Sandwell and West Birmingham Hospitals **NHS**
NHS Trust

2012/13 Annual Report

Where
EVERYONE
Matters

Contents

This annual report is designed to give you an overview of Sandwell and West Birmingham Hospitals NHS Trust in 2012/13. It covers quality, performance, financial and environmental matters and looks ahead to planning for 2013/14.

More detail on the subjects discussed in this report can be found in the Trust's Quality Account, Full Financial Accounts and Annual Plan. A patient magazine will be published alongside this annual report, containing patient stories, news and events from around the Trust during 2012 and 2013.

This report will be available on our website www.swbh.nhs.uk.

If you would like to comment on our annual report, or would like a printed copy, please do not hesitate to contact Vanya Rogers, Press and PR Manager on 0121 507 4093, or email: vanya.rogers@nhs.net.

1. Welcome from the Chairman and Chief Executive

This report is testimony to the daily dedication of more than seven thousand colleagues, who work with primary and social care staff, and countless volunteers, both in our Trust and beyond it, to deliver high quality, compassionate care.

In 2012/13 that hard work saw some real successes: record low infection rates for MRSA, MSSA and *C. difficile*; better than expected mortality rates; short waiting times for cancer and cardiac care; and in our maternity services and in our community services.

The year also saw us not meet our own ambitions. For example, 15,445 patients out of 207,128 patients seen waited more than four hours in our Emergency Departments; there were 55 ward closures due to norovirus; and 427 patients had their surgery cancelled on the day of operation. However 84,772 patients were able to have their surgery on the day as planned.

In 2013/14 we want to build on our successes, and work to do better in areas where we fell short or where patients or GPs tell us we need to improve. Over the years ahead, we are working towards an ambitious goal – to become renowned as the best integrated care organisation in the NHS.

We want to deliver continuity of care, supporting patients in their own home wherever that is possible. With that in mind, we are working hard to make this a more successful winter, with fewer delays and cancellations; to raise morale and engagement among those who work for us; to make our investments truly effective as we prepare for final approval of the Midland Metropolitan Hospital; with our local Clinical Commissioning Group to deliver more care closer to home as we take the best of community nursing in Sandwell and make it our norm; and to build on our ground-breaking work in regeneration and apprenticeships.

The best of what we do is outstanding. The Board is determined to make that standard what we do around here.

Richard Samuda
Chairman

Toby Lewis
Chief Executive

2. Core information

2.1 Overview of the Trust

Sandwell and West Birmingham Hospitals NHS Trust is an integrated care organisation. We are dedicated to improving the lives of local people, to maintaining an outstanding reputation for teaching and education, and to embedding innovation and research. We employ around 7,500 people and spend around £430m of public money, largely drawn from our local Clinical Commissioning Group (CCG). That group and this Trust is responsible for the care of 530,000 local people from across west Birmingham and all the towns within Sandwell.

Our teams are committed to providing compassionate, high quality care from City Hospital on Birmingham's Dudley Road, from Sandwell General Hospital in West Bromwich, and from our intermediate care hubs at Rowley Regis and at Leasowes in Smethwick (which is also our stand-alone Birth Centre's base). The Trust includes the Birmingham and Midland Eye Centre (a supra-regional eye hospital), as well as the Pan-Birmingham Gynae-Cancer Centre, our Sickle Cell and Thalassaemia Centre, and the regional base for the National Poisons Information Service – all based at City. Inpatient paediatrics, most general surgery, and our stroke specialist centre are located at Sandwell. We have significant academic departments in cardiology, rheumatology, ophthalmology and neurology. Our community teams deliver care across Sandwell, providing integrated services for children in schools, GP practices and at home, and offering both general and specialist home care for adults, in nursing homes and hospice locations.

In 2012/13, 6,024 gave birth with our help. 553,788 people attended outpatient clinics and we delivered more than 693,559 community contacts. 198,350 attended our two A&Es and our eye casualty, of whom 38,722 were admitted to inpatient beds. We undertook 84,773 emergency and elective operations, of which 49,841 were on a day-case basis. From this work in 2012/13, 724 made formal complaints and we received a large number of compliments for the work of our employees. In the 2012 national NHS staff survey, 58% of our staff would recommend or strongly recommend our services if a friend or relative needed treatment.

Each year we publish a quality account to outline to local people how our services compare to our aims and to others. The latest data shows that:

- Outcome: our standardised mortality rate was 88.9. This suggests that we had a slightly lower than expected mortality.
- Infection: one patient contracted MRSA with us in the last 13 months and our *C. difficile* rate was 37 for 2012/2013.
- Harm-free care: we achieved 95.28% coverage for venous thromboembolism (VTE) assessment in June 2013 and during 2012/13 had no grade 4 pressure sores.
- Safe stays: our adult readmission rate was 7.74% and length of stay in our beds was 3.8 days. Both are lower than national averages.
- Waiting times: we were compliant with national standards for the care of stroke and cancer patients. Our A&E at Sandwell met the four hour standard and most specialties (and the Trust as a whole) met the 18-week standard for waits set out in the NHS Constitution. A handful of specialties need still to achieve compliance, and we have to exceed the emergency care standard at City Hospital, which we are not consistently doing.

Committed to public health and local regeneration

We are a key partner in efforts to change the shape of care in our area. The Right Care Right Here partnership has now run for eight years. Our intention is to provide substantially more care at home and rely less on acute hospitals. We aim to move 350,000 appointments out of traditional settings and close a further 20% of our hospital beds, as we have safely closed 25% over the last ten years. While most of the programme involves investment in GP surgeries and health centres, we still plan to relocate our acute care into a single purpose-built hospital. A site on Grove Lane in Smethwick has been purchased for this purpose, following public consultation in 2006. If our plans are approved in 2013/14, we will open our new facility in 2018/19. The new hospital will act as a major employment opportunity for local people and is part of a wider scheme to develop the area adjacent to the site.

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

The Trust Board is committed to developing ever more consistent links into our local communities, working with voluntary sector, faith and grassroots organisations. The development of our governing body and the expansion plans we have for our charitable foundation will also reinforce this work.

During 2013/14 we will publish our Public Health and Community Development strategy, which will seek to outline the contribution we currently make and plan to make to tackling the underlying causes of ill-health in the communities that we serve.

Investing in the future

Each year we spend around £25m on new equipment and expanding services. This is generated by the savings we make in how we provide care. This includes consistently meeting NHS-wide efficiency requirements. We report financial results annually and typically target a surplus of around 1.5% of turnover, which we reinvest in patient care. Over the next decade we will make major investments in three areas: in the skills and training of our workforce; in the technology we use to both care for and communicate with patients and partners; and in our estate – in part through our plan to build the Midland Metropolitan Hospital (MMH) to rationalise acute care.

List of services

Women's and Children's:

- Paediatrics
- Community Child Health
- Obstetrics
- Neo-natal
- Gynaecology
- Gynae-oncology
- Genito-urinary Medicine

Surgery:

- General Surgery (Breast, Upper GI, Colorectal)
- Trauma and Orthopaedics
- Vascular Surgery
- Urology
- Plastic Surgery
- Ophthalmology
- Ear Nose and Throat
- Oral Surgery

Medicine:

- Emergency Medicine
- General Medicine/Care of the Elderly
- Cardiology
- Stroke
- Respiratory
- Renal
- Diabetes
- Rheumatology
- Neurology
- Gastroenterology
- Dermatology
- Haematology/Oncology
- Oncology
- Behçet's Syndrome Centre of Excellence

Community Services:

- Respiratory
- Family Planning and Sexual Health
- Community Nursing
- Community Rehabilitation
- Dietetics
- Community Diabetes
- Continence Services
- Foot Health
- Musculoskeletal
- Wheelchair Services
- Intermediate Care and Hospice Care

Clinical Support:

- Anaesthetics and Critical Care
- Imaging
- Pathology
- Therapies

Board of Directors

Non-Executive Directors:

Chairman:	Richard Samuda
Vice-Chair (from November 2012):	Claire Robinson
Non-Executive Director:	Dr Sarindar Singh Sahota, OBE
Non-Executive Director:	Gianjeet Hunjan
Non-Executive Director (from September 2012):	Professor Richard Lilford
Non Executive Director:	Olwen Dutton
Non Executive Director (from November 2012):	Harjinder Kang

Trust Board Executive Management Team:

Chief Executive (from April 2013):	Toby Lewis
Director of Finance and Performance:	Robert White
Medical Director (from August 2012):	Dr Roger Stedman
Chief Nurse:	Rachel Overfield (departing September 2013)
Chief Operating Officer:	Rachel Barlow

Trust Board Members who left during 2012/13:

Vice-Chair (to November 2012):	Roger Trotman
Non-Executive Director (to August 2012):	Professor Derek Alderson
Non Executive Director (to October 2012):	Philip Gayle
Chief Executive (to January 2013):	John Adler

Acting members of the Trust Board during 2012/13:

Acting Chief Executive (January to March 2013):	Mike Sharon
Acting Medical Director (to August 2012):	Dr Deva Situnayake

On 6 June 2013, the Trust Board agreed that there was no relevant audit information of which the Trust's auditor was unaware, and that Directors have taken all the steps they ought in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of it.

2.2 Patient activity 2012/13

Type	2009/10 Outturn	2010/11 Outturn	2011/12 Outturn	2012/13 Plan	2012/13 Outturn	1012/13 vs 2011/12 %*
Admitted Patient Care (spells):						
Day Cases	51,995	50,425	53,657	46,483	47,500	-11.47
Electives	13,137	11,720	10,620	10,854	9,808	-7.65
Emergencies	62,961	61,163	57,404	55,986	59,246	3.21
Unbundled	58,495	21,034	16,530	15,653	10,321	-25.46
Total	**186,588**	**144,342**	**138,211**	**128,976**	**126,875**	**-8.2**
Outpatients (attendances):						
New Consultant led	158,289	157,789	154,136	144,954	158,241	2.66
Review Consultant led	410,378	424,476	404,266	383,346	356,801	-11.74
Non Consultant led	-	-	105,408	96,851	135,972	29
With Procedure	28,163	20,452	19,730	19,787	39,531	100.35
Total	**596,830**	**602,717**	**683,540**	**644,938**	**690,545**	**10.25**
A&E Attendances	224,811	218,211	214,744	207,352	196,248	8.61
Rehabilitation OBDs	23,501	22,081	13,561	13,560	148,223	9.3
Neonatal OCDs**	9,969	10,100	11,994	11,731	11,796	-1.65
Births	6,372	6,128	5,560		6,024	8.35
Referrals	192,945	182,645	167,906		179,773	7.06
Community Contacts	-	-	636,563	671,215	717,148	12.66

NB. Births are also included in the emergency spells totals in the first section of the table

* Percentage changes from 2011/2012 outturn

** Transitional care cot days included in the contract from 2011/2012

3. Management commentary

3.1 The external environment

From April 2013, a number of structural changes within the health system as prescribed by the Health and Social Care Act (2012) are being implemented. This broader set of changes across both the commissioner and provider landscape will have implications for the Trust and it will be important that the Trust develops relationships with those new key partners.

Following the publication of the Francis Report, the Trust Board provided an initial response to the recommendations made within the report and will be ensuring the actions required are incorporated into the relevant Trust processes and strategies. The Board will continue to monitor the Trust's response to the recommendations set out in the Francis Report.

Changes to commissioning arrangements

From April 2013, NHS England will commission specialised services, primary care services, offender healthcare and some services for members of the armed forces. NHS England will have four regional and 27 local area teams. A Midlands Regional Office and Birmingham, Solihull and Black Country Local Area Team (LAT) have been established. The percentage of our income in 2013/14 that will be commissioned via NHS England and the respective LAT is approximately 14%.

Clinical commissioning groups (CCGs) from April 2013 have taken on the majority of commissioning responsibilities previously undertaken by primary care trusts. Sandwell and West Birmingham CCG (SWB CCG) will be the main commissioner for the Trust. This serves to benefit the Trust as the CCG catchment will be virtually coterminus with the main population that the Trust serves. It will be important for the Trust going forward that strong relationships with SWB CCG are maintained. Approximately 64% of our income in 2013/14 will be commissioned by SWB CCG.

A key feature of the changing commissioning landscape is the prospect of greater procurement and tendering of services by commissioners. This includes the use of Any Qualified Provider (AQP), which is now firmly established as another procurement tool that commissioners can choose to use to buy services. Currently, our audiology and nail surgery services are subject to AQP and can therefore be provided from any approved provider, whether public, private or third sector.

Changes to provider arrangements

NHS Trust Development Authority

From April 2013, the role of the NHS Trust Development Authority (NTDA) is to provide governance and accountability for NHS trusts in England and delivery of the Foundation Trust pipeline. The Trust will be accountable to the NTDA for performance and delivery of the Foundation Trust timeline, as well as the Tripartite Formal Agreement.

Other key changes

Education and training

A new national body, Health Education England has been established as part of the healthcare changes. Local Training Boards (LETBs) have been developed with the intention to ensure the security of supply and ongoing development of the multi-professional workforce. The West Midlands LETB will execute these responsibilities through five Local Education and Training Councils (LETCs), the NHS provider-led bodies responsible for ensuring the education, training and development of the workforce and that skills strategies are developed. The Trust is represented on both the Black Country LETC and the Birmingham and Solihull LETC.

Health and Well Being Boards/Healthwatch

Health and Wellbeing Boards (HWBs) are due to take on their statutory roles from April 2013. Each HWB will have a local Healthwatch representative. Healthwatch is a new independent consumer champion for health and social care in England. There will be separate HWBs for Birmingham and Sandwell.

3.2 Our priorities

Quality and Safety: delivering the 16 quality priorities set out in our Quality Account and Annual Plan, namely:

Patient Safety

- Improving Stroke and TIA services

- Implementing the 5 Steps to Safer Surgery

- Reducing avoidable weight loss in elderly patients

- Reducing hospital acquired infections

- Delivering harm-free care in 4 key areas: Pressure Damage, Falls, Venous Thrombo-Embolism and Cather Associated Infections

- Eradication of grade 2,3 and 4 hospital acquired pressure ulcers

- Improvement in the safety and performance of our Accident & Emergency Departments

Clinical Effectiveness

- Performing risk assessments for the development of VTE on 90% hospital in-patients

- Conducting reviews on 80% of all deaths that occurred in hospital

- Reducing Hospital Standardised Mortality Ration and Standardised Hospital Mortality Index

- Improvement in awareness and diagnosis of Dementia

- Roll out of alcohol prevention strategy to a number of outpatient specialties

Patient Experience

- Improvement in responsiveness to personal needs of patients

- Improvement in experience of patients at the end of life

- Introduction of the 'Friends and Family Test'

- Improving 'Patient Reported Outcomes' in Hips, Knees, Varicose veins and Hernias

3.2a Quality and Safety

Our Quality and Safety Strategy has three key domains:

Patient safety	To reduce adverse events which result in avoidable harm	= We do no harm to patients
Clinical effectiveness	To reduce avoidable mortality and morbidity	= Fewer patients dying and fewer having complications
Patient experience	To increase the percentage of patients who would recommend the Trust to family and friends	= Improved patient satisfaction

Patient Safety Priorities:

Improving Stroke and TIA services

Last year we promised to improve Stroke and TIA services through reconfiguration following public consultation. In March 2013 the new 55 bedded Acute Stroke and Neurology Unit opened at Sandwell Hospital. By combining staff from both hospitals on to one site we are able to not only offer better services but also greater training and career development opportunities for staff. We know from work in other parts of the country that large specialist units give patients a better chance of surviving and making a full recovery after a stroke. The new unit is expected to treat about 600 stroke patients every year. In addition the team are working closely with community nursing and therapy teams to ensure patients are discharged home safely as soon as possible. The table below summarises our performance against the main stroke care targets. Whilst we did not fully meet all of our targets we are confident that the new unit and the efforts of the new stroke team will achieve this over the coming year.

Main Stroke Targets	Target	2012/13
Patients spending >90% stay on Acute Stroke Unit	80%	85.6%
Patients receiving CT Scan within 24 hrs of arrival	100%	91.8%
Patients receiving CT Scan within 1 hr of arrival	50%	52%
TIA (High Risk) Treatment <24 h from initial presentation	60%	69.8%
TIA (Low Risk) Treatment <7 days from initial presentation	60%	75.9%

Implementing the 5 Steps to Safer Surgery

Last year we identified that we needed to improve our use of the WHO Surgical Safety Checklist. We wanted to go even further than just using the Checklist and ensure that the NPSA "Five Steps to Safer Surgery" were adopted across the trust and recorded for every patient undergoing a surgical intervention or operation. Patients are very vulnerable during operations and safety is very important.

The work was led by a project team and the contribution of the theatre and ward staff was vital. Whilst we have been able to collect how many checklists were completed and how many pre-operating list briefings and debriefings were done, we also started doing reviews to focus on how well the checklists were being used to test that communication was working well.

The Trust has agreed checklists and a 'Safer Surgery' Policy in place, so staff are clear about what is expected of them. The reported compliance with the 3 sections in the checklist over the past year is shown in the following table:

2012/13	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar
WHO Checklist Safer Surgery Audit - 3 Sections (All areas)	99.45% ■	99.65% ▲	99.83% ▲	99.46% ▼	99.82% ▲	99.80% ▼	99.72% ▼	99.83% ▲	99.38% ▼
WHO Checklist Safer Surgery Audit - 3 Sections and Brief	92.89% ■	93.90% ▲	93.50% ▼	93.55% ▲	94.17% ▲	96.75% ▲	95.27% ▼	95.81% ▲	95.29% ▼
WHO Checklist Safer Surgery Audit - 3 Sections, Brief and Debrief	80.61% ■	80.67% ▲	76.33% ▼	81.73% ▲	81.61% ▼	89.19% ▲	84.32% ▼	83.71% ▼	82.07% ▼

Reducing avoidable weight loss in elderly patients

This priority has been met by the introduction of 'Care Rounds', monthly 'Nutritional Audits' and 'Protected Mealtimes'. Care Rounds are two hourly patient visits at which a checklist of care and comfort needs of patients is gone through including dietary and fluid intake as well as a number of other important standards of care. The monthly nutrition audits examined our ability to achieve the standard of 90% of our patients being assessed using the MUST (Malnutrition Universal Screening Tool) within 12 hours of admission. Protected mealtimes ensure that patients can have peaceful undisrupted time to eat and rest three times a day. During these times staff and visitors are discouraged from entering the wards or conducting bedside activities.

Nutrition Audit (MUST within 12 hours of admission)
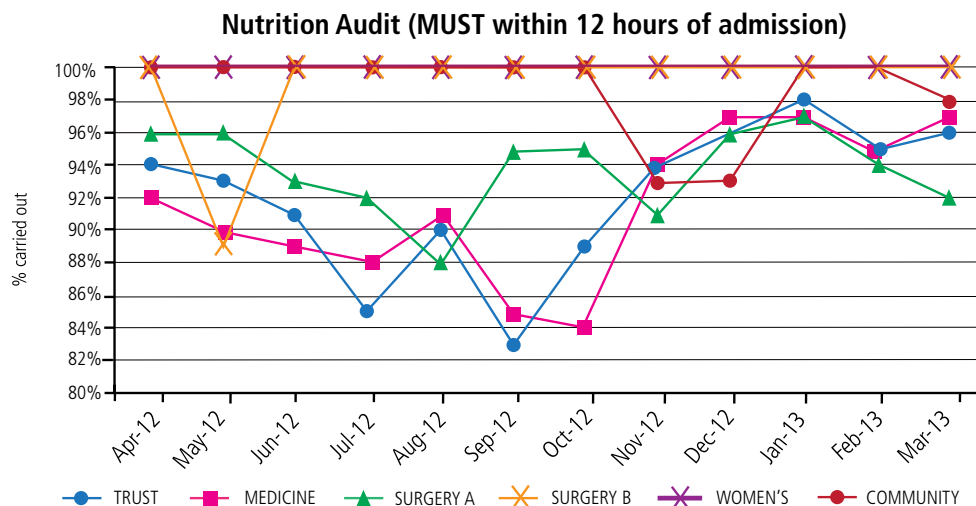
Reducing hospital acquired infections

Standards and targets for infection control are set nationally and include the following:

- Meeting targets set for C. Diff;
- Meeting targets for MRSA bacteraemia;
- Monitoring and recording MSSA and E. coli cases;
- Monitoring 30 day mortality for C. Diff;
- Reducing the use of antibiotic associated with C. Diff;
- Maintaining PEAT scores at good or excellent;
- Achieving hand hygiene standards;
- Achieving MRSA screening targets;

C.diff Incidencese

In 2012/13 we have been very successful in keeping well below the number of occurrences agreed by the Department of Health, with only 37 occurrences of C. diff. against a trajectory of 57 during the past year.

 Actions to achieve this good performance included hand hygiene audits, a reduction in the use of antibiotics and maintaining a high level of environmental cleanliness.

It can be observed in the table below that the rate of infection per 100,000 bed days has decreased from 87.5 in 2007/08 to 31.8 in 2011/12.

Year	Trust Apportionment	Total occurrences	Trust Rate	National Average	Lowest rate	Highest rate
2007/8	281	423	87.5	93.3	0	205
2008/9	158	237	49.5	54.9	0	133
2009/10	148	306	48.2	36.7	0	85.2
2010/11	116	240	39.7	29.6	0	71.8
2011/12	93	202	31.8	21.8	0	51.6

MRSA Screening & Bacteraemia

The aim for us was to screen 85% of eligible patients for MRSA by March 2013. The target was exceeded for elective patients but we achieved 76.8% for non-elective (emergency) admissions which did not meet the required standard. We are not satisfied that we have not achieved this standard.

We are working with teams to improve their focus on carrying out screening on all patients, and we are striving to ensure that we capture the data in the most timely and complete way possible.

Across the whole of 2012/13 the total number of MRSA bacteraemias attributed to the Trust target to date was 1, which is below the set tolerance of 2.

PEAT Score

The PEAT score for national standards of cleanliness was an average of 96%.

Reduction of Antibiotic usage

The Trust met the Medicines Stewardship antibiotic related reduction target scoring 83 against a target of 70, which is better than the required standard.

Delivering harm-free care in 4 key areas: Pressure Damage, Falls, Venous Thrombo-Embolism and Cather Associated Infections

We said we would increase harm-free care across Inpatient areas and District Nurse caseloads in 4 key areas through the introduction of the Department of Health 'Safety Thermometer' (ST):

1. Pressure ulcers;

2. Falls;

3. Catheter-associated Urinary Tract Infections (CAUTI);

4. VTE.

The Safety Thermometer Audit is completed trust wide including the Community Services on a pre-prescribed day, once a month. The data is then submitted to the IC. This is then published nationally.

The monthly whole Trust audit of patients for 4 harm events (falls, pressure damage, CAUTI and VTE) has been accepted very positively with good engagement of nursing staff. Work has commenced to add other harm measures to the tool, e.g. avoidable weight loss.

Safety Thermometer: Harm-Free Care
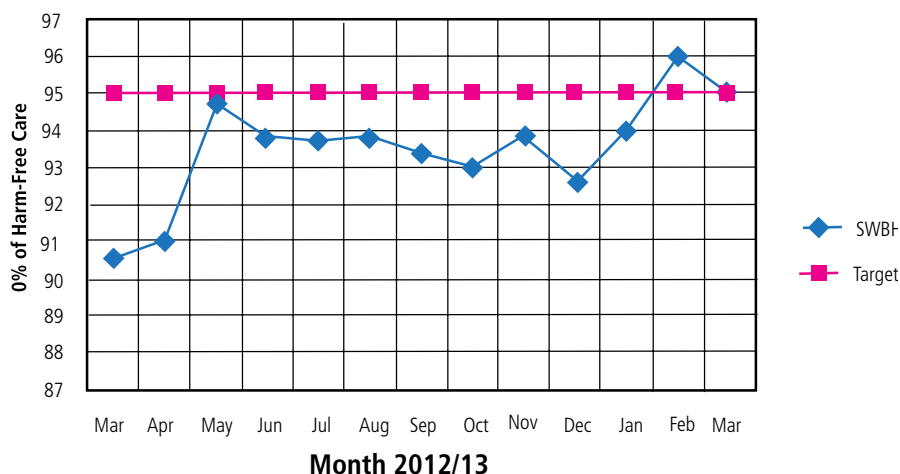
Eradication of grade 2,3 and 4 hospital acquired pressure ulcers

We are committed to reducing all avoidable pressure damage with the ultimate aim of eradicating them totally: a grade 4 pressure sore is worse than a grade 2 pressure sore. We have been assessing patients to check for the risk of developing pressure sores, introducing the appropriate care bundle and conducting internal reviews on all grade 3 and grade 4 sores to understand why they occurred. This is then fed back to staff so that lessons can be learnt.

