



Local Services, Local Solutions

# Annual Report & Accounts

2013-14





# **South Essex Partnership University NHS Foundation Trust**

## **Annual Report and Accounts 2013/14**

Presented to Parliament pursuant to Schedule 7, paragraph 25(4) of the National Health Service Act 2006



# SECTION A:

# ANNUAL REPORT

Foreword by the Chair and Chief Executive	6
Strategic report	8
Directors Report	28
Remuneration Report	48
Governance Review And Statement Of Compliance With Code Of Governance	60
Quality Report	88
Table 1.1 Regulatory Ratings	15
Table 1.2 Workforce Profile	17
Table 1.3 – Efficiency and Income Generation Initiatives	22
Table 1.4 – Capital Expenditure	23
Table 2.1 Staff Survey Response Rates	38
Table 2.2 Staff Survey Key Findings	38
Table 2.3 Staff Survey Top Five Ranking Scores	38
Table 2.4 Staff Survey Overall Staff Engagement Score	39
Table 2.5 Staff Survey Bottom Five Ranking Scores	39
Table 2.6 Staff Survey Largest Deterioration since the 2012 Staff Survey	40
Table 2.7 –Reported Incidents – Trust wide	44
Table 2.8 Summary of Serious Incident Requiring Investigations Involving Personal Data as Reported to the Information Commissioner’s Office In 2013-14	46
Table 3.1 Board of Directors Remuneration Committee Membership and Meeting Attendance	48
Table 3.2 Council of Governors Remuneration committee Membership and Meeting Attendance	50
Table 3.4 Non Executive Director Contracts	52
Table 3.5 Directors Remuneration	54
Table 3.6 Directors Pension Benefits	56
Table 3.7 Payments for Loss of Office	57
Table 3.8: For all off-payroll engagements as of 31 March 2014, for more than £220 per day and that last for longer than six months	58
Table 3.9: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2013 and 31 March 2014, for more than £220 per day and that last for longer than six months	58
Table 3.10: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2013 and 31 March 2014	58
Table 4.1 Disclosure Requirements	61
Table 4.2 Comply or explain requirements table	65
Table 4.3 Board of Directors’ Nomination Committee Membership and Meeting Attendance	71
Table 4.4 Council of Governors’ Nomination Committee Membership and Meeting Attendance	73
Table 4.5 Audit Committee Membership and Meeting Attendance	73
Table 4.6 Board of Directors Attendance at Meetings 2013 - 2014	76
Table 4.7 Council of Governors Details and Attendance at Meetings 2013 - 2014	78
Table 4.8 Membership size and movements	83
Table 4.9 Analysis of current membership	83

## Foreword by the Chair and Chief Executive

Welcome to SEPT's Annual Report and Accounts for 2013 – 2014.

### Listening to you and learning

Our excellent reputation for clinical services has been strengthened by the significant progress the Trust has made in offering consistently high quality 'customer' service. In straightforward terms, this means we listen to the people using our services and put into action what we learn from this feedback.

Our Customer Service Framework was refreshed in 2013. It sets out our firm commitment to continue to ensure that our patients and staff remain our highest priorities and plays a key part in the development of our long term and short term strategies for service delivery. It also underpins the delivery of our Patient Engagement, Nursing, Quality and Workforce Strategies.

In 2013, we held a number of listening exercises. Almost 1000 patients, carers and staff gave us their views of our services from their direct experiences. This 'in their shoes' feedback confirmed that our shared vision – 'Providing services that are in tune with you' – is valid and fit for purpose. We also made changes to the language we use in our beliefs ( see page xxx ) and added a new value – 'kind' – because this is the behaviour and belief that our patients and staff told us they value the most.

Thank you to everyone who took part in the listening events – your feedback was vital and has contributed to the further development of our services. We recognise that we may not get it right every time, but our focus remains firmly on providing better services, embedding our vision and values in everything we do and continuing to develop our staff's skills and competencies to ensure we continue to provide top quality care.

We are extremely proud of our staff, who consistently deliver high quality care to the people who need our services. But we are never complacent and constantly check that things are as they should be.

This assurance comes right from the top. The Chief Executive makes personal and unannounced visits to all our local services to meet with staff, observe the care provided and hear directly from the people using the services at the time. The Chief Executive and Chair hold regular "Take it to the top" public meetings in local communities where issues can be raised directly with them and senior staff. Our long-running and innovative 'mystery shopper initiative' means the Chief Executive receives regular reports directly and confidentially from real patients and carers using our services. We have a number of other ways in which regular feedback is received and is reported to the Board – many of these feature in this report.

Listening is vital – but not enough. We need to take action on what we hear and check that the action is working. So, we do not wait for external inspections by the Care Quality Commission (CQC) or other inspectors to ensure quality of our services. We undertake regular formal internal inspections of our services against the CQC standards and



“ Listening is vital – but not enough. We need to take action on what we hear and check that the action is working. ”



identify any areas for quality improvement. The results and actions arising from these internal inspections are monitored and followed-up to ensure that any necessary remedial actions are completed. Our Non-Executive Directors, Executive Directors, Governors and independent clinicians also visit our wards to review clinical care regularly.

#### How we measure up

The NHS continues to be subject to increased financial pressures and additional scrutiny by our regulators. Against this national backdrop, we are pleased that over the past year we achieved all our targets set by our regulator Monitor.

During the year, we had a number of unannounced CQC (Care Quality Commission) visits across the Trust and no significant concerns were identified. Where minor improvements were highlighted, we took action immediately. We believe that our own internal governance arrangements are robust and ensure that we continue to deliver top quality care and are ready for any visits from external regulators.

Lorraine Cabel  
Chair

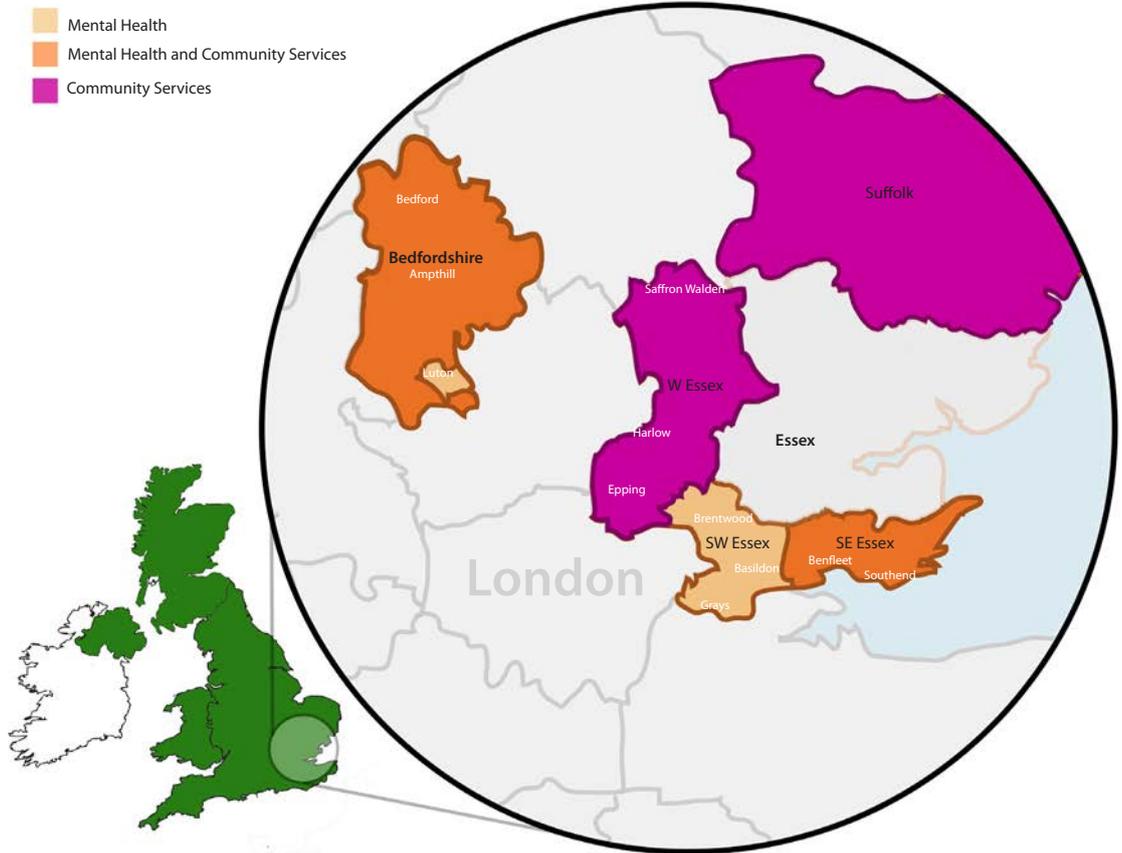
This report provides an opportunity to share our achievements of the past year and you can see some of our highlights on [pages XXXX](#). It also gives us the opportunity to thank everyone who has been involved with making these achievements and contributing to our relentless focus on excellence.

We are deeply grateful to our staff, whose consistent commitment and expertise ensures we can deliver top quality services. Our governors and members, partners, patients, carers and fellow board members make significant contributions to the work of the Trust every day of the week. Thank you all for your continuing support and we hope you enjoy reading this report on how your efforts continue to improve the health and lives of local people who need our services.

Sally Morris  
Chief Executive

## Introduction

South Essex Partnership University NHS Foundation Trust (SEPT) provides community health, mental health and learning disability services for a population of approximately 2.5 million people throughout Bedfordshire, Essex, Luton and Suffolk.



We employ around 7,200 members of staff who work from over 200 sites, including community hospitals, health centres, inpatient units and social care services.

Growing to one of the largest Foundation Trust's in the country, we are proud to have kept our patients at the very heart of all that

we do, delivering safe, high quality services within the NHS.

### Our Vision

*'Providing services that are in tune with you'*



Our Values were amended slightly in year as a result of extensive consultation with our staff and patients as part of developing our revised customer service framework.

Previous values	Our new values	Our beliefs	So you will see us (each of us)
Optimistic	Positive	<i>Things can always be a little better tomorrow than today.</i>	<ul style="list-style-type: none"> <li>Being hopeful for ourselves and others</li> <li>Interested in how to improve things</li> <li>Noticing and appreciating good work</li> </ul>
Empathetic	Welcoming	<i>Our behaviours set the tone for others – ‘we get what we give’</i>	<ul style="list-style-type: none"> <li>Being friendly, courteous and calm</li> <li>Being approachable and patient</li> <li>Being responsive and on time</li> </ul>
Respectful	Respectful	<i>Everyone has equal value. By thinking the best of people we respect them for who they are.</i>	<ul style="list-style-type: none"> <li>Respecting individuals and not judging</li> <li>Respecting people’s dignity and privacy</li> <li>Speaking up if dignity is compromised</li> </ul>
Involving Empowering	Involving	<i>People are more motivated when they are involved</i>	<ul style="list-style-type: none"> <li>Working together openly</li> <li>Listening and communicating clearly</li> <li>Sharing ideas, choices and decisions</li> </ul>
	Kind	<i>We’re here for the people we serve, and if we aren’t serving a patient we serve someone who is</i>	<ul style="list-style-type: none"> <li>Being gentle and compassionate</li> <li>Attentive, keeping our eyes and ears open</li> <li>Being understanding and helpful</li> </ul>
Accountable	Accountable	<i>Delivering safe, effective professional care is up to us, not down to someone else</i>	<ul style="list-style-type: none"> <li>Prioritizing and speaking up about safety</li> <li>Using best practice to get effective results</li> <li>Being professional, aware we are on stage</li> </ul>
	The outcome	The person I am serving right now is more important than me	<ul style="list-style-type: none"> <li>Helping people to achieve the best quality of health they can</li> </ul>

### Our services include:

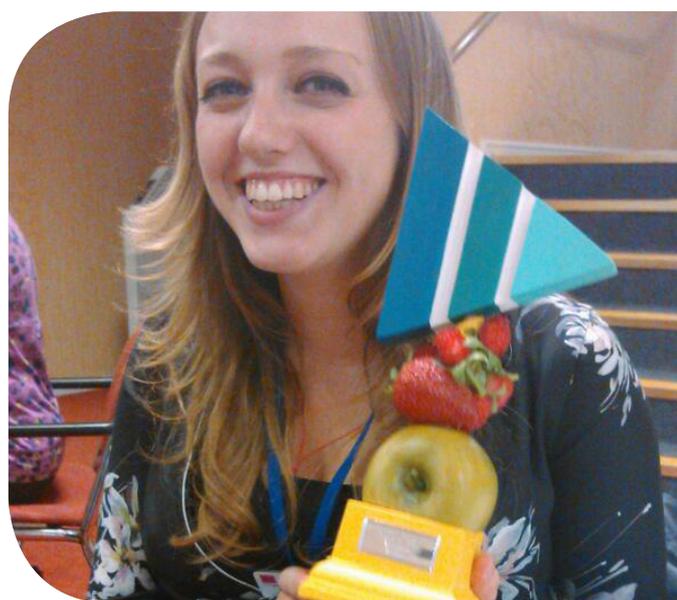
Mental Health Services – we provide treatment and support to young people, adults and older people experiencing mental illness – including treatment in hospitals, secure and specialised settings.

Community Health Services - our diverse range of community health services provide support and treatment to both adults and children. We deliver this care in community hospitals, health centres, GP surgeries and in our patients’ homes. We also provide community dentistry and children’s centres in south east Essex.

Learning Disabilities Services - we provide crisis support and inpatient services, and our community learning disability teams work in partnership with local councils to provide assessment and support for adults with learning disabilities.

Social Care - We provide personalised social care support to people with a range of needs, including people with learning disabilities or mental illness, supporting people to live independently.

*During 2013/14 our staff had approximately 1.8 million contacts with around 158,000 patients across all of our services*



### Involving local people

SEPT is a Foundation Trust. NHS foundation trusts are not-for-profit, public benefit corporations. They are part of the NHS and provide over half of all NHS hospital, mental health and ambulance services.

NHS foundation trusts were created to devolve decision making from central government to local organisations and communities. They provide and develop healthcare according to core NHS principles - free care, based on need and not ability to pay.

### What makes NHS foundation trusts different from NHS trusts?

- they are not directed by Government so have greater freedom to decide, with their governors and members, their own strategy and the way services are run;
- they can retain their surpluses and borrow to invest in new and improved services for patients and service users; and
- they are accountable to:
  - their local communities through their members and governors;
  - their commissioners through contracts;
  - Parliament (each foundation trust must lay its annual report and accounts before Parliament);
  - The CQC (Care Quality Commission)
  - Monitor through the NHS provider licence.

NHS foundation trusts can be more responsive to the needs and wishes of their local communities – anyone who lives in the area, works for a foundation trust, or has been a patient or service user there, can become a member of the trust and these members elect the Council of Governors. Want to have your say? Find out more about becoming a member. You can be involved as little or as much as you like – find out more about being a governor or member by visiting our website [www.sept.nhs.uk](http://www.sept.nhs.uk).

### How we got to where we are today

**2012** – In partnership with SERCo, we took over responsibility for delivering NHS services in Suffolk under the name of SCH – Suffolk Community Healthcare. SEPT staff provide Podiatry, Speech and Language Therapy and Children’s Services. This agreement is one of the first in the country between a service led organisation such as SERCo and a leading NHS provider.

**2011** – Acquired Community Health Services in Bedfordshire, South East Essex and West Essex.

**2010** – We achieved seven award category wins in the Healthcare 100 and moved up from the previous year’s eighth ranking to take first place and also the enviable accolade of Top NHS Healthcare Employer. SEPT was also voted Top Mental Health Trust in the Healthcare 100 survey that names the top 100 healthcare providers to work for in the UK. SEPT was also runner up in the Top Healthcare Employer for Nurses



and Midwives and Commitment to Clear Roles and Responsibilities and Jobs That Make A Difference.

**2010** – Took over the management of mental health and learning disability services for the people of Bedfordshire and Luton.

**2009** – Awarded the top score of ‘excellent’ in both the categories: ‘quality of services’ & ‘use of resources’ by the Care Quality Commission (CQC) – the only mental health trust in the country to achieve this high level of quality for three years in a row.

**2009** – SEPT was voted top in three categories in the prestigious Healthcare 100 survey organised by the Health Service Journal and Nursing Times that names the top 100 healthcare providers to work for in the UK. SEPT was voted as the top mental health trust to work for, top trust for employing managers and eighth best trust to work for overall in the UK. SEPT was also the largest employer in the top 10, the only organisation that falls within the 1,000 – 3,000 employees category.

**2008** – Achieved University Trust status; the first mental health and learning disability trust in the country to achieve this.

**2006** – We became one of the country’s first mental health and learning disability NHS Foundation Trusts. Our public and staff members are represented by our Board of Governors who, along with our Board of Directors, takes forward the strategic and operational aspects of the Trust.

## Operating Review

### Taking forward our strategic priorities

Following comprehensive and inclusive local planning, four key strategic priorities were identified for 2013/14 in our Annual Plan.

- **Priority 1:** Delivering Quality Services That Are Safe and Effective

*We will continue to make sure that we meet or exceed quality requirements consistently regardless of the external environment. This will require clear lines of accountability, with defined expectations and service standards, and empowerment of our workforce to deliver at all levels of organisation.*

- **Priority 2:** Workforce Culture and Capacity

*We need to continue to develop an organisational culture that reflects the increasingly diverse nature of SEPT’s service provision and builds on the values already in place. Clinical leadership and personal accountability will be key to ensuring delivery of the Trust’s objectives, as well as a commitment to ensure training and development is focused on ensuring our workforce has the skills, knowledge and expertise required to deliver the strategy.*

- **Priority 3:** Transforming Care

*We will demonstrate our ability to respond to the current and future environment by working collaboratively to transform delivery of care. Plans will need to be clear, explicit, communicated and “owned” by the clinical and support divisions to which they apply.*

- **Strategic Priority 4:** Clear plans for Sustainable Services and Resources used to deliver them

*Developing sustainable services that can continue to be delivered and meet the requirements of the population they are aimed at during continual change will be a key priority for SEPT. There is not one answer to achieve this but carefully made decisions, pursued opportunities and partnerships will enable us to add value to quality of service provision, improve care pathways, be more innovative in our approach and contribute to financial stability.*

Each of the above is considered in detail within the Quality Report, on [pages xx to xx](#).



Illustrated below are our strategic priorities going forward for 2014 – 15. These have been circulated to staff and included in our Strategic Direction 2014 – 2017 published in January 2014.

**Our Vision: providing services that are in tune with you**

<p><b>Strategic Priority 1</b> Quality Services</p> <p><b>Corporate Aims</b></p> <ol style="list-style-type: none"> <li>1. Safe care</li> <li>2. Positive experience of care</li> <li>3. Effective, outcomes-focussed care</li> <li>4. Well organised care</li> </ol> <p><b>Enabling Strategies:</b> Quality Customer Service Patient Engagement</p>	<p><b>Strategic Priority 2</b> Quality Leadership and Workforce</p> <p><b>Corporate Aims</b></p> <ol style="list-style-type: none"> <li>5. Right staff, Right skills, Right Place</li> <li>6. A culture of openness, honesty and transparency</li> </ol> <p><b>Enabling Strategy:</b> Workforce</p>	<p><b>Strategic Priority 3</b> Sustainability of Service Provision</p> <p><b>Corporate Aims</b></p> <ol style="list-style-type: none"> <li>7. Financially sound</li> <li>8. Clear strategy for securing our success</li> </ol> <p><b>Enabling Strategies:</b> Operational Plan Financial Plan Commercial Strategy</p>
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**Strategic Priority 4**  
Innovative and transformational Approach To Efficiency and Effectiveness

<p><b>Programme 1:</b> Centralisation of office accommodation</p> <p><b>Programme 2:</b> Reconfiguration of Essex Community Mental Health Services</p> <p><b>Programme 3:</b> Reconfiguration of Essex In-patient Mental Health Services</p> <p><b>Programme 4:</b> Corporate service reconfiguration post B&amp;L transfer</p> <p><b>Programme 5:</b> Increase income generation</p> <p><b>Programme 6:</b> Successfully develop lead provider model for frailty West Essex</p> <p><b>Programme 7:</b> Develop continuing health care coordination model</p> <p><b>Programme 8:</b> Establish strategic alliances to deliver services or efficiencies</p> <p><b>Programme 9:</b> Transform community health services in south east Essex</p> <p><b>Programme 10:</b> Pursue additional contracts via market testing opportunities</p>	<p><b>Enabling Strategies:</b> Estates IM&amp;T Communications</p>
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**Letter of Representation to Auditors**

In preparing this report the Directors confirm that they have provided the external auditors with a Letter of Representation. This letter has been duly considered by the Trust’s Audit Committee and Board of Directors and confirms that all relevant audit information, of which the Directors are aware, has been passed onto the external auditors. The Trust’s Directors have also taken all reasonable steps to ensure that the Trust’s external auditors are aware of all material facts known to the Trust in relation to the Trust’s annual report and accounts for 2013/14.

The Foundation Trust is a public benefit corporation which received foundation trust status on 1 May 2006. It is constituted in accordance with the National Health Services Act 2006 (as amended by the Health and Social Care Act 2012) and licensed on 1 April 2013 (Licence No: 120104).

**Head of Internal Audit Opinion**

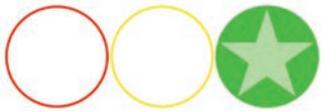
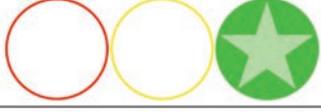
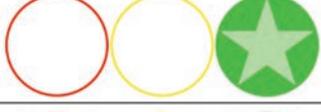
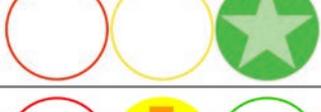
The Head of Internal Audit Opinion for 2013/14 was issued 20 May 2014. The overall position that it contains is:

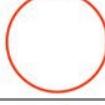
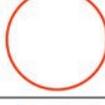
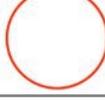
“Significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation’s objectives, and that controls are generally being applied consistently.”

**Our Performance**

SEPT has multiple key performance indicators (KPIs) relating to the services it provides. Some of the KPIs are nationally mandated by Monitor (the regulator of NHS-funded health care services), whilst others are mandated through our contracts with our commissioners. In addition, SEPT has a range of locally developed KPIs which assist the organisation in understanding how it is performing and to assess the quality of the services it provides.

The table below provides a summary of SEPT performance during 2013/14 against a range of these KPIs, and demonstrates a largely positive picture, with the majority of targets achieved. Further details regarding each of the indicators and our performance can be found within the Quality Report section.

Key Performance Indicator	Target	Was the Target Achieved?
Patients who would Recommend us to Family or Friends	Improvement on 2012/13	
Staff who would Recommend our services to Family or Friends	Performance above National Average	
Number of Compliments Received	Increase on 2012/13 outturn	
Complaints resolved within agreed timescales	≥95%	
Reducing the number of Infections Acquired in Hospital	≤4 C. Diff Cases ≤0 MRSA cases	
Eliminating Avoidable Grade 3 and 4 Pressure Ulcers	0 after Dec 2012	
Delivery Harm Free Care (Safety Thermometer)	≥95%	
Patient waiting no more than 18 weeks from Referral to Treatment	≥95%	
Number of people helped to Stop Smoking (Smoking Cessation)	500 in West Essex 101 in Bedfordshire	
Patients on Care Programme Approach (CPA) followed up within 7 days of discharge from psychiatric inpatient stay	≥95%	
Admissions to acute wards gatekept by Crisis Resolution Home Treatment	≥95%	
Patient on Care Programme Approach (CPA) having a formal review within 12 months	≥95%	

Key Performance Indicator	Target	Was the Target Achieved?
Early Intervention Services: New Cases of Psychosis	≥149	  
Delayed Transfers of Care	≤7.5%	  
Referral to Treatment Waiting Times for Consultant-Led Pathways	≥95%	  
Data Completeness – Patient Identifiers (Mental Health)	≥97%	  
Data Completeness – Patient Outcomes (Mental Health)	≥50%	  
Data Completeness – Referral to Treatment (Community Health)	≥50%	  
Data Completeness – Referral Information (Community Health)	≥50%	  
Data Completeness – Treatment Activity Information (Community Health)	≥50%	  
Access to Healthcare for People with a Learning Disability	6 criteria achieving level 4	  

**Key:**

Not Achieved



Partially Achieved



Achieved

## Regulatory Ratings

The Trust's financial performance for the first two quarters of the financial year was assessed under Monitor's Compliance Regime. This was based on five key financial metrics, with 5 representing lowest risk. The Trust's performance was assessed as a 4 under this regime for both quarters 1 and 2. The Trust also achieved a green governance rating.

From October 2013, Monitor began to assess the Trust's performance under the new Risk Assessment Framework which assigns the Trust a Continuity of Services risk rating (based on its financial sustainability), and a Governance risk rating based on the way the Trust is managed. The Trust is awarded a Continuity of Services risk rating (COSRR) of between 1 and 4, with 1 representing significant risk and 4 reflecting that Monitor has no evident concerns. The Governance rating assigned is either red, reflecting that enforcement action is being taken, or green. The Trust's performance under the two monitoring regimes is detailed below, together with comparator information for the 2012/13 financial year.

**Table 1.1 Regulatory Ratings**

	Annual Plan 2013/14	Actual Qtr 1 2013/14	Actual Qtr 2 2013/14	Actual Qtr 3 2013/14	Actual Qtr 4 2013/14
<b>Under the Compliance Framework</b>					
Financial Risk Rating	3	4	4		
Governance Risk Rating	Green	Green	Green		
<b>Under the Risk Assessment Framework</b>					
Continuity of Service Rating				4	4
Governance Rating				Green	Green
	Annual Plan 2012/13	Actual Qtr 1 2012/13	Actual Qtr 2 2012/13	Actual Qtr 3 2012/13	Actual Qtr 4 2012/13
<b>Under the Compliance Framework</b>					
Financial Risk Rating	3	4	4	4	3
Governance Risk Rating	Green	Green	Green	Green	Green

## Principle Risks and Uncertainties

The Trust strongly believes Risk Management is key to delivering high quality, safe and effective services. We define risk as uncertain future events that could influence the achievement of the Trust's strategic, clinical, financial and organisational objectives. The Trust has in place a comprehensive Risk Management Framework which enables informed management decisions in the identification, assessment, treatment and monitoring of risk.

Throughout 2013/14 regular reports were provided to the Audit Committee, Quality and Governance Committee, the Executive Operational Committee and the Board of Directors to ensure that the risk management and assurance systems remained productive and fit for purpose. The Risk Management Framework was revised in June 2013, recommendations from internal and external audits and national reviews.

At the start of the year the organisation identified 12 key aims for 2013/14 and assessed the potential risks that may have prevented their achievement. The Trust's Directors considered each risk in terms of its potential impact taking into account; financial, safety, and reputational risk and the likelihood of occurrence during the financial year.

The risks to achieving the objectives with the highest impact if they were not achieved provided the basis for the Board Assurance Framework. Significant potential risks were monitored monthly by the Board of Directors in line with the Trust's approved Risk Management Framework and governance systems. Twenty potential significant risks were escalated to the Board Assurance Framework during the period 2013/14. These risks related to:

- learning from incidents;
- data quality;
- unified electronic records;
- meeting expectations of patients and commissioners;

- mandatory training;
- personalised care;
- engagement with CCGs (Clinical Commissioning Groups) and Health and Well Being Boards;
- increased complexities in commissioning leading to the fragmentation of services;
- financial risks as detailed within the financial plan including Cost Improvement Programme;
- re-tendering of mental health services in Bedfordshire and Luton;
- re-tendering of public health service;
- contractual complexities with the prime contractor in specialist services.

## Staff

At the end of 2013/14 we employed around 7,200 staff (the same number as were employed at the end of the previous year) including:

- 246 doctors and dentists;
- 3,741 nurses and healthcare assistants;
- 1,113 psychologists, allied health professionals and therapists;
- 32 pharmacists;
- 125 social workers and social care staff;
- 1,510 management, admin and clerical staff;
- 354 estates and facilities staff.

Our workforce profile is similar to many Foundation Trusts, in that the staff are predominantly female and more than half are over the age of 45.

Table 1.2 Workforce Profile

Staff Group:	TOTAL	Gender		Age			
		Female	Male	<25	25-45	45-65	>65
Board of Directors	14	6	8	-	-	13	1
Senior Managers	152	103	49	-	42	109	1
Doctors and Dentists	246	111	135	4	134	95	13
Nursing	3,741	3,077	664	161	1,547	1,936	97
Other healthcare staff	1,270	1,115	155	71	660	518	21
Support staff	1,752	1,426	326	126	574	939	113
All Employees	7,175	5,838	1,337	362	2,957	3,610	246
All Employees %		81%	19%	5%	41%	51%	3%

Our workforce is more ethnically diverse than the population of the areas that we deliver services in, although is mainly white (76%).

### Planning in 2013/2014

SEPT’s success to date is built upon placing high importance on investing time and achieving engagement in planning for the future. We have well established mechanisms for broad stakeholder involvement in service planning and this year has been no exception. Specifically our plans and quality priorities for 2014/15 have been developed as a result of listening to the views of over 300 staff who attended five consultation events in November and December 2013 where the drivers affecting the Trust in the coming year were considered, objectives developed and areas in which the quality of services could be improved identified.

We also consulted with service users, governors and partners (including Clinical Commissioning Groups, voluntary sector, Local Authority and other public sector bodies including the police) at two stakeholder planning events held in Bedfordshire and Essex during January 2014. We asked our governors and members during January 2014 to help us identify our quality priorities for the coming year and gathered feedback from attending service user and carer forums where we have open discussions with the public about our plans for the future. In addition, over the year we have worked with commissioners to identify action required to meet their expectations of a high quality service provider.

More details about our strategic planning process is included in the **Quality Report (pages xxxx)**

### Working with and Valuing our Communities

This has been a year of building on previous good work, achieving some new successes and facing up to new challenges.

The Trust’s commitment to equality, diversity and inclusion was recognised by NHS Employers as we were selected by them as a ‘partner’. We also continued to try new ways of engaging and supporting diverse communities, particularly through conferences and learning sessions with different faith communities and our staff. This has led to an opening of dialogue about faith and culture and how cultural awareness amongst staff supports good patient outcomes.

We were delighted to complete the Department of Health Equality Delivery System (EDS) and fulfilled a requirement by publishing two equality objectives:

#### Objective 1

The services we provide for patients and carers will be accessible and people will not report that they are unable to access them because of their protected characteristic/s.

#### Objective 2

SEPT will be a safe and inclusive place to work for staff with equal opportunities in respect of recruitment, staff development and progression.

The Trust is implementing these objectives and

is well positioned to ensure that valuing equality, diversity and inclusion means that for the public, patients and staff, there are no barriers for any group or individual getting a good health outcome. Progress against the objectives continues and is being monitored through the SEPT performance management and governance framework.

As well as implementing our action plan, there are a number of ways the Trust ensures it is listening to people with protected characteristics. The Patient Experience Team engages with patients, carers and the public to seek their views, listening to their experiences of using SEPT services, discussing suggestions for improvements and acting on the feedback. We have public Board of Directors' meetings and run regular 'Take it to the Top' events where service users, patients and members of the public can put questions and concerns directly to our Chair and Chief Executive.

In recognition of the diversity of its communities we have run or taken an active part in five faith conferences between 2011 and 2013 in Luton and Bedfordshire. We also run stakeholder forums where we hear feedback on our performance in addressing inequality and being more inclusive. We use this feedback to inform service delivery so that improved outcomes occur for everyone receiving care from SEPT.

All of our services are focused on prevention and recovery through reablement processes. Our community mental health

and nursing services both focus on the importance of family and friends supporting engagement in everyday community activities like gyms, cinemas and libraries to support wellness. This is underpinned by SEPT and local authority commissioners across Bedfordshire, Essex and Luton awarding personal budgets which support community access where people are assessed as having social care needs.

In addition, we have services in Bedfordshire and Luton (Empowa in Bedford and Ace Enterprises in Luton) which focus in helping people with a mental health problem obtain and retain paid employment. There is evidence that this supports their mental wellbeing thereby enabling them to remain at home and be fully engaged in their communities.

New for this year is that we now have four interfaith chaplaincy coordinators working across the Trust to ensure patients on our wards and service users in the community are able to access spiritual and pastoral supports from their religion. They also facilitate prayer and reflective group meetings within our services.

### **Sustainability**

In 2011, SEPT was awarded the Carbon Trust Standard (CTS) for all our operational services reflecting our commitment to environmental issues. In March 2013 the CTC reaccredited the Trust for a further two years recognising its improvement in carbon efficiency year on year and governance of



its energy management systems and processes, achieving an improvement of 7% between 2011 – 2013. As well as this important accreditation, SEPT was awarded the Green Apple NHS and Health Sector UK Green Champion Award 2013.

Ray Jennings (Executive Chief Finance Officer) and Dawn Hillier (Non-Executive Director) have been the Board level leads for sustainability. Board level leads for sustainability ensure that sustainability issues have visibility and ownership at the highest level of the organisation.

Our organisation has a Board approved Sustainable Development Management Plan (SDMP). This includes the good corporate citizenship model. Progress against key performance indicators are updated on the Trust's website. All targets, with the exception of one for transport, have been achieved or exceeded. This is a good way to ensure that an NHS organisation fulfils its commitment to conducting all aspects of its activities with due consideration to sustainability whilst providing high quality patient care.

The NHS Carbon Reduction Strategy asks for the boards of all NHS organisations to approve such a plan. A sustainable NHS can only be delivered through the efforts of all staff. All our staff have sustainability topics, such as carbon reduction, included in their job descriptions. Staff awareness

campaigns have been shown to deliver cost savings and associated reductions in carbon emissions, our staff energy awareness campaign is ongoing.

We have made arrangements to purchase electricity generated from renewable sources, and renewable energy, this year, represented 27% of our total energy use. This has risen significantly in recent years. The trend is; 3% in 2010/11, 4% in 2011/12 and 19% in 2012/13

Total expenditure for energy rose in the year to £3,366,000 from £3,173,000 the previous year. The total cost of energy per square metre of occupied floor area has increased to £29 from £25 on average. Procurement of gas and electricity through the Government's Crown Commercial Services has secured the best possible unit prices in a rising market for all public service organisations.

Our relative CO<sub>2</sub>e carbon emissions per occupied floor area have continued to improve with a further reduction to 62Kg per metre square, this continues a long term downward trend in emissions from our buildings and is particularly satisfying, leading to reaccreditation by the Carbon Trust. (CTS). The trend is; in 2009/10 124Kg, in 2010/11 116Kg, in 2011/12 97Kg and in 2012/13 73Kg. The total CO<sub>2</sub>e emissions for energy in buildings this year is 6,346 Tonnes down from 9,136 in the previous year.

Prioritisation of risk is an important part of managing complex organisations. Sustainability issues are included in our analysis of risks facing our organisation. Adaptation to climate change will pose a challenge to both service delivery and infrastructure in the future. It is therefore appropriate that we consider it when planning how we will best serve patients in the future. We consider both the potential need to adapt the organisation's activities and buildings and estates as a result of climate change.



## Financial Review

### Overview

This part of the Strategic Report provides a commentary on the Trust's financial performance for the financial year ending 31 March 2014. In addition, an overview of the accounting process and analysis of financial performance is provided. This includes information in relation to the Trust's capital plan, non-healthcare activities, efficiency and income generation initiatives. Where appropriate, financial trends relating to last year's performance are also considered and provide an indication of future financial performance and activities for the Trust.

### Financial Statements

The Trust's annual report and accounts cover the 12 month period from 1 April 2013 to 31 March 2014. The full set of accounts is included within this document.

The Trust's accounts have been prepared in accordance with directions given by Monitor, the Independent Regulator of Foundation Trusts. They are also prepared to comply with International Financial Reporting Standards (IFRS) and are designed to present a true and fair view of the Trust's financial activities.

### Going Concern

The Trust's accounts have been prepared on the basis that the Trust is a 'going concern'. This means that the Trust's assets and liabilities reflect the ongoing nature of the Trust's activities. The Trust's Directors have considered and declared that:

*"After making enquires, 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."*

### Financial Performance

The NHS, and public services as a whole, has continued to face financial pressures during 2013/14. However, in overall terms the Trust has generally performed well during the year and assisted the local economy by ensuring payments, particularly to small suppliers, were paid as promptly as possible.

The Trust is reporting an underlying net surplus of £0.9 million for the 2013/14 financial year, which reduces to a deficit of £0.5 million following a number of technical accounting adjustments. These include the revaluation of Investment Properties by the District Valuer which improved the financial position by £0.5 million. The Trust was also required to account for impairments on property and plant totaling £1.5 million and a change in discount rate of £0.4 million. Both of these adjustments increased operating expenses and reduced the reported surplus for the year.

In line with planning guidance, the Trust was required to deliver an efficiency requirement of 4% consisting of a 1.3% reduction in income and assumed inflationary pressures of 2.7%. This was in the context of no inflationary, growth or cost pressure funding being available from commissioners. In total this required an efficiency savings programme to deliver recurrent savings of £18.5 million.

The Trust has continued to benefit from the stability and freedoms associated with Foundation Trust status. This has enabled the Trust to carry forward and retain surpluses from previous financial years and undertake environmental and capital developments as required.

Despite the difficulties and significant cost reduction programmes the Trust ended the year with an underlying surplus of £1.1 million and a Monitor Continuity of Services risk rating of 4.

### Income from Health Care Activities

The NHS Act 2006 (as amended by the Health and Social Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purpose. During the year the Trust received £311.6 million of income relating to the provision of goods and services for the purposes of the health service in England. This was greater than other operating income received for the provision of goods and services for other purposes, which amounted to £12.9 million.

### Income from Non Health Care Activities

During the 2013/14 financial year, the Trust received income from the provision of shared support services of £2.2 million. The Trust provides Estates and Facilities Management Services to North East London NHS Foundation Trust and NHS Property Services Limited in respect of the South West Essex and South East Essex community service properties. In addition, an information service continues to be provided to Thurrock CCG and Basildon and Brentwood CCG. A Car Leasing Service is also provided to a number of local NHS organisations, including the local south Essex CCGs, Basildon and

Thurrock University Hospitals NHS Foundation Trust, North East London NHS Foundation Trust, as well as several local Housing Associations.

In addition a range of shared support services are provided in Luton and Bedfordshire, including estates and IT services to Bedford CCG and Luton CCG.

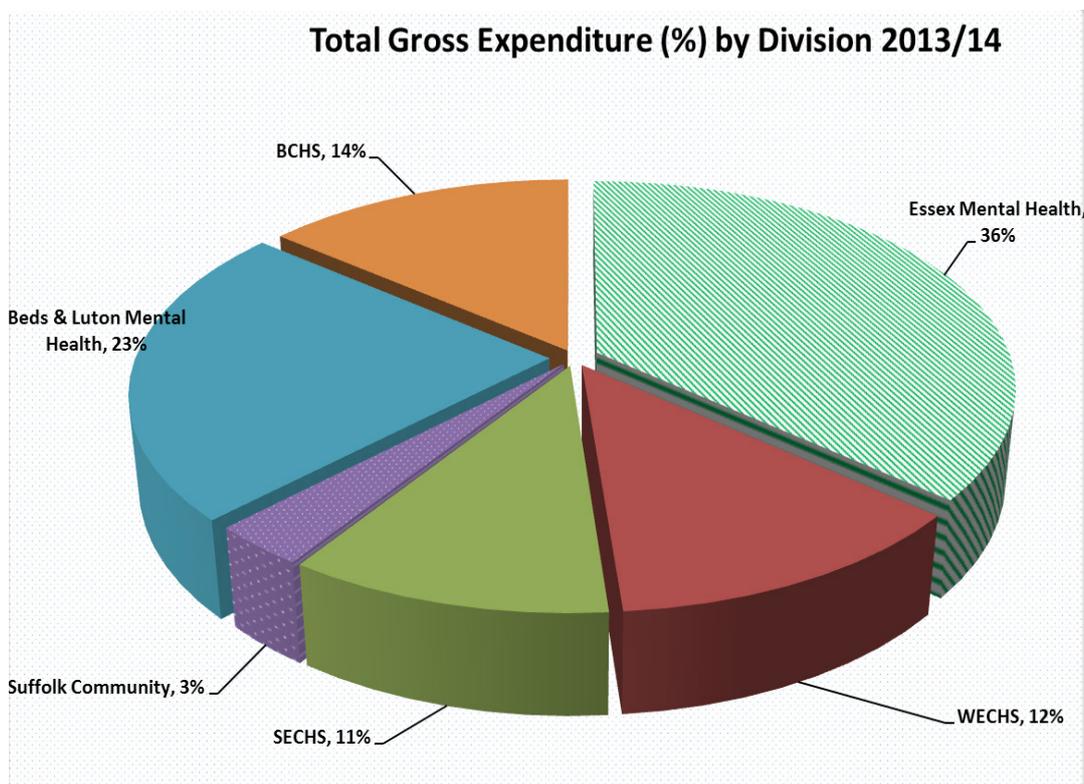
### Income Generation

The Trust's financial plans include a contribution from ongoing income generation schemes of £131,000. In addition, new income generation initiatives for 2013/14 contributed a further £327,000 to the Trust's financial position. Although this income was not significant for the 2013/14 financial year, it was sufficient to allow the Trust to meet its financial targets for the year.

### Operating Expenditure

The total operating expenditure for the 12 month period ended 31 March 2014 was £319.1 million, including impairments of £1.5 million. The chart below shows the Trust's expenditure split by operating segment. The single largest area of expenditure relates to Essex mental health services.

Figure 1 – Total Expenditure by Division



### Efficiency and Income Generation Initiatives

During 2013/14, the Trust delivered efficiency savings of £17.7 million compared to a target of £18.5 million. The savings were required to cover the reduction in the Trust's income as per the Department of Health's financial framework and to meet a number of national and local cost pressures across the Trust. The Trust's efficiency plan included one material income generation initiative in respect of additional specialist services income, together with a number of smaller initiatives for community services.

A summary of the Trust's main savings initiatives delivered during 2013/14, together with the recurrent impact is shown in table 1.3:

**Table 1.3 – Efficiency and Income Generation Initiatives**

	2013/14 Actual Savings £000s	2013/14 Recurrent Savings £000s
Mental Health Services		
Service Transformation	0	100
Effective Operational Management of Services	1,198	1,865
Procurement & Non Pay Efficiencies	1,971	1,971
Corporate Overheads & Management	4,232	4,102
Income Generation Initiatives	288	288
Non Recurrent Measures	2,222	0
<b>Total Mental Health Efficiency Savings</b>	<b>9,911</b>	<b>8,330</b>
Community Health Services		
Effective Operational Management of Services	2,596	2,886
Procurement & Non Pay Efficiencies	1,494	1,494
Corporate Overheads & Management	845	1,600
Income Generation Initiatives	39	13
Non Recurrent Measures	2,838	0
<b>Total Community Health Services Efficiency Savings</b>	<b>7,812</b>	<b>5,993</b>
<b>Total Efficiency Savings</b>	<b>17,723</b>	<b>14,324</b>

The total efficiencies delivered during 2013/14 included a mix of recurrent and non-recurrent measures. Of the £17.7 million of savings achieved during 2013/14, £12.7 million were of a recurrent nature and equate to 68% of the total efficiency requirement for the year. The full year impact of these recurrent schemes increases the Trust's performance to £14.3 million or an achievement rate of 77%. This is a deterioration on the previous financial years achievement rate of 84%, and reflects the difficulties the Trust has incurred in trying to implement a number of the more complex schemes.

Against the total efficiency requirement of £18.5 million, the Trust has therefore recurrently delivered schemes totaling £14.3 million and identified £4.2 million as being unachievable. The schemes totaling £4.2 million, together with £0.4 million of schemes bought forward from earlier financial years which were deemed unachievable in the period, have been recurrently addressed as part of the planning process for the 2014/15 financial year.

As in previous financial years, the Trust endeavors to minimise the impact on front line services and therefore generated savings from procurement, non-pay efficiencies, corporate overheads and management, of around £9.2 million during 2013/14. This equated to 64% of all efficiencies achieved.

#### **Loss on Local Government Pension Scheme (LGPS)**

The Trust is required to obtain an actuarial valuation on the Local Government Pension Scheme (LGPS) on an annual basis, which relates to Bedford and Luton social workers who are employed by the Trust under the Section 75 agreements. This is based on figures provided by the actuary at Bedford Council, with the figures subsequently being verified by the Trust's External Auditors.

The operational cost, finance income and finance costs of the scheme for 2013/14 have been reflected within the Trust's Statement of Comprehensive income and reduced the Trust's

surplus by £0.2 million. In addition, an actuarial loss of £0.45 million resulting from a reduction in the value of scheme assets has been reflected as a reduction in reserves within the Statement of Comprehensive Income.

Capital Structure, Expenditure and Investments  
Capital finance has historically been provided by the Treasury in the form of Public Dividend Capital and as a result the Trust is required to pay the Treasury dividends relating to this capital in September and March each year. The dividends payable are calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS Foundation Trust. Average relevant net assets are calculated as a simple mean of opening and closing balances, and are therefore based on the closing Statement of Financial Position at the end of the year. As such, a creditor and debtor arrangement may exist at year end between the Treasury and the Foundation Trust.

The Trust also has reserves relating to income and expenditure surpluses and asset revaluation resulting from the impact of valuations of the Trust's estate. The total of the Trust's Public Dividend Capital and reserves is equivalent to the taxpayers' equity in the Trust.

#### **Capital Expenditure**

Table 1.4 summarises the Trust's capital expenditure for 2013/14.

**Table 1.4 – Capital Expenditure**

	2013/14 £000
Dementia Garden at Thurrock Hospital (net of £120k grant)	117
Various IT Software Schemes	1,104
IT Hardware	156
Ultrasound Scanners	133
Carbon Reduction Initiatives	58
Improvements to Heath Close, Grays Hall and Basildon Mental Health Unit in Essex	196
<b>Total Capital Expenditure</b>	<b>1,764</b>

The Trust invested internally generated funds of just under £1.8 million in 2013/14. This is net of a £0.12 million grant received from the Veolia Trust for part-funding of a Dementia Garden on the Thurrock Hospital site in Essex.

The Trust has continued to invest in IT software, with £1.1 million being spent on various projects during 2013/14. These include £0.3 million on the implementation of the Health Information Exchange portal which is a secure means of sharing vital patient information electronically, £0.3 million for a new appointment system and £0.3 million for the development of a Unified Electronic Patients Record System.

The Trust also invested £0.16 million in IT Hardware, of which £0.12 million related to the implementation of the Health Information Exchange portal with the remainder on video conferencing facilities.

