

MEETING OF THE TRUST BOARD

**TO BE HELD IN PUBLIC ON THURSDAY, 27 NOVEMBER 2014,
10:00AM, BOARDROOM, TRUST HEADQUARTERS,
BELLRINGER ROAD, TRENTAM LAKES SOUTH,
STOKE ON TRENT, ST4 8HH**

AGENDA		
1.	APOLOGIES FOR ABSENCE <i>To NOTE any apologies for absence</i>	Note
2.	DECLARATION OF INTEREST RELATING TO AGENDA ITEMS	Note
3.	DECLARATIONS OF INTERESTS RELATING TO ANY OTHER BUSINESS	Note
4.	MINUTES OF THE OPEN AGENDA – 30 OCTOBER 2014 <i>To APPROVE the minutes of the meeting held on 30 October 2014</i>	Approve Enclosure 2
5.	ACTION MONITORING SCHEDULE & MATTERS ARISING FROM THE MINUTES <i>To CONSIDER any matters arising from the minutes</i>	Note Enclosure 3
6.	CHAIR'S REPORT <i>To RECEIVE a verbal report from the Chair</i>	Verbal
7.	CHIEF EXECUTIVE'S REPORT <i>To RECEIVE a report from the Chief Executive</i>	Note Enclosure 4
TO DELIVER HIGH QUALITY PERSON CENTRED MODELS OF CARE (Strategic Goal)		
8.	STAFF RETIREMENTS <i>To EXPRESS our gratitude and recognise staff retiring</i>	Verbal
9.	SPOTLIGHT ON EXCELLENCE <i>To PRESENT the Spotlight on Excellence Team and Individual Awards to staff To be introduced by the Chief Executive and presented by the Chair</i>	Verbal
10.	TEAM SPOTLIGHT - PRESENTATION FROM THE DIVERSIONAL ACTIVITY WORKERS – NEUROPSYCHIATRY AND OLD AGE PSYCHIATRY (NOAP) DIRECTORATE <i>To RECEIVE a presentation led by Angela Chapman, Health Care Support Worker</i>	Verbal

11.	NURSE STAFFING MONTHLY REPORT <i>To DISCUSS and APPROVE the assurance report on the planned versus actual staff variances from Mr. M Dinwiddy, Interim Director of Nursing and Quality</i>	Approve Enclosure 5 To follow
12.	PALS / COMPLAINTS REPORT Q1 & Q2 <i>To RECEIVE the PALS/COMPLAINTS report from Mr M Dinwiddy, Interim Director of Nursing and Quality</i>	Approve Enclosure 6
13.	FEEDBACK FROM THE TRUST DEVELOPMENT AGENCY QUALITY SURVEILLANCE GROUP MEETINGS –OCTOBER 2014 <i>To RECEIVE for assurance the summary of the outcomes from the Quality Surveillance Group meeting from Mrs. C Donovan, Chief Executive</i>	Assurance Enclosure 7
14.	QUALITY COMMITTEE REPORT <i>To RECEIVE for assurance the Quality Committee report of the meeting held on 18 November 2014 from Mr P Sullivan , Committee Chair</i>	Assurance Enclosure 8
TO BE ONE OF THE MOST EFFICIENT PROVIDERS (Strategic Goal)		
15.	AUDIT COMMITTEE REPORT <i>To RECEIVE for assurance the Audit Committee report of the meeting held on 13 November 2014 from Mr D Rogers, Committee Chair</i>	Assurance Enclosure 9
16.	FINANCE REPORT – Month 7 (2014/15) <i>To RECEIVE the month 7 financial position from Ms A Harrison, Interim Director of Finance</i>	Assurance Enclosure 10
17.	FINANCE & PERFORMANCE COMMITTEE REPORT <i>To RECEIVE for assurance the Finance & Performance Committee report of the meeting held on 20 November 2014 from Mr. T Gadsby, Committee Chair</i>	Approve Enclosure 11
18	PERFORMANCE AND QUALITY MANAGEMENT FRAMEWORK REPORT (PQMF) – Month 7 <i>To DISCUSS and APPROVE the month 7, Performance Report from Ms A Harrison, Interim Director of Finance</i>	Assurance Enclosure 12
19.	SELF CERTIFICATIONS FOR THE NHS TRUST DEVELOPMENT AGENCY <i>To APPROVE the Self Certifications for the TDA from Ms A Harrison, Interim Director of Finance</i>	Approve Enclosure 13
20.	ANNUAL REPORT AND ACCOUNTS CHARITABLE FUNDS COMMITTEE 2013/14 <i>To RECEIVE a report from the Ms A Harrison, Interim Director of Finance</i>	Assurance Enclosure 14

TO BE A DYNAMIC ORGANISATION DRIVEN BY INNOVATION (Strategic Goal)

21.	PEOPLE AND CULTURE DEVELOPMENT COMMITTEE REPORT <i>To RECEIVE the assurance report from the People and Culture Development Committee from the meeting held on 17 November 2014 from Mr. P O'Hagan, Committee Chair</i>	Assurance Enclosure 15
22.	MAKING PARITY A REALITY – ROYAL COLLEGE OF PSYCHIATRISTS <i>To RECEIVE a report from Dr O Adeyemo, Medical Director</i>	Note Enclosure 16
23.	THE CARE QUALITY COMMISSION'S REPORT INTO THE STATE OF HEALTH CARE AND ADULT SOCIAL CARE IN ENGLAND <i>To RECEIVE a briefing from the Foundation Trust Network in relation to the CQC's report from Mrs C Donovan, Chief Executive</i>	Note Enclosure 17
23.	To DISCUSS any Other Business	

QUESTIONS FROM MEMBERS OF THE PUBLIC

24.	<i>To ANSWER questions from the public on items listed on the agenda</i>	
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DATE AND TIME OF THE NEXT MEETING

25.	<i>The next public meeting of the North Staffordshire Combined Healthcare Trust Board will be held on Thursday, 29 January 2015 at 10:00am.</i>	
26.	MOTION TO EXCLUDE THE PUBLIC <i>To APPROVE the resolution that representatives of the press and other members of the public be excluded from the remainder of this meeting, having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest" (Section 1(2) Public Bodies (Admissions to Meetings) Act 1960)</i>	

THE REMAINDER OF THE MEETING WILL BE IN PRIVATE

A meeting of the North Staffordshire Combined Healthcare NHS Trust will take place in private at 1:00pm, in the Boardroom, Trust Headquarters.

	SERIOUS INCIDENTS	
	WORKFORCE UPDATE	
	FINANCE & PERFORMANCE	
	STAKEHOLDER SURVEY	

TRUST BOARD

**Minutes of the open section of the North Staffordshire Combined
Healthcare NHS Trust Board meeting held on Thursday, 30 October 2014
At 10:00am in the Boardroom, Trust Headquarters, Lawton House
Bellringer Road, Trentham, Stoke on Trent, ST4 8HH**

Present:

Chairman:	Mr K Jarrold (part) Chairman	Mr P O'Hagan Vice Chair
Directors:	Mrs C Donovan Chief Executive	Mr D Rogers Non-Executive Director
Dr B Adeyemo Medical Director	Mr P Sullivan Non-Executive Director	Ms B Johnson Non-Executive Director
Ms A Harrison Interim Director of Finance	Mr P Draycott Acting Director of Leadership & Workforce	Mr A Rogers (part) Director of Operations
	Dr D Sheppard GP Associate Director	Dr K Tattum GP Associate member

In attendance:

Mrs S Storey Trust Secretary/ Head of Corporate and Legal Affairs	Mrs J Scotcher Executive PA	Ms J Harvey UNISON
Mr S Blaise Acting Deputy Director of Finance	<u>Team Spotlight:</u> Resettlement Team Melanie Wetton Dave Smith	<u>Individual spotlight</u> <u>Emma Churns</u> <u>Staff Nurse</u>

Members of the public:

The meeting commenced at 10:00am.

277/2014	Apologies for Absence	Action
	Apologies were received from Mr Hughes, Interim Director of Strategy and Development and Mr Gadsby, Non-Executive Director.	
278/2014	Declaration of Interest relating to agenda items	
	There were no declarations of interest relating to agenda items.	

279/2014	Declarations of interest relating to any other business There were no declarations of interest	
280/2014	Minutes of the Open Agenda –25 September 2014 The minutes of the open session of the meeting held on 25 September 2014 were approved as a correct record.	
281/2014	Matters arising The Board reviewed the action monitoring schedule and agreed the following:- 85/2014 – PALS/Complaints Report - consideration to be given to bring together various sources of information. It was agreed that this issue will be addressed and brought back in due course via the Quality Committee.– A proposal will be presented to the July meeting of the Quality Committee meeting and then at the Trust Board in September 2014. To leave this action on the schedule. <i>This would be submitted to the November Trust Board for Q1 and Q2.</i> 147/2014 Choice of Mental Health Provider at first appointment. Mrs Johnson enquired about progress against this programme of work. Ms Wilson noted that this was part of the Choice agenda and that there is a trust wide event at the end of October. Key stakeholders and staff have been invited and so far there has been a good response to this. <i>Mrs Donovan confirmed the Trust had held a Choice event with a number of partners including MIND, CHANGEs, NSUG and Healthwatch; which would continue to be progressed.</i> 237/2014 Safe Staffing Monthly Report – in relation to Appendix A, the two columns relating to % but the third column is a number – should this also be a % to better understand the figures? Ms Wilson agreed to amend this in order to improve the way the information is presented going forward. <i>On today's agenda - remove from schedule</i> 242/2014 - Assurance Report Finance and Activity Committee Report – the Finance and Activity committee noted that 40 new schemes were outstanding for Quality Impact Assessment (QIA) with a total value £1.67m this	Mr Dinwiddy

	<p>needs addressing. <i>Dr Adeyemo stated that the outstanding schemes had now been completed and presented at the Quality Committee - remove from schedule</i></p> <p><i>254/2014 - Staff Retirements</i> – Ms Harvey stated that thought should be given to those staff who have long service and may be TUPED across to other organisations. We should ensure that their service is recognised. Mr Draycott agreed to consider this. <i>Actioned – remove from schedule</i></p> <p><i>255/2014 – Learning and Development approached for Healthcare Support Workers</i> – the Chair queried whether we are able to assess how much training our existing support workers have received? Mr Draycott confirmed this was accessible via the ESR system and will give an update. <i>Mr Draycott confirmed a review had been carried out and this had confirmed that there had been less investment within this staff group compared to other staff groups ; however the need for the programmes is rectifying this.</i></p>	
282/2014	<p>Spotlight Awards - October 2014 Individual Spotlight Award – Emma Churms, Staff Nurse, Substance Misuse</p> <p>Emma is a staff nurse within our Substance Misuse service, who initially worked on the Edward Myers Inpatient Unit, before moving to the Outpatient Clinic. She will shortly be moving to the new services in Substance Misuse for Combined Healthcare in Cannock and will be sadly missed by her current colleagues.</p> <p>Emma always goes “one step further”. She demonstrates enthusiasm in all her dealings with patients and staff, showing a non-judgemental and advocating approach, even in the most challenging of circumstances. This has been demonstrated on numerous occasions where Emma has worked with some of the most complex clinical substance misuse clients whom she always approaches in a professional and caring way. Emma consistently goes above and beyond the call of duty. In addition to this, Emma has been instrumental in the development of a Carers Group.</p> <p>Her actions have encouraged patients to remain engaged in treatment and make progress to recovery. Her attitude provides a positive challenge and inspiration to other staff. Emma’s enthusiasm and dedication is reflected in the way she is respected by the clients she has worked with over the years. It is Emma’s ability to work with clients who in some cases would</p>	

	<p>have been viewed as being unable to move towards stability and recovery that makes her stand out. Emma's bubbly and endearing qualities have often kept clients engaged when they may not have, and assisted them to their ultimate goal of recovery.</p> <p>Emma reflects many of the Trust values. Her collaborative approach is a great example of the way in which she values people as individuals. She is open and honest in all her dealings with patients, staff and partner organisations, however, the value that best reflects Emma is how she constantly exceeds expectations in her drive to deliver the best possible service.</p> <p>Team Spotlight Award and Presentation Resettlement and Review Team, Non Psychosis/Community Directorate</p> <p>The team selected for this month's Spotlight award is the Resettlement and Review team, from the Non Psychosis/Community Directorate. The Team comprises of 5 Care Co-ordinators, and 1.4 fixed term posts based at Disability Solutions.</p> <p>The Resettlement and Review Team focus on ensuring quality for people in care, promoting person centred care planning, and monitoring and intervening as necessary to ensure that high quality personalised care is delivered. This is done in line with financial arrangements and costed care plans. Core activity for the team includes care co-ordination and placement reviews of all adults in funded mental health residential and nursing care placements across Stoke and North Staffordshire, and similar oversight and review functions in respect of Direct Payments arrangements.</p> <p>The team have been selected for the Spotlight because of their desire to work in a more flexible innovative and personalised way. They have become involved in the delivery of the pilot around Personal Health Budgets, primarily in mental health, but also extending to a funded arrangement with Stoke CCG to employ additional staff to broker the service in other areas of health need. This developing expertise in personal budgets and wider funding opportunities has enabled the team to support other care co-ordinators in exploring new ways of supporting people in the community. Demonstrably this approach links to our Trust values, by focussing on 'valuing people as individuals' and ensuring the delivery of 'high quality innovative care'.</p> <p>Mr Smith delivered the presentation to the Board and Mrs Wetton told a patient story regarding a lady who had been institutionalised for 30 years, but was now being cared for by her daughter at home. This had been possible due to the partnership working and accessibility of personal budgets. It</p>	
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	<p>was noted that this also created savings for the community care budget.</p> <p>Mr O Hagan commented that this initiative is very good and commended the team as in some ways this is like <i>'knitting fog'</i>. The case study is extremely compelling, making a difference to people and their families</p> <p>Mrs Donovan commented that this was both inspirational and noted the innovation in terms of personal health budgets. However, she expressed the view that maybe internally the Trust is not doing enough to promote this and what could be achieved through communications and pulling these stories together. She further noted that we need to demonstrate the impact on the service user. Mr Draycott agreed that this needs communicating to encourage more innovation.</p> <p>Ms Wetton commented that there would be more patient stories next year and that she had the privilege of speaking with service users who wanted to tell their story.</p> <p>Mr Boyd stated that Stoke and Staffordshire have a higher use of residential care homes within local health economy and it is about how we can change and reduce residential placements by doing something different and better.</p> <p>Mr Smith commented that for the next generation this will hopefully support more people to move out of care.</p> <p>Dr Adeyemo praised the fantastic work, particularly with older people</p> <p>Mr O'Hagan queried what can we offer to other agencies to become more effective?</p> <p>Mr Smith noted that Stoke City Council are keen to work closely with us, it is about how we can provide individuals with a dual budget.</p> <p>Mr Sullivan commented that the emphasis on the person themselves and the story is very powerful and must be very rewarding. Furthermore, he commented that going into residential care sometimes could be prevented and may not always be necessary. Mr Sullivan also noted that it would be good to listen to a service user who wants to tell their story in the right setting.</p> <p>Mr Smith stated that majority of people do not need residential care for 24 hours.</p>	
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	<p>Mr Boyd also noted the impact amongst families, in getting back an important member of their family leading to a healthier and wider family environment.</p> <p>Ms Harvey commented that this was a brilliant example. However, the union has concerns about personal care budgets. It can work for us in the bigger picture, but there is some challenge to the public sector.</p> <p>Mr O'Hagan highlighted the promotion through the clinical pathway work.</p> <p>Mrs Johnson queried was this only available in Stoke and not North Staffs as whole? Mr Smith confirmed this was a pilot at the moment then in April 2015 would go nationwide, depending on how CCGs move forward with this.</p> <p>Finally, Mr O'Hagan thanked the Resettlement Team and commented that it had been a first class presentation – well done!</p>	
283/14	<p>Vice Chairman's Brief</p> <p>Mr O'Hagan, Vice Chair, welcomed everyone and explained that Mr Jarrold, the Chair would be attending later in the meeting.</p> <p>Members of the Board noted the departure of Mr Calkin, Interim Director of Finance who had finished his contract and farewell to Ms K Wilson, Director of Nursing and Quality. They welcomed Ms Harrison, the new Interim Director of Finance. Ms Harrison commented that she was looking forward to her new role and that it was good to come to a financially balanced trust and that she had experience of working in another Mental Health Trust.</p> <p>Congratulations to Non-Executive Directors, Mr Gadsby and Mr Sullivan who had been reappointed for a further 2 year term of office.</p> <p><i>Received</i></p>	
284/2014	<p>Safe staffing Monthly report</p> <p>Mr Draycott, Interim Director of Leadership and Workforce, presented the assurance report. The report had been prepared by Mr Eley, Deputy Director of Nursing, and outlines the monthly performance of the Trust in relation to planned vs actual nurse staffing levels during 1 September – 30 September 2014.</p>	

	<ul style="list-style-type: none"> • The performance relating to the fill rate (actual numbers of staff deployed vs numbers planned) on the wards for September was 103.33%: being a total fill rate of 100.86% for registered nurses and 105.8% for HCSWs. The position reflects that ward managers are effectively deploying additional staff to meet increasing patient needs as necessary. • During the current data collection period 1st September – 30th September 2014: 82.11% (n=739/900) of shifts have been staffed as planned. <p>Mr Sullivan requested clarity on the reporting arrangements for safe staffing. Mrs Donovan commented that since June 2014 the Open board have received a staffing report on monthly basis, in addition there will be a 6 monthly report which will be more comprehensive.</p> <p>Mr Draycott also noted that for future reports there would be a greater understanding with the use of a digital solution, which would be less time consuming for staff.</p> <p>Mr Sullivan queried what is happening about establishments and are they correct? Are we using appropriate staff to cover?</p> <p>Mr Draycott gave assurance in that Mr Eley is reviewing establishments. Ward Managers are expected to use their clinical judgement to staff appropriately, at times this has not provided optimum service but it is safe.</p> <p>Mrs Donovan commented that there is sometimes a richer skill mix this could mean, due to acuity, there are more registered staff.</p> <p>Mrs Johnson raised the number of staff working extra shifts and the extra pressure this creates on those staff – does this need reviewing? Mr O'Hagan commented that the People and Culture Development Committee are currently reviewing stress amongst staff and the impact.</p> <p>Mr Sheppard commented on the impact on Accident and Emergency services, when staff are moved in areas such as Edward Myers. Mrs Donovan commented that consideration is given to using staff flexibly before any moves are made.</p> <p>Ms Harvey noted that these were September figures and raised concerns regarding staffing. She felt very concerned more so than she has been in the last 20 years. She noted that most recently some training had to be cancelled, and she had asked colleagues to speak to Ms Wilson before she left, at this point Ward Clerks were helping out. Ms Harvey also agreed that establishments are not correct. She also reiterated Mrs</p>	
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	<p>Johnson's point about staff doing too many hours, sometimes this is about some staff needing the money, but the working time directive should be considered at all times.</p> <p>Mr Draycott noted that there had been a drill down on working time regulations, which had presented in a small number of staff working over the required time. A monitoring process has been set up to regulate. Mr Blaise also confirmed that this has been an issue in finance during the last 10 years, regularly reviewing individual's working on the bank as well as a full-time post.</p> <p>It was also noted that bank staff have been replenished.</p> <p>Mr Sullivan raised concerns about ;</p> <ul style="list-style-type: none"> • How we identify with some of the concerns Ms Harvey raised, how we are assured that what we do to manage the service does not have a detrimental effect on people. • How we develop dashboard indicators for each team. <p>Dr Tattum also commented about the requirement for mandatory training and if this is being cancelled it is giving out a mixed messages. Mr Draycott clarified that mandatory training is mostly on a 3 year rolling programme, so on occasion it is acceptable, however this is a concern if it is happening regularly as a routine.</p> <p>Members of the board reviewed the recommendations and noted that this is being given high priority</p> <p><i>Received</i></p>	
285/2014	<p>Summary of the Risk Management Committee meeting held on 8 October 2014</p> <p>Mrs Johnson, Non-Executive Director, provided the Board with a summary report from the meeting held on 8 October 2014.</p> <p>It was noted that Ms Wilson, Director of Nursing and Quality presented the Risk Review Group report to the Risk Management Committee. The committee noted the transitional arrangements which had been made to support the Director of Nursing and Quality taking over the management of the risk agenda from September 2014, however it was acknowledged that there had been some difficulties fulfilling this due to capacity issues, which are still ongoing.</p> <p>The Risk Review Group had received a summary overview of the Trust's Operational Risk Register for information. There were no significant trends or emerging issues arising from this.</p>	

	<p>It was noted that stress related staff absences would be discussed at the next People and Culture Development Committee development session in October 2014.</p> <p>At the Risk Review Group meeting updates were received from the Directorates and Corporate Team for 12+ risks. All risks were scrutinised and updates will continue to be revised.</p> <p>It was noted that the severity of 3 risks had been reduced ;</p> <ol style="list-style-type: none"> 1. 280 Failure to develop effective 5 year strategic plan 2. 309 Lack of control, management, monitoring and governance on non-clinical SLAs due to absence of agreed signed non clinical SLAs 3. 131 – Significant financial impact in 2014/15 as a result of future model of LD services <p>Members noted that strategic risk would be part of the agenda for the next Board of Directors session on 12 November 2014 and that a Risk Workshop was due to be scheduled.</p> <p>Mrs Johnson expressed her unhappiness with the presentation of the Principal Risk Register.</p> <p>Mrs Donovan confirmed she had recently met with Mrs Johnson to discuss our approach to risk and this is a journey of transition. It is the intention to give the Board more visibility on key controls and residual high risks. It was noted that Mrs Donovan has made contact with the Good Governance Institute and the possibility of them attending the Board of Directors session in December 2015.</p> <p><i>Received and approved</i></p>	
286/2014	<p>Q3 Principal Risk Register Report 2014-15</p> <p>Mrs Donovan, Chief Executive, presented the Q3 Principal Risk Register for review by the Board.</p> <p>Members reviewed the contents as follows and spotlighted on the residual high risks;</p> <ol style="list-style-type: none"> 1. 317 – Lack of investment in Mental Health Services as a member of a challenged health and social care economy 2. 10 – Failure to develop and implement fit for purpose 	

	<p>information systems that provide real time information for patients and fully support PbR mobile working and efficiency.</p> <p><i>Received</i></p>	
287/2014	<p>KPMG Review of the Trust's Quality Governance Arrangements and Action Plan</p> <p>Dr Adeyemo, Medical Director, presented this report and action plan which has been considered by the Quality Committee at its meeting in September 2014 and is being presented to the Trust Board for information and assurance on the work that is ongoing.</p> <p>The Trust uses Monitor's Quality Governance Assurance Framework to assess the robustness of its quality governance arrangements. Given the trust's commitment to the continual improvement of its arrangements external auditors KPMG were asked to undertake an independent assessment.</p> <p>As reported to the Trust Board in July 2014, the audit concluded that the Trust meets Monitor's governance requirements with a favourable score of 2.5, which shows a continued improvement from the last independent assessment score of 3.5.</p> <p>Members of the Board reviewed the action plans as follows;</p> <p><i>1A – Does quality drive the Trust's Strategy</i></p> <p>Dr Adeyemo commented on the refreshed clinical strategy and clinical pathway work being concluded up to a point, with the exception of 2 pathways which need further work ; however we will continue to develop with commissioners.</p> <p>Mr O'Hagan queried what was the timeline for this work? Mrs Donovan clarified this had been discussed at Commissioning Board yesterday, whereby we are redesigning Access and Crisis team, these two pathways are led by commissioners. A SCIG meeting has been arranged. Mr O'Hagan commented that it was vital that this work did not lose its momentum.</p> <p><i>1B Is the Board sufficiently aware of potential risks to quality?</i> Dr Adeyemo confirmed this process would continue and would inform the Board accordingly. A session at the Board of Directors meeting to focus on quality.</p> <p>Initial due date is December 2015.</p> <p>Mrs Donovan clarified Board to ward visits need to be embedded and strengthened. It was further noted there will be a Quality dashboard for the 6 new directorates.</p>	<p>Mrs Donovan</p>

	<p>Mr Sullivan stressed for board to ward visits to continue with a better understanding. It was also proposed that board members be involved in mock CQC reviews. Mr Sullivan stated that the KPMG report was extremely helpful.</p> <p>Finally, it was noted by Mrs Donovan that at the recent IDM (Integrated Development meeting) the TDA had praised the QGAF report and said they felt this was the best one they had seen.</p> <p><i>Received</i></p>	
288/14	<p>Financial Performance – Month 6</p> <p>Mr Blaise, Acting Deputy Director of Finance, presented this report and highlighted the headline performance.</p> <ul style="list-style-type: none"> • A retained deficit of £0.742m, giving a favourable variance against plan of £0.029m. • A year-end forecast that indicates an achievement of a retained surplus of £0.292m (£0.758m surplus at adjusted financial performance level), representing a favourable variance of £0.024m against Plan • A year to date Continuity of Service Risk Rating of 3, with a year-end forecast rating of 3 • CIP target of £4.08m, with a forecast delivery • Capital expenditure of £0.017m to date and a forecast net capital expenditure of £0.545m • A cash balance of £6.4m at the end of £6.4 m at the end of September 2014 <p>Mr O'Hagan queried why the Trust is not spending on capital? Mr Blaise commented that this is off track, due to the transitional period and capital development proposals were limited.</p> <p>It was agreed to review capital spending. Mr Blaise commented that ideally the Trust should have a 5-year capital programme but this had been difficult to develop while going through a transaction process.</p> <p><i>Received</i></p>	Ms Harrison
289/2014	<p>Assurance Report - Finance and Performance Committee Report</p> <p>Mr D Rogers, Non-Executive Director, presented the assurance report to the Trust Board from the Finance and Performance Committee held on 23 October 2014.</p> <p>The Finance and Performance Committee received the financial update for month 6 (September 2014) 2014/15. Members of the Board recognised the stability of the Trust's financial</p>	

	<p>position.</p> <p>Mr D Rogers confirmed that capital spend should escalate moving forward. Some frustrations with business cases and the length of time they take to complete.</p> <p>Some additional updates were received by the Finance and Performance Committee as follows ; The Committee noted the draft Reference Cost Index figure was 107 (102 non Market forces factor adjusted) last year's index figure was 101. This is a measure of our efficiency and in a competitive market this could be deemed as inefficient, however this is not the case as this is due to some additional funding which has pushed the figure up. This is important, in particular as the Trust moves to a new regime next year of PbR (Payment by results). The index will have a much higher significance and affects about half of our income this needs to be monitored closely. There is some guidance due to be released on how we can influence as a management team. Mrs Donovan noted this was a concern going forward.</p> <p>Mr D Rogers reporting good progress with the Cost Improvement Programme (CIP), the Trust has a requirement to deliver £4.08m of CIP with plans in place to deliver £4.08m. Year to-date position £1.92m delivery against plan of £1.89m. CIP schemes are being developed for 2015/16 financial year.</p> <p>The Finance and Performance Committee received a paper showing the current position in respect on non clinical service level agreements. Mr D Rogers noted there were some outstanding SLAs not signed off and the difficulties with this process. It had been suggested that in future SLAs cover a longer period and are signed off for approx 3 years. Mr Blaise currently reviewing this.</p> <p>Mr O'Hagan queried the progress with Trust's Payment by Result Working Group. Mr Blaise confirmed that this is moving forward.</p> <p><i>Received</i></p>	
290/2014	<p>Performance and Quality Management Framework Report (PQMF) Month 6</p> <p>Mrs Donovan, Chief Executive, presented this report . The report provides the Board with a summary of performance to the end of Month 6 (September 2014)</p> <p>It was noted there is a range of 122 metrics in place to monitor</p>	

	<p>performance, quality and outcomes. There are two areas reported as underperforming (amber) and three reported as significantly underperforming (red) as at end of September 2014.</p> <p><i>O11.8 Percentage of adults who have received secondary mental health services who were on Care Programme Approach who have had at least one formal review in the last 12 months</i> – (Amber) continuing to improve and flagged up with teams on a weekly basis.</p> <p><i>Completion of IAPT Minimum Data Set outcome data for all appropriate Services Users as defined in Contract Technical Guidance</i> – (Red) this is moving in the right direction.</p> <p><i>PHQ13_05 Proportion of people who have depression and/or anxiety disorders who receive psychological therapies</i> – (Red) the Trust has secured extra funding by commissioners, currently not meeting target.</p> <p><i>08.6 Percentage of staff compliant with mandatory training appropriate to their role</i> – (Amber) currently 89 % - the Trust is proactively taking action with teams to ensure that all staff are compliant.</p> <p><i>08.5 Annual (Rolling 12 months Appraisals)</i> – (Red) 27% catastrophic drop, the issue has been the cascade process undertaken to ensure all PDRs have taken place. Action being taken to rectify and robust conversations with service leads have taken place. It was noted that CAMHS has increased by 30 % during the last 3 weeks, this is due to an element of not recording. The aim is to achieve 80% by the end of November and 90% by the end of December 2014.</p> <p><i>Received</i></p>	
291/2014	<p>Self-Certifications for the NHS Trust Development Agency</p> <p>Mrs Donovan, Chief Executive presented the executive summary on behalf of the author, Mr Sargeant, Head of Performance and Information. The summary indicates that the Executive Team have reviewed and there are no changes from last month's position of compliance and no exceptions to report</p> <p><i>Approved</i></p>	
292/2014	<p>Feedback from the Trust Development Agency Quality Surveillance Group Meetings – July and August 2014</p> <p>The Chair and Mr A Rogers joined the meeting.</p>	

	<p>Mrs Donovan, Chief Executive, presented the letters to the Trust CEO from the Quality Surveillance Group – July and August 2014. Both letters indicate that the Trust is rated as Green – Regular Surveillance – there are no specific concerns.</p> <p>The Chair noted the TDA rating and this is encouraging</p> <p><i>Received</i></p>	
293/2014	<p>Quality Committee Summary held on 28 October 2014</p> <p>Mr Sullivan, Non-Executive Director, presented the summary of the Quality Committee held on 28 October 2014 for assurance purposes.</p> <p>The Quality Committee received the Quality Report, there were two issues some discussion and update on clinical pathways and CQUINs.</p> <p>The following policies were approved by the committee for a period of 3 years ;</p> <ul style="list-style-type: none"> 4.32 Privacy and Dignity 1.19 Chaperoning Policy 4.27 Protected Mealtimes 4.41 Responding to Patient Opinion RO2 Safe use of Bedrails 1.48 Procedure for assessment of Qualified Nurse Competence in the administration of medicine – to incorporate the Medicines Management Policy 4.33 Clinical Photography R10 Teaching Physical Intervention to Carers <p>The following are under review and the Trust Board is asked to extend these policies while the work is ongoing until 31 January 2015;</p> <ul style="list-style-type: none"> R05 Restricted Access and Locked Doors 5.35 Medical Devices 5.38 Lockdown Policy <p>The Quality Committee received monthly Directorate Performance reports and the group had quite a detailed discussion around risks identified in the Adult Division, in particularly a new risk around the level of activity in the inpatient unit. There are clearly some challenges but clear plans are in place to mitigate the risk. The committee also received an update on the changes to the community team and the implementation plan regarding maintaining role and function of the specialist teams.</p>	

