Western Sussex Hospitals NHS
NHS Foundation Trust

ANNUAL REPORT AND ACCOUNTS

1 JULY 2013 TO 31 MARCH 2014

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the National Health
Service Act 2006

ANNUAL REPORT AND ACCOUNTS

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Chairman and Chief Executive's welcome

Welcome to Western Sussex Hospitals' fifth annual report, which is, we are delighted to say, our first as a Foundation Trust. Achieving foundation trust status on July 1, 2013 demonstrated to everyone – patients, local people, NHS colleagues – that the staff and volunteers at Western Sussex Hospitals NHS Foundation Trust are providing an excellent service for our patients.

In the early years, gaining FT status was largely about showing that your finances were sound. Now Trusts bidding to be FTs must show far, far more. Stable finances are still essential, but you also have to show that staff are delivering excellent care, that this excellence is delivered consistently, and that plans are in place to ensure that this excellence will continue, no matter what.

Recent history shows just how hard it is to make the grade – since our approval last July, there have been no other acute Trusts approved.

The hurdles are now set extraordinarily high, and it is to the enormous credit of the people who work and volunteer at this Trust, along with the incalculable support of the local community that together we cleared them.

Of course it is not only how we are perceived that changed on authorisation. We now have new freedoms to borrow to support improvements, and we are able to retain any financial surpluses we make and I am delighted to confirm that at the end of our first financial year as foundation trust, we achieved a £1m surplus. You'll see in these s that such a significant surplus was delivered while maintaining the highest standards of care as an ever increasing number of patients sought our help.

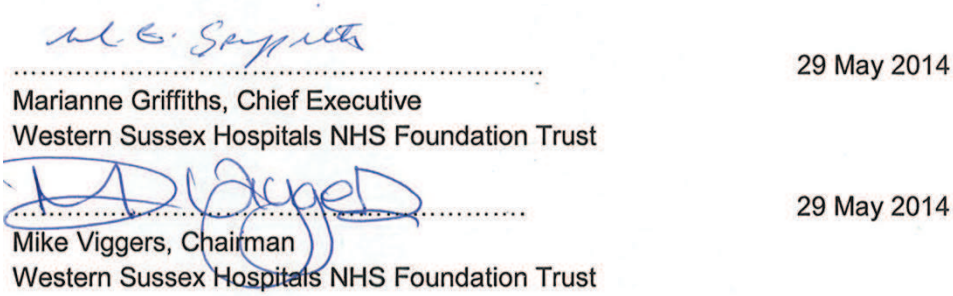
For example, in 2013/14, the Trust saw a 2.7% rise in the number of elective referrals for surgical and medical specialties compared to the previous year and the number of A&E attendances increased by almost 2,000 cases, up 1.5%.

One of our key values as an organisation is the pursuit of quality and working to constantly improve the experience our patients and their loved ones care. We are proud to report that we consistently achieved strong performance over this period in terms of keeping waiting times low, improving the environment for patients and visitors, and delivering high quality care.

As a consequence, the results of the latest national inpatient survey on behalf of the Care Quality Commission show an overall improvement on the year before, with 42 questions generating a more positive response and only nine producing a less favourable response. Our challenge is to improve further.

We also became a more democratic organisation on July 1. Our six elected Staff Governors, our elected Public and Patient Governors, as well as our nine appointed Governors, have already made a significant contribution, helping shape the direction of the organisation. Their role, along with our staff and local community is crucial as we work to build on the solid foundations of recent years and meet the challenges we face together.

We commend this annual report to you and thank each one of the people who work and volunteer for Western Sussex Hospitals NHS Foundation Trust for their many and varied contribution. Their skill, determination and commitment is beyond compare. We hope you are proud of your local hospitals and that you will continue to be so in the years ahead.



Marianne Griffiths, Chief Executive
Western Sussex Hospitals NHS Foundation Trust

29 May 2014

Mike Viggers, Chairman
Western Sussex Hospitals NHS Foundation Trust

29 May 2014

Strategic Report

Introduction to the Trust

On 1 July, 2013, Western Sussex Hospitals NHS Trust became Western Sussex Hospitals NHS Foundation Trust.

The milestone was reached just over four years after the Trust was formed, on 1 April, 2009, following the merger of the Royal West Sussex NHS Trust, which served the population in the Chichester area, and the Worthing and Southlands NHS Trust, serving people living around Worthing and Shoreham-by-Sea.

There are three principal sites: St Richard's Hospital in Chichester; Worthing Hospital, and Southlands Hospital in Shoreham-by-Sea. Trust staff also provide a range of services in other community settings, including Bognor War Memorial Hospital, Crawley Hospital, health centres and GP surgeries.

The Trust has approximately 900 inpatient beds. The two main acute sites

The Trust serves a population of approximately 450,000 people, providing a full range of acute hospital services.

are St. Richard's and Worthing hospitals, where patients can access accident and emergency services, acute medical care, maternity and children's services and a range of surgical specialties. Southlands Hospital offers patients a range of day case procedures, diagnostic and outpatient appointments, and will be developed as a centre for ambulatory care, and also ophthalmology.

During 2013/14 the Trust had an annual budget of around £375 million, and the principal service commissioner was Coastal West Sussex Clinical Commissioning Group.

The Trust is fully committed to working with commissioners to use that budget to provide high-quality integrated care across the local health economy, and in recent years that has increasingly meant closer co-operation with other provider organisations for the benefit of local people.

The Trust is registered with the Care Quality Commission without conditions, and provides the following Regulated Activities:

- Maternity and midwifery services
- Termination of pregnancies
- Family planning services
- Treatment of disease, disorder or injury
- Assessment or medical treatment for persons detained under the Mental Health Act 1983
- Surgical procedures
- Diagnostic and screening procedures

The headquarters of the Foundation Trust are:
Chief Executive's Office,
Worthing Hospital,
Lyndhurst Road,
Worthing,
West Sussex
BN11 2DH

Our Trust, today

In 2009 the people living in the Coastal West Sussex area were served by the Royal West Sussex, and the Worthing and Southlands NHS Trusts. The two Trusts had a proud record in terms of delivering high quality patient care, but had both encountered significant financial challenges and were the subject of scrutiny in terms of their financial and clinical sustainability.

When these two Trusts were merged, on 1 April 2009, the priority was to develop the high quality, safe services that local people needed, and to ensure that these services were sustainable in the long term.

Today, the Trust has a strong record of high performance for patients, combined with strong financial controls. Significant investments have been made in recent years, both in terms of staff, and facilities. The number of nurses has been increased, while major developments such as the new ophthalmology facility at St Richard's, or the new Cardiac Catheterisation Laboratory and clinical block at Worthing – including two state-of-the-art inpatient wards and a purpose-built outpatient centre – have been opened.

Such investments have been made without compromising financial control. The Trust has delivered a surplus in each of the financial years since it was created, repaying the legacy debts built up prior to 2009.

Today, approximately 6,500 people work for the Trust, providing high quality care for a population which is, on average, notably older than the rest of the country. As the population ages – a quarter of local people are already aged 65+, and in five years the number of people living to be 90 years old is up by almost 20% - the health needs of the population grow:

- More than 130,000 A&E attendances a year, and rising
- Almost 480,000 outpatient appointments a year, and rising
- 120,000 day cases and inpatients a year, and rising
- About 5,500 babies delivered a year
- Elective referrals for surgical and medical specialties rose by 2.7% in 2013/14

The ongoing challenge for the Trust is not merely to keep up with the evolving demographic challenges, but to do so in a way which improves services further still, improves the experience of patients, and which is sustainable.

Our Strategy and Business plan

Our business plan is based on the vision and values of the organisation, 'We Care', which informs the strategic objectives of the organisation, which are:

Embed a culture of customer focus throughout the Trust to ensure that we treat patients with kindness, dignity and respect. This will be evidenced through improvements in our patient survey, and in real-time feedback from patients and carers

Provide the highest possible quality of care to our patients. This we will do through focusing on a range of measures to improve clinical effectiveness

Ensure that our services are the safest we can make them. We will do this by eradicating avoidable hospital acquired infections, investing to provide the right environment for patient services, and continually striving to improve our clinical outcomes

Ensure that we can meet the needs of our local population, both now and in the future by providing the right range of services, improving accessibility and providing care closer to home where possible

Work closely in partnership with our commissioners and other providers in order to provide streamlined, integrated care for patients, removing duplication and improving the quality and efficiency of the care we provide

Improve our performance against a range of quality, access, efficiency and productivity measures through the introduction and spread of best practice throughout the organisation

Ensure the sustainability of our organisation by continuing to meet our national targets and financial performance and investing in appropriate infrastructure and capacity for the future.

Together with a range of external drivers, such as demography, national policy and commissioner requirements, these shape our Corporate Objectives, which are agreed by the Trust Board.

Our two-year operational (business) plan then describes the programmes of work and milestones which will enable us to achieve those corporate objectives. Progress against these programmes of work is then reported back to the Board on a quarterly basis, ensuring the programmes deliver.

Delivering our plans in 2013/14 including the Quality Report

The Trust's vision is "We Care". This vision underpins everything that the Trust does.

Within this overarching vision there are seven key values which guide the Trust, and its staff, to deliver the best possible care. These seven values provide the context in which priorities are decided, and resources allocated.

The following section sets out how the Trust planned to bring these values into life between July 2013 and the end of March 2014, the first nine-month period after Foundation Trust status was granted.

This period saw numbers of referrals rising, and the age and frailty of patients increasing, at a time when funding continued to be a major challenge. However, despite those pressures Trust staff delivered more care, to more people, than ever before.

Value 1

"We care about you, the patient"

Corporate Objective: Increase the number of staff and patients who would recommend the Trust to family and friends

In order to demonstrate that the fundamental ambition of the organisation was to prioritise the care of each patient, an objective was set to increase the numbers of patients and staff who said they would recommend the Trust to family and friends. Four specific aims, relating to this objective, were set.

Quality of care

The Trust aims to deliver a high standard of care, such that national survey results for both inpatients and outpatients place it in the top 20%.

During the period between July 2013 and the end of March 2014 the Trust consistently achieved strong performance in terms of keeping waiting times low, improving the environment for patients and visitors, and delivering high quality care.

As a consequence, the results of the latest national inpatient survey on behalf of the Care Quality Commission show an overall improvement on the year before, with 42 questions generating a more positive response and only nine producing a less favourable response.

There was no national outpatient survey conducted during this period but the Trust has been active in this area. New 'self check-in' systems have been trialled, and further changes – including text reminders – are under consideration.

There is an extensive Quality Report beginning on page 16 as well as details of how we seek feedback from patients on page 89. Our quality governance arrangements can be found in the Board Annual Governance Statement.

Friends and Family Test

The Trust has seen response rates to the Friends and Family Test (basically the test of whether people would recommend the hospital to their loved ones) increase significantly during this period, as great efforts have been made to ensure that the maximum possible feedback has been received, and acted upon.

Results for A&E have been exceptionally good, with both response rates, and the net score, both being among the best in the country. The A&E scores have regularly been among the top 10 in the country, despite the response rates being high in comparison with most Trusts – at the start of 2013/14 the response rate was less than 5%. By the end of the year it was consistently above 30%. Changes have been made as a direct result of the feedback received, including new patient literature, and the installation of a drinking water fountain.

Results for inpatient wards have been less consistently high, but the net scores have tended to remain in line with national averages. By the end of 2013/14, steady progress ensured that the Trust's target of a 20% response rate was being met but the intention is to drive that up further, and work is underway with the wards to achieve that.

Staff

A huge amount of work has been undertaken at the Trust to support staff both when they are at work, and to return to work should they be going through a period of absence.

The feedback from national staff surveys, and human resources data, shows that stress and musculo-skeletal problems are major factors influencing the overall staff sickness rates. As a direct response the Trust has set up a Health and Wellbeing Group, initiated a return to work programme, and now offers stress management courses for staff. Towards the end of 2013/14 the Trust was also preparing to launch the new physiotherapy service dedicated to staff, in an effort to support those suffering from musculo-skeletal problems. Staff sickness levels were 3.8% for the year, still above the target of 3.3% for 2013/14.

Complaints

The long-term trend at the Trust is for the number of complaints to fall, as the number of contacts with the Patient Advice and Liaison Service (PALS) rises.

During the last three quarters of 2013/14 that trend continued, with the incidence of complaints for both inpatients and outpatients significantly lower than is the case nationally.

The Complaints team work closely with clinical colleagues to ensure that the feedback received is translated into positive outcomes, and during this period a number of improvements were made as a direct result of complaints received – written information for some outpatient appointments was amended, for example, and changes were made to the content of training for some ward staff, to just a few improvements.

Innovations such as automated touch-screen check-in booths were trialled towards the end of the year, to improve the experience of outpatients in particular.

Formal Complaints

The complaints team work on behalf of the Chief Executive based at Worthing Hospital and St Richard's Hospital to investigate more complex and serious concerns that require a formal investigation and written response.

During 2013-14, 489, 772 patients were seen in outpatients, 133,850 patients visited A&E and 119,914 patients were admitted to hospital (including day cases). Of these patient contacts, 0.49% resulted in a PALS query and/or made a formal complaint.

	April to June 2013	July 2013 to March 2014	2013-14	2012-13
PALS enquiries received	796	2,353	3,149	2,807
New formal complaints	141	381	522	565
No upheld (partially or in full)	81	201	282 (54%)*	391 (69%)
Plaudits	1,234	3,340	4,574	5,010
Total number of enquiries	**937**	**2,734**	**3,671**	**3,372**

	April to June 2013	July 2013 to March 2014	2013-14	2012-13
Worthing	89	248	337	336
Southlands	-	7	7	19
St Richard's	52	126	178	210
Total	**141**	**381**	**522**	**565**

	April to June 2013	July 2013 to March 2014	2013-14	2012-13
Communication	252	582	**834**	789
Clinical Treatment	212	620	**832**	791
Appoinments	20	662	**882**	605
Attitude of Staff	59	163	**222**	183
Date of Admission	42	132	**174**	285

Meeting the standards set out by the Care Quality Commission

The Trust received four CQC inspections during 2013/14.

May 2013

There was a planned inspection at Rowlands Road Sexual Health Clinic. The service was found to be fully compliant against the outcomes assessed.

December 2013

During a planned inspection at Worthing Hospital, the services inspected were found to be fully compliant against the outcomes assessed. This inspection had a particular focus on fractured neck of femur.

January 2014

A themed inspection looking at Dementia care at St Richard's Hospital resulted in a requirement for action on documentation. Steps have already been taken by the nursing leadership to improve standards and a formal action plan has been produced. For all other outcomes reviewed at the visit the Trust was found to be fully compliant and there was evidence of responsive, compassionate care and protection of patients' dignity.

January 2014

A planned Mental Health Act 1983 inspection at Worthing Hospital identified areas requiring improvement and an action plan has been produced with many of the actions undertaken immediately. Although areas for improvement were highlighted, the Trust was deemed to be compliant with its legal obligations under the Mental Health Act 1983 particularly in relation to detention.

The CQC have produced two intelligent monitoring reports during 2013/14. The Trust was given a Risk banding of 6, in both reports. This indicates that the Trust currently is at low risk of providing poor quality care.

Information Governance

There were two Serious Incidents Requiring Investigation (SIRI) reported to the Information Commissioners Office (ICO) both after the Trust gained Foundation Trust status.

The first was a complaint made to the ICO by a member of the public against a member of staff who they claimed had accessed their health record. The complaint was graded a level 1 SIRI and investigated internally by the relevant division and also by the ICO who upheld the complaint but did not take any action against the staff member or the Trust.

The second involved a lost ward round sheet found by a member of the public. This was graded a level 2 SIRI and was reported to the ICO. The loss was investigated by the relevant division and the person who lost the handover identified and appropriate action taken. The ICO did not take any further action.

Both incidents were also reported to the Information Governance Steering Group and the Board and are now closed.

Value 2

"We care about quality"

Both the following corporate objectives are described in our Quality Report

Corporate Objective 1, 2013/14:
Deliver the quality outcome gains specified in the Trust's Quality Strategy, and demonstrate full compliance against Monitor's Quality Governance Framework

Corporate Objective 2, 2013/14:
Reduce our rates of avoidable readmissions

NHS
Western Sussex Hospitals
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Quality Accounts 2013-2014

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Part 1: Statement from our Chief Executive

"Quality". The word plays an increasingly central role in the language of the NHS, as the focus of the health service has moved in recent years from access, and the need to cut waiting times, to the quest to drive up standards.

Ensuring that our Trust delivers services which can be accessed quickly and conveniently, without ever compromising on quality, is perhaps the greatest challenge we face. It is – relatively – easy to deliver quick access, or superbly high standards, but doing both at the same time is a tremendous challenge. This challenge will only become greater still as we continue to face not only increasing demands for healthcare, but also rising expectations of what the NHS should deliver.

Since our Trust was formed in 2009 we have been clear that we must maintain an absolute commitment to our patients, and our vision – We Care – reflects that.

In the last 12 months, at a time when the pressures on our staff have been more intense than ever, there have been numerous notable examples of the ways in which our staff have translated that vision into reality.

Perhaps the most notable recognition obvious came in July when we became a Foundation Trust – the days when such an award was largely based on financial sustainability have long gone, and now a Trust also has to have an extraordinarily strong track record in terms of clinical quality to even be considered. We were only the second Trust to become an FT in the preceding 14 months and – at the time of writing – no others had followed suit since, which clearly demonstrates the magnitude of our achievement.

Being approved as an FT by Monitor was only possible because staff maintained the highest possible standards of care over a prolonged period. For example, our teams have performed outstandingly in terms of protecting patients from pressure injuries, a powerful proxy indicator for the standards of care more generally, and also in terms of keeping patients safe from the risk of falling.

The care of patients suffering a fractured hip has been radically improved, to the extent that it was described as an 'exemplar' by Prof Moran, who we invited to assess the new patient pathway which had been developed by our clinical teams.

The improvements to the pathway for patients with a fractured hip is just one of the reasons why we have also seen encouraging progress in terms of our mortality rates during 2013/14, continuing the trend of recent years.

Behind the performance statistics, there is also encouraging evidence that both our staff and our patients feel that the care we are able to provide is of good quality.

Perhaps the most encouraging finding of our 2013 Staff Survey results was the very positive attitude of Trust staff towards the standards of care being delivered by the organisation. An impressive 73% agreed, or strongly agreed, that they would be happy for a loved one to be cared for at our hospitals – a notable improvement on the year before, and significantly above the national levels. The same proportion also felt that they would recommend the Trust as a place to work – again, a powerful indicator that people take a pride in their work, and have faith in the quality of what they do.

Similarly, feedback from patients continues to be very positive, on the whole. Our 'Friends and Family' results, particularly for A&E, have been absolutely terrific, the numbers of complaints relating to nursing care have moved downwards over an extended period, and our own in-house feedback results consistently show that patients tend to be very satisfied with the care they receive, the staff caring for them, and the facilities around them.

Driving up quality is not a job which can ever be considered complete, and this Quality Report details the progress that has been made on our priorities for improvement during 2013/14, and sets out our main areas of focus in the year ahead.

Our response to the Francis Report, and to the related listening exercise we conducted locally, has already brought tangible gains in the last 12 months, including the extension of consultant cover in some specialities, and investment in more nursing staff at night. Many more initiatives remain to be completed, however, and our Trust will maintain the momentum on that agenda in 2014/15, alongside renewed efforts to reduce hospital-acquired infections, and prevent 'Never Events', to name just a few.

Above all, we will continue to listen to our patients, their carers, and our members to enable us to provide the services which meet the needs of those who rely on them. We hope that this Quality Report provides you with a clear picture of how important improving the experinces of our paitents and the quality of our services are to us at Western Sussex Hospitals.

The information contained within this quality report is, to the best of my knowledge accurate

Marianne Griffiths
Chief Executive

Part 2: Priorities for improvement in 2014/15

We continue to set ourselves an ambitious programme of improvements and to place patient safety and quality as our prime focus. As we said in our previous quality reports, we do not want these to be hollow words, and that means placing a relentless focus on quality. We are determined to deliver services to our patients that are safe and effective and put our patients, and their experience of our care, at the heart of what we do.

This year, we have made further substantial progress in addressing the challenges we set ourselves in our Clinical Quality Strategy. This underpins our clinical strategy and provides a framework to drive up further the quality of our services in a number of ways. Our Quality Strategy objectives are shown in the table below. We have started reviewing our Quality Strategy and will be updating it to take account of recent changes to services, detailed information about quality and performance, and advice from the Trust Board, external stakeholders, and our Council of Governors.

Domain 1:
Improving Clinical Outcomes by reducing overall mortality

1.1 Improve mortality in specific conditions amenable to treatment
1.2 Reduce mortality following hip fracture
1.3 Reduce the rate of readmission following discharge from the Trust
1.4 Improve maternity care by encouraging natural childbirth
1.5 Ensure active engagement with research
1.6 Improve data quality

Domain 2: Patient Safety

2.1 Improve safety of prescribing
2.2 Reduce incidence of healthcare associated venous thromboembolism
2.3 Reduce incidence of hospital acquired infection
2.4 Improve theatre safety for patients
2.5 Reduce the number of falls in hospital
2.6 Reduce pressure damage in hospital

Domain 3: Patient Experience

3.1 Use feedback from real time patient experience project and Friends and Family Test to improve care
3.2 Reduce the number of patients suffering a poor experience when dealing with the Trust
3.3 Improve the nutrition of hospital in-patients through the use of nutritional assessment, action planning and evidence of assistance with feeding when required
3.4 Improve cleanliness and our PEAT scores
3.5 Improve customer service and become known as a more caring organisation

Our Quality Board has continued to pull together all of the different pieces of work relating to improving quality under one umbrella. The Quality Board ensures that the lessons we learn about improving quality in one area are spread across the whole Trust – between hospitals and between clinical areas. The Quality Board and the Trust Board continue to receive a regular, monthly quality report which describes the Trust's performance against key national, regional and local quality indicators, including those set out by our Quality Strategy. Quality performance is also monitored by our Quality & Risk Committee as part of our Trust quality governance arrangements, and now we are a Foundation Trust, we are also formally accountable for quality to our members through a Council of Governors.

Following a consultation workshop in February with senior staff, non-executive directors of the trust, and representatives of our stakeholder organisations (our Clinical Commissioning Group, Healthwatch West Sussex and West Sussex Health and Adult Social Care Committee), we have identified four specific areas for improvement in 2014/15 that we set out below as a part of this year's Quality Report. These are: improving the hospital care of patients suffering a stroke or high risk transient ischaemic attack (TIA); improving the hospital care of patients with dementia; reducing avoidable mortality and improving clinical outcomes; and infection control.

It is important to note that these will not be the only areas of clinical care in which we will be undertaking work to continuously improve the quality of our services. A much broader range of activities will be described in an updated clinical quality strategy which we will publish over the next few months.

In Part 3 of this report, we describe progress with several other quality improvement priorities that we set ourselves in earlier quality reports.

Part 2: Priorities for improvement in 2014/15

Priority 1

Improving the hospital care of patients suffering a stroke or high risk transient ischaemic attack (TIA)

Why is this important?

Stroke represents a substantial burden both upon NHS services and society as a whole. There is clear evidence that taking appropriate measures to minimise the risk of stroke in patients at high risk, for example patients suffering Transient Ischaemic Attack (TIA), and ensuring best practice for patients admitted suffering to hospital with a completed stroke significantly improves outcomes. This requires the careful co-ordination of medical, and sometimes surgical, treatment pathways.

How do we monitor and measure progress?

The Trust engages in the Sentinel Stroke National Audit Programme (SSNAP) run by the Royal College of Physicians. This programme monitors and benchmarks clinical performance and outcomes against a range of key targets including:

- Timely access to CT scanning in patients admitted to hospital with suspected stroke
- Direct admission (within 4hrs) to a stroke unit, following arrival at hospital
- Incidence of thrombolysis for appropriate stroke cases
- Key pathway metrics including timely assessment by Consultants, Physio and Occupational Therapists and access to Speech and Language Therapy Services.

How do we report progress in achieving this priority?

SSNAP reports more than 40 outcome and performance measures – which are grouped into 'Domains'; Trusts are assigned scores for each domain. SSNAP reports are issued quarterly, illustrating benchmarked performance for the service, and identifying areas for improvement.

What progress did we make in 2013/14?

More than 80% of Trusts, including Western Sussex Hospitals, are currently underperforming against the new SSNAP metrics. SSNAP gives Trusts a tool that can be used to pin-point the key areas in which improvements should be made for the best benefit of patients. The early SSNAP performance data suggests that both our hospital sites have made significant improvements during the last 12 months; in particular, we have worked with our Radiology department to improve the timeliness of access to brain scans and have increased the percentage of patients receiving stroke thrombolysis from 4-5% in 2012 to 10-12% last year (national average 11.3%).

Direct access to the stroke unit has also continued to improve year on year with changes in stroke awareness and stroke pathway redesign.

What are our goals for 2014/15?

We have set ourselves a number of specific goals for 2014/15. These are that:

- All CT scans for patients admitted to hospital with a likely diagnosis of acute stroke will be undertaken within 12 hours of admission and all patients that may benefit from stroke thrombolytic treatment will be scanned immediately and treated within 60 minutes of hospital arrival.
- All stroke patients will have a swallow screen within 4 hours of admission.
- At least 90% of stroke patients will be admitted to the stroke unit within 4 hours of arrival at hospital.

In collaboration with our Clinical Commissioning Group, we aim to implement an Early Supported Discharge (ESD) scheme for stroke patients back into their own homes. This type of scheme has been proven to improve patient outcomes.

We see over 60 % of our high risk TIA patients within 24 hours. Currently, the proportion of high risk TIA's seen within 24 hours is just below the national target (53.2% versus a target of 60%). By redesigning how these patients are assessed and treated we expect to meet the national standard.

Part 2: Priorities for improvement in 2014/15
Priority 2

Improving the hospital care of patients with dementia

Why is this important?
The prevalence of dementia is steadily increasing throughout the UK and the impact of this is greatest in areas with a very high elderly population - such as West Sussex. Although dementia is generally an inexorably progressive disorder, early identification and carefully targeted therapeutic intervention can slow the rate of progression and enhance the quality of life of patients.

As an acute trust provider, we play an important role in managing the increasing burden of dementia care in West Sussex. We screen for the early symptoms or signs of dementia in all of the elderly patients admitted with other another illness to our acute sites. We also ensure that all of our patients in whom dementia has been previously diagnosed, and who require hospital treatment because of other illnesses, are carefully and holistically managed, providing safe and dignified care at all times. This includes specific measures to best manage any cognitive and behavioural needs, in addition to treatment of the physical condition causing their admission. Dementia patients in hospital are likely to be disorientated and frightened and may only display their anxiety through their behaviour. For patients with dementia, dealing effectively and kindly with behavioural disturbance is of paramount importance to us – reducing the risk of both complications and prolonged hospital stay.

How do we monitor and measure progress?
As part of the government's national dementia CQUIN scheme, we screen all emergency admissions aged 75 years and over for recent onset memory impairment and, where the screen results are either positive or inconclusive, automatically alert their general practitioner that the patient needs further follow-up.

How do we report progress in achieving this priority?
Our performance against the national CQUIN[1] is reported throughout the organisation from ward to board level. In the coming year, the newly formed Dementia Steering Group, led by the Chief of Medicine and Director of Nursing and Patient Safety, will be key in reviewing all outputs relating to dementia care.

What progress did we make in 2013/14?
We have established the value of, and introduced, 'Knowing Me' documentation for patients with dementia. This standardised documentation highlights pertinent health needs, personal history, 'likes and dislikes', and other important patient information, and provides a tool for supporting dementia patients with appropriate and compassionate care at all times, as well as communicating effectively with their relatives and carers.

Optimal care for our patients with dementia also includes minimising and, if at all possible, avoiding unnecessary ward moves; and safely prescribing, as well as sometimes avoiding, particular drug treatments.

From a very low baseline, dementia screening has improved considerably, and we achieved the national target of ensuring 90% of emergency admission aged over 75 are screened for dementia throughout the final quarter of 2013/14 (quarter 4 = 91.1%; target 90% for three consecutive months). We also achieved our targets for the percentage of further investigations undertaken in patients with memory loss and for the percentage of patients referred for specialist care. In addition to launching the 'Knowing Me' project, we have also appointed our first Dementia Champion to support staff with new ways of caring for dementia patients, and established pilot designated dementia cohort areas in two of our elderly care wards.

What are our goals for 2014/15?
We have set ourselves a number of specific goals for 2014/15. These are:

- To meet the key target of screening at least 90% of patients aged 75 and over admitted as emergencies for symptoms and signs of dementia, and communicating the need for additional follow up to their GP's throughout the entire year 2014/15.
- To embed the use of the 'Knowing Me' documentation throughout the whole trust as assessed by repeated clinical audit measures, and to receive regular audit feedback from the carers and relatives of patients with dementia, to ensure that they feel supported and satisfied with the care provided.
- To evaluate the impact on care of dementia cohort areas within elderly care wards, reviewing their effectiveness in relation to length of stay, complications, and ward moves. Depending on the results of this review, we will consider whether this model, which has proved to be very successful in other trusts, needs to be continued and/or extended.
- To develop a dementia pathway that promotes a smooth transition from the acute setting to the community, and reduces discharge delays.
- To introduce a Sema Helix flag for dementia patients to reduce ward moves.

Our Dementia Nurse Champion will work closely with dementia volunteers to enhance the quality of our patients' experiences. This pilot will focus on activity and nutrition on the two dementia cohort area wards.

[1] Commissioning for Quality and Innovation

Part 2: Priorities for improvement in 2014/15
Priority 3

Reducing avoidable mortality and improving clinical outcomes

Why is this important?
About half of all deaths in the UK take place in hospital. The overwhelming majority of these deaths are unavoidable. The person dying has received the best possible treatment to try to save his or her life, or it has been agreed that further attempts at cure would be futile and the person receives palliative treatment.

We know, however, that in all healthcare systems things can and do go wrong. Healthcare is very complex and sometimes things that could be done for a patient are omitted or else errors are made which cause patients harm. Sometimes that means that patients die who might not have done had we done things differently. This is what we mean by 'avoidable mortality'. More often, if things go wrong with care, patients fail to achieve the optimal level of recovery or improvement. Obviously by concentrating on this we will end up with safer hospitals, save lives, and ensure the best possible clinical outcomes for patients.

How do we monitor it?
The usual way of comparing hospitals' mortality is to calculate standardised mortality rates. These are measures that try to make adjustments for how sick the patients going to a particular hospital are, the kind of treatments offered, the age of the patients and what their living conditions are like at home. This should allow comparison between hospitals seeing greater or lesser proportions of very sick or very elderly, or patients from more or less deprived areas within the national picture as a whole. After the adjustments to take account of all of the above, the results are reported as a ratio so that an average hospital would have a rate of 100. A rate greater than 100 suggests a higher than average standardised mortality rate and less than 100 a better than average rate.

There are different ways of calculating these standardised mortality rates, which can be very confusing. One measure, called the Hospital Standardised Mortality Ratio (HSMR), is published by an organisation called Dr Foster and has been widely used for some years. In 2011, the Department of Health introduced another measure called the Summary Hospital-level Mortality Indicator (SHMI). As indicated in our previous Quality Report, for 2013/14 we have been monitoring our performance using both the HSMR and SHMI.

Although standardised ratios are useful for comparing hospitals, for trying to reduce the overall death rate in a hospital we use simple month-by-month mortality rates. It is these that are monitored by the group that is leading our drive to reduce mortality rates.

How do we report on it?
The Dr Foster HSMR, SHMI, and crude mortality figures are reported to the Trust Board every month as part of a regular quality report. Senior clinical leaders also review the crude mortality numbers monthly.

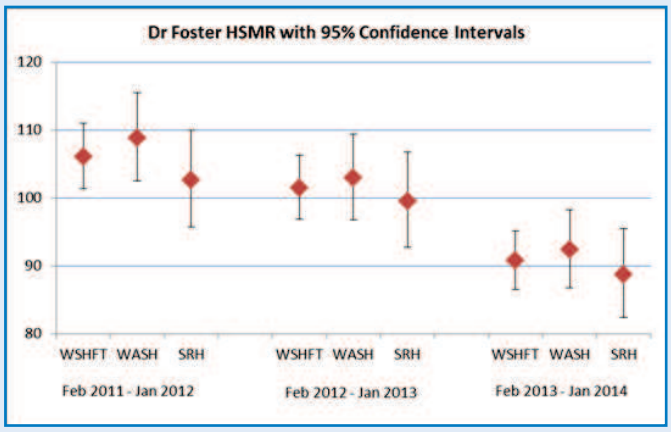
What progress did we make in 2013/14?
We set ourselves a goal in 2013/14 to maintain our Dr Foster HSMR at a level below 100, ie better than similar NHS Trusts, and reduce it further from our 2012/13 figure. We also aimed to reduce our SHMI score further in 2013/14.

We continued to seek further reductions in crude mortality in the specific conditions that we identified the year before, to ensure that the changes we made were truly embedded and that improvements in mortality were maintained. These conditions were:

- Pneumonia
- Chronic Obstructive Pulmonary Disease (COPD)
- Acute Kidney Injury
- Chronic Heart Failure

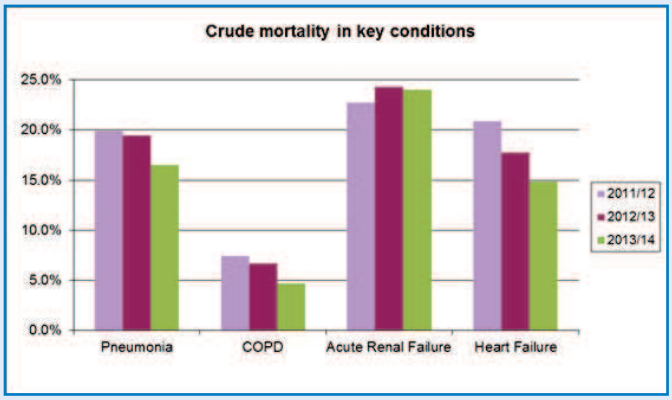
We have introduced 'care bundle' systems of care for patients with these conditions. Care bundles are small sets of evidence-based interventions which, when used together consistently by a single healthcare team, have been shown to significantly improve patient outcomes. We have also continued to deploy Patientrack, an advanced observation and assessment system that gives our nurses and doctors early warning if a sick patient's condition is deteriorating, and thereby helps early and effective intervention to get things back on course. Patientrack increases patient safety and we expect it to help in reducing avoidable mortality.

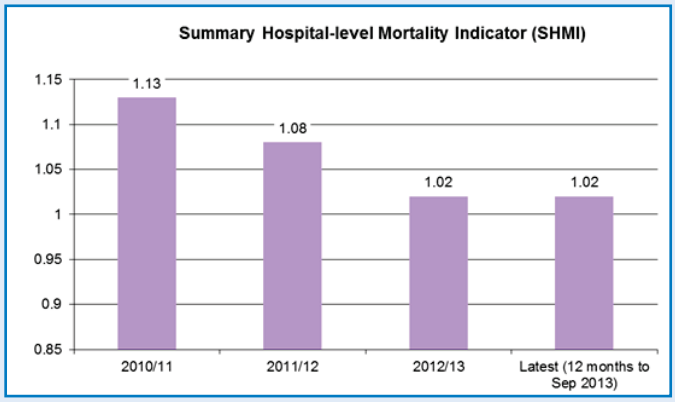
There is a two month delay with Dr Foster data (to allow for coding and processing of data) but our HSMR for the twelve months to January 2014, the latest figure available, was 90.8 compared to 101.5 for the same period last year and 106.1 for two years ago. (All figures are based on applying the most recent benchmark to ensure like for like comparison). We have therefore met our goal in 2013/14 to maintain our Dr Foster HSMR at a level below 100, ie better than similar NHS Trusts, and to reduce it further from our 2012/13 figure.



