Black Country in a sustainable way.

There is greater potential in some services for excellence and sustainability when provided on a larger scale than a local hospital can provide on its own. One of the aims of the Alliance is to keep and further develop specialist services for the Black Country.

The Alliance is looking at new ways of providing care to patients across the Black Country, keeping care closer to home and ensuring specialist skills are kept in the Black Country. At a time when the NHS is struggling financially to meet demand, the trusts involved are taking an innovative approach to seek solutions.

The Alliance concentrated on four clinical areas in 2015 - histopathology, interventional radiology, specialist rheumatology services and complex urology care- and a piece of work to look at procurement across the Trusts has been started.
Trust colleagues have been encouraged to come up with ideas and business cases for other areas during 2016.

The first Black Country Alliance Conference took place at the Banks's Stadium in Walsall, attended by around 150 clinical leaders from across the three Trusts. The February 2016 event created an opportunity to share a number of updates on the work that has been taking place since the BCA's formation last summer.

Staff at Sandwell & West Birmingham are focusing on the delivery of a safe and sustainable rheumatology service. A pilot scheme to enable a seven day non-vascular Interventional Radiology service for patients has been developed and work continues on a potential single Oncology Service in 2017. Proposals for a sustainable stroke service are also being developed.

## Healthy Walsall Partnership

Walsall Healthcare is working with Walsall CCG, Walsall Council, Walsall's two newly created GP-provider federations and Dudley and Walsall Mental Health NHS Trust to develop a Walsall Integrated Care System. This is initially focused on providing more care at home for frail older people but will be extended to other client groups as the work develops. Given that Sandwell & West Birmingham and Dudley have similar ambitions, it anticipated that shared learning through the Alliance could strengthen the delivery of local integrated care ambition.
The Trust is also part of a set of clinical networks with other specialist providers in the region including cancer, cardiac, renal, vascular and trauma networks with pathways linked to specialist services at University Hospital Birmingham, Royal Wolverhampton and Heart of England Trusts.

# The Alliance is looking at new ways of providing care to patients across the Black Country

# Improving for Colleagues

# Breakdown of Trust workforce

| Ethnic Origin | Total Headcount | Percentage |
|---|---|---|
| A - White - British | 3167 | 72.04% |
| B - White - Irish | 20 | 0.45% |
| C - White - Any other White background | 92 | 2.09% |
| D - Mixed - White & Black Caribbean | 50 | 1.14% |
| E - Mixed - White & Black African | 14 | 0.32% |
| F - Mixed - White & Asian | 58 | 1.32% |
| G - Mixed - Any other mixed background | 19 | 0.43% |
| H - Asian or Asian British | 439 | 9.99% |
| J - Asian or Asian British - Pakistani | 155 | 3.53% |
| K - Asian or Asian British - Bangladeshi | 36 | 0.82% |
| L - Asian or Asian British - Any other Asian background | 75 | 1.71% |
| M - Black or Black British - Caribbean | 135 | 3.07% |
| N - Black or Black British - African | 62 | 1.41% |
| P - Black or Black British - Any other Black background | 11 | 0.25% |
| R - Chinese | 13 | 0.30% |
| S - Any Other Ethnic Group | 32 | 0.73% |
| Z - Not | 18 | 0.41% |
| Grand Total | 4,396 | |

Policies affecting staff are made available via the Trust's intranet. Copies of these can be requested via HR.

# Pulse Survey

We saw a significant increase in returns in September 2015. We know we still have a long way to go, but for the first time we equalled the national average for staff recommending our service and were one point above for being a good place to work in last September's survey.

We also nearly doubled the number of responses, compared with the same time the previous year. A total of 1,023 staff from the Trust took part in the Pulse Survey in September 2015, compared with 643 the year before. Due to how we have embeded the survey into our mainstream business e.g. listening to colleague feedback, taking action through the colleague experience and engagement group and increasing our response rate, this has been recognised by NHS England who featured our work as a case study as part of a national week to raise public awareness .

# National Staff Survey

Where there are like for like comparisons from year to year this shows that we improved in 59% of indicators, deteriorated in 27% of indicators and 14% remained unchanged. The results show that despite an incremental improvement in 59% of indicators, we are still noticeably adrift compared to the national average (72% of all indicators are below the national average). The areas identified for improvement are replicative of the CQC results and the Colleague Engagement and Experience Group has developed an action plan to enable improvement.

The plan to increase levels of engagement includes the following programmes of work:

1. Listening into Action – Listening into Action is about re-engaging with colleagues, unlocking their potential and empowering action in order to contribute to the vision for 2020. Teams are supported and enabled to work differently, linking to performance outcomes they care about and making them feel valued. Following an evidence-based, outcome-driven process over an initial 12 months to get to a point of traction Listening into Action will then start to become 'the way we do things around here'.
2. Staff Survey Action Teams – this will see Divisional champions in working groups, led by the Trade Unions, developing campaigns to target the worst performing indicators from the Staff Survey results.
3. Lean and Improvement Champions – engaging colleagues in the Lean/transformational programmes of work in order to develop the continuous improvement culture.
4. Medical Engagement – the current Strategic Leadership Programme has seen increasing levels of commitment from our medical colleagues. Following on from this programme, medical leaders will be required to develop task force groups organised thematically by clinical pathways.
5. Local Engagement – this will involve Executive and Senior Management regularly visiting areas to listen to teams and report back progress on the wider workstreams to help close the feedback loop.
6. Team Connect – the current system for the cascade of information via Team Briefing has been adopted inconsistently throughout the Trust. Team Briefing is a powerful method of enabling communications up and down the management structure. The current Team Briefing method will be reviewed to provide a consistent and measurable process for conveying strategic and operational information, and answering feedback questions.

# Recruitment

Staff shortages in specialist roles are being felt in Walsall in common with Trusts all over the country. Research commissioned by Unison found 85% of Trusts were finding recruitment "difficult" in general, with 78% struggling to fill higher paid roles, and 60% having difficulty filling posts at an intermediate salary level.

Eighty five new nurses and 35 new clinical support workers joined the Trust last autumn as part of a £3.5million investment and we are actively recruiting for a number of nursing and surgical staff concentrating on our Emergency Department, Maternity Services and Acute Medical Unit which is where we have the highest vacancy levels.

## "I'm thankful for how helpful everyone has been"

Elise Lidgett chose to leave her home city of Leicester to work in Walsall. The 21-year-old said: "You are encouraged to ask for help or advice and everyone in ED – including the doctors – will support you. I have seen conditions and infections that I have never come across before in my training and this is the best chance I have at building my knowledge up. I never feel I can't speak up and ask for help."
Hannah Gallier, 23, who qualified as a Staff Nurse last year, initially had reservations about working in the Emergency Department.

"Your perception is that it's pandemonium, with everyone running past each other. And I had a real fear of being in resuscitation. It's the responsibility of caring for a patient who may be going into cardiac arrest – it felt like such a big responsibility and I was worried I would let someone down," she said.

"But you have so many people in the ED team who will help and support you. It is the busiest department in the hospital but someone will always make time to sit down with you and help you learn and develop. Now I work in resus a lot and I feel comfortable doing so."

Meanwhile, 30 new midwives have arrived on the maternity wards at Walsall Manor Hospital from local areas and Europe to help ease the pressure.
The new midwives, some of which have been recruited from Italy, have been supported by the Continuing Development Midwife and feel welcomed into the team.

"I'm thankful for how helpful everyone has been so far," Katie Neale, Midwife who joined the Trust in October 2015 said. "It's hard work but the more experienced midwives are more than willing to help," she added.
Italian midwife, Vanessa Manni joined in September 2015 and feels that she and other midwives are making a difference. "I feel proud that I am part of the patient's experience. When I pass them their new baby, I will have an impact on their life and they will remember me."

# Colleague Connect

The Trust launched the For One and All Programme in September 2011 to ensure that we do the right thing – provide a consistently first class patient experience – in the right way, by engaging with colleagues across the organisation to improve services.

Our Colleague Connect sessions were introduced in April 2013 as a method of engaging with colleagues in person. These events give colleagues the opportunity to tell the Management Teams first-hand about their experiences of working for the Trust. Previous sessions have given us the chance to learn about what we can focus on to make the biggest difference for our colleagues across the Trust.

Sessions were run across the summer within Care Groups to engage with colleagues about what their team is going to focus on in order to improve for Patients, Colleagues and the Long Term.

Seventeen Care Groups came together over 16 sessions to have these important conversations; engaging in total with 313 colleagues.

At the end of the session colleagues were asked to complete a feedback form

In addition, colleagues were asked "Do you think things are getting better?" Sixty one colleagues responded, with 45 stating "Yes" (74%).

By the end of each session the team created a 'product' – a poster summarising the themes for the Care Group. Following each session the 'product' was uploaded to the Improving pages on the intranet. Reminder articles were then included in the Chief Executive's Update to encourage colleagues to look at the latest 'products' added.

Following each session the themes are typed up and the specific actions are included in an action plan. This session summary, once approved by the Team of Three, is then sent to everyone in the Care Group, so that even those who were unable to attend have chance to see and comment on the direction of travel. The Care Group Teams of Three have been advised that:

1. They need to keep these conversations alive by re-visiting the themes and actions at their Team Connect meetings
2. They will be asked to regularly report back the progress made so that a summary of completed actions can be included in Trust Connect.

**17 sessions, 531 participants, 12.5% participation, including the Divisional/Care Group Colleague Connect sessions.**

In November 2015, two Colleague Connect engagement sessions took place attracting 50 attendees.

Overall 92% of attendees thought the session attended was worthwhile, which is an 8% deterioration from sessions held in May 2015, while 84% of attendees felt that the engagement sessions could lead to change, which is a 10% deterioration on May 2015.

The sessions focused on engaging colleagues with the proposed Vision and Values for 2020; listening to their ideas on the direction of travel and understanding the terminology that will resonate most with teams.

The prevalent theme that was strongly stated by colleagues was integrated services, increasing the capacity in Community Services and working closely with partners such as Social Services. Colleagues also reflected that that there should be a focus on preventative measures, empowering patients to make decisions about their own care.

Another strong theme surrounded personal/individualised care – treating the person, not the condition.
As a result of lively discussions further opportunities took place across December to canvas a wider range of colleague opinions in order to inform the strategic direction.

The Trust has since introduced Listening into Action – a fundamental shift in the way we work and lead – which is all about re-engaging with colleagues, unlocking their potential and empowering them to take action to meaningfully contribute to the Trust's vision for 2020.

**Overall 92% of attendees thought the session attended was worthwhile, which is an 8% deterioration from sessions held in May 2015, while 84% of attendees felt that the engagement sessions could lead to change, which is a 10% deterioration on May 2015.**

# Health and Wellbeing

Monthly colleague sickness absence rates for 2015/16, including the year-end out-turn, were as follows:

| Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Outrun 15/16 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 4.59% | 4.49% | 4.60% | 4.80% | 4.59% | 5.03% | 5.09% | 4.94% | 5.58% | 5.90% | 5.26% | 4.65% | 5.04% |

A total of 41,301 FTE days were lost due to sickness absence during 2015/16.

Sickness levels increased month on month and show a 6% increase year on year.

The largest cause of sickness during 2015/16 was stress/anxiety-related illness. Long term sickness continues to be actively managed throughout the organisation.

The Trust has set itself a monthly target of 3.39% and during 2016/17 will roll out the following to address sickness absence:

- An improved Occupational Health service, supporting colleagues in achieving the earliest possible return to work.
- A dedicated Sickness Champion, to help facilitate enhanced sickness management and reduce absence levels.
- A new Attendance Policy which will make sickness management easier.
- A 'Nursing Hotline', which absent colleagues will be required to ring to receive advice and/or the assignment of suitable alternative duties

The use of Mindfulness coaching and other alternative colleague services will also be explored with the aim of addressing mental health issues and improving overall employee wellbeing.

Towards the end of 2015 more than 80 Stress Audits were carried out in teams to understand where there are potential stressors in a department and create an action plan to mitigate against this

The Stress Audit is a diagnostic tool that assumes that colleagues in different areas of an organisation will be confronted by different stressors. The purpose of Stress Audits is to highlight any occupational stressors within an area through an interactive meeting in a small group setting.

During a five month period 83 audits were conducted. The Stress Audits show that the Trust-wide emergent themes are Demand, Control, and Change:

- Demand - Workload was perceived as too great, that demand exceeded resources available. This was evidenced through colleagues regularly working additional hours. Colleagues noted that this was compounded by staff shortages such as sickness absence.
- Control – Colleagues reported that their work was dictated by demand and pressures in the system, leading to the belief that they have little or no control or influence in decisions.
- Change – Colleagues reported experiences of too little and ineffective communications around change. Teams reflected that they were not engaged with change programmes that directly impacted on their service.

The audits have highlighted to managers that workplace stress can be heavily influenced by good management within a team. To be successful, managers need to have good communication with colleagues. In addition, individual performance should be assessed on an ongoing basis ensuring colleagues have adequate training for the job, are not unduly overloaded and have meaningful development opportunities. The audit enables teams to clearly identify the stressors in their area and provides suggestions to eliminate, reduce or mitigate the risk.

Now that the Stress Audit phase is complete the next steps are as follows:

1. Managers to review their audits, acting on any identified recommendations, particularly monitoring colleagues' working hours.

2. Stress Audit/Management Workshops – training will need to be provided to managers on how to effectively undertake a stress audit, dealing with the potential stressors and engaging the team in the process. Training can be tailored to reflect the themes identified in this report to ensure that managers are able to address the specific issues.

3. This report will be utilised to engage colleagues in the transformational agenda, as it is clear that different service delivery models are required in order to address these themes. Colleagues are in agreement that through transforming the way care is delivered, this will provide sustained improvements for patients, the system and themselves.

## Respect Us

Our anti-violence and aggression campaign Respect Us ran throughout July and the end of last year. The internal and external campaign was in response to the 2014 National NHS Staff Survey results which placed Walsall Healthcare in the bottom 20 per cent of Trusts for abuse and harassment from patients, relatives and colleagues.

Case studies from colleagues who have been victims of violence and aggression and the impact on their lives were shared on the Trust's website and via Twitter and Facebook. These personal accounts generated awareness and our Violence and Aggression policy was rewritten following a workshop with colleagues who had been victims. The feedback from colleagues on how the process could have been improved has been written into the policy. It is now based on three key principles; the incident will be treated with the seriousness it warrants, colleagues will receive feedback on the incident raised and colleagues will be supported in the situation and post incident.

# Trust Ball and Recognition Awards

Film star and TV actor Julian Rhind-Tutt was the host at the fourth annual For One and All Colleague Recognition Awards. The 2015 event attracted more than 200 nominations, a record year, and were spread across a host of categories including Team Leader of the Year and Best Use of Resources.

# Long Service Awards

"I've always felt valued working for the Trust; everyone is just so helpful and lovely!"
Senior Performance Officer Kelly Taylor's words echo the sentiments of many NHS colleagues who came together to celebrate at the Long Service Awards 2015.

Kelly, who has worked in the NHS for 20 years – 13 at Walsall Healthcare NHS Trust – joined more than 50 Trust colleagues for a special event to recognise their contribution.

In total, 96 NHS colleagues have collectively clocked up an impressive 2,250 years' service.

# CQC

Our hospital and community services were inspected by the Care Quality Commission between 8-10 September 2015 and inspectors published their report, with their overall rating, in January 2016.
The inspection places areas of work within a number of domains:-

Are services at this Trust safe?
Are services at this Trust effective?
Are services at this Trust caring?
Are services at this Trust responsive?
Are services at this Trust well-led?

Following the inspection, the Trust was served a Section 29A Warning Notice via the CQC. This notice had a number of immediate improvements that the trust needed to make within a specific time period.