	<p>The Quality Committee reviewed the quality metrics from the PQMF following the transfer of this responsibility from the Finance and Performance Committee .</p> <p>The Quality Committee received assurance that all cost improvement schemes have been quality impact assessed and have been given a RAG rated. Work is ongoing to finalise the rules around CIP quality impact and this will be presented to the next committee.</p> <p>The Quality Committee considered risks to Quality of Services report and noted risk treatment plans in place. It was also noted that the committee noted the risk relating to the place of safety under S136 and securing support for business cases regarding the development of older people's services, discussions have taken place at Executive level and there is still some further work to be completed in this area.</p> <p>It was noted the Quality Committee approved Information Governance Steering Group – Terms of Reference and received the Access to Health Records Report – June 2014.</p> <p>The Quality Committee received a progress update in relation to CQC Ward 4 Visit and Action plan. Some actions remain outstanding in relation to the long term environmental changes. The committee also welcomed the fact that contact had been made with the Royal College of Psychiatrists to apply for accreditation for inpatient mental health services (AIMS) Standards for Inpatient Wards for Older People.</p> <p>The Quality Committee noted that that Trust Development Authority (TDA) had visited the Trust in September 2014 and assessed the organisation against managing Healthcare Associated Infections (HCAI) This had resulted in positive feedback and assurance</p> <p>Domain reports were received in respect of;</p> <ol style="list-style-type: none"> 1. Patient safety 2. Clinical effectiveness 3. Organisational safety and efficiency 4. Customer focus <p>The Quality Committee received ;</p> <ul style="list-style-type: none"> • Community Mental Health survey 2013/14 - an action is being developed 	<p>Dr Adeyemo</p>
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	<ul style="list-style-type: none"> • CQC Intelligent Monitoring Tool and draft Trust Report <p>Some time has been set aside in December 2015 to review the way the committee operates.</p> <p>Received</p>	
294/2014	<p>Charitable Funds Committee Report</p> <p>Mr Blaise, Acting Deputy Director of Finance, presented this report which is a summary from the Charitable Funds Management and Scrutiny Committee meeting held on 17 October 2014.</p> <p>It was noted that committee members reviewed the 2013/14 Charitable Funds Accounts and Annual Report. Mr Blaise commented that the process is not the same as the Annual Accounts as there is a requirement for submission to the Charities Commission by end of December 2014. The Charitable Funds Accounts will be submitted to the Audit Committee on 13 November 2014, for approval.</p> <p>The Charitable Funds Committee also approved the Reserves Policy and their Terms of Reference for a further 12 months subject to minor changes.</p> <p>Discussion also took place regarding training arrangements in relation to charitable funds and there will be on line training modules made available for certain finance aspects.</p> <p>Received</p>	
295/2014	<p>People and Culture Development Committee Report</p> <p>Mr O'Hagan, Non-Executive Director, presented this report. The report was a summary report from the People and Culture Development Committee meetings which took place on 22 September and 20 October 2014</p> <p>Mr O' Hagan confirmed the committee received presentations on the Directorate Workforce Performance, discussion took place regarding sickness/absence which had increased slightly in month to 3.8% but was still below the target of 5%. The committee received a progress update on the Aston Team Leaders programme, further updates will continue.</p> <p>The committee approved the following policies ;</p> <ul style="list-style-type: none"> • Harassment and Bullying at Work • Maternity Suited Policy <p>At the People and Culture Committee, it was agreed that the</p>	

	<p>Raising Concerns Procedure formerly Whistleblowing policy, will be discussed at the SLT first prior to approval and rollout. However, Mrs Storey noted that the policy was agreed in principal and if the Board are in agreement this policy can be ratified. The changes were minor on Appendix 2 in relation to 'Any Trust Director' which should have read 'Any Executive Director'– approved</p> <p>Applications for Dragon's den shortlisting were received; taking all forward with the exception of E-rostering as this was already a work stream within the Trust.</p> <p>The importance of stress management was discussed. The Staff Counselling and Wellbeing Team are a very effective team working with our staff. However, identifying stress in the early stages needs to be more apparent and prevention or mitigations against this needs further work. An action plan to be drawn up for the next meeting. Mrs Donovan and Mr Draycott had recently met with Birmingham University regarding emotional labour. It is evident that people working in caring professions have to expend more emotional energy in their work than with other professions. The Trust is developing a piece of work with Birmingham University which will look to build on the research base that exists to improve how we support staff to replenish and maintain emotional support.</p> <p>Ms Harvey echoed concerns with stress management and the difficulties with home stress and work stress. Encouraging staff to talk about stress is key, perhaps during their appraisals. It is apparent that Mental Health trusts are not good in dealing with and talking about our own stress, which is why we need to maintain our focus on prevention and support.</p> <p>Discussion took place and it was noted that the new provider for Occupational Health services – Team Prevent may have some early intervention processes that can be implemented.</p> <p>Mr A Rogers made reference to his previous organisation who were involved in a pilot in relation to a wellness check, when staff were off sick. This will be something that Team Prevent will be undertaking within the Trust.</p> <p>Mr Sullivan raised concerns with stress amongst staff and pressures on services, this could impact on quality of services. He recognised that the Board need to think carefully about how this all links and that we can do everything we can.</p> <p>Dr Tattum commented that work related stress is almost an epidemic. He noted that several public organisations have now introduced counselling or interventions which are both mandatory or voluntary. It is essential that people have</p>	<p>Mrs Donovan/ Mr Draycott</p>
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	<p>confidence in that service and trust, otherwise this compounds the problem.</p> <p>The Chair commented that he agreed with Ms Harvey's comments and the dangers of stress in the workplace and home life from his personal experience. In addition, he stated that he fully endorses reviewing prevention in this area. The way staff are managed is key to the prevention of stress. He was keen to understand the work we are engaging on with Birmingham University and made reference to a 1996 paper written by Carol Borrill and Michael West 'on the mental health of NHS staff, this might also be a useful framework. Mr Draycott confirmed this would be considered.</p> <p>It was also noted that annual statistics for violence against staff has reduced significantly from 1046 to 390. The closure of Chebsey Closure has had an impact on these figures.</p> <p>Mr Sullivan reiterated that this maybe due to closure of services, but also a reduction in violence may have improved with staff training and it would be useful to benchmark against other Trusts.</p> <p><i>Received</i></p>	
296/2014	<p>Listening into Action (LiA) themes</p> <p>Mrs Donovan, Chief Executive, presented this paper which provides feedback on the progress to-date and outlines the next steps for implementation.</p> <p>Mrs Donovan commented that it is important how people are led and how engaged and how listened to they feel. This is the first report from the outcomes of the Big Staff Conversations held between 15 September – 23 September 2014. All staff were invited to these events and positively encouraged to attend by a personal invitation from Mrs Donovan, Following the engagement process 15 priorities for development were identified under section 5.2 Pioneering Teams.</p> <p>It was noted that the first 10 priorities, were mainly clinical/quality improvements. Each team has 3 people overseeing the process to champion the team with an improvement plan in the next 20 weeks. These were 2 clinical/care leads and a lead manager.</p> <p>Members noted the positive impact the 2 LIA co-ordinators ; Josey Povey and Nicky Griffiths have had.</p>	

	<i>Received</i>	
297/2014	<p>Trust Involvement and Engagement Strategy Mid year progress review</p> <p>Mr Draycott, Acting Director of Leadership and Workforce presented this report which provides a mid-year process report on our Staff Involvement and Engaging Strategy. Specifically the report reviews developments in relation to the following</p> <ul style="list-style-type: none"> • Listening into Action (LiA) Big Conversations • Annual NHS Staff Survey • Staff Friends and Family test <p>It was noted that this paper is pre LIA teams identification. The Staff Friends and Family results in Q1 and Q2 show some significant improvement.</p> <p>Mr Draycott commented that findings within the report also linked to previous conversations held in relation to stress amongst staff and this is part of the People and Culture Development agenda going forward.</p> <p>Members of the Board noted the findings on page 6 and reviewed the appendices.</p> <p><i>Received</i></p>	
298/2014	<p>Chair's Report Chair's Report October 2014</p> <p>The Chair began by giving his sincere apologies for missing the first part of the meeting. Mr O'Hagan very kindly agreed to chair the first part to enable him to go to the Stoke Overview and Scrutiny Committee.</p> <p>He commented on two issues – one national and one local.</p> <p>In her report, Mrs Donovan refers to the Five year Forward view for the NHS and that is the national issue that he wanted to talk about. It is very difficult to disagree with anything that is said in the Forward View. He welcomed the honesty about resources, the emphasis on prevention, on integration, localism and flexibility, and on developing staff. He welcomed the fact that the Forward View does not emphasise competition or the role of the private sector, or the Foundation Trust model as the only way forward for providers.</p> <p>The Chair had two concerns. The first is that he was unclear</p>	

	<p>how the proposals will be effectively implemented in an NHS where it is very difficult to know who is in charge! The only hope of effective implementation is for NHS England, Monitor and the Trust Development Authority to come together at a level close enough to the real world to make things happen, working closely with the Care Quality Commission. Localism and flexibility need to be enabled and facilitated.</p> <p>The second concern was why the Forward view was published in advance of the Dalton Review of provider models. The models set out in the Forward View – Multispecialty Community Providers - [MCPs] which is an unfortunate acronym - and sounds a bit like the original Combined Trust, and Primary and Acute Care Systems – these models will have to be made to work by Foundation Trusts and new provider models and it seems very strange that the Forward view could not have been delayed by a few weeks or the Dalton report brought forward so that the NHS could have been given both the principles of the way forward and the means of getting there! We will not know the full picture until we have the Dalton Review and the government's response to the recommendations.</p> <p>The local issue is the Executive team and the difficult time that we have had in recent years in recruiting and retaining Executives. Having been Chair for nearly three years he fully accepted his share of the responsibility for the changes the Trust has been through. There are a number of reasons including the uncertain future and size of the Trust. However we now have a new substantive Chief Executive and The Chair would do all in his power to support Caroline in the recruitment and retention of an able, experienced and stable team. It is a very high priority for the Trust.</p>	
299/2014	<p>Chief Executive's Report</p> <p>Mrs Donovan, Chief Executive, presented this report which updates on activities undertaken since the last meeting and draws the Board's attention to any other issues of significance or interest.</p> <p>Mrs Donovan noted the departures of Executive Directors as previously mentioned.</p> <p>World Mental Health Day</p> <p>On a more positive note, there had been World Mental Health Day held on 10 October 2014. Trust staff held a series of events to celebrate both at the Harplands Hospital, Lymebrook Resource Centre and 24/7 Clubhouse.</p>	

	<p>Successful Children's Service bid Our Children and Young People's Division has been successful in securing the SUSTAIN tender working in partnership with SSSFT from next April 2015.</p> <p>The Chair was delighted to note the success of this tender within the Children's services and this is very good for the Trust in acquiring new business.</p> <p>Occupational Health – Team Prevent With effect from 1 October 2014, the Trust's Occupational Health Service is now provided by Team Prevent UK.</p> <p>Local Pharmacy Network Event At the end of September, the Trust hosted an event held by the Shropshire and Staffordshire Local Pharmacy Network (LPN) at the Harplands Hospital. The event was organised by our Chief Pharmacist, Louise Jackson with Ken Jarrold, Chairman speaking at the event. The networking events are really positive and events will continue.</p> <p>Care Quality Commission Place of Safety Report The CQC has issued a report called 'Safer place to be' which reinforces the need for the NHS to continue to improve access to and the operation of health-based places of safety for people experiencing a mental health crisis.</p> <p>Mrs Donovan drew attention to the importance for the Trust. As a Trust we are carefully reviewing the findings in the report. Locally, we are working closely with Staffordshire Police to ensure frontline officers know how to recognise who might need detaining under the Section 136 suite.</p> <p>The Trust is working closely with commissioners to assess the demand on the services of the IOU and Section 136 suite and identify where any changes in capacity may be required.</p> <p>The NHS Five Year Forward View The NHS Five Year Forward View was published on 23 October 2014 and sets out a vision for the future of the NHS. The Board is carefully considering the implications and consideration given to the impact on our IBP.</p> <p>Effective Engagement between Health and Wellbeing Board and Major Providers We have set up a Joint Accountability Board to take this forward.</p> <p>Dementia Ambassadors A press release has been issued nationally by NHS England announcing details of 7 Dementia Ambassadors who will be</p>	
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	<p>promoting the importance of diagnosing more patients with dementia in a bid to help improve the quality of life of both patients and their carers.</p> <p>Variation in the quality of care means people living with dementia risk receiving poor care A recent review has been undertaken by the CQC which states there is an unacceptable gap in the quality of care. Any learning from the report will be shared with our older people's Outreach and Community Teams.</p> <p>Mental Health Network NHS Confederation Manifesto Members noted the 5 priorities of the Mental Health Manifesto ;</p> <ol style="list-style-type: none"> 1. Ensuring fair funding for mental health 2. Giving children a good start in life 3. Improving physical healthcare for people with mental health problems 4. Improving the lives of people with mental health problems 5. Enabling better access to mental health services 	
300/2014	<p>Questions from the public Hilda Johnson It is good to hear that concerns are being raised regarding staffing levels, there was an issue in last few weeks.</p> <p>Mrs Johnson commented that she had noticed boards on wards are not being filled in properly. If the Trust has a visit by the CQC or Healthwatch this needs to be filled in and staff do not have the time. Mrs Johnson stated that she had raised this and the ward might be doing themselves a dis-service. Mrs Donovan noted that she had picked up same thing plus there is a screen in front of them so had requested removal of the screen.</p> <p>With regard to the staffing levels; what has been happening is drawing staff from the community this is putting risk to community services.</p> <p>One lady complained about patients not having enough room on ward 3 – this lady went on to ward 7 then to ward 5. This caused disruption with implications for other patients</p> <p>Dr Adeyemo commented that this has been highlighted recently. and that when people are moved of risk assessments should be completed. If that did not happen in that case, Dr Adeyemo would reinforce the message.</p>	

	<p>The Chair commented that there is a lot of pressure on adult beds and this is high priority. Mr Sullivan agreed and community staff must be supported</p> <p>Mr A Rogers stated he was aware of one out of area patient from ward 3– we know that issue is the consultant working with community teams</p> <p>Mr A Rogers also commented that the Community team has supported wards through the summer, this has largely been due to staffing over-establishment because of acuity. There are MOC posts coming near the end, so this should improve and out to recruitment for other posts and out to bank. It was further noted that the moving community staff is last resort and we recognise the issue</p> <p>Hilda Johnson Mrs Johnson noted staff working long hours, with some staff staying on after their shift because there has been issues. Whether that has been recorded or not – if they are tired?</p> <p>It was agreed that this important issue should be considered by the People and Culture Development Committee as part of the review of stress at work.</p> <p>Hilda Johnson Mrs Johnson wanted to share her concerns about losing specialist teams and particular in older people's services. It was requested that a presentation be made to NSUG – Mrs Donovan to organise the presentation</p> <p>Mrs Johnson praised the LiA Project.</p>	Mrs Donovan
301/2014	<p>Any other business There was no other business to be discussed.</p>	
302/2014	<p>Date and time of next meeting The next public meeting of the North Staffordshire Combined Healthcare Trust Board will be held on Thursday, 27 November 2014, at 10:00am, in the Boardroom, Lawton House, Trust HQ.</p>	
303/2014	<p>* Motion to Exclude the Public The Board approved a resolution that representatives of the press and other members of the public be excluded from the remainder of this meeting, having regard to the confidential nature of the business to be transacted.</p>	

The meeting closed at 1.15pm.

Signed: _____
Chairman

Date _____

Board Action Monitoring Schedule (Open Section)

Trust Board - Action monitoring schedule (Open)					
<u>Meeting Date</u>	<u>Minute No</u>	<u>Action Description</u>	<u>Responsible Officer</u>	<u>Target Date</u>	<u>Progress / Comment</u>
27-Mar-14	85/14	PALS / Complaints report - consideration to be given to bringing together various sources of information. It was agreed that this issue will be addressed and brought back in due course via the Quality Cte	Mark Dinwiddy	27-Nov-14	This would be submitted to the November Trust Board
25-Sep-14	147/14	147/2014 Choice of Mental Health Provider at first appointment. Mrs Johnson enquired about progress against this programme of work. Ms Wilson noted that this was part of the Choice agenda and that there is a trust wide event at the end of October. Key stakeholders and staff have been invited and so far there has been a good response to this. A report will be presented to the November Trust Board meeting	Mark Dinwiddy	27-Nov-14	Mrs Donovan confirmed the Trust had held a Choice event with a number of partners including MIND, Changes, NSUG and Healthwatch; which would continue to be progressed.
30-Oct-14	287/14	KPMG Review of the Trust's Quality Governance Arrangements and Action plan - Mrs Donovan clarified Board to ward visits need to be embedded and strengthened. It was further noted there will be a Quality dashboard for the new 6 directorates.	Mrs Donovan	ASAP	
30-Oct-14	288/14	Financial Performance - Month 6 - It was agreed to review capital spending. Mr Blaise noted that the capital programme should be on a 5- 6 year forward look, but obviously under the current climate had been difficult.	Ms Harrsion	27-Nov-14	
30-Oct-14	295/14	People and Culture Development Committee report - . The Trust is developing a piece of work with Birmingham University and will be the regional lead for mental health.	Mrs Donovan and Mr Draycott	27-Nov-14	
30-Oct-14	297/14	Trust Involvement and Engagement Strategy - Mid Year Progress Review - Next stage for a sample of a third of staff to be contacted in relation to the staff survey.	Mr Draycott	27-Nov-14	

Board Action Monitoring Schedule (Open Section)

<u>Meeting Date</u>	<u>Minute No</u>	<u>Action Description</u>	<u>Responsible Officer</u>	<u>Target Date</u>	<u>Progress / Comment</u>
30-Oct-14	300/14	Questions from the public (Hilda Johnson) - Mrs Johnson wanted to share her concerns about not losing specialist teams and particularly in older people's services. It was requested that a presentation be made to NSUG - Mrs Donovan to organise.	Mrs Donovan	27-Nov-14	

REPORT TO: Open Trust Board

Date of Meeting:	Thursday 27 November 2014
Title of Report:	Chief Executive's Report to the Trust Board
Presented by:	Mrs Caroline Donovan
Author of Report: Name: Date: Email:	Caroline Donovan, Chief Executive Caroline Donovan 20 November 2014 Caroline.donovan@northstaffs.nhs.uk
Purpose / Intent of Report:	<ul style="list-style-type: none"> • For Information
Executive Summary:	This report updates the Board on activities undertaken since the last meeting and draws the Board's attention to any other issues of significance or interest.
Which Strategy Priority does this relate to: How does this impact on patients or the public?	<ul style="list-style-type: none"> • Customer Focus Strategy • Clinical Strategy • IM and T Strategy • Governance Strategy • Innovation Strategy • Workforce Strategy • Financial Strategy • Estates Strategy
Relationship with Annual Objectives:	To ensure safe provision of clinical services
Risk / Legal Implications:	N/A
Resource Implications:	N/A
Equality and Diversity Implications:	N/A
Relationship with Assurance Framework [Risk, Control and Assurance]	N/A
Recommendations:	To receive this report for information

North Staffordshire Combined Healthcare Trust

Chief Executive's Report to the Board of Directors
27 November 2014

1. PURPOSE OF THE REPORT

This report updates the Board on activities undertaken since the last meeting and draws the Board's attention to any other issues of significance or interest.

LOCAL UPDATE

2. APPOINTMENT OF DIRECTOR OF LEADERSHIP AND WORKFORCE

I am delighted to report that Mr Paul Draycott has been appointed as Director of Leadership and Workforce. He has been carrying out the role on an acting basis since March 2014 and took up the role substantively from Friday 14 November 2014.

Paul has 29 years NHS experience and has held previous Board-level posts, including Director of Organisational Development and Workforce at both Shropshire County Primary Care Trust and Shropshire Community Healthcare NHS Trust. He was also Director of Human Resources and Organisational Development at South Staffordshire and Shropshire Healthcare NHS Foundation Trust.

Paul's appointment reinforces our commitment to our workforce. As a registered nurse, Paul has demonstrable first-hand experience of working on the front line of NHS services. He has shown a clear desire to work with staff across our organisation to understand how they feel about their workplace.

We are committed to ensuring staff and service users are involved in key decisions within the organisation. For this reason, Carol Burt, CEO of the North Staffs Service Users Group provided service-user representation and Jenny Harvey, Chair of Staff Side provided staff-side representation on the interview panel.

3. ALCOHOL AWARENESS WEEK

Alcohol Awareness Week ran from 17-23 November and was supported by the Trust in a variety of ways.

The Communications Team issued a media release to raise awareness of the week, which featured in The Sentinel. The Team also arranged interviews with local radio station, Signal 1, with New Beginnings Chair, Stephen Sylvester, and Dr Watts, Clinical Director for Substance Misuse services to hear more about the work done locally to support people through alcohol addiction.

Dr Watts also gave a presentation to the Newcastle Borough Council Overview and Scrutiny Committee, providing an overview of the range of alcohol services provided by the Trust. Over 70% of people we see attending the Edward Myers Unit at Harplands Hospital are there for alcohol detoxification, which underlines how much of a problem alcohol can be. We offer a range of community and inpatient services for people who turn to alcohol as a way of dealing with their mental health issues. The theme of this year's week, run by national charity Alcohol Concern, was 'Facing our alcohol problem: Taking back our health and high streets' and the Borough Council are keen to work more closely with the Trust on tackling alcohol-related issues affecting local residents.

As a responsible employer, it is important to us to understand how staff might use alcohol in managing stress. Whilst we have in place clear policies relating to alcohol use whilst at work, we are keen to understand if any of our staff might need support or advice relating to their personal alcohol use, and how our Staff Support and Counselling and Wellbeing Service might be able to offer more support around managing pressure and stress. With this in mind, we have shared the Aquarius Stoke Community Alcohol Service Alcohol HARM tool with all staff; a self-assessment tool which provides insight into drinking habits and their potential impact.

For more information about Alcohol Awareness Week, please visit www.alcoholconcern.org.uk/what-we-do/campaigns/alcohol-awareness-week

4. STRESS AWARENESS DAY

On 5 November, the Trust supported the 16th National Stress Awareness Day, which is run by the International Stress Management Association, with the focus this year on getting the balance right between our work, play and general lifestyle.

Stress affects all of us at one time or another and the pressures and strains of everyday life mean this can become more severe for some. Unlike pressure, stress is never a good thing and when prolonged can become detrimental to our mental and physical health.

I met with representatives from the University of Birmingham about work they are doing regarding emotional labour. This is looking at the emotional energy that is expended in performing our roles as carers in the NHS, which can be a source of stress and is often not recognised enough or supported. We are really keen to see how we can support our staff in dealing with emotional labour and are hoping to work with the University of Birmingham going forward.

On the day itself, our Staff Support & Counselling Service held a range of events and initiatives to which all staff were invited, including a workshop on 'Understanding Stress at Work – Policy Into Action'. The workshop enhanced understanding of the policy, equipped staff with practical knowledge of how to implement Risk Assessments for Teams and individuals, showed how staff can be supported when experiencing stress, help develop strategies to prevent stress, and examine their own management standards in relation to stress to highlight areas of good practice and possibly areas of improvement.

5. SUPPORTING PEOPLE INTO EMPLOYMENT

Users of one of our most innovative services are being offered access to a new plumbing course to enhance their skills. NSCHT's Growthpoint service is accredited by the Open College Network (OCN) to provide courses at its facility, off Leek Road, in Stoke-on-Trent, and has launched the OCN Introduction to Plumbing course.

Growthpoint, which provides opportunities for its service users to develop new skills to improve their self-esteem and confidence and get them involved in community projects and activities, already runs a Level 1 and 2 OCN in Horticulture and set up the new qualification at the request of those involved.

The courses are made up of units, which allow those taking part to take the course at their own speed. By working through these units, they will gain the know-how to be able to make small repairs and recognise such things as hot and cold valves, whilst also learning about health and safety.

Enhancing the skills of our service users is one of the most important aspects of the service; the OCN is seen as a return to work qualification and the skills this new course offers can certainly be

used to help in the search for employment, whilst also giving service users the confidence to do certain plumbing jobs at home.

6. LAUNCH OF NEW PROGRAMME HELPING PEOPLE TO LIVE MORE INDEPENDENTLY

We continue to work in partnership with Brighter Futures on innovative new ways of helping a greater number of people with mental health issues to live more independently.

The latest programme seeks to identify those with a mental illness who are currently living in residential care and could be cared for differently in a community setting, such as supported housing, in order to offer them greater independence and a more appropriate lifestyle.

Trust staff and the Brighter Futures team will work with local care homes to identify those people who will most benefit. The programme supports the individual and their care team through a managed transfer into one of a number of fully-furnished high quality single flats or shared houses in Stoke-on-Trent being renovated by Brighter Futures, which will also manage all aspects of the tenancy.

NSCHT will work with those using Trust services and their carers, to agree a personalised care package, while appropriate support will be made available to ensure they are able to live their lives comfortably, particularly those who may require extra assistance to help maintain their independence.

As well as providing service users with a greater control of their lives, the programme will also save money as residential care is a more expensive option than supporting service users in the community.

There are those for whom residential care is the very best option; however, there are others who are currently living in residential care but don't need to be there. By relocating them out of residential care, they have the opportunity of a more independent lifestyle.

I will keep the Board up-to-date as the project develops and specific locations are announced for the supported living arrangements.

7. NHS PROTECT ISSUE STAFF ASSAULT DATA

I'm delighted to report that figures released on 20 November have shown a significant decrease in the number of staff assaults happening across our services. NHS Protect has issued the figures, which show a decrease year on year in the number of assaults against staff involving medical factors.

Year	Total Assaults	Assaults involving Medical Factors	Assaults not involving medical factors	NHS Workforce total staff	Assaults per 1,000 staff
2013/14	398	381	17	1439	277
2012/13	1046	1046	0	1569	667

Over recent years, we have invested in improving reporting and learning from staff experiences. Our staff are encouraged to report all incidents, however small, to ensure we can learn how to manage difficult situations proactively.

By interrogating the data provided, we have been able to make considerable inroads into prevention of incidents and share best practice across the organisation. We have a comprehensive training programme in place for all frontline staff, to provide them with the skills to de-escalate potentially

difficult situations. We also look at how our patient environments may have influenced an incident, and make changes where possible to reduce risk of similar incidents occurring.

A report will be shared with our People and Culture Development Committee in the New Year and brought to Trust Board to share the learning leading to this excellent position.

We are committed to reducing all assaults against staff and will continue to look at ways of learning from incidents to work differently, which is, most importantly, in the best interests of our patients.

8. DIRECTORATE APPOINTMENTS

I'm pleased to report that our new Directorate Structure is now in place, with substantive Clinical Director appointment made for as part of the new accountability structure. The six new Directorates have been introduced to better align the Trust's services to commissioning structures. Each is listed below, along with the Clinical Director aligned to that directorate:

- Adult Mental Health Services Community – Dr Dennis Okolo
- Adult Mental Health Services Inpatient – Dr Xenofon Sgouros
- Child and Adolescent Mental Health Services - Dr Jo Barton
- Learning Disabilities – Matt Johnson
- Neuropsychiatry and Old Age Psychiatry – to be confirmed
- Substance Misuse - Dr Derrett Watts

Psychological Services leads have also been appointed:

- Ms Fiona Dutton: Psychological Services Lead for Adult Mental Health Services Community, Adult Mental Health Services Inpatient and Substance Misuse Directorates
- Dr Claire Halsey: Psychological Services Lead for Children and Adolescent Mental Health Services Directorate
- Dr Darren Perry: Psychological Services Lead for Learning Disabilities and Neuropsychiatry and Old Age Psychiatry Directorates

The new Directorates came into force from 3 November 2014. A structure chart is available on our website under the 'About Us' section, here –

<http://www.combined.nhs.uk/aboutus/CS/Pages/default.aspx>

9. LISTENING INTO ACTION

In mid-November, I was pleased to host a briefing session for the LIA Pioneer Teams that have been set up to take forward the 15 priorities we have identified via the Listening into Action (LiA) programme.

Our 10 'Pioneering Teams' and five 'Enabling Our People' schemes will be key to making the significant improvements going forward which will make a real difference to our working lives.

The 15 Teams will be made up of a Clinical Lead, a Medic and a Manager, to ensure input from all areas. Influencers – over 100 staff who expressed an interest in supporting the LiA programme – are also aligned to each of the 15 priorities, to provide a real movement of change from a frontline perspective.

10. COMPLIMENTS CORNER

The Trust has launched a 'Compliments Corner' via its internal newsletters and also its website to celebrate some of the positive feedback received about the care staff have delivered; a service that has been provided or the way in which staff have interacted with someone which has made an impact on them.

The Patient Experience Team will be sharing cards, emails and letters they have received via this channel, to share positive learning across teams. If you have a compliment, please share it with the Patient Experience Team by calling 0800 389 9676 (free phone), 01782 275 171 or 07841 730 821 (text and speech); or emailing PatientExperienceTeam@northstaffs.nhs.uk.

NATIONAL UPDATES

11. MAJOR NEW REPORT ON DIGITAL TECHNOLOGY

Health and social care leaders set out plans to transform people's health and improve services using technology. New plans to improve health outcomes and the quality of patient care through digital technology and innovation have been unveiled by national health and social care organisations.

Established by the Department of Health and chaired by NHS England's National Director for Patients and Information, Tim Kelsey, the National Information Board has set out a vision for how technology should work harder and better for patients and citizens by 2020. The vision commits to giving everybody online access to their GP records, viewed through approved apps and digital platforms, by 2015.

GP practices are well on their way to achieving this but national leaders want to offer people access to all of their health records – held by hospitals, community, mental health and social care services – by 2018.

In just 4 years, every citizen will be able to access their health records at the click of a button, detailing every visit to the GP and hospital, every prescription, test results, and adverse reactions and allergies to drugs. Patients will also be able to record their preferences and thoughts alongside official medical notes.

The alliance will establish a national digital standard for people at the end of life – building on the success of Co-ordinate My Care in London – so their care preferences are respected. The digitisation of the Personal Child Health Record (the red book) will offer new mothers personalised mobile care records for their child.

12. PUBLISHING OF THE NEW CQC FUNDAMENTAL STANDARDS

In November, the Government published the Care Quality Commission fundamental standards regulations. They include two regulations – the duty of candour and the fit and proper person requirement for directors – which will come into force on 27 November for NHS trusts, Foundation Trusts and some special health authorities that provide care and treatment to people that is regulated by CQC.