Part 2: Priorities for improvement in 2014/15
Priority 3 (continued)

The Summary Hospital-level Mortality Indicator (SHMI) was introduced in 2011. We also achieved our goal of reducing our SHMI score further over the last twelve months. The most recent data relating to the SHMI was published by the Health & Social Care Information Centre on 30th April 2014 (relating to October 2012 to September 2013) and gave the Trust a SHMI value of 1.02 (where 1.00 is the average for similar Trusts), a score classified as 'as expected' by the Health & Social Care Information Centre (the score for the preceding 12 month period was 1.06).





	2010/11	2011/12	2012/13	2013/14
Crude mortality	3.60%	3.30%	3.24%	3.22%
Pneumonia mortality	23.7%	20.0%	19.4%	16.5%
COPD mortality	8.3%	7.4%	6.7%	4.7%
Acute renal failure	33.6%	22.7%	24.3%	24.1%
Heart failure mortality	19.4%	20.9%	17.7%	14.9%

Crude mortality is measured in relation to non-elective activity only. In 2013/14 we planned to maintain our focus for a further year on reducing crude mortality in the specific conditions that we identified the year before (as listed above), to ensure that the changes we made previously were truly embedded and that the improvements in mortality that were emerging were maintained.

Despite an increasing complex and elderly patient casemix, overall the trust showed a continued improvement in crude non-elective mortality in 2013/14 (3.22% compared to 3.24% in 2012/13) and higher levels of 3.30% in 2011/12 and 3.60% in 2010/11).

We have seen further reductions in mortality for three of the four specific clinical conditions on which we maintained a focus. Mortality in patients with acute kidney injury has not reduced and this will be the focus of further work in 2014/15.

What is our goal for 2014/15?

In 2014/15, we wish to maintain our Dr Foster HSMR at a level below 100, ie better than similar NHS Trusts. We also aim to maintain or reduce further our SHMI score in 2014/15.

We will continue to seek further reductions in crude mortality and we will focus especially carefully on mortality in patients admitted with acute kidney injury.

A key element of our approach to reducing avoidable mortality and improving clinical outcomes is to get even better at recognising as early as possible when the condition of very unwell patients is deteriorating. As described above, Patientrack is an essential tool that is helping us to do this, but we will review how the system is being used and ensure that this and other interventions are applied systematically to maximise their benefits to patients. We will explore in the coming months the targets that can be set to provide meaningful information about our performance in early detection of clinical deterioration.

Part 2: Priorities for improvement in 2014/15
Priority 4: Infection Control

Why is this important?

Serious infections acquired by patients while they are in hospital became an increasingly recognised problem in the last 20 years or more. Increased use of antibiotics around the world has led to the development of bacteria that are resistant to antibiotics; the most well known of these is MRSA (Meticillin-resistant Staphylococcus Aureus). This organism is found not only in hospitals, but also in the community as a whole. In most people it causes no harm, but if their normal defences are weakened by other illness or injuries then the bacterium can get into their bodies and cause blood stream and other infections that are very serious and difficult to treat. In recent years, serious infections with MRSA have become less frequent through multiple different interventions. We screen all patients entering hospital for MRSA in their nose (the commonest place to find it) and for those who have it we prescribe decolonisation treatment. Good cleaning and good hand hygiene and other infection control practice on the part of staff, patients and visitors also help to reduce rates of infection.

Simply relying on new antibiotics to cure infections like MRSA and other drug resistant organisms is not enough, partly because soon the bacteria become resistant to the new antibiotics too but also because new antibiotics are not being developed. The emergence of multi-resistance in many different organisms is an increasing concern.

Another problem that has emerged and is associated with the widespread use of antibiotics is *C.difficile* associated diarrhoea. *C.difficile* is a bacterium that lives in the gut of a few healthy people alongside many other bacteria, and causes no problems at all. When antibiotics are prescribed, this may upset the relative proportions of bacteria in favour of *C.difficile*, enabling it to multiply. *C.difficile* produces a toxin that can cause diarrhoea which is occasionally severe. The organism or its spores (a dormant form of the bug which is extremely resistant to disinfection) may spread from person to person. That in itself may not immediately cause the next patient harm, but if that person then receives a course of antibiotics in the future, it may then precipitate *C.difficile* diarrhoea.

There are two main actions we use to prevent *C.difficile* diarrhoea. First, we have strict antibiotic prescribing policies to reduce the chances of it developing. Secondly, in order to prevent spread from one patient to another, we isolate patients who develop diarrhoea, and adopt particularly scrupulous hygiene measures when caring for these patients. All areas that have had patients with *C.difficile* diarrhoea are deep cleaned after the patient recovers.

From 2011/12, the Chief Executive has chaired the Root Cause Analysis meetings of hospital acquired *C.difficile* and MRSA bacteraemia cases.

Another area of increasingly recognised concern is post operative infection at the site of a surgical wound. This is known as Surgical Site Infection (SSI) and is an important cause of slow recovery or poor outcome. Whilst this is a concern in all types of surgery, over the last year we have been monitoring infections in Large Bowel surgery, Hip and Knee Replacement surgery and Breast surgery.

How do we monitor it?

We participate in several mandatory and non-mandatory national surveillance programmes. We count and report all cases of MRSA bacteraemia (where MRSA is found on blood sampling). Only those cases that develop the infection after 48 hours of admission are considered to be hospital acquired.

We also count and report all cases where *C.difficile* toxin is detected in stool samples. Those patients who are positive 72 hours after admission are considered to be hospital acquired cases.

Surgical patients who are operated on in the categories for which we are undertaking SSI surveillance are all monitored for signs of infection both during their initial admission and up to 30 days for bowel and breast surgery and one year for hip and knee surgery. These data are collated quarterly through the national programme.

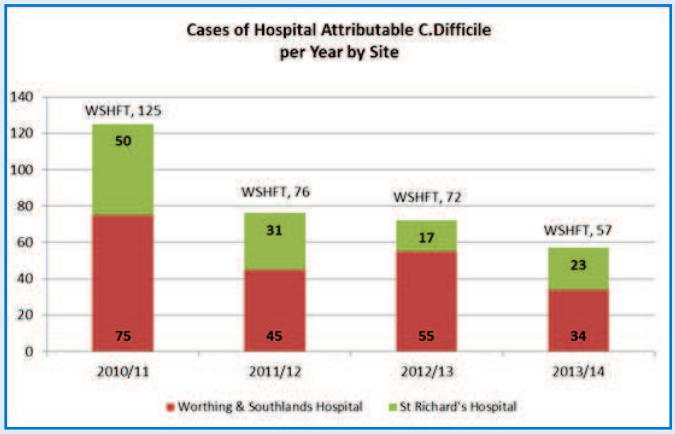
How do we report on it?

The numbers are reported each month to our public Board meeting. In addition, a full investigation is made into all MRSA bacteraemia and *C.difficile* cases and the results of the investigation reviewed at a meeting with the Chief Executive, Director of Nursing and Medical Director. This ensures that swift corrective action can take place, and the learning from each event is shared Trust-wide.

Part 2: Priorities for improvement in 2014/15
Priority 4: Infection Control **(continued)**

What progress did we make in 2013/14?
MRSA bacteraemias: We had four trust acquired cases of MRSA bacteraemia, one of which was considered avoidable resulting from contamination due to poor blood culture collection technique.

C.difficile: We had 57 trust acquired cases, 24 of which were considered avoidable, i.e. where lapses of clinical care were found at Root Cause Analysis meetings.



Surgical site infections (SSIs): to date, data have only been collated to the end of December 2013 (April – December 2013 reported below):

- Hip replacement SSIs: 1.2% (National rate (all infections): 1.2%)
- Knee replacement SSIs: 2.4% (National rate (all infections): 1.7%)
- Large Bowel Surgery SSIs: 16.6% (National rate (all infections): 12.3%)
- Breast Surgery SSIs: 4.8% (National rate (all infections): 4.5%)

What is our goal for 2014/15?
In 2014/15, we will maintain our continuous programme of measures to control and reduce hospital acquired infection, and investigate any cases using Root Cause Analysis. We have a 'zero tolerance' approach when applying and monitoring our infection control policy. The focus is moving away from MRSA toward the more recently recognised multi-resistant Gram negative bacteria. These are a global concern and whilst numbers in the UK are relatively low, they are increasing. For some of these bacteria, there are NO available antibiotics to treat what can be severe and rapidly life-threatening infections.

The limits we have been set this year for hospital acquired infection are zero avoidable cases of MRSA bacteraemia and 56 hospital acquired cases of *C.difficile.* NHS England guidance for 2014/15 (available at: http://www.england.nhs.uk/ourwork/patientsafety/associated-infections/clostridium-difficile/) requires all cases of *C.difficile* to be subject to a full local health economy root cause analysis and if the outcome of this review does not highlight any lapse of care, the case will not form part of the trajectory. Further to this we propose an internal 'stretch' target with a limit of 21 potentially avoidable cases (i.e. cases where we identify lapses in care).

Surgical site infections are receiving increasing media focus and the trust is aiming to improve on the current infection rates. Our programme is based on recently published NICE (National Institute for Health and Care Excellence) quality standards and requires a whole trust multi-disciplinary team approach.

Part 2: Statutory statements regarding Clinical Quality

Relevant Health Services and Income

During 2013/14 Western Sussex Hospitals NHS Foundation Trust provided and/or sub-contracted 102 relevant health services. The Western Sussex Hospitals NHS Foundation Trust has reviewed all the data available to them on the quality of care in all 102 of these relevant health services.

The income generated by the relevant health services reviewed in 2013/14 represents 100% of the total income generated from the provision of relevant health services by The Western Sussex Hospitals NHS Foundation Trust for 2013/14.

Participation in National Clinical Audits and National Confidential Enquiries

Clinical audit is the process by which clinical staff measures how well we perform certain tests and treatments against agreed standards and then develop plans for improvement. It is a key part of continuous quality improvement. Western Sussex Hospitals NHS Foundation Trust, like other NHS organisations, participates in national audits - where care across the country is assessed (and sometimes organisations are compared with each other) - as well as locally organised audits. The National Confidential Enquiries are similar but use in depth reviews of what occurred in order to develop new recommendations for better care of patients.

During 2013/14, 36 national clinical audits and four national confidential enquiries covered relevant health services that Western Sussex Hospitals NHS Foundation Trust provides.

The above national clinical audits and confidential enquiries are those listed by the National Clinical Audit Advisory Group and made available at the Department of Health website. They are shown in appendix 1.

During that period Western Sussex Hospitals NHS Foundation Trust participated in 94% national clinical audits and 100% national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Western Sussex Hospitals NHS Foundation Trust was eligible to participate in during 2013/14 are shown in Appendix 1. The national clinical audits and national confidential enquiries that Western Sussex Hospitals NHS Foundation Trust participated in during 2013/14 are shown in Appendix 1.

The national clinical audits and national confidential enquiries that Western Sussex Hospitals NHS Foundation Trust participated in, and for which data collection was completed during 2013/14, are listed below in Appendix 1 alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

The reports of 24 national clinical audits were reviewed by the provider in 2013/14 and Western Sussex Hospitals NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

Reports of National Clinical Audits are disseminated to the Trust's Clinical Divisions for their actions. Main points of action for national clinical audits listed by the National Clinical Audit Advisory Group are shown in appendix 2.

The reports of 114 local clinical audits were reviewed by the provider in 2013/14 and Western Sussex Hospitals NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

Reports of local clinical audits are disseminated to the Trust's Clinical Divisions for their actions. Main points of action for a sample of local clinical audits are shown in appendix 3.

Research as a driver for improving the quality of care and patient experience

The number of patients receiving NHS services provided or sub contracted by Western Sussex Hospitals NHS Foundation Trust in 2013/14 that were recruited during that period to participate in research approved by a research ethics committee was 613.

Participation in clinical research demonstrates the commitment of Western Sussex Hospitals NHS Foundation Trust (WSHFT) to improving the quality of care it offers and to making its contribution to wider health improvement. A balanced portfolio of research studies supports excellent clinical care in a research rich environment. Our strategic aim is to facilitate patients being offered new choices to participate in the development of novel treatments, with the support of their clinicians. Through their participation, patients gain earlier access to new treatments and the potential benefits that these bring.

The Trust continues to be a very active contributor to the national research effort as a member of National Institute for Health Research (NIHR) research networks, including the Surrey & Sussex Comprehensive Local Research Network (SSCLRN), two cancer research networks and several other topic-specific research networks. During the last year, our links with the topic-specific networks have strengthened. 99% of our clinical trials are part of the NIHR portfolio. We continued to work closely with the SSCLRN Industry & Portfolio Managers and with our existing industry contacts to identify research studies that would benefit our patients. This year, 10% of our research portfolio has been supported by industry.

The trust has very well developed arrangements for supporting multi-centre research, with a team of experienced clinical trials nurses and strong management. Our strength in research management and governance is reflected by the trust continuing to lead the Sussex NHS Research Consortium. During

Part 2: Statutory statements regarding Clinical Quality (continued)

2013/2014, the Consortium has continued to support a number of NHS organisations in Surrey and Sussex by providing a high quality research governance service; managing on their behalf the assessment of studies to determine their compliance with regulatory frameworks; issuing approvals for studies to start and overseeing amendments to protocols; and then monitoring studies once open.

In 2013/2014 WSHFT was involved in conducting 187 clinical research studies in a broad range of specialties. Of these, 93 studies were open to recruitment of patients and 94 were closed to recruitment but were continuing to follow up patients previously recruited. During 2013/14, 1642 patients were seen as part of study follow-up. The trust supported a large number of studies in cancer, cardiology, critical care and obstetrics & reproductive health. We also achieved our aim of increasing the numbers of research studies in stroke care, paediatrics, dermatology and rheumatology, as well as opening studies in elderly care, diabetes and urology.

We have established good links with local universities through specific project collaborations. Our Senior Research Fellow is a Visiting Fellow to the University of Brighton and contributes to university-based teaching. In the next year, we expect to increase our engagement with region-wide research specialty groups, offering opportunities to collaborate with clinicians and researchers across Surrey and Sussex to form stronger research groupings.

During 2013/14, 79 clinical staff were Principal Investigators for clinical research studies. Our clinical trials nurses have remained at the centre of the support we provide to our investigators, undertaking much of the research-related patient care and trial administration.

Our traditional strengths in research lie in clinical specialties such as cancer and cardiology. However, the number of specialties supporting important clinical trials has increased. In particular, we are making significant progress in studies in stroke, paediatrics (medicines for children), reproductive health, and dermatology.

Incentives for Improved Quality

A proportion of Western Sussex Hospitals NHS Foundation Trust income in 2013/14 was conditional on achieving quality improvement and innovation goals agreed between Western Sussex Hospitals NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation (CQUIN) payment framework. Further details of the agreed goals for 2013/14 and for the following 12 month period are available electronically at: http://www.westernsussexhospitals.nhs.uk/about-us/standards/

The income dependent on achieving Commissioning for Quality and Innovation and associated payments are shown below:

	2012/13	2013/14
Total income dependent on CQUIN	£7,539,884	£7,692,183
Associated payment	£7,539,884	£7,692,183

External Regulation

Western Sussex Hospitals NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is “registered without conditions”. The Care Quality Commission has not taken enforcement action against Western Sussex Hospitals NHS Foundation Trust during 2013/14.

Western Sussex Hospitals NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during 2013/14.

In May 2013, the Sexual Health Service had an unannounced visit from CQC and was found to be fully compliant on all of the outcomes assessed.

In December 2013, A&E at Worthing Hospital received an unannounced visit from the CQC, focussing on our orthopaedic pathway. Although there were minor issues identified related to activities for long stay patients and the challenges of providing care for CAMHS[3] patients on the paediatric ward, the hospital was found to be fully compliant and the care provided to frail, elderly people on the pathway was commended. The site was found to be clean, with positive feedback from patients, relatives and staff.

In January 2014 there was an unannounced visit from the CQC to St Richard’s Hospital. The inspection focussed on the care and welfare of patients with dementia. The CQC witnessed kind and compassionate care and found that overall patients were treated with privacy and dignity, with one ward highlighted as an area of excellent care. Some inconsistent practice meant that non-compliance was identified in the completion of the ‘Knowing Me’ documentation. Action has been taken by the Trust in relation to this finding and there is now weekly audit of the ‘Knowing Me’ documentation to ensure that compliance improves.

During a planned inspection by the Mental Health Act Commissioner in January to assess compliance with the Mental Health Act (1983) requirements, there was particular focus on detention of patients. The Trust had formally engaged with Sussex Partnership Trust to provide support in delivering compliance with the act. The CQC was very positive about the work that the Trust had undertaken, and on the systems and processes which had been implemented to deliver compliance. All detentions were found to have been lawful and there were some recommendations

3 Child and Adolescent Mental Health Service

Statutory statements regarding Clinical Quality (continued)

for improvement related to training and communication. An action plan has been formulated to address these.

Data quality

The data (numbers) with which we work need to be accurate in order for us to plan and deliver the best possible care to our patients. These data are subject to a number of forms of independent review.

Western Sussex Hospitals NHS Foundation Trust submitted records during 2013/14 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records[4] in the published data:

- which included the patient's valid NHS number was:

99.7% for admitted patient care;
99.9% for out patient care; and
98.1% for accident and emergency care

- which included the patient's valid General Medical Practice Code was:

100.0% for admitted patient care;
100.0% for out patient care; and
100.0% for accident and emergency care.

Western Sussex Hospitals NHS Foundation Trust's Information Governance Assessment Report overall score for 2013/14 was 74% and was graded red[5].

Western Sussex Hospitals NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2013/14 by the Audit Commission. However, the trust has undertaken a regular cycle of audits throughout the year, performed by an approved auditor, which fulfils the coding audit requirement of the Information Governance (IG) Toolkit. Overall, the trust achieved a Level 2 IG Toolkit score on its clinical coding audits. Error rates for the trust's clinical coding audits for 2013/14 for diagnoses and treatment coding (clinical coding) were:

Primary diagnoses incorrectly coded: 10.5%
Secondary diagnoses incorrectly coded: 5.6%
Primary procedures incorrectly coded: 17.2%
Secondary procedures incorrectly coded: 8.5%

These results should not be extrapolated further than the actual sample audited[6].

The topics and services reviewed within the sample were:

Site specific deceased episodes (incorporating all specialties)
Site specific fractured neck of femur episodes
Site specific chronic obstructive pulmonary disease (COPD) episodes
Site specific myocardial infarction episodes

Western Sussex Hospitals NHS Foundation Trust will be taking the following actions to improve data quality:

1. Continue to undertake checks to ensure that improvements to patient case notes are maintained.
2. Continue to drive up the use of electronic discharge summaries (which has already risen to over 90% of all summaries). The process for the production and monitoring of discharge summaries will continue to be developed. This will include the introduction of a link to the trust's Electronic Prescribing and Medicines Administration solution to provide a direct link for 'to take home drugs'. Including discharge summaries and outpatient letters, the trust is now sending out over forty two thousand items of electronic correspondence each month.
3. Continue to build on work already completed with our training provider and further extend the internal audit programme.
4. Continue to provide data quality workshops, targeting services where problems are identified through audits and spot checks.

These actions will build on the progress made during 2013/14 to enhance data quality. Progress made during 2013/14 is described later in this report.

4 Information for April 2013 to February 2014 as accessed on 17 April 2014.

5 Of the 45 toolkit requirements, WSHFT scored 2 or higher on 44 but have been graded as level 1 on requirement 604 in relation to the audit of corporate records. Failure to score a minimum of level 2 on any requirement automatically results in a grading of red. There is a comprehensive work plan in place and the trust is confident that this requirement will be met ahead of the mid-term review in October.

6 Audits were conducted monthly, each with an average of 20 sets of patient case notes.

Statutory statements regarding Clinical Quality (continued)

Core Quality Indicators

The following core quality indicators are relevant to Western Sussex Hospitals NHS Foundation Trust. They relate to the NHS Outcomes Framework. For each indicator[7], data for 2013/14 and previous years, and data to allow comparison with national averages, are provided in the tables.

Summary Hospital-level Mortality Indicator (SHMI)

The Western Sussex Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: Mortality rates over the past 12 months have been around the national average, and within the expected range. The mortality rate has steadily reduced for the last two years.

The Western Sussex Hospitals NHS Foundation Trust intends to take the following actions to improve this number, and so the quality of its services, by: (a) maintaining monthly reporting of mortality statistics to Divisions and the Board; (b) continuing to focus on the implementation of care pathways in key mortality areas; and (c) strengthening arrangements for identifying and treating patients who deteriorate suddenly.

	Oct 2010 to Sep 2011	Oct 2011 to Sep 2012	Oct 2012 to Sep 2013	National average (range)*
SHMI	1.10 (as expected)	1.06 (as expected)	1.02 (as expected)	1.00 (0.63 to 1.19)
Percentage of patient deaths palliative care coded at either diagnosis of specialty level	25.6%	13.5%	19.0%	21.3% (0.0 % to 44.9%)

*National average is based on October 2012 to September 2013.

Patient Reported Outcome Measures

The Western Sussex Hospitals NHS Foundation Trust considers that the outcome scores are as described for the following reasons: These data, which are based on quality of life measures[8], show that our treatments are effective in improving the health of our patients.

The Western Sussex Hospitals NHS Foundation Trust intends to take the following actions to improve these outcome scores, and so the quality of its services, by: (a) ensuring regular feedback of PROMs data to clinical teams; and (b) working with commissioners to ensure that treatments are offered to those groups of patients most likely to benefit from the particular treatment.

Patient Reported Outcome Measures	Apr 2011 to Mar 2012 (finalised)	Apr 2012 to Mar 2013 (provisional data*)	Apr 2013 to Dec 2013 (provisional data*)	National average (range)**
Groin hernia surgery: EQ 5D Index (casemix adjusted health gain)	0.099	0.075	0.058	0.086 (0.013 to 0.158)
Hip replacement (primary): EQ 5D Index (casemix adjusted health gain)	0.387	0.434	0.460	0.439 (0.301 to 0.527)
Knee replacement (primary): EQ 5D Index (casemix adjusted health gain)	0.292	0.320	0.305	0.330 (0.193 to 0.416)

* Provisional data relates to the May 2014 publications by the HSCIC.

**National average based on April 2013 to December 2013 (provisional data).

WSHFT does not carry out sufficient numbers of varicose vein procedures to be included in PROMS data.

28 day readmissions

The Western Sussex Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: While the Trust works hard to plan discharges appropriately, in some instances readmissions still occur. The rate of readmissions is in line with peers.

The Western Sussex Hospitals NHS Foundation Trust intends to take/has taken the following actions to improve this rate, and so the quality of its services: by continuing to work closely with commissioners and other health organisations to identify patients at risk of readmission and putting in place services to prevent them requiring further immediate hospital care. In particular we will identify those cases where readmissions could have been prevented by organising care differently and make the appropriate changes to reduce the level of readmissions.

7 Definitions for each of the core quality indicators are available on the Health and Social Care Information Centre website, see: https://indicators.ic.nhs.uk/webview/

8 All NHS patients having certain types of surgery are invited to fill in questionnaires about their health and quality of life before and after their operation.

Statutory statements regarding Clinical Quality (continued)

28 day readmissions	2010/11	2011/12 [9]	National average for large acute hospital (range)*
Patients 0 to 15 readmitted to a hospital which forms part of the trust within 28 days of being discharged	10.76% (as expected)	11.72% (higher than expected)	10.02% (6.40% to 14.94%)
Patients 16 and over readmitted to a hospital which forms part of the trust within 28 days of being discharged	10.45% (lower than expected)	11.36% (as expected)	11.44% (9.34% to 13.80%)

These figures are based on the indirectly age, sex, method of admission, diagnosis and procedure standardised percentages produced by the Health and Social Care Information Centre.

*National average based on 2011/12 data.

Responsiveness to patient needs

The Western Sussex Hospitals NHS Foundation Trust considers that this data is as described for the following reasons: the Trust's involvement in Care and Compassion Reviews has ensured responsiveness to the personal needs of patients in line with its peers.

The Western Sussex Hospitals NHS Foundation Trust intends to take the following actions to improve this data, and so the quality of its services, by: (a) using results from real time patient experience tracking to constantly identify areas for improvement; and (b) identifying areas for further improvement from the care and compassion peer review programme.

Responsiveness to patient needs	2010	2011	2012	2013 (based on local data)	National average (range)*
Responsiveness to the personal needs of patients	67.3	64.4	65.7	68.4	68.1 (57.4 to 84.4)

* National average based on 2012.

Proportion of staff who would recommend the Trust to Friends and Family

The Western Sussex Hospitals NHS Foundation Trust considers that this percentage is as described for the following reasons: an increasing proportion of staff is positive about the overall quality of the services and care offered by the trust.

The Western Sussex Hospitals NHS Foundation Trust intends to take/has taken the following actions to improve this percentage, and so the quality of its services, by: using regular feedback opportunities to capture staff views about how we can improve. We have also reviewed staffing ratios, particularly in ward areas and have improved our staff engagement (including communications) such that staff feel more able to contribute to, and be aware of, service improvements.

	2011	2012	2013	National average: Acute Trusts (range)
Percentage of staff who would recommend the Trust as a provider of care to their friends or family	65%	64%	73%	66% (40% to 94%)*

*National average relates to 2013.

Venous Thromboembolism (VTE) Risk Assessments

The Western Sussex Hospitals NHS Foundation Trust considers that this percentage is as described for the following reasons: The trust has focused on this area and made good progress on embedding it into normal practice with a sustained increase in the proportion of patients screened.

The Western Sussex Hospitals NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services, by: (a) a continued focus in this area; and (b) an increased emphasis on improving outcomes such as reducing rates of harm from VTE.

	2011/12	2012/13	2013/14 (to Jan)	National average*
Percentage of patients admitted to hospital who were risk assessed for venous thromboembolism	91.3%	93.4%	96.1%	95.8%*

* National average based on October 2013 to December 2013. The link provided by the HSCIC is no longer valid. The data above are taken from the NHS England website (accessed 11 April 2014).

[9] 2011/12 data is the most recent available nationally from the Health and Social Care Information Centre (HSCIC).

Statutory statements regarding Clinical Quality (continued)

C.difficile

The Western Sussex Hospitals NHS Foundation Trust Considers that this rate is as described for the following reasons: A relentless and constant focus is required to minimise the level of *C.difficile* infection. Particular challenges include the need for antibiotic usage in a frail and ill patient population and balancing this with the risk of causing *C.difficile* disease.

The Western Sussex Hospitals NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services, by: (a) enhancements to our antibiotic prescribing policies; (b) heightened environmental cleaning; and (c) targeted review of the patient pathway for these patients.

	2010/11	2011/12	2012/13	2013/14	National average (range)*
Number of *C.difficile* cases (patients aged 2 or over)	125	76	72	57	NA
Rate of *C.difficile* per 100,000 bed days (patients aged 2 or over)	37.8	24.4	23.7	19.1**	17.3 (0 to 29.3)

*National average based on 2012/13

** 2013/14 based on local data

Patient Safety Incidents

The Western Sussex Hospitals NHS Foundation Trust considers that this number and/or rate is as described for the following reasons: The Trust is a high reporter of patient safety incidents in the South East Coast Region for large acute Trusts, signifying a positive reporting culture for learning and improving from when things have gone wrong, with effective systems in place to minimise the risks of significant harm to patients.

The Western Sussex Hospitals NHS Foundation Trust intends to take the following actions to improve this number and/or rate, and so the quality of its services, by: The Trust will continue to promote the reporting of patient safety incidents across the organisation in order to learn and improve. Themes, trends and learning from incidents will continue to be discussed and analysed through a variety of forums including the divisional clinical governance sessions, Triangulation Group, the Trust Brief newsletter and Divisional Governance Reviews.

	Apr 2011 to Sep 2011	Oct 2011 to Mar 2012	Apr 2012 to Sep 2012	Oct 2012 to Mar 2013	National average (range) *
Number of patient safety incidents	3935	3478	3996	4097	NA
Rate of patient safety incidents per 100 admissions	6.5	5.8	6.5	6.7	5.8 (0 to 13.6)
Number of patient safety incidents resulting in severe harm or death	8	2	3	6	NA
Percentage of severe harm or death incidents as a percentage of the total incidents	0.2%	0.1%	0.1%	0.1%	No data

*Based on all 'Large Acute' organisations for October 2012 to March 2013.

There is a discrepancy between the data required by statute for this indicator (which requires the rate of severe harm or death to be reported as a percentage of the total incidents) and the form this data is reported by the HSCIC. The above table reports the former.

Part 3: How have we done?

We have succeeded in the past year in driving up quality in a number of key areas. The progress we have made in last year's priority areas of infection control and reducing avoidable mortality are described in part 2 of this Quality Report. These remain important priorities for us this year.

Our work relating to the three other quality improvement priorities that we set out in last year's quality report is described below.

Improvement priorities from previous quality report

Developing a culture that promotes patient safety

There are many millions of interactions between multidisciplinary clinicians and patients every year, with generally good results. But in discussion with their patients, clinicians often have to balance the expected benefits of a treatment with its potential to do some harm, such as unwanted drug side effects. Some risks can be substantially reduced by activities aimed specifically at improving patient safety.

We already have a strong culture of patient safety. For example, during 2012/13, we were awarded Level 2 compliance with general standards for safety set by the NHS Litigation Authority (NHSLA) and were awarded level 3 with a special set of standards called CNST (Clinical Negligence Scheme for Trusts) for maternity care. This was a great achievement, not only to be one of the few maternity services in England to have achieved such high standards of patient safety, but to achieve it with a massive score of 49 out of 50. The external assessors were particularly impressed with the level of staff engagement in reaching the standards; with our maternity notes; and our on line training for all clinicians working within maternity services. These levels of award demonstrate that our patient safety policies and principles have been effectively embedded into practice and that we have appropriate processes for managing and minimising risk.

We know, however, that the very highest standards can only be attained if safety is embedded in the culture of our organisation – in the values, attitudes and behaviours of all our staff. We have always promoted a culture that values the importance of patient safety, partly through a continuous, open and constructive dialogue with all our staff, and by responding positively to their feedback.

Last year, we had planned to try measuring safety culture in several clinical services using a survey tool such as the Safety Attitudes Questionnaire. This approach aims to measure staff attitudes to: teamwork climate; safety climate; perceptions of management; job satisfaction; working conditions; and stress recognition. Although the use of these survey tools is in its infancy, we thought it might provide helpful information about interventions that could further strengthen our safety culture. Our annual staff survey assesses staff perceptions in a number of ways, many of which are similar to the areas addressed by safety culture questionnaires. On further consideration and discussion, it became clear that our staff had already identified a number of important developments in the pharmacy and operating theatre departments, which would lead to an enhanced safety culture. These improvements, described below, were therefore given priority and we decided not to proceed with additional surveys in case these proved a distraction.

In pharmacy, we have developed a medication error assessment tool and an associated policy for managing staff involved in medication errors. Fully tailored root-cause analysis tools are used to investigate errors that can occur in specified complex medication regimens, such as those associated with oral chemotherapy. Prescribing competency assessments have been introduced for the most junior (F1) doctors when they join our hospital teams, and additional pharmacy continuing professional development (CPD) sessions have been made available for other staff. In 2013/14, we will extend even further the training and testing of junior and senior staff who prescribe drugs, and this will be supplemented by the use of a region-wide comprehensive e-learning programme for medicines. The pharmacy department is also exploring the possibility of undertaking a review of safety culture amongst junior (F1) doctors.

Our surgical division has implemented a programme of patient safety initiatives and targeted events aimed specifically at the operating theatre departments. This has included establishing a Theatre Patient Safety Group; improving management structures; and introducing the 'productive operating methodology'. This proven methodology is an approach created and supported by the NHS Institute for Innovation and Improvement to deliver significant improvements in safety, efficiency and patient care through cultural change and by enabling front line theatre teams to transform the way they work. The operating theatre departments have been inspected through a series of unannounced external reviews. The initial visits of the review team observed safety processes in conjunction with conversations and meetings with staff. The final visit was in December 2013 and the review team reported that between their four visits significant work had been undertaken ; that a positive commitment exists to patient safety; and that there had been a further strengthening of a culture of patient safety.

We believe the arrangements now in place will ensure that improvements made in operating theatre safety over the last two years will be maintained, ensuring that the risk of error is always minimised. For example, we will continuously monitor adherence to the WHO safe surgical checklist with direct feedback to teams of any areas of concern.

We pride ourselves in providing the highest quality of care for all our patients, and the frail and elderly are the vast majority of our emergency admissions.

One of the NHS staff pledges is to engage staff in decisions that

Part 3: How have we done? (continued)

affect them and the services they provide, and empower them to put forward ways to deliver better and safer services. We are particularly pleased that our staff survey in 2013 indicates increased scores from the previous year to staff reporting good communication between senior management and staff, and the percentage of staff reporting being able to contribute to making improvements at work. The staff survey also shows an increase from the previous year in the proportion of staff who would recommend the trust as a place to work or to receive treatment, placing us above the national average for this question. These are all important indicators of the organisation's culture, including its approach to patient safety.

Care, compassion and communication

In our Trust Vision, we have told patients "we care about you". This core value is reflected in a strategic objective to ensure that all patients are treated with care and compassion, by all staff, and at all times. We have promised patients that:
We will embed a culture of customer focus throughout the Trust to ensure that we treat patients with kindness, dignity and respect. This will be evidenced through improvements in our patient survey and in real-time feedback from patients and carers.

The National Inpatient Survey conducted on behalf of the Care Quality Commission (CQC) provides a detailed picture of how patients view us on a number of dimensions, and includes measures that relate strongly to the care and compassion shown by individual staff and by the organisation as a whole.

The National Inpatient Survey is a snap-shot at one point in time, the results of which are reviewed by the Trust's Quality Board and reported to the Trust Board. To supplement this information, we also scrutinise all patient complaints and enquiries made through our Patient Advice and Liaison Service (PALS), and use our Real Time Patient Experience programme of surveys to obtain continuous and up-to-date knowledge of how our patients view the way we are treating them. Results are reported to the Trust Board in a monthly quality report and our clinical divisions use the data to identify areas of concern, take forward improvement measures, and monitor improvements. Progress is also reported through our divisional quarterly governance reviews and discussed with our Stakeholder Forum Group.

This year has seen the launch of the Government's Friends and Family Test. The A&E Department and adult inpatient wards collected feedback throughout the year and the maternity department commenced in October. We now receive feedback from around 30% (over 2500 responses) of all adult inpatients and A&E attenders, allowing us to learn about their experiences. National guidance details how this question will be scored nationally as follows: The proportion of respondents who would be extremely likely to recommend MINUS the proportion of respondents who would not recommend. This results in scores with a possible range of -100 to 100. There is also the opportunity for patients to give qualitative feedback explaining their response. Our scores are well above the national average for A&E and in line with national average for inpatient wards. Whilst it is early days for maternity, response rates are growing and have been very positive.

The findings from the 2013 National Inpatient Survey for Western Sussex Hospitals NHS Trust have been published by the Care Quality Commission (CQC). The survey asked the views of adults who had stayed overnight as an inpatient in August 2013. Our inpatients were asked what they thought about different aspects of the care and treatment they received during their stay in our hospitals.

One of the questions in the survey asks patients to report on their overall experience and the response of our patients places us in the top 20% of all Trusts nationally[10]. We are pleased that the survey continues to show that most of our patients feel that they have been treated with dignity and respect. Our score for this part of the survey has increased in each of the last two years and now places us in the top 20% for all Trusts nationally, a goal we set ourselves for this year. For the second consecutive year, there has also been an increase in the number of people in the survey who reported that they had been asked about the quality of service they had received as a patient, again placing us in the top 20% of all Trusts nationally.

The survey results also demonstrated that our nurses are taking care to ensure that patients get answers to their questions; that patients have confidence and trust in their nurses; and that patients could talk to staff about their worries and fears, receiving enough emotional support. In all these areas, the responses to survey questions placed us with the highest performing Trusts nationally.