#### **Private Finance Initiative**

The Trust currently provides services from three locations developed via the Private Finance Initiative. These properties are located in Westcliff (Clifton Lodge), Rawreth (Rawreth Court) and Wickford (Brockfield House). Rawreth and Clifton each provide 35 in-patient beds for older people with mental illness. The units were opened in 2004 and provide very high quality environments for the provision of local care.

The Trust provides secure mental health services in Wickford (Brockfield House) which became operational in September 2009. This development completed the final phase of the Modernisation Programme relating to the replacement of ageing facilities on the former Runwell Hospital site, which closed in December 2009.

#### **Revaluation of Investment Property**

In accordance with accounting guidelines, the Trust has opted to undertake a revaluation of all investment properties on an annual basis. The revaluation obtained

from the District Valuer showed an increase in value of £535,000 since March 2013, compared to a decrease of £266,000 in the previous financial year. This increase is reported on the face of the Statement of Comprehensive Income which creates a 'technical' increase to the Trust's underlying surplus.

During the year, the Trust was successful in leasing out properties at Tye Common Road and Weymarks in Essex, which had become vacant due to the delivery of efficiencies and service transformations. These properties were subsequently recategorised within the Statement of Financial Position, from Property, Plant and Equipment to Investment Property.

#### **Impaired Value of Land and Property**

The Trust is required to undertake a full five yearly revaluation of its land and building assets, together with an interim revaluation in year three which was completed as part of the 2012/13 annual accounts process. For the current financial year, the Trust therefore only conducted impairment reviews on building works which were completed and bought into use during the financial year. This related to the development of the Dementia Garden at Thurrock Hospital, Essex and external works and improvements to Grays Hall in Essex.

In line with guidance, both assets were valued at modern equivalent depreciated replacement cost by the District Valuer, which resulted in total impairment losses of £68,000. These impairment losses were charged as part of operating expenses. It is not uncommon for the NHS to incur such impairment losses, and reflects the basis upon which the District Valuer calculates replacement value of the development upon completion, whereby the replacement value is often lower than the original cost of development.

### **Assets Held for Sale**

The Trust is holding assets in preparation for disposal with a market value of £4.3 million as at March 2014. These are shown as Non Current Assets on the face of the Statement of Financial Position. During the year, the Trust disposed of Kimbolton Road in Bedford, and incurred a loss on disposal of £116,000.

The Trust revalued the Assets Held for Sale as at March 2014, which after allowing for the disposal of Kimbolton Road, resulted in a net impairment (reduction in value) of £1,420,000. This has been shown as £1,440,000 of expenditure, and £20,000 of additional operating income within the Statement of Comprehensive Income.

### **Working Capital and Liquidity**

The Trust has robust cash management and forecasting arrangements. These are supported by the Investment Committee which is chaired by a Non-Executive Director. The membership of the Committee also includes the Chief Executive, Executive Chief Finance Officer, Executive Director of Corporate Governance and two further Non-Executive Directors.

The Trust has continued to invest surplus cash on a day to day basis throughout the year, and generated interest from cash management activities of £96,000. This is a reduction of £88,000 on the level of interest earned in the previous financial year, and is reflective of the reduced rates available. The interest earned on cash management is used to offset the associated costs of banking and cash transit services. The Trust was able to maintain a healthy cash position throughout the year and a strong cash working capital position at the end of the financial year of positive £26.8 million.

### **Events After the Reporting Period**

In line with the Letter of Representation presented to the Trusts External Auditors in May 2014, the Trust Board of Directors are not aware of any such events which require disclosing within the accounts, other than those already addressed in Note 27 to the Annual Accounts.

### **Charitable Funds**

The Trusts associated Charitable Fund is South

Essex Partnership NHS Foundation Trust General Charitable Fund (Charity No: 1053793). This charitable fund has resulted from fund raising activities and donations received over many years, and is used to purchase equipment and other services in accordance with the purpose for which the funds were either raised or donated. The charity also has a General Purpose Fund which is used more widely for the benefit of patients and staff.

The Charitable Fund is administered by the Trust's Finance Department on behalf of the Partnership Trust, and the former Primary Care Trusts across south Essex, Bedfordshire and Luton. The Board of Directors of the Foundation Trust acts as Corporate Trustee and meets regularly in the form of a Trustee Board to oversee the management of the Charitable Fund. The Board of Directors also operate a Charitable Funds Committee which has the responsibility of advising the Trustee Board on matters of investment policy. At their meeting in January 2014, the Board of Trustees approved the non-consolidation of the charity accounts into the Trusts main accounts on the grounds of materiality.

The financial activities of the charity for the 2013/14 financial year are contained within the Annual Report and Accounts for the Funds Held on Trust. A copy of this document will be available from January 2015, free of charge, from the Executive Chief Finance Officer.



### External Audit

The Trust's external auditors are Ernst and Young. The Trust's Engagement Lead is Rob Murray and Natalie Clark is the Trust's External Audit Manager.

During 2013/14, the Trust's external auditors have primarily focused on the audit work covered by the Code of Audit Practice for Foundation Trusts.

The Trust's Annual Governance Report for the 2013/14 financial year was presented to the Board of Directors in May 2014. Reports issued during the 2013/14 financial year were as follows:

Review of Financial Statements 2012/13

Final ISA 260 Report

Draft Audit Plan 2014/15

The total fee for external audit for 2013/14 was £61,000 in respect of the completion of the statutory audit work.

### Accounting Policies

The Trust has detailed accounting policies which comply with both the NHS Foundation Trust Annual Reporting Manual and Capital Accounting Manual for Foundation Trusts and have been thoroughly reviewed by the Trust and agreed with External Auditors. Details of the policies are shown on [pages xx to xx](#) of the 2013/14 accounts.

### Policy and Payment of Creditors

The Non NHS Trade Creditor Payment Policy of the NHS is to comply with both the CBI Prompt Payment Code and Government Accounting Rules. The Government Accounting Rules state: "The timing of payment should normally be stated in the contract. Where there is no contractual provision, departments should pay within 30 days of receipt of goods and services or on the presentation of a valid invoice, whichever is the later".

As a result of this policy, the Trust ensures that:

- a clear consistent policy of paying bills in accordance with contracts exists and that finance and purchasing divisions are aware of this policy;
- payment terms are agreed at the outset of a contract and are adhered to;
- payment terms are not altered without prior agreement of the supplier;
- suppliers are given clear guidance on payment terms;
- a system exists for dealing quickly with disputes and complaints;
- bills are paid within 30 days unless covered by other agreed payment terms.

During the 2013/14 financial year, the Trust achieved an average of 85% of all trade invoices paid within 30 days. This figure represents a 16% improvement on the previous financial year, and reflects the Trust's implementation of electronic invoice scanning and authorisation systems.

The Trust continues to follow the Government's initiative to pay small and medium sized companies within 10 days working days, which was introduced in October 2008. The Trust is currently averaging a 15 working day payment cycle for this trade sector.

### Cost Allocation and Charging Requirements

The Trust has complied with the cost allocation and charging requirements set out in HM Treasury.

### Counter Fraud Activities

The Trust receives a dedicated local counter fraud specialist advice service from Mazars LLP. The Trust previously held a contract for counter fraud services with Deloitte LLP, whose public sector contracts transferred to Mazars during the 2013/14 financial year. The Trust has agreed a comprehensive counter fraud work plan in accordance with

guidance received from the NHS Protect. The Trust also has a counter fraud policy and response plan approved by the Board of Directors.

Anyone suspecting fraudulent activities within the Trust's services should report their suspicions to the Executive Chief Finance Officer or telephone the confidential hotline on 0800 028 4060.

### **Political and Charitable Donations**

The Trust did not make any political or charitable donations from its exchequer or charitable funds during 2013/14.

### **NHS Pensions and Directors Remuneration**

The accounting policy in relation to employee pension and retirement benefits, and the remuneration report is set out on [pages xx to xx](#) of the annual accounts for 2013/14.

### **Financial Risk Management**

The Trust is required to prepare a two year Operational Plan to Monitor in March of each year, followed by a Strategic Plan covering a further three year period within which the Board of Directors need to confirm the Trust's sustainability.

In addition, the Trust completes a detailed five financial plan incorporating revenue, capital, cash and cost improvement / income generation plans. This is based on a number of assumptions which have all been duly considered by the Board of Directors, and which are then risk assessed. All high and extreme risks are then successfully mitigated against as part of the process, to ensure the Trust maintains a minimum continuity of services risk rating of 3. The Trust subsequently monitors the possibility of these risks occurring during the year, in addition to any new risks which may have been identified during the year.

### **Future Financial Performance**

The Trust prepared a detailed Financial and Operational Plan which covers all services for the two year period of 2014/15 and 2015/16. In addition, the Board of Directors are actively involved in the development of the Trust's Strategic Plan due to be submitted to Monitor by the end of June 2014. This will confirm the Trust's longer term sustainability plans.

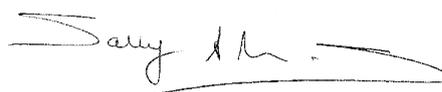
The Operational Plan for 2014/15 and 2015/16 demonstrates that the Trust plans to achieve a minimum continuity of services risk rating of 3 in each year, with a planned rating of 4 in 2014/15. This includes a predicted surplus of £1.2 million in 2014/15, and £1.7 million in 2015/16.

The Trust's plans have assumed a national efficiency requirement in line with planning guidance of at least 4% in both years. In addition to these national requirements, other local cost pressures including the impact of demographic growth mean that the Trust is planning for an actual efficiency requirement of around 5.2% in 2014/15 and 4.1% in 2015/16.

The Trust is continuing to operate in a period of financial constraint, and with commissioners who are facing their own financial difficulties. In addition, procurement processes are underway for a number of the Trust's services which will alter the landscape within which the Trust works over the coming year.

The Board of Directors approved the Trust's new Strategic Direction in November 2013, which provided the framework for the Operational Plan submitted to Monitor in April 2014. The Trust has identified four key strategic priorities; quality services, quality leadership and workforce, sustainability of service provision, and innovative and transformational approach to efficiency and effectiveness.

The Directors remain proud of the Trust's track record in delivering excellent clinical services, alongside excellent financial performance, and will do all they can to ensure that services are protected as much as possible over the coming years.



**Sally Morris, Chief Executive**  
May 2014

The Directors of South Essex Partnership University NHS Foundation Trust present their report for the period 1 April 2013 to 31 March 2014.

## Our Board of Directors

### Executive Directors



**Sally Morris, Chief Executive (from 1 September 2013)**

Sally was appointed Chief

Executive of SEPT in September 2013, having previously been Deputy Chief Executive with the portfolio for Specialist Services and Contracts; a role which was operationally accountable for forensic, child and adolescent mental health services (CAMHS) and psychological and therapy services across Bedfordshire, Luton and Essex.

Sally first joined SEPT in 2005 as the Executive Director with operational leadership responsibility for all mental health and learning disability services across South Essex and subsequently Bedfordshire and Luton. During this time, Sally was pivotal in establishing a dedicated contracting function and led subsequent contract acquisitions.

Previous roles included being the Director of Finance and Specialist Commissioning for Southend Primary Care Trust, as well as being involved with mental health and learning disability services for a number of years, ranging from consultancy work when in the private sector to director of mental health commissioning at South Essex Health Authority and lead for mental health at the Essex Strategic Health Authority. With a history of successful partnership working with Local Authorities, the voluntary sector and other NHS Trusts, Sally has a proven track record of managing major change in complex environments and where key stakeholders have polarised views.

A chartered accountant by profession and a keen sailor in her leisure time, Sally also used to represent Wales in lacrosse.



**Dr Patrick Geoghegan OBE  
Chief Executive and Executive  
Nurse, Professor of Mental  
Health and Social Care**

**(until 7 October 2013)**

Patrick has 40 years' healthcare experience, including working at national level within the NHS and being instrumental in helping develop national policies having a major positive impact within the UK.

In addition to his work within the UK, Patrick has over recent years worked closely with Yale University in the USA, Pavia University in Italy and has also provided advice on mental health services in Jersey (Channel Islands).

Patrick has also undertaken a variety of charitable fund raising activities with a special focus on raising funds to benefit mental health services in Ghana (Africa). His strength is in delivering change management and he is described as a transformational leader who keeps his feet firmly planted on the ground'



**Dr Milind Karale, Executive  
Medical Director (Patient Safety  
Lead) MRCPsych, MSc (Forensic  
Psychiatry), DNB, DPM, MBBS**

Milind is a Consultant Psychiatrist for Luton Crisis Resolution and Home Treatment (CRHT) team and Executive Medical Director for South Essex Partnership University NHS Foundation Trust (SEPT).

Milind trained in Cambridge and Eastern Deanery to attain membership of the Royal College of Psychiatrist and later completed Masters in Forensic Psychiatry (merit) at Institute of Psychiatry, Maudsley. His areas of interest include patient safety, clinical governance, liaison psychiatry and mood disorders. He chairs the trust wide drugs and therapeutics committee.

He has been involved in medical management for last five years, working as Clinical Director, CD for Clinical Governance, Deputy Medical Director and more recently Medical Director from 2012. He has been

interest in teaching and has written several chapters in books for MRCPsych examination. He is on the Board of Examiners for The Royal College of Psychiatrists, Chair of the Anglia Ruskin University Health and Wellbeing Academy and a Post graduate Medical Education Board Member, also at ARU.



**Ray Jennings, Executive Chief Finance Officer and Resources Officer**

Ray has a business degree and is a qualified Chartered Management

Accountant. He has worked for the NHS for almost 30 years during which time he has covered a variety of managerial positions across general hospitals as

SEPT has evolved and expanded to include community services alongside the mental health and learning disability services. Throughout this period Ray has led the development of financial management and governance.

Ray's portfolio includes:

- Finance
- Purchasing
- Estates / Facilities
- Capital projects



**Andy Brogan, Executive Director of Clinical Governance and Quality (Executive Nurse)**

Andy is our Executive Director of

Integrated Governance and the Executive Nurse.

His portfolio of services also currently includes Child and Adolescent Mental Health, Psychological Therapies & Psychology, Forensic Services.

Andy has a wealth of experience within the NHS and the private sector. He has held a variety of nursing director and governance posts – mainly in the North West – as well as spending time at CSIP (Care Services Improvement Programme) and the Department of Health.

He joined BLPT in September 2009 and now works across Bedfordshire, Essex and Luton.

Andy's portfolio includes:

- Clinical Governance Programme – with Medical Directors

- Pharmacy & NICE Guidance Lead
- Infection Control - with the Director of Primary Care
- Patient Safety – with Medical Director
- Clinical Risk Management
- Emergency Planning & Organisational Resilience
- SUIs including representing the Trust at Coroners Court & other inquests
- Research Programme – with Medical Directors & Professor of Research
- Clinical Audit Programme – with Medical Directors
- Safeguarding – with Executive Director of Social Care and Partnership (Strategy & Delivery)
- Security Management

Clinical quality - with the Medical Directors responsible for ensuring the development and evaluation of clinical quality standards across the Trust)



**Nikki Richardson, Executive Director of Corporate Affairs and Customer Service**

Nikki has worked for this organisation

for over 30 years in a number of roles; speech and language therapist, senior manager responsible for therapy services, deputy unit general manager at South Ockendon and as a director whose portfolio has included older people's mental health, learning disabilities, specialist nursing and therapy services.

She is a Southend resident and works with the Southend locality government forum.

Her portfolio includes:

- Workforce / Human Resources
- Training and Development
- University Links; ARU, Yale, Pavia
- Equality & Diversity (Workforce)
- PPI
- Complaints
- Customer Service Standards across the organisation
- Caldicott Guardian
- Library Services



**Malcolm McCann, Executive Director of Integrated Services - Essex and Suffolk**

Malcolm studied Nursing at the University of Manchester and has worked for more than 25 years in the NHS. During this time, he has gained a wealth of experience, at senior management level, managing a wide range of different services across various sectors including in-patient and community services for adults, older people and children and working at Board level since the late 90's.

As Chief Executive of Castle Point and Rochford PCT from 2001 to 2006 he led the organisation from its inception through its development into a highly successful PCT. He has since worked as the Chief Operating Officer in both South West and South East Essex, joining SEPT as Director of Acute and Community Services in June 2010. In this role and in partnership with director colleagues Malcolm led the successful bid for the three community services that we acquired in August 2011 and was member of the bid team with SERCO who were identified (April 2012) as the preferred bidder in Suffolk.

Malcolm now manages non-specialist community health services in south east and west Essex as well as non-specialist learning disability services and mental health services for adults and older people in south east and south west Essex.

His portfolio includes:

- Adults and Older Adults Community Health Services
- Children and Young People Community Health Services
- Operational Mental Health Services including inpatient and community services



**Richard Winter, Executive Director of Integrated Services - Bedfordshire and Luton**

Richard has worked within the NHS for many years, and is a registered nurse by background. He has a wide range of experience at senior manager level including being Director of Nursing for NHS Direct Bedfordshire and Hertfordshire and the Regional Director of NHS Direct for the Eastern region and the National Commercial Director for NHS Direct. Richard then joined Commissioning and became the Director of Commissioning for NHS Bedfordshire before moving to Provider Services in September 2010 when he was appointed as the Chief Operating Officer of Bedfordshire Community Health Services.

Following divestment to South Essex Partnership Trust (SEPT) in September 2011, Richard was appointed to his present role and manages community health services in Bedfordshire and non-specialist learning disability services and mental health services for adults and older people in Bedfordshire and Luton.

His portfolio includes:

- Adults and Older Adults Community Health Services
- Children and Young People Community Health Services
- Operational Mental Health Services including inpatient and community services



**Nigel Leonard, Executive Director of Corporate Governance (from 1 February 2014)**

Nigel has worked in the NHS for over 20 years in a variety of planning, governance and project management roles in acute, community and mental health organisations. He has worked as a Programme Director delivering changes in mental health services in Essex and Berkshire and more recently was the Director of Planning & Corporate Affairs at West London Mental

Health NHS Trust. Nigel is a qualified Company Secretary and has an Msc in Project Management. He is also a member of the Association for Project Management.

Nigel's portfolio includes:

- Patient engagement
- Planning & Strategy
- Estates & facilities
- Contracting
- Communications
- Risk management
- Trust Secretariat and legal services



**Executive Director of Strategy and Business Development**  
**Peter Wadum-Buhl (until 28 October 2013)**

Peter has over 30 years NHS experience. He began his career working in mental health services as a qualified occupational therapist and district service manager.

Peter has held a variety of senior clinical and managerial positions, working at director level for the past 15 years. Peter is keen to ensure that the Trust's systems and processes ensure all stakeholders including staff and service users and partners are fully involved in the planning, development and monitoring of services.

Peter's portfolio included:

- Strategic Planning & Business Development Unit - with Chief Finance Officer
- Performance, Compliance & Integrated Audit & Assurance (clinical audit support)
- Organisational risk management including health and safety
- Board Assurance Framework & Risk Registers
- Non-Clinical Risk Management
- Service Development
- CQC & NHSLA
- Policies & Procedures Management
- Performance Management
- Information Technology
- Communications



**Executive Director of Social Care and Partnerships**  
**Amanda Reynolds (until 21 February 2014)**

Amanda has been with the Trust for two years as Executive Director of Social Care & Partnerships.

Amanda brings a wealth of experience to the role having 21 years' experience across the NHS, Department of Health and local government management. This includes work in social services, health authority, government office, commissioning and provision in PCT. Her specific expertise includes developing social care, NHS community, mental health and learning disability services and service transformation.

Amanda's portfolio includes:

- Social Work Development/ Professional Advice/ Leadership
- Public Health and Section 75 Agreements
- Developing partnerships with 3rd Sector/non-profit making organisations
- Safeguarding – with Executive Director of Clinical Governance & Quality
- Social Inclusion
- Mental Health Act
- Drug & Alcohol Services
- Carers
- Equality & Diversity

## Non Executive Directors



### **Lorraine Cabel, Chair**

With more than 30 years experience of the NHS in a wealth of roles, Lorraine Cabel is very well qualified for her job as chair of both SEPT's Board of Directors and Council of Governors.

Originally from Lancashire, Lorraine has worked in the NHS in Essex for the last 18 years, so is very familiar with the area and with SEPT. She began her career as nurse, specialising in burns and plastic surgery. Following a span of 15 years in various nursing roles, Lorraine took a break and did a degree in Social Policy and Administration, before moving to public health where she worked in health promotion. However, being the kind of person that is always looking for new challenges, Lorraine then moved into commissioning of healthcare, later becoming Executive Director for Commissioning for South Essex Health Authority. From there she moved to the Essex Strategic Health Authority where she was Director of Modernisation. Two years into this post she then took on a broader role as Executive Director of Primary Care and Partnerships.

Just prior to joining SEPT she was Interim Chief Executive at South East Essex Primary Care Trust. In her many and varied roles, one era sticks out for Lorraine as a particular achievement. This was when she was involved in a two-year project to commission new models of care for people who had been living in institutional care at South Ockenden Hospital which was closing as part of a national reorganisation of institutional care.



### **Janet Wood, Non-Executive Director and Vice Chair**

Janet has a degree in Business Studies and Accountancy from Edinburgh University and is a member of the Institute of Chartered Accountants of Scotland, having trained with Deloitte.

she joined the NHS in 1992, working for Redbridge Healthcare and then South Essex Health Authority, initially as chief accountant. Janet took a career break in 1999 to spend time with her family. At this point she was Finance Manager at Southend and Billericay, Brentwood & Wickford Primary Care Groups (the forerunners to PCTs). During her career break she undertook consultancy work for HFMA (Healthcare Financial Managers Association) covering a wide area of NHS finance issues and in particular assurance and governance. She was appointed a NED for the Trust in November 2005.

Janet had a very successful career as an NHS accountant and therefore fully conversant with all NHS finance issues. She was involved in getting the Essex PCTs up and running and putting in place finance and early governance structures. Through her work with HFMA she helped run successful training events and has contributed to several publications explaining NHS finance and governance issues.

Janet is a NED of the Trust because she wants to bring her wealth of experience and knowledge to the NHS and contribute towards making SEPT one of the best Foundation Trusts in the country. She believes that patients in the NHS should receive high standard services in bright modern settings and as a NED she can help make this happen. Janet is the Vice Chair and Senior Independent Director for the Trust.



**Dawn Hillier PhD, Non-Executive Director**

Dawn is well known in her field of health care and has a successful international track record as an academic entrepreneur, manager, teacher, and researcher and an exemplary record in higher education and the National Health Service.

Dawn retired from a successful career in higher education and turned her entrepreneurial skills to establishing and managing Accomplishing Wellness Ltd, focused on personal and organisational wellness programmes. She is also the MD and Principal consultant of Strategic Change Partnership which offers coaching, consultancy and executive development programmes.

Dawn is the author of two books and numerous articles. As a result of her long contributing to health, education and higher education, Dawn was elected as a Fellow of the Royal Society of Medicine, The Royal Society of Arts and the Higher Education Academy. Her work over the past two decades has taken her to many countries including Ghana, Malawi, Malaysia, America, Finland, Norway, Philippines, Russia, Italy, France and Bali.

Currently Dawn has focused her attention on mental wellbeing and the cultural dynamics of wellness at work in addition to maintaining her involvement with higher education through teaching, research, publication and supervision of doctoral students.

It is her passion for reducing health inequalities that brought Dawn to South Essex Partnership NHS University Foundation Trusts as she believes that mental ill-health is one of the major causes of health inequality. She continues to be keen to promote mental health and wellbeing in our communities.



**Steve Cotter, Non-Executive Director**

Steve has spent over 35 years in the retail and related sectors with a high level of expertise in operations, procurement and business reorganisation. He has served on the boards of both private and public companies as chairman, CEO, executive director and NED. In addition to the UK Steve has extensive experience

of working in the United States, Europe and Asia where he was the CEO of Laura Ashley companies in those territories.

He has worked with private equity houses on private to public floatation's and more recently in the start up and turnaround sectors. In the recent past Steve was appointed executive chairman of a large retailer which required refinancing and restructuring.

Steve has served on the fund raising board of the RNLI and is currently chairman a housing complex. He has his own retail consultancy which offers services at senior management level to the retail sector.

Having spent many years facing a multiplicity of different business and human issues I would hope to be able to use my experience to add some value to the many challenges that the Trust faces.



**Steve Currell, Non-Executive and Senior Independent Director**

Steve served for 34 years in the police service in many roles both in uniform and CID. He retired from the police in 2007 having attained the rank of superintendent responsible for the operational policing for the Southend unitary authority and 450 staff police officers and police support staff. He is currently a director of an Essex based business consultancy company and trustee of a youth outreach charity – Bar'n'bus which operates in Essex.

Steve is currently the Senior Independent Director of the Trust and has served SEPT as a partnership governor and since June 2007 as a Non-Executive Director. He is the Children's Champion for the trust and a member of the Quality and Governance Committee, Audit Committee, Remuneration Committee and is the nominated NED with responsibility for Security and Risk Management. Steve also chairs the Mental Health Act Committee and oversees hospital manager panels for SEPT.

Steve wants to help make a difference in leading a very successful trust – providing the best possible standard of quality healthcare to families and individual whose lives are touched by mental health difficulties and in need of community services.



**Alison Davis, Non-Executive Director**

Alison started her career as a State Registered Nurse, working in both acute and community settings. She later qualified as a solicitor, focusing on family and mental health law. She has been a National Health Service Chair for eleven years across mental health, learning disability and community services, and a non-executive director for eighteen years. She has broad experience in governance, patient safety and quality, with a strong focus on service user, staff and stakeholder engagement.

Alison has a track record leading major organisational change, having successfully taken Bedfordshire and Luton Partnership Trust (BLPT) through the first competitive tendering process in the NHS in 2009/2010. Following the acquisition of BLPT by SEPT, she chaired Luton Community Services through their transfer out of NHS Luton in April 2011.

Alison is a company director of a community interest company, developing a web based service and forum for people caring for elderly relatives. She is also a Trustee of IMPACTmh, a mental health charity run by and for people who have experienced, or are experiencing mental ill health.



**Randolph Charles, Non-Executive Director**

For over twenty years Randolph has worked as a full time teacher in a Further Education College and has developed expertise in working with people with mental health and learning disabilities.

Randolph's other role revolves around the local community giving advice, support and representing one of the ten most disadvantaged wards in the country as an elected councillor. He is currently chair of the council's Environment Overview and Scrutiny Committee, one of the committees which hold the mayor and Executive to account.

He has served on various bodies as school governor and chair, police Authority member, Probation board member, member of the independent monitoring Board of the local prison and has acquired over a number of years a vast amount of experience as the chair and leader of various charitable organisations.

He recently became a trustee of the Harpur Trust in Bedford. Randolph is adept at engaging with various communities and is committed to motivating and empowering them to participate in all aspects of society and make their voices heard.

He has well established and developed networks within the local community and combines his dual roles with the Local Authority and SEPT to ensure that services developed are consistent and in tune with the needs and aspirations of the communities we serve.

**Contact our Board of Directors**

Contact details can be found on the Trust's website: [www.sept.nhs.uk](http://www.sept.nhs.uk)

Directors can be contacted by telephone via the Trust's main switchboard on 0300 123 0808 or by email: [firstname.lastname@sept.nhs.uk](mailto:firstname.lastname@sept.nhs.uk) (use relevant first and last names).

Members can contact a Governor through the Trust Secretary Office by any of the following methods:

Post: Freepost RRKK-KSYT-UHLB  
Membership Office  
The Lodge  
Runwell Chase  
Wickford SS11 7XX

Email: [membership@sept.nhs.uk](mailto:membership@sept.nhs.uk)  
Freephone: 0800 023 2059

**Register of Interests**

All members of the Board of Directors and Council of Governors have a responsibility to declare relevant interests as defined in the Trust's constitution. These declarations are made known to the Trust Secretary and

entered into two registers which are available to the public.

Details can be requested from the Trust Secretary at The Lodge, Runwell Chase, Wickford, Essex SS11 7XX.

### **Enhanced Quality Governance Reporting**

In our Directors' Report (section xx, page xx); our Quality Report (section xx page xx) and throughout this annual report we have provided many examples of our achievements, our performance against quality targets and initiatives that have contributed to maintaining or improving the quality of service provision.

Quality governance brings together the structures and processes (at and below Board level) which are in place to deliver Trust-wide quality performance including:

- ensuring required standards are achieved;
- investigating and taking action on sub-standard performance;
- planning and driving continuous improvement;
- identifying, sharing and ensuring delivery of best-practice;
- and identifying and managing risks to quality of care.

Ensuring that good quality governance arrangements are in place to provide the Board of Directors, patients, commissioners and regulatory bodies with assurance on the quality of SEPT services is an integral part of the Trust's overall governance systems.

In the Annual Governance Statement (section xx, page xx), we have identified the key components of the system of internal control that are in place within SEPT to support the achievement of the NHS Foundation Trust's policies, aims and objectives. Robust quality governance arrangements are integral to the system of internal control described in the statement. Some examples of the arrangements in place are described there. Further details of the arrangements in place are set out in our Quality Report (section xx, page xx) as we have identified 'well organised care' (which incorporates the principles of quality governance) as one of our

key quality priorities for the forthcoming year. The Quality Report (section xx, page xx) also confirms the actions that we will be taking going forward to enhance the systems of quality governance in place in SEPT.

There are no material inconsistencies between our Annual Governance Statement (May 2014), our annual (May 2013 and April 2014) and quarterly (2013/14) board statements required by Monitor, our Corporate Governance Statement (May 2013), our Quality Report (2013/14), this Annual Report and reports received from the Care Quality Commission following inspection of our services.

### **Sickness Absence Data**

The average sickness rate for SEPT during the year was 4.8% and the Trust continues to place a high priority on tackling sickness absence and supporting staff to return to their normal work base or to a suitable alternative. We have recently reviewed the Sickness Absence Policy and Procedure and introduced the Bradford Factor Scoring across the Trust.

We continue to work close with managers in addressing their short and long term sickness absences and are considering some proactive initiatives to implement during the next year, these will include redeployment of staff as soon as it becomes apparent that they may not be able to return to their substantive role, fast tracking services for staff to access internally and looking at different reasons for reporting absences.

The Trust continues to work with staff side to achieve the best outcomes for staff and the quality of care provided to our patients.

### **Staff Health and Wellbeing**

SEPT takes the health and wellbeing of its workforce extremely seriously and as a result there has been a constant and successful stream of wellbeing activities for staff throughout the year. These include the annual 'don't quit – get fit' campaign which saw an increase in the number of staff being involved on the previous year with a good proportion of previous participants re-joining. There were Pedometer Challenges, Lunchtime walks, No Smoking campaigns, Summer Bingo where teams

had to demonstrate working together as a team and provide evidence which was judged by an executive panel and we launched our Cycle to Work Scheme for staff. These initiatives will continue through the next year with a World Cup Football focused fitness campaign in summer 2014.

The running of these initiatives continues to show that, not only does SEPT, as an employer, take its duty to encourage health and wellbeing amongst staff; but that the staff themselves are keen to take personal responsibility for their wellbeing both in and out of work.

We also participated for a second time in the Royal College of Physicians audit of workplace health and wellbeing in relation to NICE guidance on staff health and wellbeing and saw very favourable results.

The new Occupational Health and Wellbeing service which commenced in November 2012 has gone from strength to strength throughout the year. The service run by ASP Serco, which has changed its name to Wellbeing at Work, dealt with 6000 calls and emails, 1500 health questionnaires and 800 management referrals, in 12 months. Over 100 people referred themselves to the service, indicating the shift that the Trust wanted from the old traditional occupational health to a service encouraging staff to take responsibility for their own health and supporting them to achieve it. They continue to provide a full service to managers helping them to manage sickness absence and running clinics local to staff.

The employee assistance programme with its 24 hour helpline has provided counselling to over 200 staff in the year supporting them through a range of concerns, assisting the Trust to meet its commitments as a Mindful Employer. This also provides a face to face short term counselling programme for those staff that require a more personal structured support. The programme's informative

website has also had over 250 log ins and is to be developed during 2014 to make it easier and faster for our staff to access the information and support that they need when they need it.

### **Equality and Diversity**

We continue to be passionate about the importance of valuing difference and having a zero tolerance approach to discrimination on any grounds. Our objectives for 2012 – 2016 are:

#### **Objective 1**

The services we provide for patients and carers will be accessible and people will not report that they are unable to access them because of their protected characteristics

#### **Objective 2**

SEPT will be a safe and inclusive place to work for staff - with equal opportunities in respect of recruitment, staff development and progression.

We saw a full review of the governance arrangements for managing the equality agenda with improved communication and better access to the equality discussions for staff. This included a 12 month pilot of Equality Forums for staff to bring any issues important to them in the area of equality and to have them built into an action log. This work will feed into a review of how staff equality groups are shaped in the future which is overseen by the Equality and Diversity Steering Group, led by an Executive Director and Non-Executive Director, who report directly to the Board.

The equality and diversity champions' campaign in partnership with NHS Employers has gone from strength to strength and resulted in us winning an organisational PFD (Positive, Fair & Diverse) award at a ceremony in London last year. This is a group of staff and volunteers who are passionate and/or have a special interest in an area of equality that they use to share knowledge across the Trust and support others who may need advice and

information. We also hit our target to increase the number of champions by 10%.

We have also seen our equality impact assessment processes strengthened and work will continue through the next year to see an increase in engagement with local interest groups and their usage across the Trust.

We continue to work towards our Equality Objectives through the Equality Delivery System and work is underway to migrate this to the new framework (EDS II). This information along with a range of the year's initiatives is published on our external website.

SEPT is also proud to hold a range of charter marks which recognise our excellent work in some groups and these include the Disability Two Ticks Symbol, Stonewall membership, the Mindful Employer as well as other awards in our work on Champions and Health and Wellbeing.

### **Employee Experience**

SEPT continues to be committed to the engagement of and the health and wellbeing of its staff; the Employee Experience team now in its third year is evidence of that. Its objectives are linked to three main strands, the staff survey, workforce wellbeing and equality & diversity. The team facilitates the staff survey, works to implement the Trust's Workforce Wellbeing Strategy and helps to meet the Trust's equality objectives. The staff survey provides feedback on a yearly basis and the team has undertaken a number of listening exercises to engage with staff across the Trust, receiving both on the spot

feedback and setting up a comment card system to allow all staff to be involved anonymously if they wish.

The team oversees the occupational health service and employee assistance programme which provide regular reports on both the physical and mental health of the staff. They also ensure the Trust more than meets its obligations through the 'responsibility' deal, NICE guidelines and the workforce sections of the Equality Delivery System. It reports through the Corporate Affairs Senior Management team and then to the Executive team.

New for this year was a commitment by the Employee Experience Team to attend induction programmes to share with new employees the wide ranging support that is available to them whilst employed at SEPT. This has included a three month follow up which shows favourable comments about the benefits of receiving this kind of information early. We launched our own Employee Experience Section in the weekly newsletter with a focus on staff engagement and the *'I'm worried about'* option on the intranet was launched as part of a commitment to whistleblowing and giving staff full confidence to raise concerns without fear of retribution.

### **Staff Survey**

The National 2013 Staff Survey results for SEPT were excellent and they demonstrate our continuing development of services we offer to both Patients and Staff and how engaged our workforce are.



Table 2.1 Staff Survey Response Rates

2012/13		2013/14		Trust Improvement/ Deterioration
Trust	National Average	Trust	National Average	
49%	50%	53%	49%	3% Improvement

Table 2.2 Staff Survey Key Findings

	2012/13	%	2013/14	%
<b>Number of Key Findings</b>	28		28	
<b>Best 20%</b>	8	30%	15	53%
<b>Better than Average</b>	12	42%	9	32%
<b>Average</b>	6	21%	2	7%
<b>Below Average</b>	2	7%	1	4%
<b>Worst 20%</b>	0	0	1	4%

Table 2.3 Staff Survey Top Five Ranking Scores

	2012/13		2013/14		Trust Improvement/ Deterioration
	Trust	National Average	Trust	National Average	
KF2. Percentage of staff agreeing that their role makes a difference to patients	91%	90%	93%	90%	2% Improvement
KF26. Percentage of staff having equality and diversity training in last 12 months	82%	73%	88%	67%	6% Improvement
KF25. Staff motivation at work	3.97	3.84	3.98	3.85	0.1 Improvement
KF23. Staff job satisfaction	3.70	3.66	3.79	3.67	0.9 Improvement
KF10. Percentage of staff receiving health and safety training in last 12 months	83%	73%	88%	75%	5% Improvement

Table 2.4 Staff Survey Overall Staff Engagement Score

	2012/13	National Average	2013/14	National Average
Engagement Score	3.78	3.71	3.84	3.70

Table 2.5 Staff Survey Bottom Five Ranking Scores

	2012/13		2013/14		Trust Improvement/ Deterioration
	Trust	National Average	Trust	National Average	
Bottom Four Ranking Scores					
KF14. Percentage of staff reporting errors, near misses or incidents witnessed in the last month	98%	93%	89%	92%	9% Deterioration
KF17. Percentage of staff experiencing physical violence from staff in last 12 months	4%	4%	4%	4%	N/A
KF16. Percentage of staff experiencing physical violence from patients, relatives or the public in last 12 months	13%	20%	18%	19%	5% Deterioration
KF7. Percentage of staff appraised in last 12 months	86%	87%	89%	87%	3% Deterioration

### Where staff experience has improved and deteriorated

The results show that SEPT continues to perform highly in most key areas. SEPT results have exceeded the national average with 26 out of 28 key findings either significantly improved or maintained from 2012. The Trust engagement score has improved again this year to 3.84 and is significantly above the national average 3.71. SEPT achieved the highest (best) 20% for all key indicators making up the engagement score. This clearly demonstrates that we are successfully engaging with our workforce and maintaining high standards of quality care.

SEPT response rate of 53% is above national average for mental health/learning disability Trusts and this compares favourably to our 2012 response rate 49%.

Table 2.6 Staff Survey Largest Deterioration since the 2012 Staff Survey

Largest SEPT Deteriorated Scores	2011/12		2012/13		Trust Improvement/ Deterioration
	Trust	National Average	Trust	National Average	
KF14. Percentage of staff reporting errors, near misses or incidents witnessed in the last month	98%	93%	89%	92%	9% Deterioration
KF16. Percentage of staff experiencing physical violence from patients, relatives or the public in the last 12 months	13%	20%	18%	19%	5% Deterioration

### Action Plans

Action plans focus on the underperforming results. These are identified as Key Finding 14 – Percentage of staff reporting errors, near misses or incidents witnessed in the last month and Key Finding 16 – Percentage of staff experiencing physical violence from patients, relatives or the public in the last 12 months. Further locality analysis is underway and the Employee Experience team is working with directors, managers and teams around the Trust to improve the results through targeted training, improve reporting procedures and more detailed monitoring.

The staff survey action plan will be managed through the Corporate Services Service Management Team and reported up to the Executive Operational Committee and Board.

### Future Priorities and Targets

Each year the priority areas for action are fed into an Employee Experience action plan as well as other directorate action plans where appropriate. Our priority is to focus on our lowest scoring areas with a view to making improvements and seeing an increased score next year. Focus for the coming year will be on the Family and Friends Test for staff as well as the Staff Survey to ensure we continue to monitor and take action as necessary on staff feedback.

### Friends and Family Test for Staff

SEPT has adopted Friends and Family Test

for staff, which covers the whole of the Trust. There is a robust feedback mechanism in place, firstly to ensure that staff can respond quickly and easily and secondly to ensure that managers and teams receive the feedback for their services in a timely manner.

We have seen an overall improvement in the Trust Friends and Family score, from quarter 1 to quarter 4. In quarter 1, 80% of staff were either likely or extremely likely to recommend the Trust, which rose to 86% by quarter 4. The actual Friends and Family Test score has also risen from 33 to 50, during the same period, which highlights that the services are continually striving to improve.

### Disabled Employees

Working closely with local Disability Employment Advisors, the Trust has developed and reviewed a range of policies that work towards supporting both disabled applicants and staff who become disabled. It has again achieved the Two Ticks symbol and the recruitment policy and relevant information is regularly monitored to ensure continuing compliance. A specific Disability in Employment Policy is in place for staff who become disabled during their employment, to help them continue in work, which includes possible redeployment, training and support mechanisms. The occupational health service undertakes workplace assessments and assists with recommendations on

reasonable adjustments as required, with the employee assistance programme supporting the mental health of these and all Trust employees. Through the PFD Champions campaign the Trust has been able to sign up a number of staff who are willing to support other staff who may have a disability.

### **Staff Involvement and Communication**

SEPT has comprehensive internal communications channels which are two-way, location specific, regular – both weekly and monthly – and cover all aspects of the Trust's business. We have an intranet which includes all Trust policies, access to mandatory training, clinical forms, CQC guidance and news. A special link for staff who wish to contact the Chief Executive anonymously to raise concerns about clinical practice or staff behaviour is in place on the Intranet.

Throughout the year the Trust meets routinely with staff side representatives from medical, clinical and support staff to consult on decisions and developments for the organisation. A large number of staff are invited and attend our monthly public Board of Directors' meetings held in various locations across the Trust's estate. Following the Board Meeting a briefing is prepared and circulated to all senior managers who then cascade key strategic decisions and operational news to their teams. As well as board meetings there are also quarterly senior manager meetings where the Chief Executive and Executive Directors present updates on Trust financial and operational issues.

This year's cycle of planning events involving staff from all levels across the organisation were staged throughout the winter months. At these planning events staff had the opportunity to comment on the Trust's future financial and operational plans. Following last year's series of 'In Your Shoes' workshops where staff were encouraged to express their opinions about what it is like to work for SEPT and how we can improve customer service. A new strategy has been developed and is currently being rolled out across the Trust.

### **Staff Consultations**

During the past year a variety of consultations with staff were carried out across the Trust and have

now concluded. The nature of these consultations included restructure of teams, relocation of staff, TUPE transfers to new providers, team integration, change in delivery of service and changes to shift patterns. The majority of consultations that focused on restructure were as a result of the reduction in back office and support services staff to implement the Trust's savings initiatives. Future consultations for 2014 – 15 will focus on the same issues but will include the TUPE transfer of staff to new providers in Bedfordshire and Luton.

### **Patient Experience**

We have mirrored some of the listening exercise models used to seek patient feedback with staff which have proved extremely successful and have resulted in staff comments and suggestions being built into directorate work plans. In addition the comment cards used for patients were adapted so that staff had an additional way of seeking information in an anonymous way. We expect to see a closer link in some of the CQUIN commissioning targets for Friends and Family Test for both patients and staff next year, which will further strengthen the link between a good patient and employee experience.

SEPT has always and continues to recognise the importance of listening to, involving and engaging our service users and carers. We have established robust mechanisms for capturing service user feedback and also, and most importantly acting on that feedback and using it to improve and shape services. There is a clearly defined governance structure around the management of patient and carer experience, which ensures that the patient experience is of the highest level.

The Patient Experience Team supports clinical staff across the organisation to get as much feedback from patients as possible. This provides assurance that we are consistently aware of how people using SEPT feel about the level of service they are receiving and enables us to react to the latest comments.

In 2013/14, the Patient Experience Team developed a new, unified patient survey. This draws together the NHS Friends and Family Test and a further series of questions around key areas we identified

together with people who use our services. Surveys are coded so that feedback can be provided at team-level; teams now receive scores and comments via the Friends and Family Test as well as additional scores against the areas that matter to our patients.

In October 2013 the first set of bi-monthly reports was sent out to team managers, with their Family and Friends Test scores, comments, and performance against the other key indicators (as identified by our service users) included.

Managers are asked to discuss feedback with the team (or in 1:1 supervision where team members are named) and use it as an opportunity to reflect on practice and look for improvements. Managers are encouraged to use positive feedback to share and reinforce good practice, as well as encourage further participation in the survey.

Teams are asked to look for improvements based on comments received (both positive and negative), with managers asked to respond with any improvements that have been made following patient comments.

The Patient Experience Team keeps a record of actions arising from patient/carer feedback to share through its governance structure to senior management.

### **Mystery Shopper Programme**

The Patient Experience Team continues to drive improvements in patient and carer experience through the Mystery Shopper feedback initiative. The feedback received has a direct impact on patient and carer experience and outcomes, systems and quality. In addition the feedback given to individual staff and teams prompts staff to reflect on their practice, communication, attitude, care and compassion.

SEPT Mystery Shoppers are patients and carers who give anonymous feedback about their actual experiences of using SEPT

services, naming the staff they have had contact with. The feedback is monitored by directors and team managers. Staff receive feedback in supervision sessions with their manager, on how their individual practice has been perceived by patients and carers. Staff and managers are audited on a quarterly basis to capture outcomes, changes in practice and service delivery as a result of Mystery Shopper feedback.

Mystery Shoppers can opt to give feedback via completing questionnaires, email, and telephone or can meet with a member of the Patient Experience Team face to face. Feedback specifically about issues they may have encountered in accessing or using SEPT services which relate to the Equality and Diversity protected characteristics is also captured. A Task and Finish group was established in July 2013 to review the Mystery Shopper programme.

The Mystery Shopper protocol, process and feedback questionnaires were reviewed in consultation with service users and carers within the year resulting in improvements in the process, contents and format of the documents for the coming year.

### **Patient and Public Engagement**

Our focus remains on listening to the people who use our services and provide them with information on what we do. To this end we have continued to run a series of events where we can meet the public and hear directly their issues and concerns. Through Let's Talk About... sessions, we are able to give patients, carers and the public relevant information on specific service areas (eg medication, psychosis, schizophrenia). Take it to the Top is an event held in the localities where members of the public are able to ask direct questions to members of the Board about specific concerns they have as well as queries about the Trust and healthcare in general.

As well as using the above fora to engage with our patients we also have Patient

Experience (PEX) groups in Essex and Bedfordshire & Luton where patient representatives, local patient interest groups and voluntary associations are invited to send a representative to our PEX groups. These patient interest groups include Healthwatch (across Bedfordshire, Essex, Luton and Suffolk), MIND, Rethink, Clinical Commissioning Groups, Carers Awareness Group, Essex Mental Health Community, Basildon and South Essex Disability Equality Forum, Age Concern, Impact, advocacy groups and other relevant local voluntary associations.

We also continue to engage with members of the public through our Foundation Trust membership, running Public Members' Meetings on a bi-annual basis, which are designed to both give information relevant to geographical areas and pick up issues or concerns.

Further engagement with the public is enabled through the local authorities' Health and Overview Scrutiny Committees (HOSC). When any service changes are proposed, we routinely take these plans to our local HOSC for consultation and approval. This allows discussion and engagement in a public forum prior to implementing any change.