# Action the CQC has told the Trust to take

The Trust was rated as "Inadequate" and we were placed into Special Measures. The report can be read here http://www.cqc.org.uk/provider/RBK but here are the headlines:

### The report recognised some strengths:

Community services were rated "Good";
There were "Good" ratings in services for children – hospital and community;
Staff are committed and caring in difficult circumstances.

### But it identified major concerns including:

Emergency Department: disorganised triage / streaming, issues with pain relief and handover, staffing problems and estate limitations;
Maternity: staffing shortages, leadership and governance concerns, estate limitations;
Inconsistent application of some key clinical processes – DNA CPR, DoLS, clinical documentation;
"Heavy handed" management styles, poor morale and high levels of stress;
Risks and incidents - not identifying and responding to issues robustly;
Limited development or awareness of longer-term service strategy.

A raft of improvements has since been implemented.
A Patient Care Improvement Plan has been developed which focuses on making patients' experience better and supporting staff as well as the multi-million pound creation of an Integrated Critical care Unit (ICCU) and improvements in Maternity Services and the Emergency Department.

An Improvement Director, Stuart Brown, was appointed by the Trust Development Authority to work in Walsall. Following the inspectors' visit, the Trust has:

- Reduced the midwife to birth ratio from 1:37 to 1:31 and is focused on reducing this further to 1:28
- Increased the specialist input for children in the Emergency Department
- Improved the provision of pain relief in the Emergency Department
- Worked with patients and their families to launch a new plan for End of Life Care

### Further improvements include:

Working with partners to streamline the initial assessment process in the Emergency Department so the right people are see at the Urgent Care Centre

- Recruiting around 120 staff to fill vacancies in areas such as the Emergency Department, wards and Maternity
- Developing the £3m plan for the extension of the neonatal unit;
- Extending the delivery suite and maternity wards to cope with increased activity levels.
- Changing the way the Trust is run to ensure teams are clinically-led with a strengthened focus on quality and safety first

We had identified many of the issues raised by the CQC ahead of the inspection and had been taking action to improve – but we have stepped up this action so that it is going further, faster and the results are being felt across the Trust.

Our staff, whose commitment and hard work in often challenging circumstances was acknowledged by the CQC inspectors, have been instrumental in driving this forward.

Our work with colleagues in primary care, social care and mental health also remains a priority so we can collectively deliver the appropriate services that enable people to continue to live happily and healthily at home and help reduce demand for hospital care.
Regular updates on the progress made through the Patient Care Improvement Plan is discussed at the Trust's monthly Board meetings and at Members' forums.

## In summary:

We understand and accept the challenges we face.

We recognise the need to improve and improve quickly – to set a strong patient safety culture.

We have taken action since the inspection report and continue to do so.

Our Patient Care Improvement Plan sets out our actions to make sustainable change:

Our service priorities are:

- Maternity, Emergency Department and constitutional standards
- Engagement & Leadership
- Structure & Governance
- Service Strategy

With our partners we can deliver safer, better, sustainable services for our patients.

We have appointed a number of colleagues across all areas of the Trust to be Improvement Champions
In April 2016 we also launched our Quality Amnesty to encourage colleagues to bring any care concerns into the open and work with us to tackle and solve the issues that hinder them.

The Trust will most likely be re-inspected before the end of 2016.

# Improving for the Long-Term

# Improving for the Long-Term

We have set a clear vision for our future as an integrated care organisation that improves the health and wellbeing of the people who use our services. Going forward a major focus will be in the transition of care from hospital to community services in line with the NHS Five Year Forward View

Working with partners across health and social care we are developing our 2020 service strategy based on seven core service areas as shown below: These core service areas describe the level of change that is required by the Trust over the next few years to ensure sustainability. The development will also be linked to a set of clinical service strategies for each speciality.

Our Healthy Walsall Partnership, the Black Country Alliance and voluntary networks are key to this work.


**The seven core service areas will be developed over the coming months and will incorporate the following areas:**

## Prevention & Self-care

1. Expert Patient Programme.
2. Lifestyle Services – supporting healthy choices.
3. Prevention linked to mainstream care pathways.
4. Healthy Lifestyles programme for Trust employees.

## Care at Home

1. Integrated community locality teams – 50,000 localities.
2. Shared approach to identification of vulnerable patients.
3. Rapid Response Team linked to social care reablement.
4. Case management model for vulnerable patients.

## Intermediate Care

1. Integrated intermediate care – health, social care and older adult mental health.
2. "Discharge to Assess" care pathway.
3. Elderly care centre – fit for purpose step-down facilities.
4. Frail Elderly Service/Rapid Response Team – max impact.

# ICCU

Work on our Integrated Critical Care Unit (ICCU), at Walsall's Manor Hospital site, is expected to start in late summer and be completed in winter 2018. It will bring together the Intensive Therapy Unit (ITU) and High Dependency Unit (HDU) within the former West Wing main entrance.

Both departments are currently outdated and cramped and the new ICCU is a major project for the Trust, creating an 18 bedded unit – an increase of five beds compared to current arrangements. Patients who are critically ill or who are more highly dependent will be treated in the same place, at the same time, enabling a smooth step up or down transition where necessary. It will mean a reduction in delays in patients having access to beds, the cancellation of elective cases being avoided and better management of patients who need isolation or barrier nursing, decreasing the risk to others.

The new unit will cost more than £9 million and will be buit by Skanska Construction.

## Elective Care

1. Shared care and one-stop care pathways.
2. Diagnostic capacity – second MRI / gamma camera.
3. Effectively organised specialist clinics.
4. Day case, minimally invasive and early supported discharge for electives.

## Acute Care

1. Emergency care centre – integrated "front door".
2. Assess to admit and short stay acute model.
3. 7 day national standards for acute care.
4. Specialist networks for trauma, cancer, cardiac and stroke.
5. Fit for purpose integrated critical care unit (HDU and ITU).

## Maternity and Children

1. Maternity services estate and staff -5,000 births.
2. Neonatal Unit – 20 cots for 5,000 births.
3. Maternity pathways – improving outcomes.
4. Paediatrics – integrated emergency model and community-based pathways.

## End of Life Care

1. Specialist palliative care team using End of Life care plan.
2. Awareness of End of Life care across all pathways.
3. Increased range of non-hospital End of Life care services.

# Accountability Report

## Director's Report

The Trust Board comprises five Executive Directors and seven Non-Executive Directors, including the Chair. All of these directors hold a voting position on the board. Two additional Executive Directors attend the board meetings in a non-voting capacity.

The Board Register of Interests is available at the following location: https://www.walsallhealthcare.nhs.uk/Data/Sites/1/media/documents/board-register-of-interests.pdf


NOV5
MEL10

# Our Non-Executive Directors

## Danielle Oum

Chair of the Board
(voting position)

### Experience

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 joined Dudley and Walsall Mental Health Partnership NHS Trust as Chair in 2014, until taking up her now role with Walsall Healthcare NHS Trust in April.

# Andre Burns

## Non-Executive Director (voting position)

### Experience

Andre joined Walsall Healthcare NHS Trust after spending more than 6 years as a Non Executive Director with South Staffordshire PCT. During the reconfiguration of PCTs he joined the cluster Board of Staffordshire and Stoke-on-Trent PCTs. He was a member of the Audit Committee and the Finance and Performance Committee and worked closely with the Stafford and Surrounds CCG on governance issues as they moved to authorisation. A Qualified Management accountant, he spent the majority of his career in the motor industry and held a number of senior level positions and retired from the role of Corporate Controller at Jaguar Land Rover. He was heavily involved in business planning and corporate governance and took the opportunity to work on a number on international project teams.

# Victoria Harris

## Non-Executive Director (voting position)

### Experience

Victoria has strong local links, having worked in Walsall for more than 12 years and living most of her life in the Black Country. An honours graduate in psychology, much of her career has been in the public sector in mental healthcare, although it began in the voluntary sector. Victoria has developed numerous projects and partnerships to support local people into employment. For almost a decade she was a Non Executive Director of the Black Country Partnership NHS Foundation Trust, during which time she saw its transition to achieving Foundation Trust status, and to acquiring new services across the Black Country under the Transforming Community Services agenda.

# Our Non-Executive Directors

## John Dunn

Non-Executive Director
(voting position)

### Experience

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. Away from the boardroom, John is a keen walker and cyclist and enjoys nothing better than hill walking with his red setter.

# John Silverwood

## Non-Executive Director (voting position)

### Experience

A Chartered Fellow of The Institute of Personnel and Development, John spent most of his career working in the manufacturing sector in textiles and later in soaps and detergents. He was Group HR Director for PZ Cussons plc, working extensively in Africa, Asia and Europe before retiring in 2008. John then became HR Director for the University Hospital of South Manchester NHS Foundation Trust before retiring for a second time in 2012. He hails from Nottingham but has lived in Macclesfield and the Staffordshire Moorlands and now lives in Stafford. In addition to his new position with the Trust, he is a Non Executive Director of The High Peak Theatre Trust which is responsible for the running of Buxton Opera House. He has a keen interest in music and is also a member at Nottinghamshire Cricket Club.

# Johnathan Shapiro

## Non-Executive Director (voting position)

### Experience

Jonathan's interests have always centred on the 'whole system' of healthcare, and his career reflects this. Originally a GP, he then became a medical manager, before working as a senior academic for many years.

His most recent research explored organisational change in the NHS, and he now applies the lessons of his work in a variety of ways, carrying out consultancy in this area, as well as in broader policy analysis and change; he chairs the charity Education for Health, and regularly produces journal articles as well as more detailed reports.

Other roles have included being Chair of a large Mental Health Trust and Clinical Director for Humana Europe until its move back to the USA.

# Our Executive Directors

## Richard Kirby

**Chief Executive (voting position)**

### Experience

Appointed in May 2011. Richard is a graduate of the NHS Management Training Scheme. After undertaking roles in commissioning at both health authority and primary care group level, he was Head of Performance at Birmingham and Black Country SHA, where he ensured that the Strategic Health Authority (SHA) maintained its position as one of the best performing in the country. Richard gained board level NHS Trust experience by joining Sandwell and West Birmingham Hospitals NHS Trust initially as Director of Strategy and then as Chief Operating Officer. In these roles he led the development of new models of care working with local partners delivered service reconfigurations in paediatrics, surgery and pathology, maintained the Trust's track record of delivery on access targets and secured significant improvements in performance across the organisation. Richard was also chosen to take part in the national NHS Top Leaders Programme.

### Qualifications

MA (Oxon) Modern History
MSc Healthcare Management and Policy
Pg Dip Management
Member of the Institute of Healthcare Management

# Amir Khan

## Medical Director and Director of Infection Prevention and Control (voting position)

### Experience

Amir is a General Surgeon with a specialist interest in Vascular and Bariatric Surgery and joined Walsall in 1992 after completing his training. He led on the establishment of Walsall as a regional Bariatric Centre and is the lead accountable Director for the Medical workforce. Amir is also the Director of Infection Prevention and Control and the organisation's Caldicott Guardian. Patient Safety and quality of care are key priorities for Amir in ensuring that our clinical outcomes for patients are of a high standard.

### Qualifications

Fellowship of the Royal College of Surgeons Edinburgh and England MB BS: Dow Medical College, Pakistan, 1979 General Medical Council No. 3161748 Medical Defence Union No. 244420A

# Rachel Overfield

## Director of Nursing (voting position)

### Experience

Rachel, who joined the Trust in January as interim Director of Nursing before becoming Director of Nursing in June 2016, trained in Worcester and worked in Worcestershire before leaving to become a Macmillan nurse in Dudley and Wolverhampton, specialising in breast oncology. A spell at the Royal Marsden Hospital in London followed before Rachel returned to Worcestershire to take up a Matron role in head and neck trauma, orthopaedics and outpatients. She went on to the Deputy Director of Nursing role before rapidly becoming transitional director for the new Worcestershire Royal Hospital.

Around five years later she moved to Sandwell and West Birmingham Hospitals Trust as Director of Nursing. From there Rachel moved to Leicestershire as Chief Nurse. Before coming to Walsall, Rachel worked at the Trust Development Authority as Head of Quality.

### Qualifications

Bachelor of Science with Second Class Honours in Clinical Practice
Higher Award at the level of honours degree from English National Board for Nursing, Midwifery and Health Visiting

# Russell Caldicott

## Director of Finance and Performance (voting position)

### Experience

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.

### Qualifications

Full member of the Chartered Association of Certified Accountants.

# Steven Vaughan

## Chief Operating Officer (Interim) (voting position)

### Experience

Steven joined the Trust in January 2016. He began his career in NHS finance before moving into general management, undertaking a range of roles leading to his first board level operations role at Burton Hospital. Since then Steven has become an experienced director holding similar posts in several Trusts. As part of the integrated leadership team his primary focus is on leading and delivering our operational recovery with our divisional teams.

### Qualifications

MSc Applied Psychology PG Cert in Health Operational Research & Management Science Chartered Institute of Management Accountants Member of the Institute of Healthcare Management

# Daren Fradgley

## Director of Transformation & Strategy (non-voting position)

### Experience

Daren joined the Trust in February 2015 after holding numerous operational and director posts at West Midlands Ambulance Service NHS Foundation Trust. 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. In 2013 he became the A&E Operations Director before moving to NHS 111.

Daren is responsible for the Trust's transformation and cost improvement programme together with strategic and business development. Originally from Walsall, Daren lives locally with his partner and three children.

### Qualifications

State Registered Paramedic MSC Managing Organisational Performance PG Dip Professional Development

# Mark Sinclair

## Director of Organisational Development and Human Resources (non-voting position)

### Experience

Director of Organisational Development and Human Resources. (Non-voting position). Appointed September 2015

Mark's early career included Oil and Gas, the Military and Specialist Chemicals foliowed by NHS jobs in Norfolk and Norwich and NHS Grampian and Orkney. He spent time working in Higher Education, in research at Glasgow Caledonian University and JHI before before becoming Jersey's Director of Public Sector reform and HR. He has a diverse portfolio of Organisational Development, HR, Health and Safety, Estates & Facilities, Communications, Engagement, Procurement and Occupational Health.