In a number of other important practical ways, such as reducing the number of occasions when patients share sleeping areas with patients of the opposite sex, sharing of shower or bath facilities with patients of the opposite sex, and being given enough privacy when discussing their condition, the survey also shows that we have maintained our strong position. Although these results are very encouraging, we will strive continually for improvements so that every individual patient who comes through our doors feels that they have been treated with kindness and respect, by all staff and at all times.

In 2012, the National Inpatient Survey indicated that too many of our patients hadn't received enough help to eat their meals. Working with our hospitals voluntary service, we introduced a 'Dining Companions' scheme with the expectation that we would see a significant improvement in this aspect of our patients' experiences when reported in future surveys. We met our goal

10 Our ratings from the National Inpatient Survey were based on the responses of 474 patients who had at least one overnight stay at St Richard's or Worthing Hospitals and were discharged in August 2013

Part 3: How have we done? (continued)

for 2013/14 by achieving a substantial increase from last year, to a score of 75%, with only 3% of all patients reporting that they hadn't received enough help.

We also set ourselves some very specific goals about giving patients clear information on what to expect and do after leaving hospital, and about letters between hospital doctors and family doctors being written in a way that is more easily understood by patients. Our goals were to increase our scores by at least 10% in the next National Inpatient Survey for three questions:

i) before you left hospital, were you given any written or printed information about what you should or should not do after leaving hospital? (Scores: 2012 = 6.0, 2013 = 6.2)
ii) did hospital staff tell you who to contact if you were worried about your condition or treatment after you left hospital?(Scores: 2012 = 7.1, 2013 = 7.5)
iii) If you received copies of letters sent between hospital doctors and your family doctor (GP), were these written in a way that you could understand? (Scores: 2012 = 8.2, 2013 = 8.4)

In all cases, we achieved modest increases to our scores for these questions. We know we have more to do to improve the information we give to patients when they are discharged from hospital, and we have plans to do this during the coming year.

Our Real Time Patient Experience (RTPE) system enables us to undertake much more frequent surveys of how patients feel about their experiences and in more detail than is provided by the friends and family test. From April 2013 to March 2014, 5572 surveys have been completed by patients in many different areas, including inpatient wards, Accident & Emergency Departments, Outpatient Departments, children's services and maternity. For 2013/14, on average around 430 patients were surveyed every month on our wards. The results from surveys are being used at all levels of the organisation to monitor performance and identify areas for improvement.

There are five broad measures for which we set goals for improvement through the year: hospital environment, assistance, compassion, communication and overall experience. These were monitored by the Trust board through the quality scorecard each month and it is noteworthy that we achieved our targets for improvement in all five measures

Our plan for improvement in 2013/14 was developed in partnership with our stakeholder forum. The principal themes for 2013/14 were: nutritional support; information on discharge; and communication throughout the patient pathway. The introduction of dining companions alongside continuing efforts to embed protected mealtimes and the red tray and red mug schemes has led to an improvement in our national survey results as described above, with real-time survey satisfaction remaining above 90%. Whilst the real-time surveys do not include a question relating specifically to discharge information the overall scores for information and communication for the past year have improved to 78% (from 76% in 2012).
We aimed for an improvement in 2013/14 to the number of patients who report through our RTPE programme that we have protected their privacy, setting ourselves a target of at least 90% of patients rating us as good or excellent. Whilst responses in the national in-patient survey showed 91% satisfaction (compared to 88% in 2012), our real-time survey data suggested only 79% of patients rating us good or excellent compared to 78% for the same period in 2012/13. Whilst this shows that there is still work to do in this area, overall satisfaction for compassionate care, as assessed by real-time surveys, remains very high (90% in 2013/14 and 89% in 2012/13).

The Trust participates very actively in a peer review Care & Compassion programme (also called 'Sit and See'). This involves staff and volunteers who have received training in use of the tool visiting ward areas and observing patient-visitor and staff interactions, scoring every interaction as either positive, passive or poor. Internal reviews have been conducted each quarter across a number of adult inpatient areas with an external peer review in October. Scores for compassion in general care and patient visitor engagement have been reported through the quality scorecard with an overall score in both areas being 83% for the year. The external review was conducted across 18 inpatient wards with scores for general care being 88.1 % and patient visitor engagement being 83.9%. In addition, members from the Patient Association conducted a series of observations using the tool in both our A&E departments. This was conducted out of hours in November and December and provided very positive feedback. There are plans for the coming year to embed training in the use of this tool in staff development programmes and to continue with regular observations, extending to out-patients and theatre departments.

We also took forward the vision and strategy for nursing, midwifery and care staff called 'Compassion in Practice' to promote even stronger values of care, compassion, competence, communication, courage and commitment amongst all our staff.

Improving clinical records and clinical coding

Maintaining good clinical records is important for the safety of our patients. Patients are often transferred between teams and wards whilst in hospital and it is essential that notes about their condition and treatments are recorded carefully so that clinical staff know what has already occurred. It is also important that clinicians have a good record of any previous episodes of hospital care.

In 2012/13, we established and implemented a new style of clinical records, using a format recommended as best practice by the Royal College of Physicians. The use of this new format of records is now standard practice throughout the trust.
One of the key indicators we use to determine the quality of clinical records is whether or not it is clear who has made important entries. We have re-audited samples of clinical records in 2013/14 to assess how well they are being maintained. The

Part 3: How have we done? (continued)

audit showed that 90% of entries were signed, though only 66% recorded a legible printed name. We are pleased that this is an improvement from the previous year when 60% of entries showed a legible printed name, though we did not achieve the very challenging target that we had set for records showing a printed name. Although it would usually be possible to identify the author of an entry from a signature alone, we still need to do more to encourage the better practice of recording a printed name alongside the signature. We will re-audit entries to clinical records again in 2014/15.

Every time a patient is admitted to hospital, the diagnoses that are made of their condition and any procedures they receive are described in the clinical record and then coded. This coding enables important analyses to be undertaken that help us understand trends in our activity and performance. Coded and anonymised data is also used by external organisations, such as Dr Foster and the Care Quality Commission, to monitor how well we are doing in treating different groups of patients, and by our commissioners.

The accuracy of our clinical coding is assessed internally through audit studies and, in some years, externally by the Audit Commission as part of a Payment by Results audit. The results of our most recent audits are described earlier in this report (see 'Data Quality' in Part 2 of the report).

In our last quality report, we described a number of actions aimed at improving the accuracy of our clinical coding and we have made good progress with these:

- Training and awareness initiatives were undertaken to increase the use of electronic discharge summaries.
- Annual assessments were introduced for clinical coders with most coders scoring highly and extra support being given where required in the form of additional training, monitoring and audit of individuals' practice.
- Seven data quality audits/spot checks were completed and a further 11 data quality workshops held with staff in areas where problems had been identified.
- A Data Quality Leaflet was produced and distributed to reception areas to help staff understand the importance of data quality and to describe best practice.
- Senior clinical coders have been involved in audits of case notes arranged by the clinical audit team, thereby ensuring shared learning.
- Exception reports that provide early identification of coding problems are now embedded as part of the normal work flow.

Overview of quality of care based on performance indicators

As well as working to address our goals for the quality improvement priorities set out in last year's Quality Report, we continue to strive to improve our performance in other ways. Below, we provide an overview of the quality of care that we provide in terms of our performance against a range of important local quality indicators and relevant indicators set out by Monitor's Risk Assessment Framework.

Local Quality Indicators – Clinical Effectiveness, Patient Safety, and Patient Experience

The following indicators are drawn from the Trust Quality Scorecard which is reviewed by the Trust Board each month. They relate to the three domains of quality: patient safety, clinical effectiveness, and patient experience. Quality indicators reported to the board are selected to provide a comprehensive picture of clinical quality in areas identified through our clinical quality strategy and the priorities for quality improvement set out in our quality reports. We consult with external stakeholders and patient representatives, as well as our own staff, about quality, ensuring that a broad range of interests are reflected in the planning of quality developments and reporting of quality indicators.

Where available, in the following tables, we provide historical and national performance data to demonstrate our progress over time and our performance compared to other healthcare providers.

Every year, the trust reviews the set of key metrics that it provides to the Trust Board to ensure that they remain appropriate to providing assurance about the high quality and safety of patient care. New metrics, such as the Patient Safety Thermometer (rolled out in 2012/13) and the Friends and Family Test (also implemented in 2012/13 for inpatients and A&E and expanded to include Maternity during 2013/14), offer additional scope for benchmarking and comparison with other trusts. As such this year's list of local quality indicators is slightly different from that contained in our previous Quality Accounts. Metrics that are no longer reported formally to the Trust Board may continue to be measured, reported and reviewed by other groups within the trust.

To avoid duplication, indicators which have been reported earlier in this report have not been repeated in this local indicators section.

Part 3: How have we done? (continued)

Patient Safety

Indicator	2012/13	2013/14	Target
Safety thermometer: Percentage patients harm-free (This is a once a month point prevalence review, a 'temperature check', across the whole Trust of whether patients have suffered four key harms: pressure ulcers, falls, VTE events and urinary tract infections associated with catheters. It includes patients who suffered these harms in community care).	94.0%	93.9%	National average (12 months to Jan 2013) = 92.2%
Safety thermometer: Percentage patients suffering no new harms (As above, however this only includes patients who suffer these four harms after admission).	97.5%	97.9%	National average (12 months to Jan 2013) = 97.1%
Falls resulting in harm	481	461	481 or less
Falls resulting in severe harm or death	2	5	2 or less
Percentage of patients who have had a falls assessment within 24 hours	90.9%	92.7%	80% or more
Pressure ulcers (grade 2)	120	105	114 or less
Pressure ulcers (grade 3 and 4)	4	0	4 or less
Never events	3	1	0

Clinical Effectiveness

Standardised mortality ratios (SMR) for Hip Fracture (based on 2013 Dr Foster rebased data)

Indicator	12 months ending Jan 2013	12 months ending Jan 2014	Target
Trust-wide Standardised Mortality Ratio (SMR)* for Hip Fracture	123.9	110.4	100 or less
SMR for Hip Fracture Worthing Hospital	111.75	115.3	100 or less
SMR for Hip Fracture St Richards Hospital	143.4	103.0	100 or less

*The Standardised Mortality Ratio (SMR) is the Dr Foster measure described under Priority 3 above but measured at lower than Hospital level, in this case for only patients with a hip fracture diagnosis(i.e. SMR = HSMR without the H).

Maternity indicators

Indicator	2012/13	2013/14	Target
C-Section rate	24.7%	26.1%	24.7% or less
% Mothers requiring forceps	11.3%	11.9%	15% or less
% deliveries complicated by post-partum haemorrhage (i.e. blood-loss)	0.7%	0.8%	1% or less
% unexpected admission of term babies to neonatal care	2.7%	3.2%	10% or less

Part 3: How have we done? (continued)

Dementia screening

Note: this is a new indicator and data for previous years are therefore not available:

Indicator	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4	Target
% emergency admissions staying more than 72 hours screened for dementia	20.3%	53.9%	85.0%	91.1%	90% or more
% patients for whom further investigations are carried out	76.6%	78.7%	84.9%	96.2%	90% or more
% referred for specialist care or further investigation on discharge	100%	94.5%	97.0%	99.2%	90% or more

Patient experience

Indicator	2012/13	2013/14	Target
Friends and family score: Inpatients*	New indicator	76	No target. National average* = 72
Friends and family score: A&E	New indicator	75	No target. National average* = 54
Friends and family score: Antenatal care (since October 2013)	New indicator	77	No target. National average = 67
Friends and family score: Delivery (since October 2013)	New indicator	79	No target. National average = 76
Friends and family score: Post-natal ward (since October 2013)	New indicator	67	No target. National average = 65
Friends and family score: Post-natal community care (since October 2013)	New indicator	67	No target. National average = 75
Breaches of mixed sex accommodation	0.02%	0.0%	0.0%
Nutritional assessments undertaken in 24 hours	85.6%	85.5% (to Jan)	80% or more
Nutritional assessments undertaken in 7 days	95.4%	97.0%	95% or more
Total complaints	565	522	562 or less
Internal Patient Led Assessments of Care Environment (PLACE): Worthing Hospital	95%	95%	85%
Internal Patient Led Assessments of Care Environment (PLACE): St Richards Hospital	95%	97%	85%

* As described above, the Friends and Family Test was introduced in 2012/13 for inpatients and A&E attendance. Patients are asked 'How likely are you to recommend our ward/A&E department to friends and family if they needed similar care or treatment?' The test was introduced to maternity services in 2013, where, in line with national guidance, women are asked for their views at four key stages in their care. National guidance details how this question will be scored nationally: The proportion of respondents who would be extremely likely to recommend (response category: 'extremely likely') MINUS the proportion of respondents who would not recommend (response categories: 'neither likely nor unlikely', 'unlikely' and 'extremely unlikely') (the response 'likely' is included in the percentage but does not have a positive or negative impact).

This results in scores with a possible range of -100 to 100. National averages are based on the average monthly national score for the period for which data is currently available (i.e. April 2013 to February 2014 for inpatients and A&E, and December 2013 to February 2014 for Maternity).

Part 3: How have we done? (continued)

Access and Outcome Indicators relevant to our trust (as described by Monitor's Risk Assessment Framework)

Monitor is the sector regulator for health services in England and works closely with the Care Quality Commission, the quality and safety regulator. As a foundation hospital, we report to Monitor our performance against a limited set of national measures of access and outcome. Monitor uses performance against these indicators as a trigger to detect potential governance issues in foundation hospitals.

The following table shows performance against the relevant indicators in Monitor's Risk Assessment Framework. These are key national targets. The Trust is given an overall weighted score based on the number of indicators that it has not met. An overall score of 0 is coded green; 1 amber/green; 2 amber; 3 amber/red; and 4 or more red. Full details of the indicator scoring can be found at:

http://www.monitor.gov.uk/sites/default/files/publications/RAF_Update_AppC_1April14.pdf.

Performance Against the Monitor Risk Assessment Framework

	Target	Q1	Q2	Q3	Q4 (tbc)	Indicator met
ACCESS						
Maximum time of 18 weeks from point of referral to treatment in aggregate – admitted	90%	90.15%	90.35%	90.40%	90.32%	✓
Maximum time of 18 weeks from point of referral to treatment in aggregate – non-admitted	95%	96.63%	95.99%	95.40%	90.30%	✗
Maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway	92%	94.16%	93.55%	92.30%	90.82%	✗
A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge	95%	97.01%	96.36%	95.43%	95.40%	✓
All cancers : 62-day wait for first treatment following urgent GP Referral	85%	88.96%	85.19%	87.08%	86.17%	✓
All cancers : 62-day wait for first treatment following consultant screening service referral	90%	93.57%	92.17%	93.23%	91.14%	✓
All cancers : 31-day wait for second or subsequent treatment - surgery treatments	94%	98.92%	100.00%	100.00%	100.00%	✓
All cancers : 31-day wait for second or subsequent treatment - drug treatments	98%	100.00%	100.00%	100.00%	100.00%	✓
All cancers : 31-day wait from diagnosis to first treatment	96%	99.84%	98.21%	99.86%	98.88%	✓
Cancer : two week wait from referral to date first seen - All patients	93%	97.37%	98.46%	98.68%	98.04%	✓
Cancer : two week wait from referral to date first seen - Symptomatic breast patients	93%	97.25%	98.53%	98.14%	97.95%	✓
OUTCOMES						
Clostridium difficile – meeting the Clostridium difficile objective	46	25	12	7	13	✗
Certification against compliance with requirements re access to healthcare for people with a learning disability	YES	YES	YES	YES	YES	✓
Overall monitor compliance framework score		**1.0**	**1.0**	**1.0**	**3.0**	**3.0**

Part 3: How have we done? (continued)

Other quality areas where we strive for improvement

The Enhancing Quality and Recovery Programme

Now in its fourth year, the Enhancing Quality and Recovery (EQ&R) Programme is delivering sustainable transformational change. The programme continues to support quality improvement for existing pathways and the development of new work streams. The programme's overarching aim is to support clinical teams to get it right for every patient every time.

Clinicians who have been involved in the EQ&R programme feel strongly that it has been a significant benefit to patients and to the clinical teams providing their care. They report that the process has facilitated other improvements that are not captured as part of the programme.

The programme is now part of the service improvement work being overseen by the local Academic Health Science Network (AHSN), enabling linkage to key strategic priorities for development and improvement in Surrey, Sussex and Kent.
The Trust has continued to participate enthusiastically in the programme, making significant improvements in the existing pathways in addition to making significant contributions to the development of new improvement work in collaboration with other providers across Surrey, Sussex and Kent.

EQ Community Acquired Pneumonia

The Trust has made a marked improvement in the last 12 months in delivering the full bundle of care to patients presenting with pneumonia. The addition of CURB 65 scoring into the care bundle created some additional challenges which have gradually been overcome across the period through ongoing education, feedback of performance and the commitment of the clinical teams. This has occurred in the context of a rising number of pneumonia admissions per 1000 population. It is fully recognised that there is room for further improvement which, together with a move to fully align the care with BTS guidance, will be the focus of 2014/15.

Although no local statistical significance can currently be applied to the programme's effect on outcomes, it is clear that since the Trust has been involved in the pneumonia pathway work there has been a significant reduction in the risk adjusted mortality for this group of patients.

EQ Heart Failure

The Trust has made a marked improvement in the last 12 months in delivering the full bundle of care to patients presenting with heart failure. This is a particularly challenging pathway for all trusts and a number of strategies for improvement have been implemented since the programme began. A significant investment in the service has been made in 2013/14 and this has resulted in a marked improvement in performance. The full benefits of this particular pathway have positively impacted on more patients than are represented in the EQ population. Patients who do not meet the eligibility criteria for EQ are also receiving input from the specialist team.
The trust has also seen a marked reduction in the readmission rate of patients with heart failure since the programme began.

EQ Dementia

In accordance with a CQUIN for 2013/14, the trust has built the review of antipsychotic drugs into the national CQUIN workflow. For all patients discharged on antipsychotic drugs, a letter is sent to their GP suggesting review.

Acute Kidney Injury (AKI)

The Trust is currently collecting data to form a baseline for improvement targets to be set in 2014/15. This is a key area of work for the Trust in 2014/15 with a high potential for improvement in care, reduction in mortality, morbidity and length of stay. This improvement work is being aligned closely with other programmes including research, and is one of the quality improvement priorities described earlier in this report.

Enhanced Recovery Programme

The Trust has fully implemented enhanced recovery programmes in three clinical pathways and has exceeded the CQUIN targets set for the delivery of the enhanced recovery care bundles. There has been a reduction in median length of stay in all pathways but most notably in hips and knees, with very positive feedback from patients.

Proposed Work programme for 2014/15

Work in 2014/15 will include:

- Continuation of the existing pathways with further improvement targets set using 2013/14 performance as the baseline
- Enhanced work programme on AKI with performance targets set on baseline.
- Work has already commenced on COPD and bone health, (including fractured neck of femur).
- High impact innovations. Benchmarking and collaborative improvement work. Possible programme related to NICE implementation.

Our clinical quality strategy

We are currently reviewing and refreshing our clinical quality strategy in light of progress in previous years and challenges ahead. Central to this is a joined up approach with our commissioners and other providers in the Coastal Cabinet area. A major focus will be advanced care planning for our elderly and at risk population and more integrated working will facilitate this. Seven day working will be a major quality improvement element for the Trust and this year will see significant progress. Again integration across the Coastal Cabinet area will ensure that seven day working within the Trust is matched by similar improvements within the community and social care areas. Better

Part 3: How have we done? (continued)

use of technology will underpin our strategy – key elements for this year are the roll out of electronic prescribing which will be part of the solution to minimising drug errors and the move to a more electronic patient care record.

Mortality review
In the coming year, we will be taking a more systematic approach to the audit and scrutiny of all deaths that occur in our hospitals to ensure that any remedial factors are identified and that these help drive our quality agenda.

Who was involved in the content of this report and the priority setting?
The content of this report was agreed with the Trust's Executive Team, Senior Clinical Staff (Clinical Leaders Group) and the Trust Board. Our priorities for quality improvement in 2014/15 are based on our Quality Strategy and follow a consultation workshop held in February 2014 with senior staff, non-executive directors of the trust, and representatives of our stakeholder organisations (Coastal West Sussex Clinical Commissioning Group, Healthwatch West Sussex and West Sussex County Council Health and Adult Social Care Committee). Governors of the trust were involved in the development of the report through receiving papers of the consultation workshop and drafts of the report. They agreed the priorities for quality improvement in 2014/15 and selected one of the performance indicators to be tested by external auditors.

The report has been reviewed by our principal commissioner, Coastal West Sussex Clinical Commissioning Group, by Healthwatch West Sussex, and by West Sussex County Council Health & Adult Social Care Select Committee. They have been invited to review the report and their comments are included below (in annex 1).

Appendix 1: National Clinical Audit and Patient Outcomes Programme (listed by the National Clinical Audit Advisory Group)

National Clinical Audits	National Clinical Audit and Patient Outcomes Programme (NCAPOP)*	Was the trust eligible to take part	Did the Trust take part	Percentage of data collection completed
Acute coronary syndrome or Acute myocardial infarction	Yes	Yes	Yes	Ongoing [All sites]
Adult cardiac surgery audit	Yes	No	N/A	N/A
Adult community acquired pneumonia	No	Yes	Yes	100% [All sites]
Adult critical care (Case Mix Programme)	No	Yes	Yes	Ongoing [All sites]
Bowel cancer	Yes	Yes	Yes	Ongoing [All sites]
Bronchiectasis (Paediatric)	No	Yes	No	No
Cardiac arrhythmia	Yes	Yes	Yes	Ongoing [All sites]
Chronic kidney disease in primary care	Yes	No	N/A	N/A
Chronic Obstructive Pulmonary Disease	Yes	Yes	Yes	Ongoing [All sites]
Congenital heart disease (Paediatric cardiac surgery)	Yes	No	N/A	N/A
Coronary angioplasty	Yes	Yes	Yes	Ongoing [All sites]
Diabetes (Adult) ND(A), includes National Diabetes Inpatient Audit (NADIA)	Yes	Yes	Yes	100% [All sites]
Diabetes (Paediatric)	Yes	Yes	Yes	100% [All sites]
Elective surgery (National PROMs Programme)	No	Yes	Yes	Ongoing
Emergency use of oxygen	No	Yes	Yes	100% Worthing only
Epilepsy 12 audit (Childhood Epilepsy)	Yes	Yes	Yes	100% [All sites]
Falls and Fragility Fractures Audit Programme, includes National Hip Fracture Database	Yes	Yes	Yes	Ongoing [All sites]
Head and neck oncology	Yes	Yes	Yes	Ongoing [All sites]
Heart failure	Yes	Yes	Yes	Ongoing [All sites]
Inflammatory bowel disease	Yes	Yes	Yes	Ongoing [All sites]
Lung cancer	Yes	Yes	Yes	Ongoing [All sites]
Moderate or severe asthma in children (care provided in emergency departments)	No	Yes	Yes	Ongoing [All sites]
National audit of dementia audit	Yes	Yes	Yes	100% [All sites]
National audit of schizophrenia	Yes	No	N/A	N/A
National Audit of Seizure Management (NASH)	No	Yes	Yes	100% [All sites]
National Cardiac Arrest Audit	No	Yes	No	Resuscitation committee considering participation next year
National comparative audit of blood transfusion	No	Yes	Yes	Ongoing [All sites]
National emergency laparotomy audit	Yes	Yes	Yes	Ongoing [All sites]
National Joint Registry	Yes	Yes	Yes	Ongoing [All sites]
National Vascular Registry, including CIA and elements of NVD	Yes	Yes	Yes	Ongoing [Worthing only].
Neonatal intensive and special care	Yes	Yes	Yes	Yes
Non-invasive ventilation – adults	No	Yes	Yes	N/A for this period
Oesophago-gastric cancer	Yes	Yes	Yes	Ongoing [All sites]
Ophthalmology	Yes	TBC	TBC	Not commenced
Paediatric asthma	No	Yes	Yes	100% [All sites]
Paediatric intensive care [PICa]	Yes	No	N/A	N/A
Paracetamol Overdose (care provided in emergency departments)	No	Yes	Yes	Ongoing [All sites]
Prescribing Observatory for Mental Health (POMH-UK) (Prescribing in mental health services)	No	No	N/A	N/A
Prostate cancer	Yes	Yes	Yes	Yes
Pulmonary hypertension	No	No	N/A	N/A
Renal replacement therapy (Renal Registry)	No	No	N/A	N/A
Rheumatoid and early inflammatory arthritis	Yes	Yes	Yes	Ongoing [All sites]
Sentinel Stroke National Audit Programme (SSNAP), includes SINAP	Yes	Yes	Yes	Ongoing [All sites]
Severe sepsis & septic shock	No	Yes	Yes	Ongoing [All sites]
Severe trauma (Trauma Audit & Research Network)	No	Yes	Yes	Ongoing [All sites]
Specialist rehabilitation for patients with complex needs	Yes	TBC	TBC	Not commenced

Appendix 1: National Clinical Audit and Patient Outcomes Programme (listed by the National Clinical Audit Advisory Group) (continued)

National Confidential Enquiries	National Clinical Audit and Patient Outcomes Programme (NCAPOP)*	Was the trust eligible to take part	Did the Trust take part	Percentage case notes submitted
Lower limb amputation	Yes	Yes	Yes	100%
Tracheostomy care	Yes	Yes	Yes	100%
Subarachnoid haemorrhage	Yes	Yes	Yes	100%
Alcohol related liver disease	Yes	Yes	Yes	66%

Appendix 2: Actions resulting from reviews of National Clinical Audits

Audit title	Main points of action
National Joint Registry	Continuing surveillance of joint infections is undertaken through the infection control committee.
MINAP	Monthly meetings take place to review all MINAP cases.
Dementia	Create a dementia and delirium pathway - set up a monthly meeting to timetable this project work. Aim to have Geriatrician involvement in all MDT's. Aim to implement CQUIN assessment tool trust wide – a timetable has been put in place for training. Promote the use of PAINAD pain assessment tool - a timetable of teaching sessions for ward teams to be delivered by Dementia team. Regarding the liaison psychiatry service for working age and older age adults across the Trust - increase cover to include out of hours service provision. Introduce a carer's 'hub' for carers of in-patients. Introduce a carer's 'passport' to ensure that carers are involved in decisions about care and discharge plans. Introduce an F1 teaching programme covering documentation of anti-psychotic medicines, aspects of communication and guidance on dementia and delirium trust wide.
Carotid endarterectomy	A full service has now been commissioned to other trusts.
The Hip Fracture Database	The National Audit findings were generally encouraging showing that in most areas of process and outcome, the trust performed above national norms and/or have improved between 2012 and 2013. This is despite the frailty of our population as demonstrated by the higher proportion of patients admitted from residential care and with cognitive impairment (low aMTS). There have been improvements in time to surgery and use of total hip replacements and spinal anaesthetic. No major deficits have been identified through this audit. Efforts over the next year will be aimed at maintaining the previous year's improvement whilst making marginal gains in some areas. Regular audit meetings take place to review the data on the NHFD along with monthly mortality and morbidity meetings which are reported to the trust board. A member of staff was appointed for NHFD data collection & submission with the aim to improve data completeness.
Adult Asthma – British Thoracic Society	Promote the recording of patient advice to see their GP within one week of discharge in the patient's health record. Liaise closely with respiratory team in both hospitals within the trust.
Emergency use of oxygen - British Thoracic Society	The audit of oxygen is audited by pharmacists and respiratory nurse regularly.
Renal colic – College of Emergency Medicine	Nurse triage training has been set up.
Feverish Children - College of Emergency Medicine	The lead nurse for paediatrics to re iterate and high light the need for vital signs to be measured and recorded as part of the routine assessment. There is currently an emphasis on triage education. Review antibiotic prescribing in more detail. The urgent care pathway is currently in development and the care of children with fever pathway is a component of this. Add the CEM fractured neck of femur parameters to the data collected by the fractured neck of femur coordinator to include care in the ED. Data to be reported monthly to the multidisciplinary team thereby making it more timely and relevant.
Fractured neck of femur - College of Emergency Medicine	Modify and re- instigate the fractured neck of femur pathway to include ED care.
Inflammatory Bowel Disease – biological Royal College of Physicians.	Improve the quality and quantity of IBD data. Trust requires a business case for £20 000 IBD database that records patient details and their therapies.
TARN	Monthly meetings take place to review all TARN cases.

Appendix 3: Actions resulting from reviews of local clinical audits 2013-14

Title of audit	Recommendations/Actions
Paediatric self-harm	The audit results identified that WSHT need to Improve compliance with pathway guidance regarding admission to hospital. The results were presented at the Safeguarding Meetings, Medical Educational Meetings for A&E and Paediatrics across the trust and also discussed with CAMHS. The results were also presented to the Regional Safeguarding Team. There was a joint agreement to improve referrals to CAMHS.
Trauma & Orthopaedics theatre start times	The aim of the audit was to identify possible sources of delay and ways to reduce these. One possible way of reducing delay and starting the list on time is to be more efficient in the morning. Main action is to have the first patient of the day already decided before the 8.15 Trauma meeting. This should enable the ward, and theatres to be fully prepared for the first case of the day and make a prompt start.
Femoral Fractures	The aims of this audit were to assess the outcomes and time to surgery for all femoral fractures excluding neck of femur fractures over 1 year. The objective of this was to assess what the morbidity and mortality rate was for this group of patients. The results of this audit suggest that a multidisciplinary approach to these patients with early input from the ortho-geriatricians and where appropriate early surgery will be able to improve outcomes for this patient group. Recommend to introduce suggested care pathway for all femoral shaft fractures and peri-prosthetic fractures in the elderly.
Paediatric health records - junior doctors review	This audit is designed to help doctors who make entries into patient records to improve their practice. With every new intake of junior doctors, 10 sets of health records to be reviewed and the findings discussed during the educational training session. A rolling programme four monthly has been introduced.
Bacterial Meningitis & Meningococcal Septicaemia	This audit has highlighted areas of good practice. This includes the initial observation period, selecting the correct antibiotics and ensuring the optimum treatment duration in confirmed bacterial meningitis or meningococcal septicaemia cases. However, the audit identified some areas which were not optimal. The recommendations as a result of the audit are to create locally appropriate version of NICE guidelines. Educate staff around importance of diagnosis of lumbar puncture if no contraindications. Re-audit in 2 years with a particular focus on antibiotic choices, fluid balance recording, PCR investigations and audiology follow-up.
Red cells [Blood] transfusion 1-3 units in obstetric care	There has been significant improvement in adherence to the Trust guideline for Transfusion Practice within the maternity units at the trust .This suggests that changes to practice, implemented following the multi-disciplinary cross site meeting, have made positive changes to transfusion practices in maternity services. Although the numbers of transfusions given out of hours has reduced slightly, further work is required to manage this element of transfusion practice. This was discussed at the presentation of this audit and the maternity unit is working with the transfusion team to consider how this might be further reduced.
Fractured Neck of Femur Nutrition	The aim of the audit was to identify if the trust were adequately meeting recommendations on the assessment of nutritional status and prescription and administration of nutritional supplements for fracture neck of femur patients. The standards were not fully achieved for nutritional assessment with regards MUST score. There was poor prescribing of nutritional supplements from admitting team. A comprehensive action plan was developed: Education of junior doctors who are prescribing nutritional supplements. Education of nursing staff regarding timing of giving pre-op fortijuice – prompt prescription of nutritional supplements is required. Discussion with nutrition team regarding best practice for nutritional supplementation pre and post-op.
NICE [CG124] implementation plan on hip fracture - Surgical procedures supervision	Results of this audit were disseminated and discussed within the surgical division. The recommendations are to continue to ensure that patients who have a displaced instracapsular fracture and accomplished standards for the assessment of pre-operative mobility are considered for a Total Hip Replacement. Consider IM nailing for subtrochanteric fracture and to increase numbers of junior doctors with level 4 PBA who undertake surgery for hemiarthroplasty.
A rapid audit of insulin charts, blood monitoring charts, admission foot examinations and HbA1c monitoring in diabetic patients	The aim of the audit was identify the monitoring of diabetic patients including blood monitoring chart , admission foot examination and availability of HbA1c results; and patients with chronic kidney disease had their eGFR measured at admission. The recommendations were to: ensure that the space on the drug and insulin charts diligently managed. Ensure the legibility of the prescribing doctor's details - a dedicated space on the insulin charts for the doctor's stamp is needed. The addition of the typed word 'units' on both the prescription and drug delivery sections of the chart should improve prescribing.

Appendix 3: Actions resulting from reviews of local clinical audits 2013-14 (continued)

Title of audit	Recommendations/Actions
Time to X- Ray in Suspected Hip Fractures	The College of Emergency Medicine (CEM) state that patients with a suspected fractured neck of femur should have an x-ray within one hour of arrival to A&E or triage which ever is soonest. The aim of the audit is to determine whether the trust's Emergency Department (ED) was meeting this standard. The results of the audit identified the need for improvement. The recommendations were to encourage staff to be pro – active about requesting imaging and include this in the training within the ED.
Cognitive Screening in the Elderly	The aim of the audit was to assess how well a cognitive screening algorithm proposed by the consensus group (British Geriatrics Society & Faculty of Old Age Psychiatry) is adhered to. The recommendations were to increase awareness of the importance of conducting a AMTS during the first 72 hours of hospital admission. Increase awareness of other cognitive screening. And to have the screening forms more widely available in the medical geriatric wards
Audit of Outcome in Conservative Management of Sigmoid Volvulus	The aim if the audit was to look at outcomes for conservative treatment for sigmoid volvulus in the elderly patients with multiple co morbidities. The recommendation as a result of the audit is to have more aggressive management during the patient's first admission.
Paediatric Status Epilepticus	The aim of the audit was to audit WSHT's standard of care, against the trust's guidelines. The recommendations were to up date the trust's guideline; improve documentation of seizure activity; improve the documentation of the assessment of weight. These could be improved by regular updates at departmental meetings. A further action to disseminate the updated guideline. Re-audit once new guidelines have been ratified.
Assessment of hyperemesis Management	The audit was undertaken to assess whether there was consistency in the management of hypermesis. The trust was mindful that there wasn't a guideline for hyperemesis and that was an endpoint of the audit. A new guideline on care of women with hyperemesis including option for treatment as a day case written was ratified and circulated.
Use of adult drug charts on the paediatric ward	The aim of this audit was to identify the use of adult prescribing charts on a paediatric ward. By decreasing the number of adult charts appearing on the ward it was hoped to decrease the chance of drug errors. Recommendations: The necessity of prescribing on the paediatric chart for all admissions to paediatric wards were highlighted at the junior doctors trust inductions. This is to be reiterated at every change of rotation during the year via email. Paediatric drug charts to be readily available in A&E and stocks regularly checked.
Profession Specific Audit of Stroke	The Royal College of Physicians has designed profession specific audit tools for use within a hospital setting following an acute stroke. The aims of the local Occupational Therapy (OT) profession specific audit were to: Bench mark the quality of OT stroke services compared to national standards; To provide detail to support practice development and to evaluate the progress of implementation of the National Clinical Guidelines for Stroke for OT's. Recommendations - Improve inclusion of the following assessments (pre-stroke employment, pre-stroke domestic, pre-stroke leisure, pre-stroke driving, concerns of patient, contact with family/carer within 7 days of stroke, discussion of concerns of family/ carer, assessment of lifestyle issues, employment issues, positioning/support, visual disturbance, MDT assessment of mood, need for orthotics, assessment of tone, and assessment of sensation) by 30%. Audit once new therapy paperwork has been implemented. Highlight to OT team the need to contact family/carers within 7 days of stroke and establish/document their needs. Discuss with MDT how to meet this need and possibility of discharge packs.
Metastatic Spinal Cord Compression (MSCC) Audit	The aim of the audit was to establish how many patients were referred to the Acute Oncology Team (AOT) and their cancer types; the length of time from referral to MRI; the outcome of the MRI and if metastatic spinal cord compression (MSCC) was confirmed the length of time to radiotherapy treatment. Recommendations :To agree pathways and policy; Audit MSCC data quarterly to ensure pre and post imaging data is recorded; Collect data of patients in possession of MSCC alert cards and question patient on usefulness.
Referral-to-Treatment Times in Patients Treated for Haematological Malignancy	The aim of the audit was to identify the proportion of patients that are treated within the target waiting times and study patient referral pathways, identifying causes of delays in treatment. There was excellent adherence to the 31-day standard, with a very high percentage of patients being treated within the target time. However, the target of patients were treated within the 62-day deadline was not met fully. The audit was presented on to the Haematology team (Consultants and Nurse Specialists). The team discussed how they could ensure decisions to 'watch and wait' only were made formally and communicated with the patient before the 62-day deadline. Recommendations: The Haematology team are to document formal 'watch and wait' decisions within 62 days. When a Haematological malignancy is suspected early discussion with ENT consultant is required regarding earlier lymph node biopsy.