As you can see from the following table, steady progress has been made and this year we have continued to reduce the occurrence of these serious sores.

No. of Hospital Acquired Pressure Damage Incidents Apr 2009-Mar 2013
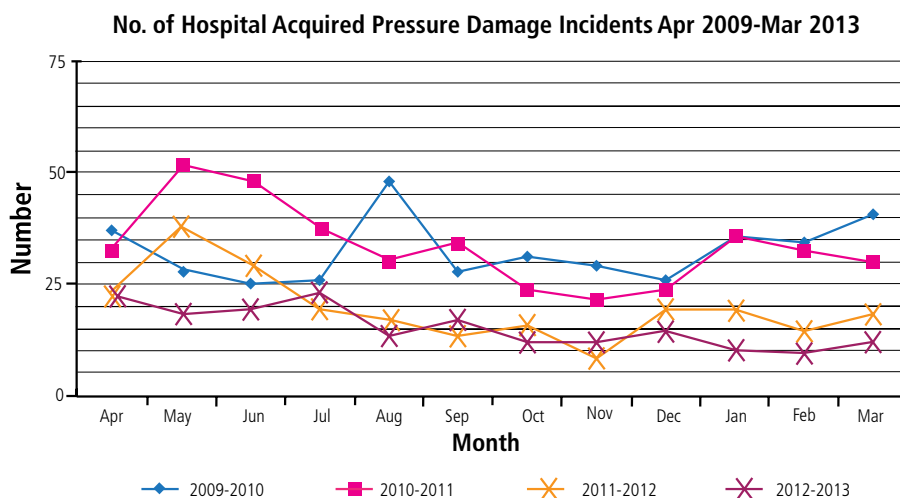
Improvement in the safety and performance of our Emergency Departments

The Emergency Department (ED) is the place many local people, many of them very unwell, frail and elderly, first come into contact with our hospitals. It is an area which has been under a lot of pressure during the past year. We have not succeeded to achieve all that we wanted to in the EDs.

Last year we said we would:

- Continue to recruit more middle and consultant grade doctors to the EDs;Continue to develop and monitor systems to ensure that clinical care is of a consistently high standard;
- Continue to closely analyse incidents and take action to eliminate identified root causes;
- Ensure that there is a process in place for any deaths in ED to be reviewed by senior doctors;
- Support the delivery of the Integrated Development Plan for our Emergency Departments, working in partnership with the commissioners;
- Improve the IT systems to support the development of automated clinical dashboards;

- Continue work with our partners in Primary Care to ensure patients who do not need to be treated in the Emergency Department are appropriately redirected;
- Continue to meet national standards in respect of 4 hour waits, and perform better against the other national standards for Emergency Departments;
- Ensure protocols/guidelines are being followed to provide a consistent level of high quality care.

ED Performance against the national 4 hour wait standard

Performance in the ED has not achieved the standards which we wanted. The Trust experienced a significant and prolonged noro-virus outbreak over the winter months. Several wards were closed due to infection control precautions, impacting on bed capacity. The performance across the year was that **92.34%** of patients were waiting in ED for less than 4 hours, which does not meet the 95% standard. Our aim remains for patients to get the appropriate care within as short a time as possible and that no one should wait more than 4 hours to get the care they need. We know we need to work more effectively on achieving this and that is why we are taking this forward into 2013/14 as a top priority.

ED Staff Recruitment

We have tried to recruit more senior doctors for the EDs. This has not been as successful as we would have hoped. The Trust Board approved a workforce investment business case in November 2012 to increase medical and nursing establishment for ED. The £2.186 million investment case was based on a workforce model to strengthen clinical leadership providing an increase in 7 day consultant coverage of the department and expansion of nursing staff.

High Standard of Care

Much of what leads to a high standard of care and a positive experience for patients is by having a well trained workforce. We have begun work on a raft of training to help raise standards. We are adopting the West Mercia Guidelines for Emergency Care which is a collection of pathways which offer the proven best ways of caring for people in our emergency medicine areas. This will also mean that there will be standardised care across our hospitals. We have seen a reduction in the number of serious incidents reported in the EDs.

Improvements of the ED IT systems

The ED has worked closely with the IT team to develop electronic tools to help managers and clinicians understand the patients' progress in the ED. Work is in progress on installing a new ED electronic system. It is planned to go live in May 2013. This will help doctors and nurses look after patients better by freeing up time and keeping the information they need in one place.

Working with our Commissioners, Primary Care and Social Care

The Trust continues to work with external partners to reduce delayed transfers of care and appropriate admission avoidance schemes. Additional social work capacity has been provided Monday to Friday by Birmingham Social Services to work with the Rapid Response Team based in ED and the assessment units.

A recent improvement is that GP services are being provided in the City ED, as they are at Sandwell where appropriately identified patients are seen. This is helping reduce waits for patients and also means that patients are seen by the right health professional. Work has commenced between the CCG, Social Services and the Trust to develop a joint social and health care team and determine a priority plan to reduce delays in the acute sector. The initial scoping phase of urgent care transformation has been completed with a multi-agency team presenting an outline conceptual model for urgent care provision across the system. This will now be formally commissioned as a project hosted by the CCG to be progressed over the first half of 2013/14.

Clinical Effectiveness Priorities:

Performing risk assessments for the development of VTE on 90% hospital in-patients

VTE is the term used to describe deep vein thrombosis (clots in the leg) and pulmonary embolism (where clots can break off and block the lung). This has long been recognised as a major problem that can affect patients whose mobility is impaired either by illness or following certain types of surgery. It is important that an estimate of the risk of developing deep vein thrombosis in all patients is conducted in order to provide preventive treatment where the risk was deemed to be high. This CQUIN target has been carried on from 2010/11-2012/13 which has meant that every Trust had to achieve VTE assessment rates of 90% in admitted patients. The Trust met the 90% VTE target in 10 out of the 12 months.

2012/13	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
% VTE Assessed	92.44	92.87	90.95	91.28	87.41	90.97	91.8	91.96	90.66	91.83	91.14	87.44

Conducting reviews on 80% of all deaths that occurred in hospital

Reducing Hospital Standardised Mortality Ration and Standardised Hospital Mortality Index

FOCUS ON

Mortality

As part of the Trust's annual contract agreement with the commissioners the Trust has agreed a CQUIN scheme with an end year target to review 80% of hospital deaths within 42 working days.

The Medical Director's Team is working closely with the medical clinical managers to reinforce the importance of carrying out mortality reviews and learning from the findings.

The Hospital Standardised Mortality Ratio (HSMR) is a standardised measure of hospital mortality and is an expression of the relative risk of mortality. It is the observed number of in-hospital spells resulting in death divided by an expected figure.

The Trust's 12-month cumulative HSMR (87.8) remains below 100, and continues to remain lower than that of the SHA Peer (96.7). The 12 month cumulative site specific HSMRs are 76.2 and 99.7 for City and Sandwell respectively.

The Summary Hospital-level Mortality Indicator (SHMI) is a national mortality indicator launched at the end of October 2011. It includes all deaths up to 30 days after discharge. The intention is that it will complement the HSMR in the monitoring and assessment of hospital mortality. The Trust SHMI for December 2011/November 2012 is 94.4%

One SHMI value is calculated for each trust. The baseline value is 1. A trust would only get a SHMI value of 1 if the number of patients who die following treatment was exactly the same as the number expected using the SHMI methodology. SHMI values have also been categorised into the following bandings:

1. Where the Trust's mortality rate is 'higher than expected'
2. Where the Trust's mortality rate is 'as expected'
3. Where the Trust's mortality rate is 'lower than expected'.

The last SHMI data was published on 24/01/13 for the period July 2011 to June 2012. For this period the Trust has a SHMI value of 0.97 and was categorised in band 2.

Internal Data:	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Hospital Deaths	133	146	126	121	132	121	139	106	140	157
Dr Foster 56 HSMR Groups:										
Deaths	110	129	111	100	113	101	124	89	126	132
HSMR (Month)	84.6	89.2	89.7	85.5	83.9	84.8	91.1	64.2	83.3	81.4
HSMR (12 month cumulative)	89.7	88.3	96.4	95.5	94.2	93.1	92.5	90.4	89.1	87.8
HSMR (Peer SHA 12 month cumulative)	94.9	93.3	101.3	100.2	98.7	97.8	96.7	96.4	96.8	96.7
Healthcare Evaluation Data (HED) SHMI (12 month cumulative)	96.2	96.0	96.3	96.3	94.2	95.6	94.9	94.4	.	.

Improvement in awareness and diagnosis of Dementia

We said we would raise dementia awareness and assessment by:

- Delivering a trust-wide awareness-raising campaign;
- Carrying out assessments of all people over the age of 75 who are admitted as emergencies who are staying in more than 72 hours;
- As part of the 2 levels of the assessment, a referral may result to a consultant or GP ensuring better care if dementia is suspected.

It is estimated that 25% of general hospital beds are occupied by people with dementia, rising to 40% or higher in certain groups such as elderly care wards. The presence of dementia is associated with longer lengths of stay, delayed discharges, readmissions and inter-ward transfers. This can result in patients not feeling as well cared for as they would have liked and distress for the carer.

By introducing the Dementia CQUIN, awareness has been raised across the trust. This has helped us identify patients with dementia and other causes of impaired cognition alongside their other medical conditions. This has also, this meant that patients were much more likely to get a prompt referral to appropriate services and follow up in the community after leaving hospital.

The target was met and we are confident that this will have improved how patients and carers are offered care and supported.

Roll out of alcohol prevention strategy to a number of outpatient specialties

We agreed with the commissioners to carry out screening of patients to check if they are at risk of harm from alcohol. It is very important to assess alcohol risk to ensure that patients are treated appropriately and also to be able to advise them on health issues if appropriate. We have carried out audits every 3 months to test if we meet this standard of 80%: we have been successful in exceeding it. We have spread this intervention to include more services, so we can screen even more patients. These services include inpatients in the medical assessment units, and to new patients attending Gastroenterology, Cardiology, and Endocrinology outpatient clinics.

Our findings are summarised in the table below:

Attendance Type	Number of Attendances	Number of Think Alcohol Assessments	Target	% Compliance
Inpatient - MAU / EAU	411	356	80%	86.62
New Gastroenterology Appointment	102	96	80%	94.12
New Cardiology Appointment	61	55	80%	90.16
New Endocrinology Appointment	9	9	80%	100
Total	583	516	80%	88.51

Patient Experience Priorities:

Improvement in responsiveness to personal needs of patients

Specific questions relating to measuring our response to patients' personal needs were identified in the National In-Patient Survey. A CQUIN was agreed with our commissioners on this composite indicator.

The CQUIN questions are as follows and the scores are in the table below:
* Q32 Were you involved as much as you wanted to be in decisions about your care and treatment?
* Q34 Did you find someone on the hospital staff to talk to about your worries and fears?
* Q36 Were you given enough privacy when discussing your condition or treatment?
* Q56 Did a member of staff tell you about medication side effects to watch for when you went home?
* Q62 Did hospital staff tell you who to contact if you were worried about your condition or treatment after you left hospital?

Year	Q32	Q34	Q36	Q56	Q62	CQUIN
2012/13	72.1	53.6	83.4	51.4	74.1	66.9
2011/12	71.4	63.7	81.4	54.4	82.9	70.8
2010/11	69.9	60	81.4	44.5	80.8	67.3

Improvement in experience of patients at the end of life

We said we would increase, by 10%, the number of patients achieving death in their preferred place and who were on a supportive care pathway (SCP) in both the acute hospitals and in the community. This means that patients have services set up to have a dignified death in the place of their choice. This standard is very important in making sure that patients can have every dignity afforded to them at a time when they can be
very vulnerable. The 53% target has been exceeded every month since July 2012 and 60% has been achieved or exceeded for 3 out of the last 4 months of the year.
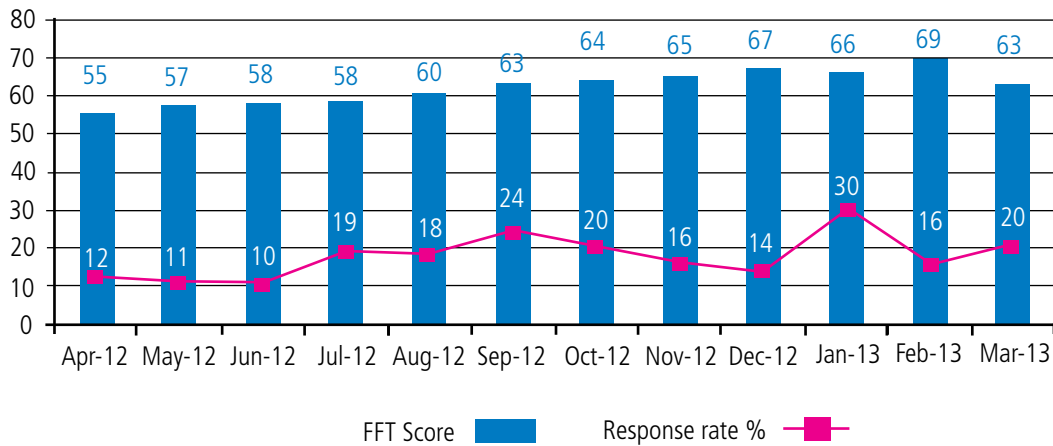
Preferred Place of Care/Death of Patients on SCP

Month 2012/13
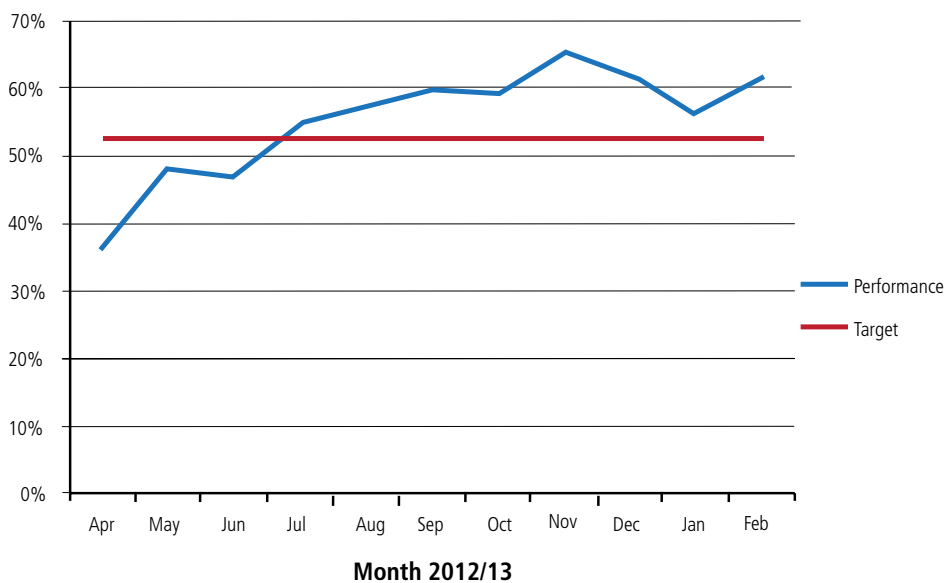
Introduction of the 'Friends and Family Test'

The friends and family test asks service users, 'How likely is it that you would recommend this service to friends and family?'. It is based on a Department of Health Net Promoter Score (NPS) methodology. It measures patients' perceptions of the quality of the health services they recently received. This assists the hospital in identifying both successes and problem areas. The Trust implemented the FFT survey programme in April 2012. There has been a steady improvement of about 2 points every month and an average 17% response rate of inpatient admissions was achieved.

SWBH Friends and Family Test Scores and Survey Response rate%

	FFT Score	Response rate %
Apr-12	55	12
May-12	57	11
Jun-12	58	10
Jul-12	58	19
Aug-12	60	18
Sep-12	63	24
Oct-12	64	20
Nov-12	65	16
Dec-12	67	14
Jan-13	66	30
Feb-13	69	16
Mar-13	63	20

Improving 'Patient Reported Outcomes' in Hips, Knees, Hernias and Varicose Veins

PROMs assess the quality of care delivered to NHS patients from the patient perspective. Currently, covering four clinical procedures, PROMs calculate the health gains after surgical treatment using pre- and post-operative surveys.

The four procedures are:
- hip replacements;
- knee replacements;
- hernia;
- varicose veins.

PROMs measure a patient's health status or health-related quality of life at a single point in time, and are collected through short, self-completed questionnaires. This health status information is collected from patients through PROMs questionnaires before and after a procedure and provides an indication of the outcomes or quality of care delivered to NHS patients.

In the majority of areas our PROMS performance has not demonstrated an improvement health status, visual analogue score or condition specific score. This is partly because of low numbers of patient returns. In response the Trust has taken action taken to improve the percentage of patients reporting improvements and the quality of its services which included the following:

Hip & Knee
- It has been made a requirement that all patients undergoing hip and knee surgery attend pre-operatively the Hip & Knee Club, where full information on the care and recovery pathway can be explained.
- Patient information booklets have been reviewed to include raising the awareness of PROMs.
- A poster campaign has been run to improve referral information.

Varicose veins

The focus has been on increasing the participation rate in the PROMs for this condition. Provisional data for 2012/13 shows that the Trust is now demonstrating above the national average percentage improvements for the health status questionnaire (EQ-5D Index) and for the procedure specific instrument (Aberdeen Score).

Hernia repairs

- To take measures to increase the percentage of patients participating in the PROMs programme. This to include informing patients that PROMs is a way of monitoring the effectiveness of services and that their feedback is important to this process.
- To consider establishing a single source dedicated hernia clinic, where full information on the care and recovery pathway can be explained.

More detail on our performance against quality targets can be found in appendix 1.

What others think of us

The Care Quality Commission (CQC)

SWBH is required to register with the CQC the independent regulator of health and social care in England.
- SWBH is registered without conditions with the CQC,
- The CQC has not taken enforcement action against the Trust during the period 1 April 2012 to 31 March 2013.
- The Trust has participated in the following reviews by the CQC:

Sandwell Hospital was inspected by the CQC in July 2012. The CQC carried out this review because concerns were identified in relation to:
- Outcome 01 - Respecting and involving people who use services;
- Outcome 04 - Care and welfare of people who use services;
- Outcome 14 - Supporting staff.

The CQC team made the overall judgement that 'Sandwell General Hospital was meeting all the essential standards of quality and safety inspected'.

The CQC carried out unannounced inspections at City & Sandwell Hospitals on 27th, 28th September & 1st October 2012.

The CQC inspected the following standards as part of a routine inspection. This is what was found:

Consent to care and treatment	O	Action needed
Care and welfare of people who use services	P	Met this standard
Cooperating with other providers	P	Met this standard
Safeguarding people who use services from abuse	P	Met this standard
Supporting workers	P	Met this standard
Assessing and monitoring the quality of service provision	O	Action needed
Complaints	P	Met this standard

The CQC did comment that both the areas for action to be taken would have minor impact on people who use the service. The CQC view was that the impact was not significant and the matter could be managed or resolved quickly. A summary of the actions the Trust has taken resolve these issues include:

Consent to Care and Treatment
- Improving staff awareness of consent and mental capacity issues through a range of media and training interventions;
- Developing a staff information leaflet regarding Mental Capacity, IMCA and advance directives;
- Carrying out a survey of staff regarding knowledge of Mental Capacity Act (MCA) including application to Consent and Deprivation of liberty safeguards to identify future training needs;
- Reviewing the MCA policy to ensure that it is up to date;
- Raising staff awareness of applying MCA to practice;
- Carrying out a review and update the Trust's Consent Policy;
- Undertaking monthly consent audits.

Assessing and monitoring the quality of service provision
- Providing timely feedback to staff about the outcomes of incidents reported;
- Monthly review of corporate wide action plans to monitor corporate trends;
- Maintaining safe staffing levels by developing the Trust's monitoring of staffing ratios across the wards and assessment units to identify issues at an early stage;
- Review the data inclusion and improvement of complaints / incident information within the Trust Quality Report;
- Develop an organisation-wide 'Lessons Learned' policy;
- Improve complaints handling ensuing timely and proportionate responses.

The West Midlands Quality Review Service (WMQRS)
WMQRS carried out a peer review of the care of adults with long term conditions and the care of children and young people with diabetes between 5-8 February 2013. Many areas of good practice were identified, and recommendations for improvement were also made.

NHS Litigation Authority (NHS LA) and Clinical Negligence Scheme for Trusts (CNST)
Our maternity services have been successful in achieving a CNST Level 2 which means we have improved our governance and risk management practices which impact on the quality of care mothers and their babies. The Trust has NHS LA level 2 which covers all other services.

Local Involvement Networks (LINks)
Birmingham and Sandwell LINks organisations carried out a joint 'enter and view' review into Dignity and Nutrition at our hospitals in 2012, making three recommendations. They also looked at maternity and A&E services and have recommended Sandwell Healthwatch pick up the following subjects in 2013/14:

- Review of discharge procedures (follows a Sandwell LINk enter and view report in 2011)
- Review of complaints procedures
- On-going review of stroke / TIA services
- Review of hospital meals
- Review hospital appointment administration

Before handing over to Healthwatch, Sandwell LINk also expressed a strong interest in understanding more about the supportive care pathway.

Emergency Planning

The Trust has robust emergency plans which are regularly tested to ensure colleagues are able to respond effectively to any major incident and that the quality of care and business continuity are maintained during such an incident.

Governance of quality and safety

We have restructured our governance arrangements, establishing Patient Safety, Clinical Effectiveness, Patient Experience and Compliance and Assurance Committees. These committees commit their time to the aspects of Safe, High Quality care, and report to the Quality & Safety Committee. We also produce a monthly quality report which is discussed by the Trust Board and shared with our commissioners.

FOCUS ON

Complaints

Where possible we try and deal with questions, concerns and complaints at the time and in the place they occur. If that is not possible, patients or their relatives can contact the Patient Advice and Liaison Service (PALS) for support, or make a formal complaint. A number of queries made to PALS are to request help in making a formal complaint.

The top 5 themes during 2012/13 were:

- Issues relating to clinical treatment
- Cancellation of appointments, mainly relating to lack of communication
- Issues relating to the request for formal complaints advice
- Lack of communication, mainly with relatives
- Delays or inappropriate discharge and transfer arrangements

Actions and learning from these concerns has included (taken from concerns in March 2013):

- Changes to the way appointment slots are allocated within a clinic
- Apology from member of staff
- Clearer explanation of process given to patients
- Equipment supplies for community catheter care have been improved and staff advised of the correct follow-up care procedures

Complaints:

The top themes during 2012/13 remained consistent throughout the year. In March 2013 they were:
- Dissatisfaction with medical treatment (15 complaints)
- Dissatisfaction with nursing care (7 complaints)
- Attitude of nursing staff (4 complaints)
- Failure or delay in diagnosis (4 complaints)
- Long waits in clinics and departments (3 complaints)

Actions and learning from these complaints has included (taken from concerns in March 2013):

- Senior clinical review for any patients re-attending A&E with the same problem
- Care rounding introduced in A&E following successful implementation on wards
- Rotation of oximeter probes two hourly to prevent scars
- Review of appointment booking process in the Birmingham and Midland Eye Centre

3.2b Transformation Plan

The Trust's Transformation Plan is a five year plan which is designed to improve the quality and safety of our services, while meeting demanding national efficiency targets. All schemes are assessed for their impact on quality and safety and subject to an Equality Impact Assessment, both of which are approved by the Chief Nurse and Medical Director. In 2012/13, around £900,000 worth of schemes were rejected or amended as a result of this process.