### Qualifications

MBA BSc DIP IA ASC
Fellowship - FiLM

The Table below sets out the names of the Chair, Chief Executive and all individuals who were directors of the Trust from April 2015 until the publication date of this Annual Report.

| Name | Year | In Year Start/Leave Dates |
|---|---|---|
| **Ben Reid OBE** | Chair | To April 2016 |
| **Danielle Oum** | Chair | From April 2016 |
| **Andre Burns** | Non-Executive Director | - |
| **John Dunn** | Non-Executive Director | - |
| **Victoria Harris** | Non-Executive Director | - |
| **Jonathan Shapiro** | Non-Executive Director | - |
| **John Silverwood** | Non-Executive Director | - |
| **Nigel Summers CBE** | Non-Executive Director | To February 2016 |
| **Richard Kirby** | Chief Executive | - |
| **Ian Baines** | Director of Finance & Performance | To May 2015 |
| **Russell Caldicott** | Acting Director of Finance & Performance | From May 2015 |
| | Director of Finance & Performance | From July 2015 |
| **Richard Cattell** | Chief Operating Officer | To January 2016 |
| **Dawn Clift*** | Director of Governance/Trust Secretary | To June 2015 |
| **Daren Fradgley*** | Interim Director of Strategy & Transformation | To December 2015 |
| | Director of Strategy & Transformation | From December 2015 |
| **Kathryn Halford** | Director of Nursing | To December 2015 |
| **Ken Hutchinson*** | Interim Director of Human Resources | To September 2015 |
| **Amir Khan** | Medical Director | - |

| Name | Year | In Year Start/Leave Dates |
|---|---|---|
| **Rachel Overfield** | Interim Director of Nursing | From January 2016 |
| | Director of Nursing | From June 2016 |
| **Mark Sinclair*** | Director of Organisational Development & Human Resources | From September 2015 |
| **Steven Vaughan** | Interim Chief Operating Officer | From January 2016 |

*Non voting members

# Trust Board and Board Committees

## Trust Board

The Board of Directors' meetings April 2015 – June 2016 table below sets out the composition of the Trust Board together with the attendance levels for Board of Directors' meetings 2015/2016. The Trust Board comprises of a Chair, six Non-Executive Directors and five executive directors all of whom have voting rights. In addition the Trust Board is attended by the Director of Strategy and Transformation, the Director of Organisational Development and Human Resources who are non-voting members and the Trust Secretary. The Board meets in public on a monthly basis and further information about the format of the Board Meetings is covered within the Governance Statement section of this report.

| | Name | Title | No. Eligble to Attend | No. Attended |
|---|---|---|---|---|
| Non-Executive Directors | **Ben Reid OBE** | Chair | 13 | 12 |
| | **Danielle Oum** | Chair | 2 | 2 |
| | **Andre Burns** | Non-Executive Director | 15 | 13 |
| | **John Dunn** | Non-Executive Director | 15 | 14 |
| | **Victoria Harris** | Non-Executive Director | 15 | 10 |
| | **Jonathan Shapiro** | Non-Executive Director | 15 | 13 |
| | **John Silverwood** | Non-Executive Director | 15 | 14 |
| | **Nigel Summers CBE** | Non-Executive Director | 11 | 6 |

| | | | | |
|---|---|---|---|---|
| Executive Directors | **Richard Kirby** | Chief Executive | 15 | 15 |
| | **Ian Baines** | Director of Finance & Performance | 1 | 1 |
| | **Russell Caldicott** | Acting Director of Finance & Performance | 14 | 13 |
| | **Richard Cattell** | Chief Operating Officer | 10 | 9 |
| | **Kathryn Halford** | Director of Nursing | 10 | 10 |
| | **Steven Vaughan** | Interim Chief Operating Officer | 5 | 4 |
| | **Rachel Overfield** | Interim/Director of Nursing | 5 | 5 |
| | **Amir Khan** | Medical Director | 15 | 14 |
| | **Mark Sinclair** | Director of Organisational Development & Human Resources | 9 | 7 |
| | **Linda Storey** | Trust Secretary | 12 | 11 |
| Executive Directors in Attendance | **Dawn Clift** | Director of Governance/Trust Secretary | 3 | 3 |
| | **Darren Fradgley** | Interim Director of Strategy & Transformation | 15 | 12 |

The Audit Committee composition is set out in table below. The committee comprises of three Non-Executive Director members, one of which is Chair. The committee is normally attended by the Director of Finance and Performance and senior managers together with internal and external auditors in support of the committee's business. The committee meets on a bi-monthly basis. Further information is covered in the Governance Statement section of this report.

| | | | Number Eligible to Attend | Number Attended |
|---|---|---|---|---|
| Non-Executive Directors | **Andre Burns** | Non-Executive Director (Chair of Committee) | 11 | 11 |
| | **John Dunn** | Non-Executive Director | 11 | 9 |
| | **John Silverwood** | Non-Executive Director | 11 | 9 |

## Quality and Safety Committee meetings April 2015 - June 2016

The Quality and Safety Committee composition is set out in the table below. The committee comprises of three Non-Executive Directors, one of which is Chair, the Chief Executive, Medical Director, Director of Nursing, Chief Operating Officer and the Director of Finance and Performance. The committee meets on a monthly basis and further information is covered in the Governance Statement section of this report.

| | | | Number Eligible to Attend | Number Attended |
|---|---|---|---|---|
| Non-Executive Directors | **Dr Jonathan Shapiro** | Non-Executive Director (Chair of Committee) | 14 | 11 |
| | **Andre Burns** | Non-Executive Director* | 2 | 2 |
| | **John Dunn** | Non-Executive Director | 1 | 1 |
| | **Victoria Harris** | Non-Executive Director | 14 | 10 |
| | **John Silverwood** | Non-Executive Director | 1 | 1 |
| | **Nigel Summers CBE** | Non-Executive Director | 11 | 5 |

| | | | Number Eligible to Attend | Number Attended |
|---|---|---|---|---|
| Executive Directors | **Richard Kirby** | Chief Executive | 14 | 12 |
| | **Ian Baines** | Director of Finance & Performance | 1 | 0 |
| | **Russell Caldicott** | Acting Director of Finance & Performance | 13 | 8 |
| | **Richard Cattell** | Chief Operating Officer | 9 | 7 |
| | **Kathryn Halford** | Director of Nursing | 9 | 7 |
| | **Rachel Overfield** | Director of Nursing | 5 | 4 |
| | **Amir Khan** | Medical Director | 14 | 11 |
| | **Mark Sinclair** | Director of Organisational Development & Human Resources | 1 | 1 |
| | **Steven Vaughan** | Interim Chief Operating Officer | 5 | 4 |

## Performance, Finance and Investment Committee meetings April 2015 – June 2016

The Performance, Finance and Investment Committee composition is set out in the table below. All Non-Executive Directors may attend, one of which is Chair, The Chief Executive, Director of Finance and Performance, Medical Director, Director of Nursing and Chief Operating Officer are also members. The Director of Strategy and Transformation and the Director of Organisational Development attend all meetings. The committee meets on a monthly basis and further information is covered in the Governance Statement section of this report.

| | | | Number Eligible to Attend | Number Attended |
|---|---|---|---|---|
| Non-Executive Directors | **Nigel Summers CBE** | Non-Executive Director, Chair for Committee (to December 2015) | 11 | 5 |
| | **Andre Burns** | Non-Executive Director* | - | 4 |
| | **John Dunn** | Non-Executive Director | 14 | 11 |
| | **Ben Reid, OBE** | Chair of the Trust Board, Chair of Committee for 3 meetings (April to June 2015) | 12 | 10 |
| | **John Silverwood** | Non-Executive Director | 14 | 11 |
| | **Jonathan Shapiro** | Non-Executive Director | 14 | 10 |

*Requested by the Chair of the Board of Directors to attend four meetings during the period

| | | | Eligible to Attend | Number Attended |
|---|---|---|---|---|
| Executive Directors | **Richard Kirby** | Chief Executive | 14 | 11 |
| | **Ian Baines** | Director of Finance & Performance | 1 | 1 |
| | **Russell Caldicott** | Acting Director of Finance & Performance | 13 | 12 |
| | **Richard Cattell** | Chief Operating Officer | 9 | 5 |
| | **Kathryn Halford** | Director of Nursing | 9 | 8 |
| | **Rachel Overfield** | Director of Nursing | 5 | 4 |
| | **Amir Khan** | Medical Director | 14 | 9 |
| | **Steven Vaughan** | Interim Chief Operating Officer | 5 | 4 |
| Executive Director Attendees | **Daren Fradgley** | Director of Strategy & Transformation | 14 | 8 |
| | **Mark Sinclair** | Director of Organisational Development and Human Resources | 9 | 7 |

## Nominations and Remuneration Committee meetings April 2015 –June 2016

The Nominations and Remuneration Committee composition is set out in the table below. The committee comprises of all the Non-Executive Director members and the Chair of the Trust is the Committee Chair. The committee is normally attended by the Chief Executive, Director of Organisational Development and Human Resources and Trust Secretary. The committee meets at least three times a year and during 2015/2016 the committee met on eight occasions. Further information is covered in the Governance Statement section of this report.

| | | | Number Eligible to Attend | Number Attended |
|---|---|---|---|---|
| Non-Executive Directors | **Ben Reid, OBE** | Chair to Committee (to April) | 6 | 6 |
| | **Danielle Oum** | Chair of Committee (from April) | 2 | 2 |
| | **Andre Burns** | Non-Executive Director | 8 | 7 |
| | **Victoria Harris** | Non-Executive Director | 8 | 6 |
| | **John Dunn** | Non-Executive Director | 8 | 7 |
| | **Nigel Summers CBE** | Non-Executive Director | 5 | 4 |
| | **John Silverwood** | Non-Executive Director | 8 | 7 |
| | **Jonathan Shapiro** | Non-Executive Director | 8 | 8 |

| | | | Number Eligible to Attend | Number Attended |
|---|---|---|---|---|
| Executive Directors | **Richard Kirby** | Chief Executive | 8 | 8 |
| | **Ken Hutchinson** | Interim Director of Human Resources | 1 | 1 |
| | **Mark Sinclair** | Director of Organisational Development and Human Resources | 6 | 6 |
| | **Linda Storey** | Trust Secretary | 6 | 6 |

## People and Organisational Development Committee meetings April 2015 – June 2016

The People and Organisational Development Committee composition is set out in the table below. The committee comprises of two Non-Executive Director members one of which is Chair of the Committee, the Chief Executive, Director of Organisational Development and Human Resources, Chief Operating Officer, Director of Nursing, Medical Director and Director of Strategy and Transformation. The committee meets on a bi-monthly basis. Further information is covered in the Governance Statement section of this report.

| | | | Number Eligible to Attend | Number Attended |
|---|---|---|---|---|
| Non-Executive Directors | **Victoria Harris** | Non-Executive Director | 9 | 6 |
| | **John Silverwood** | Non-Executive Director | 9 | 9 |

| | | | Number Eligible to Attend | Number Attended |
|---|---|---|---|---|
| Executive Directors | **Richard Kirby** | Chief Executive | 9 | 6 |
| | **Mark Sinclair** | Director of Organisational Development and Human Resources | 5 | 4 |
| | **Richard Cattell** | Chief Operating Officer | 7 | 3 |
| | **Daren Fradgley** | Director of Strategy & Transformation (from September 2015) | 5 | 4 |
| | **Kathryn Halford** | Director of Nursing | 6 | 4 |
| | **Amir Khan** | Medical Director | 9 | 7 |
| | **Rachel Overfield** | Director of Nursing | 2 | 2 |
| | **Steven Vaughan** | Interim Chief Operating Officer | 2 | 2 |

## Charitable Funds Committee meetings April 2015 – June 2016

The Charitable Funds Committee composition is set out in the table below. The committee comprises of three Non-Executive Director members one of which is Chair of the Committee, the Director of Finance and Performances, Deputy Director of Finance, Director of Nursing and Trust Secretary. The committee meets on a quarterly basis. Further information is covered in the Governance Statement section of this report.

| | | | Number Eligible to Attend | Number Attended |
|---|---|---|---|---|
| Non-Executive Directors | **Andre Burns** | Non-Executive Director | 4 | 4 |
| | **Victoria Harris** | Non-Executive Director | 4 | 1 |
| | **Nigel Summers, CBE** | Non-Executive Director | 1 | 0 |
| | **Ben Reid, OBE** | Chair of Trust | 1 | 1 |

| | | | Number Eligible to Attend | Number Attended |
|---|---|---|---|---|
| Executive Directors | **Russell Caldicott** | Director of Finance & Performance | 3 | 3 |
| | **Tony Kettle** | Duputy Director of Finance | 4 | 4 |
| | **Kathryn Halford** | Director of Nursing | 1 | 1 |
| | **Rachel Overfield** | Director of Nursing | 1 | 0 |
| | **Linda Storey** | Trust Secretary | 3 | 3 |

## 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 may hold that may be perceived as conflicting with that overriding duty.

## Statement of Directors

Each Director knows of 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; has taken all the steps that he or she ought to have taken to make himself/herself aware of any such information and to establish that the auditors are aware of it.

| | | Interest Declared | Date of Declaration |
|---|---|---|---|
| **Mr Ben Reid** | Chair (to April 2006) | Chief Executive Mid Counties Co-operative Society | 23/02/2016 |
| | | Governor, Wolverhampton University | 23/02/2016 |
| **Ms Danielle Oum** | Chair (From April 2016) | Chair: Family Optima Housing Non-Executive Director: West Midlands Housing Group | 23/02/2016 |
| **Mr Andre Burns** | Non-Executive Director | Trustee of Wolverhampton Circuit of the Methodist Church | 17/03/2016 |
| | | Treasurer and an Elder at St Andrew's Methodist/ United Reform Church | 17/03/2016 |
| **Mr John Dunn** | Non-Executive Director | No Interests to declare. | 16/03/2016 |
| **Mrs Victoria Harris** | Non-Executive Director | Manager, Walsall Metropolitan Borough Council | 21/03/2016 |
| **Dr Jonathan Shapiro** | Non-Executive Director | Independent Chair Transformation Herefordshire | 31/03/2016 |
| | | Chair, Education for Health | 31/03/2016 |
| | | Researcher-in-Residence | 31/03/2016 |
| **Mr John Silverwood** | Non-Executive Director | Non-Executive Director of the High Peak Theatre Trust | 22/03/2016 |
| **Mr Nigel Summers CBE** | Non-Executive Director (To February 2016) | Director of Sector Marketing Limited | April 2015 |
| **Mr Richard Kirby** | Chief Executive | Trustee, Birmingham Circuit of the Methodist Church | 29/02/2016 |
| **Mr Ian Baines** | Director of Finance and Performance (To April 2015) | No Interests to declare | April 2015 |

| | | | |
|---|---|---|---|
| **Mr Russell Caldicott** | Director of Finance and Performance (Acting Director from May 2015; substantive from July 2015) | Executive Member of the Branch of the West Midlands Healthcare Financial Management Association | 30/03/2016 |
| | | Interest Declared | Date of Declaration |
| **Mr Richard Cattell** | Chief Operating Officer (To January 2016) | No interests to declare | April 2015 |
| **Mrs Dawn Clift** | Director of Governance and Trust Secretary (To June 2015) | No interests to declare | April 2015 |
| **Mr Daren Fradgley** | Director of Strategy and Transformation (Interim from February 2015; substantive from December 2015) | Director of Oaklands Management Company | 18/03/2016 |
| | | Bank Paramedic, West Midlands Ambulance Service NHS Foundation Trust | 18/03/2016 |
| **Mrs Kathryn Halford** | Director of Nursing (To December 2015) | Director of May Lane Management. | April 2015 |
| **Mr Amir Khan** | Medical Director | Trustee of UK Rehabilitation Trust International | 08/03/2016 |
| | | Trustee of Dow Graduates Association of Northern Europe | 08/03/2016 |
| **Ms Rachel Overfield** | Director of Nursing (Interim from January 2016; substantive from June 2016) | No interests to declare. | 17/03/2016 |

## Personal Data Related Incidents Reported to the Information Commissioners Office

The Trust had a total of 7 reportable serious information governance incidents during 2015 – 2016 all related to information being disclosed in error. All of these incidents were reported to the Information Commissioner's Office and investigated accordingly. Actions arising from the investigations included changes to policy and updates to training programmes. Compliance is monitored through information governance audits. The Trust undertakes a programme of information governance staff training that starts at induction and is offered either online or as face to face monthly sessions. In addition a comprehensive programme of monthly audits is undertaken to test staff understanding and knowledge of information governance.