Appendix 3: Actions resulting from reviews of local clinical audits 2013-14 (continued)

Title of audit	Recommendations/Actions
Audit of WSHT Nasogastric Feeding [NGT] protocol	The aim of the audit was to ensure NGT positions were checked prior to use as recommended by the NPSA guidelines by either using pH or x-ray to confirm position. Recommendations following the audit: to complete a trust wide ward based refresher training course for the nursing staff covering the NPSA guidelines, WSHT Enteral Feeding protocol and record keeping of pH aspirates.
Management of acute pancreatitis	The aim of this re-audit is to verify if the recommendations aroused from the previous discussion in the Clinical Governance have been implemented into daily practice. The audit showed Improvement of the diagnosis regarding the etiology of pancreatitis. Patients fit for cholecystectomy have priority on waiting list, but still, this can be improved. Data have shown good results managing severe pancreatitis in ESCU with Outreach Team review. Significant reduction of mortality. The recommendations were : Patients with gallstone pancreatitis should have priority on waiting list for cholecystectomy, patients fit for surgery to have definitive management in 4-6 weeks. Patients with severe pancreatitis to be treated in ESCU ward with daily review of Outreach Team and escalation to HDU/ITU if necessary. Use of antibiotic prophylaxis for patients with acute pancreatitis and deranged LFT's . The idiopathic group require a follow up in one year to attempt to clarify the aetiology. Management of acute pancreatitis needs to be audited regularly.
Follow-up of Patients with Cutaneous Squamous Cell Carcinoma of the Head and Neck by MFU and Dermatology	The aim of the audit was to evaluate if the follow up management of a certain number of patients diagnosed and treated for skin SCC is meeting the "the SRH LSMDT Head & Neck Squamous cell carcinoma guidelines" Recommendations: More consistent follow ups are required.
Medication Prompts in Parkinson's disease	The aim of this audit was to discover whether the aids purchased by the trust are being used effectively and to disseminate these findings to clinical matrons to encourage nursing staff to use the aids available to support them in caring for this group of patients. The recommendations: Ward managers to ensure they know location of the aids and to encourage staff to use them for all patients with Parkinson's disease. Ward managers to consider giving a named staff nurse responsibility for monitoring compliance with this recommendation. : If ward managers unable to access aids this should be fed back to responsible clinical matrons. Junior doctors induction days to include instruction to specify timing of all medication doses for people with Parkinson's disease including the early morning dose. The audit findings were presented at a medical education session.
Cardiac arrest Record	The aim of the audit was to ensure the record patient treatment and outcome at cardiac arrest was captured. To ensure current resuscitation council guidelines are being followed & best practice implemented. The audit was presented and discussed at the Resuscitation Committee and the Trust Board. Training and awareness of the cardiac arrest audit form has been improved & continues to be included in every staff induction and yearly resuscitation mandatory staff update. It is recommended that this continues. The appointment of a Junior Resuscitation Officer has increased the 2013 data capture since being in post.
Physio Direct Patient Contact Targets	The aim was undertaken to measure current performance against the set standards from the new physiotherapy service specification which states: 90% of patients are contacted within 3 working days of their referral being received or them contacting Physio Direct; 95% of patients are contacted within 3 working days of their referral being received or them contacting Physio Direct. A Re -audit has shown an improved contact target and that all sites reached a minimum of 95% contacted within 3 working days.
Audit of intravitreal lucentis injection for age related macula degeneration	The National Institute for Health and Care Excellence [NICE] has compiled audit criteria [TA155] by which Lucentis provision can be measured. Given the current interest in treatment for age-related macular degeneration and the current constraints on the NHS, it is essential that this treatment is given appropriately and with patient involvement in decisions around their care. The audit was undertaken to identify if Lucentis provision given in line with the NICE guidance. There was 100% adherence to the guidance except for patients being given written Evidence-based information. The action is to create a new pathway.

Annex 1: Statements from our commissioners, local Healthwatch organisation, and Overview and Scrutiny Committee

Statement from Coastal West Sussex Clinical Commissioning Group, 20 May 2014

Thank you for sending Coastal West Sussex CCG a draft copy of your 2013/14 Quality Account.

The Quality Account has been reviewed and Coastal West Sussex CCG confirms that the account demonstrates progress against the priorities identified for 2013/14. It provides information across the three areas of quality: patient safety; patient experience, and clinical effectiveness and highlights an on-going commitment to improving quality of care. Overall Coastal West Sussex CCG finds that the account meets the national guidance and framework issued by the Department of Health letter Quality Accounts: reporting arrangements for 2013/14 (dated 9th January 2014).

The Quality Account 2013/14 clearly highlights priorities for improvement in 2014/15 as well as how future progress will be measured. The Quality Account clearly recognises the need to continue to build on the achievements of 2013/14.

Western Sussex Hospitals Foundation NHS Trust has worked hard to improve quality. It is positive to note the demonstrable improvements in many areas and in particular crude mortality in relation to non-elective activity which has seen year on year improvements since 2010/11. Coastal West Sussex CCG looks forward to hearing more about the focus for improving acute kidney injury during 2014/15.

Specific comments related to the content of the document have been shared with the trust Quality Account Project Manager. In addition the trust is encouraged to include more detail on three areas where significant achievement/improvement have been made during 2013/14, these being;

- External Theatre Review
- Electronic Transfer Summaries
- Maternity Services achieving Level 3 CNST

The Quality Account acknowledges the on-going work required in order to continue to improve the quality of services, including the reduction of avoidable mortality, patient safety and patient experience. Coastal West Sussex CCG looks forward to working collaboratively with Western Sussex Hospitals NHS Trust in the attainment of these objectives over the coming year.

The continued focus on patient experience and improving outcomes in 2013/14 should continue to improve the quality of services provided by Western Sussex Hospitals NHS Trust to the population of Coastal West Sussex.
Coastal West Sussex CCG considers the published priorities appropriate for this organisation, and will actively review these throughout the coming year.

Thank you for sending a draft copy of your Quality Account for 2013/14.

Yours Sincerely

Brendan Ward
Interim Executive Director
Coastal West Sussex Clinical Commissioning Group

Statement from Healthwatch West Sussex, 15 May 2014

Comment from Healthwatch West Sussex on Western Sussex Hospital Foundation NHS Trust Quality Account (QA) 2013/14

Healthwatch West Sussex is grateful for the Trust's invitation to share in their quality planning, and appreciates their responsiveness to the local community as reflected in the annual quality accounts, especially in presenting some data separately for St Richard's and for Worthing Hospitals.

This year's accounts present again a catalogue of participation in regulatory inspections and performance measurements, in professional collaborative clinical audits and confidential enquiries, and in more locally responsive internal initiatives to improve quality and safety. These are listed in a prescribed order, rather than in relation to the principal dimensions of quality: clinical effectiveness, patient safety, and patient experience. The comments of Healthwatch West Sussex focus on the latter.

Responsiveness to patients' needs

On "care and compassion reviews", the Trust was rated average in 2013 (scoring 68.4% compared with a national 2012 average of 68.1). However, the report does not include results from the 2013 Patient-Led Assessments of the Care Environment (PLACE) programme (which replaced the former Patient Environment Action Team (PEAT) programme from April 2013) which show both hospitals to be above average on four dimensions: cleanliness; facilities management; privacy, dignity and wellbeing; and food and hydration.

The percentage of staff who would recommend the Trust as a

Annex 1: Statements from our commissioners, local Healthwatch organisation, and Overview and Scrutiny Committee (continued)

provider of care for their friends or family increased impressively from 64% in 2012 to 73% in 2013 (national average 66, highest 94, lowest 40). Figures are not provided separately for the two sites; patients' responses to the "friends and families" test are not required in this year's quality accounts, but would be appreciated locally.

Almost 500 patients who were admitted to St Richard's or Worthing Hospital took part in the National Inpatient Survey in August 2013. The Trust concluded that achievements in various dimensions were strong or substantial but few data are provided. The Patient Advice and Liaison Service (PALS) analyses complaints and enquiries and reports each month to the Trust Board; a summary would be appreciated in the annual quality accounts.

A "Real time patient experience (RTPE)" system was set up in April 2013 to capture the patient's experience of environment, assistance, compassion, communication and over experience in a variety of settings. A plan was developed with the Trust's stakeholder forum to improve nutritional support, information on discharge, and communication generally; some results are given. Overall patient satisfaction was rated as 91% in the national survey 2013, but 79% in the RTPE; this may be a technical aberration (of sampling or definitions) but would merit further explanation.

[Report refers to Care and Compassion programme (also called "sit and see") but does not explain what that is or how it relates to PLACE]

Clinical effectiveness

Several indicators show commendable improvements such as in reducing Clostridium difficile infection rates, increasing early thrombolysis in stroke patients, and screening for dementia in emergency admissions. The Trust's information governance was graded "not satisfactory", based on audit of corporate records rather than on clinical data which would affect clinical indicators. Incorrect clinical coding was reported in 10.5% of primary diagnoses and 17.2% of primary procedures; there is no comment on how this compares with similar acute hospitals, or what effect it may have on the reliability of performance indicators.

Both current methods of calculating hospital mortality (HSMR and SHMI) show progressive improvement across the Trust. The graphic (page 22) of Dr Foster HSMR – a paragon of presentation – illustrates this trend and the reducing differences between St Richard's and Worthing over three years. The graphic also shows how the data may be affected by the number of cases involved. The high mortality from hip fracture at St Richard's in 2012 reduced to near the national average in 2013.

Presentation of the quality report

The Trust deserves credit for compiling so much information from so many sources to document the investment of effort and time in complying with requirements, and for quality improvement.

As a vehicle for public information and health literacy, this quality account could be made easier for lay readers to follow, for example by:

- Providing a glossary or footnotes to explain technical terms such as PROMs and "never events"
- Presenting data in tables in a consistent format
- Using graphics to demonstrate trends and comparisons
- Providing internet references and hyperlinks to further information such as to NICE or the Trust's own quality strategy; a link was provided to CQUIN

While it is understood that the quality accounts serve a variety of regulatory purposes and are designed on a national template, the current structure could be developed as a more effective tool for public accounting, and for quality improvement. The template produces repetition, formulaic statements and inconsistent presentation; it concentrates on regulatory compliance rather than on learning and improvement, and gives little opportunity for Trusts to present their own initiatives and responsiveness to local, rather than national concerns.

[The classification of "quality" in healthcare is complex; it does not adapt easily to its multiple stakeholders, but its aims, measurements and achievements may be more clearly described in terms of the three internationally recognised dimensions: effectiveness, experience and safety.]

Frances Russell,
Chair of the Board, Healthwatch West Sussex

Annex 1: Statements from our commissioners, local Healthwatch organisation, and Overview and Scrutiny Committee (continued)

Statement from Health & Adult Social Care Select Committee, West Sussex County Council, 21 May 2014

Western Sussex Hospitals NHS Foundation Trust, 2013-14 Quality Account

Thank you for offering the Health & Adult Social Care Select Committee (HASC) the opportunity to comment on Western Sussex Hospitals NHS Foundation Trust's Quality Account for 2013-14.

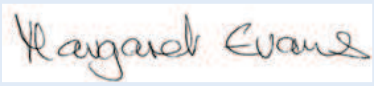
Overall, we do not necessarily find the Quality Account format very "user friendly" – but understand that you are following national requirements. Quality Accounts tend to be too long and too detailed to provide the kind of information that is readily digestible by the public and lay-people. However, your Quality Account for 2013-14 is clear and readable and focuses on the key quality and performance issues of interest to patients and the public. We particularly welcome the fact that you have taken an inclusive approach to developing your Quality Account, and have involved key stakeholders in this process.

We congratulate you on achieving foundation trust status last summer, which reflects the high quality of standards and performance at the Trust. The Trust is to be commended for positive results in both staff and patient surveys and for the strong performance demonstrated against your key priorities for 2013-14. You have transparent accountability arrangements for ensuring performance is monitored, and we commend you on the robust response you have given to the recommendations outlined in the Francis response, as demonstrated by your strong patient-centred approach. Your priorities for 2014-15 reflect some of the key issues of concern raised by the Committee, particularly plans to improve outcomes for stroke and dementia patients. When the Committee reviewed A&E Services last October, one of the key issues we raised was the need for appropriate mental health support in A&E, and we hope that this is something that you will be able to take into consideration during 2014-15.

Finally, a priority for the future must be ensuring safe, high quality services that are sustainable and deliverable for the future. This is not something you can achieve in isolation – it will require the whole health and social care system to work together to meet the challenges of increasing demand, pressure on services and financial constraints.

We welcome the continued open dialogue and liaison arrangements between WSHT and the HASC, and look forward to working with you in 2014-15.

Yours sincerely



Mrs Margaret Evans
Chairman, Health & Adult Social Care Select Committee

Annex 1: Statements from our commissioners, local Healthwatch organisation, and Overview and Scrutiny Committee (continued)

Trust response to statements from our external stakeholders

We are grateful for all the comments made by our external stakeholders.

As a result of feedback, we have added to the report more detail about three areas of particular achievement or improvement during 2013/14: an external review of our operating theatres; our increased use of electronic discharge summaries; and the award of Level 3 CNST to maternity services by the NHS Litigation Authority. We have also expanded the report's section on external regulation.

In preparing our report, we have sought to present a balanced picture of quality, illustrating our performance with quantitative data, and complying with the NHS Accounts Regulations and the requirements of Monitor. Some information, such as that provided by the national staff survey, is available only on a trust-wide basis. Where we feel it is particularly important, and data are available, for example in relation to the HSMR mortality data and rates of *C.difficile* infection, we have shown results for each of our hospital sites. Detailed information about complaints is made publicly available by the trust in a separate report in compliance with the NHS Complaints Regulations 2009.

We strive to make our quality report as readable and meaningful as possible to all those who are interested in the quality of our services. We have noted the suggestions made by our local Healthwatch organisation and will take these into account when preparing next year's report.

Annex 2: 2013/14 Statement of Directors' Responsibilities in respect of the quality report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the quality report, directors are required to take steps to satisfy themselves that:

- the content of the quality report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2013/14;
- the content of the quality report is not inconsistent with internal and external sources of information, including:

  - ☐ board minutes and papers for the period April 2013 to 29 May 2014;
  - ☐ papers relating to quality reported to the board over the period April 2013 to 29 May 2014;
  - ☐ feedback from the commissioners, dated 20/05/2014;
  - ☐ feedback from governors, dated 11/04/2014;
  - ☐ feedback from local Healthwatch organisations, dated 15/05/2014;
  - ☐ the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated July 2013;
  - ☐ the 2013 national patient survey, publicly released on 08/04/2014;
  - ☐ the 2013 national staff survey, publicly released on 25/02/2014;
  - ☐ the Head of Internal Audit's annual opinion over the trust's control environment, dated 22/04/2014;
  - ☐ Care Quality Commission quality and risk profiles, dated 13/03/2014;

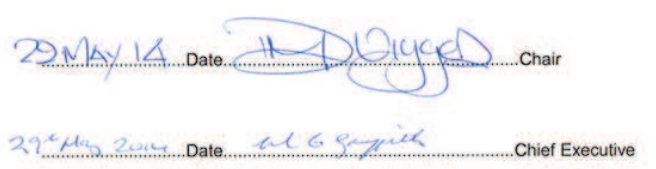
- the quality report presents a balanced picture of the NHS foundation trust's performance over the period covered;
- the performance information reported in the quality report is reliable and accurate;

- there are proper internal controls over the collection and reporting of the measures of performance included in the quality report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the quality report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and

- the quality report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the quality report.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the quality report.

By order of the board
Note: sign and date in any colour ink except black



Report from our external auditors

Independent auditor's report to the board of governors of Western Sussex Hospitals NHS Foundation Trust on the quality report

We have been engaged by the board of governors of Western Sussex Hospitals NHS Foundation Trust to perform an independent assurance engagement in respect of Western Sussex Hospitals NHS Foundation Trust's quality report for the year ended 31 March 2014 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2014 subject to limited assurance consist of the national priority indicators as mandated by Monitor:

- C. difficile; and
- Maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers.

We refer to these national priority indicators collectively as the 'indicators'.

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the NHS Foundation Trust Annual Reporting Manual issued by Monitor.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the quality report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the quality report is not consistent in all material respects with the sources specified in 2013/14 Detailed Guidance for External Assurance on Quality Reports issued by Monitor; and
- the indicators in the quality report identified as having been the subject of limited assurance in the quality report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Detailed Guidance for External Assurance on Quality Reports.

We read the quality report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the quality report and consider whether it is materially inconsistent with:

- board minutes for the period April 2013 to 29 May 2014;
- papers relating to quality reported to the board over the period April 2013 to 29 May 2014;
- feedback from the Commissioners, dated 20/05/2014;
- feedback from local Healthwatch organisations, dated 15/05/2014;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated July 2013;
- the 2013 national patient survey, dated 08/04/2014;
- the 2013 national staff survey, dated 25/02/2014;
- Care Quality Commission Intelligent Monitoring Report (which replaces quality and risk profiles), dated 13/03/2014;
- the Head of Internal Audit's annual opinion over the trust's control environment, dated 22/04/2014; and
- any other information included in our review.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the 'documents'). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Western Sussex Hospitals NHS Foundation Trust as a body, to assist the Council of Governors in reporting Western Sussex Hospitals NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2014, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Western Sussex Hospitals NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- Evaluating the design and implementation of the key processes and controls for managing and reporting the indicators.
- Making enquiries of management.

Report from our external auditors (continued)

► Testing key management controls.
► Limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation.
► Comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the quality report.
► Reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the NHS Foundation Trust Annual Reporting Manual.

The scope of our assurance work has not included governance over quality or non-mandated indicators, which have been determined locally by Western Sussex Hospitals NHS Foundation Trust.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2014:

• the quality report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
• the quality report is not consistent in all material respects with the sources specified in the 2013/14 Detailed Guidance for External Assurance on Quality Reports; and
• the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual.

Ernst & Young LLP

Ernst & Young LLP
Reading

Value 3

“We care about safety”

Corporate Objective: Deliver the patient safety gains specified in the Quality Strategy

Patient safety has been an overriding priority since the Trust was formed, and remarkable progress has been achieved.

On key measures such as controlling MRSA, reducing patient falls, or preventing pressure injuries, the Trust has built up a strong record of safety. The standards of skin care, in particular, during the period were superb and clearly demonstrate the nursing care is of exceptional quality.

For 2013/14 some ambitious targets were set, in order to continue the high levels of performance.

Harm Free care

There are numerous measures which can be held to relate to patient safety, and so aggregate scoring systems are used nationally to assess the overall safety of patient care.

The Trust has an excellent record on many of the key safety-related indicators – reducing overall mortality, reducing falls and pressure injuries, controlling infections – and sets itself demanding targets to maintain and strengthen arrangements for keeping patients safe.

The Trust set itself the ambitious aim of achieving 95% harm-free on the Patient Safety Thermometer throughout 2013/14, and came close to this target – 94%. A second target of achieving 97% on the thermometer for hospital-acquired harms was exceeded.

Hospital-acquired infections

Great progress has been made in recent years to keep patients safe from the risk of acquiring an infection within the Trust's hospitals, and that progress continued during 2013/14.

In July new guidelines were introduced both for prescribing antibiotic medicines, and for the management of patients who were suspected of having Clostridium difficile. The changes to prescribing guidelines – supplemented by the introduction of a new mobile phone 'app' to ensure all prescribers have access to the latest information – helped to ensure that the risk of patients being made vulnerable to antibiotic-resistant illness was reduced, whilst the new guidelines for managing symptomatic patients strengthened controls to stop any cross-infection.

The result was marked – in the next nine months there were 32 cases of hospital-acquired *C.difficile* recorded, compared to 25 cases in the previous three months. The Trust did not meet its target for the year of limiting the number of cases to 46, but did see a significant overall reduction, from 72 cases in 2012/13 to 57 cases for the whole of 2013/14.

Between July 2013 – April 2014 there were four cases of hospital-acquired MRSA bacteraemia recorded at the Trust, although on investigation only one case was avoidable.

Safer operating theatres

The Trust set itself the target of 100% compliance with the World Health Organisation Theatre Checklist, and achieved that ambition.

Value 4

“We care about serving local people”

Corporate Objective: Implement our long-term Clinical Services Strategy

The Trust's long term clinical vision is to maintain two high quality, acute hospitals serving the coastal area of West Sussex. Central to this is closer partnerships to enable the effective management of unplanned care, redesign of planned care pathways, and the delivery of integrated care through working with local and specialist networks.

In the period between July 2013 and the end of March 2014 there was a huge amount of progress made towards the ambition to provide the people of West Sussex with excellent, local and sustainable services.

'Emergency Floor' at Worthing Hospital

A long-held ambition has been the creation of an Emergency Floor at Worthing Hospital. The intention is to create a single facility which brings together the Acute Medical Unit, Acute Frailty Unit, and Surgical Assessment Unit, so that all adult emergency admissions are brought together into an integrated area with close links to A&E and diagnostics.

During this period funding was secured, and work began to make the plans a reality. The Acute Medical Unit was moved into its new location, as was the Operations Centre which provides a base for Clinical Site Managers, starting the complex process which is set to be complete by the end of 2014.

Breast Unit development

The Trust had long been constrained in the service it was able to offer in terms of breast screening and breast cancer services. In January 2014 the new Breast Unit was opened in Worthing, representing a major advance for local patients.

The new facility, in conjunction with new mobile screening units, provides a significantly better environment for patients, the very latest digital technology, and the necessary capacity to be able to offer routine screening to woman aged between 47-73, rather than only those aged between 50-70, as was previously the case.

Southlands Hospital

Since the decision in 2011 to transfer inpatient care away from Southlands Hospital, plans have been developed to use the Shoreham site as a centre for ambulatory and ophthalmic care.

Following the move of inpatient care, the Trust has worked with architects to produce designs of the new ophthalmology centre, and work has been undertaken to map the likely demand for services. As the Trust moves towards selling the parts of the site which are no longer required, the decision was taken to retain the maximum possible 'footprint' of land to ensure that a range of options for the development

Interventional Radiology

A new 'interventional radiology' room at St Richard's was brought into use in November 2013, part of ongoing investment into radiology services at the Trust.

The £1m investment generated a state-of-the-art facility featuring the latest digital technology, replacing the previous room which had been in use for 13 years. The new, multipurpose suite will facilitate a range of interventional and fluoroscopic examinations, including therapeutic angioplasties, embolisations and nephrostomies. More complex procedures can now be performed than in the past, and image quality is greatly improved.

Theatre pre-admission environment

Improving the pre-admissions area at Worthing Hospital was identified as an essential element of giving local people a service they could be proud of, and which served their needs.

Before 2013/14 the waiting area was cramped, busy, and did not offer the standards of privacy and dignity that people should be able to expect.

Since November 2013 patients have benefitted from the revamped Chanctonbury Suite, providing them with a significantly improved environment, including individual bays.

Value 5

"We care about being stronger together"

Corporate Objective 1: In partnership with our emerging CCG, develop our lead role in the local health economy for unscheduled and planned care pathways.

More than ever, good quality healthcare depends on strong partnerships and co-operation. The Trust fully appreciates that no patients are ever "their" patient – the acute hospital is merely one of the settings for care to be delivered, among many, and the whole NHS system must work together effectively to give patients the service they should expect.

Unplanned care

The local response to rising demands for unplanned care was 'One Call One Team' (OCOT), which was first introduced in 2011. Although progress was made in the early year, 2013/14 was the first full year for which the Trust was the nominated 'lead provider', and the initiative delivered tangible improvements during this period.

The central element of OCOT is the single point of access for healthcare professionals who believe a patient may need unplanned care, and it brings together a full range of disciplines from across the health system – dementia crisis team, community nurses, a GP in A&E, consultant geriatricians working in the community, and acute hospital teams too. The result has been a reduction in short-stay admissions, and a reduction in overall A&E attendances at a time when the local population, and particularly the elderly population, is growing.

Corporate Objective 2: Ensure a successful and engaged Council of Governors

The Trust is accountable locally to its members via its Governors. Governors are the link between the Foundation Trust members in their community and the Trust. Together they form a CoG and have a collective responsibility to support the Trust in developing plans and services representing members' views to the Trust's board of directors.

Since licensing the Trust has worked with Council of Governors to develop their role and to develop relationships and working arrangements between the Council and the Board of Directors. A programme of induction was developed for the CoG, with a view to laying strong foundations for the group's success.

Membership (details in the membership section of the report below) and Nominations and Remuneration Committees have been established and are meeting and undertaking agreed actions. The 2014-15 meeting schedule has been confirmed and governors are taking part in regular Trust events.

Value 6

"We care about improvement"

Corporate Objective 1: Continue to improve the patient environment through net investment in the Trust's Estate.

Ensuring patients have a good overall experience is essential, rather than simply maintaining a narrow focus on the treatments themselves.

The standard of the facilities and conditions in which our patients are treated has a major impact on the quality and outcomes of their hospital experience, so effective cleaning and maintenance are important priorities for the Trust.

Measuring standards

Patient involvement and external validation is a key element of measuring and assessing standards. Quarterly peer group reviews are in place to assess cleaning services across the Trust. These reviews provide on-going assurance that the methods of cleaning are being delivered against the National Cleaning Standards criteria.

Cleaning and maintaining a safe environment for our patients remains one of the Trust's highest priorities. This year the Trust has increased the number of 'Deep Cleans' using hydrogen peroxide vaporising machines which are used to clean clinical environments. This technology is contributing to the reduction of hospital-acquired infections across the Trust.

The national inpatient surveys during the past twelve months have consistently shown high scores across all facilities-based services including cleaning, catering and the physical environment.

Estates Development

As part of the year's Capital Programme, the Trust committed to a number of schemes aimed at improving the services provided to our patients and the hospital environment.

Worthing Hospital continues to develop its estate. A new CT scanner facility has been built in the Radiology department and the unit became fully operational in May 2013.

As described previously, a new Breast Screening unit has been built on the northern part of the Worthing campus and a new Emergency Floor is being built on the ground floor of Worthing Hospital.

Developments to the Maxillo-Facial Unit (MFU) and ENT (Ear, Nose and Throat) departments have been redesigned as a single clinical area. This change has enhanced the patients' environment as well as upgrading equipment in the department itself.

At St Richard's various developments have also been taking place in the hospital's diagnostic block. The main project has been developing the Pathology department to offer a centralised service for specific laboratory services across the Trust. This new and innovative service will be fully operational in the summer of 2014. Work to improve the environment in the Outpatients Clinic has now been carried out which has improved consulting rooms and waiting areas.

A review of Southlands Hospital estate has now identified surplus estate and plans are being developed for its future use. Plans are also being developed for the retained estate which will include a new Ophthalmology department to serve Worthing and Shoreham residents.

Sustainability

The Trust launched its Sustainability Development Management Plan (SDMP) in 2012/13, which is aimed at reducing its carbon footprint and improving performance on key sustainability issues. The SDMP ensures the Trust fulfils its commitment to conduct all aspects of its activities with due consideration to sustainability, whilst providing high-quality patient care. 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 is working with a number of partners to develop various schemes to improve energy efficiency and to reduce waste across all sites. These include reducing water usage and losses, introducing LED lighting systems and insulating heating pipes.

Projects are being developed to introduce Combined Heat and Power (CHP) solutions on both of the main hospital sites. This will increase energy controls, reduce the carbon footprint and be more economic for the Trust.

Work also continues in controlling and managing all of the Trust's waste streams. Significant progress has been made in reducing waste generally but also making sure it is correctly segregated. This provides the opportunity to create savings as well as reducing the Trust's overall impact on the environment.

Meeting PLACE standards

A new way of assessing Trust performance, led by patients, has been introduced to measuring standards of food, environment, and privacy and dignity.

The PLACE assessments (Patient-led Assessments of our Care Environment) were published for the first time in September 2013 and demonstrated just how well St Richard's and Worthing hospitals were managing to meet patient expectations.

On the four measures – Cleanliness; Food and Hydration; Privacy and Dignity; Condition, Appearance and Maintenance – both St Richard's and Worthing outperformed the national average by a significant margin, with the sole exception of food where Worthing matched the average.

The Trust has introduced protected mealtimes, volunteers to assist patients to eat when required, 'red trays' to highlight those people who require assistance, and most recently overhauled the patient menu to improve choice and nutritional content.

There has also been considerable investment in the estate, and in turn these new facilities have supported the effort to provide single sex accommodation for patients.

Corporate Objective 2: Deliver coordinated service improvement programmes across the Trust Customer Care Programme.
In November 2013 The Trust Board approved the proposal to proceed with the design and development of a Trust wide cultural approach to enhancing Customer Care and the Patient Experience the 'Western Sussex Way'.

The Trust has already sought engagement with organisations who have undertaken successful transformations in their approaches to Customer Care, in order to learn from their methods and to identify how these could be incorporated and adapted to work within the Trust. Following involvement with clinical and support teams across the Trust the Board agreed upon five primary strands to achieving the culture change of providing good customer care and patient experiences.

Strand 1 – Recruitment and Selection – Use of a Values based recruitment tool and process to ensure that we are bringing the right people into the organisation who have the 'people' and engagement skills to deliver good customer care, not just focussing on the technical/clinical skills of the role alone.

Strand 2 – Training and Development – To provide a robust, structured and engaging training programme around Customer Care, both for new staff entering the organisation but also to provide structured departmental/area training to those people already in post. In addition the need to ensure that on-going training is provided to continually support and enhance practice and that performance development and appraisal are also linked to goals/objectives around customer care.

Strand 3 – Structured Support for Cultural Change – To develop a support network within the organisation which recruits and utilises the skills of individuals within specific work areas who are committed to good Customer Care. These individuals will act as Role Models/Guides/Mentors to colleagues and their department, helping to provide support, problem solve and raise awareness of initiatives or challenges that may occur.

In addition there is the need to ensure that there is a cultural acceptance from managers, team leaders and heads of department that all staff are given the freedom to provide good customer care and solve problems and that this is actively encouraged without the concern of sanction if this may impact on other responsibilities.

Strand 4 – Specific Customer Care Initiatives – To provide specific support, assess, pilot and evaluate initiatives that have been identified either through feedback and survey or from specific departments where changes to practice, procedures or processes could greatly enhance the delivery of good customer care or the experience of a patient.

Strand 5 – Communication and Awareness – To consistently promote the benefits of customer care and the impact that it has on experiences, outcomes and achievements. To ensure that results of surveys and specific feedback is known and celebrated, to create a communication culture that inspires others, encourages pride and enthuses others to want to do similar or reach further.

It was also agreed that the programme's success would be measured of success informed by two key areas within the staff survey.

It is anticipated that to achieve this will take three to five years, beginning with a pilot phase to create a sustainable delivery model.

Reduce avoidable readmissions
A multi-professional and multi-agency audit was undertaken at the beginning of the year. Our consultants worked with colleagues from primary care examining the notes of patients who had been readmitted within 30 days of being discharged from hospital. This review identified six improvement areas:

1. End of Life Care
2. Post-Surgery Specialist Nurse
3. Emergency Clinics
4. Developing a COPD Virtual Ward
5. Early notification of admission
6. Trial without Catheter

Project plans were developed for each of these six areas, working closely with colleagues at Sussex Community Trust and Coastal West Sussex Clinical Commissioning Group. These plans will continue to be developed and delivered during 2014/15.

Corporate Objective 3: Develop a comprehensive Information Management & Technology strategy and start implementation of Core server hardware and software infrastructure.

Around £3.6m was spent in 2013-14 upgrading our servers and hardware which has improved disaster recovery. The Trust is now in a position where if the power fails, clinical systems will continue seamlessly and patient care will not be affected.

Plans to deliver a single sign-on for staff, using a card to swipe in and out of a PC or laptop, including logging into their applications at that time, were delayed and rescheduled for the later part of 2014. This will greatly improve staff flexibility, give immediate access to clinical records and thus help improve patient care. The computer equipment used to provide the single sign on facility also enables the Trust to deliver other significant IT programmes in the future, such as E-Prescribing.

Electronic Document and Records Management

The Trust entered into a collaborative process with partner Trusts across the South East to identify an Electronic Document and Records Management solution. The programme is part-funded by the Treasury and the procurement process is underway with the preferred supplier expected to be selected in June 2014 and contract awarded in early 2015.

Data Quality

We identified in our Quality Strategy 2012/13 the need to ensure the information we hold about patients is accurate. In order to achieve this we carry out daily checks against the national spine, conduct spot check in Accident and Emergency and Acute Medical Units as well as a monthly audit of wards.

We provide monthly reports to the Health and Social Care Information Centre and the Trust is either achieving or exceeding the national average.

Corporate Objective 4: Optimise the contribution of our staff in the planning and delivery of our services.

National Staff Survey

The results of the 2013 National Staff Survey, returned excellent results for Western Sussex NHS Foundation Trust (WSHFT), reflecting a highly engaged and motivated workforce. Staff in NHS Trusts were questioned anonymously from September to December 2013 and the results were published in February 2014.

The 2013 staff survey results reported on 28 key findings (see table 4 below) Areas where the Trust performed particularly well included: staff engagement, motivation at work, job satisfaction and support from immediate managers.

It was also encouraging to note that when compared against other acute Trusts WSHFT was ranked in the top 20% of acute Trusts for four key findings:

- Staff recommending their hospital as a place to work and receive care
- Number of staff appraised in the last 12 months
- Number of staff having received health and safety training
- Number of staff having received Equality and Diversity training

WSHFT was also ranked better than average for seven key finds and average for a further nine. There were eight areas worse than average although the Trust had no key findings in the worst 20%.

Details of our Top and Bottom Ranking scores are shown in tables 2 and 3. Key findings and scores highlighted in green indicate that achieving a higher score this year compared with the 2012 survey is a positive outcome. Key findings and scores highlighted in yellow indicate that achieving a lower score this year is a positive outcome. Scores highlighted in red indicate achieving a lower score is a negative outcome.