For 2012/13, the Trust initially set a Transformation Programme target of £25.7m. Following an in-year review of the Trust's financial performance and the impact of activity pressures on operational capacity, the Transformation Programme was revised to £24.1m. This lower target is higher than the nationally required efficiency target. The revised target was delivered in full.

Patient flow

One of the biggest workstreams in the Transformation Plan is patient flow. This is all about discharging patients from our hospitals as soon as it is safe to do so, and having beds available for new patients as soon as they need them. It is led by Gastroenterology Consultant Matthew Lewis, and at the outset the steering group came up with 10 overarching principles:

1. Patients are on the correct ward for their needs

2. Most appropriate clinician/team is looking after patient

3. Daily Senior Clinician Review for all

4. Every patient has a management plan and discharge date on admission

5. Day of surgery = day of admission

6. We don't keep patients one night longer than necessary

7. We get patients home as early in the day as possible

8. If we need an opinion we would like it today

9. Simple, clear, consistent and understandable documentation

10. We have a consistency of approach for patients.

This project has had a dramatic effect on the way our hospitals work, with team meetings on every ward taking place before 10am to set goals for that day for patients and ensure that any discharges happen smoothly.

We are also beginning to introduce pharmacists dispensing drugs on wards, which significantly reduces the waits for any medicines the patient may need to take home.

The result are that the patient's average length of stay in our hospital has fallen from 3.84 to 3.5 days during the year and we are beginning to more consistently hit our target of 40% of daily discharges happening before 12 noon.

Outpatients

Like patient flow, our outpatients workstream has also introduced a set of quality standards, which will guide our future work on this project. These include:

• All patients will be seen within six weeks of the hospital receiving their referral

• No patient will wait more than 20 minutes later than their appointment time to be seen

• By March 2014, no patient will have their clinic appointment cancelled by the hospital

• A documented outcome of an outpatient visit will be available to the GP electronically with two working days. All patients will receive a copy letter within five working days

• All patients will be given an opportunity to comment on the outpatient service they have received

Over the next 12 months we will be introducing a system called Partial Booking into outpatients. Any patient who needs a follow up appointment within eight weeks will have that appointment booked by the receptionist before they leave clinic. Where a follow up appointment is needed in more than eight weeks, the patient will be sent a letter asking them to contact the hospital to negotiate their own appointment.

Because the patient is booking their own appointment nearer to the actual date of the visit, it is much less likely that they or the Trust will cancel the appointment for any reason.

Theatres

Our theatres workstream aims to improve the use of our operating theatres, which will help to reduce the time patients have to wait for operations.

We've introduced a pre-op one stop shop, where patients who are referred for surgery can have their pre-operative assessment done on the same day. This also gives us a pool of patients who can fill theatre lists at short notice.

Community

In October 2012 we launched iCARES, our integrated care service. Community nurses and therapists now work in three locality-based teams. This means joint visits can be planned, which help both the patient and the service. Improved efficiency has created greater capacity, with the result that waits for routine visits have fallen from 30 days to 12 days.

Urgent Care

Patients attending A&E in the Birmingham and Midland Eye Centre now see an experienced nurse first, who can decide on the most appropriate care. This has led to a 12% reduction in A&E attendance. We are beginning work to develop patient pathways around cardiology, respiratory and elderly care.

Near Patient Pharmacy (Patient Flow)

Near Patient Pharmacy is a very simple idea: pharmacists dispensing drugs to patients on the wards, which has had a dramatic effect on our ability to discharge patients in a timely manner.

One of the workstreams of the Trust's Transformation Plan is to improve the efficiency of patient flow through our hospitals. The role of pharmacy, and in particularly the timeliness of TTOs, the medicines patients are given to take home, was identified as one of the key enabling projects.

We knew from our own patient satisfaction surveys that 54% of patients said their discharge was delayed. Of these, 47% said it was because they were waiting for medicines. We also knew that less than 20% of our discharges every day were happening before 12 noon.

In addition, an audit carried out by the Pharmacy Department also revealed that there were a high number of errors in prescribing TTOs, with 53% having errors of some kind in them.

The aims of the Near Patient Pharmacy project are:

- Safer more reliable prescribing (less errors)
- A more proactive approach to preparing the medications for patients' discharge
- Stronger multi-disciplinary working arrangements where pharmacy forms an integral part of the team
- Easier working practices to support staff in their normal daily activities (less wasted time phoning/checking/duplicating effort)
- Swifter turnaround for the TTOs.

Implementing Near Patient Pharmacy has reduced the time taken to process TTOs from 6.22 hours to 52.5 minutes. Prescribing errors on TTOs also fell to less than 20% on the pilot wards.

This project has virtually eliminated waiting for drugs being a cause of delayed discharge and we have seen the number of discharges taking place before 12 noon climbing steadily towards our 40% target.

3.2c Access Measures

Delayed transfers of care has seen continuing improvement, with on average 2.9% of patients medically ready to be discharged, unable to leave hospital. This is mainly due to a lack of beds in nursing homes or the length of time required to arrange appropriate social care support.

We reached all our cancer targets but have had mixed success with our stroke services, particularly due to a stroke ward being closed for infection control reasons towards the end of the year. We achieved our targets for the percentage of stroke patients spending at least 90% of their stay on the stroke unit, receiving their CT scan within an hour of their arrival at the hospital, and for timely TIA (mini stroke) treatment. We missed our target on the proportion of patients admitted to the stroke unit within four hours and the percentage of patients receiving a CT scan within 24 hours of arrival at the hospital. The newly reconfigured stroke service will enable improvements in the speed with which we treat stroke patients, quality of their treatment and their clinical outcomes.

More detail on how we performed against our access targets can be found in Appendix 2.

National minimum performance standards

The health service has a large range of indicators by which to assess the performance of organisations. These are often adapted and the changes in the NHS system from April 2013, described elsewhere in this Annual Report, see them changing considerably in 2013/14.

Nonetheless, in 2012/13 acute organisations (which is part of what we do) had a standard NHS-wide set of indicators of delivery. Our regulator, the Department of Health, has a scorecard, which is shown below. Our monthly public Board papers record our compliance in shadow form against the Foundation Trust indicators assessed by Monitor.

We delivered the majority of the measures and our aggregate position would see us rated as the highest possible score - performing. We continued to deliver short waits for cancer and saw continuous improvement in reducing infections. Encouragingly, we also saw a sharp fall in 2012/13 in the official measure of delayed community and social care (Delayed Transfers of Care).

However, we consistently did not deliver compliance with the four hour maximum wait in A&E. We struggled throughout the year on our City site and in winter at Sandwell. In 2012/13 and since, the Board made substantial investments to try and mitigate these weaknesses, which we have acknowledged meant poor experiences of care in some cases. Our plans for acute and urgent care are well advanced, build towards our proposed new hospital and appear consistent with the Future Hospital Commission report, published recently by the Royal College of Physicians.

Our key changes see us:

- recruiting further in nursing and medical roles in A&E
- formalising our model of acute assessment so that it is consistent with best practice
- refining our approach to older people's care to make sure that we provide superb multi-professional care
- focusing on discharge during daylight hours, seven days a week
- making sure that deterioration in care is escalated and acted upon, both through technical tools like our sepsis bundle, and through dedicated nurse practitioner teams working through the night.

In most specialties, we were able to meet the maximum waiting time of 18 weeks for planned care. We did not do so in every specialty and face particular and ongoing demand/supply issues in plastic surgery and orthopaedics. We are working hard to find sustainable solutions. In addition, in August 2012 we identified a material data error in our reporting of the waits of some patients. Diligent subsequent review has identified no harm to patients, but it is probable that, had we been tracking waits as we should have, some patients would have received outpatient care some weeks faster. In spring 2013, we wrote to many thousands of patients, and their GPs, to check whether they were satisfied with the care that they received. Around two thousand got in touch with us to discuss their concerns and we are working with those patients to make sure that any remaining questions and issues are resolved.

We do not believe that short waiting times for planned or urgent care are the only measure of qualit, but we strongly believe that local people deserve a short wait NHS, minimising anxiety and delay, and we will work to make sure in 2013 and 2014 that we consistently do this.

Sandwell and West Birmingham Hospitals NHS Trust - NHS Performance Framework 2012/13

Integrated Performance Measures								
Indicator		**Performance Thresholds**			Quarter 1 2012/13	Quarter 2 2012/13	Quarter 3 2012/13	Quarter 4 2012/13
	Weight	**Performing (Score 3)**	**Score 2**	**Underperforming (Score 0)**				
Emergency Care Waits less than 4-hours	1.00	95.00%	94.00 - 95.00%	94.00%	95.14%	93.91%	90.60%	88.70%
MRSA Bacteraemia	1.00	0		>1.0SD	1	1	1	1
Clostridium Difficile	1.00	0		>1.0SD	6	10	8	13
18-weeks RTT 90% Admitted	1.00	=>90.0%	85.00 - 90.00%	85.0%	93.8%	94.3%	93.6%	93.8%
18-weeks RTT 95% Non -Admitted	1.00	=>95.0%	90.00 - 95.00%	90.0%	98.4%	98.0%	98.5%	98.9%
18-weeks RTT 92% Incomplete	1.00	=>920%	87.00 - 92.00%	87.0%	97.1%	97.4%	96.8%	95.5%
18-weeks RTT Delivery in all Specialities (number of treatment functions)	1.00	0	1 - 20	>20	11	11	12	11
Diagnostic Test Waiting Times (percentage 6 weeks or more)	1.00	<1%	1.00 - 5.00%	5%	0.87%	0.90%	1.84%	1.19%
Cancer - 2 week GP Referral to 1st OP Appointment	0.50	93.0%	88.00 - 93.00%	88.0%	94.5%	94.4%	94.7%	95.1%
Cancer - 2 week GP Referral to 1st OP Appointment - breast symptoms	0.50	93.0%	88.00 - 93.00%	88.0%	96.2%	98.1%	95.3%	95.1%
Cancer - 31 day diagnosis to treatment for all cancers	0.25	96.0%	91.00 - 96.00%	91.0%	99.8%	99.1%	99.6%	99.4%
Cancer - 31 day second or subsequent treatment (surgery)	0.25	94.0%	89.00 - 94.0%	89.0%	99.7%	98.5%	99.7%	98.9%
Cancer - 31 day second or subsequent treatment (drug)	0.25	98.0%	93.00 - 98.00%	93.0%	100.0%	100.0%	99.2%	100.0%
Cancer - 31 Day second/subsequent treat (radiotherapy)	0.25	94.0%	89.00 - 94.00%	89.0%	100.0%	100.0%	100.0%	100.0%
Cancer - 62 day urgent referral to treatment for all cancers	0.50	85.0%	80.00 - 85.00%	80.0%	86.4%	86.7%	87.1%	88.0%
Cancer - 62 day referral to treatment from screening	0.50	90.0%	85.00 - 90.00%	85.0%	100.0%	93.2%	95.5%	96.1%
Delayed Transfers of Care	1.00	<3.5%	3.5 - 5.00%	>5.0%	3.50%	<3.50%	<3.50%	2.60%
Mixed Sex Accommodation Breaches (as percentage of completed FCEs)	1.00	0.0%	0.0 - 0.5%	0.5%	0.00%	0.00%	0.00%	0.00 - 0.5%
VTE Risk Assessment	1.00	90.0%	80.00 - 90.00%	80.0%	92.13%	89.96%	91,08%	89.58%
Sum (all weightings)	**14.00**							
Average Score (Integrated Performance Measures)					**2.86**	**2.64**	**2.64**	**2.50**
Assessment Thresholds for Integrated Performance Measures Average Score					Performing	Performing	Performing	Performing

Underperforming if less than	2.1
Performance Under Review if between	2.1 & 2.4
Performing if greater than	2.4

Sandwell and West Birmingham Hospitals NHS Trust - Monitor Compliance Framework Key Performance Indicators 2012/2013

1. Service Performance

INDICATOR	Measurement	Weight		Quarter 1 2012/13	Quarter 2 2012/13	Quarter 3 2012/13	Quarter 3 2012/13
Clostridium Difficile	No. of Infections	1.0	Actual	6	10	8	13
			[Target]	[15]	[15]	[15]	[12]
MRSA Bacteraemia	No. of Infections	1.0	Cumulative Actual	1	1	1	1
			[Cumulative Target]	[2]	[2]	[2]	[2]
Cancer - 2 weeks; either							
All Cancers	% patients	0.5	Actual	94.5	94.4	94.7	95.1
		or	[Target]	[93.0]	[93.0]	[93.0]	[93.0]
Symptomatic breast patients	% patients	0.5	Actual	96.2	98.1	95.3	95.1
			[Target]	[93.0]	[93.0]	[93.0]	[93.0]
Cancer - 31 days	% patients	0.5	Actual	98.8	99.1	99.6	99.4
All Cancers: 31-day wait from diagnosis to first treatment			[Target]	[96.0]	[96.0]	[96.0]	[96.0]
Cancer - 31 days; either							
Wait for second / subsequent treatment	% patients	1.0	Actual	99.7	98.5	99.7	98.9
- surgery		or	[Target]	[94.0]	[94.0]	[94.0]	[94.0]
Wait for second / subsequent treatment	% patients	1.0	Actual	100	100	99.2	100
- anti cancer drug treatments		or	[Target]	[98.0]	[98.0]	[98.0]	[98.0]
Wait for second / subsequent treatment	% patients	1.0	Actual	100	100	100	n/a
- radiotherapy		or	[Target]	[94.0]	[94.0]	[94.0]	[94.0]
Cancer - 62 days; either							
from urgent GP referral to treatment	% patients	1.0	Actual	86.4	86.7	87.1	88.0
		or	[Target]	[85.0]	[85.0]	[85.0]	[85.0]
Cancer - 62 days	% patients	1.0	Actual	**100.0**	**93.2**	**95.5**	**96.1**
from consultant screening service referral			[Target]	[90.0]	[90.0]	[90.0]	[90.0]
Referral to Treatment Waiting Times	% patients	1.0	Actual	**93.8**	**94.3**	**93.6**	**93.8**
Admitted			[Target]	[90.0]	[90.0]	[90.0]	[90.0]
Referral to Treatment Waiting Times	% patients	1.0	Actual	**98.4**	**98.0**	**98.5**	**98.9**
Non-Admitted			[Target]	[95.0]	[95.0]	[95.0]	[95.0]
Referral to Treatment Waiting Times	% patients	1.0	Actual	**97.1**	**97.4**	**96.8**	**95.5**
Incomplete Pathway			[Target]	[92.0]	[92.0]	[92.0]	[92.0]
Emergency Care Waits less than 4-hrs	% patients	1.0	Actual	**95.14**	**93.91**	**90.60**	**88.70**
			[Target]	[95.00]	[95.00]	[95.00]	[95.00]
Data Completeness Community Services	% patients	1.0	Actual	**No Data**	**No Data**	**>50.00**	**>50.00**
(RTT, referral and activity Information)			[Target]	[50.00]	[50.00]	[50.00]	[50.00]
Patient Experience		0.5	Actual	Not compliant	compliant	compliant	compliant
Certification against compliance with requirements regarding access to healthcare for people with a learning disability			[Target]	[Compliant]	[Compliant]	[Compliant]	[Compliant]
Score for Service Performance				**1.5**	**2.0**	**1.0**	**1.0**

2. Third Parties

		Weight		Q1	Q2	Q3	Q3
CQC - Major Impact on Pts		2.0		**0.0**	**0.0**	**0.0**	**0.0**
CQC - Enforcement Action		4.0		**0.0**	**0.0**	**0.0**	**0.0**
NHLSA - Failure to Maintain		2.0		**0.0**	**0.0**	**0.0**	**0.0**

3. Mandatory Services

		Weight		Q1	Q2	Q3	Q3
Risk to Continuity		4.0		**0.0**	**0.0**	**0.0**	**0.0**

4. Other Certification Failures

				Q1	Q2	Q3	Q3
		Discretionary		**0.0**	**0.0**	**0.0**	**0.0**

5. Other Factors

				Q1	Q2	Q3	Q3
		Discretionary		**0.0**	**0.0**	**0.0**	**0.0**

Overall Governance Rating

GREEN		<1.0
AMBER/ GREEN		1.0 - 1.9
AMBER/ RED		2.0 - 3.9
RED		>3.9

3.2d Foundation Trust application

During 2012/13 we made progress in developing our Foundation Trust application. This included external assessments of our governance arrangements and of our plans. The feedback was generally positive and also highlighted areas where we could improve. We incorporated this feedback into our plans for 2013/14 and beyond.

For a number of reasons the timetable for our Foundation Trust application was changed towards the end of 2012/13. These reasons included the Trust's need to improve A&E performance and to understand the implications of the new national policy on funding new hospital schemes.

In addition, nationally a revised approvals approach for Foundation Trust has also meant that Trusts have been asked to review their timetable. Our current plans assume that we will become a Foundation Trust by late 2014.

By 31 March 2013, we had more than 8,200 public members. Our target is to have at least 300 members per governor seat.

Constituency	Governor seats	Minimum member target	Members 2013	Population (Census 2011)	Change since last report
Ladywood	3	900	994	126693	↑
Edgbaston & Sparkbrook	1	300	406	104016	↑
Perry Barr	3	900	1217	107090	↑
Erdington	1	300	443	97778	↑
Wednesbury & West Bromwich	3	900	1145	113222	↑
Oldbury & Smethwick	3	900	1399	105807	↑
Tipton & Rowley Regis	3	900	770	89034	↑
Wider West Midlands	2	600	1832	4858207	↑
Not Specified	0	0	65	0	
Total	**19**	**5700**	**8271**	**5601847**	

Foundation Trust members benefit from receiving 3 newsletters a year giving them updates on the Trust services and future plans. We have started adding Board profiles into the newsletters and continuing our calendar of events on a six monthly basis.

As always, the level of involvement is completely up to the individual and we are happy to say that this year we have seen increase in membership numbers and activity. Events include:
- Infection control seminars
- Transformation plan for outpatient departments
- Future plans for our Trust
- Volunteering and Fundraising Opportunities
- Allergies Seminar
- Clinical Haematology Reconfiguration of Services
- Foundation Trust Governors information meetings
- End of Life Care seminars
- Meet the Board event
- History of the Trust
- NHS Careers fairs
- CPR/First aid workshops
- MMH engagement focus group
- Annual General Meeting
- Heart Disease information meeting
- A&E…A day in the life of – overview/insight of service
- Festive Fete
- Twitter chats including healthy eating, stop smoking, sexual health, end of life care
- Focus Groups including Diabetes, Stroke and Rheumatology.

Members also benefit from the opportunity to put themselves forward to become governors of the Trust. This role is due to be introduced in 2014 when we hope to become a Foundation Trust. Governors will be responsible for gathering feedback from the membership and reporting this to the board, as well as communicating what the board say back to the members.

We have introduced the Youth Education Scheme which is being launched across secondary schools and colleges. This scheme was introduced to increase our young membership population and give careers help and advice to those who sign up. This includes CV, interview and application form workshops, health professionals visiting the schools to talk about their role and working with The Learning Works to provide information on work experience.

We have introduced a new membership database in order to manage the membership more effectively. The database enables us to keep records of all communications sent and received to members and can track outstanding tasks to ensure feedback is acted upon.

3.2e Right Care Right Here

Our long-term strategy is to further develop and sustain the highest quality integrated and seamless healthcare services for our local population, both in hospital and closer to home.

In delivering this ambition, we will drive innovative solutions to achieve the best possible health outcomes for our population.

Our aims, the intentions of our commissioners and the funding outlook for the NHS, mean that in general terms our secondary care activity will reduce slightly, while our community-based services will grow.

A key supporting strategy is the Right Care Right Here (RCRH) programme which has been developed over the last eight years with our local partners, including our main commissioners. The programme aims to:

- Improve the ability of the health and social care system to support individuals to maintain their own health and wellbeing
- Increase the proportion of health services provided in or closer to people's homes
- Support the long-term sustainability of the health economy through the development of modern, efficient and fit for purpose buildings both in acute and community settings. This includes delivering our plan for the MMH.

Over the last 12 months a new Right Care Right Here programme structure has been established.

We have continued to implement the Right Care Right Here musculoskeletal pathways for elective joint replacement surgery.

The CCG continues with its evaluation of a number of new community service models that have been implemented and that link to the pathways. This may result in new specifications being issued and for some of these services new commissioning arrangements (eg tendering or AQP) may follow.

While progress has been made with implementing the RCRH redesigned care pathways, full implementation is now expected to take place during 2013/14.

FOCUS ON

Midland Metropolitan Hospital

The Outline Business Case (OBC) for the Midland Metropolitan Hospital (MMH) was originally approved by the Department of Health (DH) in August 2009 to clear the way for the Trust to acquire the land at Grove Lane in Smethwick. The Trust now owns the land.

The MMH project will be an early adopter of the government's new Private Finance 2 (PF2) model. The Project Team is in the process of updating the financial model which underpins the OBC. This takes PF2 into account. It is anticipated that the updated financial modelling will be approved by the DH, NTDA and Treasury later in 2013. The Trust is looking to gain approval to allow procurement for MMH to commence by December 2013.

Towards the end of 2012/13, Department of Health officials visited the Trust to find out more about the scheme. We were joined by key representatives from the Sandwell and West Birmingham CCG and a number of stakeholders including Sandwell Council, Birmingham Health and Wellbeing Board, Birmingham Health Overview and Scrutiny Committee and Sandwell LINk. The stakeholders could not have been more supportive of the scheme and stressed the clinical and regeneration importance of the hospital, and frustration with delays.

The new hospital will help us achieve our goal of providing the highest quality healthcare from 21st century facilities for people living in Sandwell and west Birmingham. It will bring large teams of specialist clinicians into one place to provide expert, high quality care to the most poorly patients.

The hospital will replace the existing buildings at Sandwell Hospital and City Hospital, many of which were built in the century before last. Community hospitals will remain in the newer buildings on each of the existing sites, providing day surgery, urgent and intermediate care.

We own all the land we need at Grove Lane, with a small number of businesses continuing to operate from the site. Demolitions began earlier this year on empty properties at the site. Priority was given to buildings that had already been partially demolished, were unsafe or which contained asbestos that needed to be carefully removed and disposed of.

3.3 Workforce

Our plans for our workforce have been designed to ensure that the Trust is one where high quality and compassionate care is everyone's top priority and put our patients and service users at the centre of everything we do, from planning and designing services through to delivering care and treatment. Our workforce ambition is to become the 'employer of choice' and for our staff to consistently highly recommend our Trust as a place to work or receive treatment.

Workforce development

Our new appraisal policy strengthens the Trust's approach to succession planning and career development by ensuring that future leaders are identified and developed and staff are supported to reach their full potential. A variety of staff education and training programmes have been introduced and run throughout the year, including Professor John Adair's Action Centred Leadership programmes and leadership development for clinical teams.

NHS staff survey

Following significant year on year improvement across the whole range of key findings since 2008, our results in 2012 include a mixture of some positive shifts and some worsening trends. The overall position is one of no significant changes overall, indicating that there is still much more to achieve to move towards the top quartile. Our key achievements and areas for improvement are set out below:

Key achievements	Areas for improvement
5% more staff than last year said they were appraised in the last 12 months **(better than England average)**	Staff agreeing that their role makes a difference to patients (worse than England average)
6% more staff than last year said that their appraisal was well-structured **(best 20% of Trusts nationally)**	Staff feeling pressure in last 3 months to attend work when feeling unwell (worse than England average)
12% more staff than last year said that they are informed about errors, near misses and incidents that happen in the organisation **(around the national average)**	Staff satisfaction at work (worse than England average)
10% more staff than last year said that their immediate manager takes a positive interest in their health and well- being **(around the national average)**	Staff motivation at work (average)
5% more staff than last year said that they are satisfied with the recognition they get for good work **(better than the national average)**	Staff believing that the trust provides equal opportunities for career progression or promotion (worse than average)

The Trust's overall staff engagement score and Net Promotor indicator, 'staff recommendation of the Trust as a place to work or receive treatment', have not changed significantly since 2011 and are ranked average compared to acute trusts nationally.