**Summary of serious incident requiring investigations involving personal data as reported to the Information Commissioner's Office in 2015-2016**

| **Incident Date** | Nature of Incident | Nature of data involved | No. of data subjects potentially affected | Notification steps |
|---|---|---|---|---|
| **May** | Disclosed in error | Names, D.O.B, Address, limited clinical information | 30 | ICO informed and data subjects informed by letter |
| **July** | Disclosed in error | Names, very limited clinical information | 27 | ICO informed and data subjects informed by letter |
| **August** | Disclosed in error | Names, D.O.B, Address, limited clinical information | 1 | ICO informed and data subject informed by letter |
| **October** | Disclosed in error | Names, D.O.B, Address, limited clinical information | 1 | ICO informed and data subject informed by letter |
| **October** | Disclosed in error | Names, very limited clinical information | 25 | ICO informed and data subjects informed by letter |
| **October** | Disclosed in error | Name, D.O.B, Address, limited clinical information | 1 | ICO informed and data subject informed by letter |
| **December** | Disclosed in error | Name, D.O.B, Address, limited clinical information | 2 | ICO informed and data subjects informed by letter |

**Further action on information risk:** Walsall Healthcare NHS Trust will continue to monitor and assess its information risks in light of the events noted above in order to identify and address any weaknesses and ensure continuous improvement of its systems.

# Statement of Accountable Officer's Responsibilities

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

The relevant responsibilities of the Accountable Officers are set out in the Accountable Officers Memorandum issued by the Chief Executive of the NHS Improvement, formerly the Trust Development Authority. 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 for the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State with the approval of the Treasury to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

In addition, as far as I am aware, there is no relevant audit information of which the auditors are unaware, and as Accounting Officer I have taken all steps to make myself aware of any relevant information and to establish that the auditors are aware of that information.

I confirm that the annual report and accounts as a whole are fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

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

Signed:

Richard Kirby

Chief Executive

Date: 01/06/2016

# The Governance Statement

## Scope of Responsibility

As Responsible Officer I have responsibility for maintaining a sound system of internal control that supports the achievement of the 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 Trust is administered prudently and economically and that resources are applied efficiently and effectively. The Annual Governance Statement acknowledges these responsibilities as set out in the Accounting Officer Memorandum.

## Introduction

The period April 2015 to the end of March 2016 has been one of significant challenge for the Trust including continuing to respond to the impact of significant increases in activity and the launch of new IT system. The Care Quality Commission carried out its inspection in early September 2015. Following the September inspection, on 26th October 2015 the Trust received a Section 29A Warning Notice highlighting areas for immediate action. The Warning Notice requested work to be carried out to address midwifery staffing, issues within the Emergency Department including paediatric support to the Emergency Department Team and improved mental capacity assessments and Deprivation of Liberties Safeguards. In addition, the Warning Notice highlighted issues associated with the completion of DNAR (Do Not Attempt Resuscitation) orders as well as the Trust's End of Life care pathway and our approach to risk and risk management.

The Care Quality Commission report was published on 26 January 2016 and our Care Quality Summit took place on 1 February 2016. The Trust has been rated "Inadequate" overall and placed in Special Measures by the Trust Development Authority (TDA). The Trust was rated "Inadequate" for the Safe, Effective and Well-Led domains. At service level Maternity and Emergency Care were rated "Inadequate" – both of these services had been affected by changes at neighbouring trusts. Our community services however were rated "Good".


Our ratings for this hospital are:

| | Safe | Effective | Caring | Responsive | Well-led | Overall |
|---|---|---|---|---|---|---|
| Urgent and emergency services | Inadequate | Inadequate | Requires improvement | Inadequate | Inadequate | Inadequate |
| Medical care | Requires improvement | Requires improvement | Good | Requires improvement | Requires improvement | Requires improvement |
| Surgery | Requires improvement | Requires improvement | Good | Requires improvement | Requires improvement | Requires improvement |
| Critical care | Requires improvement | Requires improvement | Good | Requires improvement | Requires improvement | Requires improvement |
| Maternity and gynaecology | Inadequate | Inadequate | Requires improvement | Requires improvement | Inadequate | Inadequate |
| Services for children and young people | Requires improvement | Good | Good | Good | Requires improvement | Requires improvement |
| End of life care | Good | Requires improvement | Good | Requires improvement | Requires improvement | Requires improvement |
| Outpatients and diagnostic imaging | Requires improvement | N/A | Good | Requires improvement | Requires improvement | Requires improvement |
| Overall | Inadequate | Inadequate | Requires improvement | Requires improvement | Inadequate | Inadequate |

| | Safe | Effective | Caring | Responsive | Well led | Overall |
|---|---|---|---|---|---|---|
| Community health services for adults | Requires improvement | Good | Good | Good | Good | Good |
| Community health services for children, young people and families | Requires improvement | Good | Good | Good | Good | Good |
| End of life care | Good | Good | Good | Good | Good | Good |

## The key findings of the inspection were

- Community services were rated "Good" by the inspectors – with staff reporting confidence in their managers and patients reporting good care.
- Some "Good" ratings in services for children – in both hospital and the community.
- The inspectors reported that our staff were open and honest during the inspection and that they were caring and committed to doing the best they could for their patients in difficult circumstances.
- The inspectors also, however, identified major concerns that resulted in the "Inadequate" rating including:
    - Emergency Department (ED): disorganised triage / streaming, issues with pain relief and handover, staffing problems and estate limitations.
    - Maternity: staffing shortages, leadership and governance concerns, estate limitations.
    - Inconsistent application of some key clinical processes – especially Do Not Attempt Resuscitation orders (DNA CPR), Deprivation of Liberties Safeguards and clinical documentation.
    - "Heavy handed" management styles, poor morale and high levels of stress. Although many staff especially in the community reported that they were well supported by their immediate managers they did not feel supported or valued by more senior managers.
    - Risks, incidents and complaints - the Trust has "normalised" high levels of risk under pressure and was not responding robustly enough when risks, incidents or concerns were raised. Similarly there is room to improve our learning from complaints and Root Cause Analysis.

The outcome of the Care Quality Commission inspection and our response to the issues raised has been the key focus of activity since October 2015. This Annual Governance Statement is therefore structured to address these issues in the first instance to reflect the Trust's current operating environment.

The Trust responded to the Section 29A Warning Notice with an improvement plan in early November 2015. The Board has been updated regularly since then on progress with the plan.

The Directors and Divisional Teams have led the development of the Patient Care Improvement Plan in response to the report. The Trust has established a set of principles on which it intends to base its response to ensure we succeed in delivering improvement. These recognise that as well as tackling specific issues identified in the report, to be sustainable we also need to change the way the Trust operates and focus our culture on patient safety. Our response to the report therefore provides an opportunity for us to reinforce six important principles:

1. Focus on outcomes for patients and staff – establish a strong patient safety culture.
2. Generate a high level of engagement – ensure everyone is involved in improving care.
3. Ensure sustainable improvement - hitting the target without missing the point.
4. Strengthen accountability for improvement – do what we say we are going to do.
5. Learn from elsewhere – adopt the good practice that exists.
6. Hit the ground running - show clear progress in 3 and 6 months and aim for significant improvement in 12 months tackling the issues we face at pace wherever we can.

The Trust Board has subsequently approved the Patient Care Improvement Plan in response to the CQC report and the Section 29A Warning Notice. All of the Trust objectives for the year were brought together into the Annual Plan presented to the Board on 7 April 2016. In addition, the Board approved expenditure to resource the work to deliver the plan at its meeting on 3 March 2016.

## The Trust governance of the CQC specific actions included in the plan is:

- Fortnightly operational group led by the Director of Nursing to ensure progress.
- Care Group and Divisional Quality Teams to lead local delivery monthly.
- Monthly report to the Trust Quality Executive.
- Quality & Safety Committee to provide assurance for the Board.
- Board responsibility for ensuring the plan is delivered.
- A Programme Management approach is being implemented to manage the activities with assistance from the Trust's Improvement Director.
- The Trust has a facilitator in post to support the development of the plan and to lead the quality governance improvement work.
- The establishment of a time-limited Maternity and Neonatal Task Force and an Emergency Department and Urgent Care Task Force, both chaired by me as Chief Executive and including Non-Executive Director and CCG representation.

The plan covers the actions to address the "must do" and "should do" specific recommendations from the Inspection Report including service level plans in response to the report; together with trust-wide issues of strategy, governance, leadership and structure that the report raised.

Action already taken in response to the Warning Notice includes:

### Midwifery staffing levels

Two approaches have been taken by the Trust to improve the birth to midwife ratio within the Trust: to cap the number of deliveries and to increase the number of midwives. Progress against these actions is reported monthly to the Maternity Taskforce and onwards to the Oversight Group and Trust Board. At the time of the visit the birth to midwife ration was at around 1:38. As of week commencing 9 May 2016 the ratio was at 1:31.3. Fourteen new midwives were recruited in February/March and a further recruitment campaign is nearing completion at the time of writing this statement. There has been a reduction in deliveries of 40 in April.

### Paediatric Support in the Emergency Department:

We have successfully recruited a number of paediatric qualified nurses to ED. This will allow for more shifts to be covered by a substantive ED/paediatric nurse. Gaps are currently filled from either the Paediatric Assessment Unit or agency when the PAU is unable to help. Nurses wear a paediatric friendly tabard.

### Effective triage in the Emergency Department:

The front door has been changed to make sign posting for patients simpler and less confusing. The Clinical Commissioning Group agreed a new triage model with the Trust which started in March. This ensures clinical streaming as the patient arrives rather than being undertaken by a receptionist. Accurate recording of triage scores has improved; as well as the consistent use of the Triage Category Recording on the Emergency Department electronic whiteboard.

### Pain relief in the Emergency Department:

The recording and acting upon pain assessments in the department has improved.

### Undertaking and recording MCA as part of DNAR process:

Improvements have been made by the Trust in relation to ensuring that MCA, DoLS and associated DNAR assessments and documentation are carried out in a timely manner. Reporting has developed to provide a comprehensive weekly audit report of DNAR forms, which is detailed by Division and the Trust as a whole. A green rating is determined to be 85% compliance. There are improved audit returns from Divisions and a number of actions instigated directly by clinical teams and managerially by Heads of Nursing according to findings; this includes escalation to Associate Medical Directors where appropriate.

### Training copliance

Detailed training compliance as recorded on ESR is provided monthly to managers at care group level and above.

### Safeguard Incident Reports

Safeguard incident reports for incomplete / absent DNAR documentation persist at a low level during Q4 and into Q1; these are shared with the resuscitation committee for oversight and consideration of any additional actions required.

### Recording and referring for Deprivation of Liberty Standards (DoLS) orders:

A process is in place whereby there is daily contact with wards to ascertain any patients who require referring for DoLS assessments; these are recorded on Safeguard system and then referred on to the local authority who aim to complete an assessment within 14 days for in-patients. MCA/DoLS training has been undertaken and targeted training events are being planned during Q1 and Q2.

### Critical Care:

Bolus medication is properly recorded when delivered.

### End of Life Care:

A new fully consulted upon Individualised End of Life Care Plan was launched earlier this year. Training has been and continues to be delivered. A number of awareness raising events have been held. Delivering excellence in End of Life Care on Ward 3 and beyond is one of the Trust's Listening into Action clinical teams.

### Risk

- Risk registers have been reviewed at Care Group, Division and Trust level. Corporate risks have been assigned to Trust Board sub-committees for oversight of management and mitigation.
- An updated Corporate Risk Register was approved by the Trust Board in March 2016.
- A new Risk Management Committee is in place where divisional risk registers will be reviewed on a regular basis.
- The Risk Management Strategy is being reviewed and will be presented to the Board in July for approval.
- The risk identified from the Inspection relating to the Gamma Camera has been addressed. The Trust sought an independent expert view as to whether the camera needed urgent replacement. The advice received was that the camera was fit for purpose provided certain patients continued to be referred to other centres with more modern technology. The Trust is actively pursuing replacement of the camera which is pending completion of the business case which was due for review in June 2016.
- Root cause analysis/risk management training has been delivered to key staff via two workshops by an external provider. This training has been incorporated into the Trust's essential manager training commencing in September.
- Risk folders are available in all clinical areas and risk management has been included in the ward/department performance review tool.
- Testing of staff knowledge and understanding of risk has commenced in the monthly audits.
- A repeat of the in-depth review of all risk registers will be undertaken in August to test whether they have been kept live.
- A new RCA process has been agreed following the receipt of external training.

The Trust has arranged to use Listening into Action facilitation, external expert advice for maternity and the Emergency Department and additional in-house Organisational Development and service improvement capacity.

# The Governance Framework of the Organisation

The Trust has an integrated governance approach to ensure decision making is informed by a full range of corporate, financial, clinical and information governance.

The Trust Board reviewed our governance structure in response to the feedback from the CQC. As a result we have made a series of changes to the governance of the Trust that is now in place to strengthen our focus on quality and safety and on organisational development and culture. This has been supported by a series of executive and Non-Executive appointments.

The Trust has an integrated governance approach to ensure decision making is informed by a full range of corporate, financial, clinical and information governance.

The Trust Board is comprised of a Chair, six Non-Executive Director members and five Executive Director members: the Chief Executive, Medical Director, Director of Nursing, Director of Finance and Performance and Chief Operating Officer. Two other executive director members without voting rights attend each Trust Board meeting: the Director of Organisational Development and Human Resources and the Director of Strategy and Transformation. The Chair of the Trust Board has a second and casting vote on any decision making matters. The Trust Secretary also attends all Board Meetings.

The Trust welcomed Danielle Oum as its new Chair from 11 April 2016 following the departure of Ben Reid at the end of his tenure. Danielle joined the Trust from Walsall and Dudley Mental Health Partnership Trust where she was Chair. Prior to that Danielle had been a Non-Executive Director at Walsall Healthcare NHS Trust.

Professor Russell Beale has been appointed as a new Non-Executive Director following the departure of Nigel Summers at the end of his tenure in February 2016. The Trust is actively recruiting to a vacant Non-Executive Director role and it is anticipated that the vacancy will be filled by early July 2016. The appointment of a Deputy Chair and a Deputy Chief Executive are being held pending review by the new Chair and the Chief Executive. . Dr Jonathan Shapiro, Non-Executive Director, was appointed as Senior Independent Director from 1 August 2015.

The executive team has undergone a period of substantial change during the year with the departure of five of the team members. Russell Caldicott was appointed Director of Finance and Performance in May 2015; Mark Sinclair was appointed Director of Organisational Development and Human Resources in September 2015; Daren Fradgley was appointed Director of Strategy and Transformation in December 2015, Linda Storey was appointed Trust Secretary in January 2016 and Rachel Overfield was appointed Director of Nursing in April 2016. Steven Vaughan also joined the Trust in January 2016 as Interim Chief Operating Officer. The recruitment campaign to appoint to the substantive Chief Operating Officer post is currently under way.

In recognition of the new executive team and changes within the Non-Executive Directors, the Trust has embarked on an Executive Team development programme with Ashridge Management School. Following the arrival of our new Chair we are now also commissioning a broader Board development programme to support our improvement activity.

The Board has met monthly throughout the year with the first part of each meeting open to the public and closing as necessary for a part two confidential session. The Board meeting follows a structured format with each meeting starting with a patient or carer story to set the tone and focus of the meeting. The format of the business following the patient/carer story was restructured during the year to take all items of quality and risk immediately after the patient carer story, followed by matters of strategy and planning; people and organisational development; performance; governance and compliance and questions from members of the public. Board sub-committee minutes and highlight reports are now reviewed within the relevant topical section of the agenda to provide the appropriate level of assurance on the key issues as they are discussed during the meeting. The purpose of the changes was to structure the business around the building blocks of strategy, accountability and culture to ensure we focus on the issues that matter most to our patients and our staff.

In addition to the formal Board Meetings the Board holds seminar sessions which provide an opportunity for the Board to be briefed on a number of issues of interest or to focus on in-depth work required for strategic or other matters. During the year the Board has covered quality and risk topics including risk and the Board Assurance Framework and quality issues identified by the Care Quality Commission inspection. Strategic and planning items have included sessions on the development of the Trust's strategy and annual plan. Performance topics have included deep dive reviews into the Trust's financial position and elective access pathways.