Table 1 - Response Rates

2012/13		2013/14		
Nat. Avg	Trust	Nat. Avg	Trust	Improvement / Deterioration
49%	47%	49%	55%	6% Improvement

Table 2 - Top Five Ranking Scores

	2012/13		2013/14		
	Trust	Nat. Avg	Trust	Nat. Avg	Improvement / Deterioration
% appraised in last 12 months	93%	84%	90%	84%	3% Deterioration
% receiving health and safety training in last 12 months	92%	74%	93%	76%	1% Improvement
Staff recommendation of the trust as a place to work or receive treatment	3.69	3.57	3.81	3.68	0.12 Improvement
% having equality & diversity training in last 12 months	72%	55%	77%	60%	5% Improvement
% staff having well-structured appraisals in last 12 months	38%	36%	42%	38%	4% Improvement

Table 3 - Bottom Five Ranking Scores

	2012/13		2013/14		
	Trust	Nat. Avg	Trust	Nat. Avg	Improvement / Deterioration
% working extra hours	72%	70%	72%	70%	Remained the same
% receiving job-relevant training, learning or development in the last 12 months	80%	89%	79%	81%	1% deterioration
% saying hand washing materials are always available	53%	60%	54%	60%	1% Improvement
% witnessing potentially harmful errors, near misses or incidents in the last month	35%	34%	35%	33%	Remained the same
% experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months	31%	30%	31%	29%	Remained the same

Table 4 - Changes in the Key Findings for WSHFT since 2012 survey

Best 20% Scores compared with other acute Trusts	2012	2013	2013 Nat Avg.
KF7. % appraised in last 12 months	93%	90%	84%
KF10. % receiving health and safety training in the last 12 months	92%	93%	76%
KF24. Staff recommendation of the trust as a place to work or receive treatment	3.69	3.81	3.68
KF26. % having equality and diversity training in the last 12 months	87%	90%	60%
Better than Average Scores compared with other acute Trusts			
KF3. Work pressure felt by staff	3.05	3.04	3.06
KF8. % having well-structured appraisals in last 12 months	39%	42%	38%
KF9. Support from immediate managers	3.56	3.66	3.64
KF10. % receiving health and safety training in the last 12 months	92%	93%	76%
KF17. % experiencing physical violence from staff in last 12 months	4%	2%	2%
KF23. Staff job satisfaction	3.53	3.63	3.60
KF10. % receiving health and safety training in the last 12 months	87%	90%	88%
Average Scores compared with other acute Trusts			
KF1. % feeling satisfied with the quality of work and patient care they are able to deliver	75%	79%	79%
KF2. % agreeing that their role makes a difference to patients	88%	90%	91%
KF4. Effective team working	3.72	3.75	3.74
KF14. % reporting errors, near misses or incidents witnessed in the last month	89%	90%	90%
KF19. % experiencing harassment, bullying or abuse from staff in last 12 months	24%	25%	24%
KF20. % feeling pressure in last 3 months to attend work when feeling unwell	32%	27%	28%
KF21. % reporting good communication between senior management and staff	27%	30%	29%
KF22. % able to contribute towards improvements at work	65%	68%	68%
KF25. Staff motivation at work	3.76	3.87	3.86
Worse than Average Scores compared with other acute Trusts			
KF5. % working extra hours	73%	72%	70%
KF6. % receiving job-relevant training, learning or development in the last 12 months	80%	79%	81%
KF12. % saying hand washing materials are always available	53%	54%	60%
KF13. % witnessing potentially harmful errors, near misses or incidents in last month	35%	35%	33%
KF15. Fairness and effectiveness of incident reporting procedures	3.47	3.48	3.51
KF18. % experiencing physical violence from patients, relatives or the public in the last 12 months	31%	31%	29%
KF19. % experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months	24%	25%	24%
KF28. % experiencing discrimination at work in last 12 months	12%	11%	11%

Our achievements

Improved staff engagement scores, motivation at work, job satisfaction and support are linked with action taken by the Trust to invest heavily over the year in staff engagement; ensuring staff are well informed through the introduction of Trust Brief, localised newsletters and bulletins. In addition divisional staff engagement events with senior management teams have taken place as well as post-Francis Report staff listening events with the Executive Team. Real-time surveys have also been put in place at mandatory training updates. Staff barbecues and a 'big day out' at Butlins also took place to recognise efforts to achieve Foundation Trust status. The Trust has also continued to develop STAR awards to recognise staff achievement.

Funding has also been secured to support the Trusts Health and Wellbeing Strategy, with initiatives such as a staff physiotherapy service, return to work support programme currently being set up. Health and Wellbeing days, stress reduction and emotional wellbeing for manager courses are also currently being implemented.

Future priorities 2014/15

Key priorities for 2014/15 focus on staff working extra hours, job relevant training and availability of hand washing materials. Despite a new training programme being set up in 2013 to give staff skills to deal with situations of potential conflict, further work is needed to address concerns from staff about harassment and bullying from patients, relatives or the public. In addition attention also needs to be given to the numbers of staff witnessing errors, near misses and incidents (see table 3).

The Trust will continue to ensure that staff are encouraged to voice their views and opinions. This feedback will be monitored through surveys such as the Staff Friends and Family Test and Productive Ward Staff Satisfaction surveys, as well as ongoing discussions with divisional management teams and staff side representatives.

Trust-wide and local action plans are currently being developed to ensure that issues raised by staff are addressed and these will be objectively reviewed and monitored.

Value 7

"We care about the future"

Corporate Objective 1: Maintain a Financial Risk Rating of no lower than 3

Corporate Objective 2: Maintain a Monitor Governance rating of no worse than Amber Green throughout the year

The Trust is regulated by Monitor, to whom it submits its annual plan. On the basis of the information contained in the annual plan and in-year submissions, Monitor will assess and assign a risk rating for the Trust. It should be noted that as the Trust became a foundation trust on July 1st 2013, the reportable indicators below show from Quarter 2 onwards.

From 1st October 2013, the Trust was assessed under Monitor's Risk Assessment Framework. Financial risk is covered under the Continuity of Services Risk Rating which is driven by assessments on liquidity and capital service cover. The highest rating that can be achieved is a score of 4. A score of 3 indicates no significant financial concerns. The Trust scored 3 in each quarter.

For its first quarter as a Foundation Trust (quarter ending 30th September 2013), the financial risk rating was assessed using Monitor's Compliance Framework. Although this scored 3 as a weighted average, three of the components scored 2 and so an overriding criterion set the overall score at 2. The shadow Continuity of Services rating for the quarter ending 30th September 2013 was also a score of 3.

The Trust reported 57 cases of hospital acquired Clostridium difficile during the year, which exceeded its target of 46 cases. This meant that the Trust received a governance rating of amber/green Q2 and Q3. As described in the activity section, following an unsustainable growth in the RTT waiting list due to significant referral growth in specialties such as ophthalmology, the Trust did not meet RTT targets in quarter 4. This means that the Governance risk rating for Q4 is predicted to be Amber/Red. The Trust has comprehensive recovery plans in place to address RTT performance in Quarter 1 2014/15.

	Q2	Q3	Q4
Financial Risk Rating Trust	2		
Continuity of Service Rating	3 (shadow)	3	3
Governance Risk Rating	Amber/Green	Amber/Green	Amber/Red

There were no formal interventions by the regulator during the year 2013/14.

Corporate Objective 3: Continue the development and implementation of Service Line Management (SLM).

We continued to develop our information systems to support Service Line Reporting and developed leadership at Service Line level through the Clinical Leaders programme. The programme included a group of 20 clinicians from across the Trust who participated in a Post Graduate Certificate in Leadership at the University Of Chichester.

Activity Review

During 2013/14, the Trust continued to provide a range of major general hospital services to its catchment, including:-

- A full emergency service
- Elective and emergency services in surgery and medicine
- Women's and children's services
- Therapeutic, diagnostic and pharmaceutical services

In 2013/14, the Trust saw a 2.7% rise in elective referrals for surgical and medical specialties compared to the previous year. The biggest increase was observed in referrals from GPs to ophthalmology services (a 12.3% increase).

In terms of activity the Trust's elective activity rose by 3.3%. Despite this, and as a direct result of an imbalance in demand and supply between specific specialties (as noted for ophthalmology above), the Referral to Treatment waiting list grew significantly for non-admitted and admitted pathways between March 2013 and March 2014.

A&E attendances increased by almost 2000 cases in 2013/14 (+1.5%. Non-Elective activity fell in 2013/14 compared to 2012/13. This is due mainly to a reduction in short stay (0-1 day) emergency admissions. It is important to note however, that the Trust admitted a greater proportion of elderly patients with greater acuity, requiring longer stays within the hospital than previous years.

Referrals	2011/12	2012/13	2013/14*
Ophthalmology	14945	15968	17927
Other Surgical Specialties	80622	78636	78049
Medical Specialties	81819	83418	82523
Surgical and Medical Specialties Combined	177386	178022	178499
Outpatient Total	490551	468376	469750
Waiting Lists: All Incomplete Pathways	23600	24391	28821
Elective Inpatient Spells	9906	9327	10108
Day Cases	47,136	47,656	49,079
Accident & Emergency Attendances	129827	131866	133826
All Non Elective Spells	56277	55181	52755

Financial Review

The key highlights for the Trust's financial performance during the 9 month reporting period from 1st July 2013 – 31st March 2014 were:

- Delivery of an income and expenditure outturn consistent with the plan advised to Monitor
- A financial risk rating of 3 at year end, out of a possible top rating of 4
- Cost improvement programme savings of £8.751m (including period covering 1st April – 30th June 2013)
- Expenditure on capital schemes of £24.8m, including the aforementioned Emergency Floor and Breast Unit schemes.

Financial Performance

The Trust Board approved the financial plan for the Trust in March 2013. Following authorisation as a Foundation Trust on 1st July 2013, this plan was unchanged, including the existing income and expenditure outturn target and cost improvement programme.

As the year proceeded the Trust experienced:

- non-elective activity, A&E attendances and outpatient procedures being higher than planned,
- improvements to the patient pathway and reduction in length of stay for short stay patients being offset by a rise in the proportion of admissions from the over 85 years age group, who have a longer average stay and an increase in acuity levels,
- an increase in referrals for elective treatment in certain specialties,

The impact of these activity pressures required the Trust to open additional bed capacity. This restricted the Trust's ability to deliver planned capacity reduction savings that were part of the cost improvement programme.

As a result, the Trust reassessed its financial forecasts and agreed a revised out-turn of £1,023k for the full year, after adjustment for technical items.

As at the end of March 2014, the Trust is reporting a surplus of £1,026k after adjustment for impairments and donated assets as summarised in the table below:

NHS financial performance position - 13/14 Financial year	£000s
Retained surplus/(defecit) for 3 months to 30 June 14 (NHS Trust)	(2,831)
Retained surplus/(defecit) for 9 months to 31 March 14 (Foundation Trust)	(2,677)
Add back adjustments in respect of:	
Net impairments/Reversal of impairments	6,834
Donated assets	(100)
	1,026

The NHS financial performance is based reporting requirements defined by the Trust Development Authority and retained by the Trust for the financial year after gaining Foundation Trust status.

The Trust undertakes an annual revaluation of its estate on a Modern Equivalent Asset basis for land and buildings. Any movements in the value of the estate are reflected in either the revaluation reserve or the income and expenditure account depending on the nature of the change and any previous changes in respect of that asset. Of the net impairments £5,762k relates to changes in asset value following the annual revaluation. The balance of £1,072k is an adjustment to the value of the Harness Block at Southlands Hospital following the decision to declare the property surplus to the Trust's requirements.

Long term Liabilities

During the period the Trust received a capital investment loan of £6.314m at a fixed interest rate of 2.04% over 25 years, to fund the Emergency Floor capital scheme at Worthing Hospital.

In previous years the Trust has also taken out capital investment loans to finance a new ward and outpatient block at Worthing Hospital and a new Breast Screening facility, also at Worthing Hospital.

Also during the period the Trust received a £10m working capital loan from the Department of Health, repayable over 10 years. This was agreed as part of the Trust's foundation trust application in order to improve the Trust's liquidity position. The Trust's other working capital loans, inherited from its predecessor organisations will be repaid in full during the next financial year.

The affordability of long-term loans is considered by the Trust Board prior to approval. The loans drawn down during the period were included in the Trust's financial plan for the year. Further information on the Trust's long term borrowings is available within Note 24 to the accounts.

Cash

During the year the Trust experienced delays in receipt of contract income from its main commissioners. These issues were resolved by year end but did impact on payments to suppliers over several months. The Trust's measure of performance in paying suppliers is the Better Payment Practice Code. The Code requires the Trust to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later. The results are set out in Note 5.4 to the accounts and the value of late payment interest is disclosed in Note 5.5.

Financial Outlook

The Trust has published its operational plan for 2014/15 and 2015/16, including its financial plans. The Trust forecasts maintaining a score of 3 on its Continuity of Services Risk Rating and delivering a surplus of £3.4m, after adjustment for technical items.

The Cost Improvement Programme for the next financial year amounts to £19.0m.

Going Concern

After making enquiries, the directors have a reasonable expectation that the NHS foundation trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the accounts.**Other financial information**

- Accounting policies for pensions and other retirement benefits are set out in Note 1.3 to the accounts.
- Details of senior employee's remuneration can be found within the remuneration report commencing on page 95.
- There are no post balance sheet events.
- The income from the provision of goods and services for the purposes of the health service in England is greater than income from the provision of goods and services for any other purposes. Income from goods and services not for the purposes of the health service in England is required to at minimum cover the full cost of delivery of the goods and services. Any surplus from these activities is reinvested and supports the provision of goods and services for the purposes of the health service in England.
- In the period there were four individuals who retired early on ill-health grounds. The estimated additional pension liabilities for these individuals was £308k.
- Note 36 to the accounts sets out, in relation to the use of financial instruments, an indication of the financial risk management objectives and policies of the Trust and the exposure of the entity to price risk, credit risk, liquidity risk and cash flow risk, where material for the assessment of the assets, liabilities, financial position and results of the Trust.

Directors' Statement

The directors are required under the NHS health service act 2006 to prepare accounts for each financial year.

The directors consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the trusts performance, business model and stratergy.

Each director of the Trust Board, at the time of approval of the Annual Report and Financial Statements, declares that:

- so far as they are aware, there is no relevant audit information of which the Trust's auditor is unaware;
- the director has taken all of the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

Looking ahead to 2014/15

The Trust will continue to be guided by the seven key values which have set its direction in recent years.

Value 1: "We care about you, the patient"

Corporate Objective, 2014/15 – 2015/16: Improving the overall experience patients receive from our Trust

High quality services and a high quality patient experience. The Trust is committed to providing care which meets all of the needs of the local population – superb clinical care, excellent communication, the respect and dignity anyone would want for their own relatives.

Five specific themes will be prioritised in the next two years to help improve the experience of patients.

Customer Care

The Trust is pursuing major changes to systems and culture to enable significant improvements in customer care.
The introduction of the 'The Western Sussex Way' will bring an innovative new approach to training, recruitment, induction and appraisal, which in turn will transform the way that Trust staff interact with patients and their carers.

Between now and 2015/16 the development of the Customer Care project will involve:

- The introduction of a new induction programme
- Piloting a revised training approach
- Introducing a revised recruitment process
- Rolling out a new training programme

Staff Engagement

Our patients can only receive the best possible experience whilst in our care if Trust staff are supported, and motivated.

In the next two years the Trust will develop its Staff Engagement Programme, which is designed to ensure that staff are empowered to identify ways in which the patient experience can be improved, and to be able to take a lead in bringing those improvements about.

The next stages of delivering this programme are:

- Reviewing the Trust's Communication and Engagement strategy, with a particular emphasis on transforming systems of internal communication
- Delivering phase 1 of the Trust's Health and Wellbeing strategy, included the introduction of a physiotherapy service for staff, promotion of health and wellbeing initiatives such as walk to work scheme, and the promotion of health and wellbeing awareness.

Improving Access to Elective Care

In recent years the Trust has consistently performed strongly in terms of ensuring that patients benefit from good, timely access to services. However, maintaining this performance and addressing areas where it has proved harder to meet patient expectation, is a growing challenge.

To ensure that patient needs are met, and government access targets are complied with in the years ahead:

- Use additional resources to increase capacity, allowing a return to compliance with 18 week Referral to Treatment targets, and to then sustain this compliance
- Maintain performance in terms of cancer waiting times targets
- Continue with service improvement programmes in Orthopaedics and Ophthalmology to improve productivity, patient experience and shorter waiting times.

Call management booking system

The Trust will develop new ways of using technology in order to enhance the experience of patients, and secure more efficient ways of working. Specifically, in this period, the Trust will:

- Begin interface development between Call Handling System and the Patient Administration System
- The interface will enable patients to be called and sent text messages reminding them of appointments
- Standardise the 'call centre' model for booking first outpatient appointments, across the Trust.

Promote Telecare across the Trust

Telecare offers valuable opportunities for the Trust to develop new ways of working which are more convenient for patients, and more efficient. Such technological tools can enable scarce clinical resources to be better used to manage patients closer to home where appropriate, and offer the prospect of further cross-site working within the Trust.

In the next two years the Trust will:

- Work with local partners to establish a review group, identifying the opportunities for telecare across secondary, community and primary care
- Implement pilot telecare schemes, including the Chronic Obstructive Pulmonary Disease (COPD) readmissions programme

Value 2: "We care about quality"
Corporate Objective, 2014/15 – 2015/16: Delivering improvements in the quality of care we provide

Since the Trust was formed in 2009 the focus has been on getting care right for patients, and driving up the quality of the treatments provided. Seven areas have been chosen for particular attention in the next phase of the Trust's development, to further improve the quality of clinical care.

Improve our Cancer services

The Trust intends to reshape its cancer services, to give patients a more accessible and equitable service across the region served by the Trust. The intention is for these changes to impact on all areas of cancer care, including each individual tumour group, chemotherapy, radiotherapy, acute oncology, and End of Life Care.

In 2014/15 and 2015/16 this process will begin with a fundamental review of cancer care, including:

- The adoption of a new, revised Cancer Strategy
- The review of Multidisciplinary Team clinical leadership, structure and function
- Initiation of Tumour Group level reviews
- The agreement of a clear specification for Oncology services, and the implementation of a revised Oncology service
- The determination of future radiotherapy provision in West Sussex.

Improving breast cancer care

Breast cancer care specifically has been identified as an area of focus for the Trust in the next two years. There are opportunities to standardise and improve clinical pathways for patients across the whole Trust, and to make positive changes to screening services.

Specifically, the Trust will:

- Introduce integrated governance and training sessions for staff
- Agree new clinical pathways, where appropriate
- Review opportunities to centralise specialist surgery, to improve patient outcomes
- Support clinical teams to deliver an Enhanced Recovery Programme, which will ensure that patients are well enough to benefit from a reduced average length of stay.

Use contractual incentives to deliver quality improvements

Specific quality improvements can be targeted through the use of the CQUINs – Commissioning for Quality and Innovation. The Trust agrees particular CQUINs with its commissioners, which act as drivers for improvement by making funding dependent on the delivery of specified changes, or outcomes.

The Trust is committed to achieving the improvements as specified in the CQUIN agreement. These include:

- Improving the diagnosis and care for patients with dementia and their carers
- Reducing the numbers of catheter-related Urinary Tract infections
- Improving access to Community Geriatricians.

Reduce mortality for patients with Acute Kidney Injury

The Trust has already been working for several years, through the Enhancing Quality Programme, to seek reductions in avoidable mortality for Acute Kidney Injury (renal failure).

In the coming years clinical teams will be supported to recognise and respond to early signs of clinical deterioration.

Specifically this will mean:

- Continuing the implementation of the Enhancing Quality programme for Acute Kidney Injury
- Using improved functionality of Patientrack (the Trust's electronic patient monitoring and alert system) to help staff in the early recognition of the condition.

Early recognition of clinical deterioration

Giving someone the best, most appropriate care is dependent on having good information about the patient's condition, and having the time to assess that information and use it to make good decisions in partnership with the patient or their carers.

To be able to achieve this, Trust staff must be able to identify signs of clinical deterioration at the earliest possible opportunity – either to allow early and effective intervention, or to enable the time and opportunity for well-informed planning of end of life care.

The introduction of the Trust's Patientrack system has already supported advances in terms of early recognition of deterioration, but in the next two years the Trust will also:

- Seek the consistent application of 'track and trigger' systems across the Trust
- Implement sepsis care bundles to support staff in the early recognition, and effective treatment, of sepsis. Care bundles are a set of usually up to five practices that, when performed collectively, reliably and consistently, have been shown to improve outcomes for patients.

Improving stroke care

Making improvements to stroke services is one of the Trust's four overriding clinical priorities for 2014/15. Standards of care have been significantly improved in recent years but there is a recognition by clinical leaders at the Trust that more progress can be made, and a determination to do so.

Stroke care is extraordinarily complex, and includes medical, surgical, nursing, diagnostic, and therapy expertise, to name just a few. The Trust is now receiving regular data from the Sentinel Stroke National Audit Programme (SSNAP), and this information will be of central importance in highlighting the

areas where the Trust is already meeting national standards, and where further changes are required.

In the next two years:

- The Trust will use SSNAP data to inform improved care, including key areas such as cutting the length of time patients wait before receiving a scan
- Deliver timely admission to specialist stroke ward for all patients with a stroke, not just most
- Agree a new model for managing the Transient Ischaemic Attack (TIA) service, to ensure patients are treated well, and treated quickly, reducing the chances of the person subsequently suffering a stroke.

Improve care for patients with a dementia

Dementia care used to be considered the domain of mental health Trusts, but increasingly acute Trusts are having to adapt to recognise the growing numbers of their patients who also have a dementia. Nationally, about one in four inpatients is believed to suffer from such a condition.

The Trust already has nursing and occupational therapy staff who specialise in dementia care, and in the last three years they have transformed the way the Trust can care for this vulnerable group of people. However, the challenge is now to ensure that the current good practice is spread more widely throughout the organisation.

The next stage in the transformation of care for patients with a dementia will include:

- Developing, and delivering, a Dementia Strategy for the Trust which will seek to find new ways of meeting the needs of patients, their families and carers. This is one of the Trust's four overriding clinical priorities for 2014/15.
- Ensuring that the progress which has been made – such as the "Knowing Me" initiative, designed to help staff know more about the person they are caring for, not merely seeing them as a patient, and the recruitment of specially-trained volunteers – is embedded more firmly, and more widely across the whole organisation.

Value 3: "We care about safety"
Corporate Objective, 2014/15 – 2015/16: Delivering improvements to maintain and enhance patient safety

Providing patients with 'harm-free' care is perhaps the most basic expectation that people might have of a hospital – patients must know that their care is not only excellent, but also safe. The Trust has identified four specific streams of work which will be focused on, which will produce real progress in promoting safety.

Implement the seven-day working programme

Nationally, the last year has seen a real focus on the need to provide consistency of care, around the clock. Traditionally, many services provided by NHS acute hospitals have not operated 24 hours a day, seven days a week, but the Trust is committed to ensuring that patients always receive the best possible care, regardless of the time, day or date.

Already in 2013/14 there have been significant advances towards greater seven-day working, including the extension of the hours of senior clinical and nursing cover in some specialties, and the investment of £500,000 in additional nursing cover at night. The next steps towards seven-day working will be:

- Complete the 'Gap Analysis' which is already underway, to provide a full understanding of the work required to implement seven-day working
- Develop a full implementation plan, and then seek business case approval
- Pilot and develop new, seven-day services to ensure that patient care is delivered around the clock to the highest possible standards of consistency, safety, and quality.

The Francis Report

When the Francis Report was published in 2013 the Trust conducted a 'listening exercise' amongst staff and stakeholders, to provide a full, honest, and fearless assessment of standards of safety at St Richard's, Worthing and Southlands hospitals. The feedback was largely encouraging, but did provide a strong body of evidence to support further improvements.

Nine areas of focus, each overseen by an Executive Director, have been selected. The Trust will ensure that each area has clear milestones, and that the Board will receive quarterly updates on progress. The areas of development are:

- 24-hour service
- The culture of caring and leadership
- Nursing Leadership/workforce
- Outlying patients
- 'Ownership' of patients
- The discharge process, accounting for patient frailty
- IT infrastructure
- Learning organisation
- Implementing key changes directly relevant to the Francis Inquiry.

Implementing Electronic Prescribing and Medicines Administration

Good management of medicines, from prescription to dispensing, is fundamental to the effort to promote patient safety. The Trust already ensures that prescriptions are monitored by pharmacist staff, and introduced 'robots' to collect medicines at both St Richard's and Worthing hospitals to ensure that the risk of errors is as low as possible.

The next step in strengthening the safety of medicines management is the introduction of electronic systems for prescribing and administration. Within the next two years the Trust will agree the necessary business case, recruit the support team, train staff, pilot the new approach and finally introduce the new electronic systems.

Reduce Healthcare-Acquired infections

Keeping patients safe from the risk of avoidable infections is essential – and the very least that people should expect from their local hospital. The Trust has a 'zero tolerance' approach to hospital-acquired infections, and this has produced major gains in terms of patient safety.

Since 2009/10 the number of cases of Clostridium difficile recorded at the Trust has fallen by almost two-thirds, and there has only been one avoidable case of hospital-acquired MRSA bloodstream infection in the last three years.

In the quest to maintain this progress, in the year ahead the Trust is committed to:

- Maintaining the system of Executive-led review of the Root Cause Analyses which are carried out into all hospital-acquired cases
- Delivering the quarterly Trust-wide deep clean programme
- Maintaining full compliance with antimicrobial prescribing guidelines
- Playing an active role in the task force set up to tackle healthcare-acquired infection across the wider local health economy.

Value 4: "We care about serving local people"

Corporate Objective, 2014/15 – 2015/16: Making progress in delivering our strategic clinical change programmes

The Trust is committed to providing the people of West Sussex with the best possible services, easily accessible and local to them, wherever appropriate. Since it was formed in 2009 the Trust has worked to repatriate services into West Sussex, when it was appropriate to do so, and work to develop the range and quality of services available locally goes on. In the next few years the three areas of particular focus will be:

'Emergency Floor' at Worthing Hospital

Planning for the Emergency Floor is already well underway, and tangible changes are now being seen – the Acute Medical Unit has already been moved into a new location. The project will create a 67-bedded facility at Worthing Hospital, bringing together the Acute Medical Unit, Acute Frailty Unit, and Surgical Assessment Unit to focus all adult emergency admissions into a single, integrated area with close links to A&E and diagnostics.

The Emergency Floor is on schedule to be complete before the end of 2014.

Southlands Hospital

There have been extensive changes to Southlands Hospital over the years but it remains a central, and essential, part of the Trust. The coming years will bring significant investment into the site, to turn it into a centre for ambulatory care, and for ophthalmology services.

The next steps for Southlands will be:

- Disposal of the parts of the site which are no longer required by the Trust, following the transfer of inpatient care to Worthing Hospital in 2012
- Agreeing the future clinical model for Ophthalmology
- Develop the architect plans for Southlands Hospital
- Deliver a business case to Trust Board and receive approval to proceed
- Sell the surplus area, with net proceeds retained for investment in Southlands Hospital.

Endoscopy services

The Trust has recognised that endoscopy services can and must improve, and changes will be made to not only enhance the experience of the patient, but also to improve patient flow and efficiency.

The intention is to replace equipment, maintain accreditation from the Joint Advisory Group (JAG) at St. Richard's, and to re-achieve accreditation at Worthing.

To this end the Trust will:

- Remodel the Worthing department, which will include physically expanding the facility significantly
- Complete remodelling works at St. Richard's
- Replace decontamination washers at St. Richard's
- Achieve JAG accreditation.

Value 5: "We care about being stronger together"

Corporate Objective, 2014/15 – 2015/16: Developing our role in delivering emergency and planned care

No NHS organisation can succeed in isolation. All parts of a local health system either improve together, or struggle together.

Across the area served by Western Sussex Hospitals NHS Foundation Trust, commissioners and providers are forging new ways of working together to ensure that patients benefit from better, more cohesive, sustainable services.

Looking ahead, there are four specific areas where the Trust will seek to make improvement to planned and unplanned care, through partnership.

Acute medicine pathways

Acute medicine pathways where patients are likely to experience a relatively lengthy average length of stay have been analysed, and changes will be made to improve – and thus shorten – the care provided.

Specifically the Trust will:

- Follow up detailed pathway reviews in Heart Failure, Pneumonia, COPD and Cardiac conditions by instituting improvement programmes, identifying and dealing with restraints in the current system
- Roll out the improvement programme across all areas affected.

One Call One Team

The Trust is the lead provider for the whole-system One Call One Team initiative, which has been instrumental in improving the experience of patients needing unplanned care either in the acute sector, or in primary and community settings. There is evidence that the project has proved successful in reducing the number of short-stay admissions, thanks to the way it allows healthcare professionals to access a range of services including Community Geriatricians, Rapid Assessment and Intervention team, GP in A&E, Paramedic Practitioner and Dementia Crisis team.

The Trust will continue to work with its principal commissioner, the Coastal West Sussex Clinical Commissioning Group, to develop the service.

Musculo-Skeletal service

The Coastal West Sussex Clinical Commissioning Group is running a procurement programme to secure a 'prime provider of Musculo-Skeletal services for a five–year period.

This offers a real opportunity for the Trust, working with partners, to markedly improve the experience of patients. Having already passed the Pre-Qualification Questionnaire (PQQ) stage, the next steps are:

- Successfully complete the Invitation to Tender process
- Aim to be appointed as joint prime provider of MSK services from January 2015 onwards
- Deliver an reformed and integrated MSK service for patients from 2015 onwards.

Reduce Readmissions

The Trust has already been recognised by Dr Foster Intelligence for progress made in reducing emergency readmissions linked to weekend care since 2011/12, but work has continued to analyse performance, and to seek further improvements.

A series of targeted projects are planned, with partners from across the local health system, to reduce readmissions. The areas of focus will be:

- Introducing a new COPD 'Virtual Ward'
- A system allowing early notification of admission
- Post-surgery specialist nurse
- End of Life Care
- Emergency outpatient surgical clinics
- Improving catheter care.

Value 6: "We care about improvement"

Corporate Objective, 2014/15 – 2015/16: Delivering service improvement and leadership development programmes across the Trust

The Trust is constantly seeking to improve its services, but there is also a new focus on helping to develop and improve the skills of the workforce so that there are more leaders within the organisation, capable of driving change themselves.

Leadership Development

The Trust has recently established Leadership Development programmes for clinicians, nurses and managers. The ambition is to equip a wider group of staff to have the skills to manage the Trust through the challenging future it faces. Having established this programme the next stage is:

- To work with the University of Chichester to refine, and deliver the Leadership Development Programme
- Conduct an evaluation of the effectiveness of the Leadership programme.

Service Improvement learning programmes

Service change is inevitable and necessary across all areas of the Trust, and it is essential that staff embarking on this process do so in a way which is evidence-based, to maximise the benefits to patient care. To support staff to do this the Trust will:

- Deliver a LEAN awareness training course
- Establish a resources and knowledge library to support individuals
- Develop and implement a comprehensive, longer-term, training programme

Value 7: "We care about the future"

Corporate Objective, 2014/15 – 2015/16: Implementing our Clinical Services Strategy and maintain an acceptable financial risk rating and governance rating

The Trust is focused not merely on building excellent services for today's patients, but also on developing services which are sustainable. There are six primary streams of work being targeted for the next two years to ensure that this essential goal of sustainability can be achieved.

Reviewing Emergency Surgery out of hours

The Trust currently runs two separate out of hours rotas for surgery and trauma at each site. Although the overarching commitment to maintain full A&E capability at Worthing and St Richard's remains, the Trust is reviewing this arrangement to see whether a more efficient and sustainable model can be developed.

Urology Services

At least some degree of reconfiguration and specialisation will be required to make Urology inpatient and outpatient services not only high quality and focused on patient need, but also sustainable.

To move forward the Trust will:

- Develop a business case, and implement changes, including the introduction of 'one stop shop' clinics in outpatient settings
- Pilot the one-stop-shop outpatient with investigation clinics prior to full implementation.

Pathology

The process of reconfiguring Pathology services is well advanced, and now will be completed. The changes are designed to bring about multiple advantages, including far greater efficiency, facilitating the use of new technologies, and enhancing both quality and responsiveness.

The next steps in completing the implementation of changes are:

- Completing the necessary building works at St. Richard's
- Implementing new technologies, including. Pathology testing equipment, Order Communications
- Implement new pathology procedures to optimise efficiencies.

Private Patient Services

Private healthcare is already carried out at Worthing and St Richard's, with the income supporting the Trust to deliver NHS healthcare, but there is an opportunity to increase this contribution.

To increase revenue from private activity the Trust must examine its relationships with consultants, the adequacy of facilities, and the marketing activity carried out in the past.

To increase the volume of work – and thus the revenue received – from the Trust's private patient units the areas of focus will be:

- Delivering a business case that generates options to expand and improve private patient facilities in Worthing and generate income
- Setting up a new joint private practice committee to engage with practicing consultants
- Establishing a website and marketing strategy
- Completing improvements to facilities at Worthing.

Commercial opportunities

There are a number of ways in which commercial opportunities could be more fully explored, with a view to supporting the Trust in its efforts to promote sustainable NHS healthcare.

The first priorities for progress are:

- Responding to tender opportunities both within West Sussex and further afield
- Developing services where specialist expertise exists, both as a specialist centre in our own right where appropriate, and with tertiary partners
- Through improvements in the service offered, and disseminating information on those services, to maximise the number of patients choosing the Trust as their provider for NHS care
- Partnering with other organisations, where appropriate, to deliver more effective and efficient services, particularly in 'back office' support functions.

Capital Plans

The Capital Programme has been informed by the objectives outlined above within the context of the challenges facing the organisation, described below. The agreed programme is shown in the table below:

	2014/15 £m	2015/16 £m
Endoscopy	4.79	2.06
Estates Enable Schemes	4.00	4.00
Emergency Floor	3.85	0.00
Southlands	3.00	3.00
Information Technology Schemes	1.89	1.62
Medical Equipment	1.80	2.45
Interventional Radiology	1.69	0.00
Pathology	1.02	2.56
CT Scanner	0.80	0.00
Day Surgery, Worthing	0.00	2.00
Overprogramming	0.00	(2.95)
Total Investment	**22.84**	**14.74**
Charitable Funding	(1.75)	(0.95)
New Investment by Trust	**21.09**	**13.79**

The key programmes within the capital programme are:

- Endoscopy redevelopment – as outlined in our Operational Plan programmes of work, the redevelopment of our Endoscopy services is a key quality improvement, improving patient flow, patient experience and efficiency, and will allow the Trust to meet the forecast growth in demand for Endoscopy services
- The Emergency Floor at Worthing Hospital – this will integrate care of the Elderly, Surgical and Acute Medical assessment into a single area and will result in a major improvement in patient care. The Emergency Floor is a key enabler to drive additional productivity through reductions in length of stay for unscheduled care patients
- Southlands Hospital: To deliver the Trust's commitment to develop Southlands Hospital, external investment of £4.5m has been included within the plan to support the development of Ophthalmology at Southlands, moving the current service from Worthing Hospital. This investment will be subject to a business case in early 2014/15 to demonstrate the economic benefits of the development
- Day Surgery at Worthing – as highlighted in the Trust's Clinical Strategy (Appendix 1), addressing the lack of a dedicated Day Surgery Unit (DSU) at Worthing Hospital is a strategic priority for the Trust. The Trust envisages enabling work to take place in 2015/16, with further capital investment required in 2016/17 before a new DSU becomes operational
- Interventional Radiology- the Trust is replacing and upgrading its Interventional Radiology services at Worthing Hospital as an essential part of providing a modern and safe acute service
- CT Scanner – one of the two CT Scanners at St. Richard's Hospital is in need of replacement and upgrading.

In addition to these schemes, the Trust has allocated significant capital sums to information management and technology, replacement medical equipment and a range of Estates Enabled Schemes covering sustainability, refurbishment, minor works and backlog maintenance.

Our challenges

Western Sussex Hospitals NHS Foundation Trust is a high performing, high quality organisation with an excellent track record of delivery against a range of quality, performance and financial measures. It is however, facing a period of unprecedented change and challenges that will require a step-change in the level of transformation required in order to build and improve on these sound foundations.