Further analysis of the survey results is being undertaken and our action plan is being developed around key themes and divisional and departmental priorities for action. This includes implementing the Trust's new appraisal policy, strengthening links with talent management and succession planning and introducing regular polls/pulse checks to track progress against key improvement priorities.

Staff engagement

We are very proud that our last five years of success in this area is recognised nationally and that this is further endorsed by our most recent success as the winner of the prestigious Health Service Journal Award 2012 in Staff Engagement. Our pioneering approach to staff engagement, called Listening into Action, continues to be instrumental in engaging staff at all levels from across the Trust to drive improvements to deliver better outcomes for patients and making our Trust a good place to work.

This way of working has been used to drive our service transformation plan, enhance our patient safety culture and redesign and reconfigure how care is delivered, such as stroke services.

We recognise that there is still more to do to ensure that engaging and involving staff in driving improvements becomes well-embedded and sustainable. Our overall score for staff engagement, as determined by the NHS staff survey in 2012, has not significantly changed since the previous year and is average when compared to acute trusts nationally.

Staff turnover

Staff turnover (excluding junior medical staff) has fallen steadily year on year since 2008/09, when it was 11%, and is currently running at around 10%.

Mandatory training

Our compliance in this area shows a continuing improving trend across a comprehensive range of training modules. There is more work to do to consistently achieve the Trust's target and closer performance management at divisional level and a more robust monitoring arrangement has been introduced to manage non-attendance on booked courses. A radical review of access to training and methods of delivery has resulted in the introduction of more e-learning modules and a new mandatory training day, both of which aim to deliver high quality training while minimising, as far as possible, time spent away from the work place.

Appraisal

87% of staff participating in the 2012 NHS staff survey said that they had received an appraisal in the last 12 months (5% higher than in 2011), ranking the Trust as better than the national average for acute trusts. 42% of staff reported that their appraisal had been well-structured (6% higher than the previous year), placing the Trust in the best 20% of all acute trusts for this finding.

Our compliance data indicates that significantly less staff have received an annual appraisal and further attention and improvement in divisional performance and reporting arrangements is required in 2013/14 to ensure that the Trust can be assured that every member of staff takes part in an annual appraisal.

Sickness absence

Our sickness absence rate demonstrated a steady improvement in the first quarter of the year. Since that time this has gradually worsened, with only February 2013 showing an improved position. We have an ambitious improvement plan in place to address this, which includes reducing the levels of sickness absence for nurses and midwives to be 10% better than the national mean in 2013/14. Our plan includes the following key actions:

- Improving levels of staff engagement
- Effective management of change
- Regular sickness absence case management review
- Development of focused action plans in response to 'hot spot' areas.

In addition our staff health and wellbeing strategy will continue to deliver a wide range of evidenced-based staff initiatives, including physical exercise, weight management classes, and an annual programme of healthy lifestyle topics that line up with the national health promotion programme and respond to our internal analysis of the key reasons for sickness absence. The Trust also has an in-house occupational health and wellbeing service, an on–site gym and a dedicated counselling service for staff.

	% Trust	% target
Mandatory training	86.41%	85%
PDR	69.16%	85%
Turnover (leavers)	10.33%	-
Sickness absence	4.47% (compared to 4.39% the previous year)	3.5%

Our Equality Objectives

In developing our Equality Objectives we undertook a thorough consultation as discussed. All of our Equality Objectives have been drawn from the evidence and data currently collated on protected groups including our workforce. Once ratified and implemented we will revise our Equality Objectives annually in light of legislative and organisational changes as well as our progress against them.

In line with the legislation our equality objectives must be specific and measurable and set out how progress will be measured.

The following Equality Objectives for 2012 -2016 were approved by the Board:

Objective 1: Governance – ensure effective governance structure and processes are in place to support the delivery of equality, diversity and Inclusion.

Objective 2: Equality Data analysis – Improve the monitoring processes for equality data by protected characteristics for both service users and staff.

Objective 3: Leadership – ensure all senior leaders and managers have an annual objective as part of their Personal Development Reviews [PDRs] to embed equality, diversity and inclusion within their areas.

Objective 4: Service Delivery – ensure that our services are designed and delivered in ways which meet the needs of our service users, ensuring quality of outcomes and experiences.

Objective 5: Training and Development – ensure staff are culturally competent and confident in the provision of care promoting and maintaining dignity, respect and inclusion at all times.

Background

The Equality Act 2010 brought together all existing equality law into one single piece of legislation. It places a new single equality duty on all public body organisations which requires us to comply with the general and specific duties. The new duties are intended to be more flexible, proportionate, and less bureaucratic and focuses on outcomes instead of process. In summary, the protected characteristics include Age, Disability, Sex, Sexual Orientation, Race, Gender Reassignment, Religion, Marriage and Civil Partnership and Pregnancy and Maternity. The Trust is required to, in the exercise of our functions have due regard to the need to:

Eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Act
Advance equality of opportunity between people who share a characteristic and those who do not.
Foster good relations between people who a characteristic and those who do not.

The purpose of setting Equality Objectives is to strengthen our performance and transparency of the general duty and to ensure that we are making sustainable progress in advancing equality and human rights for all protected groups and beyond, for our patients, carers and staff.

The intention of the equality duty is to ensure that equality considerations are embedded into our business planning and decision-making. Our existing Single equality scheme sets our commitment to achieving equality for our patients and staff, in all that we do. The change in the new legislation requires us to demonstrate how we achieve the outcomes for our patients, visitors and staff as we tackle inequalities, advance equality of opportunity and foster good relations.

Our Approach to Equality Objectives

The Trust has made real progress against the equality agenda both as a provider of services and an employer such as, the provision of single sex accommodation; improved access for all to our buildings and services; website access and route plans to our hospitals and departments via 'DisableGo' website, the link is on the Trust website; improve patient menu choices; proactive staff engagement via Listening into Action [LiA]. Whilst developing our objectives we were able to share some of our key achievements with the local interest groups. It was also recognised that issues relating to protected characteristics are often deep-rooted and difficult; it will take time and continuous commitment to fully address such issues of inequality.

Working closely with the SHA regional lead it has been agreed that given the tight timescale for implementing the Equality Delivery System [EDS], the outcome of our equality analysis would be submitted as a pilot initially. Adopting a pragmatic approach will enable us to better gauge our performance, provide learning and form the foundation of our roll-out program. Developing and agreeing the priorities for our Equality Objectives had to be done in conjunction with our local interest groups, this included staff, patients and local communities.

To avoid repetition and possible exhaustion of local service users, a Black Country Cluster (BCC) wide approach has been adopted to enlist local interest groups. SWBH holds the responsibility for developing and maintaining a database of these groups. The database currently has over 200 contacts which include SWBH-only members.

We have held grading workshops with our SWBH Assessors. The events included individual service users as well as community representatives such as Gender Matters, Birmingham Institute for the Deaf (BID), Sandwell Irish Centre, Rights & Equality Sandwell, Agewell and Jehovah Witness. The groups worked through a variety of evidence presented, this included service specific information and cross referenced to other evidence such as policies, CQC outcomes, Patient Experience Surveys, Staff Survey.

Feedback was positive and included suggestions that could further improve patients' experiences and outcomes.

Criteria for Success

The success of the Equality Objectives is dependent on a number of factors which we will need to ensure is embedded in our delivery framework;

Leadership support and buy in at all levels of the organisation,
Engagement of staff, managers, local interests and relevant partner agencies,
Resources to support the relevant activities
Collaborative working within and without the organisation
Training and staff development.

Summary

There is a great deal of activity taking place across the Trust, in relation to embedding equality and embracing diversity and Inclusion. Some of these have been highlighted within this report. These objectives support the Trust vision to 'improve the health and wellbeing of people … and provide the highest quality healthcare'. We recognise the ongoing nature of this work and will continue to monitor and measure equality and the quality of outcomes based on the goals and outcomes which underpin the Equality Delivery System (EDS) and aligned with the Care Quality Commissioners equality standards.

In 2013, the ethnicity of our workforce was as below. Full information is on our website.
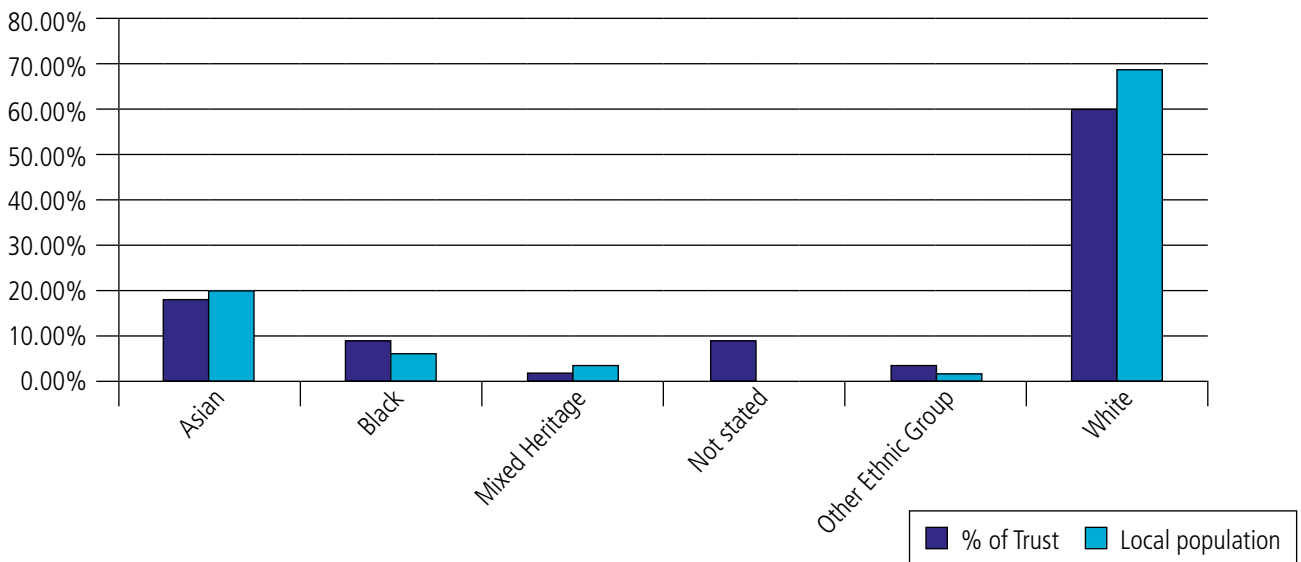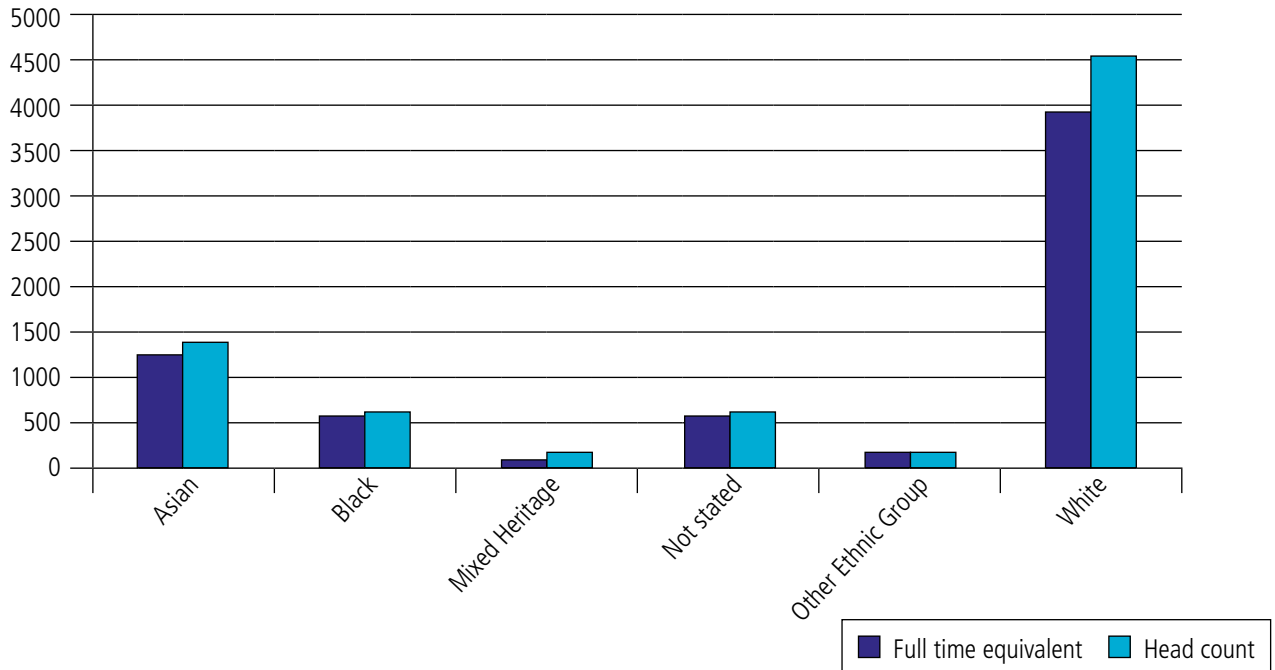
3.4 Service developments

During 2012/13, the Trust undertook a number of clinical service reconfigurations. Patients, local people and staff were engaged in developing the plans for all reconfigurations, which were discussed with the Joint Health Overview and Scrutiny Committee throughout the year.

Vascular surgery

The transfer of inpatient services to University Hospital Birmingham NHS Foundation Trust was completed in September 2012 following a process led by the Strategic Health Authority (SHA). Outpatient appointments and day case procedures are still carried out at Sandwell and City Hospitals.

Stroke and Transient Ischaemic Attack (TIA) Services

Consolidation of stroke and TIA services at Sandwell took place in March 2013 following public consultation. All inpatient Stroke and Neurology Services and TIA outpatient clinics are now at Sandwell Hospital, where we have increased staffing levels and completely refurbished the unit to suit the needs of stroke patients. Our vision is to create a first-class stroke unit, providing high quality care and good clinical outcomes.

A region-wide strategic review of Stroke Services by the SHA is taking place across Birmingham, the Black Country and Solihull to examine the options for stroke services in the future to secure the best outcomes for patients.

Trauma and Orthopaedic Inpatient Services

All trauma and orthopaedic inpatient services were consolidated at Sandwell Hospital to create a single inpatient unit, enabling us to improve the training and experience of our doctors and raise the quality of care provided to patients. Transfer to Sandwell Hospital was completed in August 2012. City and Sandwell hospitals have since both been confirmed as Trauma Unit sites, as part of the Birmingham and Black Country Trauma Network.

Breast Surgery

All services are now based in the Birmingham Treatment Centre allowing the best use of modern facilities, equipment and experienced staff and to facilitate the use of day surgery and ambulatory treatments. Almost all breast surgery is now carried out on a day case basis.

Pathology

The Blood Sciences Laboratory phase 1a work completed on time, within budget and became operational early April 2013. Phase 1 b starts 1 May 2013 with a completion date at the end of September 2013.

An overview of inpatient services that have relocated to one main site in the last five years to improve the quality and safety of patient care is shown below. In all cases, access to the services for local people has been a major priority, and in most cases non-inpatient services have remained on both sites or been provided from a greater range of facilities in the community.

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Service	City	Sandwell	Other (regional review)
Breast surgery	■		
Colorectal		■	
Emergency gynaecology	■		
General surgery		■	
Maternity	■		
Neonatal	■		
Orthopaedic		■	
Paediatric inpatients		■	

3.5 Sustainability

The NHS aims to reduce its carbon footprint by 10% between 2009 and 2015. Reducing the amount of energy used in our organisation contributes to this goal.

The Trust has set itself the ambitious target of reducing its carbon footprint by 15% between 2011/12 and 2016/17.

Our energy costs have increased by 22% in 2012/13, the equivalent of 147 hip operations. However this is not entirely due to increased consumption, as we also have to consider recent increases in energy prices as a major contributing factor.

Expenditure on Energy
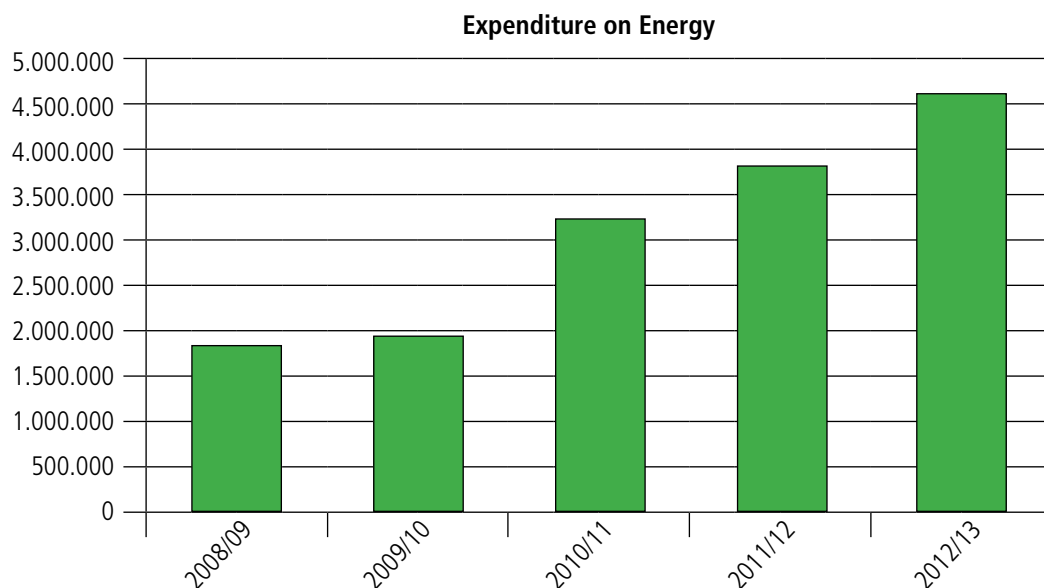
We have put plans in place to reduce carbon emissions and improve our environmental sustainability. Over the next 10 years we expect to save £1,746,000 as a result of these measures, the equivalent of 82 newly qualified nurses.

We recover or recycle 2113 tonnes of waste, which is 85% of the total waste we produce.

Our total energy consumption during the financial year has risen during the year, from 81,455 to 87,292 MWh. Although this may seem like a poor statistic, this financial year has seen an increase in Degree Days of 25% compared from April 2011 to March 2012. Therefore, if you consider the amount of energy consumed per Degree Day, the Trust has actually consumed 31% less energy per Degree Day than the previous year.
Our relative energy consumption has changed during the year, from 0.49 to 0.55 MWh/square metre.

Energy Consumption
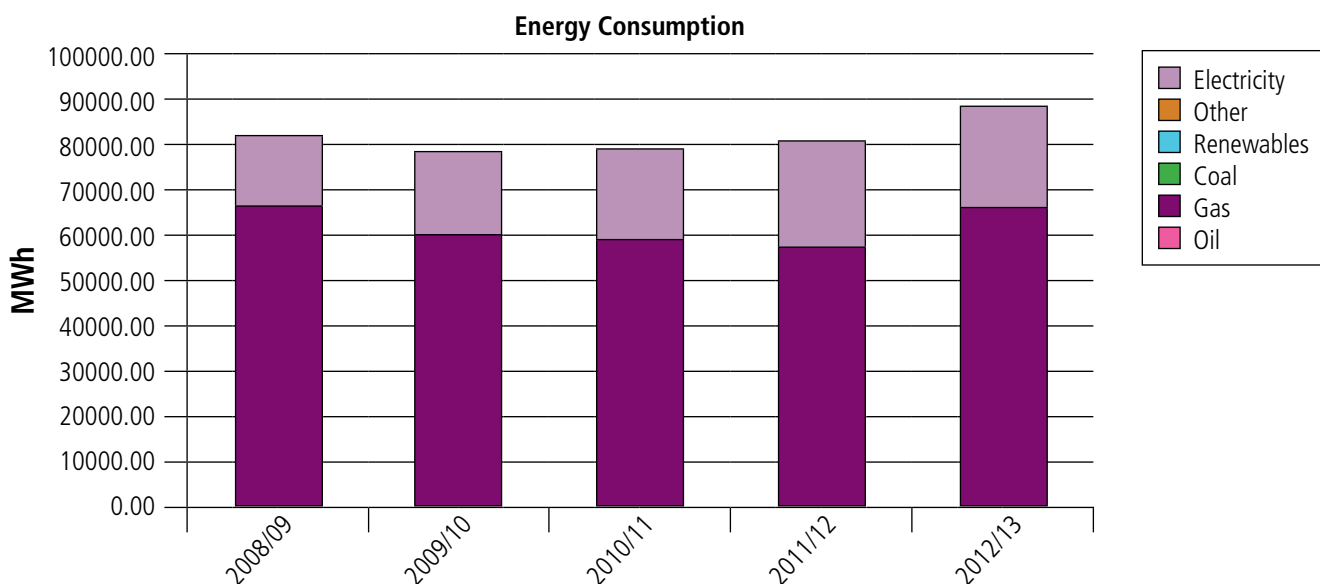
We do not generate any renewable energy within the Trust, neither have we have made arrangements to purchase electricity generated from renewable sources.

Our measured greenhouse gas emissions have reduced by 124 tonnes. This includes electricity, gas, air, road, rail and other emissions. Our 'other' emissions include emissions from water and waste.

Carbon Emissions
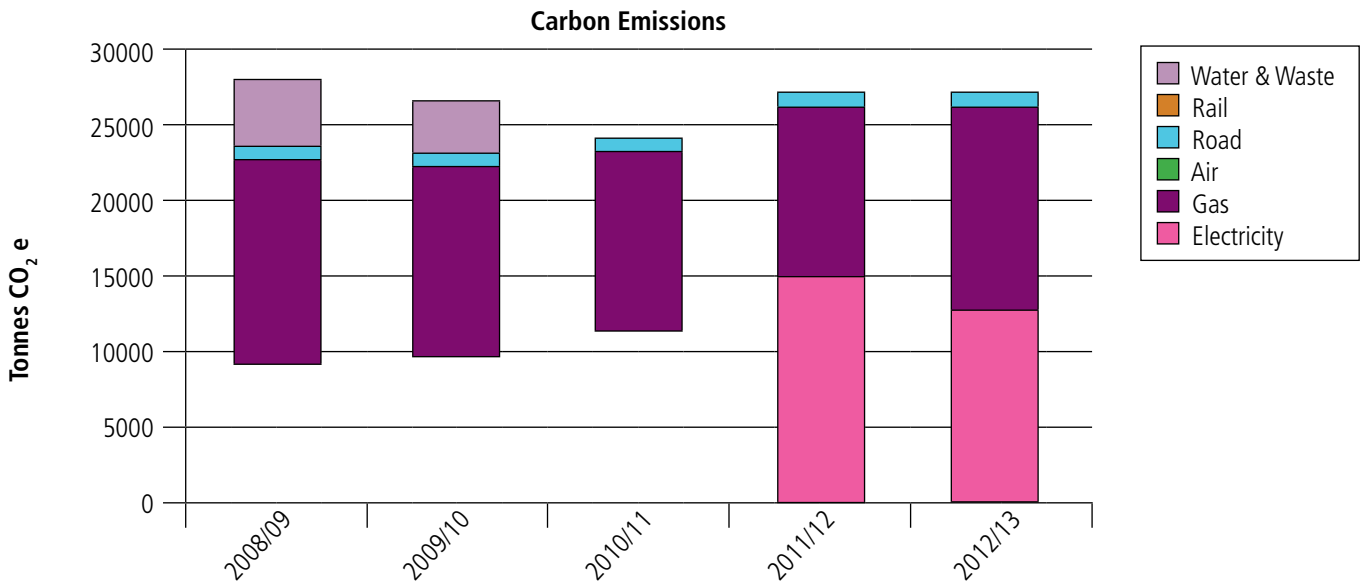
Our water consumption has increased by 19,368 cubic meters in the recent financial year.