On each Board day prior to the meeting the Board Members undertake a Board Walk. Visits are made to clinical and non-clinical departments to provide an opportunity for Board Members to address Ward to Board issues and meet with members of staff. The arrangements for these Board Walks are under review to ensure their continued effectiveness in future.

The Trust Board is supported by a framework of sub-committees. The Board has overall responsibility for the effectiveness of the governance framework and as such requires that each of its sub-committees has agreed terms of reference which describe their responsibilities, accountabilities and methods of monitoring effectiveness. There are six formally designated sub-committees of the Board all of which are chaired by a Non-Executive Director:

- Audit Committee
  chaired by Andre Burns, Non-Executive Director.
- Quality and Safety Committee
  chaired by Dr Jonathan Shapiro, Non-Executive Director.
- Finance, Performance and Investment Committee
  chaired by John Dunn, Non-Executive Director from January 2016.
- People and Organisational Development Committee
  established during 2015/16 and chaired by John Silverwood, Non-Executive Director.
- Nominations and Remuneration Committee
  chaired by Ben Reid, Chair of Trust during 2015/2016 and Danielle Oum, Chair of Trust from April 2016.
- Charitable Funds Committee
  chaired by Andre Burns, Non-Executive Director.

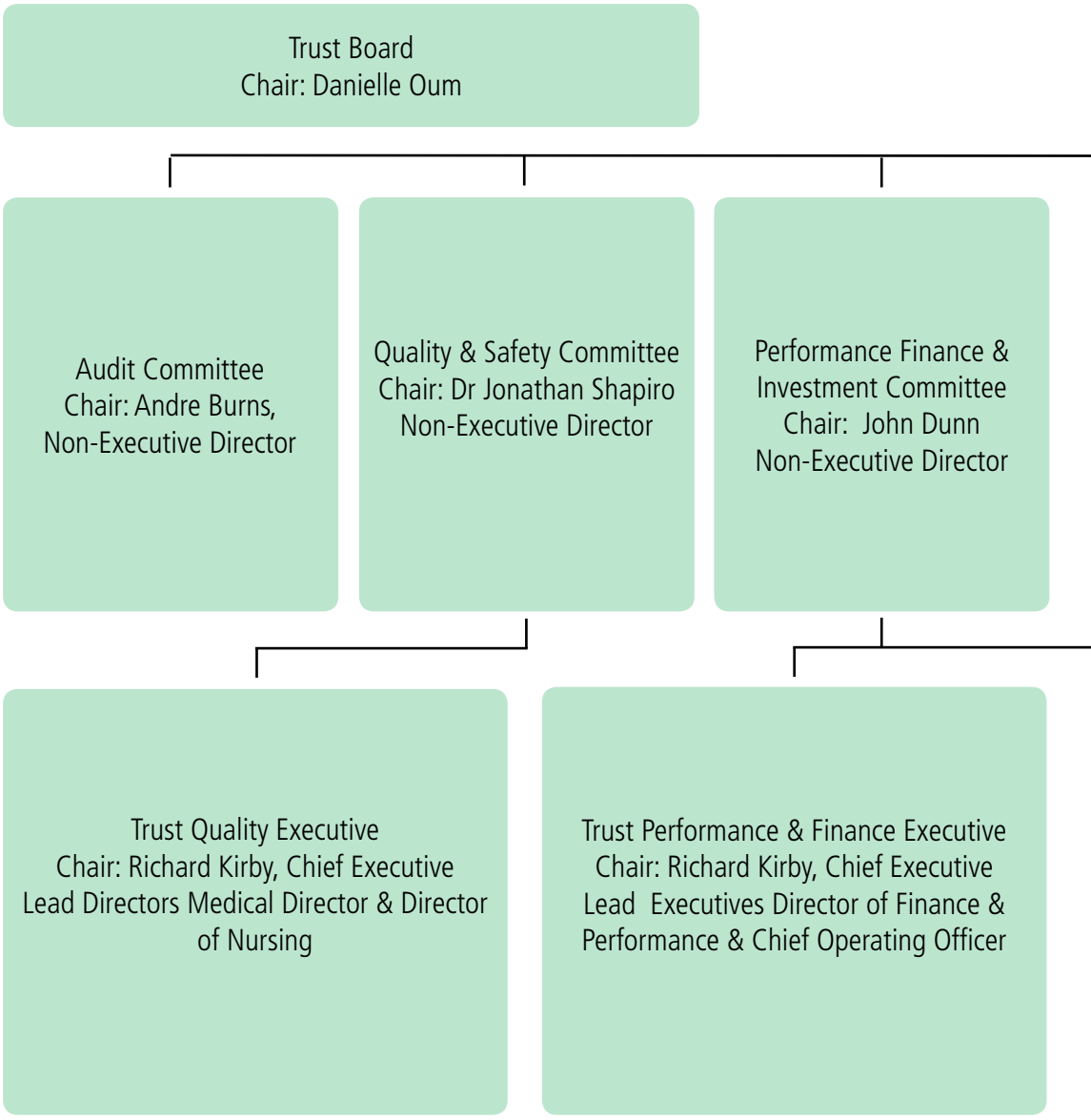
The four main sub-committees to the Board are the Audit Committee, the Quality and Safety Committee, Finance, Performance and Investment Committee and the People and Organisational Development Committee. The Trust Secretary attends each committee and ensures compliance with the terms of reference; provides support to the committee chairs and works to develop the governance arrangements. The committees are supported by executive level monthly teams focused on the key delivery areas for the Trust and combining the Executive Team and divisional leaders.

# Board Committee Structure and Executive Level Monthly Team Meetings

The Audit Committee is responsible for supporting the Trust Board by critically reviewing and reporting on the relevance and robustness of the governance structures and assurance processes on which the Trust Board places reliance. The committee comprises of three Non-Executive Director members, one of which is the Chair of the committee.

The key in-year developments for the Audit Committee have been the establishment of a bi-monthly meeting structure and a comprehensive review of the annual work plan to ensure that the committee's responsibilities are appropriately discharged across the meetings. In addition the committee has undertaken an annual self-assessment of its effectiveness and proposes to champion similar reviews across the other committees during 2016/2017. The Committee has developed an annual report illustrating how it has discharged its responsibilities and similar to the effectiveness review, plans to champion such use across the other committees during 2016/2017.

The Quality and Safety Committee is responsible for providing the Board with assurance on the standards of care, quality and safety provided by the Trust and, in particular, that adequate and appropriate governance structures, processes and controls are in place throughout the Trust to promote quality, safety and excellence in patient care. The Committee comprises of three Non-Executive Directors, one of which



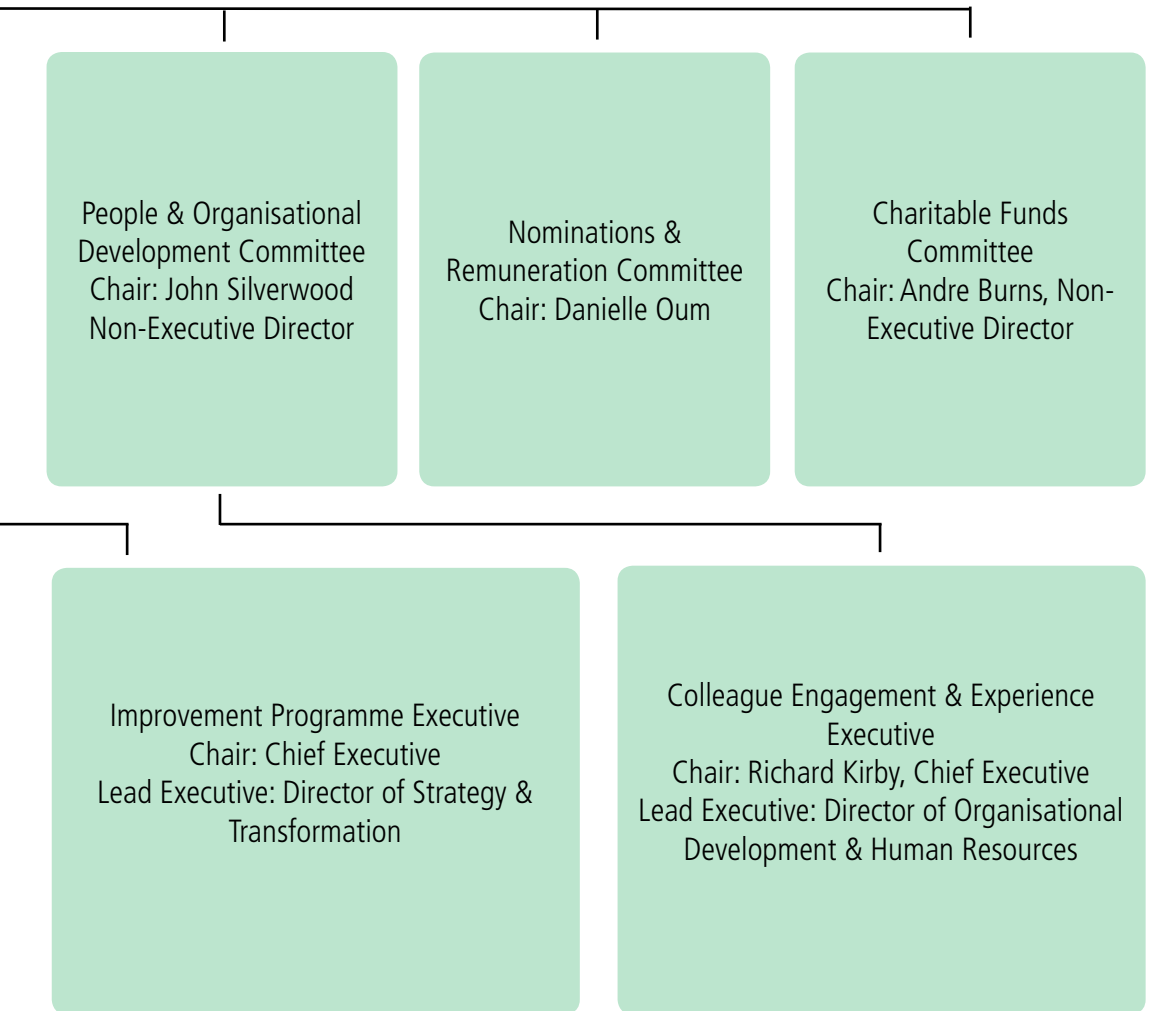
is Chair; the Chief Executive; Medical Director, Director of Nursing, Chief Operating Officer and the Director of Finance and Performance. The committee meets on a monthly basis.

The committee has undergone significant change in year with the development of a revised supporting governance structure. The Trust Board approved the revised governance structure and terms of reference at its meeting in December 2015. The key changes were designed to address the lack of separation of board assurance from executive delivery which had been identified in the review of the Trust's governance by the Foresight Partnership. To address this a monthly Trust Quality Executive Meeting has been established to take on the operational work currently undertaken by the Quality and Safety Committee, enabling the Committee to focus on its assurance function. The Trust Quality Executive reports on a monthly basis to the Quality and Safety Committee. Work is under way to review the sub-structure of committees that report to the Trust Quality Executive.

In addition, a Risk Management Committee has been established to raise the profile of risk management and operationalise the Trust's approach to risk management. The Risk Management Committee meets monthly and reports to the Trust Quality Executive.

2016/2017 will be a year of embedding, developing and evolving the new structures and their reporting relationships with the Quality and Safety Committee.

In addition, the Trust Clinical Executive brings together the executive team with divisional teams of three and clinical directors to provide a monthly leadership forum to develop service strategy ensure delivery of safe, high quality care and oversee progress with work on organisational culture and performance delivery.



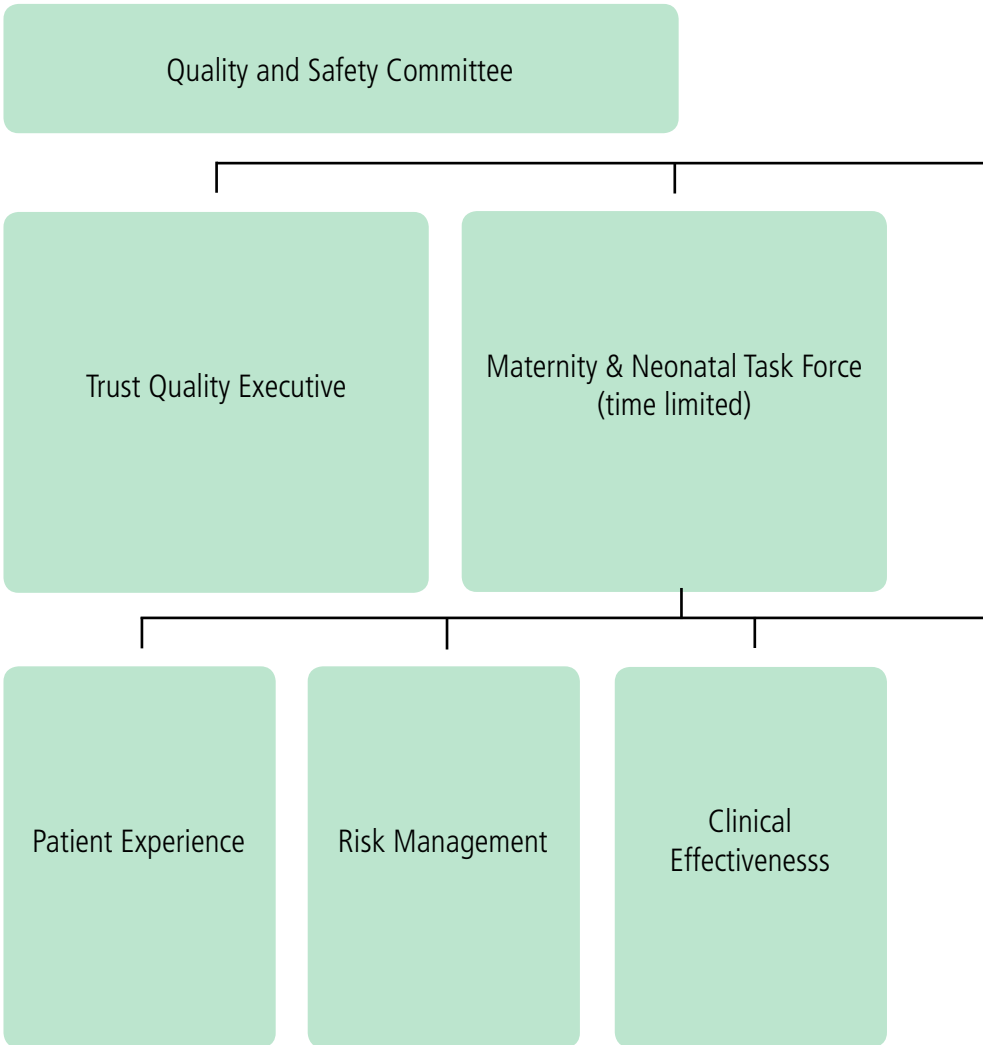
# Trust Quality Structure

The Performance, Finance and Investment Committee is responsible for providing assurance to the Trust Board on effective operational and financial performance and for making investment decisions in line with the Trust's SFIs. The committee meets on a monthly basis and comprises of three Non-Executive Director members, one of which is Chair, the Chief Executive, Director of Finance and Performance, Medical Director, Director of Nursing, Director of Strategy and Transformation and Director of Organisational Development and Human Resources. The Committee had a new Chair from January 2016. The committee has restructured its agenda to provide greater focus on current key issues. Considerable attention has been given to the progress in addressing the referral to treatment time backlog and the trajectory to return to national reporting. The committee has also spent considerable time understanding the issues associated with the Trust's poor performance on the Emergency Four Hour Standard.