The remaining fundamental standards will come into force from April 2015. The duty of candour and the fit and proper requirement for directors will also be extended to all other providers from April via additional regulations, still subject to Parliament. The duty of candour and the fit and proper requirement regulations will help to ensure that providers have robust systems in place to be open and honest when things go wrong and to hold directors to account when care fails people. The published regulations replace the previous 16 essential standards.

We await guidance from the CQC which will be issued to all NHS providers on how they can meet the duty of candour and the fit and proper person requirement regulations.

The fundamental standards are:

- care and treatment must be appropriate and reflect service users' needs and preferences.

- service users must be treated with dignity and respect.
- care and treatment must only be provided with consent.
- care and treatment must be provided in a safe way.
- service users must be protected from abuse and improper treatment.
- service users' nutritional and hydration needs must be met.
- all premises and equipment used must be clean, secure, suitable and used properly.
- complaints must be appropriately investigated and appropriate action taken in response.
- systems and processes must be established to ensure compliance with the fundamental standards.
- sufficient numbers of suitably qualified, competent, skilled and experienced staff must be deployed.
- persons employed must be of good character, have the necessary qualifications, skills and experience, and be able to perform the work for which they are employed (fit and proper persons requirement).
- registered persons must be open and transparent with service users about their care and treatment (the duty of candour).

Caroline Donovan
Chief Executive
27 November 2014

Date of Meeting:	27 November 2014
Title of Report:	Patient Advice and Liaison Service (PALS) & Complaints Report Quarter 2, 2014/15
Presented by:	Mark Dinwiddy, Interim Executive Director of Nursing & Quality.
Author of Report: Name: Date: Email:	Karen Marsh – Complaints Report Michelle Ratcliffe – PALS Report 11 September 2014 Karenj.Marsh@northstaffs.nhs.uk Michelle.Ratcliffe@northstaffs.nhs.uk
Purpose / Intent of Report:	<ul style="list-style-type: none"> • Performance Monitoring
Executive Summary:	The purpose of the report is to provide an updated position of the performance of the PALS and complaints processes carried out by the Patient Experience Team.
Which Strategy Priority does this relate to: How does this impact on patients or the public?	<ul style="list-style-type: none"> • Customer Focus Strategy
Relationship with Annual Objectives:	Directly relates to the provision of quality care and the experience of our service users and carers
Risk / Legal Implications:	None
Resource Implications:	None
Equality and Diversity Implications:	None
Relationship with Assurance Framework [Risk, Control and Assurance]	Supports the Trust Assurance framework
Recommendations:	<ul style="list-style-type: none"> • That the Board consider and discuss the current position in relation to PALS and complaints performance.

**Patient Advice and Liaison Service (PALS) and Complaints Report
Quarter 2 – 2014/2015**

1. Introduction

In accordance with national, local and Trust policy and procedures for monitoring performance, this paper provides the Trust Board with information to enable a review of the Trust's performance regarding PALS and Complaints data activity during Quarter 2, 2014/2015 (July – September 2014).

2. Executive Summary

During Quarter 2, 2014/15 the Patient Advice and Liaison Service (PALS) recorded 73 contacts which raised 82 issues. Further details are provided within Section 3 of this report. This represents an increase in the number of contacts (70) and issues (90) raised during Quarter 1, 2014/15.

A total of 23 complaints were received under the NHS Complaints Regulations during Quarter 2, 2014/15. This represents an increase from Quarter 1, 2014/15 when 10 complaints were received. A detailed summary of Q1 activity is shown at Section 7.

During Q2 2014/15 the Trust was advised of one new complaint being referred to the Parliamentary and Health Service Ombudsman for independent review (Stage 2, NHS Complaints Procedure). With agreement from the Ombudsman's Office we sent a further response to the complainant in an attempt to resolve the outstanding concerns. We are now waiting to hear from the Ombudsman's Office whether this additional response has satisfied the complainant in terms of the issues which were continuing to give cause for concern.

The Patient Experience Team continue to work hard to ensure that the most appropriate process is followed in order to respond to and address concerns and complaints, identifying and responding to emerging themes and trends and identifying learning outcomes.

3. PALS

YEAR	Q1 – 2014-15			Q2 – 2014/15			Q3 – 2014/15			Q4 2014/15		
MONTH	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PALS Activity - Contacts	26	24	20	34	17	22						
PALS Activity – Issues Raised	35	35	20	40	20	22						
Type												
• Comments	0	4	0	0	0	1						
• Compliments	3	4	5	10	3	14						
• Help with a Problem	23	22	10	16	11	5						
• Case passed to Complaints	0	1	1	0	0	0						
• Information Request	8	2	0	5	2	1						
• Signposting/Referrals	1	2	4	6	3	1						
• Other	0	0	0	3	1	0						
TOTAL	35	35	20	40	20	22						

Division												
• AMH	25	20	13	21	11	16						
• CYP	1	4	1	1	0	1						
• LDNOAP	3	8	2	8	5	4						
• Corporate	6	3	4	4	17	1						
Service Area												
• Access & Waiting	4	7	4	5	5	1						
• Information & Choice	9	0	1	4	4	1						
• Building closer relationships	5	5	8	11	4	5						
• Safe, high quality, co-ordinated care	16	15	5	3	1	0						
• Environment	1	8	1	1	0	0						
• Compliments				10	3	14						
• Signposting				6	3	1						
TOTAL				40	20	22						

4. Themes

Please see table below regarding examples of emerging themes identified for this quarter.

Theme – ACCESS & WAITING	
Parents were not happy about the delay in appointments for CBT within the CAMHS Service, as they had to wait a number of months and felt others had been offered appointments before them.	Apologies were given to parents for the length of waiting time and an explanation given that appointments would be offered to other clients more quickly only where the assessed level of risk dictates that it would be unsafe not to offer such support sooner.
Patient feels that his quality of life has deteriorated and feels that staff do not want to help because of his medical condition, and felt this was why appointments had not been offered.	Following discussions with staff, a further appointment was offered and a telephone call was made to the patient from the team leader to help restore relationships.

Theme – INFORMATION & CHOICE	
Patient concerned that she has only been offered Triple P courses on a Wednesday by her parenting advisor which means she is unable to attend.	Full explanation given to the mother about the decision making process and the rationale behind this by team manager. Patient happy with outcome.
Service user's husband was not happy regarding support and assistance they were offered by LymeBrook Centre whilst they were on holiday in Wales, staff gave no choices.	Staff staff apologised for the lack of choice in alternative hospital to which husband could take his wife while on holiday, however this was the only option.

Theme – BUILDING CLOSER RELATIONSHIPS	
Concerns about a patient's care and discharge were raised, specifically around the lack of information provided by staff and poor care co-ordination.	Ward Manager made aware of the issue raised, staff informed and aided to inform and provide patients and carers with clearer information. NICE Guidelines provided to patient.

Patient's mother rang to raise concerns over staff member on Ward 5 using offensive language in a patient area in front of her son, who later reported this back to her..	Apologies were offered. Ward Manager challenged staff regarding their professional behaviour/language. Staff made aware that they are expected to challenge one another should standards be compromised. Staff clearly informed of this expectation and the Ward Manager will closely monitor the situation
A service user was not happy with the text system used by Healthy Minds and felt it was not the best means of communication as the terminology used can be misinterpreted and caused upset.	Healthy Minds apologised for any distress this situation caused. The Therapist apologised for sending the incorrect text reminder and stated this had been a clerical error. Healthy Minds are now reviewing how texts are sent in future to all clients.

5. Compliments

A total of 27 compliments have been received via the Patient Advice and Liaison Service during Quarter 2, 2014/15. This is more than the previous quarter, when 12 were received. Some compliments received are shown below:

- Ward 3 Harplands Hospital - patient stated that *"staff have handled my care really well and treated me with dignity and respect always and were really helpful"*.
- Older Persons Outreach Team - *"The Grand Canyon is a mile deep, and they've brought me up to level ground"*.
- Ward 5 Harplands Hospital - *"Just to let you know when we visited Ward 5 last week one of the patients said that the food was really good here"*
- Parent & Baby Unit – *"Thinking of you all and the hard work you did with me, I will be grateful always. If you ever needed anyone to vouch for the work you do I wouldn't hesitate to do so. You should be proud of the work you all do"*.
- Early Intervention Team - *"Thanks to you I have made a full recovery and my life has gone on in leaps and bounds. I want to thank you from the bottom of my heart and hope you keep up the good work that you do. Thanks"*

All services are encouraged to forward compliments and thank you letters to the Patient Experience Team for collation and feedback to relevant departments and divisions.

6. Recommendations

- To continue to promote the Patient Experience Team and its functions, including the PALS Services, through awareness raising sessions, both internal and external to the Trust.
- To forge stronger links and interface with Complaints and effective handling.
- To continue to work with team with regard to capturing feedback from service users and carers.

7. Complaint Activity Report

7.1 Complaints: Number, Type, Division, Service Area and Investigation Status

YEAR	Q1 – 2014/15			Q2 – 2014/15			Q3 – 2014/15			Q4 2014/15		
MONTH	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
TOTAL COMPLAINTS	10			23								
Acknowledgement Rate (%)	100	100	100	100	100	100						
Response Rate – Numbers responded to in timescale agreed with complainant (All timescales for responses are agreed with the complainant on an individual basis and the complainant is kept informed of progress/delays as appropriate.)												
Number responded to within 1 month	0	0	0	2	0	1						
Number responded to within 2 months	0	1	0	3	1	0						
Number responded to in over 2 months	1	3	0	1	0	0						
Responses outstanding	2	0	2	3	3	5						
Complaints withdrawn	1	0	0	0	1	0						
Awaiting Consent	0	0	0	1	1	1						
Complaints referred to the Ombudsman due to complainant dissatisfaction	0	0	1	0	1	0						
Complaints upheld by the Ombudsman	0	0	0	0	0	0						
Type												
• Admission, discharge & transfer arrangements	0	1	0	2	1	1						
• Aids & appliances, equipment and premises (including access)	0	0	0	0	0	0						
• Appointments (delay/ cancellation – outpatient)	0	0	0	0	1	0						
• Appointments (delay/ cancellation – inpatient)	0	0	0	0	0	0						
• Attitude of staff	1	0	0	3	2	1						
• All aspects of clinical treatment	2	2	0	1	0	0						
• Communication/ information	1	1	1	4	2	0						
• Consent to treatment	0	0	0	1	0	1						
• Complaints handling	0	0	0	0	0	0						
• Patient privacy & dignity	0	0	0	0	1	0						
• Patient property & expenses	0	1	0	0	0	1						
• Personal records (including medical and/or complaints)	0	0	0	0	0	0						
• Failure to follow agreed procedures	0	0	0	0	0	0						
• Patient status (race/ gender/age)	0	0	0	0	0	0						
• Hotel services	0	0	0	0	0	0						
• Other	0	0	0	1	0	0						

7.2 Complaints: Statistics by Division

Please note that this has been allocated based on the predominant issues/concerns raised, where this spans more than one business division. The table illustrates the type of complaint categories used by the Department of Health in relation to the annual KO41a Return. Each year the Trust is required to complete and submit this Return in line with the pre-set categories.

Business Division	Q1 – 2014/15	Q2 - 2014/15	Q3 - 2014/15	Q4 - 2014/15
Adult Mental Health (AMH)	5	16		
Children & Young People (CYP)	2	0		
Learning Disabilities, Neuropsychiatry & Old Age Psychiatry (LDNOAP)	2	7		
Corporate	1	0		
TOTALS	10	23		

7.3 Complaints: Type by Division

CATEGORY (Type of complaint, as per KO41a)	AMH	CYP	LDNOAP	CORP	TOTAL Q2
Admissions, discharge & transfer arrangements	3	0	1	0	4
Aids & appliances, equipment & premises (including access)	0	0	0	0	0
Appointments (delay/cancellation) – Out-patient)	1	0	0	0	1
Appointments (delay/cancellation) – In-patient	0	0	0	0	0
Attitude of staff	3	0	3	0	6
All aspects of clinical treatment	1	0	0	0	1
Communication/information to patients (written/oral)	4	0	2	0	6
Consent to treatment/medication	2	0	0	0	2
Complaints handling	0	0	0	0	0
Patient privacy & dignity	1	0	0	0	1
Patient property & expenses	0	0	1	0	1
Personal records	0	0	0	0	0
Failure to follow agreed procedures	0	0	0	0	0
Patient Status (race/gender/age)	0	0	0	0	0
Hotel services	0	0	0	0	0
Other (e.g. lack of assessment)	1	0	0	0	0
TOTAL	16	0	7	0	23

7.4 Complaints: Links to Serious Incidents (SI's), Claims, Safeguarding Referrals

During Quarter 2, 2014/15 we are not aware of any complaints being linked to Serious Incidents.

8. Acknowledgements/Investigation Rate/Referrals to Ombudsman

A total of 23 complaints were managed under the NHS Complaints Regulations during Quarter 2, 2014/15. This is an increase from 10 complaints received during Quarter 1, 2014/15.

In accordance with Complaint Regulations, all of the complaints (100%) were acknowledged no later than 3 working days after the day on which the Trust received the complaint.

During Quarter 2, the Trust was advised of one new complaint being referred to the Parliamentary and Health Service Ombudsman for Independent Review (Stage 2, NHS Complaints Procedure).

This means that the Ombudsman is currently considering 3 complaints and their current status is as follows:

- **Complaint referred in February 2014** – we have received the draft report for this complaint and were asked to comment in terms of accuracy, which has been done. As at the end of Q2, we were awaiting the final outcome investigation report from the Ombudsman's Office.
- **Complaint referred in June 2014** – as at the end of Q2 we were awaiting sight of the draft investigation report from the Ombudsman's Office.
- **Complaint referred in August 2014** – a further response was sent to the complainant, with the agreement of the Ombudsman's Office and we are now waiting to hear whether this additional response has helped to resolve the complainant's outstanding concerns.

9. Emerging Themes and Trends

During Quarter 2, 2014/15 the highest category of complaints fell within the categories of **Attitude and Staff (6) and Communication (6)**. There did not appear to be any link with these complaints as all related to differing aspects of care provision. Generally the spread of complaints across the divisions and service lines is proportionate to the size of the service.

10. Learning & Improvement

The following list is not exhaustive as some complaints remain ongoing. The list below provides some examples of improvements and learning points from complaints during Quarter 2 2014/15:

- It was recommended that CPA Meetings at the Darwin Centre should be held on differing days of the week to allow those staff who work part-time the opportunity to attend.
- The Darwin Centre team implemented a plan to improve the timeliness of producing CPA Reports.
- Shortfalls in terms of communicating with family members in relation to clinical tests and general care and treatment were found and staff were reminding of the importance of ensuring this happens in future and that such discussions are recorded in clinical notes.
- Staff reminded of the requirement to ensure that the role of carers and the information they can provide during the admission process was considered; as well as their overall roles and responsibilities at the point of an individual's admission to hospital.

11. Complaint Outcomes

Complaints remain a key element of discussion at the Trust's weekly Incident Review Meeting which is led by the Trust's Head of Patient Safety and attended by Divisional Governance Leads. Discussion has taken place about improving links and learning from Serious Incident investigations and complaints. As such, this regular meeting provides the opportunity to distil learning and effect improvement change from both Serious Incidents and complaints.

With effect from Q3 it is intended that the PALS & Complaints Team will produce a twice-yearly Lessons Learned Bulletin detailing the learning from PALS and Complaints within the Trust.

Further analysis and review of complaints will also be reintroduced at Divisional Meetings which will be held on a quarterly basis to ensure effective feedback and identification of any learning points, as well as ensuring that any actions are followed through accordingly. This will include a detailed review of complaint investigation outcomes, including a general discussion with the wider divisional team to establish the status of the complaint, i.e. justified, part-justified and not justified.

12. Reviewing Detail

It is important that the detail associated with complaints is adequately cascaded. The following provides some examples of complaint investigations and outcomes:

SUMMARY OF CONCERN RAISED	OUTCOME
<p>Example 1: Inter-agency communication, i.e. with UHNS staff</p> <p>A Doctor at the University Hospital of North Staffordshire (UHNS) complained on behalf of his patient that the RAID Team had not adequately communicated about his patient's care</p>	<p>The Investigating Officer met with the doctor prior to completing her investigation. We apologised for their experience and recommended the following:</p> <p><u>Learning Points/Recommendations</u></p> <p>The RAID Team to provide staff at UHNS with a copy of the RAID Care Pathway which clearly illustrates dependencies with other mental health teams and referral pathways and will therefore assist with clarity.</p> <p>A duplicate copy of the RAID Team's letter to the GP is to also be sent to the UHNS RMO/ward to inclusion in their patient's notes.</p>
<p>Example 2: All Aspect of Care and Treatment following admission under detention to Ward 1</p> <p>A patient complained about many aspects of her care, from detention through to admission and discharge.</p>	<p>The Investigating Officer and Complaints Manager had two lengthy meetings with the complainant as part of the investigation process.</p> <p><u>Learning Points/Recommendations</u></p> <p>Where concern about induction to the ward was expressed, the Ward Manager for Ward 1 has since, with the support of service users, produced a guide for patients staying on Ward 1.</p> <p>Because the café was closed, the complainant felt that there was nowhere for patients to socialise. We were able to advise that Level One Café re-opened after rebranding in June of this year.</p> <p>Concerns were also expressed about the environment and choice of colours used to paint the walls as this was considered to be poor and not conducive to recovery. Since the complainant's discharge from hospital, the ward has been redecorated using more relaxing colours and black ink has been removed, as far as possible, from ward posters.</p>

13. **Recommendations**

Members of the Trust Board are asked to consider the points noted.

REPORT TO TRUST BOARD

Enclosure 7

Date of Meeting:	27 November 2014
Title of Report:	Letters to Trust CEO from Quality Surveillance Group –28 October 2014
Presented by:	Caroline Donovan, Chief Executive
Author of Report: Name: Date: Email:	Shropshire & Staffordshire Area Team Quality Surveillance Group – October 2014
Purpose / Intent of Report:	Information and assurance
Executive Summary:	NHS England now uses a Surveillance Rating System. The letter indicates that the Trust is rated as Green – Regular Surveillance – no specific concerns but watching eye on any dips in performance
Which Strategy Priority does this relate to: How does this impact on patients or the public?	Clinical, Finance and Governance.
Relationship with Annual Objectives:	Delivery of high quality, evidence based services.
Risk / Legal Implications:	None
Resource Implications:	None identified
Equality and Diversity Implications:	None identified
Relationship with Assurance Framework [Risk, Control and Assurance]	None
Recommendations:	The Board is asked to : <ul style="list-style-type: none"> • Receive for assurance purposes



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Letters to CEOs post Quality Surveillance Group

Dear Caroline.

Following the Quality Surveillance Group held on the 28 October 2014. I am writing to inform you of the discussion which took place regarding your organisation.

- The Director of Nursing has left the organisation
- The whistleblowing process is ongoing

NHS England now uses a Surveillance Rating System and your organisation is rated as **Green:** Regular Surveillance. The definitions for the ratings are explained at the end of this letter.

With Kind Regards

Yours Sincerely.

Brigid Stacey
Director of Nursing and Quality
Shropshire and Staffordshire Area Team

Cc
Jan Warren, NSCCG
Lee George, NSCCG
Lorraine Cook, SOTCCG
Karen Wilson, NSCHCT

Definitions

Green: Regular Surveillance:- No specific concerns but watching eye on any dips in performance

Amber: Enhanced Surveillance:- Concerns need to be reviewed at every meeting due to existence of recover action plans/ increased visits/ contractual measures.

Red: Risk Summit Required:- Significant concerns beyond the need for enhanced surveillance, which reinstate further action in the form of a risk summit.

REPORT TO: **Open Trust Board** Enclosure 8

Date of Meeting:	27 November 2014
Title of Report:	Summary of the Quality Committee meeting held on the 18 November
Presented by:	Mr Patrick Sullivan, Chair of Quality Committee
Author of Report: Name: Date: Email:	Carol Sylvester Head of Patient and Organisational Safety 18 th November 2014 Carol.sylvester@northstaffs.nhs.uk
Purpose / Intent of Report:	<ul style="list-style-type: none"> For decision / assurance
Executive Summary:	<p>This report provides a high level summary of the key headlines from the Quality Committee meeting held on 18th November 2014.</p> <p>The full papers are available as required to Trust Board members</p>
Which Strategy Priority does this relate to: How does this impact on patients or the public?	<ul style="list-style-type: none"> Customer Focus Strategy Clinical Strategy - Governance Strategy
Relationship with Annual Objectives:	Ensure provision of safe clinical services
Risk / Legal Implications:	N/A
Resource Implications:	N/A
Equality and Diversity Implications:	N/A
Relationship with Assurance Framework [Risk, Control and Assurance]	The Quality Committee has an integral relationship with Improving Quality/ Registration.
Recommendations:	<ul style="list-style-type: none"> To note the contents of the report

Key points from the Quality Committee meetings held on the 18 November 2014 for the Trust Board meeting on the 27 November 2014

1. Introduction

This is the regular report to the Trust Board that has been produced following the last meeting of the Quality Committee.

2. Director of Quality Report

Dr Okolo presented the Director of Quality Report with notable items as follows:

- **Clinical Pathways work** –Members of the Executive Team have recently met with Commissioner Colleagues to discuss progress on the ongoing Clinical Pathways Programme work. On 29th October, the Trust responded to the local CCG's commissioning intentions for 2015/16 and a further discussion will be held for Commissioners to provide further clarity.
- **Parliamentary Review Healthcare Edition 2013/14**–Key points for development to note:
 - Clarity around securing futures for smaller Trusts (under £300 million turnover)
 - Plan for personalised care especially for patients with complex needs with a named, accountable GP
 - Income from foreign patients using services
 - CSU services-one Trust has taken services back in house
 - Potential £30 million funding gap within 6 years with many trusts unable to balance the books last year
 - Developing leadership-Sir Stuart Rose from Marks and Spencer leading a review
 - Examples of Trusts including Leeds and York Partnership NHS Foundation Trust (mental health and learning disability). Have focussed on changing attitudes and measuring effectiveness (using Short Warwick-Edinburgh Mental wellbeing scale)
 - Manchester CCG review talks about redesigning mental health service
- **The Care Quality Commission's report into "The State of Health Care and Adult Social Care in England** –Key points to note:
 - The 'State of Care' report remains an important source of analysis about the quality of care provided across the health and care system, as well as a key means of reflecting on CQC's progress in rolling out a new, risk based and proportionate approach across a diverse range of health and care providers
 - The acknowledgement in this year's report of the growing financial and operational pressures which all Trusts (and their partners in primary and social care) are facing is welcomed, and or the need for national action to address sector wide issues including the funding crisis
 - There is considerable learning for all trusts within the report, not least with regard to the findings on leadership and safety and providers will be keen to review the findings with regard to their own services
 - The new inspections have revealed areas of good practice, including caring and committed staff, multidisciplinary working and person centred care. However they also found areas of poor practice, these included poor physical environments, poorly maintained buildings, ligature points and failure to meet the requirements for same-sex accommodation. They also identified challenges in some other areas that we as a trust are focused on through the development

of the acute section of the Adult Mental Health Pathway. These include, reviewing the role of the Home Treatment Team, use of the 136 Suite and a number of areas that are part of our Listening Into Action work streams. These are:

- Unavailability of admission beds.
- Unavailability of intensive care.
- Inappropriate response in a crisis many people experiencing a mental health crisis not having a health-based place of safety available to them.
- Place of safety might be a mental health service or an emergency department at a General Hospital.
- People experiencing mental health crisis should only be taken into police custody in exceptional circumstances.

3. QIA/CIP Quality Review-Cost Improvement Programme Framework

The committee reviewed this document, draft Cost Improvement Framework, integrating the quality process to further strengthen the Trust internal reporting and governance arrangements around the cost improvement programme (CIP) and agreed that the document sets out a comprehensive framework for reviewing the quality impact of CIP targets. The committee recommended further strengthening of the key milestones in the Director of Nursing and Medical Director sign off process.

4. Child and Adult Safeguarding Lead update

Lead Safeguarding Nurse Sharon Conlon (SC) updated the committee on the successful interim appointment to her post which she is shortly due to leave to take up a position external to the Trust. She provided assurance of the handover of current caseload.

The committee chair expressed sincere thanks for the work that she has undertaken on behalf of the committee and wished her success in her new role

5. Q2 Safeguarding report update

SC provided an update of safeguarding activity in Q2.

SC confirmed that the annual Safeguarding Adults self-assessment had been completed.

The Trust was compliant in all areas of the assessment except for the named Trust Lead for the Mental Capacity Act. The committee were assured that this has been actioned and awaiting the lead to be formally identified.

6. Quarterly Prone Restraint report

CS presented the key findings from the Q2 monitoring of prone restraint incidents. The data demonstrates a continued downward trend in the incidence of prone restraint and the raised awareness in the risks associated with the use of this through training and weekly monitoring and follows up with clinical teams after any prone restraint incident. The Chair commented on behalf of the committee that this was a positive report detailing clear improvements in awareness raising and training

7. Serious Case Reviews (SCR) and Domestic Homicide Reviews (DHR).

SC summarised all current cases open to the Trust and gave assurance that updates would be provided on monthly domain reports. SC also noted that there had been an unprecedented rise

in the DHR and SCR numbers but added that this was due to procedural changes and requirements rather than an increase in actual incidents

8. PQMF Month 4

As at Quarter 2 the Trust has delivered the majority of its key performance metrics. There are a number of areas of good practice and, where performance has been identified as needing to be improved, the Trust has put measures in place to achieve this

9. Integrated Quality Report Q2

As at Quarter 2 the Trust is broadly on track with the delivery of its key performance metrics. There are a number of areas of good practice and, where performance has been identified as needing to be improved, the Trust has put measures in place to achieve this.

Key points from this report are:

➤ Serious Incidents

Year to date the Trust has successfully investigated all of the Serious Incidents within the contractual timescale of 40 working days and submitted investigation reports to Commissioners, where extensions have been agreed, within the agreed timescale.

Incidents

➤ Commissioning for Quality Improvement Scheme (CQUIN)

Milestones have been delivered to date; on-going discussions with commissioners regarding Q2 targets all CQUINS which have been confirmed as fully achieved except Goal and Goal 5 where actions have been agreed to defer to quarter 3 although there remains a degree of risk in quarter 4 against Goal 5.

➤ Patient Experience AMH Inpatient Discharge Questionnaire

The quarter 2 2014/15 results of the Trust's Adult Mental Health in-patient discharge questionnaire are as follows:

The overall results in terms of satisfaction levels confirm that 100/103 (97%) of service users rated the care they had received at North Staffordshire Combined Healthcare NHS Trust as excellent, very good or good.

➤ Complaints

In accordance with Complaint Regulations, all of the complaints (100%) were acknowledged no later than 3 working days after the day on which the Trust received the complaint.

During Quarter 2, the Trust was advised of one complaint being referred to the Parliamentary and Health Service Ombudsman for Independent Review (Stage 2, NHS Complaints Procedure).

➤ Patient Experience

The Trust continues to promote the Patient Experience Team and its functions, including the PALS service, through external and internal awareness raising sessions.

Service user and carer stories are being collated as part of the on-going process to improve their overall care experience; learning points from these stories are shared throughout the Trust and improvement actions taken if needed.

➤ CQC Compliance monitoring framework

The rolling programme of unannounced and announced visits to teams undertaken by staff from the Performance Management Team continues to be delivered on time and has been

enhanced further during the last quarter through the increased use of Clinical Champions. These visits provide significant value and learning for the Trust and for the individual teams, sharing best practices and identifying potential areas for improvement at an early stage.

➤ **Statutory & Mandatory Training**

At month 6 the Trust is reporting 89% compliance overall.

Areas for improvement against the 95% compliance target are:

Information Governance (79%), Manual Handling – Object (92%), Manual Handling – Patient (87%), Safeguarding Adults (90%) and Safeguarding Children (90%) Health & Safety (93%) Infection Control (93%)

➤ **Dementia KPIs**

Commissioners introduced a suite of Dementia KPIs into the 2013/14 SLA and work ongoing to improve population of the dataset within the constraints of a paper based data collection system. The new section provides a July to September 2014 position in terms of the 12 Dementia KPIs.

10. Report from the Policy Working Group

In the absence of Mrs Storey, there was no policy update. Mr Gadsby requested that an update of policies due for renewal be provided at the next meeting

11. Risks to Quality of Service

Committee members considered the report for quality risks as at 18th November 2014, noting the risk treatment plans in place. This was discussed alongside the three divisional reports in respect to their risks that are either emerging or require escalation.

It was agreed by the committee that the risks had been discussed in detail at the Risk Review Group and the key points noted at the Quality Committee

12. Adult Mental Health (AMH) Bed Pressures Action Planning

During September/October 6 patients were admitted out of area due to lack of capacity at Harplands wards. AMH senior staff have met 2 to 3 times weekly for bed management and urgent planning. Three issues of concern were noted and discussed:

- Inpatient & Home Treatment staff noted that acuity was increasing but the underlying issue was increased length of stay.
- CMHT staff noted that demand was increasing on them but their systems did not always effectively support discharge from wards
- All agreed that internal systems had to change to prevent further pressure on beds.

A number of actions have been taken and further changes proposed to address the bed pressures including 24/7 Access availability, Increased home treatment capacity to support Early Facilitated Discharge

13. Patient Experience Strategy update and Service User Standards

The refreshed strategy was reviewed and particular note made of the excellent work undertaken by Val Stronach who has produced a document “Service User Standards” Mr Gadsby commented that this impressive work should be considered for publication in A5 format and provided to all service users.

14. Ward 4 Falls update, External Review report and Overarching Action Plan

The committee received the reports of the external review findings and recommendations following the increase in serious harm falls in ward 4 in addition to an internal summary report detailing the key findings and actions arising from the internal investigation reports and external review of which have been presented in an overarching action plan. The external report and action plan will be presented at the Clinical Quality Review meeting in November. It is anticipated that agreement to close the five open serious incidents will be given by commissioners.

15. National Audit of Schizophrenia

The National Audit of Schizophrenia highlights the level of compliance for NSCHT against the standards devised by the Royal College of Psychiatrists. The summary report provides an overview of compliance with the standards which may have an impact on the Trust.

Standards of note are:

1. Monitoring of physical health factors
2. Intervention offered for identified physical health risks
3. Provision of information about medication
4. Dose within BNF maximum
5. Pathway to clozapine
6. Augmentation of clozapine
7. CBT
8. Family intervention

An action plan to address the actions identified will follow this audit report

16. Domain Reports

The committee received each of the domain reports for assurance purposes in respect to:

- **Patient safety , Clinical effectiveness, Organisational safety and efficiency , Customer focus**

17. Ligature Risk Management in NSCHT-An update to the Quality Committee

The committee received an updated report completed by the Interim Deputy Director of Nursing. The report details that an update and progress report was provided to the CQRM in July 2014 and detailed the outputs and actions from an annual audit of environmental ligature risk based on the emerging risk profiles. The author has additionally reviewed the Trust Ligature Risk Reduction Policy and has made draft revised arrangements to simplify and make explicit the responsibilities and arrangements for the annual assessment programme. The report seeks to provide the Board with assurance that risks have been identified and actions taken appropriate to those risks. The report details that the next steps will be led by the Director of Operations and Executive Director of Nursing.