### **Emergency Planning and Organisational Resilience**

The Civil Contingencies Act 2004 provides a coherent and unambiguous framework for building resilience to disruptive challenges in the UK, such as a terrorist attack, inclement weather, industrial action or a pandemic. Therefore, as a Trust we have specific duties to fulfil which includes the duty to assess the risk of an emergency occurring and to maintain business continuity to continue to provide



routine NHS services. Being prepared for emergencies is also one of the top five priorities within the NHS Operating Framework.

The Health and Social Care Act also made significant changes to the health system in England from April 2013. Arrangements for Health Emergency Preparedness, Resilience and Response from April 2013 published in April 2012, set out the intended arrangements for delivering safe and consistent Emergency Preparedness, Resilience and Response (EPRR) in the health sector in England from April 2013. This was further enhanced with the issuing of the NHS England Emergency Preparedness Framework 2013. In order to meet its responsibilities, SEPT has a major incident plan and business continuity plans, which are fully compliant with NHS Emergency Preparedness Framework 2013 and can be activated in response to any type of emergency. The Trust has also confirmed its compliance against the NHS England Core Standards.

As a provider organisation the Business Continuity plan is the key plan within our Organisational Resilience planning. This plan underpins all other plans as it prioritises our critical services and allows us to effectively manage our business whatever the incident may be including pandemic flu, severe weather, and industrial action etc. We continue to work very closely with our local partners and are represented at Local Health Resilience Partnerships to ensure a consistency in planning in the event of a major incident.



## Health & Safety

The Trust continues to maintain compliance with current Health & Safety Legislation, which is evidenced by the ongoing review and implementation of policies and procedures.

Our Corporate Statement and Policy on Health & Safety (RM01) sets out the organisational structure for managing Health & Safety and how the Board of Directors fulfils its statutory obligations as required by the:

- Health & Safety at Work etc., Act 1974;
- Management of Health & Safety at Work Regulations 1992;
- Workplace (Health, Safety, and Welfare) Regulations 1992.

During 2013/14 the following policies were reviewed to provide assurance that the Trust continues to maintain compliance with all Health, Safety and Fire legislation and guidance.

- RM01 Corporate Statement and Policy on Health & Safety
- RM02 Fire Policy
- RM04 Control of Substances Hazardous to Health (COSHH)
- RM07 DSE Policy
- RM08 First Aid
- RM11 Non-Clinical Risk Assessment Policy

During the year we have continued to develop the health, safety and security agenda. We participate in Health and Safety Executive (HSE) safety initiatives as part of our commitment to a safe working environment for staff, service users and visitors to the Trust's premises. This has included:

- our incident reporting system has been upgraded to facilitate web based reporting of incidents in all services;
- our health and safety training course for managers has been submitted to the Institute of Occupational Safety and Health (IOSH) for external accreditation – once agreed the training can be offered as a fee paying course to external organisations;
- substantial assurance has been received for patient safety incident reporting and follow up from our internal auditors;
- substantial assurance has been received for the fire risk assessment process from our internal auditors;
- a review of the Ligature Audit tool and process.

## RIDDOR Activity

Reporting of Injuries, Diseases & Dangerous Occurrences (RIDDOR) incidents within the organisation for the period 2013-2014 are detailed below:

Table 2.7 –Reported Incidents – Trust wide

Area/Service	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total
Bedfordshire Community Health Services	1	3	2	1	<b>7</b>
South East Essex Community Health Services	1	1	3	1	<b>6</b>
Suffolk Community Health Services	0	0	0	1	<b>1</b>
Bedfordshire and Luton Mental Health & Learning Disability	3	5	5	3	<b>16</b>
Essex Mental Health & Learning Disability	5	9	11	4	<b>29</b>
West Essex Community Health Services	1	3	5	3	<b>12</b>
Specialist Services	1	1	1	1	<b>4</b>
<b>Totals:</b>	<b>12</b>	<b>22</b>	<b>27</b>	<b>14</b>	<b>75</b>

## Health & Safety Audits

The Risk Management Department has continued to undertake annual health and safety audits and fire risk assessments across the organisation and also provide support and guidance to staff in dealing with issues that require corrective action to reduce the risk of further incidents.

All wards and units throughout the organisation were subject to a full health and safety inspection, as required by Health & Safety legislation. This now includes an assessment of the security measures that are currently in place to provide an assurance that they meet the requirements of the NHS Protect recommendations and guidance.

Ligature audits were completed for all in-patient mental health units. The process has been reviewed and Specialist Services and areas designated as high risk (acute, assessment, PICU) are now completed six monthly (all other areas annually).

Fire risk assessments are completed on an annual rolling programme throughout the Trust. An action plan is developed in those areas where corrective action is required. The local quality and safety sub groups monitor implementation of the action plan until completion.

## Health & Safety Training

The health and safety training module is now included as part of the OLM training module which all new members of staff have to complete. Fire training is undertaken as face to face in the initial induction to the Trust and a local induction completed by all staff during the first day of their deployment. Refresher training is undertaken by staff in line with our mandatory training policy. Compliance with health and safety and fire training is monitored on a monthly basis.

## Information Governance Compliance

The Trust has monitored compliance with the Information Governance Standards and Data Protection Act through the Information Governance Toolkit issued by the Health & Social Care Information Centre (HSCIC). For the 2013 /14 year the Trust has achieved a score of level 2 or above against the toolkit requirements.

For 2013/14 the Trust had three serious incidents in relation to the security of personal data. Risks relating to data security are managed by the Director of ITT and managed in accordance with the Information Governance Framework, Risk Management Framework, Adverse Incident Policy and Procedure and the Security Incident Management Procedure. The Information Governance Steering Committee monitors progress and controls in place.



Table 2.8 Summary of Serious Incident Requiring Investigations Involving Personal Data as Reported to the Information Commissioner's Office In 2013-14

Date of incident (month)	Nature of incident	Nature of data involved	Number of data subjects potentially affected	Notification steps
May 2013	Lost or stolen paperwork	Name Address NHS Number Referrer details Medical History Medication	6	Patients notified as appropriate
June 2013	Non-secure Disposal - paperwork	Name Address NHS Number Date of Birth Medical History Medication	41	Patients notified as appropriate
November 2013	Lost or stolen hardware	Name Address NHS Number Date of Birth Medical History Medication	10	Patients notified as appropriate
<b>Further action on</b>	<p>The Trust will continue to monitor and assess its information risks, in light of the events noted above, in order to identify and address any weaknesses and ensure continuous improvement of its systems.</p> <p>The staff members involved in the incidents above have been dealt with appropriately.</p> <p>All three incidents were investigated by the Information Commissioners' Office in line with Department of Health Guidance. The outcome of each of the incidents was that the Information Commissions' Office would not take any further action against the Trust as they felt the Trust had the appropriate policies and procedures in place and provided its staff with adequate annual mandatory training.</p>			

## Responsibilities of Directors for Preparing the Annual Accounts and Report

The Directors are required under the National Health Service Act 2006, and as directed by Monitor, to prepare accounts for each financial year. Monitor, with the approval of HM Treasury, directs that these accounts shall show, and give a true and fair view of the NHS foundation trust's gains and losses, cash flow and financial state at the end of the financial year. Monitor further directs that the accounts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual that is in force for the relevant financial year, which shall be agreed with HM Treasury. In preparing these accounts, the Directors are required to:

- apply on a consistent basis, for all items considered material in relation to the accounts, accounting policies contained in the NHS Foundation Trust Annual Reporting Manual issued by Monitor;
- make judgements and estimates which are reasonable and prudent; and ensure the application of all relevant accounting standards, and adherence to UK generally accepted accounting practice for companies, to the extent that they are meaningful and appropriate to the NHS, subject to any material departures being disclosed and explained in the accounts.

The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time the financial position of the Trust. This is to ensure proper financial procedures

are followed, and that accounting records are maintained in a form suited to the requirements of effective management, as well as in the form prescribed for the published accounts.

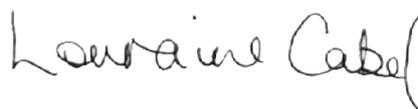
The Directors are also responsible for safeguarding all the assets of the Trust, including taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are required to confirm that:

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

The Directors confirm to the best of their knowledge and belief, they have complied with the above requirement in preparing the accounts.

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



**Lorraine Cabel**  
Chair, on behalf of the Board of Directors

This section covers the remuneration of the Trust’s most senior managers – those people who have the authority and responsibility for controlling the major activities of the Trust. In practice this means the Board of Directors including both Executive and Non Executive Directors.

In this section information is provided about the Remuneration Committees, the policy on remuneration and detailed information about the remuneration of the executive and non-executive directors of the organisation.

The Trust has two Remuneration Committees; the Board of Directors Remuneration Committee and the Council of Governors Remuneration Committee.

**Board of Directors Remuneration Committee**

The Board of Directors Remuneration Committee has delegated responsibility to review and set the remuneration, allowances and other terms and conditions of the Executive Directors, who have the authority

and/or responsibility for directing and/or controlling major activities of the Trust. The committee also recommends and monitors the level and structure of remuneration of other directors who are the Trusts senior managers.

Membership of the Committee wholly comprises of Non-Executive Directors who are viewed as independent having no financial interest in matters to be decided and the Committee is chaired by the Trust’s Chair. The Chief Executive and Director holding the people management portfolio are also invited by the Chair to attend meetings, except where their own remuneration or conditions of service are considered.

Members of the Committee and the number of meetings attended by each member during the year are set out below.

**Table 3.1 Board of Directors Remuneration Committee Membership and Meeting Attendance**

Name	Role	Meetings attended
Lorraine Cabel	Chair	9/10
Steven Currell	Non-Executive Director	6/10
Dr Dawn Hillier	Non-Executive Director	8/10
Janet Wood	Non-Executive Director	9/10

In considering the remuneration of senior executives, the Committee takes into account advice from the Director holding the portfolio for people management concerning pay levels, package balance, and terms and conditions of employment. The Committee may commission independent professional advice if considered necessary. During 2013/14, in line with the Trust’s purchasing procedure, GatenbySanderson was appointed to support the recruitment process, including advice on remuneration, of the new Chief Executive following the retirement of Dr Patrick Geoghegan OBE, in order to provide recruitment expertise and independent assurance. The agreed fee for the assignment which was paid over three stages was £16,000, excluding advertising, test fees and expenses.

In setting remuneration levels, the Committee balances the need to attract, retain and motivate directors of the required quality. The remuneration policy for the Trust’s senior executives is to ensure remuneration is consistent with market rates for equivalent

roles in Foundation Trusts of comparable size and complexity. It also takes into account the performance of the Trust, comparability with employees holding national pay and conditions of employment, pay awards for senior roles elsewhere in the NHS and pay/price changes in the broader economy, any changes to individual roles and responsibilities, as well as overall affordability. Decisions regarding individual remuneration are made with due regard to the size and complexity of the directors' portfolios of responsibility.

The current remuneration policy is not to award any performance related bonus or other performance payment to Executive Directors. During 2014/15 the Committee will be reviewing the pay progression framework to ensure it remains fit for purpose within the current and future challenging economic environment.

Contracts of employment for Executive Directors have no set term but are subject to continuing satisfactory performance. Contracts can be terminated by either party with a notice period of six months. The Trust does not make termination payments to Executive Directors which are in excess of contractual obligations and there have been no such payments during the 2013/14 financial year. During the year, however, there have been two compensation awards in respect of dismissal by redundancy and these were in line with contractual obligations. The Trust's disciplinary and performance management policies apply to the senior executives, including the sanction of instant dismissal for gross misconduct.

A Directors' performance evaluation scheme is used where Directors' objectives are related to the Trust's strategic goals. Progress towards achievement of these objectives is reviewed and regularly recorded during the year by the Chief Executive and subsequently reported to the Remuneration Committee.

During 2013/14 Executive Directors were awarded a 1% cost of living increase in line with the national pay negotiations for Agenda for Change staff which resulted in a 1% increase for all staff groups. In making this decision, the Committee recognised the importance of maintaining a

motivated staff group to drive transformational change, in particular to achieve the challenging CIP programme. There have been no other changes to remuneration levels and there were no significant awards or compensation to any Executive Director other than to agree the starting salaries of new director appointments, including the Chief Executive.

Details of Executive Directors remuneration can be found on [page xx](#).

### **Council of Governors Remuneration Committee**

The Council of Governors is responsible for setting the remuneration of the Chair and Non-Executive Directors. The Council has delegated responsibility to its Remuneration Committee for assessing and making recommendations to the Council in relation to the remuneration, allowances and other terms and conditions of office for the Chair and all Non-Executive Directors. In addition, the Committee leads on the process to receive assurance on the performance evaluation of the Chair (working with the Senior Independent Director), and Non-Executive Directors, (working with the Chair).

The Committee may, as appropriate, retain external consultants or commission independent professional advice. In such instances the Committee will be responsible for establishing the selection criteria, appointing and setting the terms of reference for remuneration consultants or advisers to the Committee. The Committee reports in writing to the Council of Governors the basis of its recommendations. No consultants or independent professional advice was commissioned during 2013/14.

Members of the Committee and the number of meetings attended by each member during the year are set out below

**Table 3.2 Council of Governors Remuneration committee Membership and Meeting Attendance**

<b>Name</b>	<b>Role</b>	<b>Meetings attended</b>
<b>John Jones</b>	Public Governor (Chair)	3/3
<b>David Bowater</b>	Appointed Governor	1/3
<b>Paula Grayson</b>	Public Governor	3/3
<b>Eileen Greenwood</b>	Public Governor	2/3
<b>Sue Revell</b>	Public Governor	2/2
<b>Nic Taylor-Barbieri</b>	Staff Governor	2/3
<b>Clive Travis</b>	Appointed Governor	2/3

During the year, the Committee met to discuss the annual performance reviews of Non-Executive Directors, including the Chair, and the reappointment of Non-Executive Directors. In addition, the Committee undertook an initial review of the remuneration of the Chair and Non-Executive Directors with a view to consulting with external professional advisers during 2014/15 to market-test remuneration levels.

In reviewing the remuneration of Non-Executive Directors, the Committee balances the need to attract and retain directors with the appropriate knowledge, skills and experience required on the Board to meet current and future business needs. The remuneration policy for the Trust's Non-Executive Directors is to ensure remuneration is consistent with market rates for equivalent roles in Foundation Trusts of comparable size and complexity, taking account of industry benchmarking analysis. It also takes into account the pay and employment conditions of staff in the Trust, the performance of the Trust, and the time commitment and responsibilities of Non-Executive Directors.

Recommendations following these discussions were presented to general meetings of the Council of Governors for approval. In addition, the Council approved the 1% cost of living increase mirroring the award for AfC staff and Executive Directors. There have been no other changes to the remuneration levels of the Chair or Non-Executive Directors.

No Director is involved in setting his/her own remuneration. The mechanisms for considering and deciding on both Executive and Non-Executive pay are documented, open and transparent. Care is taken to avoid any possible conflict of interest in relation to the Chair who also chairs the Council of Governors Nominations Committee, and the Director holding the people management portfolio who provides advice to the Remuneration Committee.

**Table 3.3 Executive Director Contracts**

Name	Surname	Role	Date of Contract	Contract End Date	Term	Provision for Compensation for Early Retirement	Notice Period
Andy	Brogan	Executive Director Clinical Governance & Quality (formerly Interim Executive Director Clinical Governance & Quality)	1 Feb 2014				
Dr Patrick	Geoghegan	Chief Executive/Executive Nurse (until 7 October 2013)	31-Mar 2000	07 Oct 2013			
Ray	Jennings	Executive Chief Finance Officer	31-Mar 2000	30 Mar 2014			
Nigel	Leonard	Executive Director Corporate Governance	01 Feb 2014				
Dr Milind	Karale	Executive Medical Director	30-July 2012				
Malcolm	McCann	Executive Director Integrated Services (Essex & Suffolk)	15-Apr 2013				
Sally	Morris	Chief Executive (wef 1 September 2013) Executive Director of Contracting & Specialist Services (until 31 August 2013)	14-July 2006				
Amanda	Reynolds	Executive Director Social Care & Partnerships	02-May 2013	20 Feb 2014			
Nikki	Richardson	Executive Director Corporate Affairs & Customer Service	01-Apr 2000				
Peter	Wadum-Buhl	Executive Director Strategy & Business Development	31-Mar 2000	28 Oct 2013			
Winter	Richard	Executive Director Integrated Services (Beds & Luton)	07-May 2013				

Table 3.4 Non Executive Director Contracts

Name	Surname	Role	Period of Office	1st term		2nd term		Annual Reappointment Term	
				Start	End	Start	End	Year 1 End	Year 2 End
Lorraine	Cabel	Chair	4 years	01- Mar 2008	02- Mar 2012	03- Mar 2012	02- Mar 2016		
Janet	Wood	Vice Chair/ SID	3 years	01- Nov 2006	31- Oct 2009	01- Nov 2009	31- Oct 2012	31- Oct 2013	31- Oct 2014
Dawn	Hillier	NED	3 years	01- Jan 2009	31- Dec 2011	01- Jan 2012	31- Dec 2015		
Steve	Currell	NED	3 years	01- Jun 2007	31- May 2010	01- Jun 2010	31- May 2013	31- May 2014	
Steve	Cotter	NED	3 years	01- Oct 2010	30- Sep 2013	01- Oct 2013	30- Sep 2016		
Randolph	Charles	NED	3 years	01- Oct 2010	30- Sep 2013	01- Oct 2013	30- Sep 2016		
Alison	Davis	NED	3 years	01- Jan 2012	31- Dec 2014				



**Table 3.5 Directors Remuneration**

Sally Morris	Deputy Chief Executive and Executive Director of Specialist Services and Contracts (till 31 August 2013)/Chief Executive (from 1 September 2013)
Dr Patrick Geoghegan OBE	Chief Executive and Executive Nurse (left 7 October 2013)
Ray Jennings	Executive Chief Finance Officer (left 30 March 2014)
David Griffiths	Acting Executive Chief Finance officer (31 March 2014)
Amanda Reynolds	Executive Director of Social Care & Partnerships (left 21 February 2014)
Nikki Richardson	Executive Director of Corporate Affairs
Peter Wadum-Buhl	Executive Director of Strategy & Business Development (left 28 October 2013)
Andy Brogan	Executive Director Clinical Governance & Quality (fixed term contract until 31 January 2013/substantive from 1 February 2014)
Malcolm McCann	Executive Director of Integrated Services (Essex & Suffolk)
Richard Winter	Executive Director of Integrated Services (Bedfordshire & Luton)
Dr Milind Karale	Medical Director
Pauline Roberts	Executive Medical Director (left 31 March 2013)
Nigel Leonard	Executive Director of Corporate Governance (from 1 February 2014)
Lorraine Cabel	Chair
Janet Wood	Non-Executive Director/Vice Chair
Steve Currell	Non-Executive Director
Dr Dawn Hillier	Non-Executive Director
Randolph Charles	Non-Executive Director
Stephen Cotter	Non-Executive Director
Alison Davis	Non-Executive Director

## 2013-14

Salary £000	Other Remuneration £000	Benefits in Kind £000	Annual Increase in Pension Entitlement £000	Exit Package £000	Total £000
165-170	0	0	0-5	0	170-175
115-120	0	0	-0-5	0	115-120
205-210	0	0	5-10	0	215-220
0-5	0	0	0	0	0-5
115-120	0	0	0-5	255-260	370-375
130-135	0	0	0-5	0	130-135
80-85	0	0	0-5	465-470	540-545
130-135	0	0	0	0	130-135
130-135	0	0	0-5	0	130-135
130-135	0	0	0-5	0	130-135
170-175	0	0	15-20	0	190-195
0-5	0	0	-35-40	0	-35-40
20-25	0	0	-0-5	0	20-25
50-55	0	0	0	0	50-55
20-25	0	0	0	0	20-25
15-20	0	0	0	0	15-20
15-20	0	0	0	0	15-20
15-20	0	0	0	0	15-20
15-20	0	0	0	0	15-20
15-20	0	0	0	0	15-20

Sally Morris	Deputy Chief Executive and Executive Director of Specialist Services and Contracts (till 31 August 2013)/Chief Executive (from 1 September 2013)
Dr Patrick Geoghegan OBE	Chief Executive and Executive Nurse (left 7 October 2013)
Ray Jennings	Executive Chief Finance Officer (left 30 March 2014)
Pauline Roberts	Executive Medical Director (left 31 Mch 2013)
Amanda Reynolds	Executive Director of Social Care & Partnerships (left 21 February 2014)
Nikki Richardson	Executive Director of Corporate Affairs
Peter Wadum-Buhl	Executive Director of Strategy & Business Development (left 28 October 2013)
Andy Brogan	Executive Director Clinical Governance & Quality (fixed term contract until 31 January 2013/substantive from 1 February 2014)
Malcolm McCann	Executive Director of Integrated Services (Essex & Suffolk)
Richard Winter	Executive Director of Integrated Services (Bedfordshire & Luton)
Lorraine Cabel	Chair
Janet Wood	Non-Executive Director/Vice Chair
George Sutherland	Non-Executive Director
Steve Currell	Non-Executive Director
Dr Dawn Hillier	Non-Executive Director
Randolph Charles	Non-Executive Director
Stephen Cotter	Non-Executive Director
Alison Davis	Non-Executive Director

## 2012-13

Salary £000	Other Remuneration £000	Benefits in Kind £000	Annual Increase in Pension Entitlement £000	Exit Package £000	Total £000
140-145	0	0	0-5	0	140-145
215-220	0	0	-0-5	0	215-220
150-155	0	0	-0-5	0	150-155
185-190	45-30	0	0-5	0	185-190
125-130	0	0	0-5	0	125-130
125-130	0	0	-0-5	0	125-130
145-150	0	0	-0-5	0	145-150
125-130	0	0	0	0	125-130
125-130	0	0	0-5	0	125-130
125-130	0	0	5-10	0	130-135
50-55	0	0	0	0	50-55
15-20	0	0	0	0	15-20
0-5	0	0	0	0	0-5
15-20	0	0	0	0	15-20
15-20	0	0	0	0	15-20
15-20	0	0	0	0	15-20
15-20	0	0	0	0	15-20
15-20	0	0	0	0	15-20

Table 3.6 Directors Pension Benefits

Sally Morris	Deputy Chief Executive and Executive Director of Specialist Services and Contracts (till 31 August 2013)/Chief Executive (from 1 September 2013)
Dr Patrick Geoghegan OBE	Chief Executive and Executive Nurse (left 7 October 2013)
Ray Jennings	Executive Chief Finance Officer (left 30 March 2014)
Amanda Reynolds	Executive Director of Social Care & Partnerships (left 21 February 2014)
Nikki Richardson	Executive Director of Corporate Affairs
Peter Wadum-Buhl	Executive Director of Strategy & Business Development (left 28 October 2013)
Malcolm McCann	Executive Director of Integrated Services (Essex & Suffolk)
Richard Winter	Executive Director of Integrated Services (Bedfordshire & Luton)
Andy Brogan	Executive Director Clinical Governance & Quality (fixed term contract until 31 January 2013/substantive from 1 February 2014)
Nigel Leonard	Executive Director of Corporate Governance (from 1 February 2014)
Dr Milind Karale	Medical Director

## 2013/14

Real Increase/ (Decrease) in Pension and related lump sum at age 60	Total Accrued pension and related lump sum at age 60 at 31 March 2014	Cash Equivalent value at 31 March 2013	Real Increase in cash equivalent Transfer Value	Cash Equivalent value at 31 March 2014
£000	£000	£000	£000	£000
12.5 - 15	135 - 137.5	579	26	618
0 - (2.5)	422.5 - 445	2,286	(1,216)	0
35-37.5	320 - 322.5	1,536	249	1,819
2.5 - 5	135 - 137.5	518	(473)	0
5 - 7.5	232.5 - 235	1,147	63	1,236
2.5 - 5	240 - 242.5	1,090	(644)	0
5 - 7.5	167.5 - 170	658	44	716
5 - 7.5	147.5 - 150	628	46	688
n/a	n/a	n/a	n/a	n/a
7.5 - 10	80 - 82.5	n/a	79	489
67.5 - 70	67.5 - 70	n/a	281	281

The median remuneration for the 2013/14 financial year is £25,783 (2012/13: £25,528). This reflects the total remuneration of the staff member lying in the middle of the linear distribution of the total staff, excluding the highest paid Director. This has been calculated based on the full time equivalent of staff as at 31 March 2014, on an annualised basis and excludes agency and other temporary staff.

The band of the highest paid Director is £205k to £210k (2012/13: £215 to £220k) and relates to the Executive Chief Finance Officer. This results in a ratio between the median remuneration and the highest paid Director of 8.1 for the 2013/14 financial year (2012/13: 8.5).

The highest paid director's remuneration included arrears of pay arising from the correction of a prior year pay error.

## Expenses Details

Total Governor expenses incurred by the Trust during 2013/14 totalled £10,500, and were claimed by 27 Governors out of total Governors in office of 48. During 2012/13, expenses totalled £7,000 were incurred by a total of 24 Governors.

Total Non Executive and Executive Director expenses incurred by the Trust during 2013/14 totalled £65,100, and were claimed by 17 Directors out of total Directors in post during the year of 18. During 2012/13, expenses totalled £40,400 were incurred.

## Loss of Office Payments

Table 3.7 Payments for Loss of Office

Senior Manager		2013/14			Total Termination Costs £000's
		Compulsory Redundancies	Early Retirements in the Efficiency of the Service	Contractual Payments in Lieu of Notice	
		£000's	£000's	£000's	
Amanda Reynolds	Executive Director of Social Care & Partnerships (left 21 February 2014)	218	0	37	255
Peter Wadum-Buhl	Executive Director of Strategy & Business Development (left 28 October 2013)	0	426	41	467

The compulsory redundancy payment of £218,000 was calculated in accordance with Section 16 of the NHS Terms and Conditions of Service which gives one months pay per complete year of reckonable service. There was no discretion exercised in the payment. Pay in lieu of notice for three months, (half of the contractual notice period of six) was exercised at the discretion of the trust, based upon an entitlement to do so sourced from the contract of employment for Trust Directors. The Trust found it was able to complete a sufficient handover of duties in three months and the Director's role was therefore at a natural end and so the decision was made by the Remuneration Committee that the remainder of the notice period need not be worked.

In terms of second employee, the individual was over age 50 and had sufficient service to be entitled to take an unreduced pension. This is in accordance with the NHS Terms and Conditions section 16 and with NHS Pension rules. The employee may opt to take an unreduced pension and the redundancy payment to which they are entitled is used to contribute to the actuarial cost of that pension. This option was exercised and the cost is therefore the actuarial cost of the NHS unreduced pension. The Trust had no discretion to exercise in that payment. In terms of the lieu of notice payment the same rationale was employed as above.

## Off Payroll arrangements

**Table 3.8: For all off-payroll engagements as of 31 March 2014, for more than £220 per day and that last for longer than six months**

No. of existing engagements as of 31 March 2014	5
Of which...	
No. that have existed for less than one year at time of reporting	1
No. that have existed for between one and two years at time of reporting	1
No. that have existed for between two and three years at time of reporting	2
No. that have existed for between three and four years at time of reporting	0
No. that have existed for four or more years at time of reporting.	1

All existing off-payroll engagements, as outlined above, have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

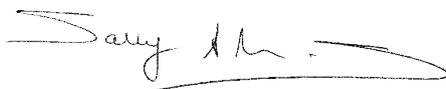
**Table 3.9: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2013 and 31 March 2014, for more than £220 per day and that last for longer than six months**

No. of new engagements, or those that reached six months in duration, between 1 April 2013 and 31 March 2014	1
No. of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations	1
No. for whom assurance has been requested	1
Of which...	
No. for whom assurance has been received	0
No. for whom assurance has been not received	1
No. that have been terminated as a result of assurance not being received.	0

Personal details of all engagements where assurance is requested but not received, for whatever reason, except where the deadline for providing assurance has not yet passed, would be passed to HMRC for further investigation.

**Table 3.10: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2013 and 31 March 2014**

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	0
No. of individuals that have been deemed "board members and/or senior officials with significant financial responsibility" during the financial year. This figure should include both off-payroll and on-payroll engagements.	0



Sally Morris, Chief Executive  
May 2014

## Governance Review and Statement of Compliance With Code of Governance

### Code of Governance

#### Purpose

The purpose of Monitor's *NHS Foundation Trust Code of Governance (Code)* is to provide guidance to help trusts deliver effective and quality corporate governance, contribute to better organisational performance and ultimately discharge their duties in the best interests of patients.

The *Code* is best practice advice, setting out best practice principles, and structures and process (provisions), and trusts are encouraged to take account of the provisions. Monitor is, however, keen that trusts have the autonomy and flexibility to ensure their structures and processes work well for their individual organisations while making sure the overall requirements are met.

The *Code*, however, imposes specific disclosure requirements for inclusion in trusts' annual reports which must also include a statement as to how trusts apply the *Code* and also confirm that the trust 'complies' with the provisions, or if not, provide an explanation as to why it has departed from the *Code*.

SEPT's Board of Directors and Council of Governors are committed to continuing to operate according to the highest standards of corporate governance. A joint working group consisting of Directors and Governors annually reviews our compliance with the *Code*.

#### Statement of compliance

Both the Board of Directors and Council of Governors fully support the main supporting principles of the *Code* and in their opinion there is strong evidence that the Trust is compliant with all the provisions in the *Code*.

There are two areas which require to be explained as they are not in line with the wording of the *Code* albeit being compliant with Monitor's requirements as formal approval from Monitor was received:

- **Code Provision B.1.2:** *"At least half the board, excluding the chairperson, should comprise of non-executive directors determined by the board to be independent."*

#### Explanation:

The Trust's Board comprises seven Non-Executive Directors and seven Executive Directors. This is not in line with B1.2 of the *Code*. However, Monitor considered acceptable that in the event of parity on the Board between Executive and Non-Executive Directors, the Chair should have a second casting vote. The constitution provides for the Chair to have a second casting vote and on that basis the constitution is in line with Monitor's recommendations.

- **Code Provision B.7.1:** *"In the case of re-appointment of non-executive directors, the chairperson should confirm to the governors that following formal performance evaluation, the performance of the individual proposed for re-appointment continues to be effective and to demonstrate commitment to the role. Any term beyond six years (e.g. two three-year terms) for a non-executive director should be subject to particularly rigorous review, and should take into account the need for progressive refreshing of the board. Non-executive directors may, in exceptional circumstances, serve longer than six years (e.g. two three-year terms following authorisation of the NHS foundation trust) but this should be subject to annual re-appointment. Serving more than six years could be relevant to the determination of a non-executive's independence."*

**Explanation:**

The Trust's constitution allows for the Chair's term of office to be for two four-year periods. These arrangements are considered acceptable by Monitor who have reviewed and approved the constitution.

Going forward the updated standing orders include changes to the Chair's term of office from two four-year terms to two three-year terms subject to annual reappointment after that in line with provisions in the *Code*.

The Trust has made the required disclosures by reference to the disclosure table in Monitor's *Annual Reporting Manual*.

Table 4.1 Disclosure Requirements

Reference	Code of Governance provision – disclosure
A.1.1	<p>The schedule of matters reserved for the Board of Directors should include a clear statement detailing the roles and responsibilities of the Council of Governors. This statement should also describe how any disagreements between the Council of Governors and the Board of Directors will be resolved.</p> <p>The annual report should include this schedule of matters or a summary statement of how the Board of Directors and the Council of Governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the Board of Directors.</p>
	See page xx [Overview]
A.1.2	<p>The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the board and those committees and individual attendance by directors.</p>
	See table 1 <i>Board of Directors meeting attendance</i> on page xx.
A.5.3	<p>The annual report should identify the members of the Council of Governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.</p>
	See table 2 <i>Council of Governors meeting attendance</i> on page xx.
FT ARM	<p>The annual report should include a statement about the number of meetings of the Council of Governors and individual attendance by governors and directors.</p>
	See table 1 <i>Board of Directors meeting attendance</i> on page xx and table 2 <i>Council of Governors meeting attendance</i> on page xx.
B.1.1	<p>The Board of Directors should identify in the annual report each Non Executive Director it considers to be independent, with reasons where necessary.</p>
	The Board considers that all Non-Executive Directors including the Chair are independent in accordance with the criteria set out in the <i>Code</i> .

Reference	Code of Governance provision – disclosure
B.1.4	<p>The Board of Directors should include in its annual report a description of each director’s skills, expertise and experience. Alongside this, in the annual report, the Board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS Foundation Trust.</p> <p>See page xx [Directors Report] and page xx [Board structure]</p>
FT ARM	<p>The annual report should include a brief description of the length of appointments of the Non-Executive Directors and how they may be terminated.</p> <p>See page xx [Board appointments]</p>
B.2.10	<p>A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to board appointments.</p> <p>See page xx [Board of Directors Nominations Committee and Council of Governors Nominations Committee]</p>
FT ARM	<p>The disclosure in the annual report on the work of the nominations committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of a chair or non-executive director.</p> <p>During 2013/14 there were no Non-Executive Director appointments, including the Chair.</p>
B.3.1	<p>A chairperson’s other significant commitments should be disclosed to the Council of Governors before appointment and included in the annual report. Changes to such commitments should be reported to the Council of Governors as they arise, and included in the next annual report.</p> <p>There have been no changes to the Chair’s significant commitments since the disclosure on appointment that conflict or impact upon her ability to meet her responsibilities as Chair.</p>
B.5.6	<p>Governors should canvas the opinion of the Trust’s members and the public, and for appointed governors the body they represent, on the NHS Foundation Trust’s forward plan, including its objectives, priorities and strategy, and their views should be communicated to the Board of Directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.</p> <p>See pages xx and xx [consultation on Trust strategic plan achievement - FS; Report from Governors]</p>
FT ARM	<p>If, during the financial year, governors have exercised their power* under para 10C** of schedule 7 of the NHS Act 2006, then information this must be included in the annual report.</p> <p>This is required by para 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151(8) of the Health and Social Care Act 2012.</p> <p>*Power to require one or more of the directors to attend a governors’ meeting for the purpose of obtaining information about the foundation trust’s performance of its functions or the directors’ performance of their duties (and deciding whether to propose a vote on the foundation trust’s or directors’ performance.</p> <p>**As inserted by section 151(6) of the Health and Social Care Act 2012.</p> <p>There was no requirement for this to take place.</p>
B.6.1	<p>The Board of Directors should state in the annual report how performance evaluation of the Board, its committees, and its directors, including the Chairperson, has been conducted.</p> <p>See page xx [Board performance evaluation]</p>

Reference	Code of Governance provision – disclosure
B.6.2	<p>Where an external facilitator is used for reviews of governance, they would be identified and a statement made as to whether they have any other connection with the Trust.</p> <p>There were no external reviews of governance during 2013/14.</p>
C.1.1	<p>The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust’s performance, business model and strategy.</p> <p>There should be a statement by the external auditor about their reporting responsibilities. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).</p> <p>See <a href="#">page xx</a> [Directors statement including approach to quality governance - FS]; <a href="#">page xx</a> [Annual Governance Statement – FS]; <a href="#">page xx</a> [statement by external auditor - FS]</p>
C.2.1	<p>The annual report should contain a statement that the Board has conducted a review of the effectiveness of its system of internal controls.</p> <p>See <a href="#">page xx</a> [Enhanced quality governance reporting – FS]</p>
C.2.2	<p>A trust should disclose in the annual report:</p> <ul style="list-style-type: none"> <li>if it has an internal audit function, how the function is structured and what role it performs; or</li> <li>if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</li> </ul> <p>See <a href="#">page xx</a> [Annual Governance Statement – FS]</p>
C.3.5	<p>If the Council of Governors does not accept the Audit Committee’s recommendation on the appointment, reappointment or removal of an external auditor, the Board of Directors should include in the annual report a statement from the Audit Committee explaining the recommendation and should set out reasons why the Council of Governors has taken a different position.</p> <p>This situation has not occurred during 2013/14. At the AGM in September 2013, the Council of Governors approved the Board of Directors Audit Committee’s recommendation on the reappointment of Ernst &amp; Young as the Trust’s external auditors.</p>
C.3.9	<p>A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include:</p> <ul style="list-style-type: none"> <li>the significant issues that the committee considered in relation to the financial statements, operations and compliance, and how these issues were addressed.</li> <li>an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and</li> <li>if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independent are safeguarded.</li> </ul> <p>See <a href="#">page xx</a> [Board of Directors Audit Committee]</p>
D.1.3	<p>Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.</p> <p>This situation has not occurred during 2013/14.</p>

Reference	<b>Code of Governance provision – disclosure</b>
E.1.4	<p>Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust’s website and in the annual report.</p> <p>See <a href="#">page xx</a> [Directors Report]</p>
E.1.5	<p>The Board of Directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the Non-Executive Directors, develop an understanding of the views of governors and members about the NHS Foundation Trust, for example through attendance at meetings of the Council of Governors, direct face-to-face contact, surveys of members’ opinions and consultations.</p> <p>See <a href="#">page xx</a> [Keeping informed for Governors’ and members’ views]</p>
E.1.6	<p>The Board of Directors should monitor how representative the NHS Foundation Trust’s membership is and the level and effectiveness of member engagement and report on this in the annual report.</p> <p>See <a href="#">page xx</a> [Membership]</p>
FT ARM	<p>The annual report should include:</p> <ul style="list-style-type: none"> <li>a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership;</li> <li>information on the number of members and the number of members in each constituency;</li> <li>a summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members.</li> </ul> <p>See <a href="#">page xx</a> [Membership]</p>

Reference	Code of Governance provision – disclosure
FT ARM	The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report.
	See <a href="#">page xx</a> [Directors Report]

### Code of Governance Compliance

The Trust has provided compliance statements by reference to the disclosure table in Monitor's *Annual Reporting Manual*.

Table 4.2 Comply or explain requirements table

Reference	Code of Governance provision – comply/explain
A.1.4	<b>Compliant:</b> Performance, quality and finance management systems in place. The Board delegates responsibility for carrying out some of the duties, particularly operational service delivery and quality, to committees but without compromising collective accountabilities. Board sub-committee governance structure provides additional scrutiny and assurance to the Board. The Board reviews the Trust's performance at each of its meetings against regulatory requirements and approved plans and objectives through reports on performance and quality, finance and Board Assurance Framework.
A.1.5	<b>Compliant:</b> The Board annually approves a performance framework that includes target levels of performance across the entire range of the Trust's activities. Public quality dashboard published quarterly provides an overview of the performance indicators.
A.1.6	<b>Compliant:</b> Monthly and annual clinical governance assurance reports presented to Board. Regulatory targets reported to Board monthly in performance report; this is also cross-referenced to the quarterly Monitor governance submissions.
A.1.7	<b>Compliant:</b> CEO is fully aware of her responsibilities as accounting officer and follows the procedures as set out in the <i>NHS FT Accounting Officer Memorandum</i> . Annual Governance Statement and Statement of Directors' liabilities included in Annual Report.
A.1.8	<b>Compliant:</b> The Trust has established vision and values and has an Employees and Non-Executive Director code of conduct. The Board of Directors Standing Order and Council of Governors Standing Orders are based on the spirit of Nolan principles.
A.1.9	<b>Compliant:</b> The Trust has a Code of Conduct for Directors which is in line with A.1.9. In addition, the Board of Directors Standing Orders includes Standards of Business Conduct Policy and Code of Practice on Openness.
A.1.10	<b>Compliant:</b> The Trust is covered by NHS LA Employers Liability and Professional Indemnity insurance. An indemnity for Directors is included in the constitution.
A.3.1	<b>Compliant:</b> The Council has not raised any issue as to the Chair's independence and the CEO is not the Chair of the Trust.
A.4.1	<b>Compliant:</b> Janet Wood, Non-Executive Director, appointed Senior Independent Director following consultation with the Council.
A.4.2	<b>Compliant:</b> Monthly planned discussion meetings and ad hoc meetings between Chair and Non-Executive Directors held throughout the year.

Reference	Code of Governance provision – comply/explain
A.4.3	<b>Compliant:</b> Board meetings are comprehensively and accurately recorded in minutes and include any concerns raised by Directors.
A.5.1	<b>Compliant:</b> The Council meets formally four times per year (excluding the AGM/AMM) and additional extraordinary meetings will be called if decisions required are timebound and do not fit with the schedule of meetings.
A.5.2	<b>Compliant:</b> Council comprises 48 Governors. However, options for the composition are being reviewed to take into account changes in the Trust's service provision in Beds and Luton.
A.5.4	<b>Compliant:</b> Council's roles and responsibilities set out in the Trust's constitution and included in prospective governors booklet.
A.5.5	<b>Compliant:</b> CEO and all Directors are invited to Council of Governor general meetings and are provided with an annual schedule of dates. Presentations/ reports are given by Directors at Council meetings. Scheduled joint informal meetings of Governors and Non-Executive Directors provide further opportunity for discussion and questions. Joint Director/Governor working groups established to take forward actions agreed at the Director/Governor Away Day.
A.5.6	<b>Compliant:</b> The Council has a policy for Engagement with the Board of Directors where there is Disagreement or Concerns with Performance.
A.5.7	<b>Compliant:</b> The Council approved the procedure for circulation and publication of papers for Council and Board meetings to ensure timely communication of information. In addition, the Chair and CEO advise Governors of any relevant information relating to the Trust and its services as appropriate.
A.5.8	<b>Compliant:</b> The Trust's constitution includes procedure for removal of Chair/Non-Executive Directors. This situation has not, however, occurred.
A.5.9	<b>Compliant:</b> See A.5.7 above. In addition, Governors are also included in the annual strategic planning and receive draft annual report for comment and in the identification of a local quality indicator and receive report.
B.1.2	See Statement of Compliance above
B.1.3	<b>Compliant:</b> Constitution includes a provision which prevents an individual holding office as both Director and Governor at the same time. This is checked on appointment and through the annual completion of the register of interests.
B.2.1	<b>Compliant:</b> See pages xx and xx [Board of Directors Nominations Committee and Council of Governors Nominations Committee]
B.2.2	<b>Compliant:</b> Declarations of interest form includes disqualification/fit and proper persons test as described in the provider licence as well as in the Trust's redrafted constitution.
B.2.3	<b>Compliant:</b> See pages xx and xx [Board of Directors Nominations Committee and Council of Governors Nominations Committee, and Board of Directors Structure]
B.2.4	<b>Compliant:</b> See pages xx and xx [Board of Directors Nominations Committee and Council of Governors Nominations Committee]
B.2.5	<b>Compliant:</b> Process for the appointment of a new Chair and Non-Executive Directors defined.
B.2.6	<b>Compliant:</b> See pages xx [Council of Governors Nominations Committee]

Reference	Code of Governance provision – comply/explain
B.2.7	<b>Compliant:</b> Arrangements in place between the Board of Directors Nominations and the Council of Governors Nominations Committees to ensure there is a dialogue between the two Committees. For continuity, the Chair of the Trust is Chair of both Committees. See pages xx and xx [Board of Directors Nominations Committee and Council of Governors Nominations Committee]
B.2.8	<b>Compliant:</b> See pages xx [Council of Governors Nominations Committee]
B.2.9	<b>Compliant:</b> An independent external adviser is not a member of either the Board of Directors Nominations Committee or Council of Governors Nominations Committee as detailed in their respective terms of reference.
B.3.3	<b>Compliant:</b> No full-time Executive Director holds more than one Non-Executive Directorship of another Trust or other such organisation as evidenced in the Board's register of interests.
B.5.1	<b>Compliant:</b> Comprehensive reports and executive summaries including detailed appendices are circulated prior to Board and Council meetings and sub-committee meetings in a timely manner in line with respective Standing Orders.
B.5.2	<b>Compliant:</b> See B.5.1 above. Non-Executive Directors have the opportunity to challenge at Board and sub-committee meetings, and are recorded in the minutes. All Board sub-committees have Non-Executive Director representation and are chaired by a Non-Executive Director (with the exception of the Executive Operational Team).
B.5.3	<b>Compliant:</b> Independent professional advice is made available at the Trust's expense to Directors in respect of critical or significant activities, e.g. audit, Mental Health Act Managers, other specialist advisers, etc. In addition, the Trust has an in-house Legal Department which provides legal advice and support to the Trust as a whole.
B.5.4	<b>Compliant:</b> All Committees are provided with support as identified in their terms of reference. In addition, some Committees such as the Board's and the Council's Nominations and Remuneration Committees may, at the Trust's expense, appoint independent consultants or commission independent profession advice if considered necessary.
B.6.3	<b>Compliant:</b> The Senior Independent Director leads the annual performance evaluation of the Trust's Chair as detailed in the performance evaluation framework approved by the Council.
B.6.4	<b>Compliant:</b> Non-Executive Directors' performance review and appraisal process and Board evaluation outcomes are used by the Chair to identify and agree individual and collective professional development.
B.6.5	<b>Compliant:</b> The Chair leads on the Council's annual self-evaluation of its collective performance which identifies collective development requirements. The Council communicates to members and the public on how they have discharged their responsibilities through various ways including the members' newsletter, constituency meetings, Governors' statement in annual report (see page xx [Report from Governors]).
B.6.6	<b>Compliant:</b> The constitution sets out the grounds for removal of a Governor's failure to attend three consecutive meetings of the Council and member meetings, as well as a Governor's actual/potential conflict of interest which prevents the proper exercise of their duties. The procedure is set out in the Governors' Code of Conduct.
B.8.1	<b>Compliant:</b> To date no Executive Directors have left the Trust outside of their terms of employment contract.
C.1.2	<b>Compliant:</b> See page xx [Financial Report]

Reference	Code of Governance provision – comply/explain
C.1.3	<b>Compliant:</b> This is covered through Annual Plan 2013/14 and Operational Plan 2014/15 – 2015/16 which set out the Trust’s financial, quality and operating objectives which includes both quantitative and qualitative data to allow Governors and members to evaluate the Trust’s performance. The Annual Report (page xx) also contains the Trust’s objectives and evaluates progress. In addition, the public quality dashboard published quarterly provides an overview of the performance indicators.
C.3.1	<b>Compliant:</b> See page xx [Board of Directors Audit Committee]
C.3.3	<b>Compliant:</b> As detailed in the Trust’s constitution, the Council approves the appointment/reappointment/removal of external auditors at a general meeting. A joint working group is established as required. See page xx [Board of Directors Audit Committee]
C.3.6	<b>Compliant:</b> In March 2012 the Trust awarded a contract for the provision of external audit services with Ernst & Young following a comprehensive market testing exercise. The contract was for an initial 12 month period renewable every 12 months, allowing for the auditors to develop a strong understanding of the Trust’s finances, operations and forward plans.
C.3.7	<b>Compliant:</b> This situation has not occurred but due process would be followed as necessary.
C.3.8	<b>Compliant:</b> The Audit Committee reviews the adequacy of arrangements by which Trust staff may raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety and other matters as set out in its terms of reference. Regular reports are received, for example, from Local Counter Fraud Specialists and Local Security Management Specialists. Through regular awareness raising activities and internal communications, staff are aware of how to raise, in confidence, concerns about possible improprieties through policies on whistleblowing, counter fraud, etc.
D.1.1	<b>Compliant:</b> The Trust does not currently operate a performance-related pay scheme or make provision for annual bonus for Executive Directors.
D.1.2	<b>Compliant:</b> Level of remuneration for the Chair and Non-Executive Directors reviewed annually taking account of time commitment and responsibilities, and is benchmarked against other similar Trusts.
D.1.4	<b>Compliant:</b> During the year no extra contractual payments were made to Executive Directors following termination of employment.
D.2.2	<b>Compliant:</b> Clearly identified in the terms of reference and Scheme of Delegation.
D.2.3	<b>Compliant:</b> See D.1.2 above; external professional advisers to be appointed during 2014/15.
E.1.2	<b>Compliant:</b> Covered by various Trust strategies including Membership Engagement Strategy and Customer Service Strategy.
E.1.3	<b>Compliant:</b> Chair facilitates various opportunities including joint Director/Governor Task & Finish Groups and Away Days, Directors attendance at Council meetings, informal Non-Executive Director/Governor meetings.
E.2.1	<b>Compliant:</b> See page xx [Quality Report]
E.2.2	<b>Compliant:</b> See page xx [Quality Report]

## Overview

Our Board of Directors provides overall leadership and vision to the Trust and is ultimately and collectively responsible for all aspects of performance, including clinical and service quality, financial performance and governance. The Board leads the Trust by formulating strategy; ensuring accountability by holding the organisation to account for the delivery of the strategy and through seeking assurance that systems of control are robust and reliable; and shaping a positive culture for the Board and the organisation.