Water consumption in cubic metres
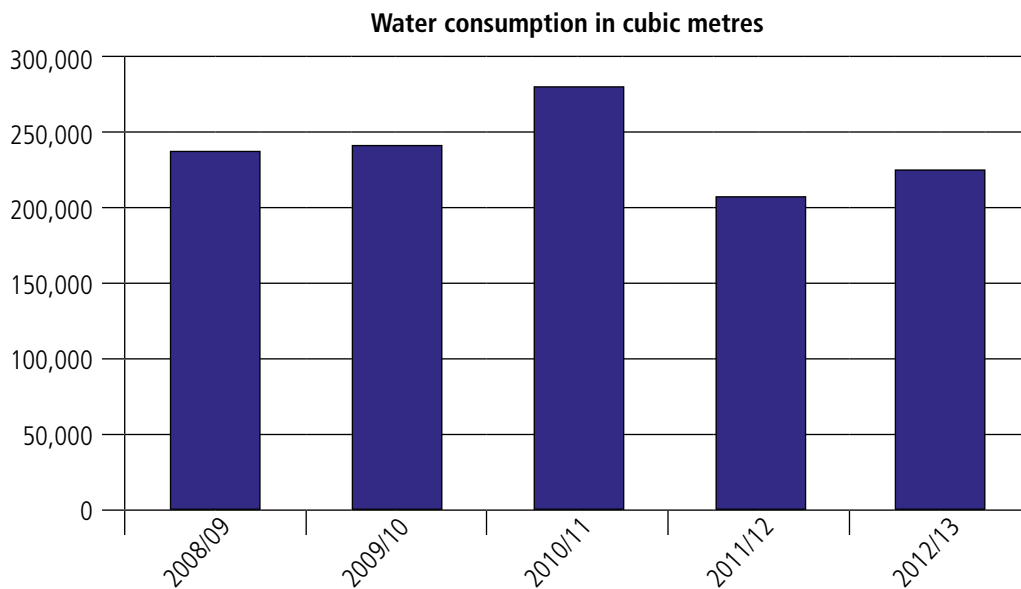
In 2012/13 we spent £517,793 on water. During 2012/13 our gross expenditure on the CRC Energy Efficiency Scheme was £211,404. The CRC Energy Efficiency Scheme is a mandatory scheme aimed at improving energy efficiency and cutting emissions in large public and private sector organisations.

During 2012/13 our total expenditure on business travel was £2,345,837 (in 2011/12 it was £2,411,586). In 2012/13 the Trust spent £506,358 on waste in total, recycling 2,112 tonnes, which accounted for 77% of all waste generated. This is compared with 2011/12, when the Trust spent £425,752 on waste in total, recycling 1,147 tonnes, which accounted for 54% of the waste that was generated.

The Trust has an up to date Sustainable Development Management Plan. Having an up to date Sustainable Development Management plan is a good way to ensure that an NHS organisation fulfils its commitment to conducting all aspects of its activities with due consideration to sustainability, whilst providing high quality patient care. The NHS Carbon Reduction Strategy asks for the boards of all NHS organisations to approve such a plan.

We consider both the potential need to adapt the organisation's activities, buildings and estates as a result of climate change. Adaptation to climate change will pose a challenge to both service delivery and infrastructure in the future. It is therefore appropriate that we consider it when planning how we will best serve patients in the future.

Sustainability issues are included in our analysis of risks facing our organisation. NHS organisations have a statutory duty to assess the risks posed by climate change. Risk assessment, including the quantification and prioritisation of risk, is an important part of managing complex organisations. In addition to our focus on carbon, we are also committed to reducing wider environmental and social impacts associated with the procurement of goods and services. This will be set out within our policies on sustainable procurement.

We have started work on calculating the carbon emissions associated with the goods and services we procure. A Board Level Lead for Sustainability ensures that sustainability issues have visibility and ownership at the highest level of the organisation. Graham Seager, Director of Estates, is the Board Level Lead for Sustainability. A monthly Sustainability Working Group meeting is held in which key managers within the Trust meet to discuss sustainability issues, plans and progress. This information is then communicated through the 'Heartbeat' staff magazine.

The Trust also encourages members of staff to become Sustainability Champions where staff engagement is encouraged and members have the opportunity to promote local levels of sustainable thinking. Sustainability Champion meetings are held quarterly and this provides a key source of news and feedback to the Trusts Sustainability Officer. Sustainability issues, such as carbon reduction, are not currently included in the job descriptions of all staff, but we have an ongoing staff energy awareness campaign. A sustainable NHS can only be delivered through the efforts of all staff. Staff awareness campaigns have been shown to deliver cost savings and associated reductions in carbon emissions.

The Trust has a Sustainable Transport Plan. The NHS places a substantial burden on the transport infrastructure, whether through patient, clinician or other business activity. This generates an impact on air quality and greenhouse gas emissions. It is therefore important that we consider what steps are appropriate to reduce or change travel patterns.

The Trust is committed to operating in a sustainable manner and aims to continually reduce its impact on the environment.

Progress and key achievements in 2012/13

- The Trust was shortlisted for the HSJ Awards under the Good Corporate Citizenship category for work on progressing the Carbon Management Plan and general sustainability efforts

- A 'Sustainability Garden Party' was held at City Hospital to engage staff in energy efficiency, reducing waste and recycling more, reducing printing and paper use, active and sustainable travel, and health and wellbeing

- Lighting surveys have been carried out and a proposal submitted to the Trust for energy efficient lighting and controls. Work has already begun in the Estates Department, Sheldon Block and the libraries at City and Sandwell Hospitals. The Trust is looking into undertaking pilot projects, focusing on those areas that have higher energy savings and the shortest payback periods

- An estates rationalisation programme is underway and will greatly reduce energy consumption and therefore carbon emissions. It is estimated that the Trust will save around 244 tonnes of carbon each year (or 895,000 kWh in gas and electricity consumption) if the planned estates rationalisation programme for City and Sandwell is successful

- The Trust has implemented new carbon management software that will store all carbon-related data (i.e. data on energy, water, waste and transport/travel) in a secure and reliable system. It will also aid reporting for the Carbon Management Plan, Carbon Reduction Commitment (CRC), EU Emissions Trading Scheme (ETS) and other internal monitoring and feedback

- The recycling scheme (for paper, cardboard and plastics) at City Hospital continues to run well, with a further 20 paper and 20 plastic large silo bins procured to cope with the recycling demands of the Trust. This will help the Trust save carbon emissions and also costs.

- A new Photovoltaic energy source is was installed on the roof of the Birmingham and Midland Eye Centre in May 2013. This will provide a peak 50KW of electricity from solar energy into the Sheldon Block and Eye Centre electrical distribution network. This equates to a £7940 a year electricity saving and a reduction of 23,348 tons of CO_2 per year.

3.6 Good Corporate Citizen

Widening participation

As one of the largest employers in the area, it is important that the Trust not only supports the long-term economic wellbeing of our local population but invests in that population too. The Trust is dedicated to helping tackle unemployment and social deprivation by investing in future generations by providing:

- Apprenticeships with real jobs at the end
- Work experience programmes for the unemployed
- Supporting for people with the right attitudes, values and behaviours to reach their full potential and secure meaningful employment.

To support this agenda the Trust, in conjunction with high profile partners including Sandwell Metropolitan Borough Council (SMBC), Job Centre Plus and the charity Friends and Neighbours, opened the Learning Works.

The Learning Works opened in February 2013, and the Trust believes that is a first within the NHS. It is a building set in the heart of a residential area in the Sandwell borough, away from the main hospital site at the City Hospital. The Learning Works is a community-based building that was set up to support local people access employment in the health sector via a range of work experience, apprenticeship, volunteering and adult learning opportunities.

The Learning Works also offers the Work Club. This initiative was launched in November 2012 and was set up in partnership with Jobcentre Plus and the SMBC Think Local team.

The Trust has also extended its help into local schools by providing work experience schemes through schools for 15-16 year olds, and is heavily involved in the development of a Health Science University Technical College (UTC) with Wolverhampton University. The UTC will be built in West Bromwich and will open for students aged 14-19 in September 2015. Members of the Trust are currently involved in the UTC curriculum development, the project steering group and the UTC Board of Directors.

As part of the recently released Health Promotion Strategy, the Trust has focused on health inequalities, the prevention of long-term medical conditions and the promotion of healthy lifestyles. As part of this agenda, the Trust is bringing together many partners to provide apprenticeship opportunities for young people who are either homeless or about to leave social care. As part of the project, the Trust will be able to offer accommodation to the apprentices, thus breaking the cycle of homelessness, unemployment and social exclusion. By securing employment it is hoped this group of local people will lead healthier more fulfilling lifestyles without the dependency on social security and healthcare support.

The Trust has strong links with local schools and the Membership Team runs assemblies, lessons and visits in schools throughout the year. The team also showcases working in the NHS through careers events, and is working hard to increase the proportion of younger Trust members.

4. Looking ahead to 2013/14

This section sets out our main priorities for 2013/14 to progress our long-term strategy, to assist in the delivery of our strategic objectives and captures areas where we intend to develop and improve to ensure that we continue to deliver safe, high quality care to our patients.

Key areas of focus for 2013/14

Our key areas of focus for 2013/14 highlight the significant overarching areas of focus for the organisation over the coming year:

1. Safe, High Quality Care
Providing safe, high quality care is critical to the delivery of all that we do. Key areas of focus include gaining better patient feedback and working with our staff to develop a culture that empowers and enables staff to deliver compassionate, safe high quality care and front line services.

2. Improvements to the way we provide care for emergency and acutely unwell patients
We need to reduce our emergency readmission rates and ensure that patients attending our Emergency Department are seen within 4 hours.

3. Further delivery of the Transformation Programme & 2013/14 Transformation Saving Plans (TSPs)
The Transformation Support Office (TSO) will continue to work with the Trust's Groups in driving quality and efficiency improvements that will support their financial savings plans.

4. Developing our Health Informatics Systems
The main priorities for 2013/14 are to review and stabilise core elements of the IT system and commence the delivery of key systems identified for replacement.

5. Make progress with the Midland Metropolitan Hospital (MMH) & our Foundation Trust (FT) application
The Project Team is in the process of updating the financial model which underpins our Outline Business Case (OBC). The Trust is looking to gain approval to allow procurement for MMH to commence in early 2014. In line with this, the Trust has revised the timeline for production of key documents as part of our FT application in view of the Treasury review of Private Finance Initiative (PFI) and aims to submit our FT application in late 2014.

Major Developments 2013/14

1. Clinical Service Reconfigurations
In order to improve the quality of services with identified deficiencies and to ensure future clinical sustainability, we have identified a number of clinical services with the potential need for reconfiguration ahead of the opening of MMH. We will complete our Stroke and Pathology service reconfigurations and we are working on proposals to improve services in Haematology, Cardiology and services for Frail Elderly people.

2. Integrated Care including RCRH New Models of Care and expansion of our Community Services
We will develop a programme to make sure our services are delivered more seamlessly around the needs of patients and better integrated with primary and social care providers. We will continue to be active partners in the RCRH Programme and will also work in partnership with primary care clinicians and SWB CCG to develop and implement new services models and innovative ways of working.

3. Improvements to Emergency Care and Care of the Frail Elderly
We will develop our emergency care and frail elderly services in partnership with Sandwell and West Birmingham Clinical Commissioning Group (SWB CCG) to ensure safe, high quality care, early senior assessment, alternative pathways to admission where clinically appropriate, integrated care and supported discharge.

4. Expansion of our Community Services
We will work with our CCG to reshape and refine our district nursing and community matron services. We will develop Sandwell Health Visiting Service in line with national standards for Health Visiting. We will extend the community Early Supported Discharge service for Stroke patients. We will expand both the Sandwell Community Respiratory team and the Palliative Care team to offer a wide range of services, closer to home.

Our quality goals for 2013/14 are shown in the table below:

Quality Goal: Patient Safety	2013/14
Reduce Healthcare Acquired Infections	
MRSA	**2**
C difficile	**46**
MSSA	**10**
E Coli	**200**
Blood culture contaminant	**3%**
Achieve MRSA screening targets	**90%**
Improve care to vulnerable adults	
Pressure damage	**90**
Falls	**672**
Weight loss	**<5%**
Improve care to patients with dementia / mental health illness/ learning disability	
Increase use of memory test and referral to dementia services	**95%**
Increase training to appropriate staff - Level 1 - Level 2	**95%** **30%**
Failure to rescue	
Reduce the number of preventable cardiac arrests	**5%**
Increase number of appropriate staff trained to ILS standard	**1500**
Increase use of sepsis bundle	**30%**
Improve medicines management	
Reduce medication errors - increase overall reporting - reduce proportion causing serious harm	**5%** **20%**
Improve standards for safe storage medication	**85%**
Reduce unnecessary antibiotic use – duration recorded/indication recorded	**90%**
Harm free care	
Increase the amount of harm free care measured via Safety Thermometer	**98%**
Reduce adverse events causing serious harm - increase overall reporting - reduce proportion causing serious harm	**5%** **30%**
Improved evidence of 'Being Open' with patients and families involved in events resulting in at least moderate harm.	**60%**
Achieve NHSLA Risk Management Standards for: Acute Trusts	**Level 2**

Quality Goal: Effectiveness of Care	
Improve end of life care	
Increase number of appropriate patients on supportive care pathway - acute/community	**90**
Reduce readmission rates of patients at end of life	**35**
Increase the number of patients who achieve their choice of where to die.	**70**
Improve appropriate application of DNACPR decisions	**50% eligible staff**
Improve general health of patients	
Achieve smoking cessation targets/alcohol cessation targets/breast feeding targets	**as defined**
Achieve health visiting staff numbers	**+10**
Reduce avoidable mortality	
Achieve a mortality performance in the top quartile of the national peer group	**Upper 2nd quartile**
Reduce variation in mortality - City - Sandwell	**85** **90**
Reduce incidence of hospital related VTE	**95%**
Reduce harm from elective surgical care - reduction in joint infection following hip and knee surgery	**10%**
Quality Goal: Patient Experience	
Improve outcomes from national patient survey	**5%**
Improve 'family friendly test' score	**5%**
Reduction in formal complaints	**5%**
Reduction in link complaints	**3%**
Improve the proportion of complaints responded to within set time limits	**80%**

5. Financial Report

The performance of NHS trusts is measured against four primary financial objectives:

1. The delivery of an income and expenditure position consistent with the target set by the DH (the breakeven target)
2. Not exceeding its capital resource limit
3. Not exceeding its external financing limit
4. Delivering a capital cost absorption rate of 3.5%.

For 2012/13, the Trust was set an amended income and expenditure target surplus of £5,777,000, increased from an original target of £3,877,000. This target was further adjusted in year by technical changes made at a national level to performance assessment measures, the effect of which was to increase the target to £6,464,000. Against this target, the Trust met its main budgetary objective by delivering an underlying surplus of £6,523,000.

For the purpose of measuring statutory accounts performance, the Trust generated a deficit in year of (£3,441,000). This deficit is primarily the result of the downward movement in the value of Trust property and the charge of this downward valuation to in year expenditure.

As has been the case in previous years, the presentation of financial results requires additional explanation owing to adjustments generated by valuation updates to the Trust's assets as well as changes to the accounting for donated and grant funded capital assets. These technicalities are explained in the detailed notes to the accounts (separate document).

The Trust's property assets (land and buildings) are professionally valued annually by the District Valuer. In 2012/13, this exercise resulted in the reduction in the value of the Trust's property both as a result of a general downward movement in property values, as well as the removal of some property from operational use (this compares with 2011/12 when there was a net increase in property values resulting from valuation). The net downward change in value is reflected as expenditure in the accounts but, for the purpose of measuring performance against the DH target, this expenditure is removed as a technical adjustment. The table below shows how the Trust's underlying performance is made up. The deficit in the statutory published accounts is, in part, technical and does not affect the assessment of the Trust's performance against the duties summarised above (e.g. breakeven, CRL, EFL, capital absorption).

Budgetary/Accounts Performance	2012/13	2011/12
	£000s	£000s
Income for Patient Care Activities	391,875	386,045
Income for Training, Education, Research & Other	41,132	38,099
Total Income	**433,007**	**424,144**
Pay Expenditure	(284,797)	(292,716)
Non Pay Expenditure Including Capital Charges & Interest	(151,651)	(126,888)
Total Expenditure (including impairments & IFRIC12 adjustment)	(436,448)	(419,604)
Surplus/(Deficit) per Statutory Accounts	(3,441)	4,540
Exclude: All Impairments, Reversals and Other Adjustments to Non Pay Expenditure	9,964	(2,677)
Surplus/(Deficit) for DoH Monitoring (Target Performance)	**6,523**	**1,863**

Although impairments and reversals are not counted towards measuring budgetary performance, they must be included in the statutory accounts and on the face of the Statement of Comprehensive Income (formerly known as the Income and Expenditure Account). Impairment transactions are non-cash in nature and do not affect patient care budgets. However, it is important that the Trust's assets are carried at their proper values so that users of its financial statements receive a fair and accurate view of the financial position. The DH holds allocations centrally for the impact of impairments.

During the year, a number of the Trust's operating divisions experienced significant budgetary pressures as a result of higher than planned patient activity levels, pressure on emergency services and the impact of a number of unforeseen events including a significant outbreak of norovirus. In overall terms, however, the Trust was able to offset these pressures with contingency reserves as well as injecting additional resources into key operational areas to assist in maintaining or improving service levels. There was again a strong performance in the delivery of the Transformation Plan (nationally viewed as the cost improvement programme), with both the Trust as a whole and the majority of divisions meeting their delivery targets in full. Both during 2012/13 and in plans for subsequent years, the Trust continues to concentrate on changes that improve processes and secure savings without compromising patient care.

During 2012/13, strong activity performance continued throughout most of the year. This resulted in the Trust receiving additional income. The extra payments were needed to offset the activity related expenditure pressures that higher levels of activity naturally create.

More detailed information on capital spend is shown later in this report. The capital resource limit (CRL) sets a maximum amount of capital expenditure a trust may incur in a year. Trusts are not permitted to exceed this limit but may spend less than the limit. Against its CRL of £21,498,000 for 2012/13, the Trust charged £17,433,000 and so met this financial duty.

The external financing limit (EFL) is a control on the amount a trust may borrow and also determines the amount of cash which must be held at the end of the financial year. Trusts are not allowed to exceed or overshoot the limit but are permitted to undershoot. Against its EFL of £5,425,000, the Trust undershot by £16,443,000.

The capital cost absorption rate is a rate of return on the capital employed by the Trust which is set nationally at 3.5%. The value of this rate of return is reflected in the Statement of Comprehensive Income below as PDC dividend, an amount which trusts pay back to the Department of Health to reflect a 3.5% return. The value of the dividend/rate of return is calculated at the end of the year on actual capital employed so is set automatically at 3.5%.

Income from Commissioners and other sources

The Trust received the majority of its income from primary care trusts (PCTs) as the table below shows. The major reason for the growth in income from PCTs is the higher number of procedures and additional treatments above levels initially planned by the PCTs. This additional income was, however, offset by the costs associated with delivering the extra activity.

The main components of the Trust's £433,007,000 income are shown below. Income increased from PCTs in respect of direct patient care whilst other income sources were broadly stable and/or are too small to have a material impact on the financial performance of the Trust. A pattern of broadly similar year on year income is expected for the future especially given the ongoing need to meet rising healthcare demands from within static or reducing resources.

Sources of Income £000s	2012/13	2011/12
Strategic Health Authorities	130	116
NHS and Foundation Trusts	972	913
Department of Health and Other NHS	1,361	550
Primary Care Trusts	385,823	377,133
Non NHS Patient Income	3,589	3,409
Education & Research	20,866	20,526
Other Non Patient Related Services	9,163	9,775
Other Income	11,103	11,722
Total Income	**433,007**	**424,144**

Within the pie chart below, the largest element (89.1%) of the Trust's resources flow directly from PCTs, with the next most significant element (4.8%) being education, training and research funds. The Trust is an accredited body for the purposes of training undergraduate medical students, postgraduate doctors and other clinical trainees. It also has an active and successful research community.

Income by category – 2012/13

- Primary Care Trusts
- Other Patient Related Services
- Education & Research
- Other Non-Patient Related Services
- Other Income
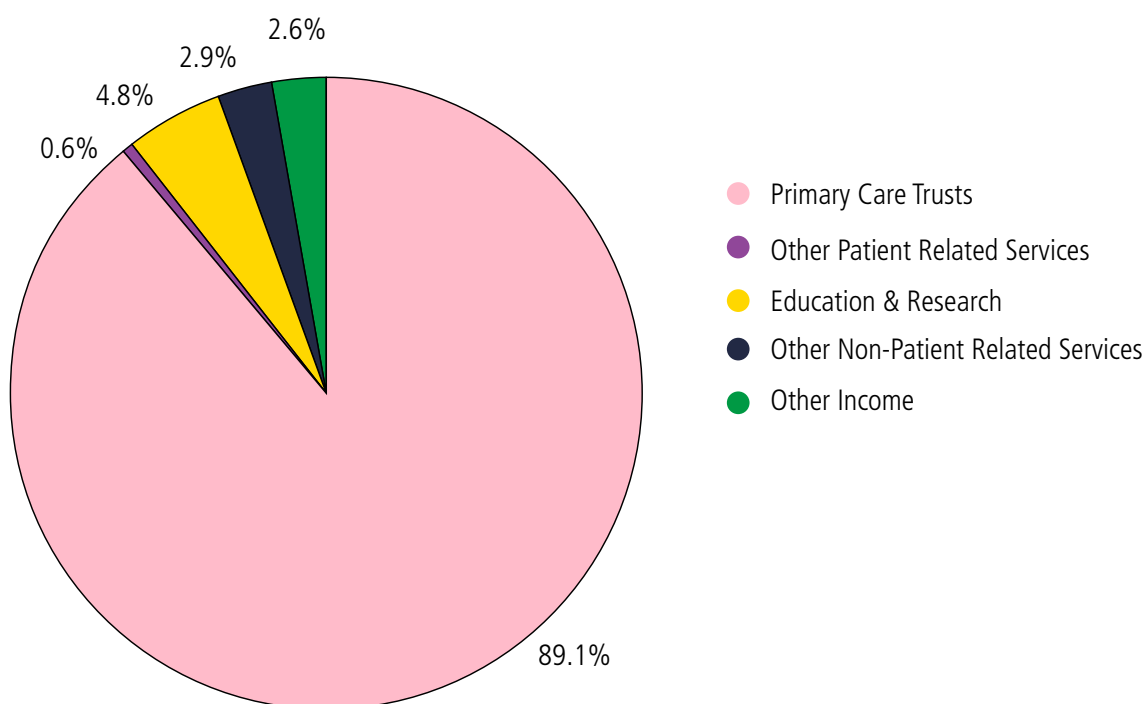
Expenditure

The chart below shows that 67% of the Trust's costs are pay and, within this the three largest groups are nursing and midwifery (21%), medical staff (18%) and scientific and therapeutic (10%). The remaining 33% of operational expenditure is non-pay, the largest element of which is clinical supplies and services which includes drug costs at 15%.