18. Safer Staffing Report

A draft report completed by the interim Deputy Director of Nursing was received by the committee. This is in the process of review by the Executive Team and the senior management

teams in order to verify the data and agree any actions required. The report will then go to an open session of the full Trust Board.

19. Improving Crisis Response

This report was reviewed by the committee and details suggested plans for strengthening the model of access and crisis response to a 24/7 model and provides a detailed breakdown of cost associated with the proposed changes. The

Committee supported the programme of work and also agreed that the financial impact of the changes should be reviewed by the Finance and Activity Committee

On behalf of the Committee Chair, Mr Patrick Sullivan, Non-Executive Director

Carol Sylvester

Head of Patient and Organisational Safety

18 November 2014

REPORT TO: **Trust Board** (open)

Enclosure 9

Date of Meeting:	27 November 2014
Title of Report:	Audit Committee Report
Presented by:	Mr D Rogers Chair of Audit Committee
Author of Report: Name: Date: Email:	Justine Scotcher, Executive PA 17 November 2014 Justinel.scotcher@northstaffs.nhs.uk
Purpose / Intent of Report:	<ul style="list-style-type: none"> For Assurance & Approval
Executive Summary:	<p>This report provides a summary of the recent meeting of the Audit Committee held on 13 November 2014.</p> <p>Trust Board members are reminded that the full minutes and papers are available for inspection from the Trust Secretary / Head of Corporate and Legal Affairs.</p>
Which Strategy Priority does this relate to: How does this impact on patients or the public?	<ul style="list-style-type: none"> Governance Strategy Finance Strategy Customer Focus
Relationship with Annual Objectives:	Relates to all annual objectives
Risk / Legal Implications:	N/A
Resource Implications:	N/A
Equality and Diversity Implications:	N/A
Relationship with Assurance Framework [Risk, Control and Assurance]	The Assurance Framework provides the Board with evidence to support the Statement of Internal Control.
Recommendations:	<p>The Board is asked to</p> <ul style="list-style-type: none"> Receive and note the contents of this report Ratify the policies highlighted in the report.

Audit Committee Summary Report to the November 2014 Trust Board of the meeting held on 13 November 2014

- 1 Assurance Framework Mid-Year Review (deferred)**
- 2 Information Governance Disclosures (deferred)**
- 3 Committee Mid-year Review of Effectiveness (deferred)**

These 3 reports were deferred due to Mrs Storey's absence.

Mr Rogers and Ms Harrison agreed to take forward and plan for cover for Mrs Storey.

4 Principal Risk Register Assurance Report

Mr Sargeant, Head of Performance, presented this report which summarises the key activities relating to management of the Trust's Principal Risk Register and provides assurance to the committee that a robust framework is in place to monitor and manage these risks.

Members of the Audit Committee noted the Trust has reviewed its Annual Objectives 2014/15 and agreed a list of Principal risks to their delivery. There is also a process in place to review the Principal Risk Register and Operational Risks on a quarterly basis. The review for Q3 2014/15 was completed as scheduled in October 2014.

5 Internal Audit progress report

Mrs Hire presented the committee with a progress summary against the Internal Audit Plan, noting the audits completed and those on plan to take place later in the financial year, all of which will help inform the Trust's Annual Governance Statement.

It was further noted that the actual delivery of the audit plan was currently only at 22%. Mrs Hire stated that this was due to changes within the Executive Team mainly operational and nursing, however internal audit gave assurance that the plan is moving forward and that reports which were due to come in Q3 would now be submitted in Q4. Nevertheless, the backlog, if not corrected quickly, could threaten the external audit governance assurance statement.

A meeting is due to be held on 2 December with Internal Audit and the Executive Team to ensure all areas are scoped. However, it was noted that the key financials are on track.

6 LCFS Progress Report

Mr Ball presented the committee with the progress report and the committee reviewed the status of the pro-active work summary and tasks completed presently at 36% completed, with 40% underway. It was noted that the majority of the tasks in progress is reciprocal work not shown as completed until the back end of the year.

Mr Ball drew attention to the Key findings and that 2 proactive proposals for work are to be delivered over the reporting period;

- review of HR personal files
- consultant job plans (following receipt of a whistleblowing anonymous letter)

Report back in January 2015.

7 Fraud in the NHS – Benchmarking Information

Received

8 KPMG External Audit Report and ISA 260 report

Mr Stanyer reported that External Audit had finalised their financial statements in respect of the Charitable Funds 2013/14 and that they intend to issue an unqualified audit opinion.

The ISA 260 report has already been presented to the Charitable Funds Committee and was included with the papers.

The committee debated the importance of pursuing the buying out of the PFI Unit and this would be taken forward by Ms Harrison following the previous work the former Interim Director of Finance has carried out, with support from KPMG.

9 Cost Improvement Programme (CIP) Assurance

Mr Blaise gave a verbal update in relation to Cost Improvement Programme (CIP).

It was noted that an assurance report is due to be submitted to the Finance and Performance committee to confirm the process is still on track.

Mr Blaise then drew attention to the next stages for 2015/16 and in relation to refreshing the Integrated Business Plan and the Long Term Financial Model.

10 Review of Losses and Special Payments - 1 April 2014 – September 2014.

Received

Also received was a trend analysis covering the five half years ended September 2014. No substantial trends identified.

11 Approval of Charitable Fund Accounts and Annual report

Members of the committee reviewed and approved the Annual report 2013/14 and Accounts which will be submitted in January 2015, this has been subject to an extremely extensive audit by KPMG as previously discussed. This will be presented to the Trust Board on 27 November 2014.

Mr D Rogers commented that the Trust seems to embark on a considerable amount of time in hosting this fund with little benefit to the Trust, and whether consideration should be made to transfer over to SSOTP, which is the principal beneficiary by some margin. Mr Gadsby agreed but perhaps this should be transferred once the Trust is aware of its future within the wider health economy.

12 Standing Financial Instructions

No changes, the policy will remain in place until November 2015.

13 Review of the Business of other Board Committees – Integrated Governance arrangements

The committee received the following summary business reports:

- Summaries of the Finance and Activity Committee meetings
– 18 September and 23 October 2014
- Summaries of the Quality Committee meetings
– 16 September and 28 October 2014
- Summaries of People, Culture and Development Committee meetings
– 18 August, 22 September and 20 October 2014
- Summaries of the Risk Management Committee meetings –
13 August and 8 October 2014

Mr Rogers expressed the view that it was difficult to see the merit in this committee spending a great deal of time on other committee reports when they have already been placed before the full Trust Board.

14 Cycle of Business

The Committee received the revised cycle of business.

Next meeting

15 January 2015

On behalf of the Committee Chair

Justine Scotcher(Executive PA)

18 November 2014

REPORT TO THE TRUST BOARD (OPEN)

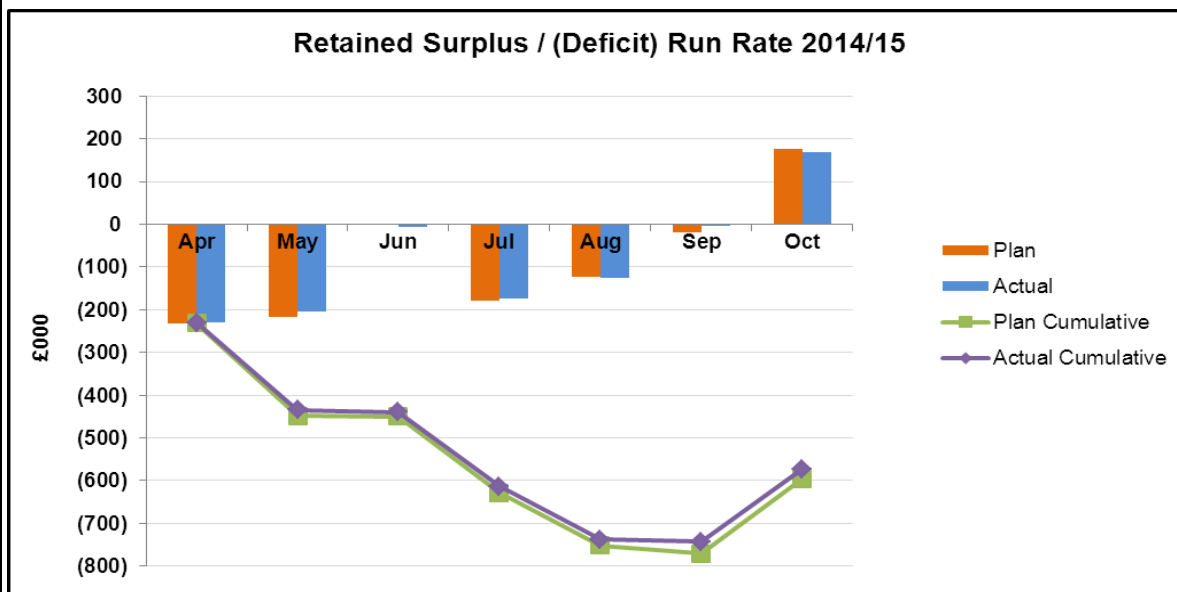
Date of Meeting:	27 November 2014
Title of Report:	Financial Performance – Month 7
Presented by:	Ann Harrison, Interim Director of Finance
Author of Report: Name: Date: Email:	Andy Turnock 19 November 2014 andrew.turnock@northstaffs.nhs.uk
Purpose / Intent of Report:	Financial Performance monitoring for information
Executive Summary:	<p>The attached report summarises financial performance for the period to the end of October 2014.</p> <p>Headline performance is:</p> <ul style="list-style-type: none"> • A retained deficit of £0.573m, giving a favourable variance against plan of £0.023m. • A year-end forecast that indicates an achievement of a retained surplus of £0.286m (£0.752m surplus at adjusted financial performance level), representing a favourable variance of £0.018m against Plan • A year to date Continuity of Service Risk Rating of 3, with a year-end forecast rating of 3 • CIP target of £4.08m, with a forecast delivery • Capital expenditure of £0.022m to date and a forecast net capital expenditure of £0.545m • A cash balance of £5.8m at the end of October 2014.
Which Strategy Priority does this relate to: How does this impact on patients or the public?	<p>Financial Strategy</p> <p>Not directly as a result of this report</p>
Relationship with Annual Objectives:	Delivery of financial plan
Risk / Legal Implications:	Not directly as a result of this report
Resource Implications:	Not directly as a result of this report

Equality and Diversity Implications:	Not directly as a result of this report
Relationship with Assurance Framework [Risk, Control and Assurance]	Monitoring delivery of the financial plan
Recommendations:	<p>The Board is asked to:</p> <ul style="list-style-type: none"> • <i>note that financial performance to date is on plan, with a favourable variance reported of £0.023m</i> • <i>note the delivery of CIP is on plan, however this has been supported by the addition of a number of non-recurring schemes</i> • <i>note the cash position as at 31 October 2014 of £5.8m</i> • <i>note the capital expenditure position as at 31 October 2014 is currently behind plan and the forecast outturn has been revised from plan to £0.545m net capital expenditure</i> • <i>note the year to date Continuity of Service Risk Rating of 3 and also the forecast rating of 3.</i>

FINANCIAL OVERVIEW as at 31 October 2014

Income & Expenditure - Retained Surplus / (Deficit)					
£000	Plan	Actual	Var	%	RAG
YTD Surplus / (Deficit)	(596)	(573)	23	3.9	G
FOT Surplus / (Deficit)	268	286	18	6.7	G

Net Capital Expenditure					
£000	Plan	Actual	Var	%	RAG
YTD Exp	(120)	(238)	(118)	(98.3)	R
FOT Exp	1,500	545	(955)	(63.7)	R



Cost Improvement					
£m	Plan	Actual	Var	%	RAG
YTD	2.23	2.11	(0.1)	(5.1)	G
FOT	4.08	4.08	0.0	0.0	G

Cash Balances					
£m	Plan	Actual	Var	%	RAG
YTD Balance	3.7	5.8	2.1	58.6	G
FOT Balance	4.5	4.5	0.0	0.0	G

Continuity of Service Risk Rating				
	Plan YTD	YTD	Plan Forecast	Forecast
Overall Risk Rating	2	3	3	3
Metrics:				
Liquidity Ratio	3	4	3	4
Capital Servicing Capacity	1	1	2	2

Notes	
Risks:	Achievement of income targets. Delivery of the challenging CIP requirement. Managing cost pressures.
Assumptions:	Clinical income targets are predominately achieved. Charges against provisions provided for last year do not exceed the value provided.

1. Financial Position

1.1 Introduction

As detailed in the Operating Plan the Trust was planning to make a retained surplus of £0.268m in 2014/15.

This report details the Trust's performance against the Plan for the period ending 31 October 2014.

1.2 Income & Expenditure (I&E) Performance at Month 7

At the end of Month 7, the Trusts budgeted plan was a retained deficit of £0.596m. The reported retained position is a deficit of £0.573m, giving a favourable variance of £0.023m from plan.

Table 1 below shows this position in the Statement of Comprehensive Income (SOCl) for the Trust. A more detailed SOCI is shown in Appendix A, page 1. Further SOCI's for each division and also for the combined corporate functions are shown in Appendix A, pages 2 to 5.

Table 1: Statement of Comprehensive Income

Detail	Full Year Annual Budget £000	Current Month £000			Year to Date £000		
		Budget	Actual	Variance	Budget	Actual	Variance
Income	75,024	6,250	6,319	70	41,706	42,218	512
Pay	-55,237	-4,666	-4,412	254	-32,185	-31,263	922
Non pay	-16,268	-1,128	-1,445	-317	-8,201	-9,615	-1,414
EBITDA	3,519	456	462	7	1,320	1,340	19
Other Costs	-2,785	-242	-255	-13	-1,646	-1,643	2
Adjusted Financial Performance	734	214	208	-6	-326	-303	23
IFRIC 12 Expenditure	-466	-39	-39	0	-270	-270	0
Retained Surplus / (Deficit) prior to Impairment	268	175	169	-6	-596	-573	23
Fixed Asset Impairment	0	0	0	0	0	0	0
Retained Surplus / (Deficit)	268	175	169	-6	-596	-573	23

Contained within non-pay are the CIP targets for divisions and directorates. Work remains on-going to transact the majority of these negative budgets to reflect the CIP schemes within the respective divisions and corporately. As at month 7, only schemes with a high degree of complexity or uncertainty have yet to be transacted.

Also contained within non-pay, specific budgets have been set and held centrally. Table 2 shows these central reserves and it is envisaged that specific reserves will be allocated to divisions and directorates appropriately during the financial year.

Table 2 also shows a reserves forecast budget of £1.4m, against which the Trust is forecasting expenditure of £0.163m. This highlights that the Trusts achievement of the forecast retained surplus of £0.286m is predicated on the support to the operational position from reserves totalling £1.254m.

Table 2: Reserves Held Centrally

Description	Forecast Annual Budget (£)
Contingency (0.5% of Turnover per NTDA requirements)	331,000
Family & Friends	60,000
Cleanliness in Hospitals	61,808
Out of Area Treatments	100,000
Support from CCG's *	450,000
CCG developments **	150,000
Other Earmarked reserves	264,009
Total	1,416,817

* Support from local CCGs on a non-recurring basis, although recent dialogue refers to the CCG withholding this support.

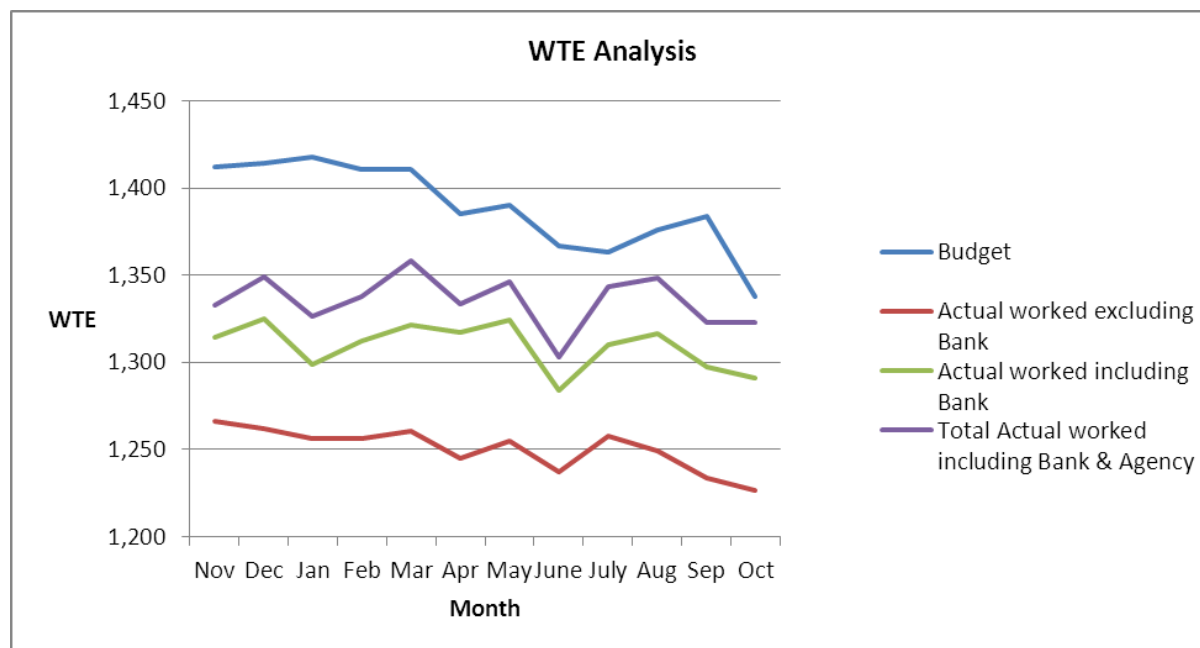
** Anticipated CV for the Dementia service development included in the Stoke-on-Trent CCG contract.

1.3 Workforce Analysis

Graph 1 below shows the whole time equivalent (wte) numbers for the last 12 months, incorporating Bank and Agency usage¹. Graph 2 shows the usage of Bank and Agency staff in isolation. Table 3 shows the data being represented by the graphs.

¹ Agency wte is calculated using an average cost per month per staff category.

Graph 1: WTE Analysis



Graph 2: WTE Analysis

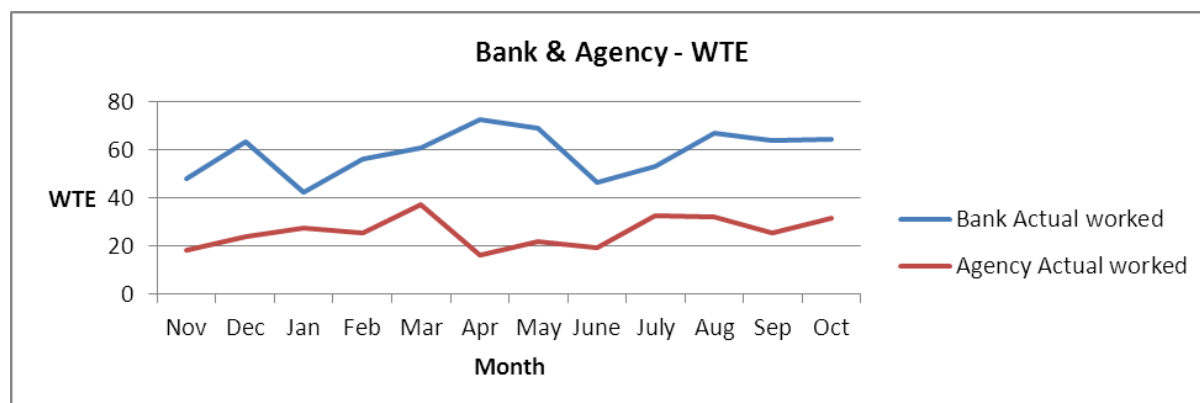


Table 3: WTE Analysis

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct
Bank Actual worked	48.13	63.33	42.18	56.12	60.74	72.68	69.09	46.28	52.86	66.99	63.72	64.51
Actual worked excluding Bank	1266.19	1261.92	1256.31	1256.21	1260.30	1244.73	1255.17	1237.35	1257.55	1249.38	1233.55	1226.74
Actual worked including Bank	1314.32	1325.25	1298.49	1312.33	1321.04	1317.41	1324.26	1283.63	1310.41	1316.37	1297.27	1291.25
Agency	18.45	23.97	27.62	25.42	37.21	16.21	21.71	19.05	32.68	32.10	25.29	31.59
Total Actual worked inc Bank & Agency	1332.77	1349.22	1326.11	1337.75	1358.25	1333.62	1345.97	1302.68	1343.09	1348.47	1322.56	1322.84
Budget	1411.78	1413.87	1417.48	1410.78	1410.90	1384.91	1390.09	1367.02	1363.04	1375.82	1383.61	1337.46

It is noticeable that there was an increase in bank WTE during the period January and May 2014, for which the reasons were communicated at a previous Finance & Performance Committee. August's bank usage had increased due to vacancies in LDNOAP being held due to the planned ward closure as well as the impact of the delay in the transfer of clients from Chebsey.

1.4 Forecast Year End Performance

Following the finalisation of the month 7 position, a worked up forecast outturn has been undertaken which supports the required retained surplus. The required retained surplus is now £0.286m (£0.752m at adjusted financial performance level) which is an increase of £0.018m compared to Plan. This revised surplus at adjusted financial performance level represents 1% of the Trusts anticipated turnover. This outturn position is dependent on achieving the cost improvement programme. The Trust's forecast position will be shared with the NTDA as part of their financial monitoring regime.

The Trust is forecast to over perform against its clinical and non-clinical income budgets. In terms of clinical income, there is a slight underperformance of £0.5m. This is a result of an over performance of circa £0.2m which is predominately the anticipated Out of Area Treatments (OATs) and Non Contract Activity (NCA). However, the local CCGs have communicated that they are planning to withhold the £0.45m non-recurring support for the repatriation of clients to the Trust. The forecast outturn assumes £0.25m of the £0.45m not being forthcoming in respect of this. Non-clinical income is forecast to over achieve by circa £0.23m due to an increase in services provided and recharges to other NHS bodies, including property and pay recharges.

1.5 Cost Improvement Programme

The target for the year is £4.08m which is approximately 6% of clinical income. This takes into account the requirement to deliver the 1% surplus referred to above, plus hold a 0.5% contingency of £0.367m.

As at month 7, the Trust is reporting a position of £2.11m CIP delivery against a plan of £2.23m. It should be noted that the year to date performance has been supported by the addition of a number of non-recurring CIP schemes.

2. Summary of Financial Position

A Statement of Financial Position is shown in Appendix A, page 6.

2.1 Fixed Assets

Property, Plant & Equipment and Intangible assets balances of the Trust have remained relatively static. The movement is the net result of capital additions and the depreciation charge for the period April to October 2014.

2.2 Cash

As at 31 October 2014, the Trust's cash position was £5.8m which represents a decrease during the month of £0.6m. This comprises a decrease in debtors of £4.6m, a decrease in creditors of £4.7m, the utilisation of provisions of £0.7m and an improvement in the operational position of £0.2m. A monthly cash flow forecast is shown in Appendix A, page 7.

2.3 Debtors

Trade & Other Receivables balances have decreased during the month by £4.6m. This movement relates to a decrease in NHS debtors of £4.8m and prepayments of £0.1m, as well as an increase in other debtors of £0.2m and local authority debtors of £0.1m.

Within the overall value, £2.6m relates to invoiced debt. Invoiced debt is summarised by age in Appendix A, page 8, along with the analysis of the stage of recovery.

2.4 Creditors

There has been an increase in the month of trade payables of £4.7m. This movement is due to a decrease in accruals and deferred income of £4.1m, NHS creditors of £0.3m and local authority creditors of £0.4m, as well as a decrease in trade creditors of £0.1m. In addition, there has been a utilisation of provisions of £0.7m in respect of redundancies associated with the closure of Chebsey.

2.5 Non-Current Liabilities

The Trust's PFI scheme (Harplands Hospital) is accounted for on the "borrowings" line, reflecting the requirements of International Financial Reporting Standards.

3. Capital Expenditure and Programme

The Trust's permitted capital spend in 2014/15 is £2.64m; this is the combination of the Trust's £1.5m Capital Resource Limit (CRL) and its planned asset sales of £1.14m. The gross capital expenditure for the year as at 31 October 2014 is £0.022m which represents an under spend against the profiled gross capital expenditure (excluding envisage proceeds from sales) shown in the Plan submitted to the NTDA.

The Trust continues to monitor the delivery of the planned schemes against the CRL and the forecast net capital expenditure for the year has been revised to £0.545m (£1.345m expenditure less £0.8m capital receipts). This represents an under shoot of £0.955m against the CRL for the year, which is allowed. This under shoot will continue to be reported to the NTDA as part of their month 7 financial monitoring returns.

Appendix A, page 9 shows the expenditure to date and the forecast outturn.

4. Risk Rating

From the 1 April 2014, the Trust has been monitored using the Continuity of Service Risk Rating which replaced the previously used Financial Risk Rating.

As reported in the Operating Plan, the Trust is planning to achieve a Continuity of Service Risk Rating of 3 by the end of the financial year. As at month 7 this is calculated as 3 compared to the rating of 2 planned at this stage in the year. The forecast outturn rating is also 3, in line with the planned rating previously mentioned. Appendix A, page 10 shows the separate metrics and the outputs in detail.

5. Closure of Chebsey Close

The Board has been updated on an on-going basis upon the closure and associated risks and other issues. The year to date trading account is detailed in Table 4 below and confirms that the service is in operational surplus. As the facility has now been closed there is no further income anticipated for this service. It should be noted that some residual costs will continue to be incurred until all staffing issues have been resolved.

Table 4: Chebsey Close Trading Account

Detail	£'000
Income	
Clinical Income	
North Staffs & Stoke-on-Trent CCG	651.4
East Staffs CCG	183.9
Staffs & Surrounds CCG	172.1
Cannock CCG	172.1
Telford & Wrekin	106.9
Total income	1,286.4
Expenditure	
Pay	-992.0
Non-pay	-46.9
Total expenditure	-1,038.9
Net Position Surplus / (Deficit)	247.5

6. Recommendations

The Board is asked to:

- *note that financial performance to date is largely on plan, with a small favourable variance of £0.023m reported*
- *note the cash position of the Trust as at 31st October 2014 of £5.8m*
- *note the gross capital expenditure position as at 31st October 2014 is an under spend against plan and there is a forecast undershoot of £0.955m against the CRL for the year of £1.5m*
- *note the year to date Continuity of Service Risk Rating of 3 and also the forecast rating of 3*

Appendix A – Page: 1

Statement of Comprehensive Income including Forecast Outturn – Trust Wide

	Full Year Budget £000	< < < Current Month Actual £000	> > > Budget £000	> > > Variance £000	< < < Year to Date Actual £000	> > > Budget £000	> > > Variance £000	< < < Forecast Outturn Actual £000	> > > Budget £000	> > > Variance £000
Income:										
Revenue from Patient Care Activities	66,204	5,616	5,577	39	37,132	36,822	310	66,072	66,127	-55
Other Operating Revenue	8,819	703	673	31	5,086	4,884	202	9,108	8,818	289
	75,024	6,319	6,250	70	42,218	41,706	512	75,180	74,946	234
Expenses:										
<u>Pay</u>										
Medical	-6,444	-507	-536	29	-3,491	-3,752	261	-6,202	-6,524	322
Nursing	-26,109	-2,011	-2,127	116	-14,977	-15,384	407	-25,557	-25,985	428
Other clinical	-13,117	-1,005	-1,131	126	-6,990	-7,516	525	-12,221	-13,105	884
Non-clinical	-9,151	-727	-805	78	-4,908	-5,264	356	-8,427	-9,147	719
Non-NHS	-441	-162	-69	-93	-896	-283	-613	-1,656	-441	-1,215
Cost Improvement	25	0	2	-2	0	15	-15	0	25	-25
	-55,237	-4,412	-4,666	254	-31,263	-32,185	922	-54,062	-55,176	1,114
<u>Non Pay</u>										
Drugs & clinical supplies	-1,907	-187	-167	-19	-1,096	-1,070	-26	-1,908	-1,907	-1
Establishment costs	-1,950	-142	-167	25	-779	-1,114	335	-1,440	-1,955	515
Premises costs	-2,241	-162	-184	22	-1,432	-1,291	-141	-2,576	-2,216	-360
Private Finance Initiative	-3,823	-317	-319	2	-2,266	-2,230	-36	-3,886	-3,823	-63
Other (including unallocated CIP)	-4,774	-637	-291	-346	-4,042	-2,496	-1,546	-7,608	-4,933	-2,675
Central Funds	-1,574	0	0	0	0	0	0	-163	-1,417	1,253
	-16,268	-1,445	-1,128	-317	-9,615	-8,201	-1,414	-17,582	-16,251	-1,331
EBITDA *	3,519	462	456	7	1,340	1,320	20	3,535	3,519	16
Depreciation (excludes IFRIC 12 impact and donated income)	-884	-87	-74	-14	-518	-518	0	-884	-884	0
Investment Revenue	11	1	1	1	9	6	3	13	11	2
Other Gains & (Losses)	119	0	0	0	50	50	0	119	119	0
Local Government Pension Scheme	0	0	0	0	0	0	0	0	0	0
Finance Costs	-1,400	-117	-117	0	-817	-817	0	-1,400	-1,400	0
Unwinding of Discounts	0	0	0	0	0	0	0	0	0	0
Dividends Payable on PDC	-631	-52	-53	1	-368	-368	0	-631	-631	0
Adjusted Financial Performance - Surplus / (Deficit) for the Financial Year **	734	208	214	-6	-303	-326	23	752	734	18
IFRIC 12 Expenditure ***	-466	-39	-39	0	-270	-270	0	-466	-466	0
Retained Surplus / (Deficit) for the Year excluding Impairment	268	169	175	-6	-573	-596	23	286	268	18
Fixed Asset Impairment ****	0	0	0	0	0	0	0	0	0	0
Retained Surplus / (Deficit) for the Year	268	169	175	-6	-573	-596	23	286	268	18

* EBITDA - earnings before interest, tax, depreciation and amortisation

** NTDA expected surplus or deficit against which the Trust is measured

*** Additional costs in respect of the Trust's PFI scheme following the introduction of IFRS, classed as technical adjustments.