We have worked closely with our key Commissioner, Coastal West Sussex Clinical Commissioning Group (CCG), to identify the challenges facing the local health economy over the coming years. In summary, we know that we need to address:

- An increasingly elderly and frail population, the over 85 years of age population is forecast to grow by 13% over the next five years, which will lead to a rise in demand for health care services
- Increases in the number of people with long-term conditions, such as chronic obstructive pulmonary disease (COPD), diabetes and dementia
- Continued public sector restraint in resources for the foreseeable future resulting in a potential gap between income and demand for services of £201m by 2019 across the local health economy
- Through its proactive and unscheduled care programme, a commissioner intent to provide more care for its population outside of the acute setting, through preventative and Community-based services.
- How the Better Care Fund is likely to impact on the local health economy in 2015/16.

As the Trust continues to develop plans there is an expectation to build up further headroom for the next two years. As an organisation with £370m turnover, all transactions, expenditure and other opportunities will continue to be rigorously reviewed. The development of a challenging transformation programme has required the commitment and engagement of the organisation. The schemes have been risk assessed and where required there is a continuous programme of improvement to mitigate those risks and ideally create further headroom.

The approach has been to develop a programme on a thematic basis, rather than in organisational silos, which are owned across the organisational structure. The plans apply an increasingly greater focus on a transformational approach to the delivery of some key services. The Trust has reinforced its governance arrangements and has a well-developed programme as a result of the approach adopted in constructing these plans.

Directors' Report

Our Board of Directors

- Mike Viggers, Chairman (Chair of Finance and Investment Committee)
- Marianne Griffiths, Chief Executive
Executive Directors
- Spencer Prosser, Finance Director (until December 2013)
- Mike Jennings, interim Finance Director (December 2013 to February 2014)
- Karen Geoghegan, Finance Director (from February 2014)
- Jane Farrell, Chief Operating Officer
- Cathy Stone, Director of Nursing and Patient Safety
- Dr Phillip Barnes, Medical Director (until July 2013)
- Professor William Roche, interim Medical Director (July 2013 to December 2013)
- Dr Rob Haigh, interim Medical Director (December 2013 to January 2014)
- Dr George Findlay, Medical Director (from January 2014)
- Denise Farmer, Director of Organisational Development and Leadership
Non-Executive Directors
- Martin Phillips (Chair of Charitable Funds Committee)
- Jon Furmston (Chair of Audit Committee)
- Joanna Crane
- Bill Brown
- Tony Clark (Chair of Committees: Patient Experience and Feedback; Quality and Risk Committee; SIRI Review Panel)

Mike Viggers; Chairman
Mike Viggers was appointed Chairman in January 2012. Prior to his full time appointment he was Interim Chairman of the Trust since May 2011 following the resignation of the previous Chairman; Hywel Evans; for health and family reasons.

Mike joined the Board on leave of absence from Sussex Partnership NHS Foundation Trust; where he was Deputy Chairman and Senior Independent Director. He brings to the Trust extensive experience as a Senior Director for blue chip companies in the private sector; including a period as Operations Director for Parker Pen.

Marianne Griffiths; Chief Executive
Marianne is Western Sussex Hospitals' first Chief Executive; and was previously Interim Chief Executive of the Royal West Sussex NHS Trust during the final months before merger.

She joined the hospitals from NHS South East Coast; where she was Deputy Chief Executive and Director of Commissioning and Delivery; prior to which she was Chief Executive at Kent and Medway Strategic Health Authority. Her many roles in the NHS have also included a joint appointment in West Sussex as Head of Commissioning Social Services and Director of Strategic Development for the Health Authority.

Dr George Findlay; Medical Director
Dr Findlay is an intensive care consultant and experienced clinical leader. He joined WSHFT from one of the largest integrated NHS organisations in Wales and is an experienced clinical leader at national as well as regional level. He joined the Trust in January 2014.

Jane Farrell; Deputy Chief Executive and Chief Operating Officer
Jane has 28 years experience in the NHS and prior to the creation of Western Sussex Hospitals NHS Trust had been Director of Operations/Deputy Chief Executive of Royal West Sussex NHS Trust since joining in July 2008.

Originally training as a nurse; she specialised in paediatrics and held several senior professional roles before moving full-time into general management. Her extensive management experience includes several senior roles across London; including at Great Ormond Street; St Mary's; and prior to moving to Sussex; as Director of Operations at Ealing Hospital NHS Trust.

Karen Geoghegan; Director of Finance
Karen joined Western Sussex Hospitals from Brighton and Sussex University Hospitals NHS Trust where she was their interim Chief Financial Officer, having held several other senior posts within the organisation since 2002. Karen has a wealth of NHS experience and previously worked in several NHS organisations in London including Guys and St Thomas' NHS Trust, Northwick Park & St Mark's Hospitals and joined the NHS as part of the NHS Financial Management Training Scheme.

Cathy Stone; Director of Nursing and Patient Safety
Cathy was Director of Nursing at Hastings and Rother NHS Trust for six years and Director of Nursing at Worthing and Southlands from January 2008 prior to her appointment as Director of Nursing and Patient Safety at Western Sussex Hospitals.

She is a registered nurse and midwife with a special interest in neonatology; was part of the national steering group which developed the Advanced Neonatal Nurse Practitioner role (ANNP) and one of the first ANNP's to be appointed in the county. In support of her clinical background; Cathy has an MSc in Healthcare Management and has previously held Senior General Manager positions in other Trusts.

Denise Farmer; Director of Organisational Development and Leadership
Denise joined Royal West Sussex NHS Trust in February 2008 as Director of Human Resources and Organisational Development and was appointed to her current post on the merger with Worthing and Southlands.

She originally hails from Liverpool and has worked in the public sector for her entire career; most recently at Hampshire Primary Care Trust (PCT); where she was involved in major change programmes. At South Central Strategic Health Authority she led the recruitment process for PCT Chief Executives and Directors to the new PCTs.

Non-Executive Directors

Tony Clark; Deputy Chairman

Tony has lived in Chichester for many years and was a member of the old Royal West Sussex Board from 2006. He is a magistrate sitting on the Sussex Western Bench.

He served a full career in the Royal Navy as an Engineer Officer; rising to the rank of Commodore; and held senior positions in NATO. He is a Chartered Engineer.

Martin Phillips

A resident of Shoreham-by-Sea and a member of the old Worthing and Southlands Hospitals Board; Martin has 20 years' experience operating at Board level in sales and marketing and general management within the technical and engineering sectors.

His community involvement includes being a Trustee and Chair of Relate for Brighton and Hove and District; a magistrate on the Sussex Western Bench and an advisor for the Citizens Advice Bureau.

Jon Furmston

A resident of Horsham; Jon has had a career with BT of over 20 years to date and in that time has held roles in financial; marketing; general management and regulatory governance up to Board level.

He is a member of the Chartered Institute of Management Accountants and a member of the Institute of Engineering and Technology.

Joanna Crane

Joanna Crane has 25 years experience in the financial services industry, in both private and public sector organisations in the UK and overseas. From working within Corporate banking and structured finance - with a particular focus on strategic planning and risk - she moved into Human Resources in 2001, where she has lead extensive programmes in the fields of performance management and organisational change.

Joanna has a degree in psychology from St. Andrews University.

Bill Brown

In his 30 years' experience operating at Board level in the health care industry; Bill was chief financial officer of three top-10 UK pharmaceutical companies; and also held Board positions in manufacturing and operations; and marketing.

Latterly; Bill acted as executive director in a European-wide role for Wyeth. Now retired from the pharmaceutical industry; his community involvement includes membership of the Board of Governors of a local independent school.

Trust Board as of March 2014

How the Trust is run

The Trust's Constitution sets out the way in which the Council of Governors and the Board of Directors will operate and work together including their key areas of responsibilities.

The Trust's Scheme of Delegation sets out the responsibilities of the Trust's Board and key Committees.

In the event of dispute between the Council and the Board then the dispute resolution procedure set out in the Constitution shall be followed in order to resolve the matters concerned.

Audit Committee

The existence of an independent Audit Committee is the central means by which the Trust Board ensures effective control arrangements are in place. The Committee comprises of three Non-Executive Directors in line with the Code of Governance for Foundation trusts.

The Audit Committee independently reviews, monitors and reports to the Board on the attainment of effective control systems and financial reporting processes.

The Audit Committee receives and considers reports from Internal Audit, External Audit and Local Counter Fraud Services.

The Audit Committee membership in respect of the period 01 July 2013 to 30 March 2014 was:

- Jon Furmston, Non-Executive Director and Chair of Committee
- Bill Brown, Non-Executive Director
- Joanna Crane, Non-Executive Director

The register of member's attendance is set out in the table below:

Register of Members attendance at Audit Committee meetings for the period 01 July 2013 to 30 March 2014	July	October	January
Jon Furmston	Yes	Yes	Yes
Bill Brown	Yes	Yes	Yes
Joanna Crane	Yes	Yes	Yes

The Director of Finance, Director of Organisational Development and Leadership, Local Counter Fraud Services, Internal and External Auditors are regular attendees at meetings of the Committee. The Committee also requests other senior Trust officers to attend for specific items. The Committee is supported by the Company Secretary.

The Trust's External Auditors are Ernst and Young.

The Trust does not have its own Internal Audit function and at the time of writing this report the Trust is undertaking a competitive tendering exercise for Internal Audit and Local Counter Fraud services.

It should be noted that as at the 1 July 2013 the Trust's Internal Auditors were South Coast Audit who merged with TIAA Ltd as of the 1st January 2014. The new organisation trades under the name of TIAA. It is through the Internal Audit Service that the Audit Committee in part discharges its responsibility to continually review the effectiveness of its risk management and internal control processes.
The Audit Committee Agenda is based upon an agreed annual work-plan. The work plan remains flexible but is developed upon an allocation of 250 days of activity across the areas of Core Assurance, Governance Reviews, Risk Based Assurance and IM&T Audit and Management.

During the period July 2013 to March 2014 the Committee received 13 Internal Audit reports at its three meetings of which 1 provided Limited Assurance while 12 provided Significant Assurance as Audit Opinions.

The area rated as Limited Assurance was that obtaining Consent. The audit report issued in September 2013 found areas of concern relating to Omissions and Errors; different versions of Consent forms in use; and potential lack of information provision. It should be noted that good progress has been made in addressing the recommendations made.

The Local Counter Fraud Service provided by TIAA has operational responsibility for ensuring instances of suspected fraud and corruption are investigated. The Trust continues to focus its time on pro-active rather than reactive work and during the period of this report the local counter fraud manager engaged with staff to raise their awareness of fraud.

During the period of this report the Audit Committee continued to work to fulfil its terms of reference and provide assurance to the Board.

In the context of the Francis Report one of the Committee's key priorities for the period of this report has been to ensure it maintains an oversight on risk across the Trust and work closely with other Board sub-committees to ensure that risk remains high on their agendas and that these issues are reported to the Board. The Committee takes sounding from internal and external sources to ensure that its work plan is dynamic and to address any emerging issues.

Countering Fraud

The Trust works closely with the NHS Counter Fraud Service to tackle fraud and corruption in all areas of income and expenditure. The aim of the service is to reduce fraud to an absolute minimum thereby releasing resource to provide patient care and services. The Local Counter Fraud Specialist (LCFS) works to prevent and investigate fraud issues and causes of fraud within the Trust.

This is done through a combination of planned risk assessments and investigations in response to matters raised by staff or others. The importance of countering fraud and the existence

of the service itself is promoted through staff induction, newsletters and on the staff intranet site.

Board of Directors

The Chair and Non-Executive Director Directors are appointed by the Council of Governors.

The Directors of the Trust for the period of this report are shown in the table below together with their attendance at Board meetings for the same period. All of the Non-Executive Directors are considered to be independent. The Register of Directors' interests is presented in public to the Board annually. Each Director has completed the appropriate declaration required under the Fit and Proper Person test as required under the terms of its provider Licence.

The Chair of the Board is also the Chair of the Council of Governors. The Board has appointed Mr Jon Furmston, Non-Executive Director, as Senior Independent Director.

Attendance at Board meetings 1 July 2013 to 31 March 2014

Name	Total meetings eligible	July (held 1Aug)	Aug	Sept (held 3 Oct)	Oct	Nov	Dec	Jan	Feb	Mar	Total Meetings Attended
Mike Viggers	9	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Jon Furmston	9	✓	×	✓	✓	✓	✓	✓	✓	✓	8
Bill Brown	9	✓	✓	×	✓	✓	✓	✓	✓	✓	8
Tony Clark	9	✓	×	✓	✓	✓	×	✓	✓	✓	7
Joanna Crane	9	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Martin Phillips	9	✓	✓	✓	×	✓	✓	✓	✓	✓	8
Marianne Griffiths	9	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Jane Farrell	9	✓	×	✓	✓	✓	✓	×	✓	✓	7
Denise Farmer	9	✓	✓	✓	✓	✓	×	✓	✓	✓	8
Karen Geoghegan	2	×	×	×	×	×	×	×	✓	✓	2
Cathy Stone	9	✓	✓	✓	×	✓	✓	✓	✓	✓	8
George Findlay	3	×	×	×	×	×	×	✓	✓	✓	3
William Roche	6	✓	×	✓	✓	✓	✓	×	×	×	5
Spencer Prosser	6	×	✓	✓	✓	✓	✓	×	×	×	5
Mike Jennings	1	×	×	×	×	×	×	✓	×	×	1

Notes:

1. William Roche was Locum Medical Director for the period 1 July 2013 to 13 December 2014.
2. Spencer Prosser was Executive Director of Finance for the period 1 July 2013 to 31 December 2014.
3. Mike Jennings was Interim Executive Director of Finance for the period 31 Dec 2013 to 3 February 2014.
4. George Findlay was Medical Director for the period 27 January 2014 to 31 March 2014.
5. Karen Geoghegan was Executive Director of Finance for the period 3 February 2014 to 31 March 2014.

The Board has agreed a scheme of reservation and delegation which sets out those decisions which must be taken by the Board and those which may be delegated to The Executive Management Board or to Board sub-committees.

The Board sets the Trust's strategic aims and provides active leadership of the Trust. It is collectively responsible for the exercise of powers and the performance of the Trust, for ensuring compliance with the trusts Provider Licence, relevant statutory requirements and contractual obligations, and for ensuring the quality and safety of services. It does this through the approval of key policies and procedures, the annual plan and budget for the year, and schemes for investment or disinvestment above the level of delegation.

The Board of Directors believes that it has the appropriate membership and skills to meet the requirements of the NHS Foundation Trust Code of Governance.

Board, Committee and Directors' performance appraisal

During the period of this report the Board held a review day where the performance of the Board was reviewed and future strategic aims and objectives of the organisation were considered.

The Chief Executive carried out an appraisal on the performance of the Executive Directors, which was reported to the Appointment and Remuneration Committee. The Chair conducted the Chief Executive's appraisal which was reported in the same way. The Chair carried out the appraisal of the Non-Executive Directors, having sought feedback from other Directors. The Senior Independent Director conducted the appraisal of the Chair which included feedback from Directors and Governors.

Statement of Compliance with the NHS Foundation Trust Code of Governance

The Board is compliant with the provisions of the Code of Governance except for the following item. The code sets out that: At least half the Board, excluding the Chair, should comprise Non-Executive Directors determined by the Board to be independent.

Statement of compliance with the NHS Constitution

The Board of Directors takes account of the NHS Constitution in its decisions and actions, as they relate to patients, the public and staff. The Board of Directors is compliant with the principles, rights and pledges set out in the Constitution.

Board Committees

The Board has established a number of formal sub-committees that support the discharging of the Boards responsibilities. Each Committee is Chaired by a Non-Executive Director.

These committees do not operate independently of each but where appropriate operate together (and indeed report to one another) to ensure full coverage and clarity on all areas of Trust activity.

- **Quality and Risk Committee:** The Quality and Risk Committee supports the Board in ensuring that the Trust's management of clinical and non-clinical processes and controls are effective in setting and monitoring good standards and continuously improving the quality of services provided by the Trust.

- **Finance and Investment Committee:** The Finance and Investments Committee supports the Board to ensure that all appropriate action is taken to achieve the financial objectives of the Trust through regular review of financial strategies and performance, investments, and capital and estates plans and performance.

- **Patient experience and Feedback Committee:** The Patient Experience and Feedback Committee provides assurance to the Quality and Risk Committee and the Board that the Trust manages comments, compliments, concerns and complaints from patients and the public in a sensitive and effective manner and that a process of organisational learning is in place to ensure that identified improvements are embedded within the organisational framework.

- **Audit Committee:** The Audit Committee supports the Board of Directors to deliver the Trust's responsibilities for the conduct of public business and the stewardship of funds; to be responsible for providing assurance to the Board that appropriate systems of internal control and risk management are in place covering all corporate and clinical areas of the Trust; and to make recommendations to the Council of Governors on the appointment of external auditors.

- **Serious Incidents that Require Investigation (SIRI) Scrutiny Panel** The purpose of the SIRI Panel is to provide assurance to the Board that all SIRI are investigated robustly and that opportunities for improvement are identified and acted upon.

- **Charitable Funds Committee:** The purpose of the Charitable Funds Committee is to monitor progress and performance against the strategic direction of the Charitable Trust's fundraising activity as determined by the Board as corporate Trustee; to approve and monitor expenditure of charitable funds in line with specified priority requirements; and to monitor the management of the Trust's investment portfolio ensuring that the Trust at all times adheres to Charity Law and to best practice in governance and fundraising.

- **Apppointment and Remuneration Committee:** The Committee sets the terms and conditions of the Executive Directors. This committee's membership is Non-Executive Directors only.

The Appointment and Remuneration Committee membership is as follows:

Mike Viggers	Chair
Tony Clark	Non-Executive Director
Bill Brown	Non-Executive Director
Joanna Crane	Non-Executive Director
Jon Furmston	Non-Executive Director
Martin Phillips	Non-Executive Director

Meeting attendance for the period was:

Non Exec Director	July	Aug	Sept	Oct 3	Oct 30	Dec	Jan	Feb	Mar	Total
Mike Viggers	Y	Y	Y	Y	Y	Y	No Meeting	Y	No Meeting	7
Tony Clark	Y	N	N	Y	Y	Y	No Meeting	Y	No Meeting	5
Bill Brown	N	Y	N	N	Y	Y	No Meeting	Y	No Meeting	4
Joanna Crane	Y	N	N	Y	N	N	No Meeting	Y	No Meeting	3
Jon Furmston	Y	N	Y	Y	Y	N	No Meeting	Y	No Meeting	5
Martin Phillips	Y	Y	Y	Y	Y	Y	No Meeting	Y	No Meeting	7

In attendance at meetings are the Chief Executive, Director of Organisational Development and Leadership and the Company Secretary.

During the period the Committee did not procure any external advice relating to pay and the Trust does not operate performance related pay.

Non-Executive Directors

It is the responsibility of the Council of Governors to appoint the Chair and other Non- Executive Directors and to oversee the appraisal process of the Chair and Non-Executive Directors.

The Governors Nomination and Remuneration Committee oversee these processes on behalf of the Council. No new Non-Executive Director appointments were made during the period although the process to appoint a new Non-Executive had commenced.

The Chair's appraisal is undertaken by the Senior Independent Director, Mr Jon Furmston is the Trust Senior Independent Director.

The Trust's Constitution sets out the appointment and removal process for the Chair and Non-Executive Directors. The Council of Governors may, at a general meeting of the Council of Governors, appoint or remove the Chair or other Non-Executive Directors; this will require the approval of three-quarters of the members of the Council of Governors.

The Terms of Office of the Non-Executive Directors is set out below:

Non Exec Director	Appointed	Term of Office
Mike Viggers	11.01.2012	10.01.2016
Tony Clark	02.04.2009	27.05.2014
Bill Brown	01.03.2011	28.02.2015
Joanna Crane	02.04.2009	01.04.2017
Jon Furmston	02.04.2009	01.04.2017
Martin Phillips	02.04.2009	08.07.2015

Note : Excludes service pre-merger 2009

At no time during the period have the Council of Governors exercised their formal power to require a Non-Executive Director to attend a Council meeting and account for the performance of the Trust. However, Non-Executives do attend Council meetings and are happy to answer any questions raised.

Our people

As a major local employer, Western Sussex Hospitals NHS Foundation Trust is committed to involving, informing and inspiring its staff. We believe that involving staff in decision making draws upon their knowledge and expertise from their work environment to generate ideas that will help develop and improve services.

There are a range of standing groups which seek to involve staff in making decisions about the way the Trust is run, how it is doing in terms of performance targets, finance and quality and how it will develop. For example, the Trust's Employee Partnership, made up of local and regional union representatives, staff governors and managers is chaired by the Director of Organisational Development and meets monthly to form the basis of a constructive and co-operative approach towards achieving our goals.

The Trust also has other consultative bodies to discuss specific areas of joint interest with staff representatives such as the Local Negotiating Committee, Health and Safety Committee, Diversity Matters Group and the BME (black, minority and ethnic) Staff Network as well the Lesbian Gay and Trans forum, which was established this year.

The Trust reports on a monthly basis to the Trust Board, Executive Team and Trust Management Board on all aspects of performance (financial and non-financial).

There are also a number of different ways in which staff are encouraged to share their views, ask questions and receive information:

- Trust brief, the monthly information cascade. a monthly briefing that is given to all staff which includes a briefing on performance issues as a standing item. This briefing identifies common actions for staff to take and also provides mechanism for the staff to ask questions and receive a response to their questions. The coverage of Trust brief is regularly audited
- Weekly newsletter, Headlines, to which all staff are encouraged to contribute
- Well-used intranet which includes news, policies and guidelines as well as an area for booking courses and personal development
- Official Facebook and Twitter presence and weekly online updates on Scoop It
- Real time feedback at monthly health and safety days including the Family and Friends tests
- Held second Staff Conference "Customer Care with more than 300 staff attending the main conference and fringe events
- Annual NHS Staff Survey and action planning. The full results for the 2013 NHS Staff Survey can be found on page 64
- Annual appraisal for all staff
- The Medicine and Surgery Divisions ran engagements events at Worthing and St Richard's providing staff with opportunities to hear news, meet colleagues from different sites and contribute ideas
- Information posters were introduced to staff toilets, providing the opportunity for updates and promotional campaigns
- The Trust runs two main staff recognition schemes: Employee of the Month and annual STAR awards. Both encourage staff to nominate their colleagues and are judged by a panel, made up of patient and staff representatives and chaired by the Chief Executive.

Policies

Policies applied during the period relating to employment, training and career development are:

- Equality and diversity policy
- Managing Sickness Absence
- Learning and Development Policy
- All polices are available via the Trust's intranet, StaffNet.

Our workforce and the local population

The age of staff follows a normal distribution curve and is generally reflective of the population we serve, apart from the under 20s and over 60s for which we employ less. Our staffing split by gender is proportionate to the NHS nationally, but not the local population.

The Trust employs less disabled staff than in the local population as shown in the 2011 Census. However, following a data cleanse exercise and staff census, the staff declaration rates of disability status have improved again this year. The Trust has a disability rate of 4% of staff, the same as last year.

There are higher levels proportionately of Black and Minority Ethnic staff employed at the Trust than in the local population. However, we have seen an increase in the diversity of the population reflected in the updated census results, particularly in the white non-British category. This category has also seen an increase for staff within the last year. The religion and beliefs of staff are very similar to last year and to the local area, however the "other" category is still higher. A questionnaire will be sent to those declaring "other" to establish examples of what this means to them.

Declaration rates for religion/belief are similar to last year, and the "other" category is still high. There has been a further increase of staff declaring their sexual orientation and this is now 68%. A Lesbian Gay Bisexual and Transgender (LGBT) Forum has recently been established at the Trust and therefore it is anticipated that changes will take place in this category over the next year. Marital status of staff is reflective of that of the local population and has not changed greatly since the last reporting period.

Patients and the local population

In general the patients we serve are representative of the local population, based on the information we hold. However, further work is required to ensure patient data is recorded for all the protected characteristics consistently in order to give further confidence in the accuracy of our conclusions.

Equality and Diversity

From July to March, the Trust held three Diversity Matters Steering Group meetings (Chaired by the Chief Executive) and our internal BME, Religion and Belief and Disability forums will have met a number of times. In addition a Lesbian, Gay, Transgender and Bisexual network has been established (LGBT) and met on three occasions. Plans are in place for the Trust to be represented by a float at PRIDE. Equality and Diversity raising awareness stands also took place during September 2013 across the Trust.

The Trust was 90% up to date on Equality and Diversity training up to 31st December 2013. External E&D training providers STEPS attended the Trust conference and this attracted 171 staff. In addition during March 2014, 157 staff attended a further STEPS event at Worthing and St Richard's hospitals.

The breakdown of male and female staff excluding our staff bank is:

Female 5,329 (78%)
Male 1,482 (22%)
For senior managers, including Executive Directors, Non-Executive Directors, Band 8cs and above, Chiefs of Service and Clinical Directors, the total is:
Female 32 (46%)
Male 37 (54%)

Our Volunteers and Friends

Volunteers

All three of our hospitals are very fortunate to have the support of many volunteer who assist throughout the Trust and fundraise in the community. At the end of March 2014 there were almost 1,000 dedicated volunteers across the hospitals freely giving up their time to help patients and staff.

The RVS, British Red Cross, the Seaside and Chichester Hospital Radio teams, our chaplaincy volunteers, the Friends charities at all three hospitals, the clinical volunteers and the independent volunteers are all a central part of the team who help to ensure the hospitals have a friendly, welcoming atmosphere and provide high quality care.

Love your hospital charity

Love your hospital charity raises funds to ensure the Trust's clinicians and nursing staff have the best facilities and equipment available to treat patients within our community. The work of the charity enables us to invest in projects that fall outside usual NHS funding limits and to have access to the latest technologies and equipment.

Love your hospital manages hundreds of individual ward funds across the hospitals, enabling our loyal donors to give to a specific hospital or clinical area, as well as to the organisation as a whole.

During the period, the charity team organised a number of successful events to raise money for specific projects around the Trust and continued to run a charity lottery and other campaigns to continually raise money for our patients and their families, and to support our staff.

Donations to the charity are always welcomed. If you would like to continue our work and support our community or volunteer, please telephone 0800 028 4890 or visit www.loveyourhospital.org or find us on facebook for more information.

Friends

The Trust is very fortunate to have three Friends charities that raise money for the hospitals. The Friends of Chichester Hospitals has been in existence since 1948, the Friends of Worthing Hospitals was established in 1949 and the League of Friends of Southlands Hospital was set up in 1952. All are run by independent committees of trustees who co-ordinate activities, manage funds and approve specific donations. There are shops and cafes run by the Friends' volunteers on all three hospitals.

The quality of services

One of our key values as an organisation is the pursuit of quality and working to constantly improve the experience our patients and their loved ones. This section describes how we ensure we hear what our patients think of the services we provide and changes we have made as a result. There is an extensive report in our quality performance beginning on page 16 and our quality governance arrangements can be found in the Board Annual Governance Statement.

Friends and Family Test

The government's Friends and Family Test was launched across adult inpatient ward and A/E departments from quarter 1 and in maternity from October 2013.

There is strict national guidance detailing how this question will be scored as follows:

- The proportion of respondents who would be extremely likely to recommend MINUS the proportion of respondents who would not recommend.

This results in scores with a possible range of -100 to 100.

Immediate feedback is provided to wards on a continuous basis to ensure staff can address problems or celebrate positive feedback. A dashboard has been launched giving wards clear information regarding their monthly scores.

National Friends and Family data is published on the NHS England website. There is a CQUIN requirement for responses rates from inpatient and Accident and Emergency departments with the target being to progress to 20% return rate for quarter 4. As can be seen below the response rates for quarters 3 and 4 have met this target.

Maternity

Women are asked at four separate points whether they would recommend the trust. It has nationally proved very difficult to establish accurate return rates for the four points.

Results	July 13	Aug	Sept	Oct	Nov	Dec	Jan 14	Feb	Mar
Antenatal	-	-	-	100	83	81	68	76	-
Deliveries	-	-	-	77	82	70	76	85	-
Postnatal	-	-	-	65	70	64	54	73	-
Community	-	-	-	100	64	70	57	69	-

The FFT will be rolled out across outpatient and day surgery areas through 2013/14

Positive actions

- activities boxes - cards games etc – to relieve boredom
- friends and family groups set up in the A&Es
- new patient information leaflet for A&Es
- water cooler, newspapers in the departments
- practical response to estates issues e.g. dept too cold, ward door banging
- maternity run regular focus groups at child health clinics.

	July 13	Aug	Sept	Oct	Nov	Dec	Jan 14	Feb	Mar	ytd
A/E response rate	12%	9.8%	15.3%	15.3%	30.2%	42%	35%	34%	-	18.9%
I npatient response rate	26%	17.8%	16.5%	16.5%	22.7%	32.9%	24%	26.2%	-	20.8%
A/E Results	79	73	76	75	78	74	74	69	-	75
Inpatient Results	79	73	76	75	78	74	74	69	-	76

Real-time patient experience feedback(RTPE)

This system is available across inpatient and outpatient areas with handheld devise available at ward level to support the completion of feedback.

Overall there have been 4181 surveys completed during this period with a satisfaction of 85.55%.

Detailed results are routinely fed back to divisions and wards. Aggregate scores are included in the quality scorecard. Targets for these measures for 2013/14 are based on an improvement against 2012/13

Broad breakdown:

Adult Inpatient: 3380 surveys with 85.3% satisfaction

All 5 measures have met the target for the year with scores for the period July to March 2014 as follows (target in brackets) February did show a dip in two measures(information and communication and overall experience) for the first time this year.

- Hospital environment 77%(75%)
- Assistance 91%(87%)
- Compassion 90%(88%)
- Information and Communication 78%(77%)
- Overall Experience of the Trust 93%(92%)

There are also specific surveys across a number of departments

- Outpatient (including Fernhurst): 202 surveys with 83.43% satisfaction.

The number of survey returns in Outpatients remains a challenge. It is planned to use the launch of the Friends and Family question to improve the levels of feedback in this area.

- Children's Survey: 122 surveys with 94.48% satisfaction
- Maternity: 324 surveys with 92% satisfaction
- Cancer specialist services: 27 surveys with 89.94% satisfaction

An End of Life survey was launched in September: seventy surveys have been returned to date with 95% satisfaction relating to respect and dignity of treatment by doctors, nurses and hospital staff and 77.25% overall satisfaction (relating in the main to choice of place of death)

There have been a number of work streams in place to try to improve scores in key areas:

Food

- continuation and revitalisation of the protected mealtimes approach – including red tray and red cup schemes
- posters to raise awareness of the need for regular drinks with monitoring of a minimum standard of 7 drinks rounds per day
- recruitment of mealtimes assistants – a programme of volunteer recruitment and training to offer extra support to patients who require assistance with their meals
- the catering leads reviews the real-time system every week for comments relating to meal choices and asks her chefs to attend wards where concerns have been raised
- a regular programme of PLACE food audits the team includes patient reps and conducts reviews at lunch and suppertime meals.

Knowledge of how to give feedback/ complain

- the launch of the Friends and Family test has supported improvement in this area
- roll out of "Do not take a problem home with you posters"
- regular audit by Patient Advice and Liaison Service teams of posters

Information and Communication

"Having someone to talk about your worries and fears/involvement in decisions about your care"

- all teams have been required to ensure that staff from each area attend the sage and thyme communication skills training
- continuation of the dementia awareness programmes which includes key skills relating to how to communication, providing person centred care and ensuring early conversation with family members regarding the persons needs at home and use of the Knowing Me document
- carers' hub sessions available on both sites each week
- ERP programmes reviewed following feedback from RTPE and FFT and have been revised to include one stop 1 day with pre op am and information / joint school in the afternoon. Plans for coming year to launch patient diaries
- Ward boards in surgery reviewed to include more detailed information regarding consultant teams and patient status.
- patient information folders on all wards.

Privacy and Dignity

The Real Time Patient Experience survey scores for privacy = 79% for this period.

The roll out of Care and Compassion, Sit and See programme has been put in place to try to improve results in this area. Wards are observed by staff and volunteers trained in use of the tool; patient interactions are scored for care and compassion: ward staff are given feedback and are required to put in place actions to address concerns.

Results are reported to the quality Board quarterly with year to date scores Positive care and compassion observations in general care = 83%

Positive care and compassion observations inpatient/visitor interactions = 83%

The Accident and Emergency departments were included in this programme during November and December when the 'patient association' carried out a series of observations out of hours – feedback was extremely positive.

The sit and see training has been incorporated into staff development programmes and it is planned to extend this to Outpatients Departments and theatres through the coming year.

National Survey

The survey was undertaken on a random sample of 850 adult inpatients discharged in August 2013. Overall, 474 patients completed the questionnaire, with a response rate of 58%. This demonstrates a decreased response rate of -1.6% on the previous survey response in 2012.

The final Care Quality Commission National Inpatient Survey 2013 report for Western Sussex Hospitals NHS Foundation Trust will received into the organization in early April 2014. The national report will be published by the Care Quality Commission in late April 2014. The Trust has improved on 41 questions since 2012, and remains the same on 10 questions and worse on nine questions, with an average overall improvement of 2.1%.

The main improvement on the 2012 survey has been a 12% increase in Q23 'Enough help from staff to eat your meals?'

This reflects positively on the actions that have been put in place through the year to try to improve patient experience at mealtimes

- continuation and revitalisation of the protected mealtimes approach – including red tray and cup schemes
- recruitment of mealtimes assistants – a programme of volunteer recruitment and training to offer extra support to patients who require assistance with their meals

There was also a 10% increase in Q69 'During your stay, were you ever asked views on quality of care?' (this was a statistically significant change) and an 8% increase in Q70 'Did you see/were you given any information explaining how to complain about care received?

This follows the implementation of the FFT question across areas and also the Do not take a problem home with you poster roll out.

The survey identified potential areas for improvement are:

- Ever bothered by noise at night by patients?
- Did hospital staff discuss with you whether you would need any further health or social care services after leaving hospital?
- Before you left hospital, were you given any written or printed information about what you should or should not do after leaving hospital?

Analysis of key themes arising out the data from the National Inpatients Survey and the Real Time Patient Experience surveys has identified key issues that require actions to improve the situation.

Key areas for improvement 2014 – 2015

- Quality of food
- Waiting for medicines to be dispensed before being discharged
- Provision of information – concerning discharge
- Noise at night – from patients

Foundation Trust Membership

Our Foundation Trust members have a recognised voice in our decision making and in how we plan future services. Our membership strategy ahead of becoming a foundation trust set out a target for recruiting more than 7,000 members and for that membership to be representative of the community we serve. Our membership on 31 March, 2014 was 7,553 and spread across the following public constituencies:

- Adur = 1,198
- Arun = 2,437
- Chichester = 2,117
- Horsham = 396
- Worthing = 1,155
- TOTAL = 7,303

The above figures do not include:

- Patient Constituencies (242)
- Staff Geographical (6)
- Public Wards not found (4)

Total membership = 7,555

The breakdown by age and gender was as follows:

	Public	Patient	Staff	Total
Age	7,307	242	6	7,555
0-16	2	1	0	3
17-21	104	5	0	109
22+	6,857	224	6	7,087
Not stated	344	12	0	356
Age 22+	6,857	224	6	7,087
22-29	115	9	0	124
30-39	260	20	0	280
40-49	419	24	1	444
50-59	673	22	3	698
60-74	2,694	87	2	2,783
75+	2,696	62	0	2,785
Gender	7,307	242	6	7,555
Unspecified	5	1	0	6
Male	3,279	114	4	3,397
Female	4,023	127	2	4,152

The breakdown of membership by ethnicity is as follows:

	Public	Patient	Staff	Total
Ethnicity	7,307	242	6	7,555
White - British	6,584	205	4	6,793
White - Irish	206	4	0	210
White - Any other white Background	116	10	2	128
Mixed - White and Black Caribbean	2	1	0	3
Mixed - White and Black African	2	0	0	2
Mixed - White and Asian	8	0	0	8
Mixed - Any other mixed background	7	1	0	8
Asian or Asian British - Indian	25	0	0	25
Asian or Asian British - Pakistani	0	1	0	1
Asian or Asian British - Bangladeshi	7	0	0	7
Asian or Asian British - Any other Asian background	20	1	0	21
Black or Black British - Caribbean	8	1	0	9
Black or Black British - African	6	1	0	7
Black or Black British - Any other Black background	5	0	0	5
Other Ethnic Groups - Chinese	6	0	0	6
Other Ethnic Groups - Any other ethnic group	12	1	0	13
Not stated	293	16	0	309

Getting involved

Since becoming a foundation trust we have set up a Membership Committee, chaired by the elected governor for the Chichester constituency. The role of the committee is to further increase the membership, improve representation and ensure members have the opportunity to be as engaged and involved in the organisation as they choose to be.