Expenditure by category – 2012/13

8%
5%
5%
15%
18%
10%
21%
18%

- Nursing and Midwifery Pay
- Medical Pay
- Scientific and Theraputic Pay
- Other Pay
- Clinical Supplies and Services
- Premises Costs
- Depreciation and Impairment
- Other Non Pay Costs
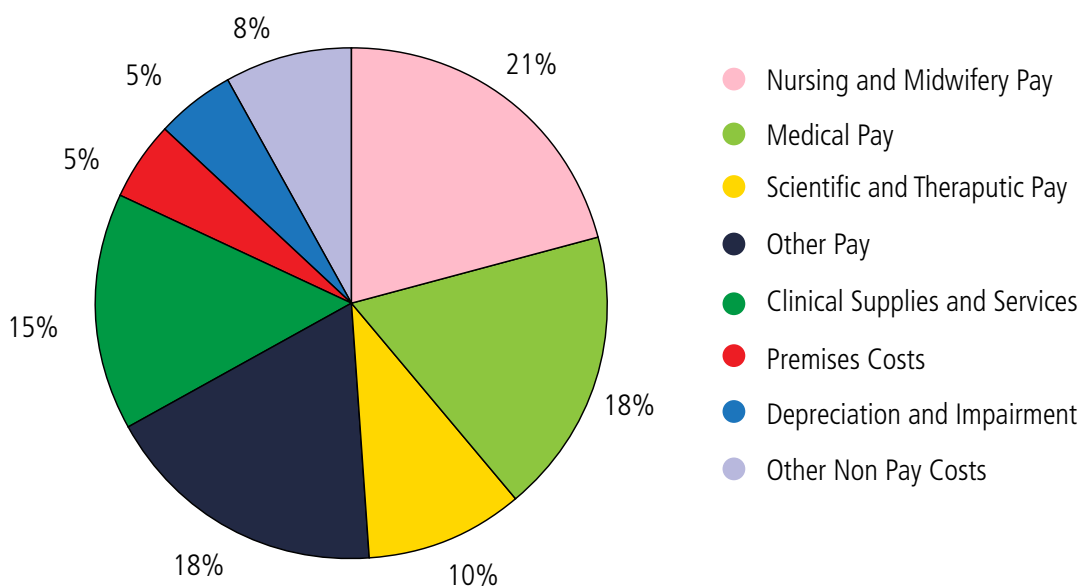
Use of capital resources

Capital expenditure differs from day-to-day operational budgets and involves tangible items costing more than £5,000 and having an expected life of more than one year. In total, the Trust spent approximately £17.7m on capital items during 2012/13. A breakdown of this expenditure is shown in the chart below.

Capital spend 2012/13

9%
2%
17%
8%
19%
15%
10%
20%

- Land Acquisition
- Statutory Standards
- Estates Rationalisation
- Other Estates and Facilities
- Medical Equipment
- IT
- Service Reconfiguration
- Other Schemes
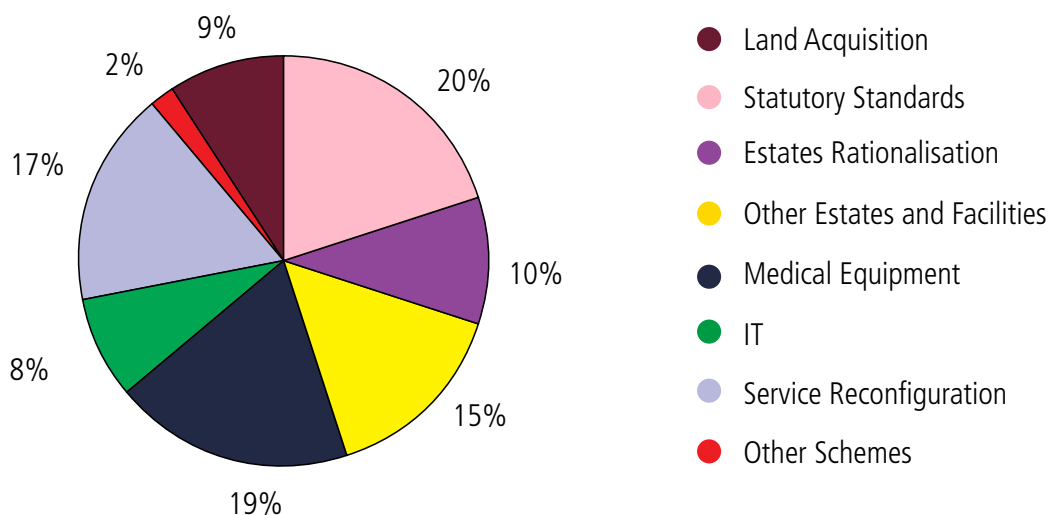
The Trust spent a significant proportion of its capital budget updating its facilities and medical equipment. Specifically, £9.4m was spent on upgrading the Trust's estate, including ensuring compliance with statutory standards (£3.7m), rationalising the number of buildings in use, particularly for back office functions (£1.7m) and reconfiguration of pathology and stroke services (£2.9m). Medical equipment accounted for £3.3m, including £1.3m on imaging diagnostic facilities.

Other developments included further acquisition of land at Grove Lane (linked with the Right Care Right Here development) costing £1.6m, further replacement of outdated vehicles £0.3m and £1.4m on replacement and upgraded IT systems.

Sickness absence

Staff sickness Absence	2012/13	2011/12
Total days lost	64,353	53,309
Total staff years	6,575	6,050
Average working days lost	9.8	8.8

For both years, staff sickness data was provided on a national basis by the DH and covers calendar years ended 31 December 2012 and 31 December 2011.

Summary financial statements 2012/13

On the following pages, you will find a summary of the Trust's financial statements, taken from our full annual accounts. If you would like to see these in full, you can obtain a copy free of charge by downloading them from our website or by writing to: Mr. Robert White, Director of Finance and Performance Management, Sandwell and West Birmingham Hospitals NHS Trust, City Hospital, Dudley Road, Birmingham B18 7QH or telephone 0121 507 4871.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2013 (formerly the Income and Expenditure Statement)	2012/13 £000	2011/12 £000
Revenue Revenue from patient care activities Other operating revenue Operating expenses	 391,875 41,132 (429,143)	 386,045 38,099 (411,792)
Operating surplus/(deficit)	**3,864**	**12,352**
Finance Costs Investment revenue Other gains and (losses) Finance costs	 146 (139) (2,158)	 115 (168) (2,156)
Surplus/(deficit) for the financial year	**1,713**	**10,143**
Public dividend capital payable	(5,154)	(5,603)
Retained surplus/(deficit) for the financial year	**(3,441)**	**4,540**
Other Comprehensive Income Impairments and reversals Gains on revaluation	 (5,649) 580	 5,027 780
Total comprehensive income for the year	**(8,510)**	**10,347**
Reported NHS Financial Performance Position [Adjusted surplus/(deficit)] Retained surplus/(deficit) for the year IFRIC12 adjustments including IFRIC12 related impairments Impairments and reversals (non IFRIC12) Adjustment re donated asset/government grant reserve elimination	 (3,441) 882 7,990 1,092	 4,540 (640) (2,395) 358
Reported NHS financial performance position [surplus/(deficit)]	**6,523**	**1,863**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2013 (formerly the Balance Sheet)	31 March 2013 £000	31 March 2012 £000
Non Current Assets		
Property, plant and equipment	216,669	227,072
Intangible assets	924	1,075
Trade and other receivables	1,048	865
Total non current assets	**218,641**	**229,012**
Current Assets		
Inventories	3,604	4,065
Trade and other receivables	10,446	14,446
Cash and cash equivalents	42,499	34,465
Total current assets	**56,549**	**52,976**
Non current assets held for sale	0	0
Total assets	**275,190**	**281,988**
Current Liabilities		
Trade and other payables	(43,105)	(33,751)
DoH Capital Loan	(2,000)	(2,000)
Other Borrowings	(1,211)	(1,166)
Provisions	(10,355)	(15,649)
Total current liabilities	**(56,671)**	**(52,566)**
Total assets less current liabilities	**218,519**	**229,422**
Non Current Liabilities		
DoH Capital Loan	(3,000)	(5,000)
Other Borrowings	(28,966)	(29,995)
Provisions	(3,168)	(2,532)
Total non current liabilities	**(35,134)**	**(37,527)**
Total assets employed	**183,385**	**191,895**
Financed by taxpayers' equity		
Public dividend capital	160,231	160,231
Retained earnings	(20,260)	(18,622)
Revaluation reserve	34,356	41,228
Other reserves	9,058	9,058
Total taxpayers' equity	**183,385**	**191,895**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2013		
	2012/13 £000	2011/12 £000
Cash Flows From Operating Activities		
Operating surplus/(deficit)	3,864	12,352
Depreciation and amortisation	14,220	13,092
Impairments and reversals	8,872	(2,395)
Interest paid	(2,072)	(2,073)
Dividends paid	(5,594)	(5,603)
(Increase)/Decrease in Inventories	326	(534)
(Increase)/Decrease in Trade and Other Receivables	4,263	(2,010)
(Increase)/Decrease in Other Current Assets	0	(382)
Increase/(Decrease) in Trade and Other Payables	7,545	(4,175)
Provisions Utilised	(9,682)	(1,665)
Increase/(Decrease) in Provisions	5,035	13,458
Net cash inflow/(outflow) from operating activities	**26,777**	**20,065**
Cash Flow From Investing Activities		
Interest Received	140	112
(Payments) for Property, Plant and Equipment	(15,698)	(11,387)
(Payments) for Intangible Assets	(210)	(472)
Proceeds of disposal of assets held for sale (PPE)	9	64
Proceeds of disposal of assets held for sale (Intangible)	0	0
Net cash inflow/(outflow) from investing activities	**(15,759)**	**(11,683)**
Net cash inflow/(outflow) before financing	**11,018**	**8,382**
Cash Flows From Financing Activities		
New DoH capital investment loans	0	8,000
DoH capital investment loans – repayment of principal	(2,000)	(1,000)
Capital element of finance leases and PFI	(984)	(2,043)
Capital grants and other capital receipts	0	460
Net cash inflow/(outflow) from financing activities	**(2,984)**	**5,417**
Net increase/(decrease) in cash and cash equivalents	**8,034**	**13,799**
Cash at the beginning of the financial year	34,465	20,666
Cash at the end of the financial year	**42,499**	**34,465**

Better Payment Practice Code

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

There were no payments in either 2012/2013 or 2011/2012 in respect of the Commercial Debts (Interest) Act 1998.

BETTER PAYMENT PRACTICE CODE – MEASURE OF COMPLIANCE				
	2012/13		2011/12	
	Number	£000	Number	£000
Total non NHS trade invoices paid in year	99,086	109,335	93,910	95,504
Total non NHS trade invoices paid within target	93,515	101,481	86,510	86,754
Percentage of non NHS trade invoices paid within target	**94.38%**	**92.82%**	**92.12%**	**90.84%**
Total NHS trade invoices paid in year	2,160	25,850	2,513	26,294
Total NHS trade invoices paid within target	1,217	19,845	1,417	17,836
Percentage of NHS trade invoices paid within target	**56.34%**	**76.77%**	**56.39%**	**67.83%**

Prompt Payments Code

The Trust has not yet signed up to the Prompt Payments Code.

Exit packages

EXIT PACKAGES PAID IN YEAR						
	2012/13			**2011/12**		
Exit package cost band	Number of compulsory redundancies	Number of other	Total number of exit packages	Number of compulsory redundancies	Number of other	Total number of exit packages
Less than £10,000	7	11	18	1	4	5
£10,001-£25,000	7	16	23	3	2	5
£25,001-£50,000	6	16	22	1	6	7
£50,001-£100,000	7	17	24	1	6	7
£100,001 - £150,000	2	3	5	0	0	0
£150,001 - £200,000	1	0	1	0	0	0
Over £200,000	0	0	0	0	0	0
Total number of exit packages	**30**	**63**	**93**	**6**	**18**	**24**
Total cost of exit packages (£000)	**1,233**	**2,505**	**3,738**	**185**	**694**	**879**

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

The table above reports the number and value of exit packages taken by staff leaving in the year, although the expense associated with these departures may have been recognised in part or in full in a previous financial period.

Other financial information

OTHER GAINS AND LOSSES		
	2012/13 £000	2011/12 £000
Gain/(loss) on disposal of property, plant and equipment	(139)	(168)

FINANCE COSTS		
	2012/13 £000	2011/12 £000
Interest on loans and overdrafts	55	34
Interest on obligations under finance leases	35	69
Interest on obligations under PFI contracts: - main finance cost - contingent finance costs	1,530 452	1,572 398
Other finance costs	86	83
Total finance costs	**2,158**	**2,156**

INVESTMENT REVENUE		
	2012/13 £000	2011/12 £000
Bank interest	146	115

Accounting policies

The Secretary of State for Health has directed that the financial statements of NHS Trusts shall meet the accounting requirements of the NHS Trusts Manual for Accounts, which shall be agreed with HM Treasury. Consequently, the financial statements of Sandwell and West Birmingham Hospitals NHS Trust have been prepared in accordance with the 2012/13 NHS Trusts Manual for Accounts issued by the DH.

The accounting policies contained in that manual follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the NHS Trusts Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the trust for the purpose of giving a true and fair view has been selected. The particular policies have been applied consistently in dealing with items considered material in relation to the accounts.

The accounting policies affecting the treatment of pension liabilities are set out in notes 1.6 and 9.5 as part of the full set of accounts.

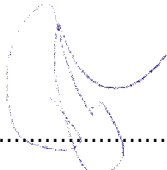## Resources not recorded on the Statement of Financial Position (Balance Sheet)

The majority of the Trust's financial and physical resources are recoded on the balance sheet at 31 March 2013, although this clearly excludes its major resource – the 7,013 (whole time equivalent) staff it employs.

6. Statement of Chief Executive's responsibilities as the accountable officer at the Trust

The Secretary of State has directed that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officer's Memorandum issued by the Department of Health.

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

Signed: .... Chief Executive   Date: ....19.09.2013.........

Toby Lewis

Annual Report
Remuneration Report

For the purposes of publication, the Accounting Officer/Chief Executive's signature on the Annual Report will also satisfy the requirement to sign the Remuneration Report, which is an integral part of the Annual Report.

KPMG

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF SANDWELL AND WEST BIRMINGHAM HOSPITALS NHS TRUST ON THE SUMMARY FINANCIAL STATEMENT

We have examined the summary financial statement for the year ended 31 March 2013.

This report is made solely to the Board of Directors of Sandwell and West Birmingham Hospitals NHS Trust in accordance with Part II of the Audit Commission Act 1998. Our audit work has been undertaken so that we might state to the Board of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of the Trust for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the Annual Report. Our responsibility is to report to you our opinion on the consistency of the summary financial statement within the Annual Report with the statutory financial statements.

We also read the other information contained in the Annual Report and consider the implications for our report if we become aware of any misstatements or material inconsistencies with the summary financial statement.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/03 "The auditor's statement on the summary financial statement in the United Kingdom" issued by the Auditing Practices Board. Our report on the statutory financial statements describes the basis of our opinion on those financial statements.

Opinion

In our opinion the summary financial statement is consistent with the statutory financial statements of Sandwell and West Birmingham Hospitals NHS Trust for the year ended 31 March 2013 on which we have issued an unqualified opinion. We have not considered the effects of any events between the date on which we signed our report on the statutory financial statements 7 June 2013 and the date of this statement.

Andrew Bostock for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

25th September 2013

8. Further Information

For more information, visit the Trust's website at www.swbh.nhs.uk.

If there is any information you are looking for but are unable to find please contact the Communications Team by telephone on 0121 507 4093 or email swbh.comms@nhs.net, or by post to:

Communications Department
Sandwell and West Birmingham Hospitals NHS Trust
City Hospital
Dudley Road
Birmingham
B18 7QH

You can also use the Freedom of Information (FOI) Act (2000) to request information on a variety of subjects including infection rates, services, performance or staffing. For details on how to make a Freedom of Information request please see our website – click on the 'About Us' tab and scroll down to 'Freedom of Information'.

How to find us

You can find details of how to find each of our three hospital sites on our website, on the home page under the 'Find Us' tab. To contact us by telephone please dial 0121 554 3801.

Our sites are:

Birmingham City Hospital
Dudley Road
Birmingham
West Midlands
B18 7QH

This site is also home to the Birmingham Treatment Centre, Birmingham and Midland Eye Centre, the Birmingham Skin Centre and the midwife-led Serenity and Halcyon Birth Centres.

Sandwell General Hospital	Leasowes Intermediate Care Centre
Lyndon	Oldbury Road
West Bromwich	Smethwick
West Midlands	West Midlands
B71 4HJ	B66 1JE
Rowley Regis Community Hospital	Halcyon Birth Centre
Moor Lane	Oldbury Road
Rowley Regis	Smethwick
West Midlands	West Midlands
B65 8DA	B66 1JE

Parking

Car parks are situated near the main entrance of each hospital. Vehicles are parked at owners' risk. Spaces for disabled badge holders are at various points around our sites.

The car parks operate a pay on foot facility except for two pay and display car parks at City Hospital. One is directly in front of the Main Entrance for blue badge holders only, and the other is by Hearing Services.

City and Sandwell Hospitals - Visitors	
Up to 15 minutes	Free (drop off / pick up)
Up to 1 hour	£2.50
Up to 2 hours	£3.50
Up to 3 hours	£4.00
Up to 5 hours	£4.50
Up to 24 hours	£5.00
City and Sandwell Hospitals - Visitors	
Up to 15 minutes	Free (drop off / pick up)
Up to 6 hours	£2.00
Up to 24 hours	£5.00
Visitor Concessions	
Tokens	5 for £10
Season Tickets (with £5 deposit)	
• 3 days	£9
• 7 days	£18
• 3 months	£42

There is no charge for motorcyclists who are permitted to park in any designated visitor car park.
Payment can be made by cash and credit/debit cards.

There is no charge at any of our hospitals' car parks on Christmas Day and New Year's Day.

The tariff applies to Blue Badge Scheme users. Parking for blue badge holders is located as close to main hospital buildings as possible.

Anyone on a low income who is entitled benefits or receives income support can claim for reimbursement of bus fare and receive a token to allow free exit from hospital car parks. Bring proof of your benefits to one of the following places:

- Birmingham Treatment Centre reception
- Birmingham and Midland Eye Centre general office
- City Hospital Cash Office (ground floor, main corridor, near the Medical Assessment Unit)
- Sandwell General Hospital main reception
- Rowley Regis Hospital main reception.

Concessions can be purchased from:

- City Hospital – Birmingham Treatment Centre reception (Monday – Friday, 8am - 6pm) or the Cash Office on the Main Corridor (Monday – Friday, 8.30am-1pm and 1.30 - 4.30 pm)

- Sandwell Hospital – Main reception desk (Monday – Friday, 8am - 7pm).

A1. Quality and Safety performance

In 2012/13, we agreed a set of quality aims with our commissioners, known as Clinical Quality and Innovation (CQUIN) schemes. Our performance against these targets is shown in the table below:

| CQUIN SCHEMES			Actual 12/13	Data Period*	12/13 Target
Acute	VTE Risk Assessment (Adult Inpatients)	%	90.7	M1 - 12	90
	Patient Experience (Acute) - Personal Needs	Score	66.9	M1 - 12	71.6
	Appropriate Use of Warfarin	Comply	Compliant	M1 - 12	Comply with audit
	Safety Thermometer	Submit	Data Submitted	M1 - 12	Submit Data
	Antibiotic Use	Score	93	M1 - 12	70
	Reducing avoidable Pressure Ulcers	Comply	Compliant	M1 - 12	Comply with audit
	Nutrition and weight Management	Comply	Compliant	M1 - 12	Comply with audit
	Safe Surgery Operating Theatres	%	100	M12	100
	Safe Surgery Other Areas	%	99.7	M12	98
	Stroke Care	Comply	Compliant	M1 - 12	Comply with requirements
	Dementia	%	Compliant	M1 - 12	Comply with requirements
	Mortality Review	%	72.9	M1 - 12	80
	Net promoter	Score	66.0	Q4	65
	End Of Life care	%	65.0	M1 - 12	53
	Every Contact Counts - Alcohol	%	89.0	M1 - 12	80
	Every Contact Counts - Smoking	%	Compliant	M1 - 12	Comply with requirements
Community	Safety Thermometer	Submit	Data Submitted	M1 - 12	Submit Data
	Reducing avoidable Pressure Ulcers	Comply	Compliant	M1 - 12	Comply with audit
	Nutrition and weight Management	Comply	Compliant	M1 - 12	Comply with audit
	Dementia	%	Compliant	M1 - 12	Comply with requirements
	Pt. Experience (Community) - Personal Needs	Score	90.7	Q4	90
	Net promoter	Score	59.0	Q4	75
	Every Contact Counts	Meet	Met Monthly Requirements	M1 - 12	Comply with requirements
	Smoking Cessation	Meet	Met Monthly Requirements	M1 - 12	Comply with requirements
Specialised Commissioners	Clinical Quality Dashboards	Comply	Compliant	M1 - 12	Comply with requirements
	Neonatal - Hypothermia Treatment	%	Compliant	M1 - 12	Comply with requirements
	Neonatal - Discharge Planning / family experience	%	Compliant	M1 - 12	Comply with requirements
	HIV Optimum Therapy	%	Compliant	M1 - 12	Comply with requirements

*M=month; M1 being April 2012

One of our CQUIN targets for 2012/13 was to use the Safety Thermometer tool in acute and community inpatient areas. This involves conducting a monthly census of patients across the whole Trust, looking at four harm events: falls, pressure damage, catheter and UTI infections and VTE.