The People and Organisational Development Committee was a newly established sub-committee in May 2015. The purpose of the committee is to provide assurance to the Board in relation to effectiveness of human resources and organisational development arrangements. The committee comprises of two Non-Executive Directors, one of which is Chair, the Chief Executive, Director of Organisational Development and Human Resources, Medical Director, Director of Nursing, Chief Operating Officer and Director of Strategy and Transformation. 2015/2016 has been a year of embedding its practice and reporting to Trust Board. In 2016/2017 the committee will have a key role in relation to the Trust's progress in addressing the cultural and staff engagement issues identified within the Care Quality Commission report. The committee reviewed a new People and Organisational Development Strategy which was approved by the Trust Board in May 2016.

The Nominations and Remuneration Committee has met on five occasions in 2015/2016 as a result of the requirement to consider the issues associated with the number of changes to the executive team. The committee has considered the remuneration of the newly appointed and interim members of the team. The committee comprises of all of the Non-Executive Director Board members and is chaired by the Chair of the Trust Board.

Walsall Healthcare NHS Trust is the corporate trustee for charitable funds held in Trust. The Trust Board serves as its agent and has delegated authority to the Charitable Funds Committee to make and monitor arrangements for the control and management of the Trust's charitable funds in accordance with any statutory or



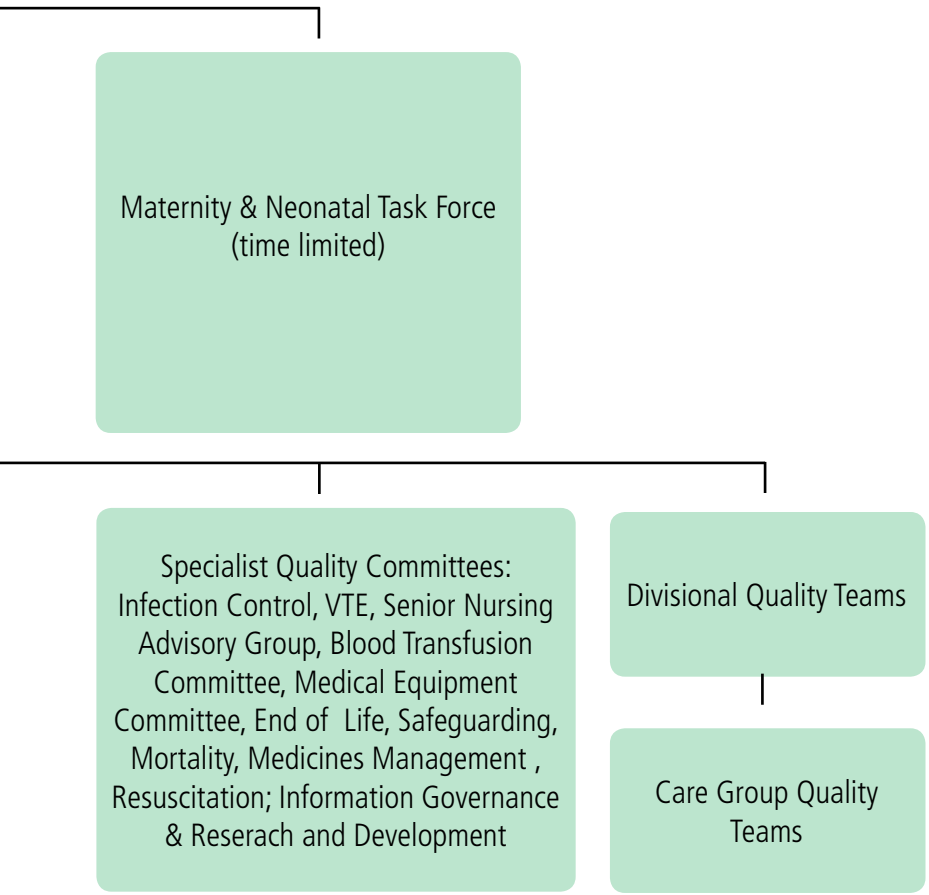
other legal requirements, or best practice required by the Charity Commission. The committee has undertaken a scheme of work during the year to strengthen its governance arrangements and reporting to the Corporate Trustee. This has included a revision to the terms of reference, the establishment of an annual work plan and clarification and changes to the committee's responsibility to authorise the use of charitable funds. The committee now meets on a quarterly basis to discharge its responsibilities.

Formal evaluation of the Board was undertaken during 2015 by the Foresight Centre for Governance (at GE Healthcare Finnamore) and following that Board development work was undertaken to act upon the findings. Three Board Development Days were undertaken to address a number of key strategic issues and to develop a working relationship as a new team. In view of the series of changes in the Board team the Trust is commissioning a new Board Development Programme that it plans to launch at its Board Away Day in July 2016.

A Board capacity and capability review had been commissioned by the Trust Development Authority at the end of 2015/2016 as part of the Special Measures regime and the Trust is waiting for the formal report from this review.

The Trust has an established divisional structure comprising four operational divisions:

- Medicine and Long Terms Conditions
- Surgery Division
- Women's Children's and Clinical Support Services
- Estates & Facilities



# The Risk and Control Framework

## Risk Assessment

As Chief Executive I have overall responsibility and accountability for risk management. The leadership and accountability arrangements for myself, as Chief Executive Officer, Trust Board Directors, Divisional Directors, Clinical Directors, Heads of Nursing, Professional Heads of Service and all other staff are set out in the Trust's Risk Management Strategy. The Trust works within a framework that devolves responsibility and accountability throughout the organisation via a three tier risk register system (Corporate, Divisional and Departmental) which enables risks to be identified, analysed, prioritised and managed at all levels of the organisation. The method of assessing the severity of risk is by the use of the Australian/New Zealand (1999) risk rating process. This is based on scoring the impact to the Trust of not addressing the risk against the likelihood of its occurrence.

Risk management awareness and health and safety training is delivered to all new members of staff through our induction programme and to existing staff through mandatory training programmes. Additional risk management training needs of specific staff groups are assessed through the Trust's Training Needs Analysis.

The Trust has undertaken significant work to improve its approach to risk and risk management following issues highlighted during the Care Quality Commission Inspection in September 2015. Following the inspection the actions to address risk issues outlined in the introduction to this Statement were implemented.

Prior to the Care Quality Commission Inspection, work was already under way with the Non-Executive Director committee chairs to align the corporate risks to the three Board assurance committees. Subsequently as a part of the review of the Corporate Risk Register all corporate risks have been allocated to a Board sub-committee and a key focus for 2016/2017 will be to develop systems to ensure that key risks are appropriately considered and reviewed at Board and at Board sub-committees.

A review of the risk management strategy is under way with a revised strategy due for submission to the Trust Board in June setting out the revised processes for risk management following the introduction of the revised quality governance structure including the Risk Management Committee and Trust Quality Executive.

The Trust formally investigates all serious clinical incidents, reports their findings to the Risk Management Committee and follows up on all actions agreed as part of the outcome of the reports. The Board receives a report at each meeting on Serious Incidents and high level complaints.

## NHSLA Litigation Authority

The Trust currently holds NHSLA Level 1 for the General Standards assessed in January 2013. NHSLA Level 3 for maternity Standards (assessed in February 2014).

## Board Assurance Framework

During 2015/2016 the Trust had a Board Assurance Framework approved by the Trust Board as being the key risks to the Trust's objectives within the Trust's Improvement Plan. The key areas of risk related to:

- Care Closer to Home: risk of lack of sponsorship from key clinical leaders; alignment to system-wide strategies and technology constraints.
- Compliance with the Care Quality Commission Standards.
- Education and training for staff in relation to best practice for safeguarding children and vulnerable adults.
- Capacity within the Emergency Department.
- Impact of the backlog of referrals for elective and outpatient appointments.
- Investment in ward staffing.
- Staff engagement.
- Establishment of an effective performance management system.
- Delivery of the Cost Improvement Programme and the financial plan.
- Data security.
- Board development.

Following the Care Quality Commission Inspection resource was focused on addressing the issues raised in relation to the Trust Risk Registers. Internal Audit reviewed the Board Assurance Framework in 2015/2016 and concluded a "Requires Improvement" opinion based on the following findings:

- Lack of update of the Board Assurance Framework on a regular basis by the Trust Board to reflect the changing operational challenges and external factors.
- The Board and Corporate Risk Register did not show consistent scores and/or the state of progress on actions.
- Risks within the Board Assurance Framework were not scored inherently and residually.
- Sources of assurance did not state the frequency or receipt and no external assurances were stated.
- Strategic objectives defined were not SMART.

In concluding the findings the report acknowledged that the risk management process across the Trust had been actively progressed during the year with the Corporate Risk Register being regularly updated following comprehensive review of risks from the grass roots to divisional level.

To address the findings a series of recommendations and timescales to improve the Board Assurance Framework have been agreed. These include the Audit Committee receiving update reports on the Board Assurance Framework at each of its meetings from May 2016 onwards to ensure that it can satisfy itself that the systems and processes are in place and working as they should. The Board started its update of the Board Assurance Framework at its Seminar Meeting in May 2016 and the revised Board Assurance will be presented to the Trust Board for approval at its meeting in July 2016 and at regular intervals thereafter as articulated in the revised Risk Management Strategy to be submitted to Board for approval in June 2016.

## Data Security

The Trust had a total of 7 reportable serious information governance incidents during 2014 – 2015 all related to information being disclosed in error. All of these incidents were reported to the Information Commissioner's Office and investigated accordingly. Actions arising from the investigations included changes to policy and updates to training programmes. Compliance is monitored through information governance audits. The Trust undertakes a programme of information governance staff training that starts at induction and is offered either on-line or as a face to face monthly sessions. In addition a comprehensive programme of monthly audits is undertaken to test staff understanding and knowledge of information governance.

**Summary of serious incident requiring investigations involving personal data as reported to the Information Commissioner's Office in 2015-2016**

| **Incident Date** | Nature of Incident | Nature of data involved | No. of data subjects potentially affected | Notification steps |
|---|---|---|---|---|
| **May** | Disclosed in error | Names, D.O.B, Address, limited clinical information | 30 | ICO informed and data subjects informed by letter |
| **July** | Disclosed in error | Names, very limited clinical information | 27 | ICO informed and data subjects informed by letter |
| **August** | Disclosed in error | Names, D.O.B, Address, limited clinical information | 1 | ICO informed and data subject informed by letter |
| **October** | Disclosed in error | Names, D.O.B, Address, limited clinical information | 1 | ICO informed and data subject informed by letter |
| **October** | Disclosed in error | Names, very limited clinical information | 25 | ICO informed and data subjects informed by letter |
| **October** | Disclosed in error | Name, D.O.B, Address, limited clinical information | 1 | ICO informed and data subject informed by letter |
| **December** | Disclosed in error | Name, D.O.B, Address, limited clinical information | 2 | ICO informed and data subjects informed by letter |

**Further action on information risk:** Walsall Healthcare NHS Trust will continue to monitor and assess its information risks, in light of the events noted above, in order to identify and address any weaknesses and ensure continuous improvement of its systems.

## Information Governance Toolkit

The Trust has consistently sustained Level 2 compliance with the Information Governance Toolkit. The Information Governance Steering Group has met on a quarterly basis throughout the year. The committee has reported its activities to the Quality and Safety Committee. An internal audit review of the systems of internal control for complying with the Information Governance Toolkit in 2015/2016 concluded that there was "substantial assurance". In 2015/2016 the Trust achieved a satisfactory assessment at 75% for its information governance assurance under the Information Governance Toolkit.

The Trust had seven reportable serious information governance incidents during 2015/2016 which were reported to the Information Commissioner's Office. All related to information being disclosed in error. All of these incidents were reported to the Information Commissioner's Office and investigated accordingly. Actions arising from the investigations included changes to policy and updates to training programmes. Compliance is monitored through information governance audits.

In 2015/2016 the Trust has achieved a satisfactory assessment at 75% for its information governance assurance under the Information Governance Toolkit.

## Performance Against National Priorities Set out in the NHS Trust Development Authority Framework 2015/2016

2015/2016 has been another challenging year for the Trust in relation to delivery of the NHS Constitution access standards and financial duties. We continued to endeavour to meet the requirements placed on us by our regulators and the Government. I am disappointed to report that as a result of many pressures across the system, we failed to meet the national Emergency Department 4 Hour Wait overall target. We were also unable to meet the 18 week Referral to Treatment Time target and the 62 day target for Referral To Treatment for patients diagnosed with cancer. However, the numbers of patients waiting more than 18 weeks has reduced in the year from 9,451 in March 2015 to 5,037 in March 2016. The Trust performed well in other areas, including infection control where the number of hospital acquired Clostridium difficile cases totalled 7, a reduction of 56% on the previous year. Where we breached national targets, we have been fined by Walsall Clinical Commissioning Group (CCG) under the contract that we have with them. These fines totalled £2.7million, however, the Trust received reinvestment from the CCG to help improve our performance.

The Trust faced particular difficulties with the accuracy and reliability of our elective waiting list information following the "go live" of our new IT system in 2014/15. In discussion with the (then) Trust Development Authority, the Trust Board decided to suspend reporting of 18 week Referral To Treatment time information in the light of data quality concerns. The Trust has an agreed plan that aims to return us to reporting in July 2016.

## Review of the Effectiveness of Internal Control

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed in a number of ways. The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of Internal Audit's work. In the light of all of the pressures that we have faced during the year, the Head of Internal Audit Opinion for 2015/2016 concluded that "….limited assurance can be given as weaknesses in the design and/or inconsistent application of controls put the achievement of the organisation's objectives at risk in a number of the areas reviewed"

The following internal audit reports were completed, with the respective levels of assurance:

| | Audit Area | Opinion |
|---|---|---|
| **Finance** | Capital Assets Management Accounting | Substantial |
| | Cost Improvement Programme Arrangements | Substantial |
| | Expenditure - Non pay | Substantial |
| | Expenditure - Pay | Substantial |
| | Income & Debtors | Substantial |
| | General Ledger maintenance and Budgetary Control | Substantial |
| | Planning, Budgetary Control and Reporting | Substantial |
| **Governance & Risk** | Assurance Framework | Requires Improvement |
| | Duty of Candour | Requires Improvement |
| | Transformation Programme Q1<br>Transformation Programme Q2<br>Transformation Programme Q3 (draft)<br>Transformation Follow Up Programme (draft) | Insufficient<br>Requires Improvement<br>Requires Improvement<br>Substantial |
| | Safeguarding | Requires Improvement |
| | Cost Improvement Programme Quality Impact Assessment | Requires Improvement |

| | | |
|---|---|---|
| HR Workforce | Sickness absence - policy compliance/data quality | Requires Improvement |
| | Temporary staffing arrangements - Medics | Insufficient |
| | Temporary staffing arrangements - Nursing | Requires Improvement |
| Information | Fusion Penetration Testing | Requires Improvement |
| | Penetration Testing (draft) | Requires Improvement |
| | Information Governance Toolkit | Substantial |
| Performance / Operations | WLI Governance Arrangements | Requires Improvement |
| | Data Quality - Quality and Content of Patient Records | Requires Improvement |
| | VTE Review | Requires Improvement |
| | CQUIN Governance Arrangements | Substantial |
| | A&E Waiting Times and Re-attendance (draft) | Substantial |

In two areas only insufficient assurance could be given in relation to the controls: transformation governance arrangements and temporary staffing arrangements for medics. Subsequent audits in relation to the transformation programme have shown an improving position with the most recent follow up audit receiving a substantial outcome. A plan of action to address the issues raised from the temporary staffing – medics audit has been agreed with a timescale to implement the recommendations by the end of August 2016. In addition to the Head of Internal Audit Opinion, the Chair of the Audit Committee provides the minutes together with a brief summary highlighting areas for the Board's attention following each committee meeting to the next Board Meeting in Public.