The Board exercises all the powers of the Trust on its behalf and delegates some of these powers to a committee of Directors or to an Executive Director to help the Board obtain the assurance it needs. In particular the Trust is required by law to have Board Committees in place to make decisions, appointments, remuneration and matters relating to audit. In addition, certain decisions are made by the Council of Governors, and some Board of Director decisions require the approval of the Council of Governors.

The governance documents of the Trust, which have been approved by the Board of Directors, include Powers Reserved to the Board, identifying the decisions that are required to be taken by the Board, and a Scheme of Delegation which identifies those decisions delegated to individuals and/or committees.

Under the leadership of our Chief Executive, the Executive Operational Committee comprising Executive Directors, is the executive decision making body reporting to the Board of Directors. It has responsibility for supporting the Chief Executive to discharge her duties as the Accountable Officer. It supports the Board by ensuring that the Trust complies with the obligations included in its NHS Foundation Trust Licence.

The Committee oversees the detailed development, implementation and monitoring of strategy, annual plan and organisational objectives. It is responsible for interpreting and implementing statutory, regulatory and best practice guidance and for ensuring that all risks to achieving the organisations objectives are identified and managed robustly.

It also ensures that the Trust has adequate organisational capacity and capability to ensure the safety of services, services are of the best possible quality, and to minimise operational risks.

The over-riding role of the Council of Governors is to hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors, and to represent the interests of the members of the Trust and of the public. This includes scrutinising how well the Board is working, challenging the Board in respect of its effectiveness and asking the Board to demonstrate that it has sufficient quality assurance in respect of the overall performance of the Trust, questioning Non-Executive Directors about the performance of the Board and of the Trust, to ensure that the interests of the Trust's members and public are represented.

The roles and responsibilities of the Council of Governors are set out in our constitution; the Council's statutory responsibilities include:

- to amend/approve amendments to the Trust's constitution;
- to appoint/remove the Chair and other Non-Executive Directors;
- to approve the appointment of the Chief Executive;
- to determine the remuneration, allowances and other terms and conditions of office of the Chair and Non-Executive Directors;
- to appoint/remove the Trust's external auditor;
- to provide views to the Board of Directors in the preparation of the Trust's annual plan;
- to receive the Trust's annual report and accounts and any report of the auditor;
- to take decisions on significant transactions and on non-NHS income.

The Council of Governors has a policy for *Engagement with the Board of Directors where there is Disagreement or Concerns with Performance* which outlines the procedure to be followed when there are disagreements and/or when the Council has concerns about the performance of the Board.

### **Board of Directors' structure**

A comprehensive review of the Executive Director structure was undertaken during 2013/14 resulting in a revised structure and membership of the Board of Directors. The Board has retained a wide range of skills and the majority of members have a medical, nursing or other health professional background. Non-Executive Directors have wide-ranging expertise and experience with backgrounds in finance, audit, business development, primary care, organisational development, research and medical education.

The changes do not impact on the current Non-Executive Director structure and the overall structure remains at seven Non-Executive Directors including the Chair and seven Executive Directors including the Chief Executive, with the Chair having a casting vote. The new Board structure guarantees Board balance and is fit for purpose to meet the challenges facing the NHS over the next few years.

The new Board is compliant with the requirement in the NHS Act 2006 for the Board to include the four prescribed executive posts (one Chief Executive, one Chief Finance Officer, one Registered Medical Practitioner and one Registered Nurse) as set out in the Trust's constitution and with all the requirements set out in Schedule 7 of the NHS Act 2006.

### **Board of Directors' appointments**

The Trust has a formal, rigorous and transparent procedure for the appointment of both Executive and Non-Executive Directors. Appointments are made on merit, based on objective criteria.

Non-Executive Directors are appointed to a three year term of office and where possible appointments have been staggered. The reappointment of a Non-Executive Director after their first term of office is subject to a satisfactory performance appraisal.

Any term beyond six years is subject to a rigorous interview and satisfactory annual performance appraisal, and takes account of the need for progressive refreshing of the Board.

The Chair is appointed by the Council of Governors for two terms of office of four years, the second term of office being subject to satisfactory appraisal.

The removal of the Chair or a Non-Executive Director is set out in the Trust's constitution. Any proposal for removal must be proposed by a Governor and seconded by not less than ten Governors including at least two elected Governors and two appointed Governors. Written reasons for the proposal will be provided to the Non-Executive Director in question, who will be given the opportunity to respond to such reasons. In making any decision to remove a Non-Executive Director, the Council of Governors will take into account the annual appraisal carried out by the Chair.

### **Board of Directors' performance evaluation**

The Board of Directors undertakes an annual self-evaluation to evaluate its own effectiveness in line with Monitor's requirements.

During the year the Board implemented a number of development opportunities in response to the outcomes of the self-evaluation. These were aimed at ensuring that the work of the Board is as effective as possible and the skills of Board members are well used.

All members of the Board receive a full and tailored induction on joining the Trust and undertake a personal induction programme during the first 12 months of appointment. A robust performance evaluation process is in place for all Board members including an element of 360° appraisal which is closely aligned to the Trust's values. Objectives for each Director are set as part of the

performance appraisal process and a personal development plan is agreed and monitored during the year.

Detailed consideration of the results of the performance evaluation of the Chair and Non-Executive Directors is undertaken by the Council of Governors Remuneration Committee in line with the process agreed by the Council. A report from the Committee is made to a general meeting of the Council of Governors.

The performance evaluation of the Executive Directors is carried out by the Chief Executive whose performance is appraised by the Chair. The outcomes are reported to the Board of Directors Remuneration Committee.

A key aspect of the Trust's governance arrangements is an effective Committee structure; each Committee has clear terms of reference which are regularly reviewed and approved by the Board. The effectiveness of the Committees is considered on an ongoing basis via regular reports presented to the Board of Directors at its monthly meetings. Committees also undertake their own annual self-assessment.

## Nominations Committees

The Trust has two Nominations Committees; the Board of Directors' Nominations Committee and the Council of Governors' Nominations Committee.

### Board of Directors' Nominations Committee

The Board of Directors Nominations Committee is constituted as a standing committee of the Board of Directors and has the statutory responsibility for identifying and appointing suitable candidates to fill Executive Director positions on the Board, ensuring compliance with any mandatory guidance and relevant statutory requirements.

This Committee is also responsible for succession planning and reviewing Board structure, size and composition, taking into account future challenges, risks and opportunities facing the Trust and the balance of skills, knowledge and experience required on the Board to meet them.

The Committee is chaired by the Trust's Chair with membership comprising all Non-Executive Directors and the Chief Executive, except in the case of the nomination of the Chief Executive's post. At the invitation of the Committee, the Deputy Director holding the portfolio for HR attends meetings in an advisory capacity. Members of the

Committee and the number of meetings attended by each member during the year are set out below:

**Table 4.3 Board of Directors' Nomination Committee Membership and Meeting Attendance**

Name	Role	Meetings attended
<b>Lorraine Cabel</b>	Chair	9/10
<b>Randolph Charles</b>	Non-Executive Director	6/10
<b>Steve Cotter</b>	Non-Executive Director	7/10
<b>Steve Currell</b>	Non-Executive Director	7/10
<b>Alison Davis</b>	Non-Executive Director	7/10
<b>Dr Patrick Geoghegan OBE (until 31.08.13)</b>	Chief Executive	0/1
<b>Dr Dawn Hillier</b>	Non-Executive Director	7/10
<b>Sally Morris (wef 01.09.13)</b>	Chief Executive	7/8
<b>Janet Wood</b>	Non-Executive Director	9/10

During 2013/14 the Committee developed and managed the recruitment and selection process for:

- The post of Chief Executive following the retirement of Dr Patrick Geoghegan OBE on 7 October 2013 with the successful recruitment of Sally Morris as Chief Executive with effect from 1 September 2013. Recruitment consultants were appointed to provide recruitment expertise and independent assurance. Shortlisted candidates were required to complete psychometric tests and had the opportunity of informally meeting with key stakeholder groups which included Executive Directors, representatives from the Council of Governors, Clinicians/Medics and Service Users & Carers. These meetings were followed by the formal interview process by the appointments panel which also included an expert external adviser and a service user/carer representative. The Council of Governors approved the recommendation to appoint Sally Morris as the Chief Executive at its meeting on 5 July 2013.
- The posts of Executive Chief Finance Officer following the retirement of Ray Jennings on 30 March 2013, the new substantive post of Executive Director Corporate Governance and

the substantive post of Executive Director Clinical Governance & Quality/ Executive Nurse. All three recruitment processes were managed internally with the posts being externally advertised. Shortlisted candidate were involved in an internal test and also had the opportunity of informally meeting with key stakeholders. All appointments panel included an expert independent external adviser and a service user/ carer representative. Mark Madden was successfully appointed as Executive Chief Finance Officer with effect from 9 April 2014, Nigel Leonard as Executive Director Corporate Governance and Andy Brogan as Executive Director Clinical Governance & Quality/Executive Nurse both with effect from 1 February 2014.

#### **Council of Governors' Nominations Committee**

The Council of Governors' Nominations Committee is responsible for establishing a clear and transparent process for the identification and nomination of suitable candidates that fit the criteria set out by the Nominations Committee of the Board of Directors for the appointment of the Trust Chair and Non-Executive Directors for approval by the Council of Governors.

The Committee is chaired by the Trust's Chair with membership comprising elected and appointed Governors. If the Chair is being appointed or not available, the Vice Chair or one of the other Non-Executive Directors who is not standing for appointment will be the Chair. When the Trust Chair is being appointed, the committee comprises only of Governors who will elect a Chair of the committee from amongst its members. Members of the Committee and the number of meetings attended by each member during the year are set out below:

**Table 4.4 Council of Governors' Nomination Committee Membership and Meeting Attendance**

<b>Name</b>	<b>Role</b>	<b>Meetings attended</b>
<b>Lorraine Cabel</b>	Chair	2/2
<b>Brian Arney</b>	Public Governor	2/2
<b>David Bowater (wef 14.08.13)</b>	Appointed Governor	1/1
<b>Jackie Gleeson</b>	Public Governor	2/2
<b>Josie Clark</b>	Public Governor	0/2
<b>Eileen Greenwood</b>	Public Governor	2/2
<b>Syed Jafari</b>	Appointed Governor	0/2
<b>John Jones</b>	Public Governor	2/2
<b>Deborah Ridley-Joyce</b>	Public Governor	1/2

During the year, the Committee considered and unanimously recommended to the Council of Governors that both Randolph Charles and Steve Cotter, Non-Executive Directors, be reappointed for a second term of office, and for Steve Currell to be appointed for a further year in office. The Committee had taken account of the critical needs of the organisation balanced against future skills and expertise and felt it was important, particularly in the light of the Francis Report, to ensure stability at Board level. The Council of Governors approved both reappointments at its meeting on 19 September 2013.

There were no new Non-Executive Director appointments during 2013/14.

### **Board of Directors' Audit Committee**

The Audit Committee comprises solely independent Non-Executive Directors who have a broad set of financial, legal and commercial expertise to fulfil the Committee's duties. Members of the Committee and the number of meetings attended by each member during the year are set out below:

**Table 4.5 Audit Committee Membership and Meeting Attendance**

<b>Name</b>	<b>Role</b>	<b>Meetings attended</b>
<b>Janet Wood</b>	Chair	7/7
<b>Randolph Charles</b>	Non-Executive Director	5/7
<b>Steve Currell</b>	Non-Executive Director	7/7
<b>Alison Davis</b>	Non-Executive Director	6/7

At the request of the Committee Chair, each meeting is attended by the Executive Chief Finance Officer, Assistant Chief Finance Manager, an External Audit representative, an Internal Audit representative, and the Local Counter Fraud Specialist. In addition, the Chief Executive presents the annual statement on the System of Internal Control.

During the year, the Committee considered a number of significant issues relating to the accounts for 2012/13 including:

- Prior period adjustments: due to the impracticability of obtaining prior period comparatives, Foundation Trusts were no longer required to restate comparatives to include 2010/11 information for the acquired community provider services in 2011/12. Although this avoided undue effort in obtaining such information, the risk of mis-classifications could increase. In preparing the draft accounts for 2012/13 a number of mis-classifications had been identified with respect to 2011/12 comparatives, these were subsequently corrected
- Bedford Health Village development – write off costs: due to the uncertainty of this project progressing, and following discussions with the Trust’s External Auditors, it was agreed that the most prudent action was to write off costs incurred as of 31 March 2013
- Revaluation of estate: in accordance with HM Treasury requirements, land and building assets are required to be valued every five years with an interim valuation at the end of the intervening third year. The last five yearly valuations had been conducted as at 31 March 2010. 2012/13 was therefore an interim valuation year with the valuations resulting in gains of £10,675,000 and impairments (losses) of £2,446,000
- Impaired debts: due to the credit risk rating from the demise of Primary Care Trusts as at 31 March 2013, significant work had been undertaken by the Trust’s Finance Department in conjunction with the Contracts Team in the latter part of 2012/13. As a result any risks relating to the collection of outstanding debts as of 31 March 2013 had been fully assessed and either resolved or provided for
- Going concern: the Audit Committee considered this issue and recommended

that the Board could sign off the appropriate statements.

In March 2014 a three-year Strategic Internal Audit Plan was prepared for the Trust for the period 1 April 2013 to 31 March 2016. The plan was compiled on the basis of identified risk and materiality, which was drawn together through previous experience of audit requirements within the sector; previous audit work at the Trust; risks previously identified by the Trust as significant; and horizon scanning of current issues. The outputs from this plan will give assurance to the committee on operational and compliance systems. A similar plan was in place for 2013/14 and assurances were provided.

An annual report is provided to the Council of Governors which explains that the Trust undertakes an annual review of the external audit function which includes a review of the external auditor’s performance and the monitoring arrangements in place to ensure compliance with Monitor’s *Audit Code for NHS Foundation Trusts*. The results of this review are reported to the Audit Committee. Additionally, the Audit Committee undertakes its own ‘self-assessment’ checklist which is again reported to the Audit Committee.

Following a tendering process undertaken in 2012, the current external auditors were awarded a contract for a period of three years (renewable annually for a 12 month period) by the Council of Governors. The contract is due to expire in September 2015. The value of the contract is £50,000 per annum.

The report to the Council of Governors also identifies whether the external auditor provided non-audit services and where there were non-audit services, an explanation of how the auditors’ objectivity and independence were assured. During 2013/14 there have been no non-audit activities undertaken.

### Keeping informed of governors' and members' views

During the year the Board of Directors kept informed of the views of Governors and members in a number of ways including:

- attendance and/or presentations at Council of Governor meetings;
- informal Non-Executive Director and Governor meetings;
- all Directors being aligned to each of the public constituencies and attending both planning and public member meetings;
- attendance by Governors at public Board of Directors meetings;
- a series of consultation meetings with Governors, members and the public on the development of the annual plan;
- establishment of various joint Director/Governor task and finish groups to take forward actions following a joint away day covering external governance and quality, Governor training and development, membership engagement, and Council of Governors committee governance arrangements;
- joint review of the Trust's compliance with Monitor's **Code of Governance** provisions.

Governors can contact Janet Wood, as the Senior Independent Director, if they have concerns regarding any issues which have not been addressed by the Chair, Chief Executive or Executive Chief Finance Officer. In addition, Janet meets regularly with the Lead Governor and the Governor Coordinators.

Both the Board of Directors and the Council of Governors are committed to continuing to promote enhanced joint working so that they can deliver their respective statutory roles and responsibilities in the most effective way possible.

## Board of Directors Attendance at Meetings 2013 - 2014

Name	Position	Board of Directors Meetings		Audit Committee		Directors Nomination Committee	
		No of meetings	No attended	No of meetings	No attended	No of meetings	No attended
Lorraine Cabel	Trust Chair	12	11	1	1	10	9
Janet Wood	Vice Chair/Senior Independent Director	12	11	7	7	10	9
Randolph Charles	NED	12	9	7	5	10	6
Stephen Cotter	NED	12	12			10	7
Steve Currell	NED	12	11	7	7	10	7
Alison Davis	NED	12	11	7	6	10	7
Dr Dawn Hillier	NED	12	11			10	7
Dr Patrick Geoghegan OBE	Chief Executive (until 07 Oct 2013)	4	4	1	1	1	0
Sally Morris	Chief Executive (wef 01 Sept 2013); Executive Director Specialist Services & Contracts (until 31 Aug 2013)	12	12			8	7
Ray Jennings	Executive Chief Finance & Resources Officer	12	10	7	5	1	1
Dr Milind Karale	Executive Medical Director	12	9	1	1		
Andy Brogan	Executive Director Clinical Governance & Quality/ Executive Nurse	12	8	2	2		
Malcolm McCann	Executive Director Integrated Services (Essex & Suffolk)	12	5				
Richard Winter	Executive Director Integrated Services (Bedfordshire & Luton)	12	11				
Nikki Richardson	Executive Director Corporate Affairs & Customer Service	12	10			3	3
Nigel Leonard	Executive Director Corporate Governance (wef 01 Feb 2014)	4	4				
Amanda Reynolds	Executive Director Social Care & Partnerships (until 20 Feb 2014)	9	2	1	1		
Peter Wadum-Buhl	Executive Director Strategy & Business Development (until 28 Oct 2014)	5	3				

	Appointments Committee		Directors Remuneration Committee		Executive Operational Team		Quality & Governance Committee		Investment & Cash Management Committee		Performance & Finance Scrutiny Committee		Joint Code of Governance		Governors Nominations Committee		Governors Remuneration Committee		Council of Governors Meetings		AGM/AMM	
	No of meetings	no attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended
	5	5	10	9							10	9	1	1	2	2	1	1	5	5	1	1
	5	5	10	9					4	4	7	7	1	1			1	1	5	4	1	1
	5	2	6	5															5	3	1	0
	5	4	6	5					4	4	10	10							5	3	1	1
	5	4	10	6			6	4											5	2	1	1
	5	3	6	5					4	4	10	10							5	4	1	1
	5	5	10	8			6	4											5	5	1	1
	0	0	1	1	16	11					4	4	1	0					1	1	1	1
			10	7	42	36	3	1	2	2	6	6							4	4	1	1
			10	1	42	35			4	4	10	8	1	1					4	3	1	1
					42	25	6	3			10	6							4	4	1	1
					42	34	6	6			7	5							4	3	1	1
					42	26	6	2			10	7							4	2	1	0
					42	38	6	3			10	10							4	2	1	1
			5	5	42	37	6	5			3	3							4	2	1	1
					10	10	1	1	1	0	1	1							1	1	0	0
					37	20	5	2											4	0	1	1
					24	12	4	3	2	0			1	1					2	1	1	1

## Council of Governors Details and Attendance at Meetings 2013 - 2014

Category	Constituency/ Appointing Organisation	Name	Date of Appointment	
	South Essex	Richard Amner	Sep-11	
		Keith Bobbin	May-06	
		Eileen Greenwood	May-06	
		Pamela Hintz	Sep-11	
		Evelyn Hoggart	Sep-12	
		Sue Revell	Sep-12	
		Josie Clark	Sep-11	
	Rest of Essex	Bob Calver	Sep-09	
	Southend	Clive Lucas	Sep-09	
		Shurleea Harding	Sep-11	
		Peter Stroudley	Sep-12	
	Thurrock	Christina Guy	Sep-12	
		Margaret Verity	Sep-07	
	West Essex	Brian Arney	Sep-12	
		Michael Edmonds	Sep-12	
		Kresh Ramanah	Sep-12	
		Patrick Sheehan	Sep-12	
		Prof Sudi Sudarsanam	Sep-12	
	Suffolk	Vacancy		
	Bedford	Paula Grayson	Sep-12	
		John Jones (Lead Governor from Aug 2012)	Apr-10	
		Clive Travis	Apr-10	
	Central Bedfordshire	Susan Butterworth	Apr-10	
		Lynda Lees	Sep-12	
		Deborah Ridley-Joyce	Sep-12	
		Larry Smith	Sep-12	
		Jim Thakoordin	Sep-12	
Luton	Michael Dolling	Apr-10		
	Jill Gale	Sep-15		
	Jackie Gleeson	Apr-10		
	Zoe Loke	Sep-15		

	Period Elected	1st / 2nd / 3rd Term of Office	In post as at 31 March 2014	Council of Governors Meetings		Joint Code of Governance		Rules and Regulations Committee		Governors Remuneration committee		Governors Nominations Committee		AGM/AMM	
				No of meetings	No attended	No of meetings	No Attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended
				Sep 11 to Sep 14	1	✓	5	0							
Sep 12 to Sep 15 (resigned June 2013)	3	x	1	1	1	1	1	1					0	0	
Sep 12 to Sep 15	3	✓	5	5					3	2	2	2	1	1	
Sep 11 to Sep 14	1	✓	5	4									1	1	
Sep 12 to Sep 15	1	✓	5	4									1	1	
Sep 12 to Sep 15	1	✓	5	4					2	2			1	1	
Sep 11 to Sep 14	1	✓	5	2	1	0					2	0	1	0	
Sep 12 to Sep 15	2	✓	5	2									1	0	
Sep 12 to Sep 15	2	✓	5	1									1	1	
Sep 11 to Sep 14	2	✓	5	3			2	2					1	1	
Sep 12 to Sep 15 (resigned Sep 2013)	1	x	3	0									1	0	
Sep 12 to Sep 15	1	✓	5	2									1	0	
Sep 11 to Sep 14	2	✓	5	1									1	0	
Sep 12 to Sep 14	1	✓	5	3							2	2	1	1	
Sep 12 to Sep 14	1	✓	5	2									1	1	
Sep 12 to Sep 14	1	✓	5	3									1	1	
Sep 12 to Sep 14 (resigned Aug 2013)	1	x	2	2									1	1	
Sep 12 to Sep 14	1	✓	5	4									1	0	
Sep 12 to Sep 15	1	✓	5	4			3	2	3	3			1	1	
Sep 12 to Sep 15	2	✓	5	5	1	1			3	3	2	2	1	1	
Sep 12 to Sep 15	2	✓	5	1					3	2			1	0	
Sep 12 to Sep 15	2	✓	5	4									1	1	
Sep 12 to Sep 15	1	✓	5	4			3	3					1	1	
Sep 12 to Sep 15	1	✓	5	3							2	1	1	1	
Sep 12 to Sep 15	1	✓	5	2									1	0	
Sep 12 to Sep 15	1	✓	5	3			3	2					1	1	
Sep 12 to Sep 15	2	✓	5	2									1	1	
Sep 12 to Sep 15	1	✓	5	1									1	0	
Sep 12 to Sep 15	2	✓	5	3							2	2	1	1	
Sep 12 to Sep 15	1	✓	5	4									1	1	

Category	Constituency/ Appointing Organisation	Name	Date of Appointment	
Staff Governors	Medical	Thilak Ratnayake	Apr-10	
	Nurses (MHS)	Fiore Sannio	Dec-11	
	Support Staff	Nic Taylor-Barbieri	Sep-12	
	Other Clinical Specialties	Karen Forrest	Apr-10	
	Nurses & Midwives (CHS)	Tracy Reed	Dec-11	
	Social Worker	Paul Delaney	Nov-12	
Partnership Governors	Anglia Ruskin University /Essex University	Ann Devlin	Nov-11	
	University of Bedfordshire	Prof Michael Shoot	Mar-10	
	Beds & Luton Service Users & Carers	Syed Jafari	Jan-12	
	Essex Service Users &Carers	Mandy Tanner	Dec-11	
	West Essex Service Users & Carers	Joy Das	Jun-12	
Local Authority Governors	Essex	Mavis Webster	May-06	
		Bill Archibald		
	Southend	Sally Carr	Jul-12	
		Fay Evans		
	Thurrock	Tony Fish	Jul-11	
		Barbara Rice	May-14	
	Bedford	Mayor Dave Hodgson	Nov-10	
	Central Bedfordshire	David Bowater	May-10	
Luton	Cllr Mahmood Hussain	May-10		

	Period Elected	1st / 2nd / 3rd Term of Office	In post as at 31 March 2014	Council of Governors Meetings		Joint Code of Governance		Rules and Regulations Committee		Governors Remuneration committee		Governors Nominations Committee		AGM/AMM	
				No of	No attended	No of	No Attended	No of	No attended	No of	No attended	No of	No attended	No of	No attended
				Sep 11 to Sep 14	2	✓	5	2							
Dec 11 to Sep 14	1	✓	5	1									1	0	
Sep 12 to Sep 15	1	✓	5	1	1	1			3	2			1	1	
Sep 12 to Sep 15	2	✓	5	5	1	0							1	1	
Sep 12 to Sep 15	2	✓	5	2			3	1					1	0	
Nov 12 to Nov 15	1	✓	5	5									1	1	
Nov 11 to Nov 14	1	✓	5	1									1	1	
Feb 13 to Feb 16	2	✓	5	2									1	0	
Jan 12 to Sep 14	1	✓	5	1	1	0					2	0	1	0	
Dec 11 to Sep 14	1	✓	5	5			2	2					1	1	
Jun 13 to Jun 16	2	✓	5	3									1	1	
Jun 12 to Jun 15 (resigned May 2013)	3	x	0	0			1	1			1	0	0	0	
May 13 to May 16	1	✓	3	0									1	1	
Jul 12 to Jul 15 (resigned May 2013)	1	x	0	0									1	0	
Jan 14 to Jan 17	1	✓	0	0									0	0	
May 12 to Apr 13 (resigned Apr 2013)	2	x	0	0									0	0	
May 13 to May 14	1	✓	3	1									1	0	
Nov 10 to May 13 (resigned May 2013)	2	x	0	0									0	0	
May 13 to May 16	2	✓	5	3					3	1	1	1	1	0	
May 13 to May 16	2	✓	5	1			4	1					1	0	

### Membership

Foundation Trust membership aims to give local people, service users, patients and staff a greater influence in how the Trust's services are provided and developed.

The membership structure reflects this composition and is made up of two categories of membership:

#### Public members

All people aged 12 and over and living in Bedfordshire, Essex, Luton and Suffolk are eligible to join the Trust. Our strategy is to

build a broad membership that is evenly spread geographically across the local area we serve and reflects the ages and diversity of our local population.

The public membership includes all people who use our services, their carers and families, as well as the broader community of Bedfordshire, Essex, Luton and Suffolk.

The geographical area of the Trust serves is sub-divided using electoral boundaries into the constituencies of:

Public Constituency	Electoral Boundaries
Bedford	Electoral area covered by Bedford Borough Council
Central Bedfordshire	Electoral area covered by Central Bedfordshire Council
Luton	Electoral area covered by Luton Borough Council
Rest of Essex	Electoral area covered by Essex County Council, excluding those included in the four areas below
Suffolk	the electoral area covered by Suffolk County Council
South Essex	Electoral area covered by Basildon Borough Council, Brentwood Borough Council, Castlepoint Borough Council and Rochford District Council
Southend	Electoral area covered by Southend on Sea Borough Council
Thurrock	Electoral area covered by Thurrock Council
West Essex	Electoral area covered by Harlow District Council, Epping Forest District Council and Uttlesford District Council

The Trust does not have a separate constituency for patients who are included within the public constituency.

#### Staff members

All staff who are on permanent or fixed term contracts that run for 12 months or longer are automatically members, unless they opt out although few chose to do so. Staff who are seconded from our partnership organisations and working in the Trust on permanent or fixed term contracts that run for 12 months or longer are also automatically eligible to become members. Staff join one of six sub-groups which are linked to their different fields of work.

#### Membership size

Membership is important in helping to make the Trust more accountable to the people we serve, to raise awareness of mental health, community health and learning disability issues, and assists the Trust to work in partnership with our local communities.

As at 31 March 2014, the Trust had over 20,800 members as follows:

Table 4.8 Membership size and movements	
Public constituency	2013/14
Public members at 1 April 2013	14,738
New members	233
Members leaving	252
Public members at 31 March 2014	14,719
Staff constituency	2013/14
Staff members at 1 April 2013	6,083
New members	0
Members leaving	1
Staff members at 31 March 2014	6,082

The breakdown of public membership by age, ethnic origin, socio-economic status and gender at 31 March 2014 was as follows:

Table 4.9 Analysis of current membership	
Public constituency	Number of members
Age (years):	
0-16	29
17-21	963
22+	11,022
Ethnic origin:	
White	11,171
Mixed	287
Asian or Asian British	1,081
Black or Black British	654
Other	53
Socio-economic groupings*:	
ABC1	3,481
C2	4,229
D	3,228
E	3,545
Gender analysis:	
Male	5,617
Female	8,981

**Notes:**

The analysis excludes:

- 2,705 public members with no stated date of birth
- 1,473 members with no stated ethnic origin
- 121 members with no stated gender
- suspended members
- inactive members.

Our membership strategy is to build a broad representative membership that is evenly spread geographically across the areas served by the Trust and reflects the ages and diversity of our local population. Overall, our membership is well represented in the majority of social-economic categories and in both females and 22+ groups. However, the Trust recognises the need to improve representation in the wealthy achievers, young people and male groups.

Following a joint Director/Governor away day, a working group comprising of Directors, Governors and representatives from the Trust's Communications and Patient Experience Teams was established during the year to review the Trust's engagement with members and the wider public to improve the quality of engagement and ensure accountability. The group has focused on who they should engage with, ways in which to engage, what they should be engaging on, as well as some practical process and support requirements. An action plan has been agreed by the Council of Governors which reflects how to maximise engagement opportunities, enhancing the information infrastructure and augmenting communications, as well as monitoring and implementation systems and procedures.

All membership activities and representativeness are reviewed by the Membership Groups who monitor the membership strategy through analysing the membership demographics, identifying plans to ensure a representative membership and promoting engagement from members and the wider community. The Trust's Patient Experience Teams are represented on these groups as they support the recruitment and engagement of members.

#### **Engagement and recruitment**

In accordance with the membership strategy range of methods were used to recruit members during 2013/14 including:

- attendance at meetings and events organised by the Trust;
- attendance at public events organised by other organisations;
- promotional stands in libraries;
- promotion of membership on the Trust's website;
- greater involvement of Governors in recruitment activity.

Although the Trust did not meet its target of 17,000 public members during 2013/14, we will continue to aim to increase our overall membership but will primarily focus on quality engagement with members and the public.

Members are kept up to date with developments at the Trust by:

- receiving copies of *SEPT News* which is distributed three times a year providing up to date information and features on the Trust including service developments, information on issues relating to mental health, community services and learning disabilities, information about the Council of Governors, etc.;
- visiting the member pages on our website;
- using social media such as becoming a friend of the Trust on Facebook and/or following the Trust on Twitter;
- attending our annual general and members meeting held on 12 September 2013 which provided an opportunity to hear how the Trust performed during the year and to meet Directors and Governors;
- attending public meetings of the Board of Directors and Council of Governors;
- attending our public member meetings in the localities which are highly participative – during 2012/13 14 public member meetings were held across all constituencies with presentation themes covering local topical issues – members were also able to contribute to the development of the Trust's annual plan;

- attending various Trust organised events such as *Let's Talk About* where attendees can learn more about specific health issues and our related services, and *Take It To The Top* where attendees can meet with the Chair, Chief Executive and/or other senior management to ask questions and put forward ideas.

At all our meetings, members are actively encouraged to ask questions and responses are provided by a member of the Board, senior management team or clinician.

### Report from Governors

Your Council of Governors thought it is important that we, the Governors, write an Annual Report to members, to let you know what we have been doing on your behalf, in our role as a 'critical friend' to SEPT.

This past year of 2013/14 has been one of considerable change. The Council agreed with the Board of Directors that it was important that Governors were involved as appropriate with the appointment of the new Chief Executive, following the retirement Dr Patrick Geoghegan OBE after so many years at the Trust. The final candidates were available to talk to various stakeholder groups, including Governors, and your Lead Governor observed and provided comments on the final interview process. The procedure worked very well and the Council was pleased to approve the appointment of Sally Morris as the new Chief Executive at a special meeting on 5 July 2013.

It became apparent that, with the enhanced role of the Council of Governors following the implementation of the Health and Social Care Act 2012, the existing Council's committee structure which supports the Council in discharging its responsibilities would need to be reviewed to ensure the Trust's governance structure remains fit for purpose. A number of joint Governor and Director Task and Finish Groups were set up and have done sterling work in key areas including Governor training and development, membership engagement, and governance. As a result, the new Committee structure is now in place, covering these three areas in addition to the two committees which oversee the appointment and reappointment, and remuneration review processes

for Non-Executive Directors including the Chair. We have taken the opportunity to redistribute the membership of these five Committees, so that we are best placed to utilise our Governors' wide range of expertise and skills.

We are mindful that we are elected or appointed to represent you, the members of our Trust, and to satisfy ourselves, on your behalf, that service users'/patients' needs are always top priority and that the services provided are safe and of high quality, while maintaining independence from executive decisions. We would not do so if we did not think that our Trust is one of the highest performing in the country and we would like to see it maintain its pre-eminent position. Our role is very much to hold the Non-Executive Directors to account for the performance of the Board and to provide a link between the members/public/service users/patients and stakeholder organisations and the Trust. We have established a programme of meeting the Non-Executive Directors on a regular basis to allow us to get to know them better as well as to raise issues of concern.

We try, as Governors, to make ourselves available whenever possible to hear what you have to say and to raise any concerns with the Directors, or senior executives, and to resolve matters. We have met with some of you at the Trust's forward planning meetings as well as at the member meetings which were held in each locality where the Trust provides services. At all these meetings you had the opportunity of sharing your views with Governors on the Trust's objectives, priorities and strategy. Governors have also undertaken regular quality visits to Trust services meeting with staff and service users/patients, and have attended various Trust stakeholder meetings such as the 'Let's Talk About', 'Take It To the Top', and Stakeholder Forums.

We hope that we have been helpful in doing so during the last year. If any member wishes to contact any Governor then feel free to do so through the Trust Secretary's office or the Trust's website.

As a Council of Governors we were extremely disappointed not to have been shortlisted to proceed to the next stage of Luton Clinical

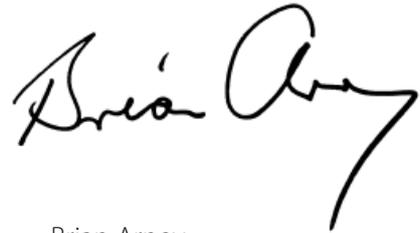
Commissioning Group's procurement process for the provision of mental health, learning disabilities, CAMHS and community health services in Luton. The Trust Board also took the difficult decision not to take part in Bedfordshire's CCG procurement process for mental health and learning disabilities services in Bedford Borough and Central Bedfordshire. The Council totally understands and supports the reasons for this, namely that the Trust firmly believed that quality, safe and effective services could only be provided on an integrated basis across Luton and Bedfordshire. Neither of these decisions is in any way a reflection on the quality of the services the Trust provides and this has been acknowledged by the two CCGs involved.

We are pleased to note that the local forensic mental health services commissioned by NHS England will still be provided by the Trust in Bedfordshire and Luton as well as the Community Health Services in Bedfordshire, whose contract has been extended for a further three years. We are assured that SEPT will maintain services up to the hand-over point and co-operate with the transition arrangements with the provider(s) appointed by the two CCGs involved.

Finally, we hope that you, as members, have been satisfied with the representation which we, as Governors, have been able to provide during the past year and we look forward to continuing to do so during 2014/15.



John Jones  
Governor Coordinator (Bedfordshire & Luton)  
Lead Governor



Brian Arney  
Governor Coordinator (Essex)





# Quality Report

We recognise that for organisations like ours, providing a range of different services, in different geographic areas, this document can be somewhat complex. To help readers navigate our Quality Report, a summary of content and where you can find specific information that you may be looking for is provided below.

<b>Part 1</b> is a statement written by our Chief Executive, Sally Morris, on behalf of the Board of Directors setting out what quality means to us, what improvements we have made in the past year and where things didn't go as well as we had hoped.	<b>92</b>
<b>Part 2</b> looks forward setting out our priorities for improvement in 2014/15	<b>96</b>
The Board of Directors have agreed the top four priorities for quality improvement this year. These are set out in section 2.2.	<b>100</b>
Examples of some of the stretching goals for quality improvement that have been agreed with health commissioners of our services are identified in section 2.3.	<b>102</b>
Information about our progress with addressing issues arising from the national Francis Inquiry Report is included in section 2.4.	<b>104</b>
The statements of assurance contained in section 2.5 are mandated. The Trust is able to confirm that it is able to meet all of the mandated requirements.	<b>105</b>
Section 2.6 reports our performance against the national mandated quality indicators.	<b>116</b>
<b>Part 3</b> focuses on 'looking back' at our performance against quality priorities, indicators and targets during 2013/14	<b>122</b>
Section 3.1 reports progress against our quality priorities for 2013/14, outlined in our Quality Account 2012/13 (including historic and benchmarking data, where this is available, to enable you to compare our performance with other providers).	<b>123</b>
Section 3.2 provides examples of some achievements relating to quality service improvement during 2013/14.	<b>129</b>
Section 3.3 reports performance against SEPT Trust wide and service specific quality indicators.	<b>137</b>
• Trust wide quality indicators	<b>137</b>
• Community health services local quality indicators	<b>144</b>
• Mental health services local quality indicators	<b>148</b>
Section 3.4 reports performance against key indicators and thresholds relevant to SEPT from Appendix A of Monitor's Risk Assessment Framework, which have not been included elsewhere in this Quality Report.	<b>150</b>
Section 3.5 details the work we have undertaken in relation to capturing patient experience and using this to help us to improve the quality of our services. This section includes the results of the national "Friends and Family Test" indicator.	<b>154</b>
<b>Closing Statement by Sally Morris, Chief Executive</b>	<b>162</b>
<b>Annex 1</b> contains statements that we have received from our partner organisations and our Council of Governors.	<b>164</b>
<b>Annex 2</b> contains the Statement of Directors' Responsibilities in respect of the Quality Report.	<b>193</b>
<b>Annex 3</b> contains the Independent Auditor's Report to the Council of Governors of South Essex Partnership University NHS Foundation Trust on the Annual Quality Report.	<b>195</b>
A glossary of terms is provided at the end of the Quality Report in case we have used jargon which you are not familiar with.	<b>200</b>

## Statement on Quality From Sally Morris, Chief Executive

I am delighted to present this year's Quality Report, which highlights how well we have met our quality commitments for 2013-14 and outlines our quality priorities for 2014-15. SEPT is a transparent organisation, so this report also identifies where more work needs to be done.

Our high quality highlights from the past year include:

- Putting our Nursing Strategy into action
- Making a 50% reduction in avoidable category 3 and 4 pressure ulcers
- Reducing the number of avoidable falls in our inpatient units
- A number of national accreditations reflecting the quality of our care and staff

You will find details of these and many other achievements in this report.



I am extremely proud of how our medical, clinical and support staff across Bedfordshire, Essex, Luton and Suffolk continue to deliver high quality care to the people who need our services. But I am never complacent. I constantly check that things are as they should be. I make personal and unannounced visits to all our local services. At these, I meet with staff to observe the care provided and to hear directly from the people using the services at the time. In this way, I can make sure that the claims we make about high quality care are supported not only by external assessments, but also by my own experience of observing that care in action. Also, I can pick up any issues and ensure prompt action is taken to resolve these.

Ensuring that we receive and act on feedback from our service users is absolutely vital in driving up quality and we have taken a number of actions over the past year to increase the feedback we receive. These include the introduction of the 'Friends and Family' test across the organisation where we seek feedback from our service users and patients on whether they would recommend the service they have received to friends or family. We have continued with our innovative 'mystery shopper initiative' and I am delighted to have an enthusiastic group of 'mystery shoppers' who report back to me directly and confidentially

“ Ensuring that we receive and act on feedback from our service users is absolutely vital in driving up quality. ”

“ Our robust quality governance systems support the arrangements in place to provide the Board of Directors with assurance on the quality of SEPT services and safeguard patient safety. ”



about their direct and personal experiences of SEPT staff and services.

We do not wait for inspections by the Care Quality Commission (CQC) or other inspectors to ensure quality of services. We undertake regular formal internal inspections of our services against the CQC standards and identify any areas for quality improvement. The results and actions arising from these internal inspections are monitored and followed-up to ensure that any necessary remedial actions are completed. Non-Executive Directors, Executive Directors, Governors and independent clinicians also visit our wards to review clinical care.

As a Trust, we realise that less funding may mean that some of our high standards may have to be re-defined to be affordable. However, we are absolutely certain that we will never compromise safety as a result and that we will always continue to ensure that national and legislative requirements are met. Our relentless focus on the quality of service provision, regardless of the complexity of the external environment, means that we, our commissioners and regulators do not have concerns about the quality of our existing service provision nor our ability to continue to deliver quality services.

### Who is SEPT?

SEPT provides hospital and community-based mental health and learning disability services across Bedfordshire and Luton and south Essex as well as community health services in Bedfordshire, south east Essex and west Essex. In 2012 SEPT, in partnership with Serco, took over responsibility for delivering NHS services in Suffolk under the name of SCH – Suffolk Community Healthcare. SEPT staff are responsible for delivering podiatry, speech and language therapy and children's services.

The clinical commissioning groups (CCGs) for Luton and Bedfordshire are tendering the mental health services in both areas and Luton CCG is also tendering the local community health services. These services are due to transfer to new providers in 2015.

### What systems do we have to ensure quality at the highest levels?

As an NHS Foundation Trust, SEPT has a Council of Governors which includes elected members of the public and staff, as well as a Board of Directors, both of which are led by the Chair of the Trust. Together they 'drive' the Trust ensuring our staff are delivering

services to the high standards to which we all aspire and they hold me and my executive team to account for the day-to-day running of the Trust.

The Board of Directors ensures proactively that we focus not only on national targets and financial balance, but also continue to place significant emphasis on the achievement of quality in our local services. This approach means that our performance is consistently monitored and any potential areas for improvement are addressed swiftly.

Our robust quality governance systems support the arrangements in place to provide the Board of Directors with assurance on the quality of SEPT services and safeguard patient safety. We produce a comprehensive quality (including safety, experience and effectiveness) and performance dashboard on a monthly basis; we undertake compliance checks that mirror the CQC's reviews; we have an active national and local clinical audit programme; we monitor patient experience and complaints and have a robust risk management and escalation framework in place and regularly triangulate what is being reported with Board member, governor and commissioner quality site visits.



The quality governance system, actual quality performance and assurance on the arrangements in place are overseen by sub-committees of the Board of Directors and provide assurance to the Board of Directors.

### What do others think of us?

Over the past two years, the CQC carried out 17 unannounced reviews of our services (six in 2012/13 and 11 in 2013/14). No significant concerns were identified. We will be taking forward action to address just two moderate compliance actions that the CQC identified at Weller Wing in Bedfordshire and the Hadleigh Unit in Basildon.

We have been compliant with Monitor's quality targets consistently over the same period and are not forecasting any risk to continuing to achieve these targets.

Our public governors have continued with their programme of visits to different services. Our commissioners also undertake announced and unannounced quality visits to our services. Feedback from this external perspective has provided useful insight into service quality and the 'fresh eyes' input has enabled us to put improvements in place.

### What do we need to do better?

Like any successful organisation, we are always looking for areas where we can improve. The areas in which I am particularly keen to see action include zero incidences of avoidable pressure ulcers, further reductions in avoidable falls, reducing the use of restrictive practices and improving the patient experience. Details of all our priorities for 2014/15 are outlined in section 2.2 of this report.

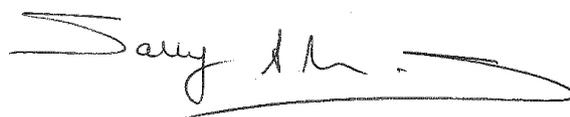
### We can't do it without our staff

Our staff take pride in everything they do and consistently provide professional and high quality services. I am proud of this highly skilled, motivated, caring workforce. Without each and every one of them, SEPT would not be able to deliver the excellent services our patients expect.

Once you have read this Quality Report, I hope you will be able to understand how seriously we all take quality and how we work to ensure that we continue to deliver services in a caring, dignified and respectful way. We believe that service users, staff and stakeholders are the best people to tell us what constitutes the highest quality of service. We will continue to strive to meet these expectations and will expect - at all times - to provide the highest standards of care by listening carefully and actively to the people who use our services, our staff and other stakeholders.

### Statement of Accuracy

I confirm that to the best of my knowledge, the information in this document is accurate.