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Statement of Comprehensive Income including Forecast Outturn – Adult Mental Health

Adult Mental Health		Annual Budget £000	< < Current Month > >			< < Year to Date > >			< < Forecast Outturn > >		
			Actual £000	Budget £000	Variance £000	Actual £000	Budget £000	Variance £000	Actual £000	Budget £000	Variance £000
Income:											
Revenue from Patient Care Activities	0	0	0	0	0	0	0	0	0	0	0
Other Operating Revenue	2,312	187	181	6	1,390	1,365	25	2,332	2,311	21	
	2,312	187	181	6	1,390	1,365	25	2,332	2,311	21	
Expenses:											
<u>Pay</u>											
Medical	-2,578	-227	-216	-10	-1,546	-1,495	-51	-2,686	-2,713	27	
Nursing	-13,435	-1,109	-1,125	17	-7,814	-7,746	-68	-13,549	-13,300	-249	
Other clinical	-6,913	-551	-597	46	-3,754	-3,926	173	-6,599	-6,913	314	
Non-clinical	-1,552	-124	-171	47	-887	-896	9	-1,521	-1,553	32	
Non-NHS	-232	-63	-45	-18	-253	-143	-110	-367	-231	-136	
Cost improvement	25	0	2	-2	0	15	-15	0	25	-25	
	-24,685	-2,074	-2,153	79	-14,254	-14,192	-62	-24,722	-24,685	-37	
<u>Non Pay</u>											
Drugs & clinical supplies	-1,450	-157	-129	-28	-865	-803	-62	-1,528	-1,451	-77	
Establishment costs	-884	-57	-75	18	-365	-506	141	-650	-885	235	
Premises costs	-566	-52	-47	-6	-376	-333	-43	-591	-566	-25	
Private Finance Initiative	0	0	0	0	0	0	0	0	0	0	
Other	-1,180	-288	-69	-219	-1,600	-754	-845	-2,438	-1,261	-1,177	
Central Funds	0	0	0	0	0	0	0	0	0	0	
	-4,081	-555	-320	-235	-3,206	-2,397	-809	-5,207	-4,163	-1,044	
EBITDA *	-26,453	-2,442	-2,292	-150	-16,070	-15,223	-846	-27,596	-26,537	-1,059	

* EBITDA - earnings before interest, tax, depreciation and amortisation

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Statement of Comprehensive Income including Forecast Outturn – Children's Services

Children's Services	Annual Budget £000	< < Current Month > > >			< < Year to Date > > >			< < Forecast Outturn > > >		
		Actual £000	Budget £000	Variance £000	Actual £000	Budget £000	Variance £000	Actual £000	Budget £000	Variance £000
Income:										
Revenue from Patient Care Activities	0	0	0	0	0	0	0	0	0	0
Other Operating Revenue	1,341	111	119	-8	778	824	-46	1,352	1,341	11
	1,341	111	119	-8	778	824	-46	1,352	1,341	11
Expenses:										
<u>Pay</u>										
Medical	-707	-49	-59	10	-338	-413	75	-583	-707	124
Nursing	-2,272	-178	-189	11	-1,263	-1,325	62	-2,178	-2,272	94
Other clinical	-2,451	-195	-211	16	-1,383	-1,431	48	-2,341	-2,451	110
Non-clinical	-489	-33	-41	9	-230	-282	52	-395	-489	94
Non-NHS	-100	-47	-10	-37	-337	-69	-268	-578	-100	-478
Cost improvement	0	0	0	0	0	0	0	0	0	0
	-6,019	-501	-510	9	-3,550	-3,520	-30	-6,075	-6,019	-56
<u>Non Pay</u>										
Drugs & clinical supplies	-43	-9	-4	-6	-75	-25	-50	-125	-43	-82
Establishment costs	-213	-14	-19	5	-89	-129	40	-163	-213	50
Premises costs	-298	-19	-26	7	-167	-181	15	-328	-298	-30
Private Finance Initiative	0	0	0	0	0	0	0	0	0	0
Other	261	-8	25	-33	-61	132	-193	-135	261	-396
Central Funds	0	0	0	0	0	0	0	0	0	0
	-293	-50	-23	-27	-393	-203	-190	-751	-293	-458
EBITDA *	-4,971	-441	-414	-27	-3,165	-2,900	-266	-5,474	-4,971	-503

* EBITDA - earnings before interest, tax, depreciation and amortisation

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Statement of Comprehensive Income including Forecast Outturn – Learning Disabilities, Neuropsychiatry and Older Peoples Psychiatry

Learning Disabilities, Neuropsychiatry and Older Peoples Psychiatry	Annual Budget £000	< < Current Month > > >			< < Year to Date > > >			< < Forecast Outturn > > >		
		Actual £000	Budget £000	Variance £000	Actual £000	Budget £000	Variance £000	Actual £000	Budget £000	Variance £000
Income:										
Revenue from Patient Care Activities	0	0	0	0	0	0	0	0	0	0
Other Operating Revenue	383	38	30	9	256	233	23	432	383	50
	383	38	30	9	256	233	23	432	383	50
Expenses:										
<u>Pay</u>										
Medical	-1,324	-104	-112	8	-755	-727	-28	-1,318	-1,288	-29
Nursing	-9,944	-690	-782	92	-5,637	-6,059	423	-9,341	-9,955	614
Other clinical	-2,412	-154	-215	60	-1,086	-1,339	254	-2,006	-2,382	376
Non-clinical	-807	-64	-68	3	-443	-457	14	-767	-803	36
Non-NHS	-15	-10	-1	-9	-44	-8	-35	-74	-15	-59
Cost improvement	0	0	0	0	0	0	0	0	0	0
	-14,503	-1,023	-1,178	155	-7,964	-8,591	627	-13,505	-14,442	938
<u>Non Pay</u>										
Drugs & clinical supplies	-413	-20	-34	14	-156	-242	86	-256	-413	158
Establishment costs	-389	-27	-32	6	-173	-223	50	-311	-394	82
Premises costs	-191	-20	-13	-7	-140	-101	-39	-261	-167	-94
Private Finance Initiative	0	0	0	0	0	0	0	0	0	0
Other	629	-13	64	-77	-89	326	-415	-155	629	-784
Central Funds	0	0	0	0	0	0	0	0	0	0
	-365	-80	-16	-64	-558	-240	-318	-983	-345	-638
EBITDA *	-14,485	-1,065	-1,165	100	-8,266	-8,598	332	-14,055	-14,404	349

* EBITDA - earnings before interest, tax, depreciation and amortisation

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Statement of Comprehensive Income including Forecast Outturn – Corporate Directorates

Corporate Directorates	Annual Budget £000	< < Current Month > > >			< < Year to Date > > >			< < Forecast Outturn > > >		
		Actual £000	Budget £000	Variance £000	Actual £000	Budget £000	Variance £000	Actual £000	Budget £000	Variance £000
Income:										
Revenue from Patient Care Activities	0	0	0	0	0	0	0	0	0	0
Other Operating Revenue	4,784	367	343	24	2,661	2,462	200	4,991	4,784	207
	4,784	367	343	24	2,661	2,462	200	4,991	4,784	207
Expenses:										
<u>Pay</u>										
Medical	-1,835	-128	-148	20	-852	-1,117	265	-1,615	-1,815	200
Nursing	-458	-34	-31	-3	-263	-254	-10	-489	-458	-31
Other clinical	-1,340	-104	-108	4	-768	-819	51	-1,275	-1,359	84
Non-clinical	-6,302	-506	-525	18	-3,349	-3,629	281	-5,745	-6,302	558
Non-NHS	-95	-41	-13	-29	-263	-63	-200	-637	-95	-542
Cost improvement	0	0	0	0	0	0	0	0	0	0
	-10,031	-814	-825	11	-5,494	-5,882	387	-9,761	-10,030	269
<u>Non Pay</u>										
Drugs & clinical supplies	0	0	0	0	0	0	0	0	0	0
Establishment costs	-464	-44	-41	-3	-152	-256	104	-316	-464	147
Premises costs	-1,185	-71	-98	27	-749	-676	-73	-1,396	-1,185	-211
Private Finance Initiative	-3,823	-317	-319	2	-2,266	-2,230	-36	-3,886	-3,823	-63
Other	-4,484	-327	-311	-16	-2,292	-2,200	-92	-4,880	-4,562	-318
Central Funds	-1,574	0	0	0	0	0	0	-163	-1,417	1,253
	-11,529	-759	-768	9	-5,458	-5,361	-97	-10,642	-11,450	808
EBITDA *	-16,776	-1,206	-1,250	44	-8,291	-8,781	490	-15,411	-16,696	1,285

* EBITDA - earnings before interest, tax, depreciation and amortisation

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Statement of Financial Position – including forecast

Detail	Period End Date				FOT
	31/03/2014	31/08/2014	30/09/2014	31/10/2014	31/03/2015
	£000	£000	£000	£000	£000
NON-CURRENT ASSETS:					
Property, Plant and Equipment	33,834	33,302	33,217	33,097	31,282
Intangible Assets	109	94	80	80	129
Trade and Other Receivables	52	52	52	52	52
TOTAL NON-CURRENT ASSETS	33,995	33,448	33,349	33,229	31,463
CURRENT ASSETS:					
Inventories	98	88	95	92	84
Trade and Other Receivables	3,525	5,083	9,038	4,478	3,491
Cash and cash equivalents	5,445	5,940	6,369	5,804	4,528
SUB TOTAL CURRENT ASSETS	9,068	11,111	15,502	10,374	8,103
Non-current assets held for sale	1,148	888	888	888	2,875
TOTAL ASSETS	44,211	45,447	49,739	44,490	42,441
CURRENT LIABILITIES:					
NHS Trade Payables	-929	-621	-887	-571	-754
Non-NHS Trade Payables	-4,880	-7,438	-11,558	-7,169	-5,449
Borrowings	-360	-360	-360	-360	-351
Provisions for Liabilities and Charges	-2,502	-2,376	-2,317	-1,634	-696
TOTAL CURRENT LIABILITIES	-8,671	-10,795	-15,122	-9,734	-7,250
NET CURRENT ASSETS/(LIABILITIES)	1,545	1,204	1,268	1,528	3,728
TOTAL ASSETS LESS CURRENT LIABILITIES	35,540	34,652	34,617	34,756	35,191
NON-CURRENT LIABILITIES					
Borrowings	-13,343	-13,193	-13,163	-13,133	-12,993
Trade & Other Payables	0	0	0	0	0
Provisions for Liabilities and Charges	-401	-401	-400	-400	-116
TOTAL NON- CURRENT LIABILITIES	-13,744	-13,594	-13,563	-13,533	-13,109
TOTAL ASSETS EMPLOYED	21,796	21,058	21,054	21,223	22,082
FINANCED BY TAXPAYERS EQUITY:					
Public Dividend Capital	7,998	7,998	7,998	7,998	7,998
Retained Earnings	150	-588	-592	-423	436
Revaluation Reserve	13,596	13,596	13,596	13,596	13,596
Other reserves	52	52	52	52	52
TOTAL TAXPAYERS EQUITY	21,796	21,058	21,054	21,223	22,082

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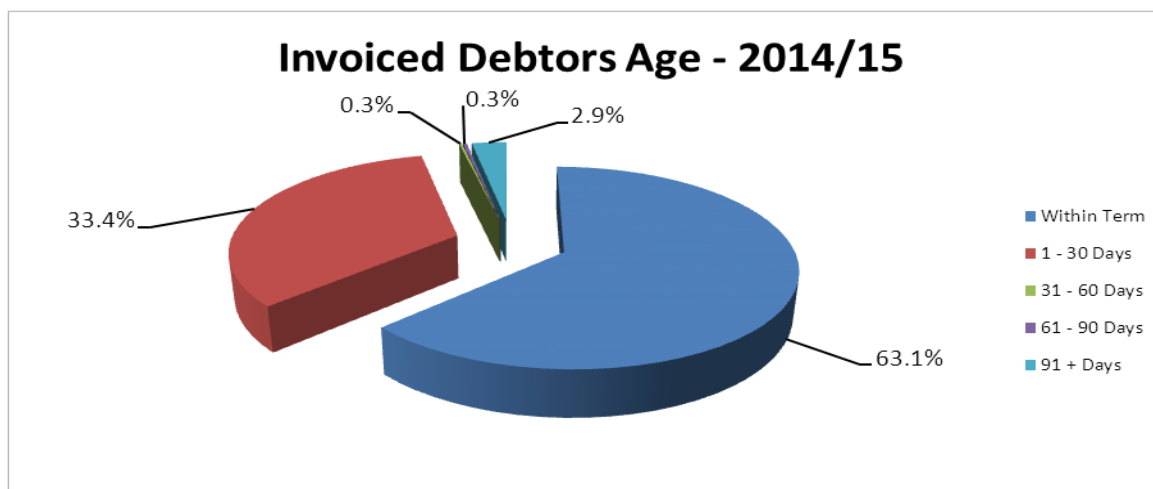
Cash-flow Forecast

Statement of Cash Flows (CF)	Actual Apr 14 £000	Actual May 14 £000	Actual Jun 14 £000	Actual Jul 14 £000	Actual Aug 14 £000	Actual Sep 14 £000	Actual Oct 14 £000	Forecast Nov 14 £000	Forecast Dec 14 £000	Forecast Jan 15 £000	Forecast Feb 15 £000	Forecast Mar 15 £000	2014/2015 Full Year £000
Cash Flows from Operating Activities													
Operating Surplus / (Deficit)	-62	-36	162	-56	44	164	336	312	398	323	340	260	2,185
Depreciation and Amortisation	123	123	85	125	107	99	126	111	112	113	113	113	1,350
Impairments and Reversals	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Paid	-117	-117	-117	-117	-116	-117	-116	-117	-117	-117	-117	-115	-1,400
Dividend Paid	0	0	0	0	0	-294	0	0	0	0	0	-337	-631
Inflow / (Outflow) prior to Working Capital	-56	-30	130	-48	35	-148	346	306	393	319	336	-79	1,504
(Increase) / Decrease in Inventories	13	-7	0	11	-7	-7	3	1	2	-5	1	9	14
(Increase) / Decrease in Trade and Other Receivables	-754	239	-370	-632	-41	-3,955	4,560	197	815	515	335	-807	102
Increase / (Decrease) in Trade and Other Payables	599	778	-555	924	243	4,627	-4,757	-550	-1,314	-883	-510	1,842	444
Provisions (Utilised) / Arising	-23	-13	-66	-35	11	-60	-683	-200	-67	0	0	-955	-2,091
Increase/(Decrease) in Movement in non Cash Provisions	0	0	0	0	0	0	0	0	0	0	0	0	0
Inflow / (Outflow) from Working Capital	-165	997	-991	268	206	605	-877	-552	-564	-373	-174	89	-1,531
Net Cash Inflow / (Outflow) from Operating Activities	-221	967	-861	220	241	457	-531	-246	-171	-54	162	10	-27
Cash Flows from Investing Activities													
Interest Received	1	2	1	1	1	2	1	1	1	1	1	0	13
(Payments) for Property, Plant and Equipment	-11	0	-5	0	-1	0	-5	-195	-180	-274	-364	-310	-1,345
Proceeds of disposal of assets held for sale (PPE)	0	0	0	310	0	0	0	220	0	270	0	0	800
Net Cash Inflow / (Outflow) from Investing Activities	-10	2	-4	311	0	2	-4	26	-179	-3	-363	-310	-532
NET CASH INFLOW / (OUTFLOW) BEFORE FINANCING	-231	969	-865	531	241	459	-535	-220	-350	-57	-201	-300	-559
Cash Flows from Financing Activities													
Capital Element of Payments in Respect of Finance Leases PFI	-30	-30	-30	-30	-30	-30	-30	-30	-30	-30	-30	-28	-358
Net Cash Inflow/(Outflow) from Financing Activities	-30	-30	-30	-30	-30	-30	-30	-30	-30	-30	-30	-28	-358
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	-261	939	-895	501	211	429	-565	-250	-380	-87	-231	-328	-917
Cash and Cash Equivalents (and Bank Overdraft) at YTD	5,184	6,123	5,228	5,729	5,940	6,369	5,804	5,554	5,174	5,087	4,856	4,528	

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Aged Debtor Analysis

Analysed as	Within Term	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 +	Overall Balance
	£000	£000	£000	£000	£000	£000
NHS	194	412	2	3	19	630
Local Authorities	301	231	0	0	0	532
Other Debtors	1,139	223	4	5	57	1,428
Total	1,634	866	6	8	76	2,590



Analysed by Credit Control Stage	Within Term	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 +	Overall Balance
	£000	£000	£000	£000	£000	£000
No formal dispute received - full payment anticipated	1,634	866	2	3	19	2,524
Routine credit control processes activated	0	0	4	5	49	58
Resolved - Awaiting Credit Note to be issued	0	0	0	0	0	0
Escalated to Management / Solicitors	0	0	0	0	8	8
Total	1,634	866	6	8	76	2,590

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Capital Programme and Expenditure

Site	Detail	2014/15 Original Scheme Value £000	Year to Date £000	Forecast Outturn £000
<u>Schemes Committed</u>				
<u>Developments</u>				
Ward 4 Upgrade		750	0	50
Acquired Brain Injury		150	0	10
Ward Upgrade		400	9	50
AT & T and Telford Unit		250	0	605
Tackling Green Issues		100	0	10
Victoria Surgery & other minor schemes		190	0	50
Total for Service Redesign schemes		1,840	9	775
<u>Maintenance of Infrastructure</u>				
Other	Other	200	13	20
Total for Maintenance of Infrastructure schemes		200	13	20
<u>Other Schemes</u>				
Other equipment purchases - IT	Various	100	0	250
Various	Various	400	0	0
Estate rationalisation - Childrens		0	0	20
Harplands - Ward 4/5		0	0	85
Harplands - Ed Myers	Additional beds	0	0	40
Parking		0	0	10
Harplands feasibility scheme		0	0	15
Electronic Patient Status Display		0	0	80
Total for Other Schemes		500	0	500
<u>Not Yet Committed</u>				
Harplands	Lifecycle	100	0	50
Total Expenditure		2,640	22	1,345
<u>Disposals</u>				
Sale of former Learning Disability properties		-1,140	-260	-800
Net Expenditure		1,500	-238	545
Capital Allocations				£000
Initial CRL (per NTDA Plan submission)				1,500
<u>Revisions to Plan:</u>				
None				-
Final CRL				1,500
Value of Schemes as at 31/10/14				545
Potential (Over) / Undershoot against CRL				955

Continuity of Service Risk Rating

Continuity of Services Risk Ratings	Current Month Metrics			Forecast Outturn Metrics		
	Plan	Actual	Variance	Plan	Forecast	Variance
	£000s	£000s	£000s	£000s	£000s	£000s
Liquidity Ratio (days)						
Working Capital Balance	-235	547	782	-90	769	859
Annual Operating Expenses	40,771	40,877	106	69,514	71,645	2,131
Liquidity Ratio Days	-1.21	2.81	4.02	-0.47	3.86	4.33
Liquidity Ratio Metric	3	4	1	3	4	1
Capital Servicing Capacity (times)						
Revenue Available for Debt Service	1,416	1,350	-66	3,715	3,548	-167
Annual Debt Service	1,396	1,395	-1	2,389	2,389	0
Capital Servicing Capacity (times)	1.0	1.0	0.0	1.6	1.5	-0.1
Capital Servicing Capacity metric	1	1	0	2	2	0
Continuity of Services Rating for Trust	2	3	1	3	3	1

Risk Assessment Framework Parameters				
Liquidity Ratio (days)				50% Weighting
Rating	4	3	2	1
Tolerance	0	-7	-14	<-14
Capital Servicing Capacity				50% Weighting
Rating	4	3	2	1
Tolerance	2.5	1.75	1.25	<1.25

North Staffordshire Combined Healthcare

NHS Trust

REPORT TO: Trust Board – Open Section

Date of Meeting:	27 November 2014
Title of Report:	Finance and Performance Committee Report – Committee Meeting 20 November 2014
Presented by:	Tony Gadsby – Committee Chairman
Author of Report: Name: Date: Email:	Steve Blaise 20 November 2014 Steve.blaise@northstaffs.nhs.uk
Purpose / Intent of Report:	<ul style="list-style-type: none"> • For Decision ✓ • Performance monitoring ✓ • For Information ✓
Executive Summary:	The attached report provides a summary of the Committee meeting held on the 20 November 2014 and provides assurance to the Board over the level of review and challenge provided by the Committee of financial and other reporting as well as forecasting.
Which Strategy Priority does this relate to: How does this impact on patients or the public?	<ul style="list-style-type: none"> • Customer Focus Strategy • IM and T Strategy ✓ • Governance Strategy ✓ • Workforce Strategy ✓ • Financial Strategy ✓ <p>Helps ensure appropriate resources are directed to and protected for appropriate patient care services.</p>
Relationship with Annual Objectives:	Supports achievement of financial targets, the monitoring of CQUIN requirements and the delivery of efficiency programmes
Risk / Legal Implications:	Principle risk register reviewed via committee and reported separately to the Board
Resource Implications:	
Equality and Diversity Implications:	None
Relationship with Assurance Framework [Risk, Control and Assurance]	Provides assurance over the Trust's arrangements for sound financial stewardship and risk management.
Recommendations:	<p>The Trust Board are asked to:</p> <ul style="list-style-type: none"> • note the contents of the report and take assurance from the review and challenge evidenced in the Committee.

Assurance Report to the Trust Board – Thursday, 27 November 2014

Finance and Performance (F & P) Committee Report to the Trust Board – 20 November 2014

This paper details the issues discussed at the Finance and Performance Committee meeting on 20 November 2014.

The meeting was quorate, approved the minutes from the meeting on the 23 October 2014 and reviewed the progress and actions taken from previous meetings.

The Committee received the financial update for month 7 (October 2014) 2014/15.

The income and expenditure position to Month 7 was slightly ahead of plan at a deficit of £0.57m against a plan deficit of £0.60m, a favourable variance of £0.03m. The paper also reported that the year-end forecast was in line with the planned position of £0.286m surplus, equating to a £0.752m surplus at adjusted financial performance level.

The Trust's cash balance at the end of August was £5.8m, which is £0.6m lower than the position at the end of September 2014 but £2.1m more than plan at this stage of the year.

As previously reported, the capital programme position remains significantly behind plan. As a previously agreed, the Trust undertook a full review of its capital programme and the likely 2014/15 forecast outturn position. As a result of this review the Trust is now forecasting an under spend of £0.955m in 2014/15 which has been reported to the TDA at month 6. The Trust continues to monitor its year end capital spend forecast.

The Trusts Continuity of Service Risk Rating at month 7 was an overall rating of 3 against a planned year to date level of 2. The Trusts liquidity metric remains high (level 4) but the Trusts planned deficit at 31 October, reduces the Capital Servicing Capacity to level 1. This rises by the end of year to level 2 as the Trust moves back into surplus. This maintains the year end forecast overall rating of level 3.

The Committee received the Month 7 Cost Improvement Programme (CIP) 2014/15 report which incorporated elements of the Workforce paper linked to CIP schemes. The paper highlighted the requirement to deliver £4.08m of CIP with plans in place to deliver £4.08m.

The paper also showed a year to date position of £2.1m delivery against the plan of £2.2m although it was noted that a significant element of that year to date delivery was on non-recurring schemes from Corporate and Trust wide areas.

The Committee noted that all schemes had now been subject to a Quality Impact Assessment (QIA).

The report also included details of the CIP schemes that are being developed for the for 2015/16 financial year. It was noted that considerable progress had been made with these schemes which totalled £3.6m. It was noted that the schemes, and those for the 4 following years, continue to be developed further for inclusion within the Trusts refreshed Business Plan and Long Term Financial Model which are due to be finalised before the end of the calendar year.

Other Reports and Updates

The Committee received additional reports and verbal updates as follows:

- Patient Level Information Costing System (PLiCs). The report highlighted the progress being made to implement the Trusts PLiCs system and included the project delivery plan. The Committee notes the work currently being undertaken to gain greater engagement with clinical colleagues.
- The Committee also received a paper from the Trusts Payment by Results Working Group. The Committee was presented with the draft PBR implementation project plan to demonstrate the wide range of actions currently being undertaken.
- The Committee received the Month 7 Performance Management Report which included performance against TDA metrics and key national targets. The Committee noted that nearly all the national targets are being met and discussed in some detail the targets currently rated red.
- A verbal updates on the Trusts current and forecast cash position and the current position in respect of the negotiation and signing of the Trusts Non Clinical Service Level Agreements.
- The Committee was disappointed to note that, despite the trusts under spend on Capital, the latest Capital Investment Group meeting had not taken place.
- A summary template that described the key risks to the delivery of the 2014/15 financial plan. The committee requested that the key financial risk ratings to the 2014 – 2015 plan be reviewed in the light of current year – end forecasts.

- A report was tabled and discussed updating the Committee on the Trust's current tender activity. It was noted that the majority of potential tenders related to the Substance Misuse Service.
- The Committee received an update paper for information on the current position relating to the proposed disposal of the Bucknall Hospital site.

The Board is asked to note the contents of this report and take assurance from the review and challenge evidenced in the Committee.

Tony Gadsby – Chair of Finance and Performance Committee

20 November 2014

Enclosure 12

REPORT TO TRUST BOARD

Date of Meeting:	27 th November 2014
Title of Report:	Performance Report – Month 7 2014/15
Presented by:	Ann Harrison, Interim Director of Finance
Author of Report: Name:	Kevin Daley, Performance Development Manager
Date:	18 th November 2014
Email:	Kevin.Daley@northstaffs.nhs.uk
Purpose / Intent of Report:	Performance Monitoring
Executive Summary:	<p>This report provides the Board with a summary of performance to the end of Month 7 (October 2014)</p> <p>Performance against the Monitor compliance framework and key National Targets is included within the report, all indicators are on target.</p> <p>A range of 122 metrics is in place to monitor performance, quality and outcomes. The indicators are those set by our commissioners and local trust targets and aligned to the relevant Trust objectives. Month 7 performance against these KPIs has been reviewed by the Finance & Performance Committee prior to being presented to the Trust Board.</p> <p>At month 7 of the 122 metrics 50 metrics were rated as Green, 2 rated as Amber, 5 rated as Red and 65 Unrated due to the absence of targets which are monitored to identify and respond to trends.</p> <p>The attached summary by exception expands on the areas that are underperforming and Executive leads will provide a verbal update at the meeting, where appropriate.</p>
Which Strategy Priority does this relate to:	Governance Strategy
How does this impact on patients or the public?	The Performance & Quality management Framework measures performance across National and local indicators, presented against the Trust's enabling strategies, commissioning contract and Monitor's compliance framework.
Relationship with Annual Objectives:	The Performance & Quality Management Framework measures performance across all annual objectives
Risk / Legal Implications:	All areas of underperformance are separately risk assessed and added to the risk register dependent on the outcome of the risk assessments.
Resource Implications:	Not directly as a result of this report
Equality and Diversity Implications:	Not directly as a result of this report
Relationship with Assurance Framework	The Performance & Quality Management Framework is a key control within the Assurance Framework

Recommendations:	<p>The Board are asked to</p> <ul style="list-style-type: none"> • consider and discuss reported performance with particular emphasis on areas of underperformance • note the considerable number of metrics reported on target (green) • to confirm sufficient detail and assurance is provided
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1 Introduction to Performance Management Report

The report includes proposed TDA metrics, targets where agreed, trends and revised RAG rating

- An Executive Summary (this report)
- Overall performance of metrics with targets (App A)

In addition to the attached appendices a full database (Divisional Drill-Down) has been made available to Divisional Business Managers and Clinical Directors to enable them to scrutinise / check the supporting data and drive improvements based on that data.

2 Executive Summary – Exception Reporting

This section presents an overview and performance by exception across all Key Performance Indicators in place to measure performance, quality and outcomes.

At month 7 there are 50 metrics rated as Green and 2 rated as Amber, 5 rated as Red and 65 Unrated due to the absence of targets which are monitored to identify and respond to trends.

		Month 7			
Strategic Goal	Key Trust Objective	Red	Amber	Green	Unrated
	TDA	0	0	0	0
SG1 Clinical Effectiveness	KTO 1	1	1	22	30
SG2 Partnership Working	KTO 2	3	0	4	26
SG3 Engagement	KTO 3	0	0	7	3
SG4 Innovation	KTO 4	0	0	0	0
SG5 Efficient Provider	KTO 5	0	0	12	0
	KTO 6	1	1	5	6
	Total	5	2	50	65

3 Exception Reports

Below are exceptions where compliance of the KPIs which support the strategic goals and Key Trust Targets (KTO) are below expected levels of performance and require further action.