Members can be involved as much or as little as they like – from simply receiving information about the hospitals to taking part in projects to improve or develop services.

Some of the things members can do include:

- Receive; and be invited to give feedback on; hospital newsletters; annual reports and business plans
- Be invited to act as a 'barometer' of public opinion on the Trust's reputation and services
- Be able to vote in Governor elections
- Be eligible to stand for election to the Council of Governors.

Members might also wish to take part:

- In surveys; questionnaires or consultations
- In focus; discussion; advisory or user groups
- At open days and other educational events
- By recruiting more members
- By helping to collect and channel the views of other members of the public on a variety of issues including service quality and service provision
- By being an ambassador for the Trust
- In fundraising
- By joining our volunteer team.

These are some of the ways members can play a real role in the Trust's forward planning and development of services; and be able to hold the Board of Directors to account for the delivery of the Trust's strategy.

Membership is free and does not bring with it any benefit or privileges when using our services.

Become a member

People from every walk of life are welcome to join and support their local hospitals and help shape their future. We want to maintain a membership that is interested in our services and reflects the diverse communities found across Sussex. We are especially keen to include minority groups and would particularly welcome interest from these sections of the local community.

Our members are grouped into three different types of constituency:

- Public
- Patient and Carer
- Staff.

To be a Public member you must be at least 16 years old and live in one of the five local council areas where the great majority of our patients reside. These are:

- Adur
- Arun
- Chichester
- Horsham
- Worthing.

However; we know we have many patients who live outside these main areas and we want to include everyone. So; for those who do not live in any of the five areas above but you have been a patient or carer at one of our hospitals since 1 January 2008; the option is available to become a member of the Patient and Carer constituency.

All permanent staff and those on fixed-term contracts of 12 months or longer also automatically become staff members. Those who do not wish to do so are able to opt out.

Council of Governors

The Council of Governors acts as a link between the members and the Trust Board; promoting active membership; representing local views and being a 'critical friend' to the Trust.

It also appoints – and decides the remuneration of – the Trust's Chair and the Non- Executive Directors; and approves the appointment of the Chief Executive.

Governors are also typically involved in many areas beyond their statutory duties; which may include:

- Holding constituency meetings to communicate with members
- Representing the views of members to the Trust Board
- Developing and reviewing the membership strategy to ensure representation and engagement levels are maintained and increased as appropriate
- Working with hospital volunteers
- Giving talks to interested stakeholders.

The Trust's first public and staff governors were elected by its membership in September 2012.

The first meeting of the Council of Governors was held on Tuesday 9 July 2013. As well as governors elected by the membership; the Trust has invited appropriate organisations to become partner organisations; each of which are able to appoint governors.

Western Sussex Hospitals NHS Trust members elected the organisation's first Council of Governors in September 2012 as part of its progress towards achieving NHS Foundation Trust status.

More than 7;500 public members and over 6;000 members of hospital staff were able to vote in the ballot to elect their representatives in 22 of the 31 seats on the new council. The nine other places are for governors appointed by the Trust's partner organisations.

Governors can be contacted by emailing:governors@wsht.nhs.uk

In total there were 114 candidates contesting the 22 seats; and the winners were as follows:

Public Governors
Adur: Barbara Porter; John Todd
Arun: Margaret Bamford; Gill Kester; Margaret Boulton; Alison Langley
Chichester: Stuart Fleming; Vicki King; Abigail Rowe
Horsham: John Gooderham
Patient/Carer: Jennifer Edgell; Richard Farmer; Paul Benson
Worthing: Beda Oliver; Shirley Hawkridge; David Langley

Staff governors
Medical and Dental:
Mr Mike Rymer
Nursing and Midwifery:
David Walsh
Additional Clinical Services:
Greg Daliling
Scientific; Technical and Professional:
Helen Dobbin
Estates and Ancillary:
Martin Harbour
Administrative and Clerical:
Jenny Garvey.

Appointed governors
University of Brighton School of Nursing and Midwifery:
Shirley Bach
Coastal West Sussex CCG:
Patrick Feeney
Brighton & Sussex Medical School:
Peter Pimblett-Dennis
Chichester District Council:
Robert Haynes
West Sussex County Council:
Nigel Peters
Friends of WSHFT Hospital and WRVS:
Jane Ramage.

The Council of Governors were involved in the development of the Trust Operational Plan submitted in April to Monitor. In addition workshops have been held with Governors to support the development of the Trust 5-Year Strategy.


Lead Governor
Margaret Bamford

Remuneration Report
Part 1

Membership of the Appointments and Remuneration Committee
The committee is chaired by the Chairman of the Trust and members include two Non-Executive directors.

Policy Statement on the remuneration of senior managers for current and future financial years
In coming to any decision on remuneration, the Committee must take into account the circumstances of the organisation, the size and difficulty of the job (benchmarked against other NHS organisations), any changes in the director's portfolio, the performance of the individual and national guidance as appropriate. Senior managers are remunerated based on these decisions. Bonuses awarded by the Committee are based within the context of the NHS Very Senior Manager Pay Framework.

Methods used to assess whether performance conditions were met and why those methods were chosen
All Directors' performance is subject to an annual appraisal and, additionally, a report submitted to the Committee from the Chief Executive Officer prior to any decision on remuneration. For the Chief Executive Officer appraisal is undertaken by the Chief Executive Officer of the Strategic Health Authority and a report is submitted to the Committee by the Chairman of the Board.

The annual appraisal method is chosen as it is the most common way of assessing performance. The method includes 360 degree feedback and assessment of performance from Non-Executive directors and peers.

Statement of policy on duration of contracts, notice periods and termination payments
HM Treasury has issued specific guidance on severance payments (i.e. payments that are not made under either legal or contractual obligation) within "Managing Public Money." Special severance payments when staff leave require Treasury approval.

All contracts are permanent with no fixed end date. There are no contractual provisions for payments on termination of contract.

Name	Title	Date of contract	Notice period from the Trust	Notice period to the Trust
Ms Marianne Griffiths	Chief Executive Officer	01/04/2009	6 months	3 months
Ms Jane Farrell	Chief Operating Officer & Joint Deputy Chief Executive	01/04/2009	6 months	3 months
Mrs Karen Geoghegan	Director of Finance	01/02/2014	6 months	3 months
Mrs Cathy Stone	Director of Nursing and Patient Safety	01/04/2009	6 months	3 months
Mrs Denise Farmer	Director of Organisational Development and Leadership	01/04/2009	6 months	3 months
Dr George Findlay	Medical Director	27/01/2014	6 months	3 months

Remuneration Report

Part 2

Salary and pension entitlements of senior managers

A) Remuneration (subject to audit)

	July to March 2013/14					
Name and Title	**Salary (Bands of £5000)**	**Expenses and Benefits in Kind (nearest £100)**	**Annual Performance Related Bonus (Bands of £5000)**	**Long Term Performance Related Bonus (Bands of £5000)**	**Pension Related Benefit (Bands of £2,500)**	**Total (Bands of £5000)**
	£000	£00	£000	£00	£000	£000
Ms M Griffiths Chief Executive	170 - 175	24	15 - 20		55 - 57.5	250 - 255
Ms J Farrell Chief Operating Officer	120 - 125	14	5 - 10		145 - 147.5	270 - 275
Mr S Prosser Director of Finance and Left 31.12.13	75 - 80	22	5 - 10		55 - 57.5	140 - 145
Mr M Jennings Interim Director of Finance From 01.01.14 to 31.01.14	5 - 10	1	-	-	Note 2	10 - 15
Mrs K Geoghegan Director of Finance Commenced 01.02.14	20 - 25	-	-	-	Note 3	20 - 25
Prof W Roche Interim Medical Director From 01.07.13 to 14.12.13	70 - 75	25	-	-	Note 1	70 - 75
Dr R Haigh Interim Medical Director From 15.12.13 to 26.01.14	20 - 25	-	-	-	Note 2	20 - 25
Dr G Findlay Medical Director Commenced 27.01.14	25 - 30	-	-	-	Note 3	25 - 30
Mrs C Stone Director of Nursing and Patient Safety	85 - 90	25	5 - 10		0 - 2.5	95 - 100
Mrs D Farmer Director of Organisational Development & Leadership	95 - 100	22	5 - 10		-2.5 - 0	100 - 105
Mr M Viggers Chairman	15 -20	36		-	-	20 - 25
Mr A Clark Vice Chairman	0 - 5	-		-	-	0 - 5
Mrs J Crane Non-Executive Director	0 - 5	3		-	-	0 - 5
Mr J Furmston Non-Executive Director	0 - 5	5		-	-	5 - 10
Mr M Phillips Non-Executive Director	0 - 5	8		-	-	5 - 10
Mr W Brown Non-Executive Director	0 - 5	5		-	-	0 - 5

Salary and pension entitlements of senior managers

B) Pension Entitlements
(subject to audit)

	Real increase in pension at age 60 (bands of £2,500)	**Real increase in pension lump sum at aged 60** (bands of £2,500)	**Total accrued pension at age 60 at 31 March 2014** (bands of £5,000)	**Lump sum at age 60 related to accrued pension at 31 March 2013** (bands of £5000)	**Cash Equivalent Transfer Value at 31 March 2014** (nearest £1,000)	**Cash Equivalent Transfer Value at 1 July 2013** (nearest £1,000)	**Real increase in Cash Equivalent Transfer Value** (nearest £1,000)	**Employer's contribution to Stakeholder Pension**
	£000	£000	£000	£000	£000	£000	£000	£000
Ms M Griffiths	0 - 2.5	5 - 7.5	25 - 30	75 - 80	521	465	50	Nil
Ms J Farrell	5 - 7.5	17.5 - 20	50 - 55	160 -165	1,110	924	155	Nil
Mr S Prosser	0 - 2.5	5 - 7.5	40 - 45	130 - 135	741	668	59	Nil
Mr M Jennings	Note 2							
Mrs K Geoghegan	Note 3							
Prof W Roche	Note 1							
Dr R Haigh	Note 2							
Dr George Findlay	Note 3							
Mrs C Stone	0 - 2.5	0 - 2.5	45 - 50	140 - 145	895	858	25	Nil
Mrs D Farmer	0 - 2.5	0 - 2.5	45 - 50	145 - 150	1,080	1,055	17	Nil

Notes:

1.Professor W Roche was seconded on a part time basis from the University of Southampton. Information is not available to calculate the pension benefit attributable to his secondment

2.M Jennings and Dr R Haigh had interim Board roles. Information provided by the NHS Pensions Agency does not allow the benefit derived during their interim roles to be calculated

3.Information in respect of the pension entitlements of K Geoghegan and Dr G Findlay has not been received from the NHS Pensions Agency

4.In line with the accounts, comparator information is not provided as the Trust was newly authorised on 1st July 2013. Information about payment of senior managers in prior periods can be found in the annual report for the period 1st April 2013 to 30th June 2013 and in the annual report for 2012/13 both of which are available on the Trust's website.

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

6.Information on accrued pension benefits is provided by the NHS Pensions Agency

7.The real change in pension benefits, accrued pension and pension lump sum has been calculated for the period 1st April 2013 to 31st March 2014 and has then been apportioned to the reporting period pro-rata to the movement in the nominal benefits in the period compared to the movement in the nominal benefits for the full year.

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

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.

Total Pension Entitlement:

Normal retirement age for the NHS Pension Scheme is either 60 (for members in the 1995 scheme) or 65 (for members in the 2008 scheme). On retirement members received their accrued pension and members in the 1995 scheme receive a lump sum equal to three times their annual pension. Members may choose to retire from work before their normal pension age and draw their benefits although these will be reduced because they will be paid earlier than expected. Further information about scheme rules and entitlements is available from http://www.nhsbsa.nhs.uk/pensions

Exit Packages

Information on exit packages, covering all staff, is disclosed under Note 10.4 to the accounts.

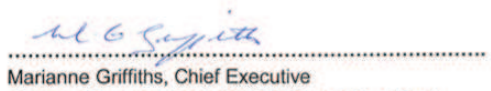
Total number of governors in office	27
Number of governors receiving expenses	11
Aggregate sum of expenses paid to governors (£00)	21

Median Pay
The median remuneration was £19.1k. The ratio between this and the mid-point of the banded remuneration of the highest paid director was 1:10.

Total remuneration includes salary, non-consolidated performance related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions or pension benefits.

Review of tax arrangement of public sector appointees

There were no off-payroll engagements that were in place during the period.



Marianne Griffiths, Chief Executive
Western Sussex Hospitals NHS Foundation Trust

29 May 2014

Statement of the Accounting Officer

The NHS Act 2006 states that the Chief Executive is the accounting officer of the NHS Foundation Trust. The relevant responsibilities of the Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

Under the NHS Act 2006, Monitor has directed Western Sussex Hospitals NHS Foundation Trust to prepare for the period 1 July 2013 to 31 March 2014 a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Western Sussex Hospitals NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and in particular to:

- observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance: and
- prepare the financial statements on a going concern basis.

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in Monitor's NHS Foundation Trust Accounting Officer Memorandum.

.....

29 May 2014

Marianne Griffiths, Chief Executive
Western Sussex Hospitals NHS Foundation Trust

Independent Auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF WESTERN SUSSEX HOSPITALS NHS FOUNDATION TRUST

We have audited the financial statements of Western Sussex Hospitals NHS Foundation Trust for the nine month period ended 31 March 2014. The financial statements comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes 1 to 39. We have also audited the information in the Remuneration Report that is described as having been audited. The financial reporting framework that has been applied in their preparation is the NHS Foundation Trust Annual Reporting Manual issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

This report is made solely to the Council of Governors of Western Sussex Hospitals NHS Foundation Trust in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006 (the Act) and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of accounting officer and auditors

As explained more fully in the Statement of Accounting Officer's Responsibilities, set out on page 159, the accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with the NHS Act 2006, the Audit Code for NHS Foundation Trusts issued by Monitor and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the accounting officer; and
- the overall presentation of the financial statements.

In addition we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of Western Sussex Hospitals NHS Foundation Trust's affairs as at 31 March 2014 and of its income and expenditure and cash flows for the nine month period then ended; and

- have been prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2013/14.

Opinion on other matters prescribed by the Audit Code for NHS Foundation Trusts

In our opinion:

- the information given in the Directors' Report for the nine month period for which the financial statements are prepared is consistent with the financial statements; and
- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter where the Audit Code for NHS Foundation Trusts requires us to report to you if in our opinion, the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading or inconsistent with other information forthcoming from our audit.

We are not required to consider, nor have we considered, whether all risks and controls have been addressed by the Annual Governance Statement or that risks are satisfactorily addressed by internal controls;

Certificate

We certify that we have completed the audit of the accounts of Western Sussex Hospitals NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor.

Paul King (Audit Director)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Reading
29 May 2014

Accounts for 1 July 2013 to 31 March 2014

FOREWORD TO THE FINANCIAL STATEMENTS

WESTERN SUSSEX HOSPITALS NHS FOUNDATION TRUST

The financial statements have been prepared in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006.

Date: 29 May 2014

Signed:.....
Marianne Griffiths, Chief Executive

Statement of Comprehensive Income

	Note	2013-14: For the 9 months ending March 2014 £000
Operating Income from continuing operations	2	294,925
Operating Expenses of continuing operations	3	(291,877)
OPERATING SURPLUS / (DEFICIT)		**3,048**
FINANCE COSTS		
Finance income	8	31
Finance expense - financial liabilities	9	(724)
Finance expense - unwinding of discount on provisions		(37)
PDC Dividends payable		(5,195)
SURPLUS/(DEFICIT) FOR THE PERIOD		**(2,877)**
Other comprehensive income		
Will not be reclassified to income and expenditure:		
Impairments		(1,924)
Revaluations		7,522
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**2,721**

The NHS financial performance is based on reporting requirements defined by the Trust Development Authority and retained by the Trust for the financial year after gaining Foundation Trust status.

The performance for the full financial year is on page 69 of the annual report

The notes on pages 106 - 128 form part of this account

STATEMENT OF FINANCIAL POSITION

	Note	31 March 2014 £000	Opening Position 1 July 2013 £000
Non-current assets			
Intangible assets	11	901	1,283
Property, plant and equipment	12	253,191	238,040
Total non-current assets		**254,092**	**239,323**
Current assets			
Inventories	18	5,940	6,564
Trade and other receivables	19	19,187	27,752
Non-current assets for sale and assets in disposal groups	15	2,600	2,600
Cash and cash equivalents	22	14,585	11,548
Total current assets		**42,312**	**48,464**
Current liabilities			
Trade and other payables	23	(31,734)	(40,552)
Borrowings	24	(4,829)	(3,461)
Provisions	27	(720)	(654)
Other liabilities	25	(1,021)	
Total current liabilities		**(38,304)**	**(44,667)**
Total assets less current liabilities		**258,100**	**243,120**
Non-current liabilities			
Borrowings	24	(29,364)	(18,177)
Provisions	27	(2,742)	(2,574)
Total non-current liabilities		**(32,106)**	**(20,751)**
Total assets employed		**225,994**	**222,369**
Financed by			
Taxpayers' equity			
Public Dividend Capital		238,701	237,797
Revaluation reserve	29	34,095	28,497
Income and expenditure reserve		(46,802)	(43,925)
Total taxpayers' equity		**225,994**	**222,369**

The notes on pages 106 - 128 form part of this account

The financial statements on pages 103 to 128 were approved by the Board on 29th May 2014 and signed on its behalf by

Signed: ..... Date: 29th May 2014

Marianne Griffiths, Chief Executive

Statement of Changes in Taxpayers' Equity
For the period ended 31 March 2014

	Total	Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve
	£000	£000	£000	£000
Balance at 1 July 2013	222,369	237,797	28,497	(43,925)
Surplus/(deficit) for the period	(2,877)			(2,877)
Impairments	(1,924)		(1,924)	
Revaluations - property, plant and equipment	7,522		7,522	
Public Dividend Capital received	904	904		
Taxpayers' and Others' Equity at 31 March 2014	225,994	238,701	34,095	(46,802)

Statement of Cash Flows for the period
31 March 2014

	NOTE	2013-14: For the 9 months ending March 2014 £000s
Cash Flows from Operating Activities		
Operating surplus from continuing operations	2 and 3	3,048
Operating surplus		3,048
Non-cash income and expense:		
Depreciation and amortisation	3	9,743
Impairments	10	10,777
Reversals of impairments	2	(5,015)
(Gain)/Loss on disposal	3	53
(Increase)/Decrease in Trade and Other Receivables		8,565
(Increase)/Decrease in Other Assets		0
(Increase)/Decrease in Inventories		624
Increase/(Decrease) in Trade and Other Payables		(8,430)
Increase/(Decrease) in Other Liabilities		1,021
Increase/(Decrease) in Provisions		197
NET CASH GENERATED FROM OPERATIONS		20,583
Cash flows from investing activities		
Interest received		31
Purchase of intangible assets		(1)
Purchase of Property, Plant and Equipment		(22,879)
Sales of Property, Plant and Equipment		87
Net cash generated from/(used in) investing activities		(22,762)
Cash flows from financing activities		
Public dividend capital received		904
Loans received from the Independent Trust Financing Facility		16,314
Loans repaid to the Independent Trust Financing Facility		(500)
Loans repaid to the Department of Health		(3,320)
Capital element of finance lease rental payments		(692)
Interest paid		(567)
Interest element of finance lease		(156)
PDC Dividend paid		(6,767)
Net cash generated from/(used in) financing activities		5,216
Increase/(decrease) in cash and cash equivalents		3,037
Cash and Cash equivalents at 1 July 2013		11,548
Cash and Cash equivalents at 31 March 2014		14,585

Accounting Policies Note to the Accounts

Accounting policies and other information

Monitor has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Foundation Trust Annual Reporting Manual (FT ARM) which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the FT ARM 2013/14 issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual (FReM) to the extent that they are meaningful and appropriate to NHS foundation trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.1 Consolidation

The NHS foundation trust is the corporate trustee to the NHS charitable fund Western Sussex Hospitals Charity and Related Charities, which operates as Love Your Hospital Charity (Registered charity No. 1049201).

For 2013/14, the divergence from the FREM that NHS Charitable Funds are not consolidated with bodies' own returns is removed. Under the provisions of IAS 27 Consolidated and Separate Financial Statements, those Charitable Funds that fall under common controls with NHS bodies are consolidated within the entities' returns, where those funds are determined to be material. In accordance with IAS Presentation of Financial Statements, restated prior periods are presented where the adoption of the new policy has a material impact. The Trust has reviewed its NHS charitable funds and concluded that they are not material and so are not consolidated within these accounts.

Subsidiaries

Subsidiary entities are those over which the trust has the power to exercise control or a dominant influence so as to gain economic or other benefits. The Trust has no subsidiaries requiring consolidation.

Associates

Associate entities are those over which the trust has the power to exercise a significant influence. The Trust has no associates.

Joint ventures

Joint ventures are separate entities over which the trust has joint control with one or more other parties. The meaning of control is the same as that for subsidiaries. The Trust has no joint ventures.

Joint operations

Joint operations are activities which are carried on with one or more other parties but which are not performed through a separate entity. The trust does not have joint operations.

1.2 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the trust is contracts with commissioners in respect of health care services.

Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

1.3 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. It is not possible for the NHS foundation trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employers pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

No employees are members of the Local Government Superannuation Scheme.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The net interest cost during the year arising from the unwinding of the discount on the net scheme liabilities is recognised within finance costs. Remeasurements of the defined benefit plan are recognised in the income and expenditure reserve and reported in the Statement of Comprehensive Income as an item of "other comprehensive income".

1.4 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.5 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the trust;
- it is expected to be used for more than one financial year; and
- the cost of the item can be measured reliably.

NHS bodies adopt a capitalisation threshold of £5,000. This figure includes VAT where it is not recoverable.

"Grouped assets" are a collection of assets which individually may be valued at less than £5,000 but which form a single collective asset because the items fulfil all the following criteria:

- the items are functionally interdependent; and
- the items are acquired at about the same date and are planned for disposal at about the same date; and
- the items are under single managerial control; and
- each individual asset thus grouped has a value of over £250

IT hardware is considered inter-dependent when attached to a network, the fact that it may be capable of stand-alone use notwithstanding. The effect of this is that all IT equipment purchases, where the final three criteria listed above apply, are capitalised.

Assets, which are capital in nature, but which are individually valued at less than £5,000 but more than £250, are capitalised as collective or "grouped" assets where they are acquired as part of the initial setting up of a new building. The enhancement or refurbishment of a ward or unit should be treated in the same way as "new build," provided that work would be considered as "subsequent expenditure" in IAS16 terms.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Measurement

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

All assets are measured subsequently at fair value. Land and buildings used for the trust's services or for administrative purposes are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

The carrying value of fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value. Assets not of sufficiently low value and/or not having sufficiently short lives for depreciated replacement cost to be materially the same as fair value, are indexed.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of

such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of "other comprehensive income".

Impairments

In accordance with the FT ARM, impairments that are due to a loss of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment arising from a loss of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e. :
  - management are committed to a plan to sell the asset;
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price;
  - the sale is expected to be completed within 12 months of the date of classification as "Held for Sale"; and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their "fair value less costs to sell". Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as "Held for Sale" and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as "on-Statement of Financial Position" by the trust.

The Trust has not entered into any PFI transactions.

1.6 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets. Expenditure on research is not capitalised. Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the trust intends to complete the asset and sell or use it;
- the trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits, e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the trust to complete the development and sell or use the asset; and
- the trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware, e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, e.g. application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management. Subsequently intangible assets are measured at fair value. Revaluations gains and losses and impairments are treated in the same manner as for Property, Plant and Equipment.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

1.7 Revenue government and other grants

Government grants are grants from Government bodies other than income from primary care trusts or NHS trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

1.8 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First In, First Out (FIFO) method.

1.9 Financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs, i.e. when receipt or delivery of the goods or services is made.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorised as "fair value through income and expenditure", loans and receivables or "available-for-sale financial assets".

Financial liabilities are classified as "fair value through income and expenditure" or as "other financial liabilities".

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and "other receivables".

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are either designated in this category or not classified in any of the other categories. They are included in long-term assets unless the trust intends to dispose of them within 12 months of the Statement of Financial Position date.

Available-for-sale financial assets are recognised initially at fair value, including transaction costs, and measured subsequently at fair value, with gains or losses recognised in reserves and reported in the Statement of Comprehensive Income as an item of "other comprehensive income". When items classified as "available-for-sale" are sold or impaired, the accumulated fair value adjustments recognised are transferred from reserves and recognised in "Finance Costs" in the Statement of Comprehensive Income.

Other financial liabilities

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from quoted market prices, independent appraisals and discounted cash flow analysis.

Impairment of financial assets

At the Statement of Financial Position date, the trust assesses whether any financial assets, other than those held at "fair value through income and expenditure" are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced directly.

1.10 Leases

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the NHS foundation trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.11 Provisions

The NHS foundation trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS foundation trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS foundation trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the NHS foundation trust is disclosed at note 35 but is not recognised in the NHS foundation trust's accounts.

Non-clinical risk pooling

The NHS foundation trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to the NHS Litigation Authority and in return receives assistance with the costs of claims arising.

The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises.

1.12 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 36 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 36, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.13 Public Dividend Capital

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS foundation trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for:

(i) donated assets (including lottery funded assets),
(ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility,
(iii) for 2013/14 only, net assets and liabilities transferred from bodies which ceased to exist on 1 April 2013, and
(iv) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.14 Value Added Tax

Most of the activities of the NHS foundation trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.15 Corporation tax

The trust has determined that it is has no corporation tax liability as it does not operate any commercial activities that are not part of core health care delivery.

1.16 Foreign exchange

The functional and presentational currencies of the trust are sterling. The trust has not entered into any material foreign exchange transactions and has no assets or liabilities held in foreign currencies.

1.17 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS foundation trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM.

1.18 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS foundation trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).
However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.19 Transfers of functions to / from other NHS or local government bodies

No functions have been transferred to the trust from another NHS or local government body.

1.20 Accounting Standards that have been issued but have not yet been adopted

The Treasury FReM does not require the following Standards and Interpretations to be applied in 2013-14. The application of the Standards as revised would not have a material impact on the accounts for 2013-14, were they applied in that year:

IAS 27 Separate Financial Statements - subject to consultation
IAS 28 Investments in Associates and Joint Ventures - subject to consultation
IFRS 9 Financial Instruments - subject to consultation

IFRS 10 Consolidated Financial Statements - subject to consultation
IFRS 11 Joint Arrangements - subject to consultation
IFRS 12 Disclosure of Interests in Other Entities - subject to consultation
IFRS 13 Fair Value Measurement - subject to consultation
IPSAS 32 - Service Concession Arrangement - subject to consultation

1.21 Operating Segments

The Trust has a single operating segment which is the provision of healthcare. The Trust Board receives reports based on the provision of healthcare as a whole, to which all income, expenditure, assets and liabilities contribute. Consequently the total Trust transactions and segments are the same.

The majority of income is received from Clinical Commissioning Groups and for the period 1st July 2013 to 31st March 2014 totals £248.6m.

Note 2.1 Income from patient care activities

	2013-14: For the 9 months ending March 2014 £000s
NHS Foundation Trusts	0
NHS Trusts	523
CCGs and NHS England	248,639
Local Authorities	4,718
Department of Health - other	0
NHS Other	57
Non NHS: Private patients	5,051
Non-NHS: Overseas patients (chargeable to patient)	59
NHS injury scheme (was RTA)	572
Non NHS: Other	83
Total income from activities	259,702

Income from Patient Activities includes £250,522k in respect of Commissioner Requested Services and £9,180k in respect of services that were not Commissioner requested.

Injury cost recovery income is subject to a provision for impairment of receivables of 15.8% (12/13: 12.6%) to reflect expected rates of collection.

Revenue from patient care services includes income accrued for activity where data was not available at the end of March 2014. Wherever possible reference is made back to final data but estimates and assumptions are applied in order to ensure the completeness of income reported.

Note 2.2 Other operating income

	2013-14: For the 9 months ending March 2014 £000s
Research and development	6,611
Education and training	7,357
Received from NHS charities: Receipt of grants/donations for capital acquisitions - Donation (i.e. receipt of donated asset)	1,105
Non-patient care services to other bodies	11,810
Other	3,325
Reversal of impairments of property, plant and equipment	5,015
Total other operating income	35,223
TOTAL OPERATING INCOME	294,925

Note 3 Operating expenses

	2013-14: For the 9 months ending March 2014 £000s
Services from NHS Foundation Trusts	2,724
Services from NHS Trusts	2,289
Services from other NHS Bodies	0
Employee Expenses - Executive directors	789
Employee Expenses - Non-executive directors	94
Employee Expenses - Staff	185,911
Supplies and services - clinical (excluding drug costs)	20,335
Supplies and services - general	3,440
Establishment	2,451
Research and development - (Not included in employee expenses)	2,414
Transport (Business travel only)	898
Transport (other)	43
Premises	11,792
Increase/(decrease) in provision for impairment of receivables	(77)
Increase in other provisions	0
Change in provisions discount rate(s)	174
Drug costs (non inventory drugs only)	278
Inventories consumed (excluding drugs)	6,100
Drugs Inventories consumed	22,303
Rentals under operating leases - minimum lease payments	42
Depreciation on property, plant and equipment	9,352
Amortisation on intangible assets	391
Impairments of property, plant and equipment	10,777
Audit fees payable to the external auditor	
audit services- statutory audit	114
audit services -regulatory reporting (external auditor only)	0
other auditor remuneration (external auditor only) - analysis in note 5.5	0
Clinical negligence	4,323
Loss on disposal of assets held for sale	53
Legal fees	255
Consultancy costs	436
Training, courses and conferences	649
Patient travel	103
Car parking & Security	306
Hospitality	1
Insurance	402
Other services - payroll and finance	608
Losses, ex gratia & special payments- (Not included in employee expenses)	134
Other	1,973
TOTAL OPERATING EXPENSES	**291,877**

Operating expenses includes expenditure accrued for which no invoice had been received by 31st March 2014. In some cases it is necessary to use estimates based on knowledge of goods and services received. Wherever possible reference is made back to the value of orders but estimates and assumptions are applied in order to ensure the completeness of expenditure reported. Due to the volume of transactions adjustments are not made to prior periods unless the difference between the estimate and the actual value is material.

For expenditure accruals, any variation in outcome compared to the estimates used are accounted for in the next period. These estimates and assumptions are consistent with the previous year.

Directors remuneration is set out above and includes employer contributions to the NHS Pension Scheme.

Note 4.1 Employee Expenses

	2013-14: For the 9 months ending March 2014 Total £000	Permanently Employed £000	Other £000
Salaries and wages	159,532	139,778	19,754
Social security costs	11,436	10,751	685
Pension cost - defined contribution plans			
Employers contributions to NHS Pensions	16,017	15,058	959
TOTAL GROSS STAFF COSTS	**186,985**	**165,587**	**21,398**
TOTAL STAFF COSTS	**186,985**	**165,587**	**21,398**
included within:			
Costs capitalised as part of assets	**285**	285	0
Analysed into Operating Expenditure			
Employee Expenses - Staff	185,911	164,513	21,398
Employee Expenses - Executive directors	789	789	0
Total Employee benefits excl. capitalised costs	**186,700**	**165,302**	**21,398**

Note 4.2 Average number of employees

	2013-14: For the 9 months ending March 2014 Total Number	Permanent Number	Other Number
Medical and dental	689	689	0
Administration and estates	1,102	1,102	0
Healthcare assistants and other support staff	1,423	1,423	0
Nursing, midwifery and health visiting staff	1,667	1,667	0
Nursing, midwifery and health visiting learners	0	0	0
Scientific, therapeutic and technical staff	592	592	0
Agency and contract staff	167	0	167
Bank staff	453	0	453
Other	6	6	0
Total average numbers	**6,099**	**5,479**	**620**
of which	0	0	0
Number of Employees (WTE) engaged on capital projects	**5**	**5**	**-**

Note 4.3 Early retirements due to ill health

	2013-14: For the 9 months ending March 2014 £000	2013-14: For the 9 months ending March 2014 Number
No of early retirements on the grounds of ill-health		4
Value of early retirements on the grounds of ill-health	308	

Note 4.4 Analysis of Termination benefits

	2013-14: For the 9 months ending March 2014 £000	2013-14: For the 9 months ending March 2014 Number
No of cases		3
Cost of Cases	237	

Note 4.5 Staff sickness absence	2013-14: For the 9 months ending March 2014 Number
Days Lost (Long Term)	18,862
Days Lost (Short Term)	16,032
Total Days Lost	34,894
Total Staff Years	5,479
Average working Days Lost	6
Total Staff Employed In Period (Headcount)	6,399
Total Staff Employed In Period with No Absence (Headcount)	1,927
Percentage Staff With No Sick Leave	30.11%

Note 4.6 Reporting of other compensation schemes - exit packages 2013/14 for the 9 month period to March 14	*Number of compulsory redundancies	*Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
Exit package cost band (including any special payment element)	Number	£000s	Number	£000s	Number	£000s	Number	£000s
<£10,000	0	0	0	0	0	0	0	0
£10,001 - £25,000	2	30	0	0	2	30	0	0
£25,001 - 50,000	0	0	0	0	0	0	0	0
£50,001 - £100,000	0	0	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0	0	0
>£200,001	0	0	1	207	1	207	0	0
Total	**2**	**30**	**1**	**207**	**3**	**237**	**0**	**0**

Note 4.7 Exit packages: other (non-compulsory) departure payments 2013/14 for the 9 month period to March 14	Payments agreed Number	Total value of agreements £000
Early retirements in the efficiency of the service contractual costs	1	207
Total	**1**	**207**
of which :		
non-contractual payments made to individuals where the payment value was more than 12 months' of their annual salary	0	0

4.8 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2014, is based on valuation data as 31 March 2013, updated to 31 March 2014 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2004. Consequently, a formal actuarial valuation would have been due for the year ending 31 March 2008. However, formal actuarial valuations for unfunded public service schemes were suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions, and while future scheme terms are developed as part of the reforms to public service pension provision due in 2015.

The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next formal valuation to be used for funding purposes will be carried out at as at March 2012 and will be used to inform the contribution rates to be used from 1 April 2015.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

Note 5.1 Analysis of operating lease expenditure

	2013-14: For the 9 months ending March 2014		
	Total	Land	Other
	£000	£000	£000
Minimum lease payments	42	0	42
Contingent rents	0	0	0
Less sublease payments received	0	0	0
TOTAL	**42**	**0**	**42**

Note 5.2 Arrangements containing an operating lease

TOTAL of future minimum lease payments due	31 March 2014
On other leases expiring:	£000
- not later than one year;	33
- later than one year and not later than five years;	102
- later than five years.	127
TOTAL	**262**

Note 5.3 Limitation on auditor's liability

	31 March 2014
	£000
Limitation on auditor's liability	2,000

Note 5.4 Better Payment Practice Code

Measure of compliance	2013-14: For the 9 months ending March 2014	
	Number	£000s
Non-NHS Payables		
Total Non-NHS Trade Invoices Paid in the Year	**98,512**	**129,014**
Total Non-NHS Trade Invoices Paid Within Target	**55,712**	**69,313**
Percentage of NHS Trade Invoices Paid Within Target	**56.55%**	**53.72%**
NHS Payables		
Total NHS Trade Invoices Paid in the Year	**3,464**	**28,232**
Total NHS Trade Invoices Paid Within Target	**1,648**	**15,294**
Percentage of NHS Trade Invoices Paid Within Target	**47.58%**	**54.17%**

The Better Payment Practice Code requires the Foundation Trust body to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later. During the period, the Trust incurred cash flow issues relating to contracted income due but not received. These issues have been resolved but have impacted on the performance against this requirement.