Sally Morris  
Chief Executive



## Our Quality Priorities for Improvement During 2014/15 and Statements of Assurance from the Board

*Our progress against the priorities for improvement for 2013/14 set out in SEPT's 2012/13 Quality Report is set out in Part 3 of this document.*

SEPT's success to date is built upon placing high importance on investing time and achieving engagement in planning for the future. We have well established mechanisms for broad stakeholder involvement in service planning and this year has been no exception. Specifically our plans and quality priorities for 2014/15 have been developed as a result of:

1. listening to the views of circa 300 staff who attended five consultation events in November and December 2013 where the drivers affecting the Trust in the coming year were considered, objectives developed and areas in which the quality of services could be improved identified;
2. consulting with service users, governors and partners (including Clinical Commissioning Groups, voluntary sector, Local Authority and other public sector bodies including the police) at two stakeholder planning events held in Bedfordshire and Essex during January 2014;
3. asking our governors and members during January 2014 to help us identify our quality priorities for the coming year;
4. working with commissioners to identify action required to meet their expectations of a high quality service provider;
5. considering performance against national targets and priorities and identifying what action is required to ensure that services meet and, where

- possible, exceed these;
6. making sure we are constantly taking action to deliver the rights and pledges contained in the NHS Constitution;
7. holding six Board of Director Strategy Development sessions in addition to formal Board of Directors meeting discussions between July 2013 and March 2014; and
8. feedback from attending service user and carer forums where we have open discussions with the public about our plans for the future.

Whilst we can't claim that every single view or idea is reflected in our plans for the future, we are confident that the themes of the feedback received have greatly influenced our quality improvement priorities and service developments for the next year.

### 2.1 Key actions to maintain and / or improve the quality of services delivered

SEPT is a mature and successful organisation with a hard-earned reputation for working in partnership and delivering our promises. We are in a strong position now and our absolute commitment to learning from every experience means we are well placed to rise to the challenges the coming year will bring.

The Board of Directors is committed to a strategy that puts the safety and quality of services to patients first. SEPT cannot stand still and it will evolve over the next few years as a result of the ever changing environment in which it operates. The challenges faced by the NHS nationally are well documented - how does the NHS continue to deliver a high quality service to all; that is free at the point of delivery; when more people are living longer; with more complex conditions; that is resulting in increased

costs; whilst funding remains flat? SEPT also faces local challenges - operating in a complex and financially challenged commissioning environment delivering a diverse range of services in five separate geographic areas working with seven local Clinical Commissioning Groups, NHS England, six local authorities and a private sector partner. However, at SEPT we have always responded positively to challenges and opportunities and ensured that our patients receive the best possible care and treatment. The Board of Directors has put considerable effort and energy into understanding the challenges faced and is committed to working with commissioners and other providers to deliver efficiencies and improved quality of care to our patients. We understand that delivery of the safest and most effective services in an increasingly financially challenged environment requires transformational change. We are keen to seize the increased opportunity to be innovative and to be a collaborator in supporting system wide change which we believe will steer us successfully through the challenging times ahead.

The Board of Directors has identified four strategic priorities to provide the framework within which we will take action. Please refer to our Strategic Plan ([WEBLINK](#)) for further information. Two of these strategic priorities focus on our commitment to providing the best quality services and having the best possible leadership and workforce to support delivery of these quality services.



The following section sets out our strategic priorities in terms of providing quality services and having a quality workforce to support delivery, both of which are of direct relevance to this Quality Report:

### Strategic Priority 1: Providing Quality Services

Our Quality Strategy, that will support delivery of this strategic priority, describes our vision for quality to be:

*“To promote a culture and approach where every member of staff has the passion, confidence and skills to champion and compassionately deliver safer, more reliable, care”*

We aim to be amongst the safest organisations in the NHS through embracing an ethic of learning in which every member of staff understands their role in delivering clinical quality and works towards this goal every day.

Recent NHS reviews and publicity have rightly resulted in an increase in national scrutiny and



a renewed commitment to ensuring the quality of services within the NHS. In keeping with this, the focus of quality of care and patient safety remains central to South Essex Partnership University NHS Foundation Trust.

The Trust's Quality Strategy aims to deliver quality improvements in a transparent and measurable way covering four key domains (corporate aims):

#### **Corporate Aim 1: Safe care**

Our priorities over the next two years are:

- early detection of the deteriorating patient;
- reduction in avoidable pressure ulcers;
- reduction in harm from falls;
- reduction in unexpected deaths;
- reduction in use of horizontal restraint;
- reduction in medication omissions; and
- safe transfer of services to alternative providers.

#### **Corporate Aim 2: Experience of care**

Our priorities over the next two years are:

- receiving feedback from patients, relatives and carers;
- ensuring care is delivered with compassion, kindness and respect;
- increasing access to information allowing patients to make informed choices; and
- improving end of life care.

#### **Corporate Aim 3: Effective, outcomes-focused care**

Our priorities over the next two years are:

- continue to implement NICE clinical guidance in partnership with commissioners;
- use of clinical audit to improve care and not just for compliance;
- publication and benchmarking of clinical outcomes; and
- learning from incidents, near misses and embedding change.

#### **Corporate Aim 4: Well organised care (Quality Governance)**

Our 4th quality priority is aimed at continuous strengthening of the arrangements in place that provide the Board of Directors, patients, commissioners and Regulatory bodies with assurance on the quality of SEPT services and safeguard patient safety. We have used Monitor's Quality Governance Framework since 2011 to carry out regular self-assessment of our systems in place (most recently in February 2014) that ensure our strategy for quality is appropriate; we have the right capabilities and culture to support quality; there are robust processes and structures for quality in place and effective systems to measure, monitor and report on the quality of our services.

KPMG reviewed the Trust's governance arrangements in August 2012 and found that the arrangements were satisfactory and there were no significant gaps. We produce a comprehensive quality (including safety, experience and effectiveness) and performance dashboard on a monthly basis; we undertake compliance checks that mirror the CQC reviews; we have an active national and local clinical audit programme; we monitor patient experience and complaints; we have a robust risk management and escalation framework in place and regularly triangulate what is being reported with Board member, governor and commissioner quality site visits. The quality governance system, actual quality performance and assurance on the arrangements in place are overseen by sub-committees of the Board of Directors (the Quality and Governance Committee; the Performance and Finance Scrutiny Committee and the Audit Committee) which are all chaired by Non-Executive Directors and are required to provide assurance to the Board of Directors after each meeting.

Our priorities are:

- take action to further strengthen our strategic planning arrangements;
- develop outcome measures across all of our services;
- review our internal governance structure prior to the planned introduction of three yearly governance reviews required by Monitor to ensure that it remains fit for purpose;
- the development of electronic clinical quality and performance dashboards was started last year and will be carried forward as part of our governance improvement and efficiency programme;
- review the proxy measures for quality used by the Board and developing improved early warning triggers have been identified as new priorities for 2014/15; and
- the introduction of an information assurance framework during 13/14 to increase the amount of assurance on data quality available to the Board.

## Strategic Priority 2: Quality Leadership and Workforce

We will only be able to achieve our strategic vision if we have the best staff and an organisational culture that supports staff in delivering the best quality services. Excellent leadership at all levels, clinically and managerially is key to delivering the other three strategic priorities. It's not just about the numbers of staff and the competencies they have; we want our staff to have shared values and belief systems that engenders trust from our patients and their carers.

The two corporate aims that support delivery of this strategic priority are:

### Corporate Aim 5: 'Right staff, right skills, right place'

There is clear evidence that healthcare organisations with the right workforce and leadership provide the most effective, high quality and compassionate care and improve patient and public satisfaction. In addition, there are established and evidenced links between appropriate staffing and patient outcomes. The Trust recognises that

we must do all we can to support our staff in the provision of high quality, compassionate care.

Specifically, we will:

- implement strengthened systems and processes to ensure that there is sufficient staffing capacity and capability to provide high quality care to patients across all service areas;
- publish staffing and skill mix data in line with national requirements; and
- increase staff attendance at Level 2 of the leadership pathway by 10%.

### Corporate Aim 6: Culture of transparency, honesty and openness

One of the recommendations within the Francis Inquiry report was for a common culture to be shared throughout the system, requiring:

- openness: enabling concerns to be raised and disclosed freely without fear, and for questions to be answered;
- transparency: allowing true information about performance and outcomes to be shared with staff, patients and the public; and
- candour: ensuring that patients harmed by a healthcare service are informed of the fact and that an appropriate remedy is offered, whether or not a complaint has been made or a question asked about it.

SEPT is committed to the principles of openness and to transparency and candour in respect of lessons learnt from serious incident investigations and complaints. We have established numerous formal and informal routes for patients, carers and staff to provide feedback on their experiences, suggest service delivery improvements and to receive quality and performance information. Senior staff from all disciplines are required to role model NHS values, and this is reflected in performance appraisals and supervisions. In addition to formal whistle-blowing routes, staff are able to anonymously contact our Chief Executive Officer to raise any concerns. Received enquiries are published together with a response, so that staff can see what action has been taken.

In line with the recommendations of the Francis



Inquiry and other reports, the Trust has committed to further strengthening of existing systems. Specifically, we will:

- increase our no harm/low harm/near misses incident reporting level to reflect a strong reporting culture;
- encourage the involvement of family and carers within investigations;
- ensure that senior clinicians attend training sessions on the implications of the Duty of Candour;
- further engage with clinical teams to ensure feedback of lessons learnt;
- comply with emerging national guidance in respect of the implementation of a culture of care barometer; and
- invest in supporting creation of a culture of innovation and supporting change programmes.

A detailed workforce plan has been developed which will underpin achievement of these aims and the strategic priority. This has been produced through collaboration with service directors and operational leads. The Trust operates a comprehensive workforce planning process; the process is iterative and updates are gathered throughout the year to reflect the on-going nature of service planning. Service leads are asked to create their training plans at the same time as they review their workforce plans to ensure that service, workforce and training plans are interlinked.



## 2.2 Our quality priorities for 2014/15

The Board of Directors considered the strategic context, their knowledge of the Trust and the feedback from staff and stakeholders during the planning cycle and has identified four Quality Priorities for 2014/15. We believe that these priorities will deliver the improvements most often identified by our stakeholders and will lead to improved health outcomes for our patients and service users.

### (EFFECTIVENESS) Quality Priority 1: Restrictive Practice

Across health and social care services, people who present with behaviour that challenges are at higher risk of being subjected to restrictive interventions, these can include physical restraint, seclusion and segregation. Many restrictive interventions place people who use services, and to a lesser degree, staff and those who provide support, at risk of physical and/or emotional

harm. Increasing concerns about the inappropriate use of restrictive interventions across health and care settings led to guidance being developed; including Transforming Care: a national response to Winterbourne View Hospital (DH 2012), Mental Health Crisis Care: physical restraint in crisis in June 2013 by Mind, and a recent inspection of inpatient learning disability services by the Care Quality Commission (CQC). The guidance supports the development of a culture where restrictive interventions are only ever used as a last resort and only then for the shortest possible time.

A number of areas of work have commenced during 2013/14 including analysing themes and learning from incidents reported, the Corporate Learning Manager and Prevention and Management of Violence and Aggression (PMVA) instructors visiting wards following hotspot identification to provide additional advice and support to staff in exploring the antecedents of such behaviour and looking at alternative methods of managing complex cases of clients showing aggressive and violent behaviours and review of Clinical Risk management training. SEPT are committed to reducing the number of restrictive practices across the Trust and work towards our ambition of 'Zero episodes of prone restraint'.

#### Priority

- To reduce the number of restrictive practices undertaken across the Trust.

#### Action

- To be involved in relevant national and local work in reducing restrictive practices.
- To identify restrictive practice across the Trust, undertake baseline audit and agree % improvement of prone restraint for achievement by March 2015.
- To implement a risk reduction program for all services where restrictive interventions are used.
- To implement a post prone restraint review process to identify learning and enable a team discussion to establish the warning signs of an impending crisis, what de-escalation strategies were used, how effective they were, and what could be done differently in future.

#### Target

- We will have less prone restraints in 2014/15 compared to 2013/14.

### (SAFETY) Quality Priority 2: Pressure Ulcers

Avoidable pressure ulcers are seen as a key indicator of the quality of nursing care and preventing them happening will improve all care for vulnerable patients. Within SEPT over the past two years, we have had an ambition for 'no avoidable pressure ulcers' and a number of areas of work have been taken forward with significant progress, but this work needs to be sustained to meet our ambition.

#### Priority

- Further reduction in avoidable grade 3 and 4 pressure ulcers acquired in our care.

#### Action

- Continuation of Skin Matters Group to review pressure ulcers and identify lessons to be learnt.
- Weekly reporting of category 3 and 4 pressure ulcers acquired in care to Executive Team.
- Lessons learnt to be communicated across services through a range of forums including Board to Base and Clinical News communications, Learning Lessons Review Group, Harm Free Group, local Quality Groups and Skin Matters Group.

#### Target

- We will have less avoidable grade 3 and 4 pressure ulcers acquired in our care in 2014/15 compared to 2013/14.

### (SAFETY) Quality Priority 3: Falls

Falls prevention is a complex issue crossing the boundaries of healthcare, social care, public health and accident prevention. The causes of falls are multifaceted. People aged 65 years and older have the highest risk of falling, with 30% of the population over 65 years and 50% of those older than 80 years falling at least once a year. People admitted to hospital are extremely vulnerable as a result of their medical condition, as are those with dementia. Falls are the most common cause of accidental injury in older people and the most common cause of accidental death in those over the age of 75 years. Prevention of falls is a vitally important patient safety challenge as the human

cost includes distress, pain, injury, loss of confidence and independence and, in some cases, death. During 2013/14, SEPT had a priority to reduce the level of avoidable falls, and again a number of areas of work have been taking forward with significant progress, but this work needs to be sustained to meet our ambition.

#### Priority

- Reduction in avoidable falls that result in moderate or severe harm within inpatients areas.

#### Action

- Continuation of Trust wide Falls Group.
- Implementation of new Falls Risk assessment within inpatient areas.
- Undertake risk assessment training and falls awareness within inpatient areas.

#### Target

- We will have less avoidable falls that result in moderate or severe harm in 2014/15 compared to 2013/14.

### **(EXPERIENCE) Quality Priority 4: Improved Patient Experience**

Significant progress was made over 2013/14 in increasing the amount of feedback being received from patients to enable staff to be able to reflect on their practice and implementing a Trust-wide consistent approach to collecting patient feedback through a standardised survey. The results of these surveys are routinely reported back to teams for action as well as to senior management. These results include the responses to the "Friends and Family Test" question – details of this question and scores for 2013/14 are included in section 3.5 of this Quality Report. The Trust wishes to focus on ensuring that this feedback is used to improve the patient experience. The quality priority and target set out below are in line with CQUIN targets and national Friends and Family Test guidance.

#### Priority

- To improve the overall patient experience.

#### Target

- To reduce the percentage of negative responders (ie those scoring "extremely unlikely" and "unlikely" to recommend in response to the Friends and Family Test question) in 2014/15 compared to 2013/14.

Each of the above four priorities will be monitored on a monthly basis by the Executive Directors of the Trust as part of the routine quality and performance report and the Board of Directors will be informed of any slippage against agreed targets. We will report on our progress against these priorities in our Quality Report for 2014/15.

### **2.3 Stretching goals for quality improvement – 2014/15 CQUIN Programme (Commissioning for Quality and Innovation)**

Commissioners have incentivised SEPT to improve quality during 2014/15 via 52 programmes of work. *NB the final number of CQUINs has yet to be confirmed as Bedfordshire Commissioners have not agreed a final set of CQUINs for Community Health Services at the time of writing this report.* This number is on par compared to last year where SEPT was commissioned to deliver 56 programmes (and achieved 92% of these).

SEPT is committed to continually improving services and as expected the overall CQUIN programme for 2014/15 is challenging in terms of the stretching goals for quality improvement that have been set by commissioners for the coming year. This year the programme is structured to include the national CQUINs for Community and Mental Health services as well as to improve services that give the greatest cause to concern to clinical commissioning groups GP leads and will have the biggest impact

on improvement to quality and safety of SEPT's services. Commissioners expect SEPT to be able to deliver quantitative service improvements where there can be no doubt of achievement measured both by patient satisfaction and improvement in clinical/quality outcomes.

Across all contracts/all locations, SEPT is expected to deliver on nationally set CQUINS (forming 0.5% of contract value). These national CQUIN schemes are as follows:

- improve patient experience / patient rating of overall care measured by asking patients whether they would recommend SEPT services to their friends and family. NB as SEPT was an early implementer of the Friends and Family Test (FFT) and remains a high achiever in terms of a high proportion of positive responses, this year's goals focus on reducing the number of negative detractors;
- measure staff rating of overall care by asking them (confidentially) whether they would recommend their service to their friends and family-again as SEPT implemented the staff FFT in all services last year, this year's goals will focus on reducing the number of negative detractors;
- improve patient safety by continuing to monitor and reduce occurrence of pressure ulcers, falls, urinary tract infection in those with a catheter and venous thromboembolism (blood clots)-in addition, mental health commissioners expect SEPT to continue measurement of and reduction in the prevalence of a further three categories of harm (self-harm, medication errors and violence and aggression);
- two National CQUINs that pertain to Mental Health Services only, and SEPT will participate in;
  - a national audit on physical health outcomes for patients suffering from schizophrenia aiming to reduce the 15 to 20 year premature mortality in patients with psychosis and improve their safety; and
  - local audit of communication with GP's for patients with complex health and social care needs, assessed as requiring a care programme approach (CPA)-this

will demonstrate compliance with CPA guidance.

- an indicator for dementia is included again this year as a national CQUIN - this aims to improve identification of patients with dementia, in order to effectively support patients and their carers. SEPT has implemented this successfully across all areas in the past two years with a programme of service improvement in memory assessment services and staff training in community services. A single dementia indicator is included in the South Essex Mental Health Services CQUIN programme for this year to complete the second year of a two-year CQUIN agreed last year.

Locally agreed CQUIN schemes form the remaining 2% of contract value and, although CQUIN ideas may be locality specific and individually proposed, there may also be common themes identified across the organisation such as admission avoidance. Initiatives this year around admission avoidance include working with adult service users in Bedfordshire identified as having complex needs that frequently attend A&E to identify support and treatment that will support them to be cared for within the community. In South East Essex, a shared care bundle is to be developed to facilitate early and co-ordinated support from hospital to home for patients newly diagnosed with Chronic Obstructive Pulmonary Disease.

Integrated services for children and young people are also a common feature this year, and a high impact pathway to support children with asthma is planned in South East Essex, whilst an IV pathway to facilitate home treatment for children in Bedfordshire is planned, but yet to be confirmed as the final CQUIN schemes for *Bedfordshire Community Health Services* have not been agreed at the time of writing this report. In Bedfordshire and Luton work will be undertaken within Mental Health Services to fulfil the nationally set CQUINs only in light of the transfer of services to alternative provider(s) that is planned.

In West Essex commissioners have focused on using CQUIN to facilitate projects that integrate with the goals of the Frailty Project:

- Setting up an End of Life register aiming to identify patients in the last 12 months of life and share pertinent information with regards to care preferences between organisations making sure that patients are supported to die at home, or in the place of their choice e.g. hospice where possible. Using an evidence-based assessment tool to improve assessment and support of patients hydration needs in order to reduce avoidable hospital admissions.

South Essex commissioner's priorities are for admission avoidance initiatives as described earlier, and rollout of training in the assessment tool for targeted care homes where admission due to dehydration is more common. Mental Health Commissioners have agreed initiatives designed to:

- increase the number of referrals to the Improving Access to Psychological Therapies (IAPT) service from older people (over 65), people from Black and Minority Ethnic (BME) communities and people with a Learning Disability;
- achieve accreditation for Crisis Resolution Home Treatment teams - audit outcomes will be utilised to understand gaps in service and give opportunity for improvement with the aim to achieve phased accreditation during the end of 2014/15 and into 2015/16.

Specialist Commissioners priorities in addition to the nationally set CQUINS have focused on initiatives to:

- deliver effective targeted training and development packages to those Universal Services identified as 'outliers' in order to improve the quality and appropriateness of Child and Adolescent Mental Health Service crisis referrals via A+E;
- support carer involvement with their relatives in secure care (particularly in the first three months of care) and then on to the point of discharge.

## 2.4 Learning lessons from the Francis Inquiry

The Trust welcomed the findings of the Francis, Berwick and Keogh reports and the Government response published in November 2013, whose recommendations have been taken into account when determining our quality ambitions. We believe that the actions pledged and directed by Government will support organisations to further foster the desired culture of transparency, accountability and learning, making care safer for all.

A task and finish group undertook gap analyses against all of the recommendations from these reports that are applicable to provider trusts and has considered them in the context of the wider findings. From this, the Trust identified a number of improvement actions to further strengthen existing Trust processes and contribute to an open culture, the majority of which are now completed.

Major workstreams commenced in response to the reports include:

- a refresh of our Customer Service Strategy, incorporating feedback from listening events held with patients and staff into which almost 1000 people input their views;
- a review of the Complaints Handling process, to ensure it is fully aligned with the incident investigation process and explicitly clarifies expectations in respect of honesty, transparency and learning from error;
- development of a training pathway for clinical staff, Bands 1-4, again reflecting the learning from the Inquiry report;
- a refresh of recruitment and induction materials and appraisal and supervision policies, with staff contracts revised to explicitly require compliance with the NHS Constitution;
- implementation of the 6Cs and national nursing strategy across services;
- draft nursing strategy based on national

- strategy;
- Harm Free Care programme;
- clinical handover improvements and introduction of Key Nurses on all wards/shifts;
- introduction of a new dissemination and monitoring system in respect of NICE guidance;
- revision of clinical risk assessment and management training;
- introduction of a data quality assurance framework; and
- work to further enhance the role of Governors and Non-Executive Directors in respect of holding the trust to account.

Harder to quantify but critical to our response is the work we have undertaken to foster and promote a culture of openness. We have introduced an “I’m worried about...” anonymous reporting facility on our intranet for staff to raise concerns that are investigated by the Chief Executive and then responded to for all staff to see. Our Board members and governors have implemented a new service review process that focuses less on compliance and more on behaviours and values; we have introduced a new public quarterly quality dashboard on our website which enables members of the public to view our performance against a number of key quality indicators. We are also in the process of agreeing an enhanced publication scheme which will enable access by members of the public to an enhanced level of information about the Trust and services that it provides.

## 2.5 Statements of Assurance from the Board

### 2.5.1 Review of services

*During 2013/14, SEPT provided and/or sub-contracted 185 relevant health services.*

*SEPT has reviewed all the data available to them on the quality of care in 185 of these relevant health services.*

*The income generated by the relevant health services reviewed in 2013/14 represents 99 per cent of the total income generated from the provision of relevant health services by SEPT for 2013/14.*

The data reviewed aimed to cover the three dimensions of quality – patient safety, clinical effectiveness and patient experience. During 2013/14 monthly data quality reports have been produced in a consistent format across all services. These reports monitor both timeliness of data entry and data completeness. Significant improvement in compliance has been achieved since the introduction of the reports and there has been excellent clinical engagement with a clear understanding of the importance of good data quality across the clinical areas. Significant progress has been made this year in terms of data quality in Suffolk Community Services which were acquired by the Trust in 2012/13. As a result during 2013/14 the Trust has been able to review the quality of services provided by Suffolk Community Services in line with the provision of relevant health services in the same way as for all other services provided by SEPT.

### 2.5.2 Participation in clinical audits and national confidential enquiries

Clinical audit is a quality improvement process undertaken by doctors, nurses, therapists and support staff that seeks to improve patient care and outcomes through systematic review of care against explicit criteria and the implementation of change (NICE 2005). Robust programmes of national and local clinical audit that result in clear actions being implemented to improve services is a key method of ensuring high quality and ever improving services and the Trust participates in every relevant National Clinical Audit Patient Outcome Programme (NCAPOP) audit process and additional national and locally defined clinical audits identified as being important to our populations of service users.



During 2013/14 9 national clinical audits and one national confidential enquiry covered relevant health services that SEPT provides.

During 2013/14 SEPT participated in 100% national clinical audits and 100% national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that SEPT was eligible to participate in during 2013/14 are as follows:

National clinical audits:

- National Epilepsy 12 (2013/14)
- National Parkinson's Disease audit (2013/14)
- Sentinel Stroke National Audit Programme (SSNAP)
- National Audit of Schizophrenia
- POMH Topic 13a Baseline audit of prescribing for Attention Deficit Hyperactive Disorder (ADHD)
- POMH Topic 7d – Reaudit of monitoring of patients prescribed lithium
- POMH Topic 4b – Reaudit of prescribing antimentia drugs
- POMH Topic 10c – Reaudit of use of antipsychotics in CAMHs
- POMH 14a – Baseline audit of prescribing for substance misuse: alcohol detoxification

National confidential enquiries:

- Homicide and suicide

The national clinical audits and national confidential enquiries that SEPT participated in during 2013/14 are as listed above.



*The national clinical audits and national confidential enquiries that SEPT participated in, and for which data collection was completed during 2013/14, are listed below 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:*

<b>Audit</b> (POMH = Prescribing Observatory for Mental Health)	<b>Number of cases submitted as a percentage of the number of registered cases required by the terms of the audit / enquiry</b>
Epilepsy 12 – Childhood Epilepsy (2013/14)	Thus far for 2013/14 100% of relevant cases have had information provided to national organisers but data entry for this year's audit is not due for completion until May 2014. The audit process will continue to run throughout 2014/15.
Parkinson's Disease	In 2013/14 100% of relevant cases had information provided to national organisers. This audit process has continuous data entry which will continue throughout 2014/15.
Sentinel Stroke National Audit Programme (SSNAP)	In 2013/14 100% of relevant cases had information provided to national organisers. This audit process has continuous data entry which will continue throughout 2014/15.
National Audit of Schizophrenia (NAS)	96%
POMH Topic 13a Baseline audit of prescribing for Attention Deficit Hyperactive Disorder (ADHD)	100%
POMH Topic 7d – Reaudit of monitoring of patients prescribed lithium	100%
POMH Topic 4b – Reaudit of prescribing antimentia drugs	100%
POMH Topic 10c – Reaudit of use of antipsychotics in CAMHs	75%
POMH 14a – Baseline audit of prescribing for substance misuse: alcohol detoxification	100%
National Confidential Enquiry - Homicide and Suicide	100%



SEPT considered the reports of all of the national clinical audits relevant to services provided which were published in 2013/14. Details are outlined in the box below.

*The reports of five national clinical audits were reviewed by the provider in 2013/14 and SEPT intends to take the following actions to improve the quality of healthcare provided:*

***Prescribing antipsychotics for people with dementia:***

- Develop further the protocols between Pharmacy Services and medical staff to ensure triggers for timely medication reviews;
- Remind staff to routinely use relevant assessment and monitoring documentation, including within residential and nursing homes where patients are seen.

***Prescribing for ADHD:***

- Undertake a review and update the Trust's Formulary and Prescribing Guidelines;
- Review the existing Shared Care Protocol with relevant external services in Essex, Bedfordshire and Luton.

***Monitoring of patients prescribed lithium:***

- Undertake a review of all patients prescribed lithium and ensure that they have weight and measurements documented in records; and
- Introduce a process to ensure that a clinical assessment of recognised side effects of lithium will be documented annually and create a pro-forma for reassessing patients on lithium to ensure all tests and reviews are undertaken.

***Sentinel Stroke National Audit Programme (SSNAP):***

- Review the current Speech and Language services to identify if there are any issues requiring action and, where issues are identified these will be sent to the Operational Service Quality Groups for review. This audit process will continue to run throughout 2014/15.

***Parkinson's Disease:***

- National reports were published in February/March 2014 and, at the time of preparing this Quality Report, SEPT related findings are being analysed and action plans developed to address relevant issues. This audit process will continue to run throughout 2014/15.

***Please note, the above list constitutes examples only and does not include all actions planned.***

SEPT's priority clinical audit programme for 2013/14 covered mental health, learning disability and community health services. This programme was developed following consultation with senior mental health and community health service managers to focus on agendas required to provide assurance to the Trust and stakeholders that services being delivered are safe and of high quality. A centralised Clinical Audit Department oversees all priority clinical audits, facilitates clinicians to ensure high quality, robust audits and monitors and reports on implementation of action plans post audit to ensure that where necessary work is undertaken to improve services. Learning from audits takes place internally via reports that are provided to individual senior and local managers, operational quality groups and centralised senior committees such as the Clinical Effectiveness Group (CEG). The Trust also

reports regularly to stakeholders such as Clinical Commissioning Groups about outcomes of audits relevant to services in their portfolios.

***The reports of 77 local clinical audits were reviewed by SEPT in 2013/14 and SEPT intends to take the following actions (examples only) to improve the quality of healthcare provided:***

Embedding as normal practice actions introduced in 2013/14 to ensure that discharge summaries are sent to GPs within 24 hours, that these have the diagnosis recorded, medication information included and Healthcare Acquired Infection (HCAIs) status recorded.

Embedding as normal practice actions introduced in 2013/14 to ensure that physical health assessments are completed on admission to mental health inpatient wards.

Introduction of enhanced arrangements to support patients in crisis and to reflect this in care planning.

Introduction of enhanced arrangements for monitoring and achieving high standards of record keeping.

Development of Procedural Guidelines on antimicrobial treatment pathways to be included within the Trust's Safe and Secure Handling of Medicines Policy and delivery of associated training for medical staff.

Establishment of a steering group to undertake a standalone piece of work to support training in conducting a supportive debrief to assist staff to express any anxieties following an incident of violence and aggression.

Local Security Management Specialist and PMVA leads to undertake focused work with identified teams to improve staff confidence to undertake coordination/management of an incident of violence and aggression should one arise.

### 2.5.3 Clinical Research

Research is a core part of the NHS, enabling the NHS to improve the current and future health of the people it serves. 'Clinical research' means research that has received a favourable opinion from a research ethics committee within the National Research Ethics Service (NRES). Information about clinical research involving patients is kept routinely as part of a patient's record.

As a demonstration of our commitment to research and development, SEPT, in collaboration with the Postgraduate Medical Institute (PMI) at Anglia Ruskin University (ARU), launched the Patrick Geoghegan Academy for Health & Wellbeing in October 2013. At the same time, SEPT, in collaboration with the PMI at ARU, established a Joint Research Office between the Anglia Ruskin University Clinical Trials Unit and the SEPT Research Team.

***The number of patients receiving relevant health services provided or sub-contracted by SEPT in 2013/14 that were recruited during that period to participate in research approved by a research ethics committee was 301.***

### 2.5.4 Goals agreed with commissioners for 2013/14

The CQUIN (Commissioning for Quality and Innovation) payment framework aims to support the cultural shift towards making quality the organising principle of NHS services, by embedding quality at the heart of commissioner-provider discussions. It is an important lever, supplementing Quality Report, to ensure that local quality improvement priorities are discussed and agreed at Board level within and between organisations. It makes a proportion of the provider's income dependent on locally agreed quality and innovation goals.

*A proportion of SEPT's income in 2013/14 was conditional upon achieving quality improvement and innovation goals agreed between SEPT 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 payment framework. Further details of the agreed goals for 2013/14 and for the following 12 month period are available online [http://www.sept.nhs.uk/Corporate/~media/SEPT/Files/Reports/CQUIN\\_Schemes\\_201314.ashx](http://www.sept.nhs.uk/Corporate/~media/SEPT/Files/Reports/CQUIN_Schemes_201314.ashx)*

Following negotiation with commissioners, SEPT again launched a broad range of quality initiatives under the CQUIN scheme during 2013/14 to increase the quality of service user care and experience. In total, the Trust was tasked with implementing a total of 56 schemes across mental health, learning disabilities and community health services within Bedfordshire, Luton and Essex. This constituted an increase from 44 CQUINs in 2012/13.

In 2012/13, the total amount of income achievable by the successful delivery of CQUIN schemes was £6.7 million - we reported in last year's quality Report that we achieved 98% of this, an income of £6.5m. In 2013/14, the total amount of income earnable was £6.3m and we are delighted to report that the clinical and operational teams tasked with implementing the improvements have once again excelled – delivering 92% of the schemes (based on self-assessment at the end of Q4 and expressed as a % of the financial value of the schemes) with clear evidence of improving quality for patients. Achieving 92% will equate to £5.8m income; the final figure will be confirmed once Clinical Commissioning Groups have validated our performance against quarter four indicators.

Working with the Midlands & East Specialist

Commissioning Group for forensic and secure indicators, as well as Community and Mental Health Commissioners in South and West Essex, Bedfordshire and Luton each new CQUIN scheme was designed with our patients and service quality in mind. Since its introduction in 2010/11 CQUIN has increased in importance for providers — increasing from 0.5% (£3.3m) to 2.5 per cent of contract income in 2012/13 (£6.7m), and 2013/14 (£6.3m).

Four CQUIN schemes were set nationally by the Department of Health, three of which were appropriate for SEPT services:

- **Patient experience** — organisations were required to improve patient rating of overall care and a staff test was introduced in 2013/14 which asked staff whether they would recommend the ward/ service in which they work to friends and family.
- **Improving awareness and diagnosis of dementia** and supporting carers of people with dementia — through staff training to identify patients and increased referrals to GPs
- Incentivising use of the **NHS safety thermometer** (an improvement tool that allows the NHS to measure harm in four areas — pressure ulcers, urine infection in patients with catheters, falls and venous thromboembolism (VTE))

We implemented a total of 25 CQUIN schemes across the organisation under the above three national schemes. The remaining 31 out of the total of 56 CQUIN schemes were set locally in discussion with the Clinical Commissioning Groups based on local priorities.

A selection of the projects negotiated locally included training initiatives that support staff to initiate conversations about memory problems with an opportunity to signpost patients for assessment and support services, initiatives to facilitate partnership working with Local Authorities and Children's Community Services to reduce

health inequalities through early detection of developmental needs and health issues in children, launch of a GP crisis line to improve responsiveness through to the development of integrated multi-disciplinary community teams, aiming to promote sharing of patient information to improve co-ordination and facilitate admission avoidance. The full list of projects is available at the following web link: <http://www.sept.nhs.uk/Corporate/~media/SEPT/Files/Reports/CQUIN Schemes 201314.ashx>

Particular examples of achievements in 2013/14 of which we are proud are:

#### **Bedfordshire Community Health Services - School Ready Integrated Health/ Education Check**

The team have developed an excellent working relationship with Local Authority partners to facilitate joint assessment leading to early identification and flagging of vulnerable families and children with provision of proactive support and early referrals.

Health and Early Years professionals work closely together to detect developmental needs and health issues in children. Proactive planning to support children & families has resulted in fewer gaps and/ or overlap as an integrated health and education assessment is performed.

#### **Bedfordshire & Luton Mental Health Services - Memory Assessment Service (MAS) Pathway (improving support for people with dementia and their carers)**

This is the second year of a two-year CQUIN and the four teams have worked incredibly hard to achieve the current reduced waiting time; notably 100% of patients referred to MAS during Q3 completed the pathway within 16 weeks against a target of 90%. To give context the aggregated waiting time for all four services in Q1 2012/13 was 22 weeks (with a range of 11.5 to 29.5 weeks).

A further achievement during 2013/14 is that MAS services in all four locations in Luton, Mid Beds, Bedford and South Bedfordshire have been ratified by the Royal College of Psychiatrists' Special Committee for Professional Practice and Ethics and were accredited as excellent.

#### **South East Essex Community Health Services -**

#### **Learning Disability resources**

This CQUIN has helped to raise awareness of the specific needs of service users diagnosed with a learning disability. Improved information is now available to help prepare service users when contact with services is required e.g. Easy read leaflets with pictures and provision of staff photos in advance of home visits which helps reduce patient anxiety.

Further, in response to patient feedback we now send a picture of the nurse in advance of a home visit which helps reduce patient anxiety. As a result of working with patient advocates we can ensure staff are better prepared to adapt their response in order to support patient needs. This wouldn't have been achieved without support from SHIELDS whose members with a learning disability act as patient advocates and have been enormously supportive of our efforts to improve services.

#### **South Essex Mental Health Services - Access to Crisis Services**

SEPT launched a GP advice line to facilitate fast-track assessment and support for patients in crisis – SEPT provide a response within four hours for GP's who call regarding patients in crisis. The GP Line is available seven days a week from 8am – 8pm and has significantly improved customer (patient and GP) satisfaction as well as improved patient safety and clinical management.

#### **South Essex Child and Adolescent Mental Health Services (CAMHS) - CAMHS Gateway**

Every child or young person referred into the service for specialist support is screened, assessed and allocated to a pathway or signposted to another appropriate service all within the same day.

This scheme continues to refine the function of a single entry point for all CAMHS services (tier 2 and tier 3) aiming to reduce time, gather all required information and admit/ signpost to the most appropriate specialist service. This supports children, families and GP's primarily but includes support for all referrers.

#### **West Essex Community Health Services - End of**

### Life care planning

This CQUIN has tasked SEPT to rollout an agreed advance care planning document and training to empower all community staff to feel confident about having conversations with patients regarding end of life wishes/ preferences for care. The training has been highly rated by staff and a notable achievement during 2013/14 is that 100% patients died in their identified preferred place of care

### Forensic Mental Health Services - Increasing use of Communications Technology

Through delivery of this CQUIN video-conferencing is now available which enables detained patients to link in remotely with Community Care Co-ordinators to better plan their admission or discharge. Patients and clinicians have been positive about the opportunity to proactively engage in collaborative care planning, and plans for virtual visiting are in progress.

This has been especially helpful for six monthly Care Programme Approach (CPA) meetings that help patients and Community Care Co-ordinators to connect and plan for admission or discharge. For example one patient was able to link in remotely to plead to Court with no interruption to her treatment and added benefit of reduced costs (this instance alone saved half of the cost of installing equipment).



### 2.5.5 What others say about the provider?

*SEPT 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 SEPT during 2013/14.*

*SEPT has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.*

The CQC has undertaken 11 routine compliance reviews across a range of Trust services in 2013/14. Following each compliance review the CQC has provided a report outlining their findings. Where the CQC finds non-compliance with a regulation (or part of a regulation), they state which part of the regulation has been breached and make a judgement about the level of impact on people who use the service (and others, if appropriate to the regulation) from the breach. This could be a minor, moderate or major impact.

The following table summarises the reviews undertaken by the CQC during 2013/14. The significant majority of outcomes assessed during these reviews (47 out of 53) were found to be fully compliant at assessment. Where there were areas for improvement for SEPT, the CQC identified minor/moderate concerns and associated compliance actions. All actions identified are developed into a solution focused action plan overseen by a multi-disciplinary task and finish group. The Trust aims to ensure that all actions outstanding at the time of preparing this Quality Report are completed by August 2014. Once actions have been completed the Trust Compliance team undertakes an audit of services to ensure actions have been embedded. None of the actions identified for SEPT had a significant impact on patient safety.

Registered Location	Date and nature of review	Outcomes
Luton and Central Bedfordshire MHU	Unannounced inspection of services at Luton and Central Bedfordshire Mental Health Unit (MHU) on 30 July 2013.	Five standards reviewed and found compliant
Rochford Hospital	Unannounced inspection of mental health services at Rochford Hospital between 12 – 13 September 2013.	Four standards reviewed and found compliant
Brockfield House	Unannounced inspection of services at Brockfield House between 10 – 11 October 2013.	Four standards reviewed and found compliant
Clifton Lodge	Unannounced inspection of services at Clifton Lodge on 1 November 2013.	Four standards reviewed and found compliant
Short Stay Medical Unit (Mayer Way)	Unannounced inspection of community health services at Mayer Way on 20 November 2013.	Five standards reviewed and found compliant
Woodlea (The Glades)	Unannounced inspection of secure services at The Glades on 19 November 2013.	Three standards reviewed and found compliant
Weller Wing	Unannounced inspection of mental health services at Weller Wing on 11 December 2013.	Six standards reviewed. one moderate concern and one minor concern noted (see narrative below); and four standards found compliant
Churchview	Unannounced inspection of mental health services at Churchview on 15 January 2014.	Five standards reviewed and found compliant
Bedford Health Village	Unannounced inspection of mental health services at Bedford Health Village on 27 January 2014.	Four standards reviewed. one minor concern noted (see narrative below); and three standards found compliant
Basildon MHU	Unannounced inspection of mental health services at Basildon Mental Health Unit on 30 – 31 January 2014.	Five standards reviewed one moderate concern and one minor concern noted (see narrative below); and four Standards found compliant
Bedford Prison	Announced inspection of mental health and community health services at HMP Bedford Prison on 3 and 4 February 2014.	Seven standards reviewed. one minor concern noted (see narrative below) and six standards found compliant

A moderate and a minor concern were found on inspection of Weller Wing. These concerns related to the suitability of the premises and privacy and dignity. The Trust has previously identified that Weller Wing needs to be re-provided in order to provide an improved environment. Plans were developed, funding agreed and over £1 million actually committed to starting initial ground works for a new inpatient unit in Bedford. These have been put on hold due to delays in commissioning decisions and plans by local CCGs to undertake market testing of services. While this process is outside of the Trust's control a number of interim improvements are being made to ensure the privacy and dignity of patients. In addition, a local protocol has been developed which clearly outlines that patients requiring intensive personal care will use the single rooms. The Trust is currently taking action to re-configure the ward where concerns were raised to ensure a larger communal space and improved storage facilities for patients. The CQC were happy with the quality of care provided and noted that the environment was well maintained and clean and highlighted some excellent practice by staff.

A minor concern was found on inspection of Bedford Health Village. This concern related to evidencing staff supervision, appraisal and training. The Trust has implemented a new Supervision Tracker which will ensure supervision can be appropriately recorded and a new matron is in post who is actively monitoring supervision, appraisal and training for all staff.

A moderate and a minor concern were found at Basildon Mental Health Unit. These concerns related to staffing levels and record keeping on one ward. The Trust is undertaking a review of staffing levels and has put actions in place to address record keeping concerns including more active monitoring by senior clinical staff.

A minor concern was found on inspection of Bedford Prison. This concern related to privacy in the premises used for screening. The Trust is working with the prison to provide more privacy in the area used.

### 2.5.6 Data Quality

The ability of the Trust to have timely and effective monitoring reports, using complete data, is recognised as a fundamental requirement in order for the Trust to deliver safe, high quality care. The Board of Directors strongly believes that all decisions, whether clinical, managerial or financial, need to be based on information which is accurate, timely, complete and consistent. A high level of data quality also allows the Trust to undertake meaningful planning and enables services to be alerted of deviation from expected trends.

Significant improvements have been made during 2013/14 in terms of data quality and reporting. The following key developments have been made:

- significant work has been undertaken within Suffolk services to improve data quality and consistency of reporting with established SEPT systems;
- consistent templates have been implemented throughout Community Services across all Trust localities- the Trust is now able to make direct comparisons of activity between all services and highlight any data quality issues;
- continued production of Routine Data Quality Reports, circulated for both Mental Health and Community Services- these highlight missing and out of date data fields and are now available via the Trust's Intranet;
- target of data entered within one working day continues to improve as the Trust moves closer to 'real' time reporting;
- monthly Data Quality monitoring reports covering all services are presented to the Board of Directors;

- increased internal audit focus on data quality in year; and
- a data quality assurance framework has been developed and routinely monitored.

The Trust issues routine Data Quality Reports to clinical staff for validation and any amendments identified are implemented.

*SEPT 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 in the published data (please note the data supplied is at month 10 – April to January 2013/14):*

- 1. which included the patient's valid NHS Number was:*
  - 99.4% for admitted patient care;
  - 100% for outpatient care; and
  - accident and emergency care – not applicable
- 2. which included the patient's valid General Practitioner Registration Code was:*
  - 100% for admitted patient care;
  - 99.5% for outpatient care; and
  - accident and emergency care – not applicable

*SEPT's Information Governance Assessment Report overall score for 2013/14 was 76% and was graded Green (Level 2 or above (Satisfactory)).*

*SEPT was not subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission.*

*SEPT will be taking the following actions to improve data quality:*

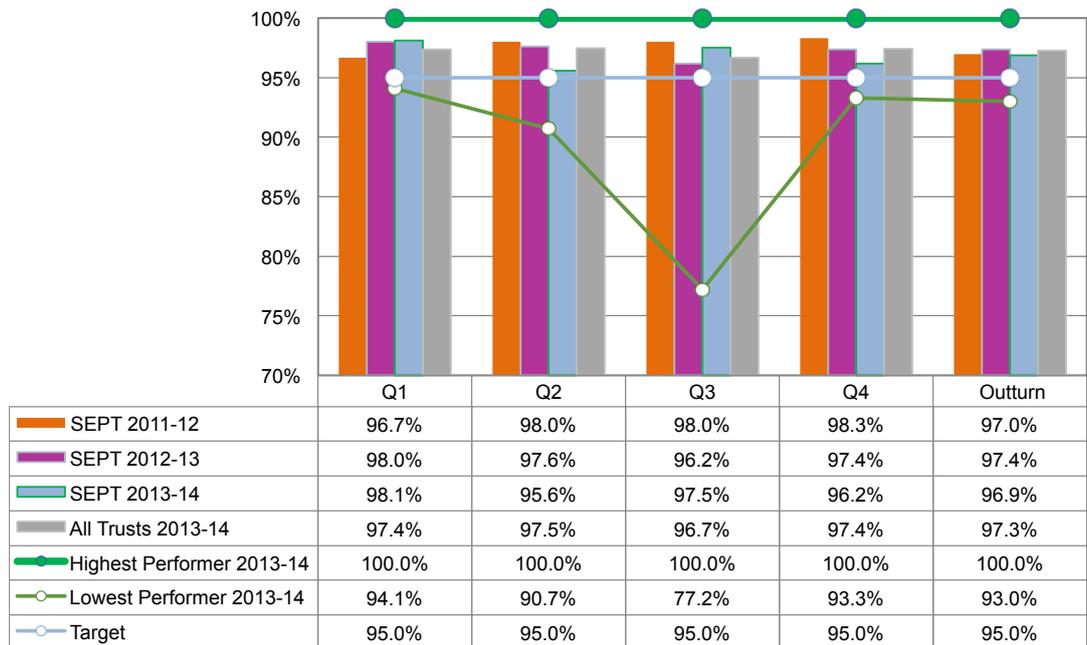
- introduction of Electronic Dashboards allowing the Trust to display Key Performance Indicators, designed with a drill down facility that allow data quality issues to be clearly identified;
- close monitoring of all mandatory datasets submissions- as part of the implementation of new National Datasets the Trust is undertaking intensive analysis and monitoring of all the data fields to ensure a high level of data quality is achieved;
- increasing from monthly to weekly checking of the demographic details of all current Trust patients with the National system, using the national tracing service (known as DBS - Demographic Batch Service) in order to ensure the patient details held nationally match the data held on the Trust's system. This allows any missing fields to be populated and out of date fields to be updated and ensures that the Trust data is as accurate as possible; and
- the PSD (Patient Summary Database) is being implemented during 2014/15- this will ensure the consistent recording and reporting of all patient details across all Trust patient information systems.