At each Audit Committee meeting a report is received highlighting the current status of outstanding audit recommendations. This report is circulated to the Executive Team. During the year Internal Audit undertook an ongoing programme of follow up work around the implementation of recommendations and reported their status at each committee meeting. During the year issues were highlighted to management by the Audit Committee in relation to the requirement to improve the timeliness of signing off the final internal audit reports and to provide clear, appropriate and timely responses to complete the agreed actions. The position at the end of the year showed a marked improvement and the committee will continue to closely monitor the progress of actions in 2016/2017.

Executive directors and managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance. My view is also informed by comments in reports and other feedback from Internal Audit, External Audit, the NHS Litigation Authority for NHS Trusts, NHS Litigation Authority for Maternity Services and internal Trust updates on progress against the action plans from various internal and external reviews by other external bodies including the Walsall Clinical Commissioning Group, Walsall Council, the Trust Development Authority and the Department of Health.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, Audit Committee, Quality and Safety Committee, Finance, Performance and Investment Committee, Risk Management Committee and Trust Quality Executive as part of our approach to integrated governance. I strive to provide the best possible standards of care at all times to those who use our services. If I fail to meet these standards and something goes wrong, I take this very seriously. I and the wider organisation are committed to learning from each incident and making changes to ensure that something similar could not happen again.

**As a result of my review I consider the following items to be significant issues and therefore warrant further disclosure:**

Outcome of the Care Quality Commission Inspection resulting in the issuing of the Section 29A Warning Notice and an overall Inadequate rating with the Trust being put in Special Measures

The external auditors have given us a qualified Value for Money Conclusion based on the overall Inadequate CQC rating and the fact that despite delivering the planned financial deficit in 2015/16 we have yet to address the underlying deficit in our budgets.

At the end of 2014/15 the Board recognised that the Trust faced significant clinical, cultural, performance and financial challenges. The Board agreed an Improvement Plan that enabled us to start to tackle these challenges (for example we have significantly reduced our elective care backlog, delivered a strong infection control performance and improved our governance as described above). As the CQC Inspection Report made clear however there is still much that the Trust needs to do to fully address all of the issues we face and ensure that we are delivering for our patients and our staff. The plan that we have agreed for 2016/17 is designed to enable us to deliver sustainable improvement during the next 12 months.

**Richard Kirby,**
Accountable Officer

# There is still much that the Trust needs to do to fully address all of the issues we face.

# Remuneration and Staff Report

## Remuneration Policy

The Trust's approach to Remuneration Policy for Directors is one of median salaries for Trusts of a similar size and scope in order that directors pay remains both competitive and value for money.

The Trust has a Nominations and Remuneration Committee – the full information in relation to this is included within the Corporate Governance Report. The Nominations and Remuneration Committee agrees remuneration packages for Executive Directors.

## Remuneration Report Tables

### Pay Multiples Audited

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

The banded remuneration of the highest paid director in Walsall Healthcare NHS Trust in the financial year was £199.5k for the Medical Director who has dual responsibility as Medical Director and Clinical Lead (2014/2015 £197.5k). This was 8.62 times the median remuneration of the workforce (remains consistent with 2014/2015 figures). No employee received remuneration in excess of the highest paid director.

In 2015/16, no employees received remuneration in excess of the highest-paid Director (there were 0 in 2014/15). Remuneration ranged from £15,100 to £199,463 (2014-15 - £15,100 to £197,063).

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

The Trust has recruited a number of individuals across all medical and non-medical specialties. Primarily

the most significant increase in the permanent workforce is in the areas of nursing and midwifery and healthcare support, scientific, therapeutic and technical. The result of the increase in the categories of staff has meant the median has slightly reduced as a consequence.

The notice period for directors is 3 months. The Trust will incur no additional liability as a consequence of early termination for directors. No performance bonus payments were made to directors during the financial year.

# Remuneration entitlement of Senior Managers

| Name and Title | Salary (Bands of £5,000) £'000 | ***Other Remuneration (Bands of £5,000) £'000 | Bonus Payments (Bands of £5,000) £'000 | Long Term Performance and Bonus (Bands of £5,000) £'000 | Expense payments (Taxable) to the nearest £100 | Pension Benefits (Bands of £2,500) £'000 | Total (Bands of £5,000) £'000 |
|---|---|---|---|---|---|---|---|
| Mr B.L.E. REID,(Chairman from 1 Jul 04) | 20-25 | | | | | | 20-25 |
| Mr R.KIRBY, Chief Executive (from 9 May 2011) | 150-155 | | | | | 37.5-40 | 175-180 |
| Mr R.CALDICOTT, Director of Finance & Performance (from 1 July 2015) | 80-85 | 20-25 | | | | | 110-115 |
| Mr I.BAINES, Director of Finance (left 19 May 2015) | 15-20 | | | | | | 15-20 |
| Mr S.VAUGHAN, Interim Chief Operating Officer (from 10 January 2016) | 80-85 | | | | | | 80-85 |
| Mr R.CATTELL, Chief Operating Officer (left 10 January 2016) | 85-90 | | | | | 45-47.5 | 130-135 |
| Mr A.KHAN, Medical Director (from 1 October 2010) | 80-85 | 80-85 | 25-30 | | | | 195-200 |
| Mrs K.HALFORD, Nurse Director (left 3 January 2016) | 75-80 | | | | | 70-72.5 | 150-155 |
| Ms R.OVERFIELD, Interim Nurse Director (from 1 November 2015) | 15-20 | | | | | | 15-20 |
| Mr D.FRADGLEY, Director of Transformation and Strategy (from 1 February 2015) | 90-95 | | | | | | 90-95 |
| Mr M.SINCLAIR, Director of OD & Human Resources (from 7 September 2015) | 60-65 | | | | | | 60-65 |
| Mrs D.CLIFT, Director of Corporate Affairs and Trust Secretary (left 21 June 2015) | 20-25 | | | | | 5-7.5 | 25-30 |
| Mr N.SUMMERS, Non-Executive Director (left 29 February 2016) | 5-10 | | | | | | 5-10 |
| Mr A.BURNS, Non-Executive Director (from 17 July 2013) | 5-10 | | | | | | 5-10 |
| Dr J.SHAPIRO, Non-Executive Director (from 23 October 2013) | 5-10 | | | | | | 5-10 |
| Mr J.DUNN, Non-Executive Director (from 1 February 2015) | 5-10 | | | | | | 5-10 |
| Mr J.SILVERWOOD, Non-Executive Director (from 1 February 2015) | 5-10 | | | | | | 5-10 |
| Mrs V.HARRIS, Non-Executive Director (from 1 April 2015) | 5-10 | | | | | | 5-10 |

2015/16

# Remuneration entitlement of Senior Managers

| Name and Title | Salary (Bands of £5,000) £'000 | ***Other Remuneration (Bands of £5,000) £'000 | Bonus Payments (Bands of £5,000) £'000 | Long Term Performance and Bonus (Bands of £5,000) £'000 | Expense payments (Taxable) to the nearest £100 | Pension Benefits (Bands of £2,500) £'000 | Total (Bands of £5,000) £'000 |
|---|---|---|---|---|---|---|---|
| Mr B.L.E. REID,(Chairman from 1 Jul 04) | 20-25 | | | | | | 20-25 |
| Mr R.KIRBY, Chief Executive (from 9 May 2011) | 150-155 | | | | | 17.5-20 | 165-170 |
| Mr I.BAINES, Director of Finance (left 16 May 2015) | 110-115 | | | | 2,200 | 67.5-70 | 180-185 |
| Mr R.CATTELL, Chief Operating Officer (left 10 January 2016) | 55-60 | | | | | | 55-60 |
| Mrs J.TUNSTALL, Chief Operating Officer (left 8 July 2014) | 30-35 | | | | | | 30-35 |
| Mr A.KHAN, Medical Director (from 1 October 2010) | 80-85 | 80-85 | 25-30 | | | 12.5-15 | 210-215 |
| Mrs K.HALFORD, Nurse Director (left 3 January 2016) | 100-105 | | | | | 157.5-160 | 260-265 |
| Mrs A.BAINES, Director of Strategy (left 30 September 2014) | 45-50 | | | | | 25-27.5 | 70-75 |
| Mr D.FRADGLEY, Director of Transformation and Strategy (from 1 February 2015) | 20-25 | | | | | | 20-25 |
| Mrs D.CLIFT, Director of Corporate Affairs and Trust Secretary (left 21 June 2015) | 70-75 | | | | | 2.5-5 | 75-80 |
| Mr N.SUMMERS, Non-Executive Director (left 29 February 2016) | 5-10 | | | | | | 5-10 |
| Mr A.BURNS, Non-Executive Director (from 17 July 2013) | 5-10 | | | | | | 5-10 |
| Dr J.SHAPIRO, Non-Executive Director (from 23 October 2013) | 5-10 | | | | | | 5-10 |
| Mr J.DUNN, Non-Executive Director (from 1 February 2015) | 0-5 | | | | | | 0-5 |
| Mr J.SILVERWOOD, Non-Executive Director (from 1 February 2015) | 0-5 | | | | | | 0-5 |
| Mr G.McEVOY, Assoc Non-Executive Director (left 31 March 2015) | 5-10 | | | | | | 5-10 |
| Mr R.COOKE, Non-Executive Director (left 29 January 2015 ) | 5-10 | | | | | | 5-10 |
| Ms D.OUM, Assoc Non-Executive Director (left 30 November 2014) | 0-5 | | | | | | 0-5 |

2014/15

# Pension benefits of Senior Managers

| Name and Title | Real increase in pension at pension age<br>Bands of £2,500 £'000 | Real increase in pension lump sum at pension age<br>Bands of £2,500 £'000 | Total accrued at pension age at 31/03/16<br>Bands of £5,000 £'000 | Sum at pension age related to accrued pension at 31/03/16<br>Bands of £5,000 £'000 | Cash equivalent transfer value at 01/04/15<br>Bands of £'000 | Cash equivalent transfer value at 01/04/16<br>Bands of £'000 | Real increase in cash equivalent transfer value<br>Bands of £'000 | Employer's contribution to stakeholder pension<br>Bands of £'000 |
|---|---|---|---|---|---|---|---|---|
| Mr R.KIRBY, Chief Executive (from 9 May 2011) | 2.5-5 | 0-2.5 | 40-45 | 115-120 | 568 | 553 | 28 | 20 |
| Mr R.CALDICOTT, Director of Finance & Performance (from 1 July 2015) | 2.5-5 | 5-7.5 | 20-25 | 55-60 | 285 | 229 | 40 | 28 |
| Mr I.BAINES, Director of Finance (left 19 May 2015) | 0 | (2.5)-0 | 25-30 | 70-75 | 369 | 376 | (2) | (1) |
| Mr A.KHAN, Medical Director (from 1 October 2010) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mr R.CATTELL, Chief Operating Officer (left 10 January 2016) | 2.5-5 | 0-2.5 | 35-40 | 100-105 | 563 | 518 | 31 | 21 |
| Mr D.FRADGLEY, Director of Transformation and Strategy (from 1 February 2015) | 5-7.5 | 17.5-20 | 25-30 | 75-80 | 367 | 0 | 91 | 64 |
| Mr M.SINCLAIR, Director of OD & Human Resources (from 7 September 2015) | 0-2.5 | 0 | 0-5 | 0 | 12 | 0 | 7 | 5 |
| Mrs K.HALFORD, Nurse Director (left 3 January 2016) | 2.5-5 | 10-12.5 | 40-45 | 125-130 | 803 | 687 | 82 | 57 |
| Mrs D.CLIFT, Director of Corporate Affairs and Trust Secretary (left 21 June 2015) | 0 | 0-2.5 | 10-15 | 35-40 | 197 | 169 | 6 | 4 |

Benefit in kind - Lease Car

***Other remuneration - Mr R.Caldicott is the salary payment for deputising as Director of Finance & Performance. The salary payment for Mr A.Khan is for his role as a Medical Consultant.

Mr D.Fradgley, Director of Transformation and Strategy (from 1 February 2015) his salary represents a recharge from the West Midlands Ambulance Service Foundation Trust until January 2016. Mr Fradgley was officially appointed in the role in February 2016.

Mr S.Vaughan, Interim Chief Operating Officer (from 10 January 2016) his salary represents agency costs.

Ms R.Overfield, Interim Nurse Director (from 1 November 2015) her salary represents a recharge from the NHS Trust Development Authority (NTDA).

The Trust did not agree any exit packages in 2015/16 for Executive Directors.

## Notes

1. The accounting policies at note 1.7 and note 10.6 set out how our pension liabilities are treated in the accounts.
2. The CETV for 2015/2016 is not quoted for the medical director as he has reached retirement age.
3. The Trust does not make any contributions to stakeholder 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 the summary financial statements has been subject to external audit scrutiny. In addition, the directors' remuneration tables above have been audited for compliance with Statutory Instrument 2008 No 410.

# Exit Packages

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

Other Departures are covered by MARS (Mutually Agreed Resignation Scheme).

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.

| Exit package cost band (including and 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 cost of exit packages | Number of Departures where special payments have been made | Cost of special payment element included in exit packages |
|---|---|---|---|---|---|---|---|---|
| | Number | £s | Number | £s | Number | £s | Number | £s |
| Less than £10,000 | 0 | 0 | 3 | 16,934 | 3 | 16,934 | 0 | 0 |
| £10,000-£25,000 | 1 | 23,805 | 5 | 80,083 | 6 | 103,888 | 0 | 0 |
| £25,001-£50,000 | 0 | 0 | 5 | 181,590 | 5 | 181,590 | 0 | 0 |
| £50,001-£100,000 | 1 | 69,135 | 0 | 0 | 1 | 69,135 | 0 | 0 |
| £100,001-£150,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| £150,001-£200,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| >£200,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 2 | 92,940 | 13 | 278,607 | 15 | 371,547 | 0 | 0 |

# Off-Payroll Engagements

**For all off-payroll engagements as of 31 March 2016, for more than £220 per day and that longer than six months.**

| | |
|---|---|
| Number of existing engagements as of 31 March 2016 | 8 |

**Of which, the number that have existed:**

| | |
|---|---|
| less than 1 year at the time of time of reporting | 2 |
| for between 1 and 2 years at the time of reporting | 1 |
| for between 2 and 3 years at the time of reporting | 0 |
| for between 3 and 4 years at the time of reporting | 3 |
| for 4 or more years at the time of reporting | 2 |

**Assurance was received for all existing engagements regarding the payment of income tax and National Insurance in 2015/16.**

**For all new off-payroll engagements between 1 April 2015 and 31 March 2016, for more than £220 per day and that last longer than six months.**

| | |
|---|---|
| Number of new engagements between 1st April 2015 and 31st March 2016 | 2 |
| Number of new engagements which include contractual clauses giving Walsall Healthcare NHS Trust the right to request assurance in relation to income tax and National Insurance | 2 |
| Number for whom assurance has been requested | 2 |

**Of which:**

| | |
|---|---|
| assurance has been received | 0 |
| assurance has not been received | 2 |
| engagements terminated as a result of assurance not being received, or ended before assurance received | 0 |

| | |
|---|---|
| Number of off payroll engagements of 'board members and/or senior officers with significant financial responsibility' during the year | 0 |
| Number of individuals that have been deemed 'board members and/or senior officers' with significant financial responsibility during the year. This figure includes both off payroll and on payroll engagements. | 6 |

**The total number of individuals includes all Executive Directors who have held office during the year.**

# Staff Report

The following table provides a year-end position in relation to the composition of the Trust's employees

| Division | All Staff | | | Senior Managers** | | |
|---|---|---|---|---|---|---|
| | Female | Male | Total | Female | Male | Total |
| Surgery | 695 | 161 | 856 | - | - | - |
| Medicine & Long Term Conditions | 1,012 | 175 | 1,187 | - | - | - |
| Women's Children's and Clinical Support | 1,078 | 176 | 1,254 | - | - | - |
| Corporate, Estates & FM | 651 | 315 | 966 | 1 | 6 | 7 |
| Grand Total | 3,436 | 827 | 4,263 | 1 | 6 | 7 |
| Percentage | 80.6% | 19.4% | 100% | 14.3% | 85.7% | 100% |

**Senior managers are those included within the remuneration report for the Trust.

The average number of staff employed during the 2015/16 financial year is as set out below:

| Staff Group | Total Number | Permanently employed | Other number |
|---|---|---|---|
| Medical and Dental | 446 | 382 | 64 |
| Administration and Estates | 837 | 788 | 49 |
| Healthcare assistants and other staff nursing | 1,114 | 988 | 126 |
| Midwifery and Health Visiting Staff | 1,235 | 1,147 | 88 |
| Scientific, therapeutic, and technical staff | 377 | 359 | 18 |
| Healthcare science staff | 85 | 85 | - |
| Total | 4,094 | 3,749 | 345 |

## Staff absence rates for 2014/15

A total of 41,301 FTE days were lost due to sickness absence during 15/16.