The SHA's ambition was for trusts to achieve 95% harm free care. The following tables show how the Trust has performed.
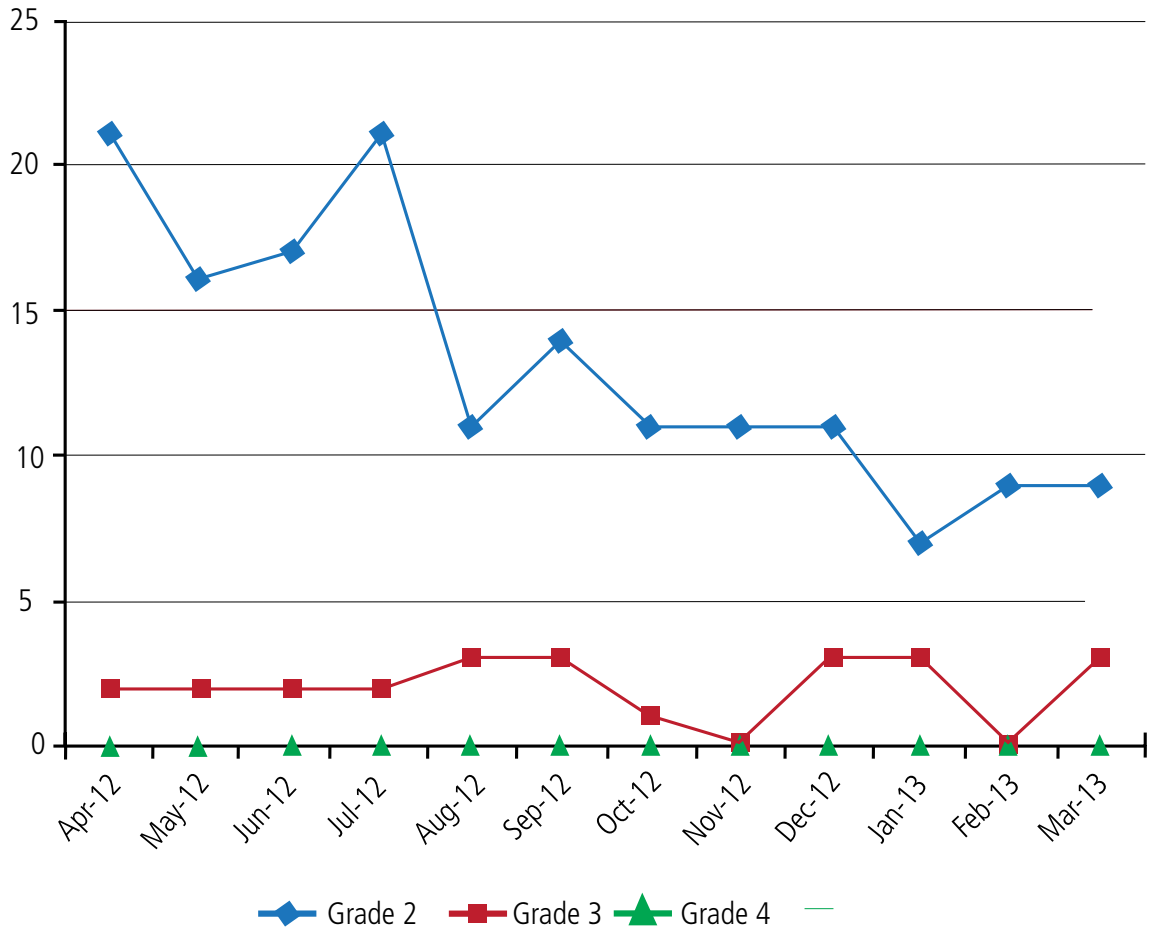
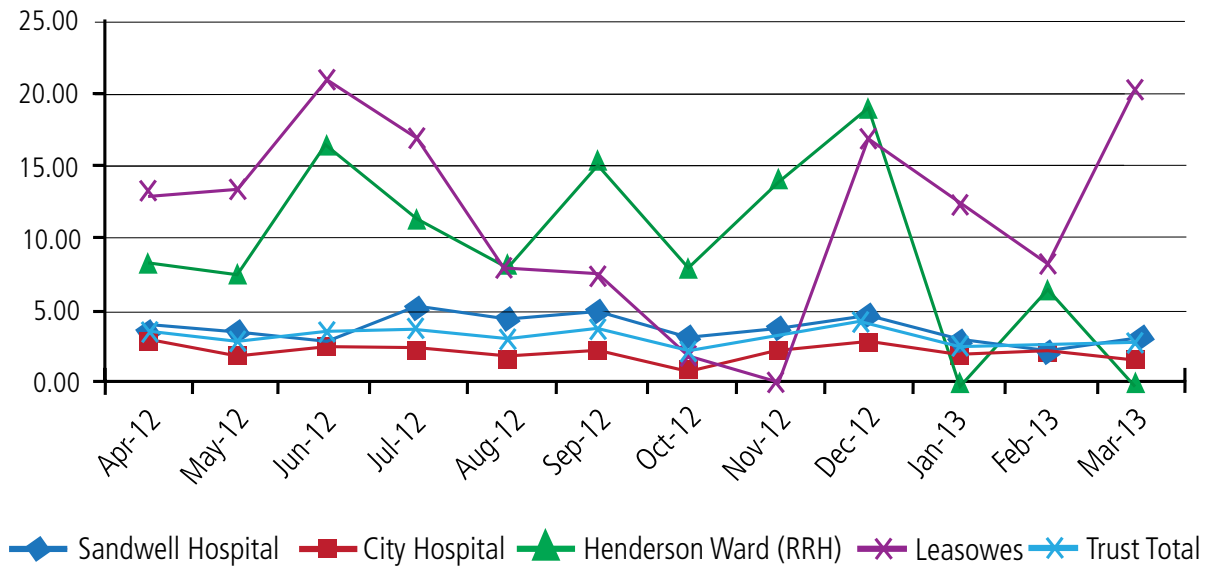**Safety Thermometer: harm free care (percentage)**
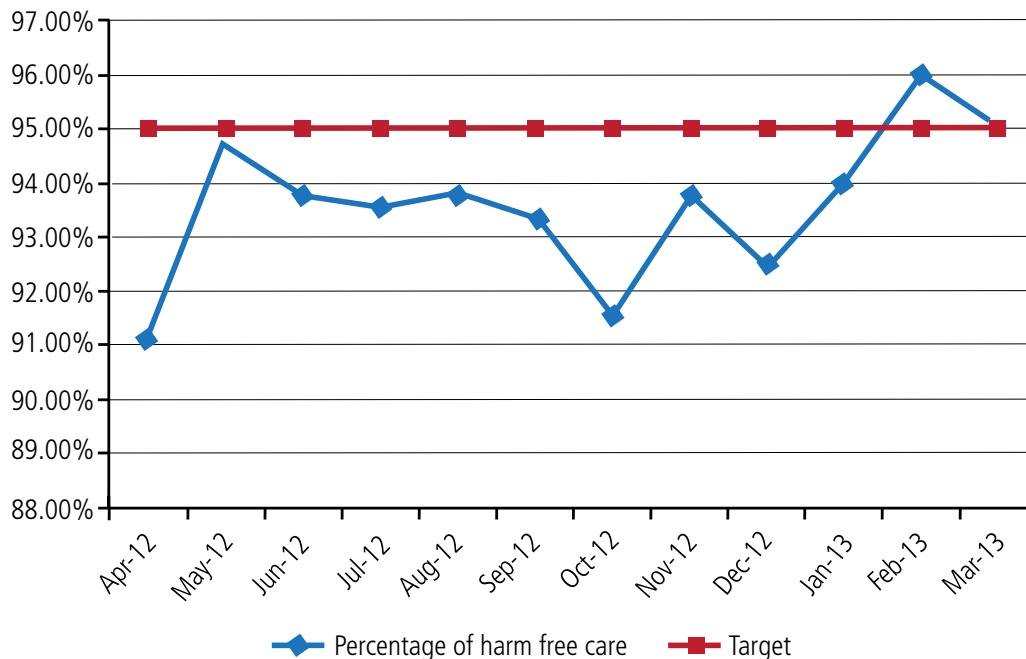
Safety Thermometer: harm free care (number of harm events by type)
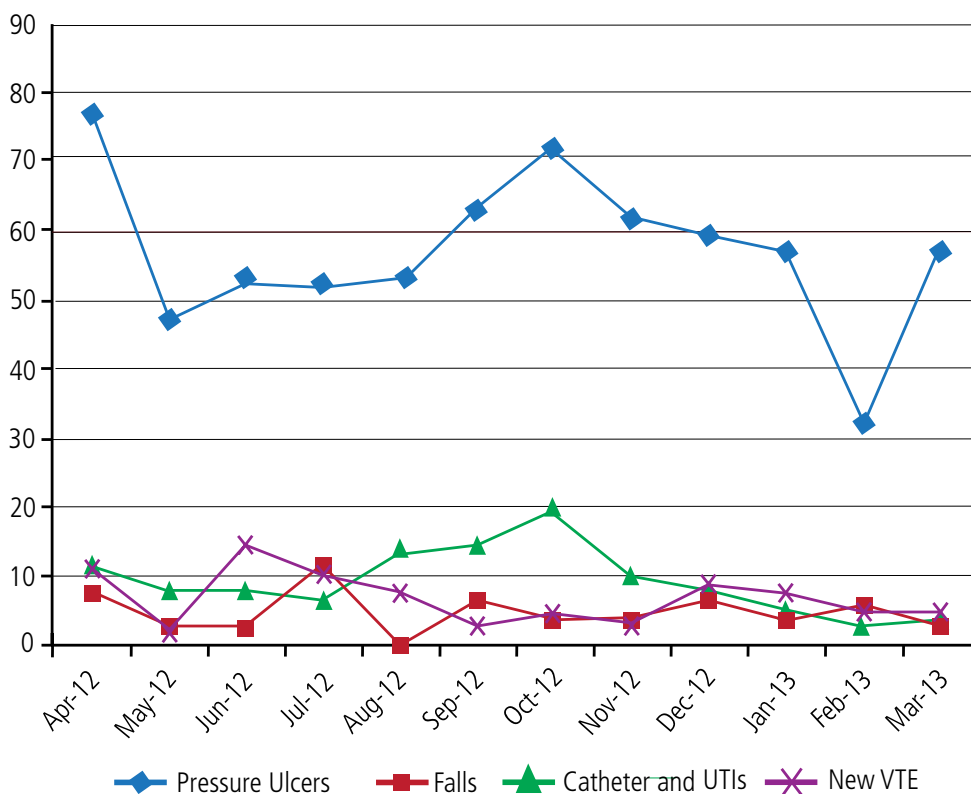
Avoidable hospital acquired pressure ulcers by grade (severity – grade 4 being the most serious)

Legend: Grade 2, Grade 3, Grade 4

Falls per 1,000 bed days

Legend: Sandwell Hospital, City Hospital, Henderson Ward (RRH), Leasowes, Trust Total

A2. Access performance

Access performance

Key Access Targets			2012/13 (*=most recent month)	Target 2012/13	11/12 Outturn
Cancer	2 weeks from referral to appointment	%	94.7	=>93	94.8
	2 weeks (Breast Symptomatic)	%	95.9	=>93	95.8
	31 Day (diagnosis to treatment)	%	99.5	=>96	99.5
	31 Day (second/subsequent treatment - surgery)	%	99.2	=>94	100.0
	31 Day (second/subsequent treatment - drug)	%	99.8	=>98	99.2
	31 Day (second/subsequent treat - radiotherapy)	%	100	=>94	100
	62 Day (urgent GP referral to treatment)	%	87.7	=>85	86.9
	62 Day (referral to treat from screening)	%	96.9	=>90	98.5
	62 Day (referral to treat from hosp specialist)	%	93.2	=>85	91.6
RTT 18-Weeks	Admitted Care (RTT <18 weeks)	%	93.7*	=>90.0	93.2
	Non-Admitted Care (RTT <18 weeks)	%	98.6*	=>95.0	97.5
	Incomplete Pathway (RTT <18 weeks)	%	95.3*	=>92.0	97.2
	Treatment Functions Underperforming	No.	4*	0	10 (Q4)
	Audiology D.A Patients seen in <18 weeks	%	100	100	100
Diagnostic Waits	Acute Diagnostic Waits greater than 6 weeks	%	0.88*	<1.0	0.99
Delayed Transfers of Care	Acute	%	2.9	<3.5	5.2
	Pt's Social Care Delay	No.	7*	<18	13
	Pt.'s NHS & NHS plus S.C. Delay	No.	8*	<10	20
Cancelled Operations	Elective Admissions Cancelled at last minute for non-clinical reasons	No.	0.7	<0.8	0.6
	28 day breaches	%	5	3	1
Cardiology	Primary Angioplasty (<150 mins)	%	91.2	=>80	88.4
	Rapid Access Chest Pain	%	97.1	=>98	99.1
GUM 48 Hours	Patients offered app't within 48 hrs	%	100	=>98	100
Access to healthcare for people with Learning Disability (full compliance)		Y / N	Yes	Full	N
A&E	Patients waiting less than 15mins after arrival by emergency ambulance to initial assessment	Minutes	17	<15	21
	The median time that patients waited from arrival time to treatment	Minutes	58	<60	59
	Percentage of patients treated and admitted, transferred or discharged from A&E within 4 hours	%	92.54	>95	95.38
	Percentage of patients who left the department before being seen	%	4.67	<5	4.83
	Percentage of attendances which are unplanned re-attendances	%	7.81	<5	8.66

A3. Remuneration Report for the financial year ending 31 March 2013

The Trust has a Remuneration and Terms of Service Committee, whose role is to advise the Board about appropriate remuneration and terms of service for the Chief Executive and other Executive Directors. Membership of the Committee is comprised of the Trust's Chair and all Non-executive Directors. As at 31 March 2013, these were:

- Richard Samuda (Chair)
- Gianjeet Hunjan
- Sarindar Singh Sahota
- Olwen Dutton
- Claire Robinson
- Harjinder Kang
- Richard Lilford

Remuneration for the Trust's Executive Directors is set by reference to job scope, personal responsibility and performance, and taking into account comparison with remuneration levels for similar posts, both within the NHS and the local economy. While performance is taken into account in setting and reviewing remuneration, there are currently no arrangements in place for performance-related pay. The granting of annual inflationary increases are considered and determined by the remuneration committee on an annual basis.

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

A number of changes were made during 2012/2013 in the composition of the Board. Roger Trotman, Vice Chair, ceased to be a Non-executive Director on 19 November 2012 and Non-executive Directors Professor Derek Alderson and Philip Gayle left on 31 August and 31 October 2012 respectively. New Non-executive Directors Richard Lilford commenced on 13 September and Claire Robinson and Harjinder Kang on 20 November 2012. John Adler, Chief Executive, left the Trust in January 2013 and Mike Sharon, Director of Strategy, was Acting Chief Executive from January to March 2013. Roger Stedman, Medical Director, was appointed in August 2012.

SALARIES AND ALLOWANCES OF SENIOR MANAGERS						
	2012/13			**2011/12**		
Name and Title	Salary (bands of £5000) £000	Other Remuneration (bands of £5000) £000	Benefits in Kind Rounded to the nearest £100	Salary (bands of £5000) £000	Other Remuneration (bands of £5000) £000	Benefits in Kind Rounded to the nearest £100
Richard Samuda, Chair	20-25	0	0	0	0	0
Sue Davis, Chair	0	0	0	15-20	0	0
Roger Trotman, Non Executive Director (until 19 November 2012)	5-10	0	0	10-15	0	0
Gianjeet Hunjan, Non Executive Director	5-10	0	0	5-10	0	0
Sarindar Singh Sahota, Non Executive Director	5-10	0	0	5-10	0	0
Derek Alderson, Non Executive Director (until 31 August 2012)	0-5	0	0	5-10	0	0
Olwen Dutton, Non Executive Director	5-10	0	0	5-10	0	0
Gary Clarke, Non Executive Director	0	0	0	0-5	0	0
Philip Gayle, Non Executive Director (until 31st October 2012)	0-5	0	0	0-5	0	0
Richard Lilford, Non Executive Director (from 13 September 2012)	0-5	0	0	0	0	0
Harjinder Kang, Non Executive Director (from 20 November 2012)	0-5	0	0	0	0	0
Claire Robinson, Non Executive Director (from 20 November 2012)	0-5	0	0	0	0	0
John Adler, Chief Executive (until January 2013)	120-125	0	0	155-160	0	0
Robert White, Director of Finance & Performance Management	125-130	0	0	125-130	0	0
Rachel Overfield, Chief Nurse	110-115	0	0	110-115	0	0
Donal O'Donoghu, Medical Director	0	0	0	150-155	0	0
Roger Stedman, Medical Director (from August 2012)	110-115	0	0	0	0	0
Richard Kirby, Chief Operating Officer	0	0	0	0-15	0	0
Rachel Barlow, Chief Operating Officer	110-115	0	0	75-80	0	0
Mike Sharon, Director of Strategy & Organisational Development (Acting Chief Executive January – March 2013)	120-125	0	0	105-110	0	0

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

Cash Equivalent Transfer Values

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

Real Increase in CETV

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

PENSION BENEFITS								
	Real increase in pension at age 60	Lump sum at aged 60 related to real increase in pension	Total accrued pension at age 60 at 31 March 2013	Lump sum at aged 60 related to accrued pension at 31 March 2013	Cash Equivalent Transfer Value at 31 March 2013	Cash Equivalent Transfer Value at 31 March 2012	Real Increase in Cash Equivalent Transfer Value	Employers Contribution to Stakeholder Pension
	(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	To nearest £100
John Adler, Chief Executive (until January 2013)	0-2.5	2.5-5	50-55	155-160	972	878	48	0
Robert White, Director of Finance & Performance Management	(0-2.5)	(0.2-5)	30-35	95-100	602	557	16	0
Rachel Overfield, Director of Nursing and Facilities	(0-2.5)	(0-2.5)	40-45	125-130	729	674	20	0
Roger Stedman, Medical Director (from August 2012)	5-10	17.5-20	30-35	100-105	529	406	102	0
Rachel Barlow, Chief Operating Officer	0-2.5	2.5-5	25-30	80-85	403	359	25	0
Mike Sharon, Director of Strategy & Organisational Development	0-2.5	2.5-5	35-40	115-120	771	687	49	0

Figures shown in brackets () represent real decreases in value.

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

The annualised remuneration of the highest paid director in the Trust in the financial year 2012-13 was £170,152 (2011/12, £160,000). This was 5.95 times (2011/12, 5.79) the median annualised remuneration of the workforce, which was £28,596 (2011/12, £27,625). Annualised remuneration may not reflect actual remuneration in year, for example where an individual was in post for only part of the year.

In 2012-13, 19 (2011/12, 25) employees received remuneration in excess of the highest-paid director. Annual remuneration on a whole-time equivalent basis ranged from £14,153 to £266,793 (2011/12, £13,903-£217,098). Total remuneration includes salary and any additional payments for overtime, additional activities and enhancements and any severance pay but excludes employer pension and national insurance contributions. Employees of the Trust do not receive performance-related pay nor benefits in kind.

There has been a small overall reduction in the workforce numbers of the Trust during the financial year 2012/13, the result of natural wastage and a relatively small scale and ongoing redundancy programme linked with the NHS requirement to deliver ongoing cost savings. This has not resulted in any material changes to the composition of the workforce.

The basic pay of the Trust's most highly paid individual has remained the same between 2011/12 and 2012/13 and the whole of the increase in remuneration is the result of payments for additional activity undertaken outside contracted employment. These payments are wholly variable and may change significantly from one year to another for this and any other individuals in receipt of them.

The vast majority of Trust employees have, in accordance with national pay settlements, been subject to a pay freeze during 2012/13 and have not received any inflationary additions to pay, the exception being a flat rate increase of £250 for spine points 1-15 within national pay scales. Where applicable, employees have continued to make incremental progression within existing pay scales. The pay freeze has not had a material effect on the calculation of the pay multiple above.

Audit

The Trust's external auditor is KPMG LLP.

The cost of the work undertaken by the auditor in 2012/13 was £146,000 including VAT. The fee in respect of auditing charitable fund accounts is excluded from this sum.

As far as the directors are aware, there is no relevant audit information of which the Trust's auditors are unaware and the directors have taken all of the steps they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

The members of the Audit Committee at 31 March 2013 are Gianjeet Hunjan (Chair), Sarindar Singh Sahota, Olwen Dutton, Claire Robinson and Harjinder Kang.

Off Payroll Engagements

The Treasury publication PES(2012)17 Annual Reporting Guidance 2012-13 requires all public sector organisations to disclose information on "off payroll engagements". This requirement relates to all payments made in respect of engagements with an annual cost of over £58,200 or an equivalent daily charge of £220 and a contract of at least six months.

As at 31 January 2012, the Trust had 12 such engagements in place, three of which were planned to end on or before 31 March 2013. None have subsequently come onto the Trust's payroll and none have yet been renegotiated to allow the Trust to gain assurance as to the individual's tax obligations.

Three new engagements were made between 23 August and 31 March, two of which have subsequently been terminated. The Trust has not yet received assurance in relation to income tax and National Insurance (NI) obligations for the remaining engagement although the engagement is conducted via a recharge arrangement from another public sector organisation which is the employer of the individual concerned. The Trust is in the process of renegotiating all remaining off payroll engagements to ensure full assurance of tax and NI obligations.

A4. Register of Interests as at June 2013

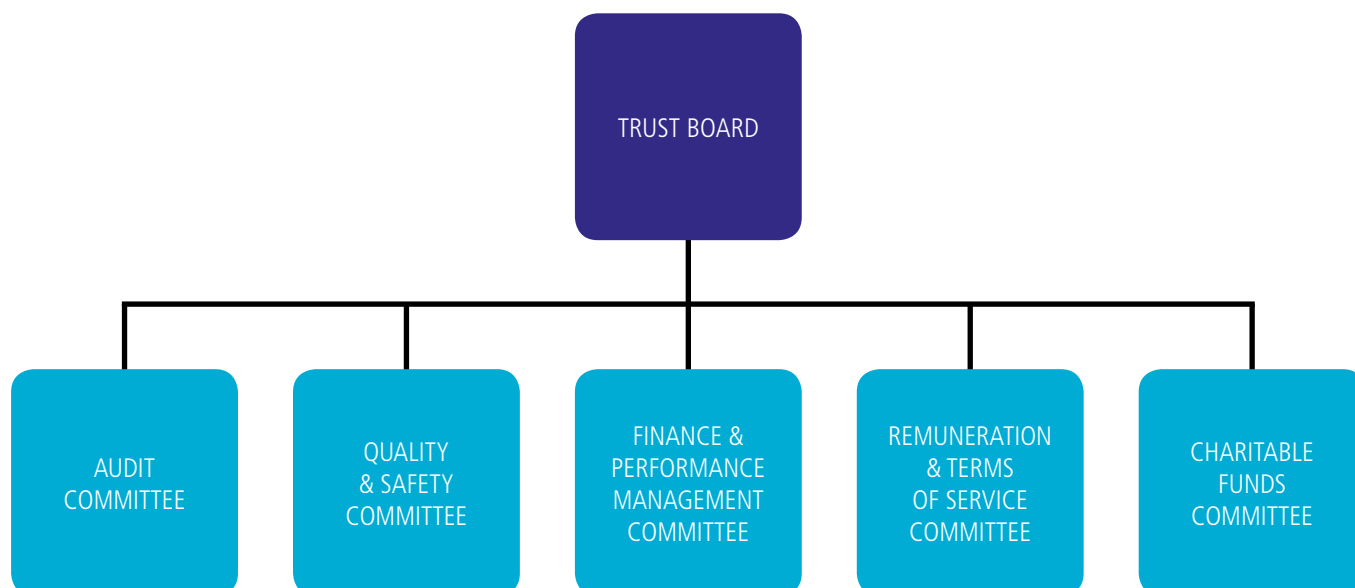| Name	Interests Declared
Chairman and Non-executive Directors	
Richard Samuda	• Director – Horton's Estates Ltd. • Director – 'Kissing It Better' • Non-executive Director – Warwick Racecourse
Clare Robinson	None
Gianjeet Hunjan	• College Finance and Administration Team Manager – University of Birmingham • Lay Member – Advisory Committee on Clinical Excellence Awards – West Midlands • Lay Member – NHS Midlands and East Workforce Deanery • Governor – Oldbury Academy • Governor – Ferndale Primary School
Sarindar Singh Sahota OBE	• Trustee – Acorns Hospice • Member – Court of University of Birmingham • Trustee – Nishkam Education Trust • Director – Asian Business Forum • Member – Smethwick Delivery Board
Richard Lilford	• Chair – Scientific Advisory Group, Department of Health Risk Sharing Scheme for treatment of Multiple Sclerosis • Board member – Midtech NHS Innovation Hub for the West Midlands
Harjinder Kang	• Director – Astra Zeneca plc (Non Board position)
Olwen Dutton	• Partner – Bevan Brittan LLP • Fellow – Royal Society of Arts • Member – Lunar Society • Member – Midland Heart – Care and Support Committee • Member – Birmingham Forward • Member – Council of the Birmingham Law Society
Executive Directors	
Toby Lewis	None
Rachel Barlow	None
Rachel Overfield	None
Roger Stedman	• Partner – Excel Anaesthesia (private anaesthesia services)
Robert White	• Director – Midtech NHS Innovation Hub for the West Midlands • Committee Member – HFMA Financial Management and Research Committee
Associate Members	
Mike Sharon	None
Graham Seager	• Interim Director of Estates and Sustainability – Birmingham Children's Hospital NHS Foundation Trust
Kam Dhami	None
Jessamy Kinghorn	None
Trust Secretary	
Simon Grainger-Payne	None

A5. Annual Governance Statement

1. SCOPE OF RESPONSIBILITY

1.1 The Board is accountable for internal control. As Accountable Officer, and Chief Executive of this Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives. I also have responsibility for safeguarding the public funds and the organisation's assets for which I am personally responsible as set out in the Accountable Officer Memorandum.

1.2 In my role as Chief Executive of the Trust I fulfil my own responsibilities as its Accountable Officer in close association with the Chief Executive and senior officers of the National Trust Development Authority, the senior managers of the local Clinical Commissioning Group and the Council Leaders of the Local Authorities. Governance and risk issues are regularly discussed at a variety of Health Economy wide fora, including formal review meetings with the National Trust Development Authority, monthly meetings of Chief Executives and via the Partnership Board for the Health Economy-wide development plan, known as 'Right Care, Right Here'.

2. THE GOVERNANCE FRAMEWORK OF THE ORGANISATION

2.1 The organisation is led by the Trust Board, which in turn was supported in its duties during the year by five committees, as follows:

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                          TRUST BOARD
    ┌───────────┬───────────┼───────────┬───────────┐
  AUDIT      QUALITY     FINANCE &   REMUNERATION  CHARITABLE
COMMITTEE   & SAFETY    PERFORMANCE   & TERMS       FUNDS
           COMMITTEE    MANAGEMENT    OF SERVICE   COMMITTEE
                        COMMITTEE     COMMITTEE
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Key to the following tables:

✓	Attended
A	Apologies tendered
	Not in post or not required to attend

AUDIT COMMITTEE

Chair: Non–executive Director

- Considers the annual plans and reports of both the External and Internal Auditors
- Provides an overview and advises the Board of Directors on the internal control arrangements put in place by the Trust Board
- Acts as the co-ordinator of all support documentation in relation to assurance to the Chief Executive for the sign off of the Annual Governance Statement
- Reviews all matters of internal control
- Reviews the annual work plan and monitors progress with the work of the Local Counter Fraud Specialist function
- Liaises with the Quality and Safety Committee as appropriate
- After due process of review recommends the adoption of the Annual Accounts to the Trust Board.