## 2.6 National Mandated Indicators of Quality

In a letter from the Department of Health (DoH) dated 9 January 2014, new reporting arrangements were introduced that impacted on the information trusts are required to report in future Quality Report. The National Health Service (Quality Reports) Regulations 2010 have been amended to include the mandatory reporting of a core set of quality indicators. Those indicators relevant to the services SEPT provides are detailed below, including a comparison of SEPT’s performance with the national average and also the lowest and highest performers. The information presented for the four mandated indicators has been extracted from nationally specified datasets, and as a result, is only available at a Trust-wide level.

### Patients on Care Programme Approach (CPA) followed up within seven days of discharge from psychiatric inpatient stay



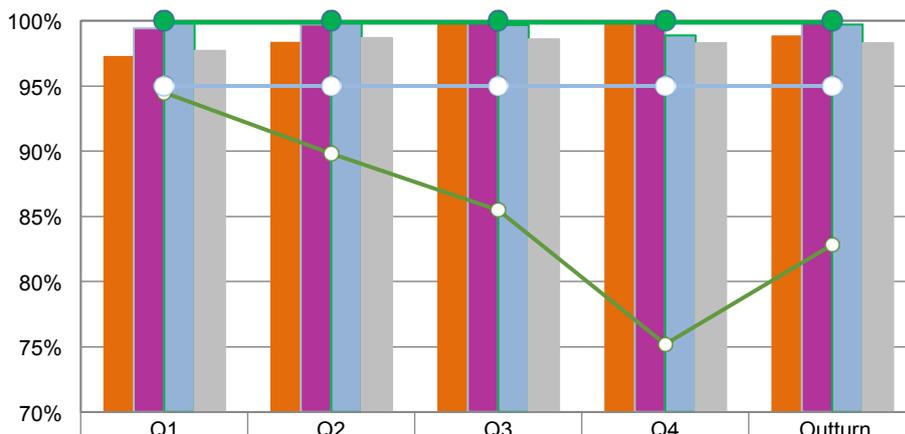
The above indicator measures the percentage of patients that were followed up (either face to face or by telephone) within seven days of their discharge from a psychiatric inpatient unit. A comparison with the national average demonstrates that SEPT has been performing above the 95% target set by MONITOR, the independent regulator of NHS-funded health care services for each quarter during 2013/14.

In order to improve this percentage and thus the quality of its services, SEPT has been routinely monitoring compliance with this indicator on a monthly basis and identifying the reasons for any patients not being followed up within seven days of their discharge. Any identified learning is then disseminated across relevant services. In addition a local indicator was established Trust wide to monitor the percentage of follow ups that are provided face to face to ensure that at least 85% of those patients followed up have a face to face contact rather than a telephone call.

**Data source:** DoH Unify2 data collection – MHPvCom

**National Definition applied:** Yes

## Admissions to acute wards gatekept by Crisis Resolution Home Treatment Team



	Q1	Q2	Q3	Q4	Outturn
SEPT 2011-12	97.3%	98.4%	100.0%	100.0%	98.9%
SEPT 2012-13	99.4%	99.7%	100.0%	100.0%	99.9%
SEPT 2013-14	100.0%	100.0%	99.7%	98.9%	99.7%
All Trusts 2013-14	97.7%	98.7%	98.6%	98.3%	98.3%
Highest Performer 2013-14	100.0%	100.0%	100.0%	100.0%	100.0%
Lowest Performer 2013-14	94.5%	89.8%	85.5%	75.2%	82.8%
Target	95.0%	95.0%	95.0%	95.0%	95.0%

SEPT has consistently performed above both the 95% target set by MONITOR as well as above the national average during 2013/14. SEPT achieved 100% compliance in the first two quarters and there was just one admission in Q3 out of 300 total admissions which was not gatekept and only three admissions out of 272 in Q4 which were not gatekept.

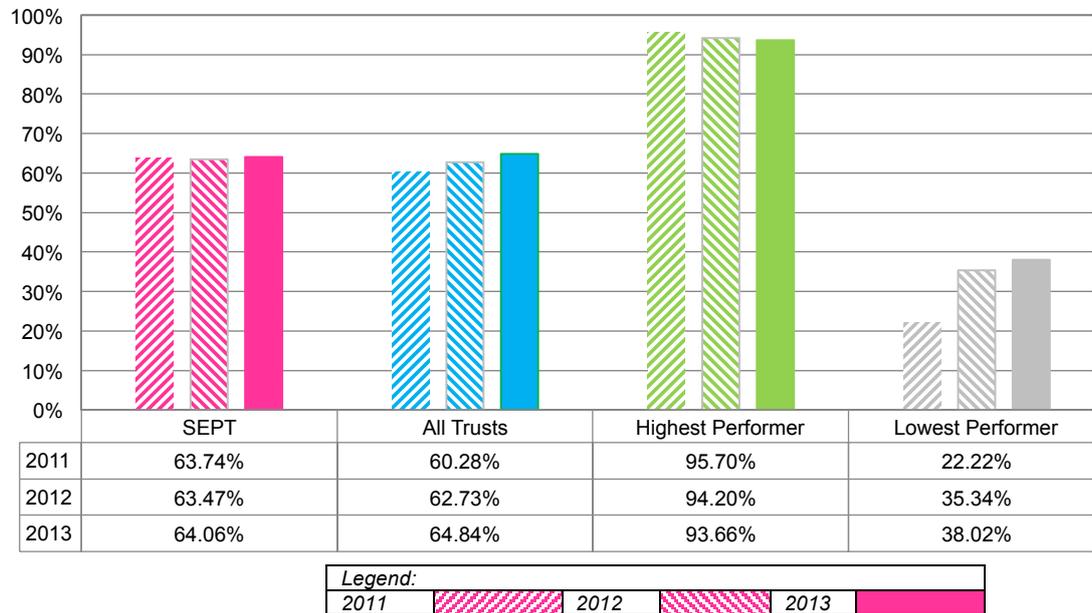
The senior operational staff in each locality responsible for the delivery of mental health services review the causes of any breaches each month to ensure that no common themes or trends are developing.

**Data source:** DoH Unify2 data collection – MHPrvCom  
**National Definition applied:** Yes



Staff who would recommend the Trust to their family or friends

“Percentage of staff who stated, if a friend or relative needed treatment, I would be happy with the standard of care provided”:

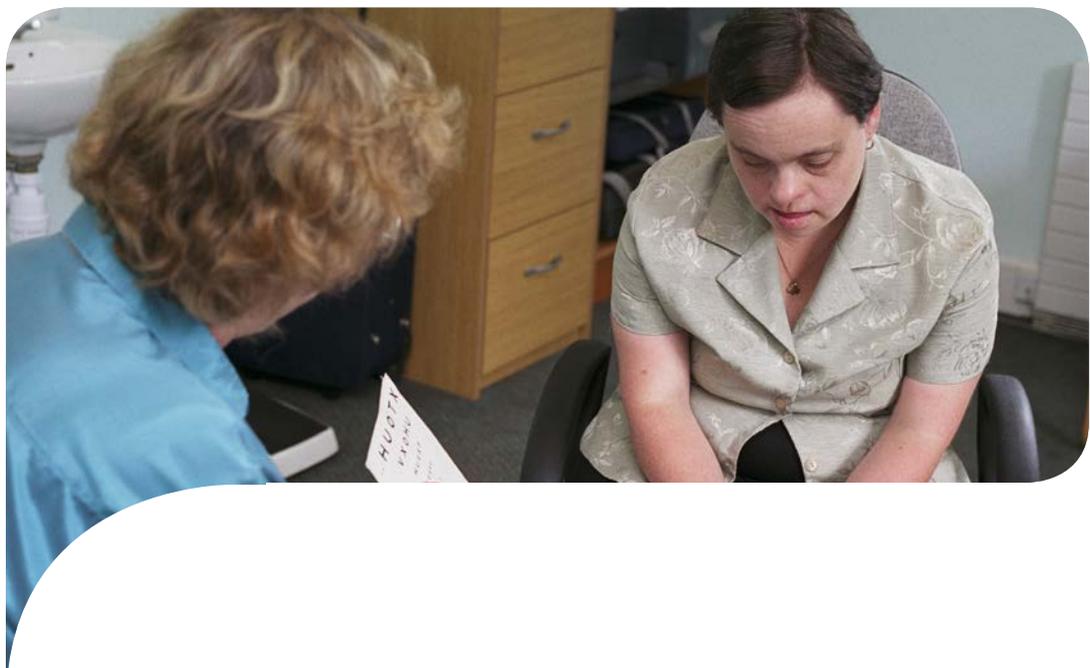


SEPT participates on an annual basis in the national staff survey for NHS organisations. Within the survey staff are asked to answer the question “If a friend or relative needed treatment, I would be happy with the standard of care provided by this Trust”.

The 2013 staff survey results confirm that the Trust continues to maintain very high levels of engagement, staff motivation and job satisfaction. Out of the 28 Key Findings SEPT achieved 15 in the top 20% (best) and increased its engagement score for the third consecutive year attaining 3.84. SEPT is delighted to see such positive results but still intends to take action to improve these and the quality of its services.

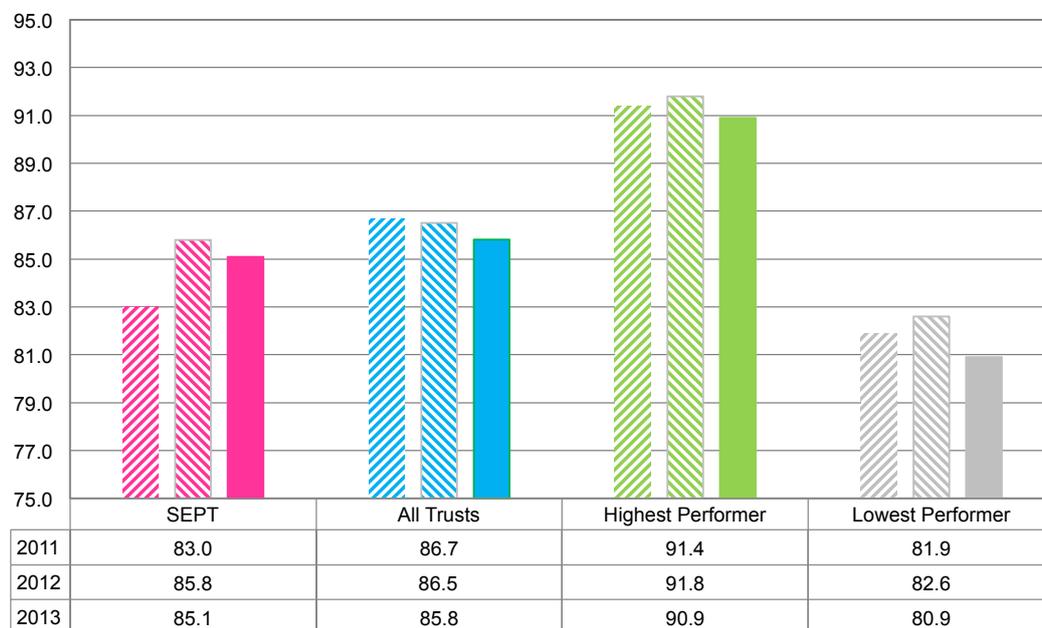
**Data source:** National NHS Staff Survey Co-ordination Centre / NHS Staff Surveys 2011,2012 & 2013

**National Definition applied:** Yes



## Patient experience of community mental health services

The Trust's 'Patient experience of community mental health services' indicator score reflects patients' experience of contact with a health or social care worker. The score is calculated as a weighted average of the responses to four distinct questions.



Legend:			
2011		2012	

The community mental health service user survey is nationally conducted on an annual basis. The survey consists of a range of questions focusing on the care and treatment received by service users at various stages of care with SEPT community mental health services. The results demonstrate that SEPT followed the national trend in 2013 when scores did not achieve the same levels as in 2012. We are disappointed with these results – a deterioration from last year's results is not acceptable and being average is not good enough for us. We have therefore taken robust steps to develop specific action plans to address the results of this survey for each locality area. Actions taken to improve the patient experience of mental health services include enhanced written information for clients, involvement in their care planning and enhanced physical health / wellbeing actions. The action plans are well advanced in their implementation and we very much hope that the steps we have taken will realise an improvement in the results of this survey in 2014/15.

We have also taken a number of steps this year to improve and increase the ways in which we seek and act upon feedback from the users of our services. These are detailed in Section 3.5 of this Quality Report.

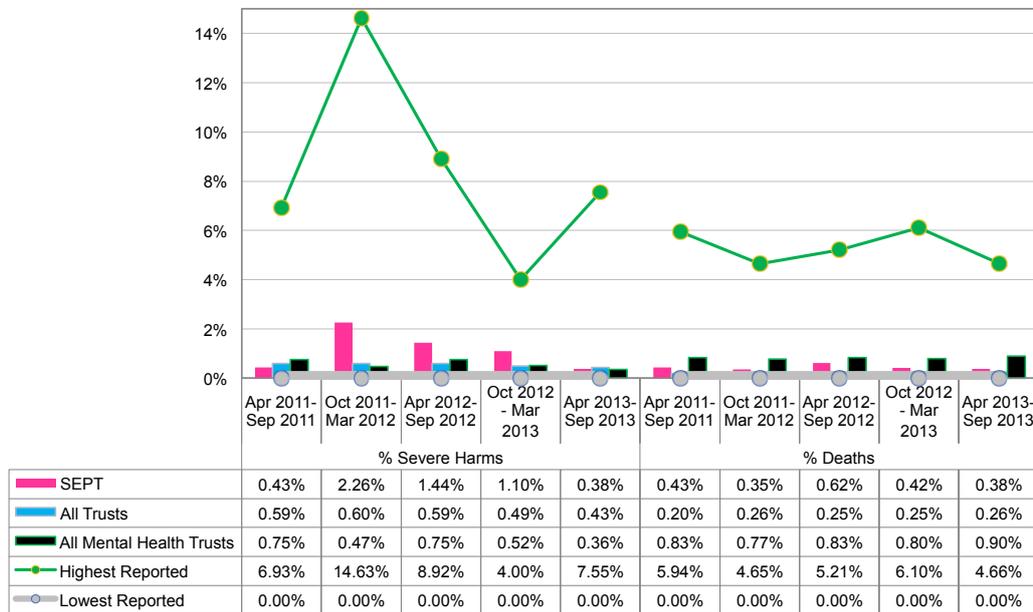
**Data source:** HSCIC / Community Mental Health Services Surveys

**National Definition applied:** Yes

Patient safety incidents and the percentage that resulted in severe harm or death

Reported Dates	1 October 2012 - 31 March 2013			1 April 2013 - 30 September 2013		
Organisation	All incidents	Severe harm	Deaths	All incidents	Severe harm	Deaths
All UK & Wales	716105	3478	1811	734158	3176	1929
SEPT	3807	42	16	3935	15	15

The graph below shows the percentage of all incidents reported by SEPT to the NRLS that resulted in severe harm and those which resulted in death, compared to the rates of all UK & Wales NHS trusts, all Mental Health Trusts, and also includes the highest and lowest reported rates of all UK & Wales NHS trusts.



The rate of incidents resulting in severe harm (detailed on the left-hand side of the above table/graph) has been trending downwards since the October 2011-March 2012 period. The figures for the most recent period where national data is available (April 2013-September 2013) show SEPT's % of severe harm as near to both the national average and the average for mental health trusts.

Over the period October 2012 to September 2013, 63% of severe harm incidents were pressure ulcers and 39% were the result of slips, trips or falls. Section 2.2 of this document details our Quality priorities for 2014/15, which will further reduce the number of severe harms that are reported:

- further reduction in avoidable grade 3 and 4 pressure ulcers acquired in our care;
- reduction in avoidable falls that result in moderate or severe harm within inpatient areas.

The rate of incidents reported as resulting in death (detailed on the right-hand side of the above table/graph) are slightly above the national average for all Trusts, however are significantly below that of mental health trusts and the highest reported rates of death.

Work has been taken forward within the Trust in terms of reducing unexpected deaths and suicide prevention. This includes:

- the early detection of patients who are deteriorating physically via the introduction of 'Track and Trigger' systems to measure simple physiological parameters in all patients to support recognition of those who are deteriorating (ie the Modified/National Early Warning Scoring Tools); a clear definition of the appropriate urgency and scale of the clinical response required which is tailored to the level of acute-illness severity; and the use of an easy to remember tool that can be used to frame communication/conversations in a structured way to escalate a clinical problem that requires immediate attention;
- the development of quality standards to analyse all inpatient cardio-respiratory arrests so that we can identify those that are Failure to Rescue events (currently work in progress) - all resuscitation events will be subject to a Root Cause Analysis to measure effectiveness of intervention in detection of deteriorating patient so that there are no avoidable deaths on inpatient areas and learning from these incidents is shared via the trust wide Medical Equipment and Resuscitation Committee.
- establishment of a Trust Suicide Prevention Task and Finish Group;
- review of Trust practices against the National Confidential Inquiry [NCI] recommendations of 1999, its updated toolkit published in 2013 and other research and best practice guidance;
- critical self-assessment gap analysis against the toolkit which identified that all applicable recommendations were either fully or partially implemented with no major gaps- the following areas were identified for further strengthening:
  - clinical risk assessment training;
  - support offered to families bereaved by suicide;
  - development of a local suicide prevention strategy.

The Trust has now reviewed and revised the content of its clinical risk assessment and management training. The training content is regularly reviewed to include any emerging risks and findings from research. Further work to strengthen the support offered to families bereaved by suicide has taken place, with an additional cohort of staff volunteers established. A resource pack has also been developed and made available to staff on the Intranet. At the time of writing this Quality Report, a local Suicide Prevention Strategy has been developed and is awaiting organisational approval.

The national collection of patient safety incident data for period 1 October 2013 to 31 March 2014 is due to be completed by the end of May 2014 and publication of reports is anticipated to be around September 2014.

**Data source:** NRLS NPSA Submissions

**National Definition applied:** Yes

## Review of Our Quality Performance During 2013/14

We want you to know how we have done over the past year in terms of delivering on those quality priorities we told you we hoped to achieve in our Quality Report last year. We also want you to know how we have performed against some key indicators of quality service which we have reported in previous years. We have included previous year's results too as this gives you the opportunity to see whether we are getting better at quality or if there are areas where we need to take action to remedy. Where this is the case, we've included some information in terms of what we will be doing to improve.

This part of our Quality Report is divided into five sections, as follows:

Section 3.1	Progress against our quality priorities for 2013/14 (which were outlined in our Quality Account 2012/13) – we have included historic and benchmarking data, where this is available, to enable you to see whether our performance in improving and to compare our performance with other providers.
Section 3.2	Some examples of key achievements relating to quality improvement during 2013/14.
Section 3.3	Performance against SEPT Trust wide and service specific quality indicators.
Section 3.4	Performance against key national indicators and thresholds relevant to SEPT (from Appendix A of Monitor's Risk Assessment Framework - a document which sets out the approach Monitor will take to assess the compliance of NHS foundation trusts with their licence conditions) which have not been included elsewhere in this Quality Report. Appendix A of Monitor's Risk Assessment Framework sets out a number of measures Monitor use to assess the quality of governance in NHS Foundation Trusts.
Section 3.5	Listening to our patients / service users. This is a new section that we have added to this part of the Quality Report this year – this details the work we have undertaken in relation to capturing patient experience and using this to help us to improve the quality of our services. This section includes the results of the national "Friends and Family Test" indicator.

To enable you to get an understanding of the Trust's performance in your local area, we have detailed performance against indicators by locality area where it is possible to do so.

## Section 3.1: Progress against the quality priorities we set for 2013/14

Our Quality Report for 2012/13 identified five quality priorities for 2013/14 that aimed to deliver the improvements most often identified by our stakeholders as important. These priorities were taken forward in Bedfordshire, Luton, Essex and Suffolk and focused on enhancing the safety, experience and effectiveness of our services. Below is a summary of the progress made to date.

### 3.1.3 Effectiveness

Quality priority: Physical Healthcare – Improving competencies in monitoring, measurement and interpretation of vital signs within elderly mental health patient areas.

*We said we would develop a competency framework for clinical staff, conduct a baseline audit and demonstrate improvement by March 2014.*

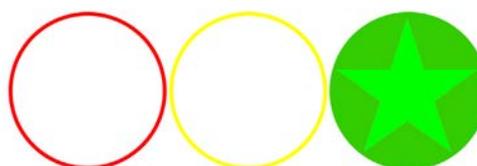
**Data source:** SEPT Audit

**National Definition applied:** N/A

We have undertaken a baseline audit of the usage of the Modified Early Warning System (MEWS) prior to training and implementation of competency framework. This audit identified that 40% of wards were using MEWS effectively across older people mental health inpatient units and the Trust agreed an improvement target of 75% by the end of the year.

Re-audits were undertaken across the wards and it is pleasing to note that the most recent findings now evidence that the Trust averages a compliance rate of 88% with ongoing monitoring of vital signs.

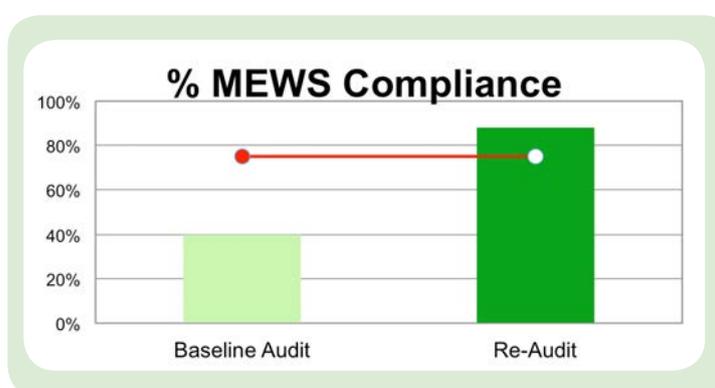
SEPT has finalised a physical healthcare competency booklet which will have been disseminated to all older peoples' inpatient and rehabilitation units by the end of April 2014.



Workshops have been held across South Essex and Bedfordshire and Luton to increase awareness of the Modified Early Warning System and physical healthcare competency amongst staff on all of SEPT's 16 Older Person's Mental Health inpatient wards. The themes covered include:

- demonstration of the use of the new MEWS documentation, including clinical observations chart, scoring system and action protocol;
- improvement of physiological assessment of service users;
- discussion of potential barriers to effective communication;
- demonstration of ability to use the SBAR reporting system.

Further work is being undertaken to embed training in relation to the early detection of the deteriorating patient and introduction of the re-designed MEWS across all wards



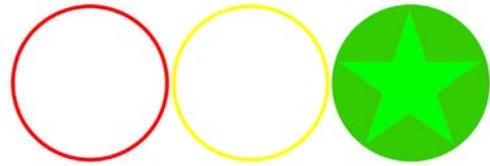
### 3.1.1 Safety

**Quality priority:** To reduce the number of avoidable Pressure Ulcers acquired in our care.

*We said we would sustain and improve on the work undertaken during 2012/13 in reducing avoidable category 3 and 4 pressure ulcers and identify a baseline for category 2 avoidable pressure ulcers and reduce the number of avoidable pressure ulcers by March 2014.*

**Data source:** Datix  
**National Definition applied:** Yes

Work has continued over the year to sustain and improve the work undertaken in reducing avoidable category 3 and 4 pressure ulcers. There has been over 50% reduction to date of avoidable category 3 and 4 pressure ulcers in comparison to 2012/13. A baseline of 39 avoidable pressure ulcers were acquired in care during 2012/13, and to date 16 have

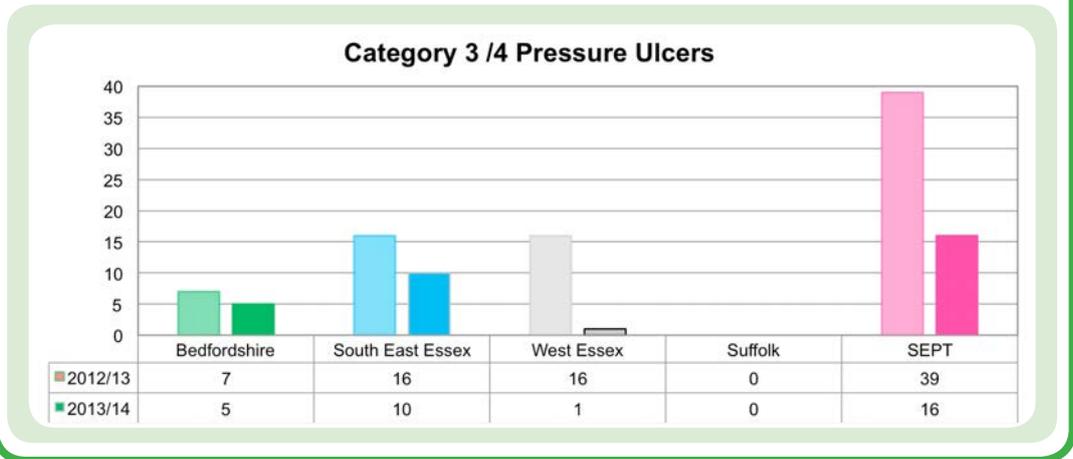


been found to be avoidable following root cause analysis during 2013/14, although there are still 69 root cause analyses in progress.



Work over the year includes:

- all patients are assessed on admission to caseload or inpatient bed using Waterlow score;
- preventative equipment is offered to all patients identified as at risk (above 15 Waterlow);
- Skin Matters Group in place in each locality with Tissue Viability Nurses (TVNs), senior clinicians and management in attendance who review all RCAs to ensure tool completed with detailed information and agree outcome.



### Reducing the incidence of Category 2 Pressure Ulcers

During 2013/14, a CQUIN project was agreed with commissioners and was taken forward in each community locality to implement the SSKIN care bundle and support identification of avoidable and unavoidable category 2 pressure ulcers. Baseline data was collected in quarter 2, to identify the number of SSKIN care bundles completed and the number of avoidable Category 2 Pressure Ulcers acquired in SEPT care. Within each of the community health services, SEPT has made progress in meeting the commissioners' specifications and reducing the number of avoidable Category 2 Pressure Ulcers by 68% across SEPT as shown by the following table:

Locality	Q2 Baseline			Q4 2013/14			
	Acquired in care Avoidable PUs	Completed SSKIN templates	Avoidable	Acquired in care	Completed SSKIN templates	Avoidable	% Decrease
Bedfordshire	61	38	23	69	61	8	-65%
South East Essex	99	74	25	107	92	15	-40%
West Essex	40	13	27	42	41	1	-96%
<b>SEPT</b>	<b>200</b>	<b>125</b>	<b>75</b>	<b>218</b>	<b>194</b>	<b>24</b>	<b>-68%</b>

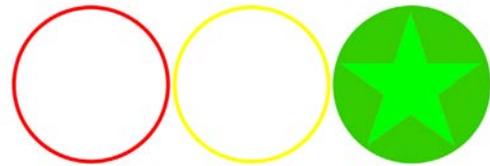


### 3.1.2 Experience

**Quality priority:** Improving Patient Experience.

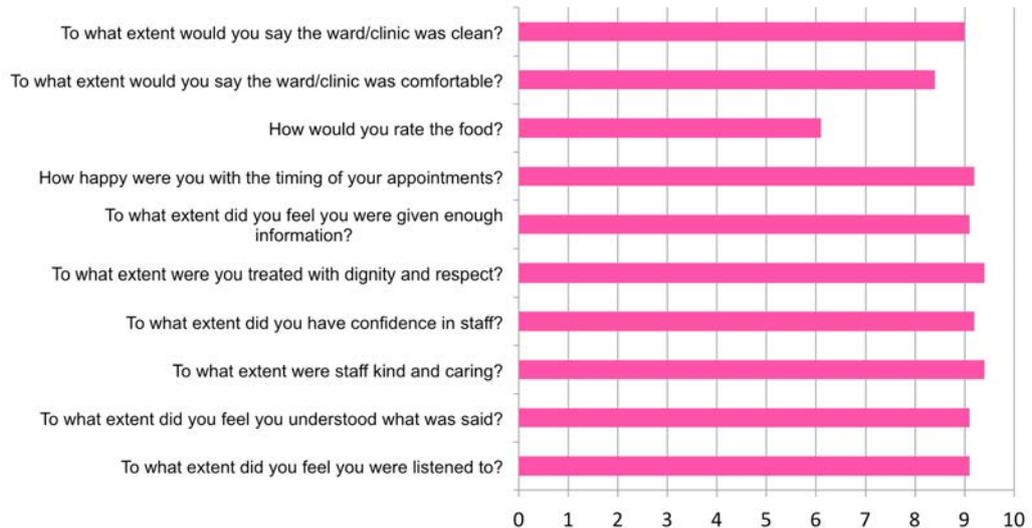
*We said we would introduce a patient and carer feedback and reporting system (including the NHS Friends and Family Test) across the organisation, enabling staff to receive regular commentary on their service from an end user perspective.*

**Data source:** Patient Survey  
**National Definition applied:** Yes



In Quarter 1 of 2013/14, the Patient Experience Team developed a new, unified patient survey. This draws together the NHS Friends and Family Test and a further series of questions around key areas we identified together with people who use our services. Surveys are coded so that feedback can be provided at team-level; teams now receive scores and comments via the Friends and Family Test as well as additional scores against the areas that matter to our patients.

From a total number of 7368 responses to the survey over the course of the year, the average results out of a maximum of 10 were as follows:





2013/14 Friends and Family Test question results: "On a scale of 1 to 10, how likely is it that you would recommend this service to a friend or family member who needed similar care or treatment?" The responses are collated and a Net Promoter score is calculated. The lowest possible score is -100 and the highest score is +100.



### 3.1.1 Safety

**Quality priority:** Reduce the level of avoidable falls resulting in harm.

*We said we would reduce the level of harm from falls, and increase reporting of no/minimal harm from falls.*

**Data source:** DATIX  
**National Definition applied:** Yes

During 2012/13, SEPT reported 1,593 falls, 31.77% of which resulted in low, moderate or severe harm; the remainder resulting in no harm. In order to identify the underlying cause of the 16 falls reported as a serious incident (falls resulting in long bone fracture requiring surgery) an in-depth audit was undertaken and identified a number of areas for development. Of the 16 serious incident falls, scrutiny of the audit findings identified that 12 falls could have been avoided.

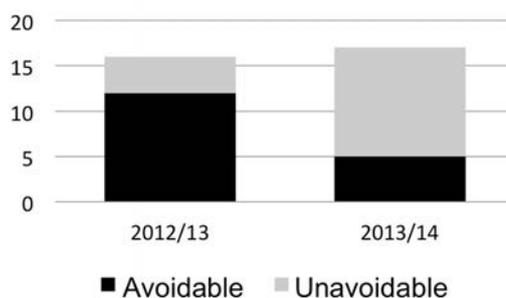
A number of measures have been introduced across services including:

- modification of the SEPT Incident Reporting Template to include medication;
- provision of options to ensure more robust reporting;
- implementation of a serious incident root cause analysis (RCA) tool for long



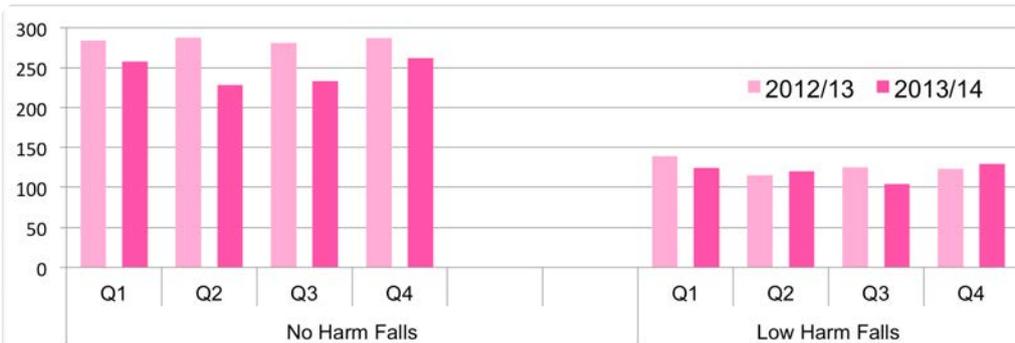
- bone fractures with executive sign off;
- the Falls Risk Assessment tool has been revised to reflect the recently updated NICE guidelines, the Royal College of Physician Care Bundles and the audit findings.

#### Falls with Fractures



During 2013/14, the new RCA has enabled the scrutiny of all serious incident falls with 5 being identified as avoidable to 31st March 2014.

A 2012/13 baseline of 1642 no/low harm falls has been established. Although during 2013/14 12% fewer falls have been reported across the Trust, the proportion of No/Low Harm falls has increased from 96.1% to 97.1%.



### 3.1.3 Effectiveness

**Quality priority:** To provide better support for carers by mental health and community health services.

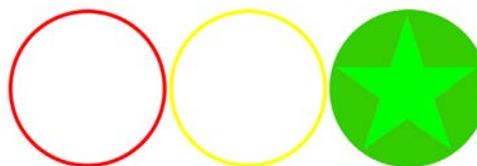
*We said we would increase the number of clinical staff trained to undertake the 3 R's (Recognise, Record and Refer carers to appropriate services).*

**Data source:** N/A

**National Definition applied:** N/A

31 training courses were organised during 2013/14 with the following aims for our staff:

- carers identified and recorded at point of contact with SEPT services;
- understanding the role and worries of carers;
- carers own health and wellbeing maintained / improved;



- cared for own recovery time reduced and or quality of life maintained / improved for the cared for and carer;
- involving carers in the care and treatment of patients;
- carers are recognised and supported in their caring role.

In 2012/13, 278 of our staff received carer awareness training and in 2013/14 we set a higher target of 324 clinical staff to receive training.

A total of 509 clinical staff have undertaken the carers' awareness training up to end of March 2014.

This has exceeded the target by 185 (57%)

## Section 3.2: Examples of key achievements relating to quality improvement during 2013/14

Outlined below is a selection of quality improvements that have been achieved during 2013/14 to provide you with a flavour of the diversity of initiatives we are working on and the progress we are making in improving the quality of care we provide to our patients and users. Please do get in touch with us (contact details at the end of this report) if you would like further details about any of these initiatives.

### Trust wide

A number of Trust wide quality developments implemented in 2013/14 are listed in section 2.4 of this Quality Report (our response to the Francis Inquiry). Some further examples are listed below:

- physical health care training has been rolled out across mental health elderly inpatient areas

with competencies for staff to ensure that the physical health needs of patients are met;

- Skin Matters Groups are in operation within all localities to review pressure ulcers and sign off root cause analyses prior to sign off at executive level;
- a Falls Group has been put in place to consider incidents of falls across the Trust, review falls risk assessments and consider the patient pathway;
- the "Friends and Family Test" has been rolled out across the Trust for patients and staff to assess how we are doing in terms of patient experience and take actions to improve in direct response to feedback (further details of this are included at section 3.5 of this Quality Report);
- roll out of First Class Care champions within Clinical Teams to embed First Class Care document and to capture patient stories, areas of good practice and lessons learnt; and
- a review of risk assessment training has been

undertaken to ensure that this meets best practice – this has ensured that staff are fully equipped to undertake high quality risk assessments on completion of the training, thus contributing to the Trust’s ability to successfully manage any risks.

### Bedfordshire Community Health Services

- The Rapid Intervention Team and Rehabilitation teams have been integrated (aligned to local authority services across the county) which has improved patient pathways, reduced duplication and through skill mix increased competencies for lower bands of staff paving the way for the introduction of a more generic and flexible workforce and further integration of services. The Multi-Disciplinary Team (MDT), staffed by both therapists and nursing staff, will accept referrals from One Call (referral call provider) and act as a single point of contact for the amalgamated service. In this way, we are able to deliver nursing crisis management and rehabilitation services to patients at home that are responsive, efficient, timely and patient focused.
- High risk patient multidisciplinary meetings have been implemented which aim to identify, discuss and co-ordinate the care of high risk patients on current community caseloads. It is proposed that this initiative will be developed further in 2014/15 by linking to a proposed admissions and discharge information exchange facilitator based at Luton and Dunstable and Bedford hospital, who will be providing relevant information directly to the high risk groups about patients from current community caseloads, who are accessing emergency services, being admitted or discharged.
- A peer review process has been implemented. This utilises an audit tool allowing comprehensive evaluation of electronic clinical records against CQC quality standards involving community nursing teams, rapid intervention and rehabilitation and enablement service. The process of peer review has improved understanding of current record keeping processes and protocols in different teams in preparation for further integration of services. It is planned to roll this out into specialist nursing services. During early 2014 this has been actively embedded into the supervision process for band 6 nursing staff. This will enable the identification and management of individual learning needs and create a pool of information that will identify trends and promote improvement across services.
- A review of practice within Community nursing in the North Bedfordshire Locality noted that senior community nurses spent a large proportion of their working day managing the referral mechanism and messaging service via the a-remote or their own mobile phone. It was identified that a Single Point of Contact (SPOC) with dedicated administrative support via a band 3 call handler would provide support to the clinical teams. A pilot was therefore undertaken which aimed to ensure that timely referral information could be received via One call, the reason for the referral clarified, referrals could then be passed to clinicians swiftly either by telephone or electronic tasking and that demographic data could be robustly recorded within SystmOne. Following a positive evaluation of a pilot of SPOC which identified significant benefits to both staff and One call, the initiative was extended to all community nursing localities across Bedfordshire.
- A generic worker pilot was undertaken in the North Locality led by the divisional pharmacist to train unqualified staff to undertake Tenzaparin and Insulin injections. A competency framework was introduced along with an accountability framework. This

successful pilot has meant that trained staff are 'freed' up for the management and care of complex patients. The success of this pilot has meant it will be introduced across all other localities.

- Significant work has been undertaken with our local acute Trusts over the past year including the development of sub-acute pathways inclusive of the Short Stay Medical Unit with Luton and Dunstable Hospital. We are looking forward to continuing to work with our local Trusts over the next year as part of our system wide collaborative working including the development of high intensity user pathways with Bedford Hospital.

### **Bedfordshire and Luton Learning Disability Services**

- The focus of the Health Facilitation Service this year has been to increase the number of people who have a learning disability accessing the National Cancer Screening Programmes. All members of the Health Facilitation Service received awareness training from members of the Breast Screening and Bowel Screening Services to increase their knowledge and understanding of the processes involved which has enabled them to give appropriate information and support to people who have a learning disability accessing the screening procedures. Members of the Health Facilitation Service have facilitated Awareness Sessions with Service Users, paid Carers and members of the Local Authority Adult Learning Disability Teams (ALDTs) to raise awareness and understanding of the need to participate in the Screening Programmes.
- The Sensory Impairment Service has, in the last year, re-commenced the running of joint clinics with the Ear, Nose, and Throat department at the Luton and Dunstable Hospital. The organisations involved have both worked hard to reinstate these clinics in a more person centered format, to ensure that the people who have a learning disability and complex needs can access a service with the appropriate preparation and support.
- The manager and deputy of the Intensive Support Team (IST) are currently participating in the NHS England Change Leadership

Programme, taking forward a proposed project to improve access to mainstream mental health services for people with a learning disability who have a primary need of mental health in direct response to "Green Light" and "Valuing People Now".

- The Adult Autism Service is a new local Assessment and Diagnostic Service for people who have reason to believe they are on the Autism Spectrum. The service is county wide and has been running since July 2013 in a limited way. Since being operational over one hundred referrals have been received.

### **Bedfordshire and Luton Mental Health Services**

- Think Family Innovations - In Central Bedfordshire our Adult Mental Health Services made a formal commitment to the Local Authority's approach to young carers. Key questions have also been incorporated into all CMHT assessments to ensure young carers are not missed when assessing people with mental health problems. This builds on the commitment we made to the Local Authority's Think Family Protocol which we signed up to in 2012. In addition we have joined a partnership innovation with the Local Authority in Central Bedfordshire to run Kidstime Workshops. Adult Mental Health Services provide a Community Mental Health Nurse, with CAMHS providing a Family Therapist for the workshops. The Kidstime Workshop brings together families where the parent has a mental health issue, and using an evidence based psychodynamic approach to assist them to explore issues and deal with mental health positively for the family unit. Each workshop runs for 10 sessions.
- Every GP surgery now has a Link Care Co-ordinator. The Linkworker gives access to the surgery to raise any issues relating to referrals to the local Community Mental Health Team so that they can be resolved quickly.
- One of the Associate Directors for Social Care has trained over 400 Police officers in understanding mental health. This benefits patients by ensuring that when the Police are the first point of contact for people who are in mental health crisis there is a greater understanding of the mental health issues and

a more empathic and helpful approach can be given in ensuring people access the right mental health care.

- The Luton Assertive Outreach Team and Luton Drug and Alcohol Service provide in-reach clinics to NOAH Enterprises in Luton. This innovation is designed to outreach to homeless people with mental health issues to ensure they are in receipt of the treatment they need.
- The Memory Assessment Services for Luton and South Bedfordshire have gone through the Memory Service National Accreditation Programme (MSNAP) accreditation process. They were both accredited as excellent. The Memory Assessment Services for Bedford and Mid Bedfordshire have gone through the MSNAP accreditation process and we are awaiting the outcome of these assessments at the time of writing the Quality Report.

### Children's Services – South East and West Essex

- Health Visitor numbers have significantly increased in South East and West Essex over the last year. This has enabled the introduction of the Maternal Early Sustained Childhood Home Visiting (MESCH) Programme which enables early intervention commencing in the antenatal period and intensive contact for those families requiring additional support.
- An innovative cognitive behaviour therapy / mindfulness techniques approach has been introduced in the Elpitha Post Natal support group in Harlow. This has resulted in the sustainability and self-enablement of the group members.
- In South East Essex, SEPT piloted the use of Health Care Assistant's to administer the flu vaccine to children. This proved successful and as a result we are looking at expanding the role to enable Health Care Assistants to administer more school based vaccinations thereby releasing school nurses to deliver more

specialist parts of the service.

- SEPT engaged with Harlow Educational Consortium to support delivery of the Family Intervention project in 2013. This project identified vulnerable families and worked to a strict partnership model in the delivery of intensive support, education and guidance with the aim of enabling families to take responsibility for their own health needs and navigate health, education, district council, employment and social care environments. A Health Visitor was allocated for two days per week to work with the Family Intervention Team, carrying out assessments, joint visits with key workers and one to one visits. Care plans and interventions were fully evaluated at regular intervals during the period of time project workers engaged with the families. At the end of the project there were a range of clearly identified benefits eg increased education opportunities for families where literacy was an issue, better use of health resources and understanding the impact of non-attendance at appointments, financial management benefit and improved parenting and parent child relationships.
- As part of the Paediatric Diabetes Best Practice Tariff the children's community diabetes team have been enabled to go to full recruitment and deliver on the Best Practice Tariff, including participation in the East of England Network out of hours service rota. This has enabled children and families to access expert advice from a diabetes specialist 24 hours a day seven days a week.

### Children's Services – Suffolk

- A new model to enable timely and appropriate responses within the Looked After Children pathway is in the final stages of agreement with the Suffolk Clinical Commissioning Groups. The model will see a medically led nurse initiated 'entrant into care' health

screening pathway being introduced.

- Leads from the Integrated Community Paediatric Services have joined a number of sub groups being led by our partners in Suffolk County Council to implement the proposed changes to planning for children with Special Educational Needs and Disability (SEND) under the SEND Reforms and the Children and Families Bill. There is a requirement for the council and Clinical Commissioning Group to publish a “core offer” for such children which will become statute as the new bill comes into force in September 2014. We are actively engaging currently with the Council leads to inform local implementation.

### **South East Essex Adult and Older People’s Community Health Services**

- Insulin initiation pre-assessments / groups have been introduced in the diabetes service to reduce waiting times for patients for this intervention. We have also reduced waiting times for Structured Type 2 Education Programme (STEP) sessions in the diabetes services from approximately six months to one month by increasing capacity in this service and re-designing the administrative functions behind its delivery. This ensures patients who have been newly diagnosed with type 2 Diabetes are provided with the right information (i.e. regarding simple lifestyle changes that reduce complications) in a timely fashion in line with NICE guidance.
- We initiated the design of a Pressure Ulcer poster that was runner up at the Journal of Wound Care Awards. Previously, various posters were used within the Community Nursing bases detailing the processes that they needed to follow when caring for a patient with a pressure ulcer. The new poster amalgamated this information into one poster, with the SSKIN central to the theme, in an effort to provide a ‘quick reference one stop shop’ for all nursing staff. This ensures that nurses spend less time looking for information and more time dedicated to direct patient care. This has also been provided to the local hospital’s discharge coordinator team in order to decrease the number of delayed transfers of care and improve the quality of discharges via effective

and efficient communication and coordination.

- Significant work was undertaken to improve access to healthcare for patients with a learning disability including building relations with SHIELDS / Health Access Champions and gaining their on-going support. This included the development of service leaflets in easy read format for all services and the redesign of signs within all buildings that we use within the Community, whilst also supporting GPs by promoting Health Action Plans and Annual Health Checks to all patients with Learning Disabilities that utilise our services.
- We participated in a pilot study / integrated working with a Psychologist to provide psychological support for patients with Chronic Obstructive Pulmonary Disease (COPD). This has identified a reduction in the number of unnecessary admissions to hospital for patients with COPD due to anxiety about their condition.
- Texting services to remind patients of their appointments have been introduced in the continence and diabetes services which has reduced the number of patients not attending appointments.

### **South Essex Learning Disability Services**

In-patient Services

- The in-patient units had a very successful two-day AIMS (Accreditation for In-patients Mental Health – led by the Royal College of Psychiatrists) visit. The verbal feedback from the assessors was very positive and, at the time of writing this Quality Report, the final decision on the accreditation is awaited.
- The in-patient service staff – both nursing and therapy staff – were significantly involved in the East of England Managed Clinical Networks. Workstreams were developed to look at specific areas such as quality checks, autism and the transformation of specialist health services. Reports from the work undertaken by these groups are now available and the guidance and issues identified are adopted by SEPT Learning Disability Services when looking at change and transformation. It is anticipated that this will improve quality of services for our service users.
- In-house training has been further developed, with many of the staff themselves leading

the sessions eg speech and language therapists. The Clinical Lead has also engaged Trust staff from other areas to contribute to this training eg Safeguarding Team, Criminal Justice Team. This has improved working relationships with other areas to ensure the quality of service to patients is the best it can be.

#### Community Services

- Work continues between the Acute Hospital Learning Disability Liaison Nurses in both Southend and Basildon and our community and in-patient nursing staff to ensure that people with a learning disability are comfortable and respected during their hospital admissions.
- Health Facilitation Nurses within Castle Point and Rochford and Southend attended the Houses of Parliament along with the Southend People's Parliament to talk about their work around the health of people with learning disabilities and supporting people to access mainstream services. This was in recognition of the excellent work that these services have undertaken.