Sickness levels increased month on month and show a 6% increase year on year.

The largest cause of sickness during 15/16 was stress/anxiety-related illness. Long term sickness continues to be actively managed throughout the organisation.

The Trust has set itself a monthly target of 3.39% and during 16/17 will roll out the following to address sickness absence:

- An improved Occupational Health service, supporting colleagues in achieving the earliest possible return to work.
- A dedicated Sickness Champion, to help facilitate enhanced sickness management and reduce absence levels.
- A new Attendance policy which will make sickness management easier.
- A 'Nursing Hotline', which absent colleagues will be required to ring to receive advice and/or the assignment of suitable alternative duties.

The use of Mindfulness coaching and other alternative colleague services will also be explored with the aim of addressing mental health issues and improving overall employee wellbeing.

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 & 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 maintains 'Two-Ticks' accreditation, guaranteeing an interview for disabled applicants who meet the person specification and to ensure reasonable adjustments are made.

The Trust has an Equality and Diversity Policy, which ensures that disabled persons have equal access to development and support.

The Sickness Absence 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 full range of human resources policies is available to all Trust employees via the Trust's intranet.

| Month | Absence Rate |
|---|---|
| April | 4.59% |
| May | 4.49% |
| June | 4.60% |
| July | 4.80% |
| August | 4.59% |
| September | 5.03% |
| October | 5.09% |
| November | 4.94% |
| December | 5.58% |
| January | 5.90% |
| February | 5.26% |
| March | 4.65% |
| Outturn 15/16 | 5.04% |

# Statement of Accountable Officer's Responsibilities

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

The Chief Executive of the NHS Trust Development Authority has designated that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officers Memorandum issued by the Chief Executive of the NHS Trust Development Authority. These include ensuring that:

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

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

The summary financial statements were approved by the Board and signed on its behalf by:

Richard Kirby

Chief Executive

Russell Caldicott

Director of Finance

These financial statements are summaries of the information contained in the Annual Accounts of the Walsall Healthcare NHS Trust. The Trust's auditors have issued an unqualified report on the Annual Accounts.

The full financial statements are available as a separate document from the Trust's website www.walsallhealthcare.nhs.uk.com or on request from:

Mr. Trevor Baker, Chief Financial Accountant, Finance Department, Walsall Healthcare NHS Trust,
The Manor Hospital, Moat Road, Walsall WS2 9PS.

The Trust's policy for managing risk is set out in the Annual Governance Statement.

The Trust's external auditors are Ernst & Young LLP. The fee for the statutory audit for 2015/16 was £81,000 (including VAT) with an additional £15,600 for audit related services (the review of the Trust's Quality Account).

# Financial Position


Linda Townley

# Financial Statements

## 2015/16 Financial Position

The Trust forecast delivery of a £17.7million deficit for the 2015/16 financial year and following receipt of £8million of non-recurrent income attained an actual deficit of £9.7million against break-even performance, excluding the £8million non-recurrent unplanned income the Trust delivered a deficit of £17.7million and thus delivered the level of planned deficit for the financial year. The retained deficit figure that is used to evaluate financial performance for the year is adjusted for impairments relating to the new build and renovation, and the change in accounting treatment for recording donated assets within exchequer accounts.

In order to maintain financial balance in 2015/16 the Trust initially had to identify and achieve savings of £10.50million (4% of turnover). These savings were needed to meet the required national efficiency savings target and also for reinvestment. The Trust attained the majority of these savings in achieving the financial planned deficit.

## How is our financial performance assessed?

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

| Definition of Target | Measure | Target Set | Actual | Target Met |
|---|---|---|---|---|
| Income and Expenditure Revised Break Even (Managing Services within the income received by the Trust) | £'000 | (16,687) | (9,790) | yes |
| External Financing Limit ( Managing Services within the "cash limit" agreed with the Department of Health) | £'000 | 584 | (4,512) | yes |
| Capital Resource Limit (Managing Capital Expenditure within the Capital Resource Limits agreed with the Department of Health) | £'000 | 2,582 | 2,426 | 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 (£225million), the remainder of the income comes from other categories such as Education, Training and Research, Income Generation (car parking, staff catering and accommodation) and the provision of non-patient related services to Walsall Commissioning Care Group.

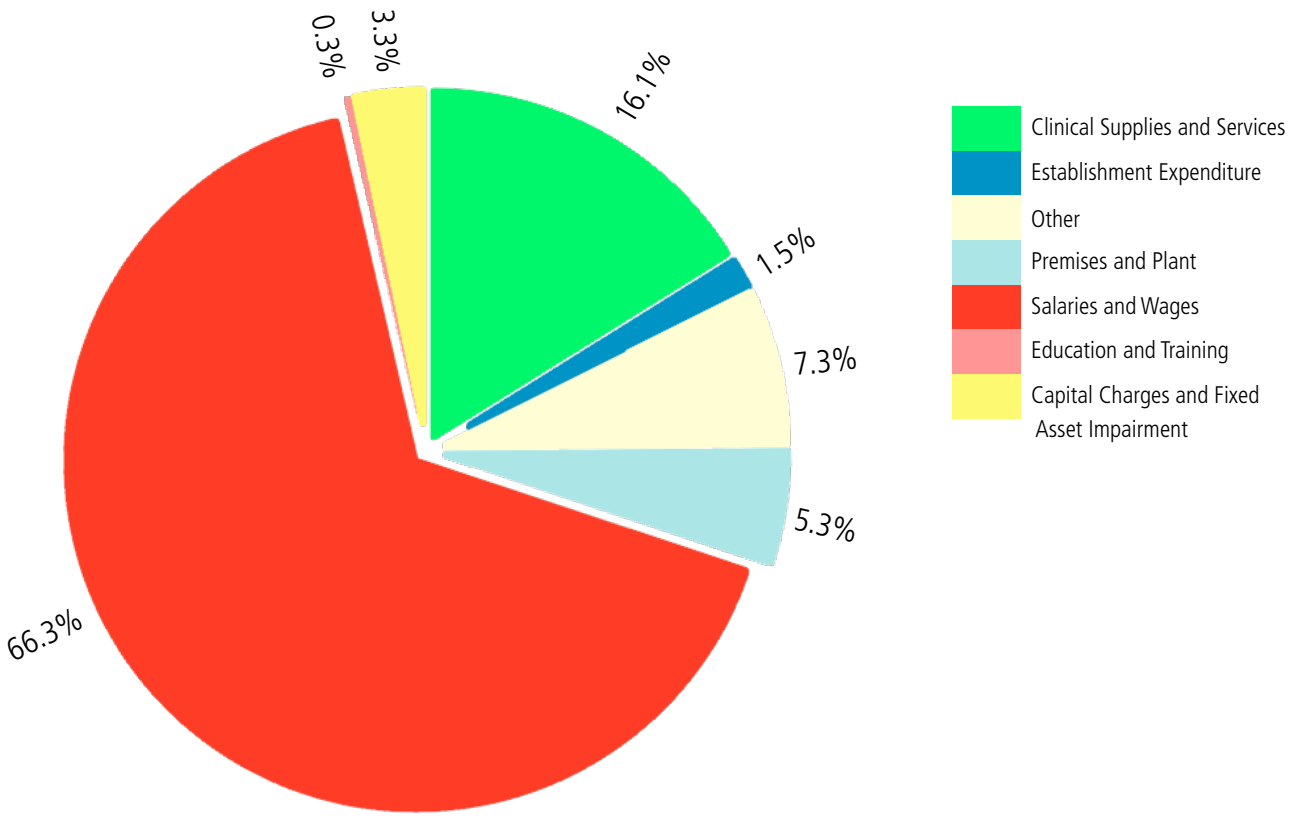
## What we spend our money on

The Trust spent £254million in the financial year 2015/16. The largest component of this expenditure was salaries and wages where we spent £165million, with the average number of staff employed being 4,094 whole time equivalents. The Trust spent a further £36.5million on clinical supplies and services such as drugs and consumables used in providing healthcare to patients.

## Average staff numbers for 2015/16

| Staff Category | Average Number of Staff |
|---|---|
| Medical and dental | 446 |
| Nurses, health care assistants & other support staff | 2,349 |
| Scientific & technical staff | 462 |
| Administration and other staff | 837 |
| Total | 4,094 |

The chart below shows a breakdown of the main categories of expenditure for 2015/16.



# Capital Investment

## 2015/16 Financial Position

The total capital expenditure in 2015/16 totalled £2.426million. The main areas of investment were:

| | £'millions |
|---|---|
| Reconfiguration, lifecycle and refurbishment works | 1.5 |
| Computer replacement and Information systems | 0.3 |
| Medical, theatre and pharmacy equipment | 0.4 |
| Other | 0.2 |
| Total | 2.4 |

# Income and expenditure account for the year ended 31 March 2016

| | 2015/16 £'000 | 2014/15 £'000 |
|---|---|---|
| Revenue from patient care activities | 224,590 | 220,293 |
| Other operating revenue | 18,935 | 19,198 |
| Operating expenses | (249,069) | (246,564) |
| *Extraordinary Item - Impairment reversal | - | - |
| Operating Surplus | (5,544) | (7,073) |
| Profit/(Loss) on disposal of asset | - | - |
| Surplus before interest | (5,544) | (7,073) |
| Interest receivable | 28 | 30 |
| Other Gains and (Losses) | - | - |
| Finance Costs | (5,186) | (8,391) |
| Surplus for the Financial Year | (10,702) | (15,434) |
| Public Dividend Capital Dividend Payable | - | - |
| Retained Surplus/(Deficit) for the Year | (10,702) | (15,434) |
| *Impairments and (reversal) adjustment | 912 | 2,517 |
| Adjustments in respect of donated asset reserve elimination | - | 56 |
| Adjusted retained surplus/(deficit) | (9,790) | (12,861) |

*The Trust had a full site revaluation during the year ending 31st March 2016 that resulted in an impairment of £912k being charged to the operating expenses.

# Balance Sheet at 31 March 2016

| | 31 March 2016 £'000 | 31 March 2015 £'000 |
|---|---|---|
| **Non-current assets** | | |
| Property, plant and equipment | 147,852 | 153,522 |
| Intangible assets | 1,049 | 1,394 |
| Trade and other receivables | 571 | 774 |
| **Total non-current assets** | **149,472** | **155,690** |
| **Current Assets** | | |
| Stock and work in progress | 2,357 | 2,309 |
| Trade and other receivables | 12,636 | 11,042 |
| Cash and cash equivalents | 3,365 | 701 |
| **Total current assets** | **18,358** | **14,052** |
| **Current Liabilities** | | |
| Trade and other payables | (30,438) | (19,441) |
| Borrowings | (3,304) | (3,317) |
| Provision for liabilites and charges | (423) | (659) |
| Net current assets/liabilities | (15,807) | (9,365) |
| **Total assets less current liabilities** | **133,665** | **146,325** |
| **Non-Current Liabilities** | | |
| Trade and other payables | - | - |
| Borrowings | (131,347) | (137,410) |
| DH revenue support loan | (6,883) | - |
| Provisions for liabilities and charges | - | - |
| **Total assets employed** | **(4,565)** | **8,915** |
| **Financed by:** | | |
| Public dvidend capital | 56,318 | 58,684 |
| Revaluation reserve | 12,859 | 13,384 |
| Retained earnings | (73,742) | (63,153) |
| **Total Capital and Reserves** | **(4,565)** | **8,915** |

# Cash flow statement for the year ended 31 March 2016

| | 2015/16 £'000 | 2014/15 £'000 |
|---|---|---|
| **Operating Activities** | | |
| Net cash inflow from operating activities | 4,915 | (5,199) |
| **Returns on investments and servicing of finance** | | |
| Interest received | 29 | 32 |
| **Net cash inflow from returns on investments and servicing of finance** | **4,944** | **(5,167)** |
| **Capital Expenditure** | | |
| (Payments) to acquire tangible fixed assets | (3,574) | (10,613) |
| (Payments) to acquire intangible fixed assets | (76) | (107) |
| Receipts from sale of tangible fixed assets | - | - |
| **Net cash (outflow) from capital expenditure** | **(3,650)** | **(10,720)** |
| Dividends Paid | **-** | **-** |
| **Net cash inflow before management of liquid resources and financing** | **1,294** | **(15,887)** |
| **Management of Liquid Resources** | | |
| (Purchase) of current asset investments | - | - |
| Sale of current asset investments | - | - |
| **Net cash inflow from management of liquid resources** | **-** | **-** |
| **Net cash inflow before financing** | **1,294** | **(15,887)** |
| **Financing** | | |
| Public dividend capital received | 34 | 11,722 |
| Public dividend capital repaid | (2,400) | (2,500) |
| Other loans received | 19,366 | - |
| Other loans repaid | (12,483) | - |
| Capital element of finance leases and PFI | (3,147) | (3,180) |
| Capital grants and other capital receipts | - | - |
| Net cash (outflow) from financing | 1,370 | 6,042 |
| **Increase (reduction) in cash** | **2,664** | **(9,845)** |
| **Opening cash holding** | **701** | **10,546** |
| **Closing cash holding** | **3,365** | **701** |

## 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 2015/16 the percentage of bills paid within target was:

| | |
|---|---|
| Number of bills | 55% |
| Value of bills | 57% |

| **Better payment practice code-measure of compliance** | **2015/16 Number** | **2014/15 Number** |
|---|---|---|
| Total Non-NHS trade invoices paid in the year | 50,095 | 66,725 |
| Total Non-NHS trade invoices paid within the target | 29,842 | 50,141 |
| Percentage of Non-NHS trade invoices paid within the target | **59.6%** | **75.1%** |
| | | |
| Total NHS trade invoices paid in the year | 1,135 | 1,332 |
| Total NHS invoices paid within the target | 617 | 737 |
| Percentage of NHS trade invoices paid within the target | **54.4%** | **55.3%** |

| | **2015/16 £'000** | **2014/15 £'000** |
|---|---|---|
| Total Non-NHS trade invoices paid in the year | 79,553 | 95,011 |
| Total Non-NHS trade invoices paid within the target | 55,017 | 73,465 |
| Percentage of Non-NHS trade invoices paid within the target | **69.2%** | **77.3%** |
| | | |
| Total NHS trade invoices paid in the year | 11,135 | 12,159 |
| Total NHS trade invoices paid within the target | 6,360 | 6,984 |
| Percentage of NHS trade invoices paid within the target | **57.1%** | **57.4%** |

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