SG1: To deliver high quality, person-centred models of care Clinical Effectiveness

KTO 1. Delivery of high quality services evidenced by CQC compliance, compliance with NICE guidance, increase in service user engagement and improvement of patient (SG1)

Of the 54 metrics all except the 2 below are within accepted limits at month 7

KPI	Metric	Exec	Op	Target	M7 Perf	YTD	Forecast Outturn	Trend	Comment
CQUIN GOAL 2	Nationally mandated Physical Health CQUIN	Dir of Nursing			AMBER	AMBER	GREEN	↔	All quarter 1 targets met Sample to be identified and sent to RCPsych by 31 October 2014. Due to the high percentage targets set for this CQUIN, there is some concern

									around full achievement at Q4. Baseline audit report in draft for submission to Commissioners at Q2. Due to the high percentage targets set for this CQUIN, there is some concern around full achievement at Q4.
4C 2.2	Number of people seen for crisis assessment within 4 hours of referral (Monthly)	Dir of Nursing	BB	90%	RED 81%	GREEN 91%	GREEN	↘	<p>Month 7: Original data showed 57 of 70 new referrals seen within 4 hours = 81% compliance</p> <p>Subsequent investigation and correction of a number of data quality issues has resulted in an improvement from 81% to 94% compliance. YTD compliance is now 93%. This revised position will be reported to Commissioners at CQRM on 28/11/14.</p>


SG2: To be at the centre of an integrated network of partnerships to provide a holistic approach to care

KTO 2. Integrated models of care evidenced by clinical strategy supported by commissioners, partners and service users. (Medical Director) (SG2)

Of the 33 metrics all except the 3 below are within accepted limits at month 7

KPI	Metric	Exec	Op	Target	M7 Perf	YTD	Forecast Outturn	Trend	Comment
	Completion of IAPT Minimum Data Set outcome data for all appropriate Service Users, as defined in Contract Technical Guidance	Dir of Ops	SW	90%	RED 81%	RED 81%	GREEN	↔	<p>81% @ month 7 from 81% @ month 6</p> <p>Please note that the latest data from HSCIC website is final data for June 2014 which indicates 81% compliance.</p> <p>The Trust is above the national average (78%) compliance levels at 81% and in</p>

								<p>the middle cohort of Trusts in terms of data completeness.</p> <p>Work ongoing within the teams to ensure that all relevant data fields are populated with valid coding which should show improvement in the reported activity for subsequent months.</p>
PHQ13_05	<p>National KPI 4 (PHQ13_01)</p> <p>The number of people who have entered (i.e. received) psychological therapies during the reporting quarter</p>	Dir of Nursing	SW	<p>Target 2303 YTD @ M7 385 = M7 Target</p>	RED 270	RED 1725	AMBER	<p>↘</p> <p>270 @ M7 from 294 @ M6 M7 target = 385 actual 270 YTD target @ M7 = 2303 actual 1725</p> <p>Review of service with providers, commissioners and National IAPT support team has resulted in action plan as follows-</p> <ul style="list-style-type: none"> • Increase number of self-referrals and engagement groups through marketing strategy • Increase admin support to free capacity of therapists • Increase the number of service users who attend for 4 to 5 therapy sessions • Increase number of older adults uptake of service • Set

									trajectories based on capacity to meet performance targets reduction in 15% DNA rate to 7% and reaching 50% of service users reporting recovery
PHQ13_05	The proportion of people who have depression and/or anxiety disorders who receive psychological therapies (PHQ16_01 / PHQ16_02	Dir of Nursing	SW	Target to M7 8.17%	RED 0.96%	RED 6.1%	AMBER		<p>0.96% @ month 7 from 1.02% @ month 6</p> <p>This service is provided in partnership with Changes and Mind</p> <p>Review of service with providers, commissioners and National IAPT support team has resulted in action plan as follows-</p> <ul style="list-style-type: none"> • Increase number of self-referrals and engagement groups through marketing strategy • Increase admin support to free capacity of therapists • Increase the number of service users who attend for 4 to 5 therapy sessions • Increase

									number of older adults uptake of service <ul style="list-style-type: none"> Set trajectories based on capacity to meet performance targets reduction in 15% DNA rate to 7% and reaching 50% of service users reporting recovery
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SG3 To engage with our communities to ensure we deliver the services they require

KTO 3. Improve stakeholder relationships and working, evidenced by stakeholder survey at beginning and end of year. (Chief Executive) (SG3)

Of the 10 metrics all are within accepted limits at month 7

SG4 To be a dynamic organisation driven by innovation

KTO 4. Use technology as an enabler for high quality service delivery evidenced by implementation of a refreshed IT Strategy and real-time patient feedback systems.(Dir of Finance). (SG4)

Metrics need to be identified in order to offer assurance against this objective

SG5 To be one of the most efficient providers


KTO 5. Robust plans delivering quality and sustainable services evidenced by delivery of financial plan and TDA risk rating of maximum 2. (Dir of Operations) (SG5)

Of the 12 metrics all are within accepted limits at month 7

KTO 6. Improve culture of staff engagement evidenced by improvements in key staff survey indicators and improved team survey results. (Dir of Leadership & Workforce) (SG5)

Of the 13 metrics all except the 2 below are within accepted limits at month 7

KPI	Metric	Exec	Op	Target	M7 Perf	YTD	Forecast Outturn	Trend	Comment
O8.6	Percentage of staff compliant with mandatory training appropriate	WF Dir	PD	95%	AMBER 89%	AMBER 89%	AMBER	↔	89% @ month 7 from 89% @ month 6 Month 7 breakdown AMH = 88% LDNAOP = 90% CYP = 92% Corporate = 90%

	to their role								Trust is proactively taking action with teams to ensure that all staff attend statutory & mandatory training and maintain their compliance.
O8.5	Annual (Rolling 12 months) appraisal and personal development plan All Staff	WF Dir	PD	90%	RED 59%	RED 59%	GREEN		59% @ month 7 from 27% @ month 6 Month 7 breakdown AMH = 46.39% LDNAOP = 57.19 CYP = 91.22% Corporate = 76.04% The issue is the cascade process undertaken to ensure that all PDRs reflect the Trust objectives throughout the organisation. Trust is proactively taking action to ensure that performance returns to required levels over the next couple of months.

4 Recommendations

The Board is asked to:

- Review and comment on the revised format
- Review and comment on the metrics
- Note the performance reported including the forecast position
- Note that all national targets are being met
- Note the on-going issues
- Review areas of underperformance as summarised in this report and identify further action required

REPORT TO TRUST BOARD

Enclosure 13

Date of Meeting:	27 November 2014
Title of Report:	NHS Trust Development Authority (NTDA) Monthly Self Certifications.
Presented by:	Ann Harrison, Interim Director of Finance
Author of Report: Name: Date: Email:	Glen Sargeant, Head of Performance and Information 18 November 2014 glen.sargeant@northstaffs.nhs.uk
Purpose / Intent of Report:	Information and approval
Executive Summary:	<p>This paper confirms that the monthly NTDA self-certification documents have been reviewed by the executive team and are ready to be submitted, with no changes from last month's position of compliance and no exceptions to report.</p> <p>These self-certification declarations form part of the NTDA Oversight and Escalation Process.</p> <p>Based on October 2014 data, the Trust is declaring compliance with all requirements.</p>
Which Strategy Priority does this relate to:	Clinical, Finance and Governance.
How does this impact on patients or the public?	There is no direct impact on patients or the public.
Relationship with Annual Objectives:	5: Robust plans delivering quality and sustainable services
Risk / Legal Implications:	None
Resource Implications:	None identified
Equality and Diversity Implications:	None identified
Relationship with Assurance Framework [Risk, Control and Assurance]	Supports the wider framework
Recommendations:	<p>The Board is asked to :</p> <ul style="list-style-type: none"> • Approve the submission for October 2014 data declaring compliance with all

	requirements. This is to be sent to the NTDA on or before the last working day of November 2014.
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REPORT TO: Trust Board

Date of Meeting:	27 November 2014
Title of Report:	Presentation of the Trusts 2013/14 Charitable Funds Accounts and Annual Report
Presented by:	Ann Harrison, Interim Director of Finance
Author of Report: Name: Date: Email:	Steve Blaise, Interim Deputy Director of Finance 1 st November 2014 Steve.blaise@northstaffs.nhs.uk
Purpose / Intent of Report:	For Approval
Executive Summary:	<p>The Trust Finance team have prepared the attached Charitable Funds Accounts and Annual Report in line with Charities Commission guidance, NHS Financial Reporting Manual and accordance with the requirements of the Charities Act 2011, the Charities (accounts and reports) regulations 2008 and the Charities SORP (revised 2005).</p> <p>The Accounts and Report have been subjected to scrutiny and review by the Trusts External Auditors and were presented to the Trusts Charitable Funds Committee on 17th October 2014 and to the Audit Committee on 13th November 2014 and to the Trust Board on 27 November 2014.</p>
Which Strategy Priority does this relate to: How does this impact on patients or the public?	<ul style="list-style-type: none"> Governance Strategy
Relationship with Annual Objectives:	
Risk / Legal Implications:	N/A
Resource Implications:	N/A
Equality and Diversity Implications:	N/A
Relationship with Assurance Framework [Risk, Control and Assurance]	

Recommendations:	For approval
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North Staffordshire
Combined Healthcare



NHS Trust

Charitable Funds

Annual Report 2013/14

Registered as a Charity

No: 1057104

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Introduction

The Trustee present their annual report together with the audited accounts of the Trust for the year ended 31st March 2014 and this is formulated in accordance with the principles of the Accounting and Reporting by Charities: Statement of Recommended Practice – SORP 2005.

Adherence to the SORP ensures full compliance with the relevant regulations as well as satisfying the overriding requirement for charity accounts to show a true and fair view.

The aim of this report is to provide a link between the charity objectives and strategies as set out by the Trustee for the activities carried out during the year, detailing the year and measuring how successful they have been in achieving the charity objectives.

Structure, Governance and Management

GOVERNING DOCUMENT

North Staffordshire Combined Healthcare NHS Trust (NSCHT) has administered Charitable Funds since its creation on 1 April 1994. Prior to this date both administration and legal title was with North Staffordshire HA.

The Charitable funds were registered with the Charity Commission under the requirements contained within the 1993 Charities Act. The funds were registered as an “Umbrella Charity”.

The funds are held for any charitable purpose or purposes relating the NHS, relating to services provided by the Staffordshire & Stoke on Trent Partnership NHS Trust & North Staffs Combined Healthcare NHS Trust.

TRUSTEE ARRANGMENTS

The North Staffordshire Combined Healthcare NHS Trust is the Corporate Trustee of the charity. The Directors who served the NSCHT during the year to 31st March 2014 are listed on page 14.

Trustees are automatically appointed on becoming a Board member of NSCHT.

Appointments to the Trust Board are governed by the Trust’s Standing Orders with the Chairman and members being appointed by the NHS Appointments Commission.

As part of their induction programme, new Executive Directors of NSCHT are made aware of the responsibilities as Trustee.

The Trustee did not undertake any specific training with the reporting year although the induction arrangements for all Board members include details on their responsibilities as Charitable Funds Trustees.

The ongoing training requirements of fund Trustee’s is to be considered by the Charitable Funds Committee at its October 2014 meeting, with a commitment to address any training issues by the end of the 2014/15 reporting year.

Neither the Corporate Trustee nor the directors of the Corporate Trustee are remunerated.

PROFESSIONAL ADVISORS DURING 2013/14

Charity Registered Address:

North Staffordshire Combined Healthcare NHS Trust
Trust Head Quarters
Bellringer Road
Trentham Lakes South
Stoke on Trent
Staffordshire ST4 8HH

Charity Bankers:

Co-operative Bank PLC
Business Centre
Festival Way
Festival Park
Stoke on Trent
Staffordshire ST1 5UA

Investment Advisors:

Brewin Dolphin
15 Trinity Street
Hanley
Stoke on Trent
Staffordshire ST1 5PH

Charity Auditors:

KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham B4 6GH

STRUCTURE OF CHARITY

The Trustees have delegated day-to-day management of the charitable funds to a charitable funds committee and membership is listed on page 14 of this report.

Since the registration of funds, a number of NHS reorganizations have taken place, both nationally and within the local health economy. Initially, provision of certain services were transferred to four newly formed PCTs in North Staffordshire. Following the introduction of 'commissioning a patient lead NHS' this reduced to two PCTs – North Staffordshire and Stoke on Trent PCT.

More recently in Sept 2011, as part of the 'Transfer of Community Services (TCS)' initiative, provider services transferred from the PCTs to a new community Trust.

Staffordshire & Stoke on Trent Partnership NHS Trust (established Sept 11) took over the provision of certain services from the former PCT's, but the charitable funds relating to those services have remained under the Trusteeship of NSCHT.

MANAGEMENT OF CHARITABLE FUNDS

Being Trustee incorporated as a body, the Trust Board has established a Charitable Funds Committee to oversee the operation of the charitable funds on behalf of the Trust and Staffordshire & Stoke on Trent Partnership NHS Trust.

This committee has responsibility to monitor and control the management of charitable funds and provides advice to the Trust Board. It also provides support, guidance and encouragement in the utilization of income and expenditure, ensuring best practice is followed in the conduct of all its affairs.

RISKS

The risks to which the charity are exposed have been identified and considered.

The charity benefits from the independent reviews undertaken by both internal and external audit, reports from which are presented to the Trustee.

Internal audit reviewed the systems established to mitigate those risks, and based on the testing carried out by them; reasonable assurance can be given that the controls in place over the operation of the charitable funds function are adequate and effective. Audit testing did not reveal any significant or material financial or other losses; however, it highlighted some weaknesses, and made a number of recommendations.

The action points from such reports are applied and monitored on behalf of the Charity by accountants within the Trust finance department.

All funds are checked before a payment is made to ensure that there is money available to meet the expenditure and statements are sent to Fund Holders on a monthly basis. The charitable funds continue to be administered by the Staffordshire Shared Business Services.

All expenditure is committed against funds by the appointed Fund Holders and this expenditure is applied in line with objectives of the charity. This expenditure is then authorized according to the Trust's Standing Financial Instructions, Standing Orders and Charitable Fund Procedures that also comply with Charity Law.

Any risks relating to the charitable funds would be considered within the corporate trustee risk register. The risk register is reviewed quarterly, the last review relating to 2013/14 was at June 2014 Trust Board.

Objectives and Activities

OBJECTIVES

The charity has NHS Wide Objectives as follows:

The Trustee shall hold funds for any charitable purposes relating to the NHS wholly or mainly for the services provided at North Staffordshire Combined Healthcare NHS Trust.

The Trustee has approved a guidance document for holders and users of Charitable Funds which contains more explicit advice on the definition of charitable purposes and allowable expenditure. This document also helps focus the objectives of the Charity as it identifies typical areas in which Charitable funds can be used to enhance the patient and staff experience.

Fund managers formulate and monitor their own expenditure plans to achieve the objectives set the Charitable Funds Committee for this year. The Charity regularly assesses the designations of its unrestricted funds and there is high level discussion of income and expenditure at each charitable funds committee meeting.

ACTIVITIES

Both community Trusts - provide health and care services in the community including Community Hospitals, Health and Resource Centres, Schools, Prisons and your own home.

North Staffordshire Combined Healthcare NHS Trust provide Mental Health and Learning Disability Services.

Staffordshire and Stoke on Trent Partnership NHS Trust provide Elderly Care, Primary and Social Care.

Elderly Care – The Elderly Care service provide health care for the elderly. Services include acute patient care, rehabilitation/intermediate care, respite care, palliative care, day hospitals and long stay care.

Learning Disabilities - The Learning Disabilities service provides a range of community based specialist services to meet the needs of people with learning disabilities and their families. Services include residential and respite care, specialist education and day activities, short term treatment and assessment and specialist services for people with mental impairment.

Mental Health - The Mental Health service aims to provide high quality, easily accessible service to those with a mental illness. These comprehensive services are offered in hospital and community based settings, these include adult acute, rehab, elderly care, substance misuse, child and adolescent, psychiatry, neuropsychiatry, community nursing and clinical psychology services.

Umbrella Charity - The Trust's Umbrella charity is a fund which is Trust wide and as such its monies have been donated for the general purpose of the Trust. Within the umbrella, there are a number of earmarked funds covering Trust wide staff initiative including more specific community funds including those relating to Primary Care services.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The charity has the following objects:

The Trustee shall hold funds for any Charitable purposes relating to the NHS wholly or mainly for the services provided at Staffordshire & Stoke on Trent Partnership NHS Trust and North Staffordshire Combined Healthcare NHS Trust

Charitable funds received by the Charity are accepted and held and administered as funds and property held on Trust for purposes relating to the health service in accordance with the requirements of the Charities Act 2011, the Charities (accounts and reports) regulations 2008 and the Charities SORP (revised 2005).

The Trustee confirm that they have complied with the duty included in section 4 of the Charities Act 2006 to have due regard to public benefit guidance provided by the Charity Commission when reviewing aims and objectives, when planning future activities and in setting the grant making policy for the year.

The Charity carries out these objects by funding activities that benefit NHS patients of North Staffordshire and Stoke on Trent or the staff that deliver patient care to those patients. Primarily, these activities improve the health of patients and the patient and public experience.

Funding activities also improve the skills of staff, improve working conditions and improve staff morale by providing equipment, services and facilities not normally provided by or in addition to the normal NHS provision.

Funding activities also improve the motivation of staff, by improving staff facilities and by providing services that improve the staff wellbeing.

FUTURE PLANS

The Trustee will continue to regularly review spending plans to reflect the changing needs of the NHS service within North Staffordshire and Stoke on Trent. The objective is to enhance facilities for patient care, ensuring that both service needs and the objectives of the Charitable Fund are met.

The use of charitable funds is being encouraged to further enhance the improvement to patient care and well being.

It is the aim that charitable funds will be utilized in future years, in order to enhance the level of care experienced by our patients.

Forecast expenditure plans will continue to be monitored, by the Charitable Funds Committee, on a rolling basis. The aim being to ensure that funds are used in furtherance of the charitable purpose and are applied appropriately within a reasonable time.

Investment current and future objectives

The primary objective of the Trustee is to generate an income to support the delivery of local healthcare services and support the development of patient facilities and environment, staff and staff facilities.

Achievements and Performance

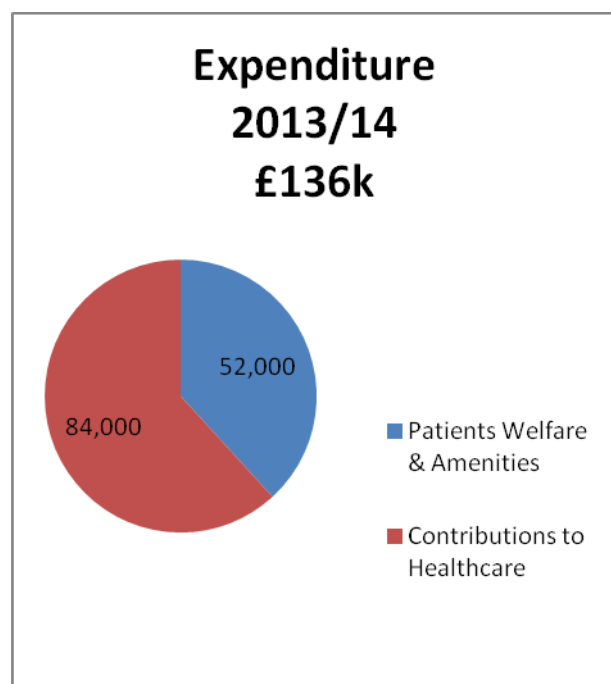
EXPENDITURE

During the year, the funds continued to support a wide range of charitable and health related activities benefiting both patients and staff, and subsequently for the public benefit.

In general, funds are used to purchase varied additional goods and services that the NHS is sometimes unable to provide.

Payments made in the year on activities to support the charities objectives totaled £136,000. Much of this expenditure was spent in different locations across the Trust and Staffordshire and Stoke on Trent Partnership NHS Trust.

This expenditure is summarized as follows:



The table opposite shows in more detail, expenditure by type and how the funds were spent in 2013/14.

Activity	Expenditure £
Medical Equipment	57,692
Furniture & Fittings - Patients	18,874
Misc - other	18,045
TV / Video / Music	16,323
Administration	9,219
Christmas - Patients	5,734
Therapy / Craft items	4,475
Misc - patients	1,879
Furniture & Fittings - Other	1,515
Building / Garden	1,486
Patient's holidays / outings	630
Catering	264
Books / Newspapers / Subs	145
Misc - staff	81
Toys / Games	42
Total Expenditure 2013/14	136,404

EXPENDITURE

Examples of some of the areas, where funds have been utilized for patient, staff and the public benefit are shown in more detail in the table opposite.

PATIENTS WELFARE AND AMENITIES

A range of equipment and services were purchased benefitting patients welfare and amenities. Items purchased include therapy equipment, art and music workshops, and furniture for patient areas, patient trips and holidays.

CONTRIBUTIONS TO HEALTHCARE

In addition, purchases were made contributing to NHS funding; these purchases have benefited and enhanced various services across the Charity. Items purchased include an Ultra sound machine, bladder scanners, posture chairs, beds, mattresses, and mini bus lease.

STAFF WELFARE AND AMENITIES

Staff have also benefitted from the charity.

SITE - FUND	DESCRIPTION / ITEM	VALUE
Haywood General	TV maintenance & repairs contract for TV's at Haywood Hospital	15,950
	4 Bariatric mattresses or beds	10,045
	2 Invacare wheelchairs	2,528
	Total	28,543
Haywood Ultrasound	Ultrasound machine	25,725
Haywood Chatterley	Bladder scanner	9,485
	Volume measuring equipment	7,904
	3 Syringe pumps	3,234
	1950's theme pop up room REM pod	2,082
	4 Patient chairs	1,390
	Total	24,095
Dragon Square Children's Respite	Annual rental of lease vehicle	5,388
Haywood Various	Art & music workshops for patients	2,886
Harplands Neuro	Fitness equipment	1,966

INCOME

This is made up of voluntary, investment and fund raising income. Total income received amounts to £278,000.

Voluntary Income

£31,000 – Donations
£219,000 – Legacies

Fund raising and other activities

£11,000

Investment income

£17,000 – Dividends

Donations from the general public made to wards, specifically given to thank the nursing/clinical staff, are used in ways to benefit staff, such as training and the enhancement of facilities or amenities, which in turn has a positive impact on the care delivered.

This financial year the charity received three legacies.

£145,648	- Haywood General
£72,407	- Haywood Rheumatology Research
£1,000	- Haywood Grange Ward

The legacy conditions were specific in what the money was to be utilized for and/or which hospital/ward should benefit. This has resulted in the legacies being classified as 'restricted funds' and therefore identified as such in the Annual Accounts contained in this report.

Investment Income

The Trust has an ethical obligation to ensure that any investments made from a charitable source are with companies whose products or services are not harmful to health.

Fund balances at 31 March 2014 stood at £522,000 (£407,000 at 31 March 2013). The main reason for the increase in funds held has resulted from legacy donations received during the year. In terms of cash held, there has been an increase of

£152,000 from £51,000 31 March 2013 to £203,000 31 March 2014.

The dividends received during the financial year from the charities investment portfolio amounted to £17,000.

FINANCIAL REVIEW

During 2013-14, the Charitable funds have benefitted greatly from public donations of £31,000 and legacies of £219,000. Fund raising activities by staff and families also generated £11,000. Total incoming resources from these activities amounted to £261,000.

With the addition of dividends received during the year totaling £17,000, the total income for 2013-14 amounted to £278,000.

Fund balances at 31 March 2014 stood at £522,000 (£407,000 at 31 March 2013). In the main this increase in funds held has resulted from the two large legacy donations received during 2013/14.

RESERVES

The Trustees have established a reserves policy as part to their plans to provide support to North Staffordshire Combined Healthcare NHS Trust and Staffordshire and Stoke on Trent Partnership NHS Trust for patient and staff benefit.

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately 18 months management, administration and support costs and to respond to emergency application for grants which may arise from time to time. It is the policy not to accumulate general reserves above this level but to spend donations promptly on the purpose for which they were received; however funds could be accumulated for very specific purposes.

Reserves required for 2013-14 was calculated at £50,000 based on 18 months management, administration and support costs.

INVESTMENTS

The Trustee operates an investment pooling scheme via investment advisors Brewin Dolphin.

Attitude to Risk

Trustees have a duty to manage the risks their charity faces. During the financial year 2005-06, in an attempt to guard against stock market volatility, the committee resolved to withdraw from all equity holdings and instructed Brewin Dolphin to invest solely in fixed interest securities. As a result, the recent market conditions in respect of stocks and shares do not impact on the majority of investments currently held.

An analysis of the movements of the fixed asset investments is shown in the Annual Accounts contained in this report.

All fund investments are held within the UK and the portfolio is managed on a 'Cautious' to 'Lower Risk' basis.

Investment Performance

The portfolio generates an approximate gross income of £16,667 which equates to a yield of approximately 4.3%.

Summary

The Trustees wish to take this opportunity to express their gratitude to the donors, for their generosity and express their thanks to all who contributed to the work of the Charity during the year.

Service users have benefitted greatly from the generosity of family, friends, staff and the wider community who have made donations.

The Trustee has not imposed any designations to the unrestricted funds opposite and therefore consider them to be freely available to be expended on any of the Charity's activities.

Summarised Fund Balances held at 31 March 2014

	Unrestricted	Restricted	Total
	£'000	£'000	£'000
Name of Fund			
Bradwell Hospital	4		4
Bucknall Hospital	9	4	13
City General Hospital	0		0
Cheadle Hospital	16		16
Haywood Hospital	54	208	262
Leek Moorlands Hospital	46		46
Longton Hospital	4		4
Stallington Hospital (Learning Disability)	11	27	38
Stanfields Hospital (transferred to Haywood)	31		31
St Edwards Hospital (Mental Health Services)	54		54
Trust Wide Umbrella	25	29	54
Westcliffe Hospital	0		0
	<hr/>	<hr/>	<hr/>
	254	268	522

Financial Accounts 2013/14

The statement of Financial Activities is a summary of all the transactions in the year.

Statement of Financial Activities for the year ended 31 March 2014				
	Unrestricted Funds £000	Restricted Funds £000	2013-14 Total Funds £000	2012-13 Total Funds £000
Incoming resources				
Voluntary Income				
Donations	15	16	31	42
Legacies	107	112	219	22
Sub-Total Voluntary Income	123	128	250	64
Investment income	8	9	17	18
Other incoming resources	5	6	11	4
Total incoming resources	136	142	278	86
Resources expended				
Charitable Activities	67	69	1136	125
Governance Costs	7	8	15	20
Investment Management costs	1	1	2	3
Total resources expended	75	78	153	148
Net incoming/(outgoing) resources before transfers	61	64	125	(62)
Net incoming/(outgoing) resources	61	64	125	(62)
Gains/(losses) on revaluation & disposal of investment assets	(126)	116	(10)	17
Net movement in funds	(65)	180	115	(45)
Fund balances brought forward at 31 March 2013	319	88	407	452
Fund balances carried forward at 31 March 2014	254	268	522	407

Financial Accounts 2013/14

The balance sheet gives an update on the total value of Charitable funds as at 31 March 2014.

Balance Sheet as at 31 March 2014		
	2013-14 Total at 31 March £000	2012-13 Total at 31 March £000
Fixed Assets		
Investments	392	403
Total Fixed Assets	392	403
Current Assets		
Debtors	8	11
Cash at bank and in hand	203	51
Total current Assets	211	62
Creditors: Amounts falling due within one year	81	58
Net Current Assets/ (Liabilities)	130	4
Total Assets Less Current Liabilities	522	407
Total Net Assets	522	407
Funds of the Charity		
Restricted	268	319
Unrestricted	254	88
Total Funds	522	407

Fund Position

The Charity's financial position at the balance sheet date is considered to be satisfactory in the context of future plans. On a fund by fund basis, assets are readily available and adequate to fulfill the needs of the Charity, and that there are sufficient liquid resources to meet immediate requirements.

Directors of the Corporate Trustee 2013/14

Name	Title	Period
Mr K Jarrold	Chairman	
Ms F Myers	Chief Executive	<i>(to March 2014)</i>
Mrs C Donovan	Acting Chief Executive Director of Leadership & Workforce	<i>(from March 2014) (to March 2014)</i>
Mrs P Donovan	Director of Finance	<i>(to July 2013)</i>
Mr K Lappin	Director of Finance	<i>(from July 2013)</i>
Dr O Adeyemo	Medical Director	
Mrs C Cooke	Director of Nursing & Quality	<i>(May to October 2013)</i>
Mrs K Wilson	Director of Nursing & Quality	<i>(from February 2014)</i>
Mr P Draycott	Acting Director of Leadership & Workforce	<i>(from March 2014)</i>
Mrs B Johnson	Non Executive Director	<i>(from July 2013)</i>
Mr A Gadsby	Non Executive Director	
Mrs J Griffin	Non Executive Director	<i>(to December 2013)</i>
Mr P O'Hagan	Non Executive Director	
Mr PJ Sullivan	Non Executive Director	<i>(from December 2013)</i>
Mr R Carder	Non Executive Director	

Committee Members 2013/14

Patricia Donovan – Executive Director of Finance (Part Year to July 2013)

North Staffordshire Combined Healthcare NHS Trust

Kieran Lappin – Executive Director of Finance (Part Year from July 2013)

North Staffordshire Combined Healthcare NHS Trust

Jonathan Tringham – Executive Director of Finance & Resources

Staffordshire and Stoke on Trent Partnership NHS Trust

Antony Gadsby – Non Executive

North Staffordshire Combined Healthcare NHS Trust

Peter O'Hagan - Non Executive

North Staffordshire Combined Healthcare NHS Trust

Steve Blaise – Assistant Director of Finance

North Staffordshire Combined Healthcare NHS Trust

Sandra Storey – Trust Board Secretary

North Staffordshire Combined Healthcare NHS Trust

Alison Maguire – Financial Accountant

North Staffordshire Combined Healthcare NHS Trust

NATIONAL HEALTH SERVICE

NORTH STAFFORDSHIRE COMBINED HEALTHCARE NHS TRUST

FUNDS HELD ON TRUST ANNUAL ACCOUNTS 2013/14

The accounts of the Funds Held on Trust by North Staffordshire Combined Healthcare NHS Trust.

FOREWORD

The accounts have been prepared in accordance with the requirements of the Charities Act 2011, the Charities (accounts and reports) regulations 2008 and the Charities SORP (revised 2005).

STATUTORY BACKGROUND

The NHS Trust is the corporate trustee of the funds held on trust under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1990.

The North Staffordshire Combined Healthcare NHS Trust charitable funds held on trust are registered with the Charity Commission and include funds in respect of the Leek Moorlands, Cheadle, Longton, Westcliffe, Haywood, Bradwell, Bucknall and Harplands Hospitals.

MAIN PURPOSE OF THE FUNDS HELD ON TRUST

The main purpose of the charitable funds held on trust is to apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by the North Staffordshire Combined Healthcare NHS Trust.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' REPORT AND THE FINANCIAL STATEMENTS

Under charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 42(1) of the Charities Act 1993, those statements of accounts comply with the requirements of regulations under that provision.

They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

By Order of the Corporate Trustee

Signed:

Chairman* Date.....2014

Corporate Trustee Date.....2014

*the Board may authorise another trustee to sign in place of the Chairman.

Auditors Report

to be inserted

Statement of Financial Activities for the year ended 31 March 2014

	Notes	Unrestricted Funds £000	Restricted Funds £000	2013-14 Total Funds £000	2012-13 Total Funds £000
Incoming resources					
Voluntary Income					
Donations		15	16	31	42
Legacies		107	112	219	22
Sub-Total Voluntary Income		<u>123</u>	<u>128</u>	<u>250</u>	<u>64</u>
Investment income	6.3	8	9	17	18
Other incoming resources	2	5	6	11	4
Total incoming resources		<u>136</u>	<u>142</u>	<u>278</u>	<u>86</u>
Resources expended					
Charitable Activities	3.1	67	69	136	125
Governance Costs	3.2	7	8	15	20
Investment Management costs		1	1	2	3
Total resources expended	4	<u>75</u>	<u>78</u>	<u>153</u>	<u>148</u>
Sub total: Net incoming/(outgoing) resources before transfers		61	64	125	(62)
Net incoming/(outgoing) resources		<u>61</u>	<u>64</u>	<u>125</u>	<u>(62)</u>
Gains/(losses) on revaluation and disposal of investment assets		(126)	116	(10)	17
Net movement in funds	5	<u>(65)</u>	<u>180</u>	<u>115</u>	<u>(45)</u>
Fund balances brought forward at 31 March 2013		319	88	407	452
Fund balances carried forward at 31 March 2014		<u>254</u>	<u>268</u>	<u>522</u>	<u>407</u>

The notes at pages 6 to 12 form part of this account.

Balance Sheet as at 31 March 2014

	Notes	Unrestricted Funds £000	Restricted Funds £000	Total at 31 March 2014 £000	Total at 31 March 2013 £000
Fixed Assets					
Investments	6	191	201	392	403
Total Fixed Assets		191	201	392	403
Current Assets					
Debtors	7	4	4	8	11
Cash at bank and in hand		99	104	203	51
Total Current Assets		103	108	211	62
Liabilities					
Creditors: Amounts falling due within one year	8	40	41	81	58
Net Current Assets/(Liabilities)		63	67	130	4
Total Assets less Current Liabilities		254	268	522	407
Total Net Assets		254	268	522	407
Funds of the Charity	9				
Unrestricted		254			
Restricted			268		
Total Funds		254	268	522	407

The notes at pages 6 to 12 form part of this account.