Note 5.5 The late payment of commercial debts (interest) Act 1998

	2013/14
	£000
Amounts included within other interest payable arising from claims made under this legislation	3
Compensation paid to cover debt recovery costs under this legislation	0

Note 5.6 Other audit remuneration

There was no other auditor remuneration paid to the external auditor in this reporting period.

Note 6 Discontinued operations

There were no discontinued operations in this reporting period.

Note 7 Corporation Tax

There was no corporation tax due in this reporting period.

Note 8 Finance revenue

	2013-14: For the 9 months ending March 2014 £000s
Interest revenue	
Bank interest	31
Total investment revenue	31

Note 9 Finance expenses

	2013-14: For the 9 months ending March 2014 £000s
Interest Expense	
Capital loans from the Department of Health	352
Working capital loans from the Department of Health	213
Finance leases	156
Interest on late payment of commercial debt	3
Total interest expense	724
Other finance costs	0
TOTAL	724

Note 10 Impairment of assets

	2013-14: For the 9 months ending March 2014 Net impairments £000	Impairments £000	Reversals £000
Impairments charged to operating surplus / deficit:			
Changes in market price	5,762	10,777	(5,015)
Total Impairments charged to operating surplus / deficit	5,762	10,777	(5,015)
Impairments charged to the revaluation reserve	1,924	1,924	0
Total Impairments	7,686	12,701	(5,015)

Note 11.1 Intangible assets

	Software licences (purchased) £000
Valuation/Gross cost at 1st July 2013	5,177
Additions - purchased / internally generated	1
Reclassifications	7
Gross cost at 31 March 2014	5,185
Amortisation at 1st July 2013	3,893
Provided during the year	391
Amortisation at 31 March 2014	4,284

Note 11.2 Intangible assets financing

	Software licences (purchased) £000
Net book value	
Purchased at 31 March 2014	873
Donated and government grant funded at 31 March 2014	28
Net book value at 31 March 2014	901

Note 12.1 Property, Plant and Equipment - 2013/14 Part Year Jul 2013 to Mar 14	Total	Land	Buildings excluding dwellings	Dwellings	Assets Under Construction and Payments on Account	Plant & machinery	Transport equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/Gross cost at 1st July 2013	**392,989**	**40,059**	**266,933**	**10,896**	**5,465**	**57,322**	**264**	**9,997**	**2,053**
Additions - purchased	22,958	0	7,380	21	7,089	3,473	0	4,671	324
Additions - Leased	752	0	0	0	0	752	0	0	0
Additions - grants / donations of cash to purchase assets	1,105	0	0	0	0	1,105	0	0	0
Impairments charged to the revaluation reserve	(1,924)	(57)	(1,741)	(126)	0	0	0	0	0
Reclassifications	(7)	0	10,732	0	(11,798)	736	0	246	77
Revaluations	7,522	121	6,680	509	0	212	0	0	0
Disposals	(3,379)	0	0	0	0	(3,358)	0	(5)	(16)
Valuation/Gross cost at 31 March 2014	**420,016**	**40,123**	**289,984**	**11,300**	**756**	**60,242**	**264**	**14,909**	**2,438**
Depreciation at 1st July 2013	**154,950**	**2,494**	**100,509**	**3,272**	**0**	**38,788**	**232**	**8,135**	**1,520**
Provided during the year	9,352	0	5,570	115	0	2,729	14	777	147
Impairments charged to operating expenses	10,777	10	10,767	0	0	0	0	0	0
Reversal of impairments credited to operating income	(5,015)	(75)	(4,916)	(24)	0	0	0	0	0
Disposals	(3,239)	0	0	0	0	(3,220)	0	(5)	(14)
Accumulated depreciation at 31 March 2014	**166,825**	**2,429**	**111,930**	**3,363**	**0**	**38,297**	**246**	**8,907**	**1,653**
Net Book Value at 31 March 2014	**253,191**	**37,694**	**178,054**	**7,937**	**756**	**21,945**	**18**	**6,002**	**785**

Note 12.2 Property, Plant and Equipment financing	Total	Land	Buildings excluding dwellings	Dwellings	Assets Under Construction and Payments on Account	Plant & machinery	Transport equipment	Information Technology	Furniture & fittings
Net book value at 31 March 2014	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Owned	237,178	37,646	168,050	5,837	756	18,161	18	6,000	710
Finance Leased	2,902	0	0	2,100	0	802	0	0	0
Donated	13,111	48	10,004	0	0	2,982	0	2	75
Net Book Value at 31 March 2014	**253,191**	**37,694**	**178,054**	**7,937**	**756**	**21,945**	**18**	**6,002**	**785**

No land and building assets have been disposed of.

Note 13.1 Economic life of intangible assets

	Min Life Years	Max Life Years
Intangible assets - purchased	0	0
Software	1	5

Note 13.2 Economic life of property, plant and equipment

	Min Life Years	Max Life Years
Land	1	34
Buildings excluding dwellings	1	90
Dwellings	18	84
Plant & Machinery	1	35
Transport Equipment	1	1
Information Technology	1	5
Furniture & Fittings	1	35

Note 14 Investments

The Foundation Trust does not hold any investments.

Note 15.1 Non-current assets for sale

	Land £000
At 1st July 2013	2,600
Net Book Value as at 31 March 2014	**2,600**

On 25th April 2013, the Trust Board approved a Strategic Outline Case for the disposal of part of Southlands Hospital. The Case followed on from the Trust's original plans for the Southlands Hospital site under the Service Redesign for Quality (SRFQ) project that commenced in 2010/11. It is also integral to the Trust's overall Estates strategy in rationalising the estate portfolio and ensuring hospital accommodation is fit for purpose.

The Harness building and immediate appropriate area surrounding it; including the Ridings, Crèche, Warren Browne buildings and energy centre and associated land were declared surplus to requirements and are being marketed in accordance with the approved ESTATECODE guidance.

Note 15.2 Liabilities in disposal groups

The Trust has no liabilities in disposal groups.

Note 16 Other assets

The Foundation Trust does not have other assets.

Note 17 Other financial assets

The Trust does not have other financial assets.

Note 18 Inventories

	Total £000	Drugs £000	Consumables £000	Energy £000	Other £000
At 1st July 2013	**6,564**	**2,552**	**3,765**	**154**	**93**
Additions	**27,779**	22,394	5,318	1	66
Inventories consumed (recognised in expenses)	**(28,403)**	(22,303)	(5,994)	(18)	(88)
Carrying Value at 31 March 2014	**5,940**	**2,643**	**3,089**	**137**	**71**

As stated in Note 1.8, the use of the first-in first-out cost formula to value inventories is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

Note 19 Trade receivables and other receivables

	31 March 2014	Opening Position 1 July 2013
Current	**£000**	**£000**
NHS Receivables - Revenue	14,273	13,683
Receivables due from NHS charities – Revenue	209	
Other receivables with related parties - Revenue	0	
Provision for impaired receivables	(914)	(991)
Prepayments (Non-PFI)	1,400	
Accrued income	1,681	8,789
PDC dividend receivable	0	-
VAT receivable	92	497
Other receivables - Revenue	2,446	5,774
TOTAL CURRENT TRADE AND OTHER RECEIVABLES	19,187	27,752
TOTAL NON CURRENT TRADE AND OTHER RECEIVABLES	0	0

As stated in Note 2.1, some accrued income is based on estimates in order to ensure the completeness of income reported. This occurred at the end of March 2014 so the level of trade and other receivables will reflect the same value. Any variation in outcome compared to the estimates used are accounted for in the next financial period. This approach is consistent with the previous year.

Note 20.1 Provision for impairment of receivables

	31 March 2014 £000
As at 1 July 2013	**991**
Increase/(decrease) in provision	(77)
Amounts utilised	0
Unused amounts reversed	0
Balance at 31st March 2014	**914**

Note 20.2 Analysis of impaired receivables

	Trade Receivables	Other Receivables	31 March 2014 Total
Ageing of impaired receivables	**£000**	**£000**	**£000**
0 - 30 days	0	12	12
30-60 Days	0	12	12
60-90 days	6	15	21
90- 180 days (was "In three to six months")	51	52	103
over 180 days (was "Over six months")	517	249	766
Total	**574**	**340**	**914**
Ageing of non-impaired receivables past their due date			
0 - 30 days	1,696	61	1,757
30-60 Days	619	66	685
60-90 days	147	80	227
90- 180 days (was "In three to six months")	300	278	578
over 180 days (was "Over six months")	516	1,328	1,844
Total	**3,278**	**1,813**	**5,091**

Note 21 Finance lease receivables

The Foundation Trust was not a lessor during the reporting period

Note 22.1 Breakdown of cash and cash equivalents

	31 March 2014
Total Cash and cash equivalents balance at period end is broken down into:	£000
Cash at commercial banks and in hand	51
Cash with the Government Banking Service	14,534
Other current investments	0
Total cash and cash equivalents in the Statement of Financial Position	**14,585**
Bank Overdrafts (GBS and commercial banks)	0
Drawdown in committed facility	0
Total cash and cash equivalents in the Statement of Cash Flows	**14,585**

Note 22.2 Third party assets held by the NHS Foundation Trust

	31 March 2014
	£000
Bank balances	20
Monies on deposit	0
Total third party assets	**20**

The Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

Note 23.1 Trade and other payables

	31 Mar 2014 £000	Opening Position 1 July 2013 £000
Current		
NHS payables - revenue	5,321	742
Other trade payables - capital	1,655	471
Other trade payables - revenue	2,028	14,434
Social Security costs	2,352	2,325
Other taxes payable	2,530	2,524
Other payables	3,107	
Accruals	14,694	18,437
PDC dividend payable	47	1,619
TOTAL CURRENT TRADE AND OTHER PAYABLES	**31,734**	**40,552**
TOTAL NON CURRENT TRADE AND OTHER PAYABLES	**0**	**0**

Any estimation method used is selected based on the nature of the expense. The primary estimation methods are the use of contracted sums for outstanding invoices or estimation based on average payments in prior periods.

Any variation in outcome of expenditure accruals compared to the estimates used are accounted for in the next period. These estimates and assumptions are consistent with the previous year.

Note 23.2 Early retirements in NHS payables above

There are no early retirements payables in NHS payables above

Note 24 Borrowings

	31 Mar 2014 £000	Opening Position 1 July 2013 £000
Current		
Capital loans from Department of Health	1,158	900
Working capital loans from Department of Health	3,414	2,421
Obligations under finance leases	257	140
TOTAL CURRENT BORROWINGS	**4,829**	**3,461**
Non-current		
Capital loans from Department of Health	18,428	13,271
Working capital loans from Department of Health	8,500	2,413
Obligations under finance leases	2,436	2,493
TOTAL NON CURRENT BORROWINGS	**29,364**	**18,177**

During the period, the Trust has received a £10m working capital loan and a capital investment loan of £6.314m to fund the Trust's Emergency Floor capital scheme.

Note 25 Other liabilities

	31 Mar 2014 £000	Opening Position 1 July 2013 £000
Current		
Deferred income - goods and services	1,021	
TOTAL OTHER CURRENT LIABILITIES	**1,021**	
TOTAL OTHER NON CURRENT LIABILITIES	**0**	**0**

Note 26 Other Financial Liabilities

The Foundation Trust has no other financial liabilities

Note 27.1 Provisions for liabilities and charges	Total	Pensions - former directors	Pensions - other staff	Other legal claims	Redundancy	Injury Benefit
	£000	£000	£000	£000	£000	£000
At 1 July 2013	**3,228**	**80**	**1,256**	**163**	**331**	**1,398**
Change in the discount rate	174	3	47	0	0	124
Arising during the year	317	4	42	130	0	141
Utilised during the year - cash	(275)	(5)	(91)	(78)	(30)	(71)
Reversed unused	(19)	0	0	0	(19)	0
Unwinding of discount	37	1	17	0	0	19
At 31 March 2014	**3,462**	**83**	**1,271**	**215**	**282**	**1,611**
Expected timing of cash flows:						
- not later than one year;	720	7	121	215	282	95
- later than one year and not later than five years;	832	27	444	0	0	361
- later than five years.	1,910	49	706	0	0	1,155
TOTAL	**3,462**	**83**	**1,271**	**215**	**282**	**1,611**

Pension costs are based upon known amounts that will have to be paid to the NHS Pensions Agency in respect of staff who have retired early. By their very nature, provisions are estimates, though informed. For the calculation of pension and injury benefit liabilities, government actuary figures for expected mortality have been used and for legal claims, data provided by the NHS Litigation Authority.

Other provisions relate to injury benefits administered by the NHS Business Services Authority.

Any variation in outcome compared to the provisions are accounted for in the next financial year.

Note 27.2 Clinical Negligence liabilities	31 March 2014
	£000
Amount included in provisions of the NHSLA in respect of clinical negligence liabilities of Western Sussex Hospitals NHS Foundation Trust	37,477

The provision for legal claims is based on the report from the NHS Litigation Authority (NHSLA) for the period ending 31st March 2014.

Any variation in outcome compared to the provisions are accounted for in the next financial period.

Note 28 Contingent (Liabilities) / Assets	31 Mar 2014
	£000
Value of contingent liabilities	
Equal pay	0
Other	61
Gross value of contingent liabilities	61
Amounts recoverable against liabilities	0
Net value of contingent liabilities	**61**
Net value of contingent assets	**0**

The Trust has no contingent liabilities other than those advised by the NHSLA as at 31st March 2014 shown above.

The Trust has no contingent assets.

Note 29 Revaluation Reserve	Property, plant and equipment
	£000
At 1st July 2013	**28,497**
Impairments	(1,924)
Revaluations	7,522
Revaluation reserve at 31 March 2014	**34,095**

The movements on the revaluation reserve relate to changes in market values in property, plant and equipment.

Note 1.5 to the accounts sets out information on revaluation. Land, buildings and dwellings are revalued annually.

Note 30.1 Related Party Transactions

	Revenue £000	Expenditure £000
Value of transactions with board members in 2013/14	0	85
Value of transactions with key staff members in 2013/14	0	0
Value of transactions with other related parties in 2013/14	0	0
Department of Health	6,611	0
Other NHS Bodies	269,200	14,609
Charitable Funds	94	0
Subsidiaries / Associates / Joint Ventures	0	0
Other	0	0
NHS Shared Business Services	0	0
Total value of transactions with related parties in 2013/14	**275,905**	**14,694**

Note 30.2 Related Party Balances

	Receivables £000	Payables £000
Value of balances (other than salary) with board members at 31 March 2014	0	1
Value of balances (other than salary) with key staff members at 31 March 2014	0	0
Value of balances (other than salary) with related parties in relation to doubtful debts at 31 March 2014	0	0
Value of balances (other than salary) with related parties in respect of doubtful debts written off in year at 31 March 2014	0	0
Value of balances with other related parties at 31 March 2014	0	0
Department of Health	0	47
Other NHS Bodies	15,716	6,221
Charitable Funds	209	0
Subsidiaries / Associates / Joint Ventures	0	0
Other	0	0
NHS Shared Business Services	0	0
Total balances with related parties at 31 March 2014	**15,925**	**6,269**

The Department of Health is regarded as a related party. During the period Western Sussex Hospitals NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

Note 31 Contractual Capital Commitments

	31 March 2014 £000
Property, Plant and Equipment	3,451
Intangible assets	454
Total	**3,905**

Note 32 Finance lease obligations

	31 March 2014 £000
Gross buildings lease liabilities:	**12,299**
of which liabilities are due:	
- not later than one year;	158
- later than one year and not later than five years;	633
- later than five years.	11,508
Finance charges allocated to future periods	(10,221)
Net buildings lease liabilities :	**2,078**
- not later than one year;	1
- later than one year and not later than five years;	3
- later than five years.	2,074
Gross other lease liabilities	**699**
of which liabilities are due:	
- not later than one year;	306
- later than one year and not later than five years;	197
- later than five years.	196
Finance charges allocated to future periods	(84)
Net other lease liabilities	**615**
- not later than one year;	256
- later than one year and not later than five years;	177
- later than five years.	182
Total of future minimum sublease payments to be received at the SoFP date	**0**

Note 33 On-SoFP PFI, LIFT or other service concession arrangement obligations (finance lease element)

The Foundation Trust does not have on-SoFP PFI, LIFT or other service concession arrangement obligations.

Note 34 On-SoFP PFI, LIFT and other service concession arrangement commitments

The Foundation Trust does not have any on-SoFP PFI, LIFT and other service concession arrangement commitments

Note 35 Events after the reporting period

There are no events after the reporting period.

Note 36 Financial Instruments

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with Commissioners and the way those Commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has some powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. The Trust's treasury activity is subject to review by the Trust's internal auditors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust borrows from government for capital expenditure. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31st March 2014 are in receivables from customers, as disclosed in the trade and other receivables note to the accounts.

Liquidity risk

The Trust's operating costs are incurred under contracts with Clinical Commissioning Groups (CCGs), which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from a combination of its own self-generated funds and capital investment loans with reference to Monitor's Continuity of Services Risk Rating. The Trust is not, therefore, exposed to significant liquidity risks.

Note 36.1 Financial assets by category

31 March 2014	Total	Loans and receivables	Assets at fair value through the I&E *	Held to maturity	Available-for-sale
	£000	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	15,634	15,634	0	0	0
Other Investments	0	0	0	0	0
Other Financial Assets	0	0	0	0	0
Non current assets held for sale and assets held in disposal group excluding non financial assets	0	0	0	0	0
Cash and cash equivalents at bank and in hand	14,585	14,585	0	0	0
Total at 31 March 2014	**30,219**	**30,219**	**0**	**0**	**0**

Note 36.2 Financial liabilities by category

31 March 2014	Total	Other financial liabilities	Liabilities at fair value through the I&E
	£000	£000	£000
Embedded derivatives	0	0	0
Borrowings excluding Finance lease and PFI liabilities	31,500	31,500	0
Obligations under finance leases	2,693	2,693	0
Obligations under PFI, LIFT and other service concession contracts	0	0	0
Trade and other payables excluding non financial liabilities	31,734	31,734	0
Other financial liabilities	0	0	0
Provisions under contract	0	0	0
NHS Charitable funds: financial liabilities	0	0	0
Total at 31 March 2014	**65,927**	**65,927**	**0**

Note 36.3 Maturity of Financial liabilities

	31 Mar 2014
	£000
In one year or less	36,563
In more than one year but not more than two years	2,190
In more than two years but not more than five years	6,620
In more than five years	20,554
Total	**65,927**

Note 36.4 Fair values of financial assets

For current financial instruments (less than one year), fair values are assumed to be equal to book values. Non-current financial assets could be held at either fair value or book value. The Foundation Trust does not hold any non-current financial assets.

Note 36.5 Fair values of financial liabilities

	Book Value	Fair value
	£000	£000
Non current trade and other payables excluding non financial liabilities	-	-
Provisions under contract	-	-
Loans	26,928	26,928
Other	2,436	2,436
NHS Charitable funds: non-current financial liabilities	-	-
Total	**29,364**	**29,364**

Note 37 Changes in the benefit obligation and fair value of plan assets during the year

There are no changes in the benefit obligation and fair value of plan assets during the year for the amounts recognised in the

Note 38 Losses and Special Payments

The total number of cases of losses and special payments in the period and their total value was as follows :

Description	Total Number of Cases	Total Value of Cases
Losses	1	0
Special Payments	31	112

Note 39 Transfers by absorption (including TCS transactions) details

There were no transfers by absorption in the reporting period

Board Annual Governance Statement
1 July 2013 to 31 March 2014

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

2.The purpose of the system of internal control
The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Western Sussex Hospitals NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Western Sussex Hospitals NHS Foundation Trust for the period 1 July 2013 to 31 March 2014 and up to the date of approval of the annual report and accounts.

3. Capacity to handle risk
The Trust has a Risk Management Strategy and Policy, endorsed by the Board of Directors and reviewed and monitored through the Trust Quality and Risk Committee to the Board. The Board of Directors recognise that risk management is an integral part of good management practice and to be most effective should be embedded in the Trust's culture. The Board is therefore committed to ensuring that risk management forms an integral part of its philosophy, practice and planning and is not viewed or practiced as a separate programme and that responsibility for implementation is accepted at all levels of the organisation.

The Executive Director of Nursing and Quality is accountable for the strategic development and implementation of organisational risk management, including Local Security Management.

The Executive Director of Finance and Performance has delegated responsibility for managing the strategic development and implementation of financial risk management, including Counter Fraud. In addition the Executive Director of Finance and Performance holds the role of Senior Information Risk Officer (SIRO) and as such has delegated responsibility for developing and implementing Information Risk Management.

The Trust holds Level 2 in the National Health Service Litigation Authority (NHS LA) standards assessment and Clinical Negligence Scheme for Trust (CNST) Level 3 for maternity standards. This requires the presence of a range of policies (such as incident reporting and management) and tests their embeddedness across the organisation.

Risk management training forms part of the essential training package that all staff are required to complete. All new members of staff attend a mandatory induction covering key elements of risk management, supplemented by local induction. The organisation provides mandatory and statutory training that all staff must attend.

The Trust seeks to learn from good practice through a range of mechanisms including benchmarking, clinical supervision and reflective practice, individual and peer reviews, performance management, continuing professional development programmes, clinical audit, the application of evidence-based practice and reviewing compliance with risk management standards. There are formal mechanisms in place to ensure that external changes to best practice, such as those issued by the National Institute for Health and Clinical Excellence, are incorporated into Trust policies and procedures.

4. The risk and control framework
The Trust's Risk Management Strategy and Policy provides a framework for achieving the integration of risk management in the Trust's strategic aims and objectives. The strategy and policy encompasses the Trust's risk management process and sets out how staff are supported and trained to enable them to identify, evaluate and manage risk. At the time of writing this report an Internal Audit Review of the Trusts Assurance and Risk Management Framework is being undertaken. Draft findings show that the system for maintaining and monitoring the Trust's Board Assurance Framework (BAF), as set out in the Scope of Audit, was well controlled overall. It was also note that whilst the content of both the Risk Management Policy and Risk Management Strategy was found to be adequate, both documents required review.

Principle risks, during the period, to compliance with the governance conditions of the Foundation Trust Licence centred on; achieving the forecast financial outturn together with; non-achievement of the C. difficile and Referral to Treatment targets.

The Trust has worked closely with Commissioners on these items and jointly agreed a robust action plan to implement corrective action to address the Referral to Treatment issue.

The forecast financial position has been achieved and while in breach of current *C.difficile* targets, as reported to Monitor at each quarter, the Trust is confident

that following changes to the Monitor requirements in 2014/15 these will now be achieved.

The Board and its sub-committee's receive monthly performance reports for scrutiny with the Monitor quarterly report being presented to Trust Board in public.

Responsibilities of Directors and Board sub-committees are set out in the Annual Report.

Through Governance Team meetings, Divisional risk registers are reviewed and new operational risks identified and assessed. They also carry out detailed reviews, action planning and assurance checks in response to the Care Quality Commission's (CQC) Standards. Specific committees that consider potential risks faced by the Trust and /or reviewing the action and implementation of actions to mitigate them are; the Board, Quality and Risk Committee, Audit Committee, the Executive Team, Quality Standards Group, Information Governance Group, Health and Safety Committee.

Risks are identified in many different ways within the organisation, including regular reviews of the risk registers (for example; by the trust Audit Committee and Quality and Risk Committee). Once identified each risk is assessed and evaluated using the recognised NHS Risk Management Standard. Risk identification and evaluation is an ongoing rolling programme. Risks are identified on a continuous basis and recorded on the Trust risk register which is reviewed monthly. The Trust's use of Datix software ensures that having been recorded, risks are rated, mitigated and removed efficiently.

The risk register is used to inform the Trust's Assurance Framework, this is reviewed by the Board of Directors in full three times a year. The Assurance Framework identifies the Trust's appetite for risk, sets out the principal risks to the achievement of the Trust's organisational objectives, and the mitigation strategies required. The Board of Directors regularly considers its appetite for risk in relation to specific issues. Recent examples include consideration of a decision matrix to support risk taking in relation to the acquisition of new business.

Opportunities to identify risks and concerns are also available through independent visits, to trust inpatient, community and corporate facilities, which are regularly undertaken by Executive and Non-Executive Directors and others, including mock CQC Inspections undertaken by the Trust Clinical Governance Team to identify concerns or issues.

Risks to data security are identified in the risk register. The Trust's Information Governance Group whose role it is to ensure compliance with Information Governance standards to raise the profile of data security risks and to develop mitigation, especially through staff training and awareness. The Trust has achieved level 2 in all except one of the key requirements of the information governance toolkit.

Major risks during this period included the significant external change in the local and national health economy, and the significance of the cost improvement programme for the year. However, against this challenging environment the Trust achieved its planned year end forecast as agreed with Monitor.

External change in the local and national health economy as the new infrastructures take hold and the significance of the cost improvement programme remain as key risks for 2014/15. In support of mitigating these risks the Trust created the post of Commercial Director in January 2014 to bring additional commercial capacity to the senior team. The establishment of a Programme Management Office has been agreed and will be a key part in driving Service Improvement schemes which will support achievement of the Cost Improvement Scheme.
Incident reporting is openly encouraged within the Trust, and a comprehensive programme of investigation and follow up of all incidents is in place. Serious Incidents are subject to a thorough internal review to identify Root Causes and learning.

Key stakeholders, including patients and carers, are consulted and involved with the management of those risks that impact upon them. This is achieved through a variety of means including public consultation, involvement with service planning and modernisation, individual care planning, the Council of Governors, Health and Scrutiny Committees and joint working arrangements with key partners including neighbouring Trusts, primary care partners and Clinical Commissioning Groups.

The Trust uses software on Tablet devices as a way of capturing feedback from patients and the information from these is shared within clinical services. Patient experience is a regular item on the agenda of the Council of Governors meetings who take a keen interest in this area.

The Trust Uses "Sit and See" as well as other mechanisms to capture patient experience first-hand. The Trust also invites patients and carers to speak at Board meetings to share first hand their experiences of the Trust.

The Trust views diversity positively and, in recognising that everyone is different, wishes to develop a culture which welcomes, values and utilises human differences and similarities at all levels of the organisation. Equality and Human Rights Impact Assessments are undertaken for Policies and Change programmes across the Trust. Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

Each year the Trust produces a report on Equality, Diversity and Human Rights which sets out the achievements of the Trust over the past year and supports the development of a work plan for the next year.

The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission.

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

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

Following extensive staff consultation led by the Chief Executive in response to the Francis Inquiry into Mid Staffordshire NHS Foundation Trust, the Trust identified eight key workstreams to not only address the recommendations of the Francis Inquiry but ensure that the Trust maintained and developed a culture of quality care and embedded practice. Each workstream has a dedicated Executive lead and a quarterly update to the Trust Board is presented in public. Key milestones achieved within the first year include;

- External review of nurse staffing levels which has demonstrated that Trust nursing staffing levels are in the upper quartile.
- Enhanced levels of staff on key wards at night time.
- Trust wide leadership course.

5. Review of economy, efficiency and effectiveness of the use of resources

The Board of Directors developed its business objectives for the period of this report through a dynamic process which involved staff throughout the organisation and the Council of Governors. All objectives are quantifiable and measurable and performance is reviewed through the Audit Committee and Quality and Risk Committee.

The Trust works closely with its Internal Audit providers to gain additional assurance on Trust processes. Areas of concern are highlighted and reviewed, following which action plans are developed and monitored through to implementation.
Performance against the business objectives, key actions required to improve performance, and other key messages are communicated to staff monthly through an embedded team briefing process which begins with a face to face briefing with top managers.

Over the last three years the Trust has made considerable savings against its Cost Improvement Plans (CIPs), demonstrating sustainability and improvements in economy and efficiency. The Finance and Investment Committee pays particular attention to the delivery of the recurrent CIPs. Trust CIP plans are reviewed by the Quality and Risk Committee to ensure there is no negative impact upon service provision with further scrutiny being provide by the Quality Committee.

6. Annual Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial period.

Monitor has issued guidance to NHS foundation Trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

To assure the Board that the Quality Report presents a balanced view and that there are appropriate controls in place to ensure the accuracy of data, the Board has:

- Appointed the Medical Director to lead and advise us on all matters relating to the preparation of the Trust's annual Quality Report.
- Put in place a system to receive and act upon feedback on the accounts from the following local stakeholders; Coastal West Sussex Clinical Commissioning Group, Healthwatch West Sussex and West Sussex County Council Health and Adult Social Care Committee.
- The Council of Governors have been engaged and selected a quality standard for audit.
- Developed standards of data quality for those involved in the collection and reporting of metrics, and has developed training for staff.
- Put in place appropriate systems to collect the data, and to review and report the quality metrics to the Board of Directors through the Quality and Risk Committee and the regular performance and quality reports to the board.

All policies are ratified by the Hospital Management Board and include an Equality Impact Assessment which identifies any risk of individuals or groups being disadvantaged by that policy together with actions being taken to mitigate that risk.

All major plans are discussed and agreed at Trust Board with a focus on the impact on service quality. All Cost Improvement Plans have a Quality Impact Assessment undertaken which is reviewed by the Quality and Risk

Committee prior to notification at a Public Board meeting.

7. Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. The Board and its sub-committee's form an important aspect of control and I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the Audit Committee and the Quality and Risk Committee.

The Finance and Investment Committee is chaired by the Chairman and plays a key role in assuring me on delivery of the Trust financial position.

The Quarterly review of 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. In addition Internal Audit has undertaken a review of Assurance and Risk Management within the Trust.

My review is also informed by:

- The Trust's assurance process for monitoring levels of compliance against CQC registration
- CQC Inspection August 2012
- NHSLA Risk Management Standards - achieved level 2
- CNST maternity services - achieved level 3 compliance in March 2013
- Annual Staff Survey
- Programme of work undertaken by internal and external auditors and Counter Fraud
- Responses from Monitor to the quarterly Board declaration process

7.1 Board of Directors

The Trust's governance structure comprises the Board, a number of Committees (Quality & Risk, Finance & Investment, Audit, Charitable Funds and Appointments & Remuneration), and an executive management structure. There is good Non-Executive and Executive attendance at Board which is detailed in the Trusts Annual Report.

I provide an update on any significant events or matters that affect the Trust at each meeting of the Board of Directors. The Board also receives regular reports on the significant risks identified in the Board Assurance Framework and actions to mitigate these, and summary reports from board committees including the Audit Committee and Quality and Risk Committee after each committee meeting.

Where actions are required as a result of CQC visits, these are the subject of agreed action plans which are regularly reviewed by the Quality and Risk Committee.

In February 2014 the Board held a full debate in its Public session on the Francis Inquiry Report with actions being taken.

7.2 Clinical Audit

The Board lead for Clinical Audit is the Medical Director who, through the Clinical Audit Manager, ensures sustained focus and attention to detail of clinical audit activity. Reporting is regularly provided to the Quality and Risk Committee.

7.3 Internal Audit

Internal audit provide an independent and objective opinion on the degree to which risk management, control and governance support the achievement of the Trust's objectives.

Management work with the Internal Auditors to develop an agreed annual work plan.

Based on work undertaken during the period of this report the Head of Internal Audit has stated in his Head of Internal Audit Opinion 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."

During the period July 2013 to March 2014 the Committee received 13 Internal Audit reports at its three meetings of which four related to the first quarter of 2013-14. Of the nine audits relevant to this period one provided Limited Assurance while eight provided Significant Assurance as Audit Opinions.

Discussion documents relating to two Audits undertaken during the period were circulated after 31 March. Both had elements of limited and significant assurance; the limited assurance elements related to Risk Management and Use of Purchase and Non Purchase Orders.

The Limited Assurance audit report related to Consent; meaning that the Board could not take assurance that systems and processes relating to this area are adequate and that action is required. An action plan is in place to address the identified risks. The delivery of these is monitored by the Audit Committee.

It should be noted that as at the 1 July 2013 the Trusts Internal Auditors were South Coast Audit who merged with TIAA Ltd as of the 1st January 2014. The new organisation trades under the name of TIAA.

At the time of writing this report the Trust is undertaking a competitive tendering

exercise for Internal Audit and Local Counter Fraud services.

7.4 External Audit

External Audit report to the Trust on the findings from the audit work, in particular their review of the financial statements and the Trust's economy, efficiency and effectiveness in its use of resources. External Audit have issued an audit report including an unqualified opinion on the financial statements.

7.5 Audit Committee

The Audit Committee is a sub-committee of the Board of Directors and reports directly to it. Its membership comprises of Non-Executive Directors.

The Audit Committee is responsible for overseeing the activities of Internal Audit, External Audit and the Local Counter Fraud Specialist. For each of these it:

- approved the annual (and strategic) audit plans at the beginning of the financial year
- has received reports on the work undertaken to date and the findings
- has reviewed the management response to reports, in particular the implementation of recommendations to date

The Audit Committee is also responsible for reviewing evidence of the overall effectiveness of the system of internal control, governance and risk management.

The Internal Audit programme is risk based and focussed on high risk areas identified on the Trust's Assurance Framework. The programme includes matters of interest or concern identified by management and the Audit Committee during the planning phase, and in year if urgent issues arise.

Many of the key internal control processes and data quality were tested through the year by Internal Audit. No significant gaps in control or assurance were identified. The Audit Committee reviews all action plans arising from Internal Audits to ensure compliance.

The Audit Committee operates alongside the Quality and Risk Committee to maintain oversight of material risks affecting the Trust and the means by which risk is monitored and controlled. The Audit Committee reviews the Annual Accounts before approval and provides a report to the Trust Board on its activities following each Committee meeting.

7.6 Quality and Risk Committee

The Quality Committee also takes responsibility for overseeing the progress of the Trust in compliance with external standards by regularly reviewing and monitoring the following:

- NHSLA actions
- Risk Register and Assurance Framework
- Clinical Audit Plan
- Health and Safety Executive inspections and any associated action plans
- Learning from Root Cause Analysis and Serious Incidents
- The ongoing development of the Quality Report and the standards set out within it
- CQC registration issues
- Monitor quarterly returns

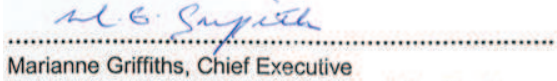
The revised Clinical Governance frameworks have continued since merger and the establishment of the Clinical Divisional structures in October 2009. This process included the development of a programme of quarterly Divisional Governance Reviews of the clinica divisions plus IT and Facilities/Estates, which are monitored by the Clinical Governance Group on behalf of the Trust Board.

7.7 Information Governance

The Trust has an Information Governance Manager whose role is predominantly focused o achieving the standards set out in the Information Governance Toolkit. In this, he is supported by the Information Governance Group. The Information Governance Group reviews and agrees key information policies within the Trust.
Through the Director of Information Technology, who is the Senior Information Risk Officer (SIRO), and the Information Governance Group the Trust is working to embed information governance in the organisation.

8. Summary and Conclusion

Over the period 1 July 2013 to 31 March 2014 I have overseen actions to ensure that we continue to improve the systems of control we operate. No significant gaps in control or assurance were identified in the period covered by this report. Where opportunities for improvement have been identified robust action plans have been put in place. Feedback from internal and external sources has been generally very positive, and where weaknesse or areas for improvement have been identified, action plans have been put in place to ensure delivery.
Signed (by order of the Board of Directors)



29 May 2014

Marianne Griffiths, Chief Executive
Western Sussex Hospitals NHS Foundation Trust

Western Sussex Hospitals NHS

NHS Foundation Trust