#### South Essex Mental Health Services

- A number of initiatives have been introduced into South East Essex inpatient services to ensure that they function as efficiently as possible. A focused piece of work aimed at reducing the length of stay for patients to ensure that inpatient stays are only for as long as clinically needed has been effective, recognising the negative impact that inpatient admissions can have on people's lives. This has also resulted in a significant reduction in bed usage in South East Essex.
- Further to this the inpatient services has introduced a number of measures to provide assurance that the high quality of care is evidenced in documentation.

Operational Managers receive data reports on the following information:

- daily bed states showing number of occupied and leave beds, and staffing levels, on each acute and continuing care in-patient unit.
- weekly record monitoring which includes evidence of high standard of record keeping.

It is anticipated that the quality of services will improve further by this close monitoring. This work is in its infancy and the approach will be evolved over the next year.

- A mental health liaison and dementia service has been piloted in Basildon Hospital. The aim of this service is to provide assessment and psychological treatment for patients admitted to the acute hospital who are believed to have a mental health need. The service has also offered training for hospital staff to raise awareness and improve the response to people with mental health issues. The service has been a notable success. It quickly became a valued resource by the acute trust staff. Referrals have increased month by month. It is believed that this service has assisted in reducing the length of stay in acute wards for individuals who have a mental health issue or dementia. A further pilot of this service has been introduced into Southend Hospital and early indicators are that it is similarly well received.
- During 2013 South Essex has carried out a community mental health transformation programme. A number of initiatives have been piloted including:
  - development of a single point of access for GP referrals that provides triaging referrals and identifying the most appropriate service response within four hours;
  - restructuring community mental health teams to provide a first response for individuals newly referred into mental health services

and a recovery and wellbeing service for individuals with a severe and enduring mental health presentation; and

- crisis line for GP's to enable them to seek clinical advice regarding the appropriate provision of services for people presenting in a crisis.

Further development of these innovations will continue during 2014.

- An intermediate care facility (Mountnessing Court) has been successfully piloted during 2013. This facility provides a step up / step down approach aimed at preventing admission and facilitating discharge from acute hospital beds of people with dementia in South West Essex Mental Health Services. The new model of service also provides patients with intensive rehabilitation to help people remain in their own homes for as long as possible. An evaluation of this service has evidenced improved outcomes for the people who have used this service with the majority returning to their own homes instead of being transferred to a residential care home.

## Specialist Mental Health Services

Secure Services:

- The mental health in-reach team at HMP Bedford won the High Sheriff of Bedfordshire's 'Outstanding Team of the Year' award for the work they do within the prison.
- The unified electronic patient record has been successfully rolled out across secure services in south Essex and Luton. This enables clinicians to have access to the full patient record both during and after their hospital admission which leads to continuity of care and greater information sharing with other professionals.
- Brockfield House and Wood Lea Clinic received excellent CQC reports which showed full compliance with the standards that were audited.
- South Essex criminal justice mental health team have been chosen as one of ten sites nationally to trail the new liaison and diversion service model for criminal justice. The purpose of liaison and diversion is to ensure that people in contact with police and the courts who have mental health problems are identified

and supported throughout the process and diverted away from the criminal justice system and towards treatment where appropriate.

Child and Adolescent Mental Health Services (CAMHS):

- The Bedfordshire CAMHS Home Treatment Team was nominated and shortlisted into the final four of the Royal College of Psychiatry 2013 CAMHS Team of the Year.
- South Essex Child and Family Consultation Service teams received excellent CORC (CAMHS Outcome Resource Consortium) reports evidencing improved outcomes for children, young people and families using our services.
- Luton and Bedfordshire CAMHS service have established transition panels for young people reaching the age of 18 and moving to adult mental health services. Cases are discussed six months prior to transition to give time to plan and handover care and treatment smoothly. This has resulted in smoother transition for the young person and their family, improved communication between staff and the opportunity to track any areas of need that require improvement, where there may be a lack of provision.
- Tier 2 and tier 3 services have been joined together in Southend, Castle Point and Rochford to create a seamless service for our service users, including single screening of referrals. As a result we have been able to develop clear goals in regard to prevention and treatment. A series of group work programmes have been developed, some of which have been running over the past year, others are to begin in 2014/15 alongside many other developments.
- In South Essex a new risk assessment has been developed as part of the screening process for the single point of access. This has linked with urgent pathways and the existing crisis team to ensure that urgent referrals are seen in a quick and timely manner. This has been audited as part of a CQUIN which showed that those referrals screened as urgent were seen in a much quicker timeframe across participating clinics.

### Suffolk Community Health Services

- Podiatry - Foot Protection Team Clinics have been expanded in more locations so as to increase step-up/step-down slots for high risk diabetics with Acute Multidisciplinary Team to reduce amputation rates.
- Foot Surgery - staffing rosters have been revised to achieve podiatric surgeon cover for all of the working week.
- Foot Surgery – the PASCOM Audit System for patients receiving surgery has been fully implemented. This provides evidence of the service's performance against national benchmarks for all outcomes of surgery.
- A clinical specialist from the Adult Speech and Language Therapy West Team introduced a new service initiative called "the Bury St Edmunds Aphasia Café". This has been implemented for people with long term communication difficulties post-stroke who are approaching discharge from therapy. The cafe provides patients with community access to support with communication skills. Patient-reported benefits include reducing loneliness; a chance to talk with and learn from others with similar problems; developing new friendships. The clinical specialist had a poster describing the benefits of this new service initiative accepted at the East of England Stroke Forum.
- The Adult Speech and Language Therapy East Team has been monitoring patient outcomes for swallowing and communication interventions, using Enderby's Therapy Outcome Measures. Data was collected on a random cohort of patients discharged between April and December 2013, and shows that patients make good progress in both areas. For example, for the second quarter:
  - 64% of patients with swallowing problems were eating and drinking a largely normal diet at discharge, compared with only 4% at initial assessment;

- 69% with language difficulties were unable to communicate in any way at the point of referral, compared with 24% at discharge.

### West Essex Adult and Older People's Community Health Services

- An external review of the Integrated Community Care Teams was undertaken across West Essex with recommendations to ensure equity of provision and consistent working practices throughout the teams.
- Community in patient wards have been aligned with Safer Staffing Levels recommendations and are complying with the monthly reporting requirements.
- A redesign of community beds has been implemented to separate step up and step down which has resulted in more efficient throughput of patients and improved discharge processes.
- Adult Speech and Language Therapy access criteria have been aligned with professional guidance on prioritisation to ensure appropriate targeting of at risk groups.
- Integrated working between system partners has been developed and improved to ensure maximisation of patient flow along recognised care pathways.

### Participation in Royal College of Psychiatrists National Quality Improvement Programmes

In support of our objective to continually improve the quality of our services, we have participated in the following Royal College of Psychiatrists national quality improvement programmes / networks or service accreditation programmes:

- Forensic Mental Health Services (Quality Network)
- Child & Adolescent Inpatient Mental Health Services
- Electroconvulsive Therapy Units

Working Age Inpatient Mental Health Units  
 Older People Inpatient Mental Health Units  
 Rehabilitation Mental Health Units  
 Psychiatric Intensive Care Units  
 Inpatient Learning Disability Units  
 Memory Services

### Section 3.3: Overview of the quality of care offered in 2013/14 against selected indicators

As well as progress with implementing the quality priorities identified in our Quality Report last year, the Trust is required to provide an overview of the quality of care provided during 2013/14 based on performance against selected quality indicators. The Trust has selected the following indicators

because they have been regularly monitored by the organisation, there is some degree of consistency of implementation across our range of services, they cover a range of different services and there is a balance between good and under-performance.

#### PATIENT SAFETY

Hospital Acquired Infections

Data source: Infection Control Dept  
 National Definition applied: Yes

#### Trust wide indicators

The Key Performance Indicator (KPI) targets were established with the Commissioners: for C. Difficile and MRSA bacteraemia cases they must be solely attributable to the Trust and avoidable after investigation via root cause analysis (RCA).

Infection Control Measure		2012/13 Outturn	2013/14 Target	2013/14 Outturn
Mental Health Services	Cases of avoidable C.Difficile	0	0	0
	Cases of avoidable MRSA Bacteraemia	0	0	0
Community Health Services	Cases of avoidable C.Difficile	0	4	0
	Cases of avoidable MRSA Bacteraemia	0	0	0



**PATIENT SAFETY**

Data source: Safety Thermometer

National Definition applied: Yes

**Safety Thermometer (Harm Free Care)**

A monthly census is taken of patients in our care which meet the national criteria for Safety Thermometer to measure four areas of harm. Censuses are taken in over 100 teams covering adult and older people wards and community teams, but excluding specialist services, on a monthly basis.

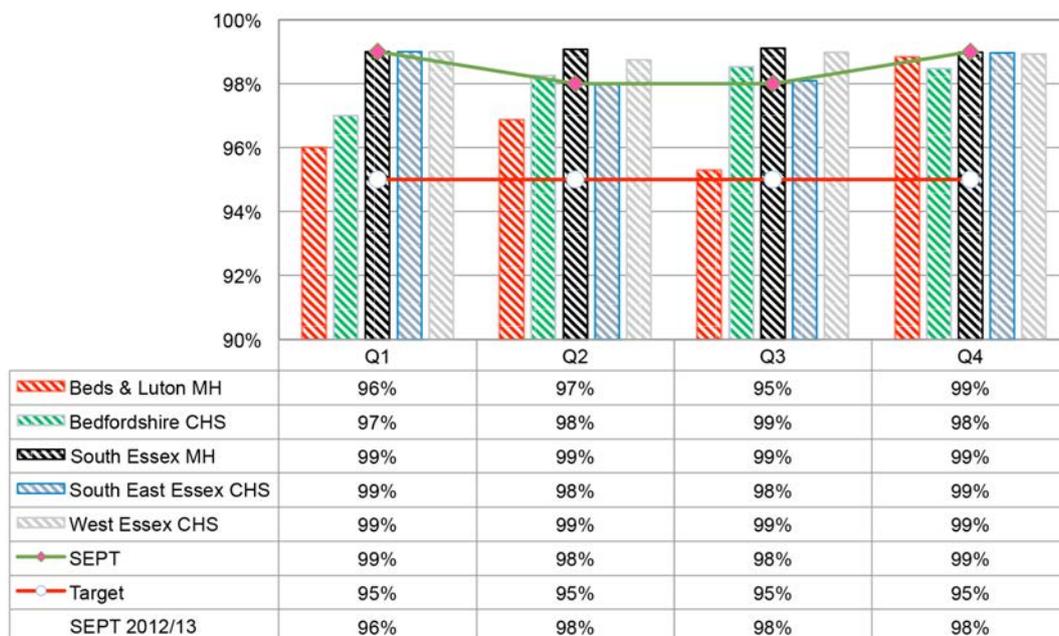
The areas of harm are: Category 2 / 3 / 4 Pressure Ulcers (acquired in care or outside our care), Falls within 72 hours, Catheter Urinary Tract Infection (UTI) or Venous Thrombo-Embolism (VTE).

The graph below shows the percentage of patients that were visited or were an inpatient on the census date, who had not acquired any of the four harms whilst in SEPTs care. During 2013/14 SEPT successfully achieved the 95% target.

During 2013/14 SEPT successfully collected data on patient harm using the Mental Health pilot NHS Safety Thermometer, which measures the following four areas of harm:

- Self-Harm;
- Patient Falls;
- Violence and Aggression;
- Medication Omissions.

A Harm Free Care Group has been established and the group reviews the information obtained through the Safety Thermometer to inform its work.



## PATIENT EXPERIENCE

### Complaints

**Data source:** Datix

**National Definition applied:** Only to K041-A Submissions to the Department of Health

#### *Complaints referred to the Parliamentary & Health Service Ombudsman (PHSO)*

During 2013/14 a total of 13 complaints were referred to the Parliamentary & Health Service Ombudsman. This represents a decrease of four on the previous year.

No further actions or recommendations were made in respect to four of the 2013/14 referrals. SEPT is awaiting PHSO notification of further investigation in three cases. PHSO has issued draft recommendations for two complaints, and a further three have been partially upheld and one upheld.

There are eight active cases with the PHSO. One complaint from Bedfordshire and Luton has been under investigation since 2011. Notification is awaited on the remaining seven active cases.

#### *Complaints closed within timescales:*

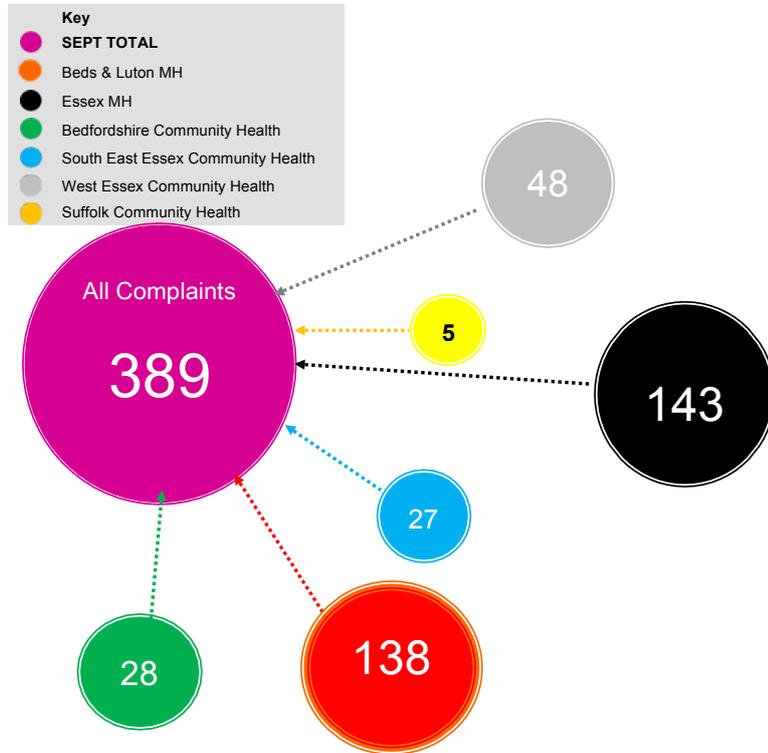
The % of complaints resolved within agreed timescales indicator is a measure of how well the complaints-handling process is operating within the organisation. The agreement of a timescale for the resolution of a complaint is identified in the NHS Complaints Regulations, but these do not stipulate a % target to be achieved. This indicator is not part of the Compliance Framework, or part of any other national performance framework. Nevertheless, SEPT's Executive Team considers that commitments made to complainants should be adhered to and agreed several actions to expedite and monitor the process of complaints resolution. It was also agreed that the target compliance would be set at 95%.

A new local indicator has been introduced during 2013/14 to monitor timescales for complaints resolution. From 1 December 2013 SEPT aims to resolve 90% of complaints about mental health services within 30 days and to resolve 100% of complaints regarding community health services within 25 days.

Performance Indicator	2011/12	2012/13	2013/14
<b>Number of formal complaints received</b>	<b>483</b>	<b>434</b>	<b>389</b>
Number of complaints closed in period	237	505	382
Complaints resolved within agreed timescale	172	381	377
% Resolved within agreed timescale	73%	75%	99%
% Resolved within local Trust target	N/A	26%	56%
Complaints upheld/partially upheld	127	286	226
Number of complaints withdrawn	19	18	7
Open complaints at year end	112	56	56
Complaints about Mental health services resolved in 30 Days	N/A	N/A	34%
Complaints about Community Health Services resolved within 25 Days ( Q4 only )			86%

**Complaints Received by Locality and Service:**

This diagram represents the number of complaints received by the Trust. The complaints have been split by the locality and service that received the complaint.



The top three themes for complaints for both mental health and community during 2013/2014 were; dissatisfaction with treatment, staff attitude and communication. The top three themes for the Trust also apply nationally across the spectrum of health services. The figures in brackets are last year's totals for comparison.

Top Three Complaint Themes	Total Number of Complaints Received (2013 / 2014)	Upheld	Partially Upheld	Total
Dissatisfaction with treatment	65 (61)	6 (11)	26 (23)	32 (34)
Staff Attitude	57 (97)	15 (10)	15 (43)	30 (53)
Communication	43 (40)	12 (8)	15 (14)	27 (22)

The category 'Dissatisfaction with treatment' covers a wide spectrum. In some cases, complainants had a fixed idea of the course of treatment they should have received; however, this was contrary to their clinical need. The Trust was, therefore, limited in providing solutions to these. It is pleasing to note that the number of staff attitude complaints has decreased considerably this year; the total represents a 41% reduction on last year's figure.

## PATIENT EXPERIENCE

### Compliments

Data source: Datix

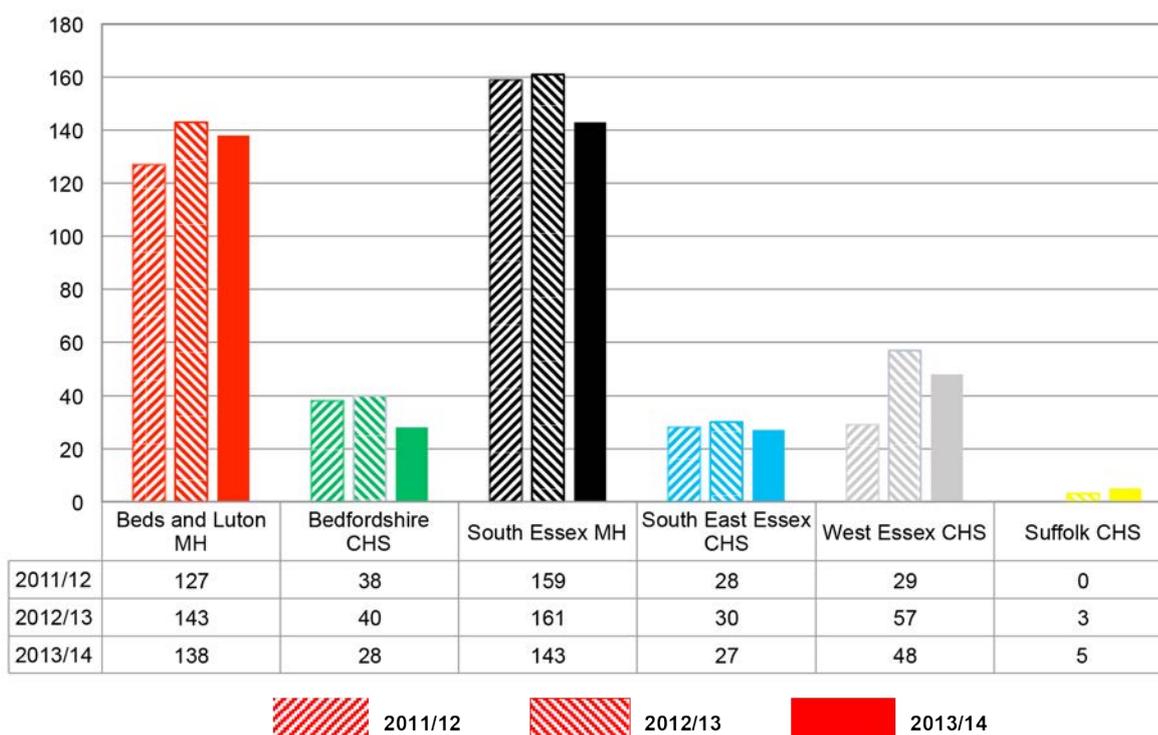
National Definition applied: N/A

It is important that positive feedback is shared with staff and services across the Trust. All staff are encouraged to send the compliments they or their service receive to be logged and reported on. Compliments are recorded in the Trust's monthly Quality Report, which is presented at Trust Board level, and also to the relevant Clinical Commissioning Groups. All compliments received are also displayed on the Trust's intranet

This year the Trust has received 4368 compliments.

“All the Nurses took such good care of my husband for the last three years. Nothing was too much trouble, no one could have asked for more”

Compliments Received	2011/12	2012/13	2013/14
Beds & Luton MH	264	651	586
Bedfordshire	981	1214	1303
South Essex MH	312	424	419
South East Essex CHS	2208	960	1293
West Essex CHS	129	334	501
Suffolk CHS	N/A	71	266
<b>SEPT</b>	<b>3894</b>	<b>3654</b>	<b>4368</b>



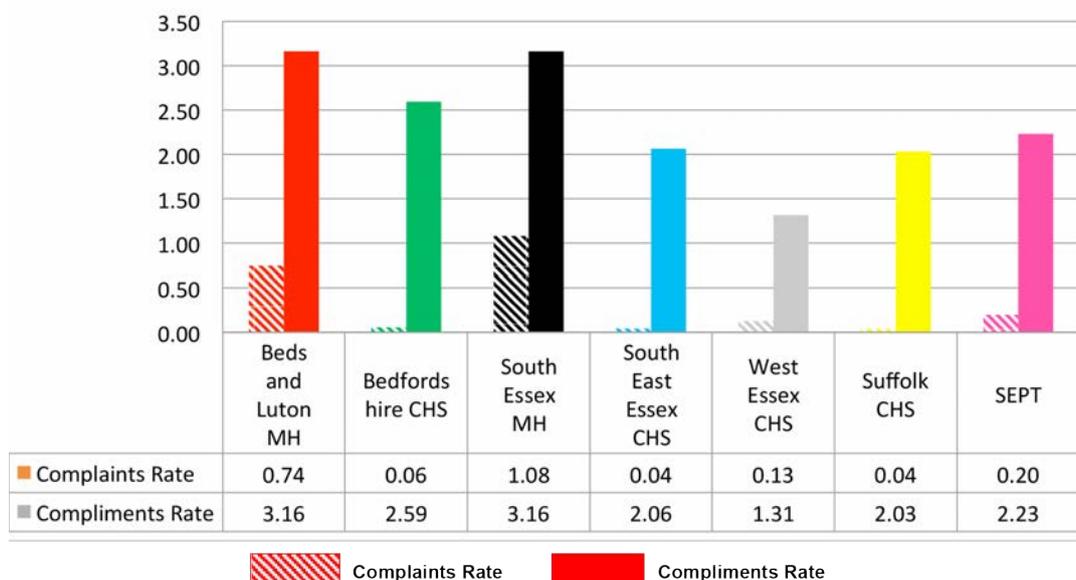
### Rate of Complaints and Compliments

Data source: SEPT systems (Datix, SystmOne and Daily Diary Sheets)

National Definition applied: N/A

A comparison of complaints and compliments as a rate per 1,000 patient contacts demonstrates that the rate of compliments in each locality was greater than the rate of complaints received during 2013/14.

**Rates of Complaints and Compliments per 1000 patient contacts**



### Unified Friends and Family Test

Data source: Unified Patient Survey

National Definition applied: N/A

This new survey draws together the NHS Friends and Family Test and a further series of questions around key areas we identified together with people who use our services.

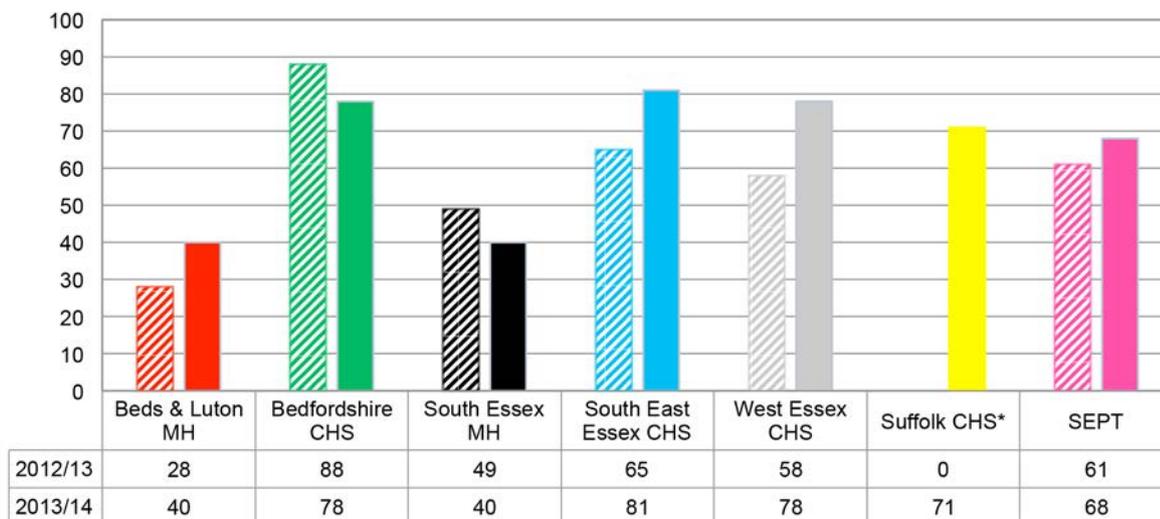
In Quarter 1 of 2013/14, the Trust implemented a new, unified patient survey. This draws together the NHS Friends and Family Test (FFT) and a further series of questions around key areas we identified together with people who use our services. Surveys are coded so that feedback can be provided at team-level; teams now receive scores and comments via the Friends and Family Test as well as additional scores against the areas that matter to our patients.

The Friends and Family Test for patients comprises one question as follows: "Please rate on a scale of 1 to 10 how likely is it that you would recommend this service to friends and family" (with 10 being most likely and 1 being least likely). This question is asked of all patients who have recently been discharged, either from inpatient services or community caseloads. Scores from 0 to 6 are classed as "detractors", scores of 7 and 8 are classed as "passives" and scores of 9 and 10 are classed as "promoters". The "score" is then calculated as follows:

Friends and Family Test Score =  
 % of promoters                      minus                      % of detractors  
 (ie scores of 9 and 10)                      (ie scores of 0 – 6)

Therefore, if 60% of respondents in the period scored 9 or 10 and 20% of respondents in the period scored 0 to 6, the Friends and Family Test Score would be 40 (ie 60 minus 20).

“How likely is it that you would recommend the service you provide to a friend or family member who needed similar care or treatment”



In October 2013 the first set of bi-monthly reports was sent out to team managers, with their FFT scores, comments, and performance against the other key indicators (as identified by our service users) included.

Managers are asked to discuss feedback with the team (or in 1:1 supervision where team members are named) and use it as an opportunity to reflect on practice and look for improvements. Managers are encouraged to use positive feedback to share and reinforce good practice, as well as encourage further participation in the survey.

Teams are asked to look for improvements based on comments received (both positive and negative), with managers asked to respond with any improvements that have been made following patient comments.

The Patient Experience Team supports clinical staff across the organisation to get as much feedback from patients as possible. This provides assurance that we are consistently aware of how people using SEPT feel about the level of service they are receiving and enables us to react to the latest comments.

It is positive to note that the overall FFT score for SEPT and for the majority of services has increased in 2013/14 in comparison to 2012/13 and actions are being taken to ensure that this positive progress is continued. However, we are cognisant of the fact that the score has decreased in two of our service areas and specific focused actions are being taken to ensure that feedback is acted upon and to improve our performance in these areas. Some examples of actions which have been taken to improve the patient experience in response to the national Community Mental Health Patient Survey are included earlier in this Report. One of our Quality Priorities for 2014/15 (see section 2.2) is to improve the overall patient experience (measured by a decrease the number of detractors (ie scores between 0 – 6)).

Further details in terms of seeking and acting on service user feedback are included in Section 3.5 of this Quality Report.

## Community Services – Local Quality Indicators

In this section of the report a selection of Key Quality Indicators are presented to show performance for the localities of Bedfordshire, South East Essex, Suffolk and West Essex over the past 12 months and where possible up to the past 24 months.

### Smoking Cessation

#### CLINICAL EFFECTIVENESS

Smoking Cessation targets are aimed at contributing to the reduction of the number of smokers within the population.

In Bedfordshire the smoking referral targets for 2012/13 have been replaced with targets for the number of actual smoking quitters. This shows the actual number of people being helped to quit smoking. Across Bedfordshire the service made good progress until November 2013 but performance did not achieve the trajectory over the last four months of the year and at the year-end the target of 41 was missed by four cases. The number of smoking quitters at HMP Bedford has not kept pace with the trajectory due to the withdrawal of HMP Bedford from the smoking cessation project.

In West Essex the number of patients who stopped smoking was just below target at the end of February 2014, however it demonstrates continued yearly improvement on the 2011/12 outturn. At the time of writing this report, the March activity is awaited from the provider taking over this service from 1 April 2014.

South Essex Community Health Services do not provide a smoking cessation service as the function was returned to the commissioners in 2010/11 and is currently delivered by Public Health.

**Data source:** Public Health services & Smoking Cessation database [Online]

National definition applied: Yes



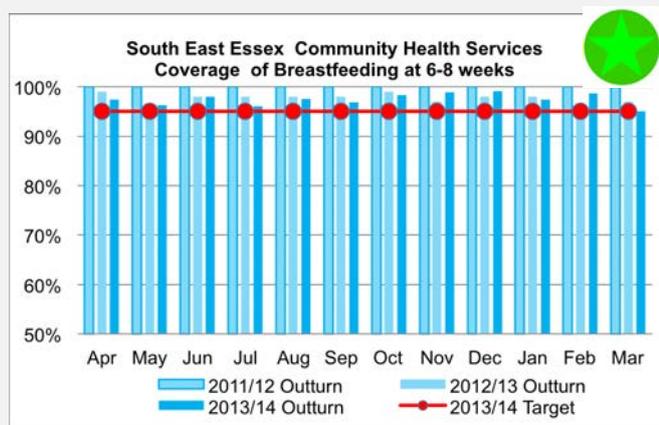
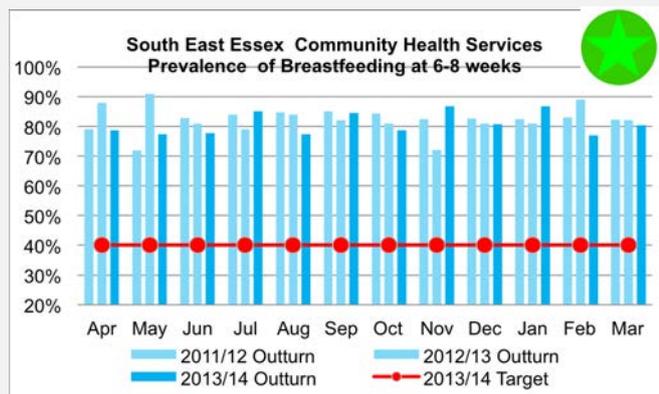
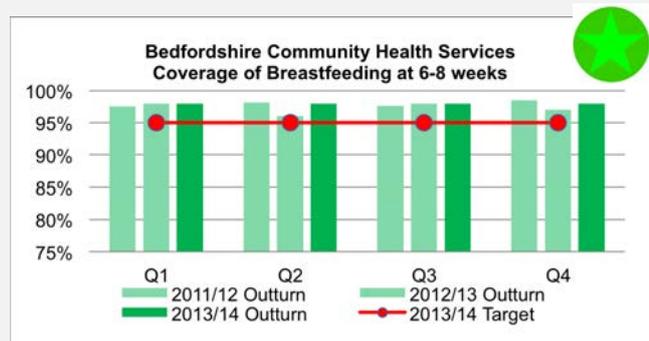
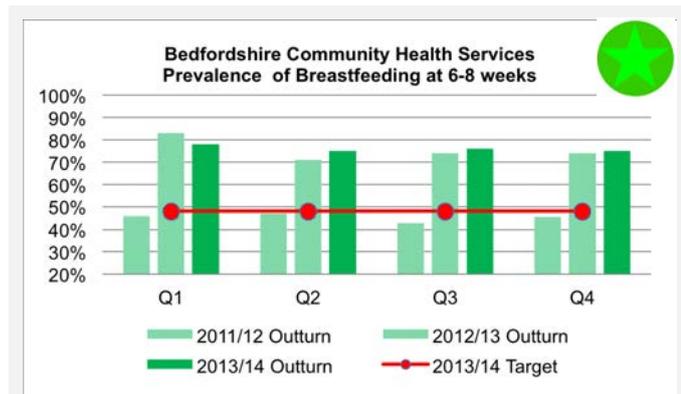
## Breastfeeding CLINICAL EFFECTIVENESS

There are two types of breastfeeding measures used within community services. The first is breastfeeding coverage, which is the number of babies aged six to eight weeks with breastfeeding status recorded. The second is breastfeeding prevalence, which is the number of babies being breastfed at the six to eight week check.

In Bedfordshire both the coverage and prevalence targets have been achieved. It is pleasing to note that the improved performance during 2012/13 of the prevalence indicator has been sustained during 2013/14.

In South East Essex Community Health Services both the coverage and prevalence targets were achieved in each month during 2013/14.

Data source: SystmOne  
National definition applied: Yes



**18 Week Referral to Treatment  
PATIENT EXPERIENCE**

Eight week referral to treatment performance measures the length of time in weeks between referral into the service and the start of treatment. This is an important measure as it describes the length of time patients have had to wait for treatment.

Bedfordshire Community Health Services achieved consistently high performance throughout 2013/14, maintaining the strong performance achieved in previous years.

During 2013/14 South East Essex demonstrated some minor declines in performance between July and November, however, in the latter four months were able to maintain strong performance, consistently delivering above the 95% threshold.

In West Essex, the target has been achieved in every month of the financial year. More significantly, waiting times have been reduced from the 18 week standard to eight

weeks across most services and excellent progress has been made to achieve these challenging targets.

Community Health Services delivered by SEPT in Suffolk have consistently met the waiting times target throughout the year.

Although the targets were met every month at locality level, the following services failed to meet the target:

**Bedfordshire:** Nutrition & Dietetics

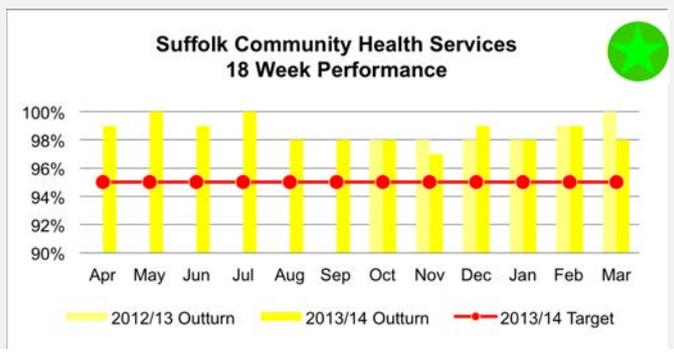
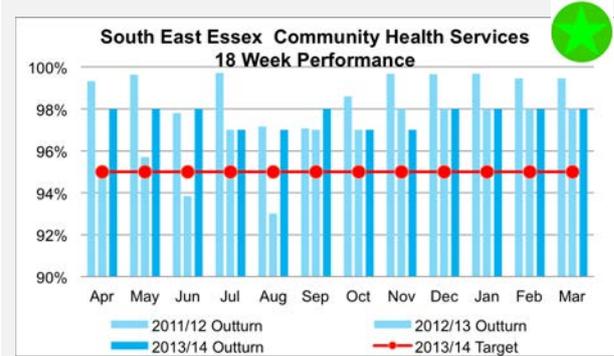
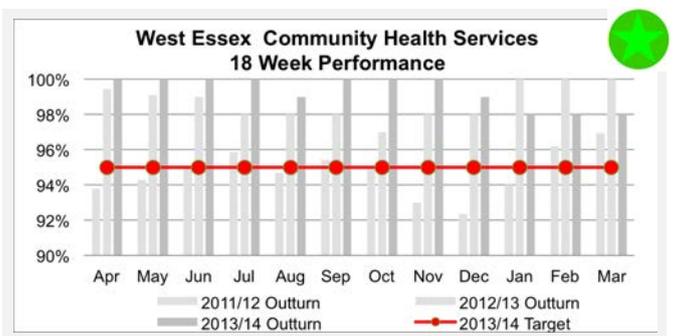
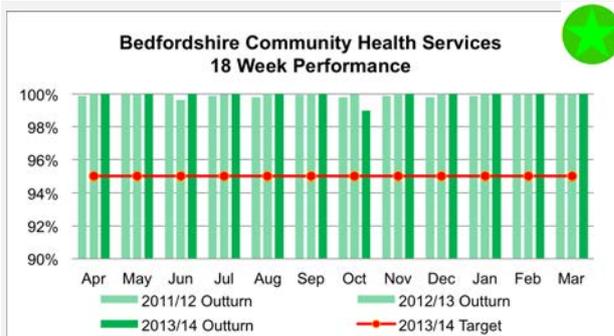
**South East Essex:** Diabetes Service (Adults); Podiatric Surgery; Wheelchair Service (Adults) & Wheelchair Service (Under 26)

**West Essex:** Dietetics, Orthotics, Pulmonary Rehabilitation, Speech & Language Therapy & Surgical Podiatry

**Suffolk:** Biomechanics

**Data source:** SystemOne

**National definition applied:** Yes



## Serious Incidents

### PATIENT SAFETY

Monitoring of the number and nature of Serious Incidents, identification of learning and embedding learning back into clinical practice, is a key part of the Trust's patient safety.

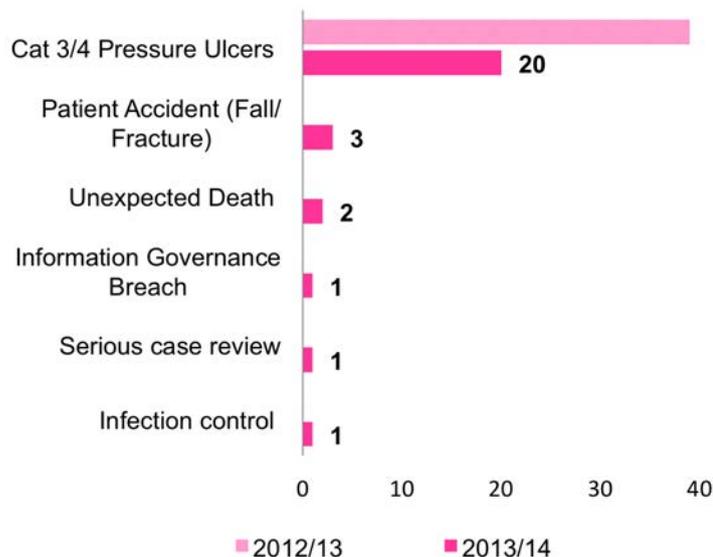
The Trust reported 28 serious incidents in Community Health Services in 2013/14 compared to 39 during 2012/13.

There has been a significant improvement in the number of Category 3/4 pressure ulcers reported in 2013/14 compared to the previous year. Significant improvement has been noticeable in West Essex where the number of incidents has decreased from 16 in 2012/13 to 2 in 2013/14. Improvement is also manifest in South East Essex where the number has dropped from 16 in 2012/13 to 12 in 2013/14. However, as at the end of April there are still 19 RCAs in progress which could lead to further avoidable pressure ulcers being identified.

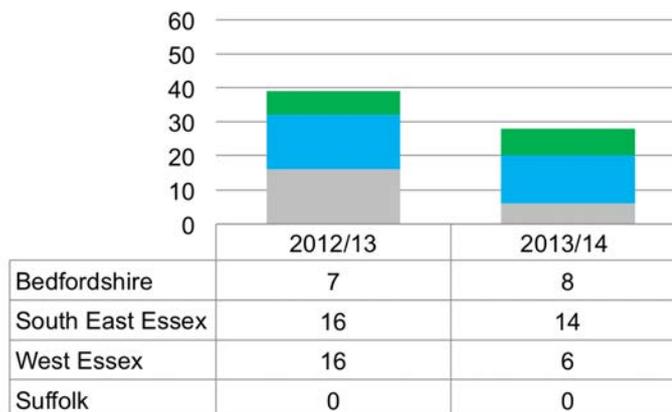
There were three falls leading to fractures that in previous reporting periods were not considered to meet SI criteria. There was one IG breach, one ward closure due to an IC outbreak and one serious case review; none of which were considered to pose significant risk. There were two unexpected deaths:

- A patient in St. Margaret's Hospital had fallen in the Trust's care and subsequently died- an inquest has taken place and there was no adverse outcome recorded.
- A patient in Southend Hospital had been recorded as an SI as a result of findings from a multi-agency case review that had identified learning associated with SEPT care (patient had been in the CICC), Southend Hospital discharge planning, medical cover (provided by a GP/ CCG) and independent pharmacy service.

## Serious Incidents Occurring in Community Health Services



## Serious Incidents by Locality



## Mental Health- Local Quality Indicators

### Serious Incidents

#### PATIENT SAFETY

Monitoring of the number and nature of Serious Incidents, identification of learning and embedding learning back into clinical practice, is a key part of the Trust's patient safety.

The Trust reported 56 serious incidents (SIs) including avoidable pressure ulcers, in Mental Health Services in 2013/14 compared to 58 during the previous year.

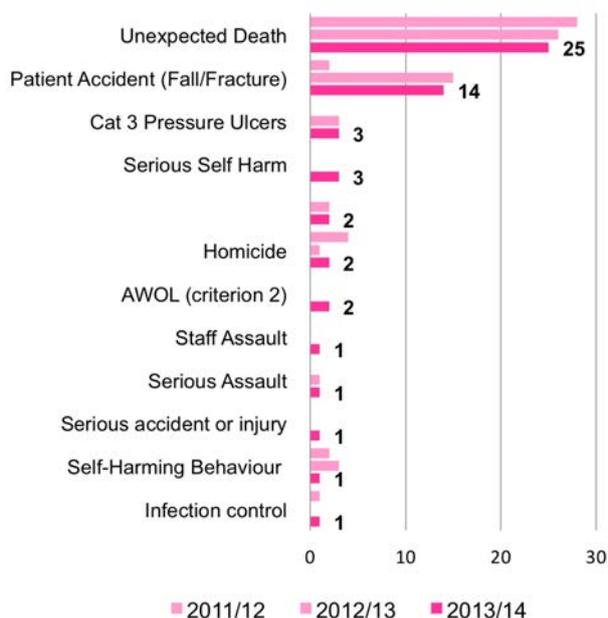
There has been a further reduction in the number of unexpected deaths reported in 2013/14 compared to the previous two financial years. The increase in serious incidents in 2012/13 was due to SEPT's decision to report Patient Accident ( Fall / Fracture ) incidents from February 2012 under the NPSA definition of long term harm. Learning from falls identified as avoidable is discussed at the Trust wide Falls Group and is used to inform the Trust's falls prevention strategy.

The Trust is participating in the Safer Care Pathways in Mental Health Patient Safety Collaborative across the Eastern Region. This project will improve patient using a combination of the Prospective Hazard Analysis tool, Human Factors training and implementation, and Service Improvement methodology.

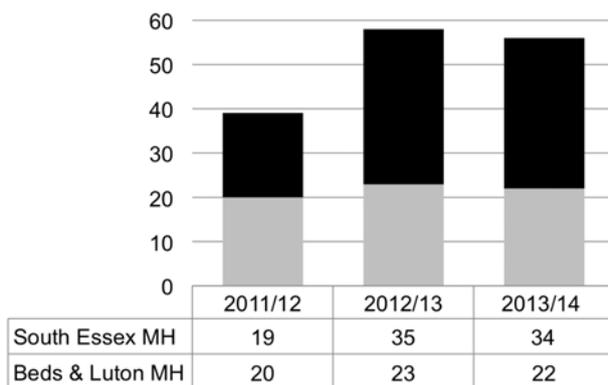
**Data source:** Serious Incident Database

**National definition applied:** EoE and Midlands definition applied

### Serious Incidents Occurring in Mental Health Services



### Serious Incidents by Locality



**Readmissions**  
**CLINICAL EFFECTIVENESS**

Readmission rates have been used extensively to conduct national reviews into the effective delivery of health services as well as CQC cross-checking arrangements.

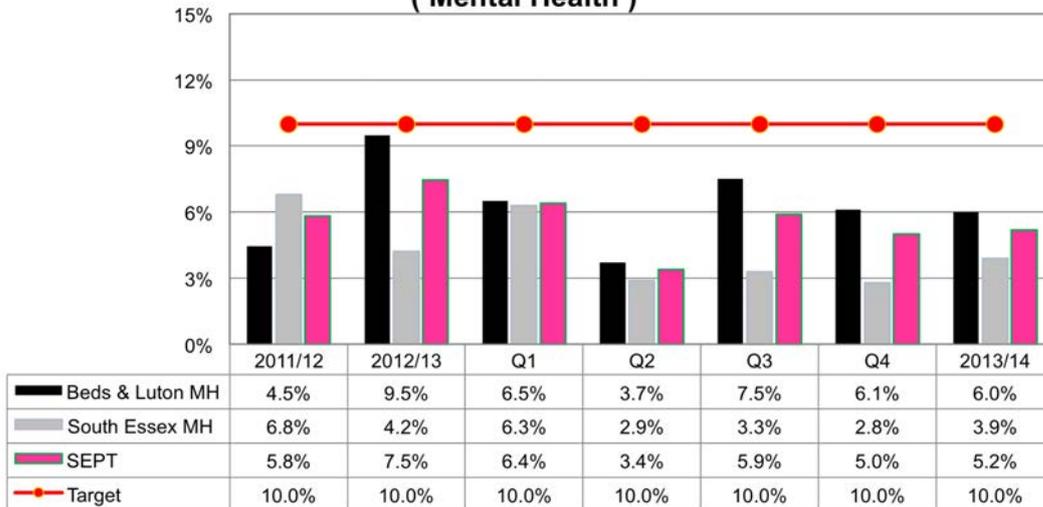
The number of re-admissions, as well as the % re-admission rate are monitored regularly throughout the organisation. Performance is monitored at ward, speciality and locality level to ensure that any deviation from expected numbers can be quickly located and investigated. Throughout 2013/14 there has been good performance reported across

SEPT and as the graphs below show, the rate of readmissions has not breached the target and can demonstrate improvement on 2012/13.