Signed:

Signed:

Date:

Date:

Notes to the Account

Accounting Policies 1

1.1 Accounting Convention

The financial statements have been prepared under the historic cost convention, as modified for the revaluation of certain investments, and in accordance with applicable United Kingdom accounting standards and policies for the NHS approved by the Secretary of State and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued by the Charities Commissioners in 2005.

1.2 Incoming Resources

- a) All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:
 - i) entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable;
 - ii) certainty - when there is reasonable certainty that the incoming resource will be received;
 - iii) measurement - when the monetary value of the incoming resources can be measured with sufficient reliability.

- b) Gifts in kind
 - i) Assets given for distribution by the funds are included in the Statement of Financial Activities only when distributed.
 - ii) Assets given for use by the funds (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.
 - iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the funds are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are brought into account is either a reasonable estimate of their value to the funds or the amount actually realised. The basis of the valuation is disclosed in the annual report.

c) Legacies

Legacies are accounted for as incoming resources once the receipt of the legacy becomes reasonably certain. This will be once confirmation has been received from the representatives of the estates that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

1.3 Resources expended

The funds held on trust accounts are prepared in accordance with the accruals concept. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

a) Cost of generating funds

The cost of generating funds are the costs associated with generating income for the funds held on trust. This will include the transaction costs incurred by the Charity's investment brokers.

b) Grants payable

Grants payable are payments, made to third parties (including NHS bodies) in the furtherance of the funds held on trust's charitable objectives to relieve those who are sick. They are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant. This includes grants paid to NHS bodies.

c) Allocation of overhead and support costs

These are recharges of appropriate proportions of staff and relevant non-pay costs incurred by Finance staff of North Staffordshire Combined Healthcare NHS Trust and the North Staffordshire Finance And Registration Shared Service hosted by Stoke-on-Trent Primary Care Trust. These costs are allocated and/or apportioned between Governance Costs and Charitable Activities. The cost attributable to Charitable activities is apportioned across those activities using the apportionment basis as set out in Note 3.3. Where necessary, apportionments of staffing costs are done by reference to the proportion of time spent on each area.

1.4 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustees have chosen to earmark for set purposes are classified as designated funds. The major funds held within these categories are disclosed in note 9.

1.5 Investment Fixed Assets

Investment fixed assets are shown at market value.

- i Property assets are not depreciated but are shown at market valuation. Valuations are carried out by a professional valuer annually. The last such valuation was at 5 April 2012. Between valuations trustees make a best estimate of market value. Valuation gains and losses are recorded in the Statement of Financial Activities with the balance sheet reflecting the revalued amounts.
- ii Quoted stocks and shares are included in the balance sheet at mid-market price, ex-div.
- iii Other investment fixed assets are included at the best estimate of market value in accordance of the Investment Provider.

1.6 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or date of purchase if later).

1.7 Taxation

North Staffordshire Combined Healthcare Trust Umbrella Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meet the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income of capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeables Gains Act 1992, the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Pooling Scheme

An official pooling scheme is operated for investments relating to the following funds in order that investments can be held across the Umbrella and Subsidiary Charities.

Unrestricted : Combined Healthcare General

The Scheme was registered with the Charity Commission on 16/03/98.

1.9 Post Balance Sheet Events & Prior Year Adjustments

There are no post balance sheet events.
There has been no change to the accounts of prior years.

CHARITABLE TRUST ACCOUNT - NORTH STAFFORDSHIRE COMBINED HEALTHCARE NHS TRUST - 2013/14

Details of other material incoming resources	2	Unrestricted Funds	Restricted Funds	Total to 31 March 2014	Total to 31 March 2013
		£000	£000	£000	£000
Other material incoming resources					
Fund Raising		3	3	6	3
Other		2	3	6	1
Total other incoming resources		5	6	11	4

Details of Resources Expended - Other	3 3.1	Unrestricted Funds	Restricted Funds	Total to 31 March 2014	Total to 31 March 2013
		£000	£000	£000	£000
Charitable Expenditure					
Patients welfare and amenities		25	26	51	49
Staff welfare and amenities		0	0	0	2
Contributions to NHS		42	43	85	74
		67	69	136	125

Analysis of Governance Costs	3.2	Unrestricted Funds	Restricted Funds	Total to 31 March 2014	Total to 31 March 2013
		£000	£000		
Salaries		5	5	10	12
Audit fee		2	3	5	8
		7	8	15	20

Allocation of Support Costs	3.3	Once allocation and/ or apportionment of support costs has been made to Governance Costs, the balance is apportioned across Charitable Activities using the same apportionment method.			
		Allocation and apportionment to Governance Costs	Total	Allocated to Governance	Residual for Apportionment
			£000	£000	£000
		Administration	19	10	9
		Internal and External Audit	5	5	0
		Total	24	15	9
		Apportionment Across Charitable Activities	Patients welfare Welfare	Staff	Contributions to NHS
			£000	£000	£000
		Direct Costs	49	0	78
		Allocation Support Costs	3	0	6
		Total Including Support	52	0	84
					136

Analysis of Total Resources Expended	4	Costs of Generating Funds	Costs of Activities for Charitable Objectives	Management and Administration	Total 2014	Total 2013
		£000	£000	£000	£000	£000
Audit fee				5	5	8
Other		2	127	19	148	140
		2	127	24	153	148

* Investment management costs

Changes in Resources Available for Charity Use	5	Unrestricted Funds	Restricted Funds	Total to 31 March 2014	Total to 31 March 2013
		£000	£000	£000	£000
Net movement in funds for the year		(65)	180	115	(45)
Net movement in funds available for future activities		(65)	180	115	(45)

Analysis of Fixed Asset Investments	6	Unrestricted Funds	Restricted Funds	Total to 31 March 2014	Total to 31 March 2013
6.1 Fixed Asset Investments:		£000	£000	£000	£000
Market value at 31 March		316	87	403	489
Less: Disposals at carrying value		(13)	(14)	(27)	(293)
Add: Acquisitions at cost		13	13	26	191
Net gain / (loss) on revaluation		-125	115	(10)	16
Market value at 31 March *		191	201	392	403
Historic cost at 31 March		79	329	408	489

* The Trust does not hold any single investment that is greater than 5% of the total investments.

6.2	Market value at 31 March :	Unrestricted Funds	Restricted Funds	Total to 31 March 2014	Total to 31 March 2013
		£000	£000	£000	£000
	Investments listed on Stock Exchange	191	201	392	403
		191	201	392	403

Analysis of gross income from investments	6.3	Unrestricted Funds	Restricted Funds	Total to 31 March 2014	Total to 31 March 2013
		£000	£000	£000	£000
	Investments listed on Stock Exchange	8	9	17	18
		8	9	17	18

Analysis of Debtors	7	Unrestricted Funds £000	Restricted Funds £000	Total at 31 March 2014 £000	Total at 31 March 2013 £000
Amounts falling due within one year:					
Accrued income		4	4	8	11
Total debtors falling due within one year		<u>4</u>	<u>4</u>	<u>8</u>	<u>11</u>
Total debtors		<u>4</u>	<u>4</u>	<u>8</u>	<u>11</u>

Analysis of Creditors	8	Unrestricted Funds £000	Restricted Funds £000	Total at 31 March 2014 £000	Total at 31 March 2013 £000
Amounts falling due within one year:					
Trade creditors		27	27	54	55
Accruals		13	14	27	3
Total creditors falling due within one year		<u>40</u>	<u>41</u>	<u>81</u>	<u>58</u>
Total creditors		<u>40</u>	<u>41</u>	<u>81</u>	<u>58</u>

Details of material funds	9	Name of Fund	Opening Balance £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfers £'000	Closing Balance £'000
		Bradwell Hospital	4	1	1		4
		Bucknall Hospital	14		1		13
		City General Hospital	0				0
		Cheadle Hospital	12	4			16
		Haywood Hospital	102	226	66		262
		Leek Moorlands Hospital	35	11			46
		Longton Hospital	6	2	4		4
		Stallington Hospital	48		10		
		(Learning Disability					38
		"Stanfields Hospital"	53	6	28		31
		(transferred to Haywood)					0
		St Edwards Hospital (Mental	59	6	11		
		Health Services)					54
		Trust Wide Umbrella	74	12	32		54
		Westcliffe Hospital	0				0
			<u>407</u>	<u>268</u>	<u>153</u>	<u>0</u>	<u>522</u>

Connected Organisations 10

Name, nature of connection, description of activities undertaken and details of any qualifications expressed by their auditors	2013-14		2012-13	
	Turnover of Connected Organisation £	Net Profit/ (Loss) for the Connected Organisation £	Turnover of Connected Organisation £	Net Profit/ (Loss) for the Connected Organisation £
North Staffordshire Combined Healthcare NHS Trust. Trustees/Board Members Joint management / operational arrangements	87,471,000	(373,000)	79,487,000	434,000

Related party transactions 11

Related party transactions

During the year none of the Trustees or members of the key management staff or parties related to them has undertaken any material transactions with the North Staffordshire Combined Healthcare Charitable Trust

The charitable trust has made revenue and capital payments to purchase goods and services on behalf of the North Staffordshire Combined Healthcare NHS Trust where the Trustees (whose names are listed below) are also members of the Trust Board. The audited accounts of the NHS Trust are available under separate cover by contacting the Director of Finance at the following address:

Trust Head Quarters
Bellringer Road
Trentham Lakes South
Stoke on Trent
ST4 8HH

The charitable trust has also made payments to purchase goods and services on behalf of the Stoke-on-Trent and North Staffordshire Primary Care Trusts (PCTs) in relation to funds held in respect of services formerly operated by North Staffordshire Combined Healthcare NHS Trust but subsequently transferred to the Primary Care Trusts. The charitable trust has only made payments to these organisations on occasions where the goods and services have been charged directly to the PCT in error.

Directors of the Corporate Trustee 2013-14

Mr K Jarrold	Chairman	
Ms F Myers (to March 2014)	Chief Executive	
Mrs C Donovan (from March 2014) (to March 2014)	Acting Chief Executive	
	Director of Leadership & Workforce	
Mrs P Donovan (to July 2013)	Director of Finance	
Mr K Lappin (from July 2013)	Director of Finance	
Dr O Adeyemo	Medical Director	
Mrs C Cooke (May to Oct 2013)	Director of Nursing & Quality	
Mrs K Wilson (From February 2014)	Director of Nursing & Quality	
Mr P Draycott (from March 2014)	Acting Director of Leadership & Workforce	
Mrs B Johnson	Non Executive Director	(from July 2013)
Mr A Gadsby	Non Executive Director	
Mrs J Griffin	Non Executive Director	(to Dec 2013)
Mr P O'Hagan	Non Executive Director	
Mr PJ Sullivan	Non Executive Director	(from Dec 2013)
Mr R Carder	Non Executive Director	

Private & confidential

The Board of Trustees
North Staffordshire Combined Healthcare
NHS Trust
Trust Headquarters
Bellringer Road
Trentham
Stoke on Trent

Our ref NSC CF /1314

Contact Simon Stanyer
0121 232 3578

9 October 2014

Dear Trustees

ISA 260 report – North Staffordshire Combined NHS Trust Charitable Fund 2013/14

Independence confirmation from external audit

The purpose of this letter is to communicate all significant facts and matters that bear on KPMG LLP's independence and the objectivity and to inform you of the requirements of ISA 260 (UK and Ireland) *Communication of Audit Matters to Those Charged with Governance*.

Integrity, objectivity and independence

APB Ethical Standard 1 *Integrity, Objectivity and Independence* requires us to communicate to you in writing at least annually all significant facts and matters, including those related to the provision of non-audit services and the safeguards put in place that, in our professional judgement, may reasonably be thought to bear on KPMG LLP's independence and the objectivity of the Audit Partner and the audit team.

We have considered the fees paid to us by the Charity for professional services provided by us during the reporting period. The fee for 2013/14 was £3,875 (excluding VAT). There have been no other fees charged during this period.

We have communicated and agreed the fee with those people charged with your governance through our engagement letter. We are satisfied that these procedures support our independence and objectivity.

General procedures to safeguard independence and objectivity

KPMG LLP is committed to being and being seen to be independent. As part of our ethics and independence policies, all KPMG LLP Audit Partners and staff annually confirm their compliance with our Ethics and Independence Manual including in particular that they have no prohibited shareholdings.

Our Ethics and Independence Manual is fully consistent with the requirements of the Ethical Standards issued by the UK Auditing Practices Board. As a result we have underlying safeguards in place to maintain independence through:

- Instilling professional values;
- Communications;
- Internal accountability;
- Risk management; and
- Independent reviews.

Please inform me if you would like to discuss any of these aspects of our procedures in more detail. There are no other matters that, in our professional judgement, bear on our independence which need to be disclosed to the Board of Trustees.

Confirmation of audit independence

We confirm that as of 31 March 2014, in our professional judgment, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the Audit Partner and audit staff is not impaired.

Audit matters

We are required to comply with ISA (UK and Ireland) 260 *Communication of Audit Matters to Those Charged with Governance* when carrying out the audit of the accounts. ISA 260 requires that we consider the following audit matters and formally communicate them to those charged with governance:

- Relationships that may bear on the firm's independence and the integrity and objectivity of the audit engagement partner and audit staff;
- The general approach and overall scope of the audit, including any expected limitations thereon, or any additional requirements;
- The selection of, or changes in, significant accounting policies and practices that have, or could have, a material effect on the Charity's financial statements;
- The potential effect on the financial statements of any material risks and exposures, such as pending litigation, that are required to be disclosed in the financial statements;
- Audit adjustments, whether or not amended by the entity that have, or could have, a material effect on the Charity's financial statements;
- Material uncertainties related to event and conditions that may cast significant doubt on the Charity's ability to continue as a going concern;
- Disagreements with management about matters that, individually or in aggregate, could be significant to the Charity's financial statements or the auditor's report. These communications include consideration of whether the matter has, or has not, been resolved and the significance of the matter;
- Expected modifications to the auditor's report;

- Other matters warranting attention by those charged with governance, such as material weaknesses in internal control, questions regarding management integrity, and fraud involving management; and
- Any other matters agreed upon in the terms of the audit engagement.

We continue to discharge these responsibilities through our attendance at audit committees and commentary and, in the case of uncorrected misstatements, through our request for management representations. Our formal request for management representation is attached at Appendix 3.

Findings

We wish to bring the following matter to the Trustees' attention. There were no material adjustments arising from our audit of the Charity's financial statements for 2013/14.

- We identified that due to the changeover of Directors in the past 18 months, the Charitable Funds and Scrutiny Committee only met once in the year; and
- We also identified that specific training had not been provided to Trustees in respect of their duties relating to the management of the Charitable Fund. However we noted that new Non-Executive Directors received some training as part of their wider external induction to the organisation.

We have also followed up progress in implementing last year's recommendation in Appendix 1.

Consolidated accounts

The Department of Health arranged exemption on the application of IAS 27 in relation to NHS Charities which means that NHS bodies were not required to consolidate NHS charities accounts into their financial statements in 2010/11, 2011/12 and 2012/13. However, NHS bodies were required to consolidate charitable funds from 2013/14, in accordance with IAS 27 (Consolidated and separated financial statements), unless the Charity was clearly immaterial to the accounts of the NHS body, and in which case, a paper should be prepared by management to outline the rationale for not consolidating. The Trust's management prepared a paper setting out its rationale for not consolidating its Charity for the Charitable Funds Committee which we reviewed, and are satisfied is reasonable.

Audit opinion

We plan to issue an unqualified audit opinion and we have included a draft as Appendix 2. We will issue this once we have received your signed accounts, management representation letter and signed Statement of Trustees Responsibilities.

Yours faithfully

Tony Crawley
Statutory Auditor
KPMG LLP

Appendix 1 – Follow up of prior year recommendations

	Recommendation	Management response	Progress at July 2014
1	<p>Fraud risk</p> <p>The Trust is currently considering its options going forward in relation to its future configuration. This is likely to involve a merger over the next 18 months.</p> <p>During this period of uncertainty, the Trust is likely to experience key staff departures which may impact on the control environment over the charitable funds.</p> <p>As the administration of charitable funds often involves significant instances of cash handling, it is imperative that a robust control environment is maintained. This will ensure that the risk of fraud is minimised as is the reputational risk of funds not being used for their desired purpose.</p> <p>Recommendation</p> <p>The Trust must ensure that the controls over the administration of the charitable funds at all levels throughout the organisation, including wards, is maintained and where there are staff departures, appropriate training is provided to staff who may take over responsibility for receiving and maintaining charitable funds.</p> <p>The Trust should consider undertaking more regular spot checks of the controls operating at a local level to ensure that the risk of fraud during this period is minimised.</p>	<p>Agreed.</p> <p>The Trust will ensure that Charitable Funds continues to form part of the Trust's Internal Audit plan and, as such, controls will be subject to regular and ongoing checks.</p>	<p>The Trust's Internal plan continues to include coverage of the Charitable Funds and will do so until such point as the Trust configuration is completed.</p> <p>During our testing, we found no evidence to suggest controls are not being operated effectively.</p>

Appendix 2 – proposed audit opinion

Independent auditor's report to the North Staffordshire Combined NHS Trust Charitable Fund

We have audited the financial statements of North Staffordshire Combined NHS Trust Charitable Fund for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11 of the accounts, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2014 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Tony Crawley for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Appendix 3 - Request for management representation

(Letterhead of Trust)

KPMG LLP
One Snowhill
Birmingham
B4 6GH

09 October 2014

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of North Staffordshire Combined NHS Trust Charitable Fund ("the Charity"), for the year ended 31st March 2014, for the purpose of expressing an opinion:

- i. as to whether these financial statements give a true and fair view of the state of the Charity's affairs as at year end 31st March 2014 and of its surplus or deficit for the financial year then ended;
- ii. whether the financial statements have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- iii. whether the financial statements have been prepared in accordance with the Charities Act 2011.

These financial statements comprise the Balance Sheet, the Statement of Financial Activities, and notes, comprising a summary of significant accounting policies and other explanatory notes.

The Trustees confirm that the representations they make in this letter are in accordance with the definitions set out in the Appendix to this letter.

The Trustees confirm that, to the best of their knowledge and belief, having made such inquiries as it considered necessary for the purpose of appropriately informing themselves:

Financial statements

1. The Trustees have fulfilled their responsibilities, as set out in the terms of the audit engagement, for the preparation of financial statements that:
 - i. give a true and fair view of the state of the Charity's affairs as at the end of its financial year and of its surplus or deficit for that financial year;
 - ii. have been properly prepared in accordance with UK Generally Accepted Accounting Practice ("UK GAAP"); and
 - iii. have been prepared in accordance with the Charities Act 2011.

The financial statements have been prepared on a going concern basis.

2. Measurement methods and significant assumptions used by the Trustees in making accounting estimates, including those measured at fair value, are reasonable.

3. All events subsequent to the date of the financial statements and for which FRS 21 *Events after the balance sheet date* requires adjustment or disclosure, have been adjusted or disclosed.

Information provided

4. The Trustees have provided you with:
- access to all information of which it is aware, that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - additional information that you have requested from the Trustees for the purpose of the audit; and
 - unrestricted access to persons within the Charity from whom you determined it necessary to obtain audit evidence.
5. All transactions have been recorded in the accounting records and are reflected in the financial statements.
6. The Trustees acknowledge their responsibility for such internal control as it determines necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In particular, the Trustees acknowledge their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.
- The Trustees have disclosed to you the results of their assessment of the risk that the financial statements may be materially misstated as a result of fraud.
7. The Trustees have disclosed to you all information in relation to:
- a) Fraud or suspected fraud that it is aware of and that affects the Charity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements; and
 - b) allegations of fraud, or suspected fraud, affecting the Charity's financial statements communicated by employees, former employees, analysts, regulators or others.
8. The Trustees have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
9. The Trustees have disclosed to you and have appropriately accounted for and/or disclosed in the financial statements, in accordance with FRS 12 *Provisions, Contingent Liabilities and Contingent Assets*, all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

10. The Trustees have disclosed to you the identity of the Charity's related parties and all the related party relationships and transactions of which it is aware. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with FRS 8 *Related Party Disclosures*.

11. The Trustees confirm that:

- a) The financial statements disclose all of the key risk factors, assumptions made and uncertainties surrounding the charity's ability to continue as a going concern as required to provide a true and fair view.
- b) Any uncertainties disclosed are not considered to be material and therefore do not cast significant doubt on the ability of the Charity to continue as a going concern.

This letter was tabled and agreed at the meeting of the Trustees on *[date]*.

Yours faithfully,

[Chair of Trustees]

Appendix 4 to the Management Representation Letter of North Staffordshire Combined NHS Trust Charitable Fund

Definitions

Appendix to the Trustees' Representation Letter of North Staffordshire Combined NHS Trust Charitable Fund: Definitions

Financial Statements

A complete set of financial statements comprises:

- a Balance Sheet as at the end of the period;
- a Statement of Financial Activities for the period;
- a Cash Flow Statement for the period; and
- notes, comprising a summary of significant accounting policies and other explanatory information.

Material Matters

Certain representations in this letter are described as being limited to matters that are material.

The ASB's *Statement of Principles for Financial Reporting* states that:

“An item of information is material to the financial statements if its misstatement or omission might reasonably be expected to influence the economic decisions of users of those financial statements, including their assessments of management's stewardship.”

Fraud

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorisation.

Error

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

Prior period errors are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

- a) was available when financial statements for those periods were authorised for issue; and

- b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.

Management

For the purposes of this letter, references to “management” should be read as “management and, where appropriate, those charged with governance”.

Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in FRS 8 *Related Party Disclosures* as the “reporting entity”).

- a) A person or a close member of that person’s family is related to a reporting entity if that person:
- i. has control or joint control over the reporting entity;
 - ii. has significant influence over the reporting entity; or
 - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b) An entity is related to a reporting entity if any of the following conditions applies:
- i. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - iii. Both entities are joint ventures of the same third party.
 - iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v. The entity is a retirement benefit scheme for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a scheme, the sponsoring employers are also related to the reporting entity.
 - vi. The entity is controlled or jointly controlled by a person identified in (a).
 - vii. A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Related party transaction

The transfer of assets or liabilities or the performance of services by, to or for a related party irrespective of whether a price is charged

REPORT TO: Trust Board

Date of Meeting:	27 th November 2014
Title of Report:	People and Culture Development Committee Report
Presented by:	Mr Patrick Sullivan Vice-Chair of the People and Culture Development Committee
Author of Report: Name: Date: Email:	Kerry Smith, Associate Director of HR 17 th November 2014 Kerry.smith@northstaffs.nhs.uk
Purpose / Intent of Report:	<ul style="list-style-type: none"> For information / assurance
Executive Summary:	This report provides a summary of the meeting of the People and Culture Development Committee that took place on the 17 th November 2014.
Which Strategy Priority does this relate to: How does this impact on patients or the public?	<ul style="list-style-type: none"> Workforce Strategy ✓ Governance Strategy ✓
Relationship with Annual Objectives:	Links to annual objectives 5 & 8
Risk / Legal Implications:	N/A
Resource Implications:	N/A
Equality and Diversity Implications:	None in this report
Relationship with Assurance Framework [Risk, Control and Assurance]	Provides assurance to the Board that the committee in respect to terms of reference
Recommendations:	<ul style="list-style-type: none"> To receive for information and assurance purposes.

**People and Culture Development Committee Summary Report to Trust
Board of the meeting held on
17th November 2014**

1. Policy Review

The group considered the following policies which had been reviewed and agreed at JNCC and the Senior Leadership Team Meeting:

- **Smoking Policy** – the policy now provides guidance on the usage of E-cigarettes.
- **Flexible Working Policy** – the policy has been updated in line with employment legislation to allow **all** employees with qualifying service the right to request flexible working once in any 12 month period.

The committee recommended that the Trust Board ratify these revised policies for a period of 3 years.

2. Workforce Service Line Performance

Members reviewed each of the service lines in respect of performance around key workforce performance indicators. All areas presented reports. Of note was the increase in the small previous (3.8%) in respect of sickness absence although the level over the previous 12 months was 4.28%. The overall KPI for the Trust of 4.95% (the average for Mental Health Trusts) is being achieved. Assurance was given by Service Line Managers that all cases are being managed and closely monitored/supported by HR colleagues.

The Chair noted that the performance levels continued to be encouraging. It was noted that compliance with PDR and statutory and mandatory training was a concern and required ongoing focus although the latest information does show considerable improvement. This will be reflected in next month's report. It was discussed that some statutory and mandatory training sessions had been cancelled due to staffing pressures and assurance was given that staff were being rebooked where required.

3. Review of Employee Self Service – ESR Business Intelligence Project

Mrs Docherty gave a presentation to the committee on ESR Employee Self Service (ESS) and the potential benefits for staff being able to access and update their own records.

The committee discussed the benefits and it was agreed that the roll-out of ESS be incorporated in to the current Business Intelligence Project with timescales to be confirmed.

4. Leadership & Development Horizon Scan report

Mr Draycott gave an on overview of the report to the committee which gave an update on some of the latest news and information relating to NHS workforce both nationally and locally.

It was noted that there is further Industrial Action planned to take place on 24th November 2014, 7am-11am (Strike Action) followed by a period of action short of strike action. Participating Trade Unions include: UNISON, RCM, Union of

Construction, Allied Trades and Technician (UCATT), Association of Occupational Therapists (BAOT), GMB, Unite, Managers in Partnership.

5. LIA Update

Mrs Rook and Mrs Griffiths gave an update regarding the Trust's LIA programme and journey to date. The committee were advised that 15 key areas had been identified and 15 Pioneering and Enabling Teams have been commissioned to review these areas with a 20 week deadline to make improvements. A 'pass it on event' has been arranged to take place on 27th March 2015 and all members of the committee were requested to engage in the process. It was agreed that regular updates would be provided to the PCD Committee on progress made.

The committee noted the excellent work to date.

6. Stress and Wellbeing Task and Finish Group

Mrs Thompson advised further to the development session on Stress and Wellbeing undertaken at the People Culture & Development Committee on 20th October, a Stress and Wellbeing task and finish group had now taken place and an overarching Trust wide Stress Action Plan had been developed, which will be cascaded to all Directorates for action.

The committee discussed and agreed the action plan, including supporting the introduction of 'Less Stress Champion' roles across the organisation. Mr Draycott volunteered to be Executive Director Lead Stress Champion and it was suggested that Mr O'Hagan be the Non-Executive Director lead. It was agreed by the committee that the action plan would be disseminated to Directorates and implementation/performance to be reviewed by the committee in three months' time.

7. Workforce Importance of IBP

Mr Draycott gave a presentation on the current work being undertaken with regards to workforce as part of the IBP. It was noted that this was a document in development and that further work would be required following completion and impact analysis of the current clinical pathway project.

The committee were asked to provide any feedback on the contents directly to Mr Draycott.

8. Workforce and OD Risks

Mr Draycott advised the committee that a new risk had now been added to the People Culture and Development Committee's, Workforce and OD Risk Register concerning the Trust's significantly higher than average level of staff off sick reporting anxiety/stress/depression and other psychiatric illness.

9. Workforce Strategy

Mr Draycott presented the Trust's workforce strategy which was approved by the committee in its current form. As with the IBP, Mr Draycott advised the committee that the strategy would be further refined and developed following completion of the clinical pathway project to ensure the strategy supported the Trusts future vision, goals and objectives.

17. Next meeting

Monday 15th December 2014, 9.00 am

On behalf of the Acting Chair, Patrick O'Sullivan, Non-Executive Director and Executive Director of Leadership and Workforce, Paul Draycott

Kerry Smith
Associate Director of HR
18th November 2014

REPORT TO: **Trust Board**

Enclosure 16

Date of Meeting:	27th November 2014
Title of Report:	Making Parity a Reality
Presented by:	Dr Buki Adeyemo
Author of Report: Name: Date: Email:	Dr Buki Adeyemo 20.11.14
Purpose / Intent of Report:	<ul style="list-style-type: none"> • For Decision • Performance monitoring • For Information
Executive Summary:	<p>The Royal College of Psychiatrists has produced a document challenging the next government with six asks for the next government to improve the nation's mental health which are:</p> <ol style="list-style-type: none"> 1. Everyone who requires a mental health bed should be able to access one in their local NHS trust area, unless they need specialist care and treatment. If specialist care is required, then this should be provided within a reasonable distance of where the patient lives. 2. No one should wait longer than 18 weeks to receive treatment for a mental health problem if the treatment has been recommended by NICE guidelines and the patient's doctor. 3. Everyone who is experiencing a mental health crisis, including children and young people, should have safe and speedy access to quality care, 24 hours a day, 7 days a week. The use of police cells as 'places of safety' for children should be eliminated by 2016, and by the end of the next parliament occur only in exceptional circumstances for adults. 4. Every acute hospital should have a liaison psychiatry service which is available 7 days a week for at least 12 hours per day. This service should be available to patients across all ages. Emergency referrals should be seen within 1 hour and urgent referrals within 5 working hours. 5. A minimum price for alcohol of 50 p per unit should be introduced. This will reduce the physical, psychological and social harm associated with problem drinking, and will only have a negligible impact on those who drink in moderation. 6. There should be national investment in evidence-based parenting programmes to improve the life chances of children and the well-being of families.

<p>Which Strategy Priority does this relate to:</p> <p>How does this impact on patients or the public?</p>	<ul style="list-style-type: none"> • Customer Focus Strategy • Clinical Strategy • IM and T Strategy • Governance Strategy • Innovation Strategy • Workforce Strategy • Financial Strategy • Estates Strategy
Relationship with Annual Objectives:	
Risk / Legal Implications:	None
Resource Implications:	None
Equality and Diversity Implications:	None
Relationship with Assurance Framework [Risk, Control and Assurance]	N/A
Recommendations:	That the Board receive the document for information purposes

Making parity a reality

Six asks for the next government to improve the nation's mental health

MANIFESTO

About the Royal College of Psychiatrists

The Royal College of Psychiatrists is the professional medical body responsible for supporting psychiatrists throughout their careers, from training through to retirement, and in setting and raising standards of psychiatry in the UK. The College aims to improve the outcomes of people with mental illness and the mental health of individuals, their families and communities. To achieve this, the College sets standards and promotes excellence in psychiatry; leads, represents and supports psychiatrists; improves the scientific understanding of mental illness; and works with and advocates for patients, carers and their organisations. Nationally and internationally, the College has a vital role in representing the expertise of the psychiatric profession to governments and other agencies.

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Summary

One in four people experience a mental health problem in any given year (McManus *et al*, 2009), at an annual cost of £105 billion to the English economy alone (Centre for Mental Health, 2010). However, treatment for people with mental health problems has long been underfunded and undervalued, and too often the stigma and discrimination they experience prevents them from seeking help.

Fortunately, this is beginning to change, and we welcome the commitments made by all three political parties on the need to achieve parity for mental health. However, to make parity a reality, these commitments need to be sustained, and delivered. The millions of people of all ages who do and will experience mental health problems deserve to be given the timely, appropriate care and support they need.