Frequency: Five times a year, including a specific meeting to review and approve the annual accounts.

Membership: Five Non-executive directors (excluding the Chair). The Director of Finance has a standing invitation to attend and other executives may attend when requested.

Attendance:

	17/5/12	7/6/12	13/9/12	6/12/12	14 & 28 /2/13
Gianjeet Hunjan (Ch)	✓	✓	✓	✓	✓
Roger Trotman	A	✓	✓		
Sarindar Sahota	✓	✓	✓	✓	✓
Derek Alderson	A	A	✓		
Olwen Dutton	✓	✓	A	A	A
Phil Gayle	✓	✓	✓		
Clare Robinson				✓	✓
Harjinder Kang				✓	A

QUALITY AND SAFETY COMMITTEE

Chair: Non-executive Director

- Monitors and provides assurance to the Board that clinical services are appropriately delivered in terms of quality, effectiveness and safety
- Ensures that the Trust has effective and efficient arrangements in place for quality assessment, quality improvement and quality assurance
- Where quality and performance falls below acceptable standards, ensures that action is taken to bring it back in line with expectations, and to promote improvement and excellence
- Ensures that service user and carer perspectives on quality are at the heart of the Trust's quality assurance framework.

Frequency: Monthly.

Membership: Five Non-Executive Directors and six of the Executive Directors, with specialist advisers in attendance when required.

	24/5/12	19/7/12	20/9/12	19/10/12	22/11/12	14/12/12	25/1/13	21/2/13	21/3/13
Derek Alderson (Ch)	A	A							
Olwen Dutton (Ch*1)	✓	✓	✓	✓	✓	✓	A	✓	✓
Sarindar Sahota	✓	✓	✓	✓	✓	✓	✓	✓	✓
Richard Samuda	A	A	A	A	A	✓	✓	✓	✓
Gianjeet Hunjan*2		A	✓	✓	✓	✓	✓	✓	A
Richard Lilford*3			A	A	✓	✓	✓	A	A
John Adler*4	✓	✓	✓	✓	A	✓			
Mike Sharon*5							✓	✓	✓
Robert White	✓	✓	A	A	✓	A	A	A	✓
Rachel Overfield	✓	✓	✓		✓	✓	✓	✓	✓
Rachel Barlow		✓	A	A	✓	A	✓	✓	✓
Deva Situyanake*6	✓	✓							
Roger Stedman*7			✓	✓	✓	A	✓	✓	✓
Kam Dhami	✓	✓	✓	✓	✓	✓	✓	✓	✓

Notes:

1. Assumed Chair of the Committee from July 2012
2. Member of Committee from July 2013
3. Commenced post as a Non Executive Director in September 2012
4. Departed the Trust in January 2013
5. Acting Chief Executive from January 2013
6. Acting Medical Director until August 2012
7. Commenced in post as Medical Director in August 2012

FINANCE AND PERFORMANCE MANAGEMENT COMMITTEE

Chair: Non-executive Director

- Considers regular financial reports and forecasts, including prime statement of accounts and supporting analyses and forecasts
- Reviews the performance of the Trust's major clinical and corporate divisions and considers remedial action plans in the case of significant variances/deviations
- Reviews the annual financial plan and budget, prior to submission to the Trust Board for approval
- Monitors performance against external targets set by the Department of Health, National Trust Development Authority, commissioners and Monitor
- Monitors performance against a range of internally developed clinical, financial and operational indicators
- Considers plans and business cases in support of significant investment, prior to presentation to the Trust Board for approval.

Frequency: Monthly.
Membership: Three Non-executive directors, CEO, Director of Finance and Chief Operating Officer.

	19/4/12	24/5/12	21/6/12	20/7/12	24/8/12	20/9/12	19/10/12	23/11/12	20/12/12	25/1/13	22/2/13	22/3/13
Roger Trotman (Ch)		✓	✓	✓	✓	✓	✓					
Clare Robinson (Ch*1)								✓	✓	✓	✓	✓
Richard Samuda		A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Gianjeet Hunjan	No meeting	✓	✓	✓								
Phil Gayle		A	✓	A	✓	A	✓					
Harjinder Kang								✓	✓	✓	✓	✓
John Adler*2		✓	A	✓	✓	✓	✓	✓	✓			
Robert White		✓	✓	✓	✓	✓	✓	✓	✓	✓	A	✓
Mike Sharon										✓	✓	✓
Rachel Barlow		✓	✓	✓	A	✓	A	✓	✓	✓	✓	✓

Notes:

1. The Chair changed from Mr Trotman to Ms Robinson from November 2012
2. Following his departure in December 2012, Mr Adler's seat on the Committee was given to Mr Sharon in his capacity as acting Chief Executive

Non-executive Director attendance rationalised from July 2012 to restrict membership to three.

REUMUERATION AND TERMS OF SERVICE COMMITTEE

Chair: Trust Chair

- Sets the pay and conditions of senior managers
- Recommends the remuneration and terms and conditions of employment for any employees who are not subject to national terms and conditions of service
- Scrutinises and agree any termination payments made to the Chief Executive and Executive Directors
- Ensures the consistent application of the Trust policy on remuneration and terms and conditions of employment for the Chief Executive and the Executive Directors.

Frequency: The committee meets as required.
Membership: All Non-executive Directors.

	31/5/12	2/12/12
Richard Samuda	✓	✓
Roger Trotman	✓	
Sarindar Sahota	✓	✓
Gianjeet Hunjan	✓	✓
Derek Alderson	A	
Richard Lilford		✓
Olwen Dutton	✓	✓
Phil Gayle	A	
Clare Robinson		✓
Harjinder Kang		✓

CHARITABLE FUNDS COMMITTEE

Chair: Non-executive Director

- Monitors the safeguarding of those assets donated or bequeathed in cash or other forms to the Trust's charitable funds
- Ensures as far as is practical that the expressed wishes of donors or benefactors are met in the deployment of funds
- Monitors and reviews banking and audit arrangements
- Monitors the performance of the Trust's Charitable Funds portfolio
- Advises on the appointment of investment brokers.

Frequency: Four times per year.
Membership: All voting Directors are Trustees, however they are represented by six voting Board members. The Head of Communications and Engagement and Head of Fundraising also attend.

	17/5/12	13/9/12	6/12/12	14/2/13
Sarindar Sahota (Ch)	✓	✓	✓	✓
Richard Samuda	✓	A	A	✓
Roger Trotman	A	✓		
Gianjeet Hunjan*2	✓	✓		
Olwen Dutton (Ch*1)	A	A		
Derek Alderson	A			
Clare Robinson			✓	✓
Phil Gayle	A	✓		
John Adler*4	✓	✓	✓	
Mike Sharon				✓
Robert White	✓	✓	A	✓
Rachel Overfield	A	A		✓
Rachel Barlow	A	A		
Roger Stedman*7		✓		

2.2 The Trust Board and its committees are administered by a Trust Secretary who maintains the Directors' Register of Interests and a register of attendance at meetings.

2.3 On an annual basis, the Trust Board is asked to consider and approve a proposed cycle of business for the forthcoming year, which is largely based on the best practice guidelines suggested in the Dr Foster publication, 'The Intelligent Board' and the National Leadership Council's report, 'The Healthy Board'. The reporting cycle is customised with items of local interest and significance to the Board, with matters being categorised into Quality, Safety and Governance; Strategy and Development; Performance Management; and Operational Management sections.

2.4 Integral to the preparation for the Trust's application for FT status, is a number of Board assessments, development activities and opportunities. Much of this work has been facilitated by independent sources, most notably being the in-year assessments against the Board Governance Assurance Framework and Monitor's Quality Governance Framework. The assessments although largely focused on the degree to which governance arrangements and quality is embedded into the organisation, also focus on the operation of the Board, including a comprehensive assessment of the skills and capabilities of Board members.

The actions to address the recommendations arising from the assessments have been incorporated into an Integrated Development Plan. Given the thoroughness of the external scrutiny and the Board's close engagement with the work, a formal internal self-assessment has not been necessary this year. The FT readiness assessment work also included observations and feedback sessions on a series of Board and Committee meetings, a review of the Trust's Integrated Business Plan and a preparatory mock Board to Board meeting in advance of formal assessments. The outcome from these processes has been carefully considered by the Board and included within the Integrated Development Plan, including action as required. Finally, the Development Plan is monitored by the Board on a routine basis through the FT Programme Board.

2.5   In addition to the Integrated Development Plan, a plan specifically including matters pertaining to Board Development has been prepared. This incorporates both short term needs to focus on creating a cohesive team following the change in membership over recent months and longer term development requirements to develop the Board into a more effective and highly performing unit.

2.6   Within the last year there has been a refresh of the terms of reference of the Board Committees to bring them in line with best practice examples and to strengthen the role in providing the Board with the assurance it needs to satisfy itself that the organisation is operating legally, effectively and safely. The remit of the Quality and Safety Committee has been broadened to include a wider range of assurance matters, including the consideration of a comprehensive monthly report, which provides an update on the key activities and performance across the various dimensions of quality and safety. In addition to the minutes of the Committee meetings being presented to the Trust Board as a matter of course, a comprehensive verbal update is provided by the relevant sub-committee Chair following the most recent Committee meeting. Annual reports on the work of each of the Committees are also presented as part of the annual reporting cycle of the Trust Board.

2.7   A key area of interest for the Audit Committee during the year has been the process to assess the quality of data in respect of the Trust's performance against the national 18 week referral to treatment target. During the year the Committee has also considered the selection process and a revised specification for the provision of Internal Audit services to the Trust. The Committee took the opportunity to receive an update on the Trust's position in relation to the reference cost index (RCI) data and an analysis for the 2011/2012 financial year, where it was highlighted that the Trust RCI remained unchanged at 102 between 2010/2011 and 2011/2012, a period which included the incorporation of Sandwell's community services into the index.

2.8   The Board considers that the Trust has, throughout the 2012/13 reporting year, applied the principles and met the requirements of the Code of Governance. In summary, the Trust has an effective board of directors, which has taken collective responsibility for leading the organisation, exercising its statutory powers and setting the strategic direction of the Trust.

2.9   The Board's routine reporting includes a review of performance against the priorities of the Operating Framework, principally by measuring compliance against the NHS Performance Framework. The assessment reported the Trust to be classified as a 'Performing' organisation throughout the year.

3.   **RISK ASSESSMENT**

3.1   The publicly held Trust Board meetings cover the full gamut of clinical, corporate and business risk and discuss and monitor the delivery of corporate objectives and the detail of the Assurance Framework.

3.2   The risk management process is an integral part of the Trust's business planning process and budget setting and performance review frameworks.

3.3   At a strategic level, risks are identified by the nominated directors against the Trust's strategic objectives and Annual Priorities. These identified risks provide information to support the Board Assurance Framework and where risks are identified as being 'serious', these are escalated to the Corporate Risk Register and monitored by the Trust Board and its delegated committees.

3.4   At an operational level, risks are maintained in appropriate local risk registers. Where a risk cannot be managed locally (requiring a supporting business case), has a major impact on service capability or Trust reputation or may result in major litigation, this will be presented for inclusion on the Corporate Risk Register.

3.5   Actions identified from risk assessments are mitigated at the appropriate level, and where actions require escalation, the risk will be escalated to the next tier of risk management.

3.6   Those risks that are presented for addition to the corporate risk register are presented monthly to the Trust Board. The Trust Board is asked to approve a proposal for the risk to be tolerated or treated.

3.7   The decision to treat a risk will be based on the actions required to mitigate that risk, its resource implications balanced against the possible financial penalty if the risk is realised. Every risk identified is backed up by a full risk assessment which covers the points above and an action plan to enable risk reduction, avoidance, transfer or elimination. The action plan defines the time for completion and who is responsible for carrying out the action. The status of the action plan will be monitored at intervals determined by the risk rating. Any difficulties in meeting the deadlines of the actions or in securing resources to enable mitigation are reported on the monthly risk register update that the Board receives.

3.8   New risks identified during the year have largely centred on the impact of the pause in the delivery of the Trust's bed configuration plan; the impact of the higher than planned operational pressures on the Trust's achievement of national performance targets; and the potential historic inaccuracy with reporting of the Trust's performance against the 18 week referral to treatment time target. All risks, together with their respective mitigation are included on the Trust's Corporate Risk Register, the summary of which is reported to the Trust Board on a monthly basis.

3.9   The Board, as part of the monthly Quality Report, receives a summary of the Care Quality Commission's Quality and Risk Profile (QRP). Overall the QRP shows the Trust as being at a low risk of non-compliance with the CQC's 16 essential standards of quality and safety, with the exception of Outcome 4 which relates to the 'care and welfare of people who use services'. The indicators forming this judgment and assessing the Trust's position as worse than the expected position or moving in that direction were reviewed and details were presented to the Quality and Safety Committee. The data sources include the Stroke Improvement National Audit Programme, PROMs (groin hernia surgery and knee replacement), the CQC A&E Survey and Dr Foster Intelligence.

3.10   Overall, the Trust remains fully compliant with the CQC essential standards of quality and safety. However within the year, the Sandwell Hospital was subjected to a responsive review of compliance by the CQC in connection with Outcomes 1, 4 and 14. The CQC assessed the Trust as meeting the standards at this site. Additionally, within the year, the Trust's position was assessed for compliance against a further set of outcomes including consent to care and treatment, assessing and monitoring the quality of service provision and complaints. The Trust was assessed as having shortfalls against a number of the standards and therefore an action plan was developed to address these matters. Good progress is being made with the delivery of the action plan, which is monitored on a monthly basis by the Quality and Safety Committee.

3.11   There have been no data security lapses that have warranted reporting to the Strategic Health Authority or the Information Commissioner's Office during the period.

3.12   Within the year, the Trust experienced a catastrophic hardware (disk) failure which resulted in a number of core systems including ICM and the Clinical Data Archive being unavailable to users between 6 March 2013 and 10 March 2013. None of the Trust's financial systems were affected. To prevent a reoccurrence of the situation, a threefold approach was undertaken to include: independent solution assurance; implementation of more robust operational monitoring of infrastructure and strengthened business continuity arrangements. The Trust Board was appraised of the situation and consequences of the IT failure at its Board meeting in March 2013, with a request for further detail and assurance on the measures being implemented to safeguard against a further incident.

4.   THE RISK AND CONTROL FRAMEWORK

4.1   Sandwell and West Birmingham Hospitals NHS Trust has a comprehensive, trust-wide system for managing risk, based on approved policies and strategies available on the Trust intranet.

4.2   The Trust has a Board approved Risk Management Strategy which identifies that the Chief Executive has overall responsibility for risk management within the Trust. The Chief Executive is supported with his responsibilities by the Director of Governance. All managers and clinicians accept the management of risks as one of their fundamental duties. Additionally the Strategy recognises that every member of staff must be committed to identifying and reducing risks. In order to achieve this the Trust promotes an environment of accountability to encourage staff at all levels to report when things go wrong, allowing open discussion to prevent their re-occurrence.

4.3   In Clinical Directorates, Clinical Directors, supported by Divisional Directors, General Managers and Heads of Nursing are responsible for managing risk. In all non-clinical directorates and departments, the appropriate Executive Director is responsible for managing risk through the chain of reporting.

4.4   The Trust has a designated Head of Risk Management within the Governance Directorate.

Board Assurance Framework

4.5   The Trust has a Board Assurance Framework which includes all key components required, including objectives, risks, controls, positive assurance, gaps in control and/or assurance and remedial action. In a recent review by Internal Audit, it was determined that Significant Assurance was provided by the Board Assurance Framework, with further areas for development identified to assist the Trust with continued improvement to the effectiveness of the processes in 2013/14.

4.6   The Board Assurance Framework is considered on a quarterly basis by the Trust Board and twice yearly by the Audit Committee.

4.7   The Board Assurance Framework informs the declarations made in this Governance Statement.

4.8   Gaps in controls and assurance of the management of the risks associated with the delivery of a number of the Trust's objectives were identified, however the Trust has taken remedial action to address them which is reported in the quarterly update of the Board Assurance Framework.

Quality Account

4.9   The Trust has in place robust processes to develop its annual Quality Account. The process and progress with developing the Quality Account is monitored by the Audit Committee.

Transformation Plan Quality Impact Assessment

4.10   A major piece of work within 2012/13 continued to be the development of the Transformation Plan, a five year view of how the Trust means to achieve the required cost savings within the period 2012/13 – 2016/17 in line with national efficiency requirements and local strategy. Quality Impact Assessment of schemes put forward as part of the 2013/14 element of the Transformation Plan was undertaken by the Chief Nurse and Medical Director. The assessments highlighted that there were some schemes where quality of care might be impacted and in these cases mitigation plans were produced, to minimise the effects of any risk realised. Those which remained a concern following the proposed mitigation were not approved as viable schemes. Responsibility for monitoring the actions has been devolved to divisions and where a risk is no longer controlled by those mitigating actions, the matter will be escalated.

NHSLA accreditation

4.11   Building on the successful accreditation against the NHSLA Risk Management general standards at Level 2 in February 2011, work continues to prepare for the reassessment against general standards in 2014/15. In February 2013, the Trust gained accreditation against CNST maternity standards at Level 2, with the Level 3 assessment planned for 2014.

Information security

3.17   Senior responsibility for information security, risks and incidents rests with the Chief Executive, as supported by the Interim Chief Information Officer. The Information Security Senior Responsible Owner (SRO) is supported by the Information Governance Manager and Head of Risk Management. The Information Governance Manager manages information security risk and incidents on a day to day basis and seeks support from the Head of Risk Management and SRO.

        Regular reports are produced to identify information security incidents and the appropriate action planned to reduce the risk impact or likelihood of reoccurrence. These incidents are reviewed by the Information Governance Steering Committee to ensure appropriate action is taken.

Counterfraud and Whistleblowing

3.19   The Trust is supported through its Internal Audit function by a Counter Fraud service that reports routinely to the Audit Committee. The service, whose annual workplan is approved by the Audit Committee, is proactive in its role countering fraudulent activity within the Trust. A whistleblowing policy also exists and may be accessed by staff via the Trust's intranet, which provides the basis by which legitimate concerns can be fairly, effectively and speedily aired and responded to by the use of internal mechanisms. Work has been undertaken during the year to revise the policy and strengthen the processes for raising, logging and processing concerns. The policy advises that concerns should initially be raised at a local level with the facility for employees to register concerns directly with a designated Non-executive Director if necessary.

Alignment with the local context

3.20   The Trust is working closely with emerging Clinical Commissioning Groups to ensure alignment with their strategies and objectives these bodies have for improving the health, intervention, experience and outcomes for their patients within the overall context of the Right Care Right Here programme.

Internal Audit opinion

3.21   The Internal Auditor's Year End Report and opinion on the effectiveness of the system of internal control is commented on below. The internal auditor's overall opinion is that Significant Assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. As part of the auditor's opinion, concerns were highlighted with regard to the effectiveness of controls over data quality in relation to A&E indicators and 18 week referral to treatment reporting that led to the provision of only moderate assurance in both instances. Weaknesses with regard to theatre utilisation were also highlighted, which resulted in the provision of moderate assurance.

The auditor did, however, advise that action plans had been agreed
with management in relation to these moderate assurance areas and the implementation of those plans will be monitored.

The weighted opinion considers specific audit reviews and the level of assurance assigned to each. In addition to this, the overall arrangements put in place by the Board for conducting its own assessment of the system of internal control is reviewed. The principal tool for such an assessment is the Board Assurance Framework (BAF) and the internal auditor concluded that the BAF has been designed and is operating to meet the requirements of the 2012/13 Governance Statement and provides reasonable assurance that there is an effective system of internal control to manage the principal risks to the organisation.

The internal auditor concluded that in his view, taking account of the respective levels of assurance provided for each audit review, an assessment of the relevant weighting of each individual assignment and the extent to which agreed actions have been implemented, that the Trust has a generally sound system of internal control.
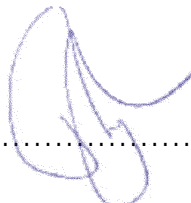
5.   REVIEW OF EFFECTIVENESS

5.1   As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed in a number of ways. The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Board Assurance Framework and on the controls reviewed as part of the internal audit work. The overall level of assurance provided by the Head of Internal Audit Opinion for 2012/13 is Significant. Executive managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance. The Board Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by reports and comments made by the external auditor, the Care Quality Commission and the NHS Litigation Authority, clinical auditors, accreditation bodies and peer reviews.

5.2   During the year, I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Trust Board, Audit Committee, Finance & Performance Management Committee, Quality & Safety Committee, Clinical Quality Review Group, Quality Committees, Governance Board, Health & Safety Committee and the Adverse Events Committee.

5.3   The Trust Board is responsible for reviewing the effectiveness of internal control and the Board is supported in this by its corporate committees.

5.4   The Trust Board has receives a monthly update within the Quality Report from the Director of Infection Prevention and Control (a role currently within the remit of the Chief Nurse) on performance against national infection rate targets, together with effectiveness of structures in place to support infection control and measures to ensure continuous improvement in this area

5.5   Individual Executive Directors and managers are responsible for ensuring the adequacy and effectiveness of internal control within their sphere of responsibility.

5.6   Internal Audit carries out a continuous review of the internal control system and report the result of their reviews and recommendations for improvements in control to management and the Trust's Audit Committee.

5.7   Specific reviews have been undertaken by Internal Audit, External Audit, NHS Litigation Authority as well as various external bodies.

6. SIGNIFICANT CONTROL ISSUES

6.1   Within the year, there were no data security breaches reported which warranted reporting to the Information Commissioner's Office and Strategic Health Authority.

6.2   Two inspections by the Care Quality Commission which occurred within the year, one of which identified that there were concerns over compliance with a number of outcomes across City and Sandwell Hospitals, prompting the development of robust action plans to address the issues raised, progress with the delivery of which was given close oversight by the Quality and Safety Committee.

6.3   The Trust failed to meet the required performance against the Emergency Care four-hour maximum wait target, being 92.55% for the year against a target of 95%. A robust winter plan for 2013 is in preparation intended to provide better resilience against increases in demand or reductions in supply. This is overseen by the Chief Executive, the Chief Nurse and Medical Director, alongside the Chief Operating Officer who is responsible for its execution.

6.4   During the year, a data quality issue related to potential under reporting of 18 weeks referral to treatment pathways was identified. The Trust established a recovery and improvement programme to rectify the issues identified, the first stage of which validated the extent of the reporting problem. The second stage of the programme established an improvement programme to resolve the issues identified, progress with which was reported routinely to the Trust Board and Audit Committee. The issue remains open and considerable work is needed in 2013/14 to establish stable systems. In light of these difficulties, the Trust has commissioned external advice on our data quality across all national performance indicators.

6.5   The Trust experienced a catastrophic hardware (disk) failure. To prevent a reoccurrence of the situation, a robust, multiple workstream approach was undertaken to include: independent solution assurance; implementation of more robust operational monitoring of infrastructure and strengthened business continuity arrangements. The Trust Board was appraised of the situation and consequences of the IT failure and continues to receive information to assure itself that safeguards are in place to prevent a reoccurrence.

7. CONCLUDING REMARKS

7.1   With the exception of the internal control issues that I have outlined in this statement, my review confirms that Sandwell and West Birmingham Hospitals NHS Trust has a generally sound system of internal controls that supports the achievement of its policies, aims and objectives and that those control issues have been or are being addressed.

Signed: ……………………………… Chief Executive (On behalf of the Board)
Toby Lewis

Date: ………19.09.2013……………

9. Notes

9. Notes

2012/13 Annual Report

Where
EVERYONE
Matters