We are therefore calling on the next government to ensure that:

- 1 Everyone who requires a mental health bed should be able to access one in their local NHS trust area, unless they need specialist care and treatment. If specialist care is required, then this should be provided within a reasonable distance of where the patient lives.
- 2 No one should wait longer than 18 weeks to receive treatment for a mental health problem if the treatment has been recommended by NICE guidelines and the patient's doctor.
- 3 Everyone who is experiencing a mental health crisis, including children and young people, should have safe and speedy access to quality care, 24 hours a day, 7 days a week. The use of police cells as 'places of safety' for children should be eliminated by 2016, and by the end of the next parliament occur only in exceptional circumstances for adults.
- 4 Every acute hospital should have a liaison psychiatry service which is available 7 days a week for at least 12 hours per day. This service should be available to patients across all ages. Emergency referrals should be seen within 1 hour and urgent referrals within 5 working hours.
- 5 A minimum price for alcohol of 50p per unit should be introduced. This will reduce the physical, psychological and social harm associated with problem drinking, and will only have a negligible impact on those who drink in moderation.
- 6 There should be national investment in evidence-based parenting programmes to improve the life chances of children and the well-being of families.

Ask 1: Tackle the mental health beds crisis

Everyone who requires a mental health bed should be able to access one in their local NHS trust area, unless they need specialist care and treatment.¹ If specialist care is required, then this should be provided within a reasonable distance of where the patient lives.

Why is this needed?

A critical shortage of mental health beds is having a damaging impact on patient care

As with physical healthcare, some people have mental health needs which cannot be met in the community and therefore need hospital care.

Between 1998 and 2012, there has been a 39% decrease in the number of mental health beds available in England (Green & Griffiths, 2014). As a result, the number of mental health patients forced to seek emergency treatment outside their local area has doubled in the past 3 years alone. In 2013/2014, more than 3000 people had to be sent out of their local area for treatment, up from 1300 in 2011/2012 (Buchanan, 2014).

Patients are now being sent as far away as 300 miles from home (e.g. Devon to Yorkshire) for non-specialist care which should be available in the area covered by their local mental health trust.

A shortage of beds has also led to patients being sent home in the absence of a bed or having to be detained under the Mental Health Act 1983 in order to secure one. Over a quarter (28%) of respondents to a survey of trainee psychiatrists (Royal College of Psychiatrists, 2014) said they had been forced to send a critically unwell patient home because no bed could be found, and 24% reported that a

¹ Non-specialist care are those services which are commissioned by clinical commissioning groups. Specialist services are commissioned by NHS England; a list can be found here: <http://www.england.nhs.uk/ourwork/commissioning/spec-services/npc-crg/group-c/>

bed manager had told them that unless their patient was detained under the Mental Health Act, they would not get a bed. In practice, the inadequate number of beds means that only those most seriously unwell are prioritised and treated, leaving many to travel unreasonable distances away from home to receive care, or in some cases not being appropriately treated at all.

This bed crisis is also having a significant impact on children with mental health problems. In the same survey, 37% of those trainee psychiatrists working in child and adolescent mental health services had sent a child at least 100 miles away from their local area, and 22% had been forced to send a child 200 miles away from their families to access in-patient care.

The fall in the numbers of mental health beds available has also led to a rise in bed occupancy rates. A Community Care/BBC News Freedom of Information request in 2013 found that a shortage of beds has led to adult psychiatric wards running at an average of 101% occupancy, rising to 138% in one case (achieved by 'hot-bedding'—using the beds of patients who are on leave for new admissions) (McNicoll, 2013). The Royal College of Psychiatrists' guidance states that 'optimal' bed occupancy on a psychiatric ward is 85% (Royal College of Psychiatrists, 2010).

How can the beds crisis be addressed?

Public Health England should conduct a review of all mental health services, both specialist and non-specialist, to assess how many services are required per 100 000 people and where they should be located. This review should be conducted on the basis that in-patient wards cannot, over a period of time, exceed an average figure of 85% occupancy. Moreover, eligibility for in-patient care should not be restricted, or artificially low discharge criteria introduced to move patients out of services before they are ready, to meet the 85% target.

This would mean that both clinical commissioning groups and commissioners of specialised services would have to ensure that there is adequate bed provision to meet the level of demand. The 85% figure would mean that fluctuations in demand could be safely managed, without resorting to patients being sent outside their local area for treatment. The *NHS Constitution* (National Health Service, 2013) should be amended to reflect this commitment.

Sufficient provision of in-patient beds should not, of course, be at the expense of investing in community mental health support.

During 2015–2016 the Royal College of Psychiatrists will be holding a Commission on Acute Adult Mental Health Services which will have a specific focus on the provision of in-patient beds. We hope its findings and recommendations will inform the policies of the next government.

Ask 2: Introduce maximum waiting times

No one should wait longer than 18 weeks to receive treatment for a mental health problem if the treatment has been recommended by NICE guidelines and the patient's doctor.

Why is this needed?

'Talking therapies' are currently excluded from the National Health Service (NHS) 18-week maximum waiting time

At present, the *NHS Constitution* (National Health Service, 2013) gives people the right to start treatment for most health problems within a maximum of 18 weeks from referral. However, it does not extend this right to patients receiving talking therapies.

The first barrier to patients receiving talking therapies within 18 weeks is the explicit exclusion of 'non-medical consultant-led mental health services' (i.e. the overwhelming majority of talking therapies) from the right to a maximum treatment waiting time in the *NHS Constitution* (National Health Service, 2013).

The second barrier is that the *NHS Constitution* only confers the right (if clinically appropriate) to receive drugs and treatments within a maximum of 18 weeks if they are recommended by National Institute for Health and Care Excellence (NICE) technology appraisals as opposed to those recommended by NICE clinical guidelines. This is a significant parity issue, as a far greater proportion of mental health treatments (predominantly, talking therapies) than physical health treatments will undergo the clinical guideline assessment process rather than the technology appraisal process.

Clinical guidelines are the gold standard for evidence-based care. However, despite this more robust evidence base, these approved interventions are in practice less available to patients, as there is

not the same legal imperative for mental health service providers to make them available. For example, guidelines recommend talking therapies as a first-stage treatment for mild depression and explicitly discourage the use of antidepressants. It is therefore not equitable that a recommended, effective treatment such as group cognitive-behavioural therapy (CBT) does not have to be provided within the same reasonable time frame as the majority of treatments for physical complaints simply because it has been through a clinical guideline assessment rather than a technology appraisal.

What should be done to address this?

The *NHS Constitution* should be amended to introduce maximum waiting times (which are comparable with equivalent physical health waiting times) across all mental health services. This would ensure that all patients are able to access appropriate evidence-based mental health treatment in a timely manner.

The Secretary of State should use their powers under the Health and Social Care Act 2012 to give individuals the right to receive treatments (if advised by their doctor) recommended by NICE clinical guidelines.

Ask 3: Improve crisis care

Everyone who is experiencing a mental health crisis, including children and young people, should have safe and speedy access to quality care, 24 hours a day, 7 days a week. The use of police cells as ‘places of safety’ for children should be eliminated by 2016, and by the end of the next parliament occur only in exceptional circumstances for adults.

Why is this needed?

There is a huge variation in the quality and availability of emergency care for people experiencing a mental health crisis

Whereas patients with a physical health crisis such as chest pain will usually be rapidly assessed and receive appropriate treatment, patients experiencing a mental health crisis will not. Instead, even those people who are suicidal or experiencing a psychotic episode may have to wait for an unjustifiably long period of time, which can worsen their chances of recovery. And even then, they will frequently end up receiving inadequate assessment and treatment, often leaving families to provide care for long periods of time.

Research conducted by Mind (Mind, 2011–2014) illustrates this situation, revealing that:

- **crisis care services are understaffed:** four in ten mental health trusts surveyed (41%) had staffing levels well below established benchmarks
- **people are not getting the help they need:** only 14% of people with experience of having a mental health crisis said that, overall, they felt they had all the support they needed when in crisis
- **people are not assessed quickly enough:** only a third of respondents who came into contact with National Health Service (NHS) services when in crisis were assessed within 4 hours (as recommended by NICE)
- **services are not available all the time:** one in ten crisis teams surveyed failed to operate 24-hour, 7-day-a-week services, despite NICE recommending they do this

- **people cannot contact crisis teams directly:** only half (56%) of crisis teams accepted self-referrals from known patients and just one in five (21%) from patients that are not already known to them; this is despite NICE guidance that crisis teams should offer self-referral as an alternative to emergency services
- **there is a lack of respect and dignity:** less than a third of those surveyed (29%) said they felt that all staff treated them with respect and dignity.

Police stations are routinely being used as a 'place of safety' for people experiencing a mental health crisis

Section 136 of the Mental Health Act 1983 allows the police to take someone they believe to be experiencing a mental health crisis (and who may cause harm to themselves or another) to a safe place where a mental health assessment can be carried out. However, recent research by the Care Quality Commission (2014) has found that in some areas police stations are being used routinely as a 'place of safety'. This is in clear breach of the Mental Health Act Code of Practice which says that police cells should be used only in exceptional circumstances (Department of Health, 2008).

- Overall, 36% of those detained under Section 136 still go to police custody: 7761 cases in 2012/2013 (Health and Social Care Information Centre, 2013)
- 263 children (45% of all children and young people detained under Section 136) were detained in police cells in 2012/2013. This is largely because 35% of the 161 health-based places of safety do not accept young people under the age of 16 (Care Quality Commission, 2014).

How can we ensure that safe and speedy crisis care is available?

The next government should maintain a firm commitment to implementing the current *Mental Health Crisis Care Concordat* (HM Government, 2014), an agreement signed by over 20 national organisations in a bid to drive up standards of crisis care. Critically, the *Concordat* requires NHS England to ensure that people experiencing a mental health crisis receive an emergency service response of equivalent speed and quality to that provided for individuals in crisis because of a physical health problem. One consequence of this is that clinical commissioning groups will need to commission a sufficient number and mix of crisis services at the scale to meet the needs of the local population. This will ensure that health-based places of safety and mental health beds are available 24 hours a day, 7 days

a week for people of any age, including children and young people. These services should be staffed in accordance with existing national guidelines and local communities should be meaningfully involved in their planning and review.

Children and young people detained under Section 136 often present with complex social, medical and mental health needs. NHS England, clinical commissioning groups and Social Services should develop new models of emergency care which would reflect this breadth of need. The College would like to see the use of police cells as 'places of safety' for children eliminated by 2016 and calls for them to be used only in the most exceptional circumstances for adults by the end of the next parliament.

Ask 4: Improve liaison psychiatry services

Every acute hospital should have a liaison psychiatry service which is available 7 days a week for at least 12 hours per day. This service should be available to patients across all ages. Emergency referrals should be seen within 1 hour and urgent referrals within 5 working hours.

Why is this needed?

Failing to deal with comorbidities between physical and mental health leads to poorer health outcomes and costs the NHS £10 billion per year

Nearly one in three people with a long-term physical health condition have at least one coexisting mental health problem, such as anxiety or depression. Mental health problems can exacerbate the person's physical illness, prolonging recovery and increasing the cost of treatment to the NHS by an estimated £10 billion per year (Royal College of Psychiatrists & Centre for Mental Health, 2013). Indeed, over 40% of older people in acute hospitals have dementia, depression or delirium and these conditions both impair rehabilitation and significantly lengthen hospital stay (Department of Health, 2012). Moreover, 'medically unexplained physical symptoms' that often mask underlying mental illness cost the NHS some £3 billion per year (Royal College of Psychiatrists & Centre for Mental Health, 2013).

Liaison psychiatry services (sometimes called psychological medicine) address the mental health needs of people who are under the care of acute physical health services such as general hospitals and, increasingly, community services. Although approximately 94% of hospitals currently have a liaison psychiatry service, only 45% of urgent referrals are seen within a day, with 15% of referrals waiting longer than 4 days (Royal College of Psychiatrists, 2013a). Survey evidence has also identified that only half of liaison psychiatry

services include support for children, while only one third offer specialist support outside working hours for older adults (Royal College of Psychiatrists, 2013a).

What can be done to address this?

The next government should ensure that all hospitals have high-quality liaison psychiatry services on hand 7 days a week for at least 12 hours each day. This would mean that liaison psychiatry services can attend emergency referrals within 1 hour and urgent referrals within 5 working hours across all patient age groups (Royal College of Psychiatrists, 2013b).

Liaison psychiatry services would also go a huge way towards addressing the current crisis in accident and emergency (A&E) services by reducing readmission rates. For example, a liaison psychiatry service working closely with an A&E department in Hull has reduced the number of patients with mental health problems who frequently re-attended A&E by as much as 60% (Royal College of Psychiatrists & Centre for Mental Health, 2013).

The presence of a liaison psychiatry service would also ensure that mental health difficulties experienced by children who attend hospitals with physical complaints would also be more readily identified. This would provide the opportunity for early detection of emotional disorders and the provision of evidence-based interventions for anxiety and depression. The long-term financial benefits of intervening early in life are significant for individuals, families, health services and the wider economy alike.

Through investing widely in liaison psychiatry services, savings of £5 million per year would be generated in an average 500-bed general hospital, or £1.2 billion per year nationally (Parsonage *et al*, 2012). The majority of these savings would accrue from reducing length of stay among older in-patients, who account for about 80% of all hospital bed-days occupied by people with comorbid physical and mental health problems (Parsonage *et al*, 2012).

There is also an emerging consensus that liaison psychiatry services need to expand their scope to include primary and community care services, particularly given the growing importance of chronic rather than acute physical illness.

Some hospital liaison psychiatry services already offer out-patient clinics to follow up patients in the community. However, many have not been funded to provide this service and patients often have to speak to their general practitioner (GP) and wait several weeks or even months to be seen by psychological therapy services.

We would therefore like to see liaison psychiatry services becoming more integrated into community health provision, working in collaboration with other providers including GPs, community nurses and the Improving Access to Psychological Therapies (IAPT) programme.

Ask 5: Introduce a minimum unit price for alcohol

A minimum price for alcohol of 50p per unit should be introduced. This will reduce the physical, psychological and social harm associated with problem drinking, and will only have a negligible impact on those who drink in moderation.

Why is this needed?

Of all alcohol sold, very cheap alcohol products play the biggest part in driving alcohol-related harm

The cost of alcohol to consumers has more than halved in the past 30 years (Health and Social Care Information Centre, 2012), and consumption has unsurprisingly doubled as a result. It is cheaper alcohol, often with a high alcohol content, that tends to be purchased by problem drinkers – those who regularly exceed the recommended drinking doses.

Problem drinking has serious consequences. Alcohol misuse costs England alone approximately £21 billion per year in healthcare, crime and lost productivity (House of Commons Health Committee, 2012):

- in 2012 there were 6495 deaths in England directly related to alcohol (Office for National Statistics, 2011)
- there were 1.2 million alcohol-related hospital admissions in England in the year 2011/2012 (www.lape.org.uk)
- alcohol-related harm is estimated to cost the NHS in England £3.5 billion a year (Public Health England, 2013).

What would be the impact of minimum unit alcohol pricing?

The University of Sheffield (Sheffield Alcohol Research Group, 2013) has estimated that the introduction of a minimum unit price of 50p in England would lead to:

- 960 lives saved every year
- 35 100 fewer hospital admissions per year
- an annual saving of £600 million to the NHS.

Unlike tax increases – which, if passed on to the consumer, significantly affect all purchasers of alcohol – a minimum price has very little impact on moderate drinkers as it targets price increases at the strongest alcohol products that are sold at the cheapest prices, such as own-brand spirits, very-high-strength beers and cheap white cider.

Cheaper alcohol tends to be bought more by people who drink at a harmful level, in all income groups (Jackson *et al*, 2010). Evidence has shown that these drinkers respond to price changes, switching between products to drink the maximum quantity at the lowest possible price. Understanding this ‘trading down’ behaviour is essential in understanding the specific effects of minimum unit pricing.

Although the UK government has taken a step to tackle cheap alcohol through the introduction of a ban on below-cost selling (where alcohol is sold cheaper than the cost of the tax payable on the product), this affects very few products and the health benefits are likely to be limited. The University of Sheffield estimated the below-cost ban would prevent 15 deaths per year, compared with over 960 per year at the proposed 50p minimum unit price (Sheffield Alcohol Research Group, 2013).

Minimum unit pricing targets those who are causing the most harm both to themselves and to society. In 2009 it was estimated that those who drink in moderation would only spend 28p a week (or less than £1 a month) more as a result of this policy, while bringing significant health and social benefits (Purshouse *et al*, 2009). The substantial effect would be on the heaviest drinkers, many of whom do recognise the harm alcohol is causing and wish to change.

Ask 6: Invest in parenting programmes

There should be national investment in evidence-based parenting programmes to improve the life chances of children and the well-being of families.

Why is this needed?

A lack of early intervention support for children with mental illness leads to poor lifetime outcomes at a substantial cost to the taxpayer

Research shows that half of all lifetime cases of diagnosable mental illness, excluding dementia, begin by the age of 14 (Kim-Cohen *et al*, 2003). Focusing resources on tackling mental health problems in children will not only improve their lives but will also reduce demands on adult mental health services.

About 5% of children aged 5–10 show behavioural problems which are sufficiently severe, frequent and persistent to justify diagnosis as a mental health condition (conduct disorder); a further 15–20% have problems which fall below this threshold but are still serious enough to merit concern (Green *et al*, 2005). For about half of the children affected, these serious problems will persist into adolescence and beyond (Parsonage *et al*, 2014) and as a result these young people are:

- four times more likely to be dependent on drugs
- six times more likely to die before the age of 30
- eight times more likely to have a child protection plan
- two times more likely to leave school with no qualifications
- twenty times more likely to end up in prison.

Not only does this cause a huge amount of suffering to those children and their families, but there is a significant cost to the taxpayer. The lifetime cost to society is around £260 000 per child with severe behaviour disorder (Friedli & Parsonage, 2007). Costs relating to crime are the biggest single component, accounting for more than two-thirds of the total.

How will parenting programmes help tackle mental health problems in children?

The quality of parenting is a critical determinant of children's health and outcomes, and can protect children from developing severe behavioural problems. There is a large body of evidence which shows that, if well implemented, evidence-based parenting programmes can be very effective in helping parents to respond to children in ways that will improve their behaviour, including the behaviour of siblings and the mental health and well-being of participating parents (Hutchings *et al*, 2007).

Rather than simply prescribing techniques, effective parenting programmes emphasise the principles of good parenting, such as the importance of parent-child interaction, consistency in setting boundaries and reinforcement of positive behaviour. This encourages parents to use active problem-solving to apply these principles to their own situation and to focus on behaviour change.

Studies suggest that the average cost of addressing a child's conduct disorder through a parenting programme is around £1750 per case, whereas analysis of costs and benefits suggests that up to 60% of the cost of parenting programmes is recovered within 2 years through savings in public expenditure, and all costs are recovered within about 5 years (Furlong *et al*, 2012). Parenting programmes are therefore an extremely cost-effective intervention given that the lifetime cost to society per child with severe behaviour disorder is around £260 000.

These savings in public expenditure will be accrued not only by the NHS, but also by other public services, including, for example, the criminal justice system. The Royal College of Psychiatrists would like the next government to take a broad, cross-departmental approach to funding parenting programmes given the wide-ranging benefits they bring.

| Where does this manifesto apply to?

As UK health systems are devolved, this manifesto relates only to England. For more info on the work of the College in the rest of the UK, please contact:

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- Manel Tippet in Wales (mtippett@rcpsych.ac.uk)
- Nora McNairney in Northern Ireland (nmcnairney@rcpsych.ac.uk)

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Enclosure 17

REPORT TO TRUST BOARD

Date of Meeting:	27 November 2014
Title of Report:	The Care Quality Commission's report into the State of Health Care and Adult Social care in England 2013/14
Presented by:	Caroline Donovan, Chief Executive
Author of Report: Name: Date: Email:	Foundation Trust Network 21 November 2014
Purpose / Intent of Report:	Information/discussion
Executive Summary:	The CQC have published their 5 th annual report into the State of Health and Care in England providing a summary of the quality of care across 40,000 services including trusts, alongside primary and secondary care. This briefing provides a summary of key findings for members, alongside FTN's response.
Which Strategy Priority does this relate to: How does this impact on patients or the public?	<ul style="list-style-type: none"> • Customer Focus • Clinical Strategy • Governance Strategy • Workforce Strategy
Relationship with Annual Objectives:	<ul style="list-style-type: none"> • Delivery of high quality evidence based services • Integrated models of care • Stakeholder engagement • Use of technology as an enabler • Robust plans delivering quality and sustainable services • Improve culture of staff engagement
Risk / Legal Implications:	-
Resource Implications:	-
Equality and Diversity Implications:	-
Relationship with Assurance Framework [Risk, Control and Assurance]	
Recommendations:	For information

The Care Quality Commission's report into 'The State of Health Care and Adult Social Care in England' 2013/14

Yesterday, the Care Quality Commission (CQC) published its fifth annual report into the '[State of Health and Care in England](#)' providing a summary of the quality of care across some 40,000 services including trusts, alongside primary and secondary care. This briefing provides a summary of the key findings for members, alongside FTN's response.

KEY MESSAGES

- The 'State of Care' report remains an important source of analysis about the quality of care provided across the health and care system, as well as a key means of reflecting on CQC's progress in rolling out a new, risk based and proportionate approach across a diverse range of health and care providers
- We particularly welcome the acknowledgement in this year's report of the growing financial and operational pressures which all trusts (and their partners in primary and social care) are facing, and of the need for national action to address sector wide issues including the funding crisis
- There is considerable learning for all trusts within the report, not least with regard to the findings on leadership and safety, and our members will be keen to review the findings with regard to their own services
- However, we note the CQC's helpful acknowledgement that their inspections to date have largely focussed on higher risk trusts and that this analysis is not a fully representative picture. The regulator continues to roll out its approach in a comparable fashion across the acute, mental health, community and ambulance sectors, as well as for social care and primary care. There is also a need for CQC to further develop its assessment of integrated services and to support trusts in working with their local health economies to affect change when issues fall outside of their control
- We continue to receive considerable feedback from across our membership about the CQC's approach, including positive comments and feedback querying the robustness and consistency of judgements, and at times, the calibre of inspection teams. We will be continuing a constructive dialogue with the regulator to ensure providers and the public can all have confidence in the new regime which is fundamental to assuring quality care
- FTN remains committed to helping our members share good practice, and we welcome the report's recommendations for more peer based learning.

We continue to receive considerable feedback from members about their experiences of CQC's intelligent monitoring, inspection approaches and the effectiveness of quality summits. In addition to continuing a constructive dialogue with CQC, we will be sharing the results of a recent member survey on regulation which provides some quantitative data to underpin the feedback we have been receiving and seeking further opportunities for representatives of our members to meet with senior leaders at the CQC to discuss their experiences. If you have any feedback you would like to share, in confidence, please contact amber.davenport@foundationtrustnetwork.org or Cassandra.cameron@foundationtrustnetwork.org

FINDINGS FROM THE REPORT

Health and care generally

- The report summarises the findings of 82 trust inspections comprising 62 acute trusts, 12 mental health trusts and 8 community trusts. The report does not feature the performance of NHS ambulance providers as they are still in the early stages of rolling out their methodology for the sector

- CQC identified examples of 'outstanding care' and championed the learning providers could share from examples of good practice and from peer based review including encouraging providers to do more to assess their own performance
- 91% trusts received a 'good' or 'outstanding' rating for caring
- The report makes a much clearer acknowledgement of the financial pressures on the health and care system, and of the considerable uncertainties raised by numerous national reviews, and the structural changes to commissioning, than in previous years where the regulator has commented on quality without alluding to the context within which trusts are operating. CQC also acknowledge that inspections often identify issues that NHS providers cannot put right without the support and engagement of partners in their local healthcare economy
- However, overall they conclude that 'the variation in the quality and safety of care in England is too wide and unacceptable' citing variation between organisations, and between services and within the same organisation
- Leadership was thought to be key in effecting change from the boardroom to the ward, and there was an 87% correlation rate between the core service level leadership rating from CQC inspections and the overall CQC trust rating; 40% of ratings for 'well led' were 'good' with 60% 'requiring improvement' or 'inadequate'
- Safety also emerged as a priority with 81% of trusts receiving a rating, 'requiring improvement' or 'inadequate' on the safety domain. As CQC inspections prioritised a number of higher risk trusts, this does not represent a national picture
- CQC enforcement activity has increased, from 1,200 warning notices issued in 2012/13 to 1,588 in 2013/14.
- The report consistently flags the importance of staff engagement and empowerment across all sectors, citing a correlation between those trusts in difficulty and lower scores for the staff friends and family test
- CQC is also keen to promote patient and service user involvement and empowerment with regard to decisions about their health and care.

Acute trusts

- Almost one quarter of acute trusts have now received a CQC rating. Of the 38 acute foundation trusts and NHS trusts rated by the end of August 2014, nine were rated 'good' overall (24%), 24 'require improvement' (63%) and five trusts (13%) were rated 'inadequate'
- Two of 11 acute trusts in special measures exited the regime, 3 trusts exited with some ongoing support and the remaining six remain in the regime
- CQC identified the highest performing services in critical care where almost 80% of services were 'good' or 'outstanding' and delivering high quality, compassionate care. Services for children and young people were also generally of a high quality, with the highest proportion of 'good' ratings after critical care.
- There has been a significant drop in healthcare acquired infections
- In September 2014, the CQC awarded the first official rating of 'outstanding' to Frimley Park Hospital NHS Foundation Trust
- Where the CQC found poor care, a number of common themes emerged, notably staffing issues (ranging from staff shortages to workforce planning and mandatory training), culture (such as fear of reporting concerns, potential bullying, poor leadership) and poor performance against access times. The impact of lower staffing levels was particularly acute in A&E and maternity departments
- Of the overall key ratings for acute trusts published by end August 2014, eight of 82 key question ratings for safety were 'inadequate' with a further 57 'requiring improvement'
- A&E has currently the highest proportion of inadequate ratings and the second lowest proportion of good or outstanding ratings of the core services. Overcrowding, long waiting times and insufficient staffing levels were the commonest problems reported
- The CQC also had concerns about medical care, which had the highest proportion of 'requires improvement' and 'inadequate' ratings among the core services. In several hospitals, they found good care on the vast majority of medical wards but difficulties on one or two wards which were almost exclusively wards designated for the care of older people or so called 'escalation' wards
- In general, CQC flagged the importance of continuing to embed and strengthen clinical incident and serious incident reporting.

Mental health trusts

- CQC noted good examples of multi-disciplinary working and patient centred care in mental health trusts, and good systems to safeguard service users in most areas
- However, they flagged a shortage of admission beds and the need to ensure provision for vulnerable people entering the system, including those identified by the police (if they had been distressed in a public place)

- Although adherence to most aspects of the Mental Health Act and its Code of Practice was good, CQC found that in some wards, staff were secluding patients without proper monitoring
- Some mental health wards are located in old, poorly maintained buildings which present huge challenges for dedicated staff seeking to meet the needs of, and safeguard service users
- CQC have called on NHS providers that restrict access to health-based places of safety for young people to review their local protocols and to discuss with their commissioner if there is a gap in provision for a particular age group
- CQC also published a themed inspection report on 'dementia care' which similarly identified a pattern of good practice but variability and inconsistencies across pathways.

Community trusts

- CQC generally found that multi-disciplinary working was good with caring and compassionate staff
- Overall, CQC found clear organisational values, and management and staff commitment to deliver good care.
- Recent restructures had driven a mix of both positive and negative influences on the community health organisations that CQC inspected. Some were taking the opportunity to improve their governance systems and create better connections to integrate care, while others were struggling to maintain a clear and supportive structure.
- Those inspected were struggling with staffing levels in some service areas. In some services the CQC noted longer than expected waiting times.
- There was inconsistency in the level of knowledge among staff regarding incident reporting and risk management.

As CQC is still developing its regulatory approach for **ambulance trusts**, they do not feature particularly within the 13/14 report.

Primary care

- CQC inspected 30 NHS GP out-of-hours services under its new approach, serving a combined population of around 19 million people – more than a third of England's population
- Once again, considerable variations in quality of care were identified, however CQC found that the majority of the services were safe, effective, caring, responsive and well-led
- CQC found that, on average, larger GP practices delivered better quality of care than smaller practices
- The quality of dental care was generally good, and continued to be lower risk than most other sectors
- CQC will introduce a clear quality assessment framework, alongside better data through intelligent monitoring to ensure a comparable means of assessing overall quality to the processes underway in the secondary care sector.

Social care

- Despite identifying examples of excellent care, overall CQC also found significant variation in the quality of adult social care and similarly to other sectors, they emphasised the importance of strong leadership and well supported staff
- Council funding for adult social care services has decreased by 8% between 2010/11 and 2012/13 resulting in a lower number of people being supported
- People in nursing homes tend to receive much poorer care than those living in residential (non-nursing) care homes. CQC flagged concerns that one in five nursing homes did not have enough staff on duty to ensure residents received good, safe care
- CQC raised concerns about 15-minute home care appointments, and whether they can truly deliver care and support that is safe, caring, effective and responsive to people's needs.

FTN MEDIA AND BLOGS

We have also increased our commentary and research into the impact of funding decisions on quality of care, summarised by Chris Hopson, chief executive in his blog, [Mind the 2015/16 NHS funding gap](#) and by Cassandra Cameron, policy advisor in her piece, [Balancing quality and finance – solutions lie in transformational change towards patient-centred care](#).

In a press statement on the publication of the 'State of Care' report, Miriam Deakin, head of policy, Foundation Trust Network, said:

FTN welcomes 'State of Care's' recognition of mounting financial challenge for NHS providers

The Care Quality Commission's fifth annual [State of Care](#) report provides welcome and authoritative analysis on the quality of care across the whole health and adult social care system.

"At a time of constrained funding, rising demand, and changing patient needs, we are encouraged by CQC's recognition of some excellent care by frontline staff in all sectors. The report also helpfully acknowledges the unprecedented financial pressures on providers which is compounded as they try to balance the costs of delivering immediate high quality care and investing in transformation of services. Adequate resourcing of the NHS is essential in order for providers to address CQC's fair and strong emphasis on the need to reduce unacceptable variation of care across the NHS. There is a direct link between funding and performance - you get what you pay for - and NHS finances must keep pace with demand growth and inflation.

"The role of CQC in providing robust and transparent judgements about the quality of care is absolutely fundamental to enhancing public confidence in the NHS and maintaining credibility among those regulated. NHS providers recognise this and have supported CQC's work during the past year to help develop the new inspection regime and drive improvements for patients in their local areas. Nonetheless, our members tell us there is more for the CQC to do to ensure consistency and robustness of judgement and the calibre of its inspection teams.

"Our members place quality of care at the heart of everything they do as they strive to meet the high standards of care that each person has a right to expect. Inadequate care will never be acceptable and there is more for the NHS to do. This report presents a useful picture of the NHS' achievements alongside the remaining challenges. This is important to build and maintain the public's confidence in its health service."