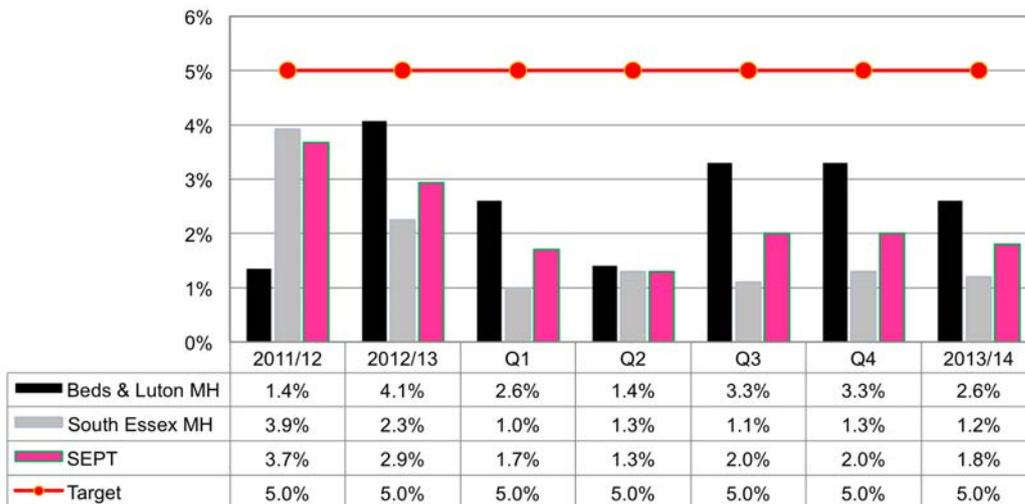
The target for adult re-admission rate is derived from the 2012/13 NHS Benchmarking Club (further information can be found at [www.nhsbenchmarking.nhs.uk](http://www.nhsbenchmarking.nhs.uk)) and the target for elderly re-admissions is taken from the 2009 SEPT Outturn, where this is a higher level of achievement than the national median score.

**Data source:** SEPT System (IPM)  
**National definition applied:** Yes

**Adult Patients Re-admitted within 28 days (Mental Health)**



**Elderly Patients Re-admitted within 28 days (Mental Health)**



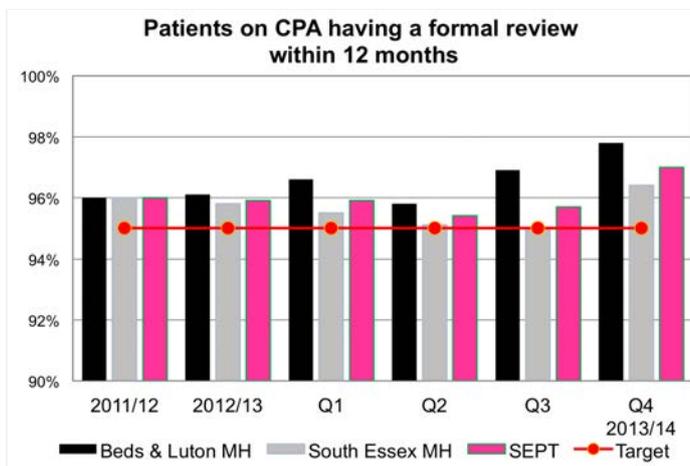
### Section 3.4: Performance against key national priorities

In this section we have provided an overview of performance in 2013/14 against the key national targets and indicators relevant to SEPT's services contained in Monitor's Risk Assessment Framework. Data for two indicators, Patients on Care Programme Approach (CPA) followed up within seven days of discharge from psychiatric inpatient stay and Admissions to acute wards gatekept by Crisis Resolution Home Treatment Team, have previously

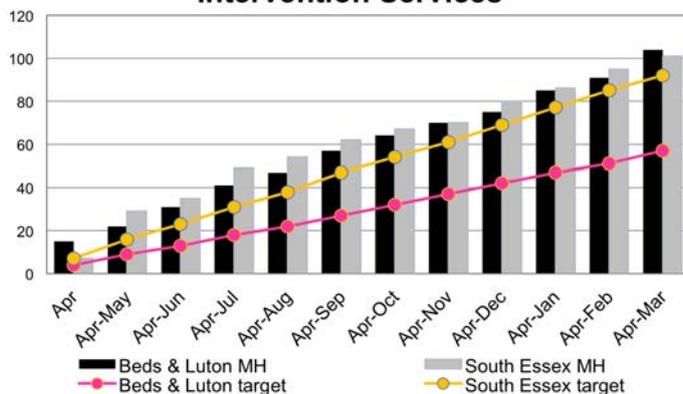
been reported under the mandatory indicator section (2.6) of this report. In 2012/13 an A&E clinical quality indicator in terms of time spent in A&E (only applicable to the Urgent Care Centre provided by West Essex Community Health Services) was reported in this section. This indicator has not been included this year as responsibility for the Urgent Care Centre transferred to Princess Alexandra Hospital from 1 April 2013. SEPT is pleased to report that compliance has been achieved across all indicators throughout 2013/14.

#### People having a formal review within 12 months

This indicator applies to adults who have been on the Care Programme Approach for at least 12 months. The target set by MONITOR of 95% provides tolerance for factors outside the control of the Trust which may prevent a review being completed for all patients every 12 months. Compliance has continually been achieved in both South Essex and Bedfordshire and Luton.



#### New Cases of Psychosis : Early Intervention Services

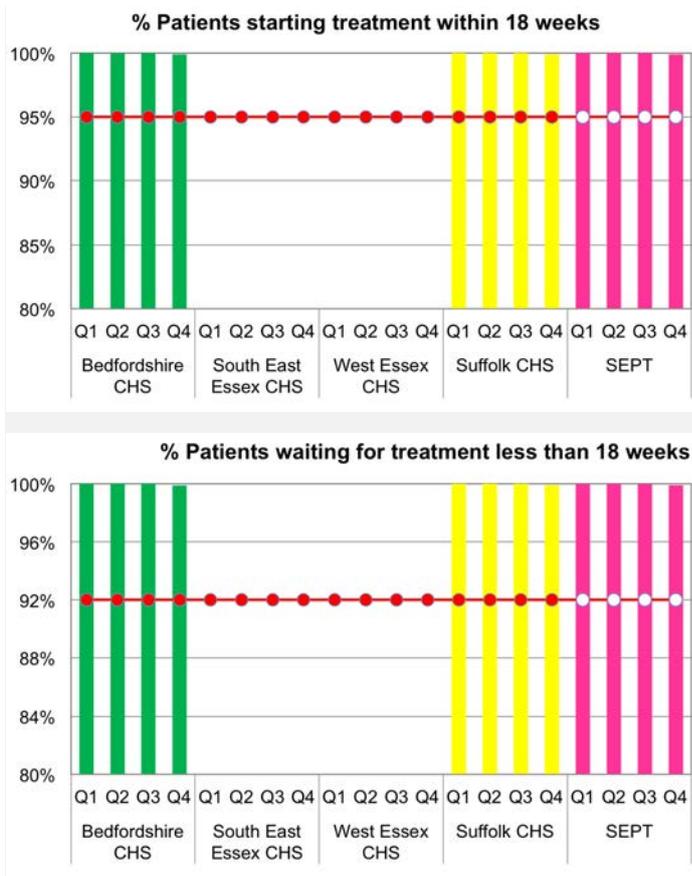
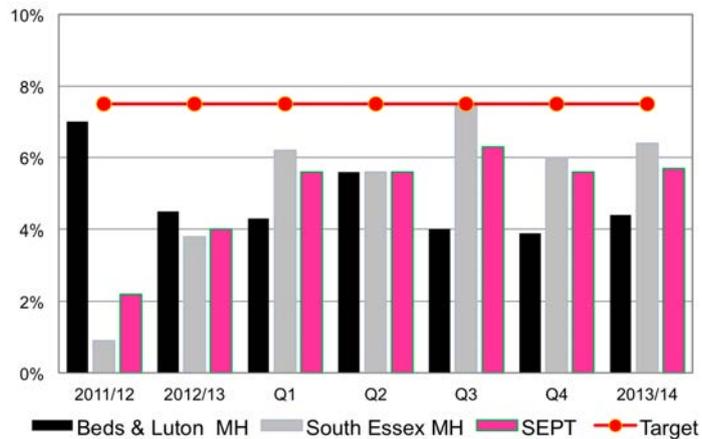


#### Early Intervention Services: New Psychosis Cases

The MONITOR compliance threshold is to achieve 95% of contracted new cases of psychosis. In total SEPT has to achieve 149 new cases of psychosis per year, and this was significantly over achieved in 2013/14 with a total of 205 new cases being identified.

### Delayed Transfers of Care (DTOCs)

This indicator is calculated as the % of inpatient bed days lost to DTOCs due to either NHS or Social Care related issues for both mental health and learning disability services. The target established by MONITOR is less than 7.5% of beddays should be Delayed Transfers of Care.



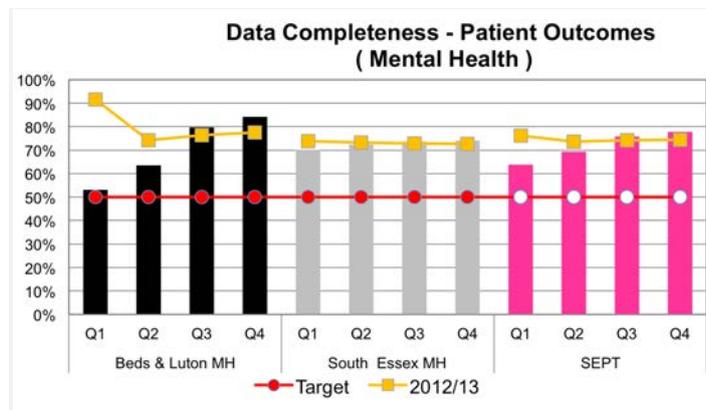
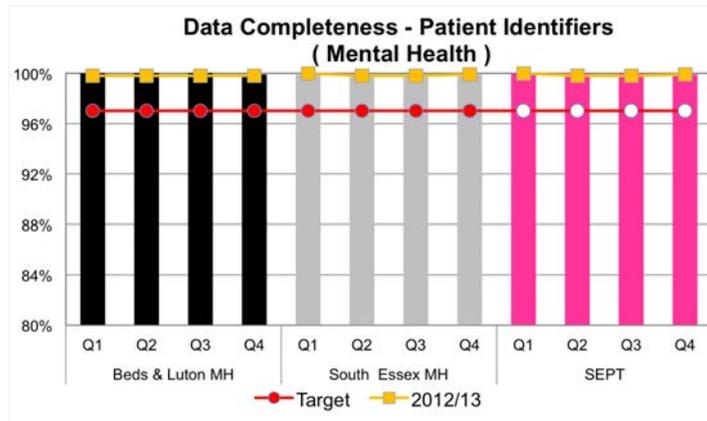
### Referral to Treatment Waiting Times

These indicators measure the waiting times for patients who have commenced treatment and for those still waiting for treatment on non-admitted consultant-led pathways. The maximum waiting time is 18 weeks and the target for those who have commenced treatment is 95% and for those still waiting is 92%. Both targets have been consistently achieved throughout 2013/14.

South East Essex and West Essex do not have consultant-led services and accordingly these MONITOR indicators do not apply to those localities.

**Data Completeness: Patient Identifiers**

This indicator measures the % completeness of the Mental Health Minimum Dataset for patient identifier data items. The target for 2013/14 is 97% of data items to be completed.

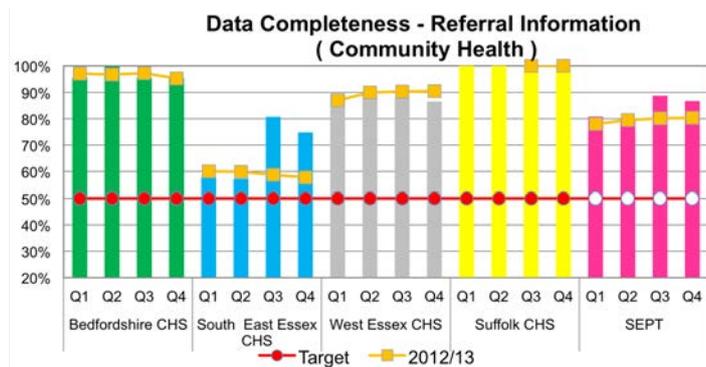
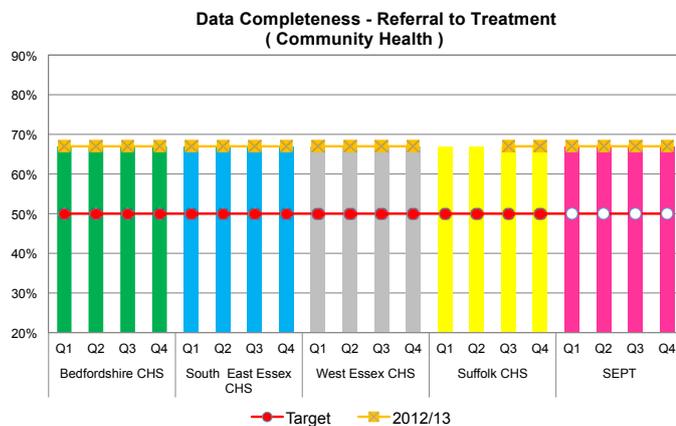


**Data Completeness: Patient outcomes**

Compliance against the target of 50% has been achieved for each of the data fields that contribute to this indicator. Performance has improved throughout the year in Bedfordshire and Luton.

**Data Completeness - Community Care Referral to Treatment information**

Throughout 2013/14 compliance has been maintained above the 50% target in all community health service areas.

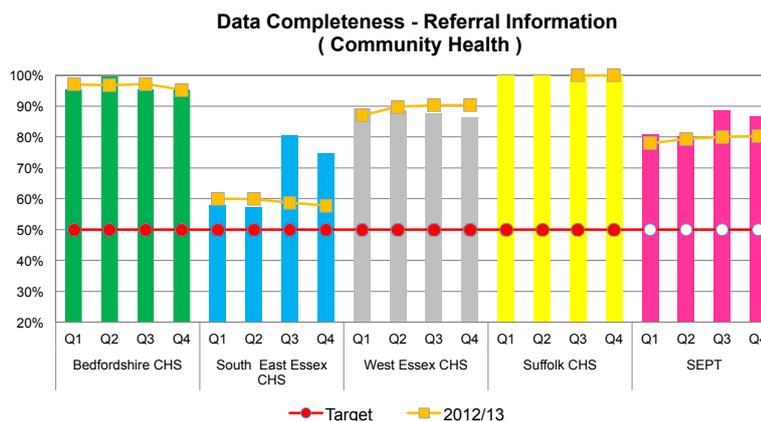


**Data Completeness - Community Care Referral Information**

Compliance has been maintained above the 50% target throughout 2013/14.

## Data Completeness - Community Treatment Activity information

All community health service areas have maintained compliance with this indicator throughout 2013/14.



Key Requirements:		SEPT Rating
1	Identifies and flags patients with learning disabilities to ensure that pathways of care are reasonably adjusted to meet the health needs of patients?	4
2	Readily available and comprehensible information to patients with learning disabilities about the following criteria: Treatment options (including health promotion) Complaints, procedures, and appointments	4
3	Provides support for family carers, including the provision of information regarding learning disabilities, relevant legislation and carers' rights?	4
4	Includes training on learning disability awareness, relevant legislation, human rights, communication technique in their staff development and/or induction programmes for all staff?	4
5	Encourages representatives of people with learning disabilities into relevant forums, which seek to incorporate their views and interest in planning and development of health services?	4
6	Regularly audits its practices for patients with learning disabilities and to demonstrate the findings in routine public reports?	4

### Access to Healthcare for People with a Learning Disability

At the end of 2012/13, a task and finish group was established to ensure that SEPT achieved full compliance with this indicator.

Compliance against all six criteria was achieved at the end of the first quarter and has been maintained throughout the remainder of 2013/14.

This indicator seeks to respond to the recommendations made in MENCAP's 'Death by Indifference' report. Trusts will be assessed on their responses to six questions on a scale of 1 to 4:

1. Protocols / mechanisms are not in place
2. Protocols / mechanisms are in place but have not yet been implemented
3. Protocols / mechanisms are in place and partially implemented
4. Protocols / mechanisms are in place and fully implemented

### Section 3.5: Listening to our patients and service users

Ensuring that we receive and act on feedback from our service users is absolutely vital in driving up quality and we have taken a number of actions over the past year to increase the feedback we receive. These include the further roll out of the 'Friends and Family' test across the organisation where we seek feedback from our service users and patients in terms of whether they would recommend the service they have received to friends or family.

This section of our Quality Report outlines the results of the Friends and Family Test for our services, some of the ways in which we capture feedback from people who use our services and finally some examples of things we have changed in direct response to that feedback. We aim to build on this section in future Quality Reports, particularly in relation to changes that have been made in direct response to patient feedback.

#### Friends and Family Test (Staff Members)

SEPT implemented the Staff Friends and Family test across the whole Trust in February 2013, a year ahead of the national requirement. It is an easy to use electronic system and asks the following question: *"How likely is it that you would recommend the service you provide to a friend or family member who needed similar care or treatment" (on a scale of 1 to 10 with 10 being most likely and 1 being least likely).*

Scores from 0 to 6 are classed as "detractors", scores of 7 and 8 are classed as "passives" and scores of 9 and 10 are classed as "promoters". The "score" is then calculated as follows:

Friends and Family Test Score =  
% of promoters minus % of detractors  
(ie scores of 9 and 10) - (ie scores of 0 – 6)

Therefore, if 60% of respondents in the period scored 9 or 10 and 20% of

respondents in the period scored 0 to 6, the Friends and Family Test Score would be 40 (ie 60 minus 20).

During 2013/14, this test was undertaken in quarter 1 and quarter 4 as per the national CQUIN scheme. It is pleasing to note that there was an overall improvement in the Trust score between quarter 1 and quarter 4 – increasing from 33 in quarter 1 to 50 in quarter 4. In addition we have seen an increase in the proportion of staff who would be either likely or extremely likely to recommend the Trust – rising from 80% of staff in quarter 1 to 86% of staff by quarter 4. As 2013/14 was the first year of implementation, we do not have historic data against which to benchmark these scores. From next year we will be able to assess and present year on year progress.

Staff are also given the opportunity to add comments if they wish, to explain why they gave their score.

There is a robust system in place to feedback the scores and comments to Senior Management teams so that they can cascade this information throughout their operational teams and develop actions where appropriate.

#### Unified Friends and Family Test (FFT) / Patient Survey Feedback

In Quarter 1 of 2013/14, the Patient Experience Team developed a new, unified patient survey. This draws together the NHS Friends and Family Test (FFT) and a further series of questions around key areas we identified together with people who use our services. Surveys are coded so that feedback can be provided at team-level; teams now receive scores and comments via the Friends and Family Test as well as additional scores against the areas that matter to our patients.

The Friends and Family Test for patients comprises one question as follows: "Please rate on a scale of 1 to 10 how likely is it that

you would recommend this service to friends and family" (with 10 being most likely and 1 being least likely).

This question is asked of all patients who have recently been discharged, either from inpatient services or community caseloads. The "score" is then calculated in the same way as detailed above for the Friends and Family Test for staff.

From October 2013, team managers have been receiving bi-monthly reports with their FFT scores, comments, and performance against the other key indicators (as identified by our service users) included. Managers review the content of these reports and discuss the feedback with their team (or in 1:1 supervision where team members are named), using it as an opportunity to reflect on practice and look for improvements. Managers are also encouraged to use positive feedback to share and reinforce good practice, as well as encourage further participation in the survey.

Teams are asked to look for improvements based on comments received (both positive and negative) and a number of improvements have been made

in direct response to the feedback received. This ensures that improvements are specifically tailored in response to patients' experiences. We have included a small number of examples of improvements made in response to feedback in this section of the Quality Report. We keep a central record of actions that have been taken in response to patient/carer feedback so that we can monitor our responsiveness to feedback from our users and share this with our senior management team. We have a central team that supports clinical staff across the organisation to get as much feedback from patients as possible. This provides assurance that we are consistently aware of how people using SEPT feel about the level of service they are receiving and enables us to act on the latest comments.

The following section provides details of the Friends and Family Test Scores (see section above for details of calculation) for SEPT as a whole and for locality areas for 2013/14 (together with comparator information for 2012/13 where it is available). It also details the number of responses received in 2013/14 and the proportion of responses for each score from 0 to 10.



Patient Friends and Family Test Overall Score and Average Score for 2013/14

Locality / Service	Friends and Family Test Score 2012/13 (maximum = 100)	Friends and Family Test Score 2013/14 (maximum = 100)	Average score given by respondents 2013/14 (maximum = 10)
SEPT (whole Trust)	61	68	8.9
Bedfordshire CHS	88	78	9.2
Bedfordshire & Luton MH & LDS	28	40	8.1
South East Essex CHS	65	81	9.3
South Essex MH & LDS	49	40	8.1
West Essex CHS	58	78	9.2
Suffolk Community Health Services	Not applicable as not undertaken in 2012/13	71	9.0

Please note, the numbers for 2012/13 and 2013/14 are comparable insofar as it is essentially the same question being asked. However, some of the parameters were different across the two years in terms of the way the question was asked and the feedback methods. This has been standardised over the last performance year and comparator information will be included in the Quality Report for 2014/15.

It is positive to note that the overall score for SEPT and for the majority of services has increased in 2013/14 in comparison to 2012/13 and actions are being taken to ensure that this positive progress is continued. However, we are cognisant of the fact that the score has decreased in two of our service areas and specific focused actions are being taken to ensure that feedback is acted upon and to improve our performance in these areas. One of our Quality Priorities for 2014/15 (see section 2.2) is to improve the overall patient experience (measured by a decrease the number of detractors (ie scores between 0 – 6)).



Number of responses and proportion for each score (10 - 0) for 2013/14

Locality / Service	Number of responses 2013/14	Percentage of respondents selecting each score 2013/14 (10 = most likely to recommend service; 1 = least likely to recommend service)											
		Score	N/A	10	9	8	7	6	5	4	3	2	1
SEPT (whole Trust)	7,425		60%	16%	12%	5%	1%	1%	0%	0%	0%	1%	3%
Bedfordshire CHS	1,591		65%	17%	10%	3%	1%	1%	0%	0%	0%	1%	2%
Bedfordshire & Luton MH & LDS	834		40%	14%	20%	11%	3%	3%	1%	1%	1%	1%	5%
South East Essex CHS	1,739		69%	15%	9%	4%	1%	0%	0%	0%	0%	0%	1%
South Essex MH & LDS	887		42%	14%	16%	8%	4%	4%	2%	1%	1%	2%	6%
West Essex CHS	1,329		65%	16%	11%	3%	1%	1%	0%	0%	0%	0%	2%
Suffolk Community Health Services	888		61%	17%	12%	4%	1%	1%	0%	0%	0%	1%	3%
Miscellaneous	157		53%	18%	11%	6%	1%	1%	1%	1%	0%	3%	5%

The Friends and Family Test is now followed by a series of patient satisfaction questions. From the total responses over the course of 2013/14, the results were as follows:

Question	SEPT Overall Scores 2013/14 (Average score out of 10)
To what extent did you feel you were listened to?	9.1
To what extent did you feel you understood what was said?	9.1
To what extent were staff kind and caring?	9.4
To what extent did you have confidence in staff?	9.2
To what extent were you treated with dignity and respect?	9.4
To what extent did you feel you were given enough information?	9.1
How happy were you with the timing of your appointments?	9.2
How would you rate the food?	6.1
To what extent would you say the ward/clinic was comfortable?	8.4
To what extent would you say the ward/clinic was clean?	9.0

It is noted that the average score for the rating of food is significantly lower than scores relating to other questions on the survey. We have given this detailed consideration and are satisfied that the quality of the cook chill meals, fresh fruit and other ward provisions that are available is high and the menu choices provide for a nutritious well balanced diet for our patients. Over one million meals each year are served by the Trust and of these we receive very few complaints. Of the complaints we do receive, these typically relate to the quantity of supply or the repetition of the menu cycle, particularly in long stay wards.

Our Facilities Team therefore have regular dialogue with ward staff in particular the housekeepers, the patient forums and carers groups. The Facilities Officers regularly review and change the orders for the wards to ensure the dishes are changed to reflect the patient's needs. It often appears to be boredom

with the repetition of the menu cycles which is an underlying problem and hence menus on wards are changed as frequently as possible. The cook/chilled meal service provider is being market tested currently, this may result in a new service provider towards the end of 2014 although the quality standards are expected to be maintained at least to current levels.

Some examples of other changes made as a result of feedback received from the patient survey are detailed below:

- although the Tissue Viability Service received a score of ten, a patient highlighted that they only received one visit – staff felt from this feedback that they could better manage expectations and patients are now given a leaflet advising they will typically only be seen once by the service;
- there were no chairs with arms available in one of our outpatient waiting rooms- a patient with an inner ear imbalance pointed out that this was problematic and new chairs have now been provided;
- a patient feedback that disabled parking spaces were too small at one of our equipment services – the parking bay lines have now been redrawn.

### Other Key Patient Experience Engagement Activities

#### Mystery Shopper Programmes

The Patient Experience Team continues to drive improvements in patient and carer experience through the Mystery Shopper feedback initiative.

The feedback received has a direct impact on patient and carer experience and outcomes, systems and quality. In addition the feedback given to individual staff and teams prompts staff to reflect on their practice, communication, attitude, care and compassion.

SEPT Mystery Shoppers are patients and carers who give anonymous feedback about their actual experiences of using SEPT services, naming the staff they have had contact with. The feedback is monitored by Directors and Team Managers. Staff receive feedback in supervision sessions with their manager, on how their individual practice has been perceived by patients and carers. Staff and Managers are audited on a quarterly basis to capture outcomes, changes in practice and service delivery as a result of Mystery Shopper feedback.

Mystery Shoppers can opt to give feedback via completing questionnaires, email, and telephone or can meet with a Patient Experience team staff member face to face. Feedback specifically about issues they may have encountered in accessing or using SEPT services which relate to the Equality and Diversity protected characteristics is also captured.



*Mystery Shopper Activity 2013 / 2014:*

*SU – service user C- Carer \*\*Some mystery shoppers are both services users and carers.*

Year End 2013/14	Mental Health Services				Community Health				Total
	Beds and Luton		South Essex		Beds		South East Essex, West Essex and Suffolk		
Active mystery shoppers	SU	C	SU	C	SU	C	SU	C	** 480
	169	65	129	67	35	22	16	4	
Mystery shoppers recruited	48		33		35		15		131
Service user mystery shoppers recruited	36*		24		22*		11		93
Carer mystery shoppers recruited	15*		10		16*		3		44
Mystery shopper feedback received	358		87		66		3		514

*The following are some examples of results / outcomes from Mystery Shopper feedback during 2013/2014:*

- improvements to waiting room environment at Charter House;
- increase in the number of Mystery Shoppers reporting they have information about how to get help in a crisis from 69% to 85%;
- fewer appointments/ consultations being interrupted;
- copies of letters to GP showed some improved from 23% last year to 37% in Q3 2013;
- improvement in customer care experience from receptionists;
- more patients reported that they were offered apologies for delay in appointment times;
- 98% reported that the person they saw spoke clearly;
- increased number of compliments received for individual staff via mystery shopper feedback.

**Take it to the Top Events**

These are a series of meetings taking place across the Trust (three in Bedfordshire and Luton and five in Essex and Suffolk). The aim is to give service users, carers and members of the public a chance to speak directly to representatives of SEPT Executive Team about the services provided by SEPT. These have been held across all localities, in order to get first hand feedback on local issues.

**‘Let’s Talk About’ Events**

The ‘Let’s Talk About’ events continue to be very popular and well attended by service users, carers, staff, SEPT members and local organisations. A

specific topic is used for each one; last year these included:

- Safeguarding in Adult Mental Health;
- Dementia;
- Differentiating between Sadness and Depression.

The feedback from the attendees has been exceedingly positive.

**Stakeholder Forums**

Listening to our service users, carers and stakeholders is crucial to our aim to provide top quality care. We invite service users, carers and staff to discuss services in their area and share feedback with us. Forums are chaired by an Associate Locality Director who is supported by SEPT operational staff. One to one sessions with staff can also be arranged at these forums.

At the request of services users and carers, speakers have attended to present on the following topics at stakeholder forums:

- Formal Complaints and PALS;
- Telephone calls to SEPT Contact Centres;
- Nursing Strategy and the 6Cs;
- Mental Health Interest and Action Group;
- Royal Voluntary Service;
- SEPT Benefits Team.

**Service User/Carer Involvement in Interviews**

A priority has been to enable service users and carers to play a meaningful role in recruitment interviews. So far, we have trained 52 service users/

carers in interview skills. These people now attend interviews wherever possible in order that they can influence the decision on which candidates meet the person specification for the role. Feedback is also received from them following the recruitment panel to ensure that they were fully involved in the process.

### Patient Advice and Liaison Service (PALS) Enquiries

The PALS service provides information, support and guidance to all patients, carers and their families about the health service.

*The following table details the number of PALS enquiries we have received:*

PALS enquiries received	2012/13	2013/14
B&L Mental Health	452	522
Beds Community Health	168	122
Essex Mental Health	615	498
Essex Community	351	216

PALS Mental Health:

Trend	Beds & Luton Total Enquiries Received	South Essex Total Enquiries Received
Communication	174 (33%)	141 (28%)
Systems and Procedures	84 (16%)	110 (22%)
Clinical Practice	84 (16%)	145 (29%)
Environment/transport/ security	28 (5%)	15 (3%)
Staff Attitude	23 (4%)	27 (5%)
Assault/Abuse	9 (2%)	7 (2%)
Social Care	2 (1%)	1 (1%)
External to Trust/Signposting	118 (23%)	52 (10%)
<b>Total</b>	<b>522</b>	<b>498</b>

*The following are some examples of key outcomes/learning from enquiries to PALS relating to mental health services:*

- changes made to handling of telephone calls in Crisis team;
- new structure put in place regarding allocation of staff and handovers;
- new system put in place in Weller Wing for reimbursement of service user travel claims;
- feedback from PALS queries also contributed to the improved reception waiting area in Charter House for service users and carers, highlighted in the Mystery Shopper feedback section above.

PALS Community Health:

Trend	Beds Total Enquiries Received	South East Essex and West Essex Total Enquiries Received
Systems and Procedures	40 (33%)	27 (13%)
Communication	38 (31%)	53 (25%)
Clinical Practice	20 (16%)	79 (37%)
Staff Attitude	7 (6%)	8 (4%)
Environment/transport/ security	5 (4%)	4 (1%)
Assault/Abuse	0 (0%)	0
External to Trust/Signposting	12 (10%)	45 (20%)
External to Trust/Signposting	118 (23%)	52 (10%)
<b>Total</b>	<b>122</b>	<b>216</b>

The following are some examples of key outcomes/learning from enquiries to PALS relating to community health services:

- following the implementation of the NHS Supply chain directly supplying continence pads and managing orders, changes were made following enquiries raised by service users and carers- the SEPT Continence Team now accommodate service users who are unable to contact this service regularly due to their condition, and will order pads on their behalf when arranged.
- the SEPT Patient Experience Team worked to strengthen their connection with Carer Link workers following enquiries for carer support- now the Patient Experience Team are able to refer carers directly;
- an enquiry was raised by a Podiatry patient having difficulties accessing a clinic by wheelchair- although the clinic is wheelchair accessible, the team now advise disabled service users to allow sufficient time when coming to appointments.

All the above strands of activity to listen to our patients/users, their carers and the public help us to understand their perception of the services we provide and to take actions to continuously improve the patient experience.

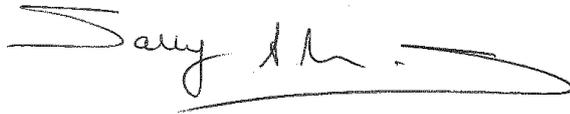


## CLOSING STATEMENT FROM SALLY MORRIS, CHIEF EXECUTIVE

I am proud to present SEPT's quality achievements for the past year. I am grateful to you for taking the time to read about them and I hope that they have been presented in a clear and useful way for you. Please do let me know how our report could be improved in future years.

Throughout the year, our Board of Directors receives monthly reports on the progress against our quality goals. These meetings, as well as other Trust meetings, are open to the public. I would like to encourage you to attend our monthly Board Meetings, as well as our public Foundation Trust Members' Meetings and the Let's Talk About and Take It to the Top series of public events. At every meeting there is an opportunity for you to ask any questions of the local staff and managers responsible for care in your area.

I can guarantee you a warm welcome and I look forward to seeing you at future meetings.



**Sally Morris**  
Chief Executive

If you have any questions or comments about this Quality Report or about any service provided by SEPT, please contact:

Andy Brogan  
Executive Director of Clinical Governance and Quality  
SEPT  
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## ANNEX 1 – Comments on our Quality Report

We sent our Quality Report to various external partners to seek their views on the content of the report. The responses received are outlined below for information – we thank them for taking the time to consider the information and for providing their comments.

Basildon and Brentwood Clinical Commissioning Group – received 23<sup>rd</sup> May 2014

### **NHS Basildon and Brentwood CCG commentary on South Essex Partnership Foundation Trust 2013/14**

NHS Basildon and Brentwood CCG welcomes the opportunity to comment on the annual Quality Report prepared by South Essex Partnership Foundation Trust (SEPT). The commentary is made in addition to the commentary provided by NHS Castle Point and Rochford CCG who commission this service on our behalf.

To the best of NHS Basildon and Brentwood CCG's knowledge, the information contained in the Report is accurate and reflects a true and balanced description of the quality of provision of services.

We acknowledge the work undertaken within the Trust to sustain and further improve quality of care.

The Trust has a corporate aim (5) to ensure 'right staff, right skills, right place' – we are pleased to see the commitment to ensure there is sufficient staffing capacity and capability to provide high quality care to patients. In addition we are keen to ensure that this will develop work around the provision of physical health care within the mental health environment. We are keen to see the results of the staffing review of the MHU.

The Trust has a corporate aim (6) for a culture of transparency, honesty and openness – whilst we acknowledge that the Trust is committed to the principles of openness and to transparency and candour; we would welcome the opportunity to work with SEPT and our partner CCGs to gain a better insight into mental health incidents that affect our own population in Basildon and Brentwood, to better enable us to work with the Trust to work towards better solutions.

We acknowledge the work undertaken by SEPT for the delivery of Mental Health services in South Essex (as detailed on page 46/47 of the Quality Report), and are keen to see evidence of timely re-assessment of the long-term patients to ensure they are receiving the correct care in the right place for them as an individual

With regards to Improved Access to Psychological Therapies (IAPT), as a minimum we are keen to see achieve of the 15% target of planned population coverage

We were pleased to see that one of the measures that SEPT intends to implement to improve the quality of healthcare provided is that discharge summaries are sent to GPs within 24hrs. We are keen to see that this is also extended to changes in medication from outpatient clinics being timely.

## Statement from Bedfordshire Clinical Commissioning Group to South East Essex Partnership Trust (SEPT) Quality Account 2013 – 2014

Bedfordshire Clinical Commissioning Group (BCCG) has received the Quality Account 2013/14 from SEPT NHS Trust. The Quality Account was shared with BCCGs Lead Patient Safety Non-Executive, Executive Directors, Performance, The Quality Team and reviewed at the Patient Safety and Quality Committee as part of developing our assurance statement.

We have reviewed the information provided within the Quality Account and checked the accuracy of data within the account which was submitted as part of the Trust's contractual obligation. All data provided corresponds with data used as part of the ongoing contract monitoring process.

SEPT is required to include Trust performance against national quality indicators. The Trust has included this data. BCCG welcomes SEPT's vision of a quality, high performing and responsive service. It is evident the level of engagement SEPT has conducted in discussion with stakeholders in developing the Trusts' ambitions, Quality Accounts and setting corporate objectives.

BCCG notes that the priority areas for improvement are aligned to three key outcomes framework areas:

**Safety:** BCCG welcomes the significant improvements in areas around Pressure Ulcer care and falls and looks forward to developing further quality improvement work through the 2014/15 CQUIN for the prevention of all avoidable pressure ulcers, alongside Bedford Hospital clinical teams.

**Experience:** It is acknowledged that SEPT has developed many ways of engaging with service users from specific events on particular client groups, mystery shopper sessions, to Friends and Family. Service user feedback is valuable and SEPT demonstrates a positive service user experience in almost all of their service areas. BCCG looks forward to monitoring this with SEPT colleagues in 2014/15, particularly in relation to how patient feedback is used to improve services.

**Effectiveness:** BCCG recognises the improvements demonstrated by SEPT in elderly mental health inpatient areas, around detection of deterioration of physical health with implementation of MEWS (*The **Modified early warning score (MEWS)** is a simple guide used by nursing and medical staff to quickly determine the degree of illness of a patient*). We acknowledge the organisation's Trust-wide improvement in implementation of MEWS from 40% across the Trust to 88% over the year. We look forward to monitoring this work in the future and the significant impact this will have for specifically our patients in Bedfordshire.

BCCG welcomes the recognition and importance of implementation of the 6Cs across the organisation. The '6 Cs' specifically for health are Care, Compassion, Competence, Communication, Courage and Commitment. We commend the best practice of record keeping and peer review of analysing records across community nursing services. We also acknowledge the positive work undertaken in the training of carers in Bedfordshire.

We will work with SEPT over the next year to support, monitor and review the new adult autism service established in Bedfordshire in July 2013.

## Statement from Bedfordshire Clinical Commissioning Group to South East Essex Partnership Trust (SEPT) Quality Report 2013 – 2014

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We will work with SEPT over the next year to support, monitor and review the new adult autism service established in Bedfordshire in July 2013.

BCCG recognises the advancement of Link workers in GP Practices and the support this has provided for patients and Practices in identifying the right care intervention.

BCCG acknowledges and commends the excellent accreditation of the South Bedfordshire memory assessment services and would like to see this level of accreditation countywide.

SEPTs quality priorities for 2014/15 are aligned to prone restraint under the Effectiveness heading. BCCG supports this as a priority and welcomes the reduction across mental health and learning disability services. Whilst recognising SEPTs Board corporate aim of outcome focused care, we will be working with SEPT in our quality monitoring role to understand the role of clinical effectiveness, and identifying the effectiveness priorities specifically in community services. It is encouraging to see under the safety remit, that SEPT demonstrates a committed focus on the reduction of harm from falls compared to 2013/14.

BCCG has worked with SEPT to develop 2014/15 CQUINs and is encouraged to continue work with community nursing teams in association with our member GPs on admission avoidance. We are currently collating evidence in relation to 2013/14 CQUIN achievement, but are predicting 90% for community services and 92% for Mental Health.

BCCG welcomes SEPTs transparency in their report regarding CQC inspections and in Weller Wing in particular. We acknowledge that estates restricts elements of the quality of care and commit to work closely in monitoring the impact of estates and provision of estates to assure this will not impact on patient experience and quality of care. BCCG is disappointed that despite assurances at the early stage of the SEPT contract regarding investment in new estates that it has not been possible for this to materialise into a quality infrastructure for our patients.

We acknowledge SEPTs compliance with audit, information governance and data compliance. We will look forward to interpreting some of the audit findings into developing quality care pathways for 2014/15.

We appreciate the amount of patient feedback that is collated throughout the organisation. We acknowledge the reduction in complaints regarding staff, but also welcome the opportunity to work closely with SEPT to monitor and improve upon this. We also recognise and value the importance of robust human resources processes around staff management, recruitment and retention. We look forward to seeing the organisational approach to staff development and wellbeing continue to develop in 2014/15.

The recommendations from the Francis, Berwick and Keogh reports and any ongoing improvement plans / actions will form a key part of Bedfordshire Clinical Commissioning Group's assurance monitoring in 2014/15.

Bedford Clinical Commissioning Group supports the Trust's rationale and indicators for quality priorities for 2014/15 and looks forward to working with SEPT to achieve good quality outcomes for the people of Bedfordshire.

**Paul Hassan**

**Accountable Officer**

*Response from SEPT in relation to Weller Wing comment in above statement:*

*The Trust remains disappointed that we were unable to proceed as we had planned with the full reprovision of Weller Wing. Since 2010, the Trust has invested considerable resources in the local estate which has achieved a partial reprovision of Weller Wing to Bedford Health Village and significant infrastructure improvements to the patient environment at Weller Wing. The Trust remained prepared to invest further if contractual issues had been resolved.*



***Ipswich & East Clinical Commissioning Group  
West Suffolk Clinical Commissioning Group***

### **QUALITY ACCOUNTS**

Ipswich and East Suffolk Clinical Commissioning Group and West Suffolk Clinical Commissioning Group, as the commissioning organisations for SEPT, confirm that the Trust has consulted and invited comment regarding the Quality Account for 2013/2014. This has occurred within the agreed timeframe and the CCGs are satisfied that the Quality Account incorporates all the mandated elements required.

The CCGs have reviewed the Quality Account data to assess reliability and validity and to the best of our knowledge consider that the data is accurate. The information contained within the Quality Account is reflective of both the challenges and achievements within the Trust over the previous 12 month period. The priorities identified within the account for the year ahead reflect and support local priorities.

Ipswich and East Suffolk Clinical Commissioning Group and West Suffolk Clinical Commissioning Group, are currently working with clinicians and manager from the Trust and with local service users to continue to improve services to ensure quality, safety, clinical effectiveness and good patient/care experience is delivered across the organisation.

This Quality Account demonstrates the commitment of the Trust to improve services. The Clinical Commissioning Groups endorse the publication of this account.

A handwritten signature in black ink, appearing to read 'Barbara McLean'.

**Barbara McLean**  
**Chief Nursing Officer**

Ipswich and East Suffolk Clinical Commissioning Group and West Suffolk Clinical Commissioning Group, as the commissioning organisations for SEPT, confirm that the Trust has consulted and invited comment regarding the Quality Report for 2013/2014. This has occurred within the agreed timeframe and the CCGs

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This Quality Report demonstrates the commitment of the Trust to improve services. The Clinical Commissioning Groups endorse the publication of this Report.

**Barbara McLean**

**Chief Nursing Officer**

## **Statement from Luton Clinical Commissioning Groups to South Essex Partnership NHS Trust Quality Account 2013 – 2014**

This comment relates to the mental health partnership commissioned work in Luton.

Luton Clinical Commissioning Group (CCG) has reviewed the information provided within the South Essex Partnership Trusts (SEPT) Quality Account and checked the accuracy of data which was submitted as part of the Trust's contractual obligation. All data provided corresponds with data used as part of the ongoing contract monitoring process.

Luton CCG acknowledges that this Quality Account covers community and mental health services across South and West Essex, Bedfordshire and Luton; however we would have liked to have seen more focus around mental health indicators and outcomes for Luton patients.

Throughout the last year Luton CCG did not receive quality data specific for Luton mental health services or service users. We made the same comment in last year's statement and regret that this has not improved. Luton CCG is therefore unable to comment fully on the quality of its mental health services due to the lack of specific information for Luton. We will value continuing cooperation to provide local data.

Luton CCG has worked with Bedfordshire Clinical Commissioning Group in supporting and monitoring SEPT Mental Health Services in implementing its quality improvement initiatives. At the time of writing this commentary we are unable to validate the final figure for the CQUIN (Commissioning for Quality and Innovation) scheme as we are awaiting final confirmation, but it is anticipated that SEPT have achieved approximately 92% of their 2013/14 CQUIN.

Luton CCG commends SEPT with their work around the Memory Assessment Service in Luton which has been ratified by the Royal College of Psychiatrists Special Committee for Professional Practice and Ethics and accredited as excellent.

As Commissioners we were pleased to see that SEPT were involved in the pilot of the Mental Health NHS Safety Thermometer and successfully collected data on the following areas of harm, Self-Harm, Patient Falls, Violence and Aggression, Medication Omissions. We look forward to working with SEPT Mental Health Services in 2014/15 as they progress with the revised Mental Health NHS Safety Thermometer through the CQUIN scheme.

During the year Luton CCG raised concerns with SEPT regarding the quality of some serious incident reports. Luton CCG will continue to monitor the progress of further work undertaken by SEPT to ensure improvements are reflected.

In regard to SEPT's narrative around the Weller Wing provision, with the mental health contract coming to a natural end, during 2013/14 both Luton and Bedfordshire CCGs independently opted for reprocurement. Luton CCG's aim is the provision of high quality mental health services that meet the specific needs of the population of Luton.

Luton Clinical Commissioning Group acknowledges that the Trust has unconditional registration with the CQC.

Luton Clinical Commissioning Group supports the Trusts quality priorities, rationale and indicators for 2014/15 and looks forward to working with SEPT to achieve good quality outcomes for the people of Luton.



Carol Hill  
Chief Officer  
Luton Clinical Commissioning Group

### **Statement from Luton Clinical Commissioning Groups to South Essex Partnership NHS Trust Quality Report 2013 – 2014**

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Luton Clinical Commissioning Group acknowledges that the Trust has unconditional registration with the CQC.

Luton Clinical Commissioning Group supports the Trusts quality priorities, rationale and indicators for 2014/15 and looks forward to working with SEPT to achieve good quality outcomes for the people of Luton.

**Carol Hill**

**Chief Officer**

**Luton Clinical Commissioning Group**

South Essex Clinical Commissioning Groups (Basildon & Brentwood, Castle Point & Rochford, Southend-on-Sea and Thurrock) - dated 27 May 2014



**NHS CASTLE POINT & ROCHFORD (NHS CP&R) CLINICAL COMMISSIONING GROUP'S (CCG) RESPONSE TO THE 2013/14 ANNUAL QUALITY ACCOUNT OF SOUTH ESSEX PARTNERSHIP UNIVERSITY NHS FOUNDATION TRUST (SEPT)**

NHS CPR CCG welcomes the opportunity to comment on the annual Quality Account of SEPT, as a primary commissioner of mental health services across South Essex and community services in South East Essex. It is to be noted that this response is made on behalf of the four South Essex CCGs.

To the best of NHS CPR CCG's knowledge, the information contained in the Account is accurate and reflects a true and balanced description of the quality of provision of services.

The CCG is pleased to see the Trust's commitment to ensure there is sufficient staffing capacity and capability to provide holistic high quality care to patients. The CCG is keen to see the results of the staffing review of the Mental Health Unit based at Basildon Hospital following the CQC review in January 2014.

The CCG note the corporate aims to be achieved over the next two years are:

- safe care
- a positive experience of care
- effective outcomes focussed care
- well organised care
- right staff, right skills, right place
- a culture of transparency honesty and openness

CPR CCG fully supports all the above aims and the opportunity to work with SEPT and its partner CCGs to optimise insight into the health and well-being of the population to achieve better solutions and outcomes for patients.

CPR CCG was pleased to note the Trust's participation with the national clinical audit programme and national confidential enquiries in 2013/14 and will monitor during the coming year that actions have been fully implemented to enhance patient safety, experience and for quality of care.

CPR CCG congratulates the Trust in its commitment to on-going research and development with its collaboration in establishing the Patrick Geoghegan Health and Wellbeing Academy to oversee research opportunities within the Trust.

The CCG acknowledges the work undertaken by SEPT for the delivery of Mental Health services in South Essex and are keen to see evidence of timely re-assessment of long-term patients to ensure they are receiving the correct care in the right place for them as an individual.

The adoption of “care closer to home” model for inpatient mental health services has resulted in a reduction in unnecessary admissions and shorter inpatient stays where clinically indicated with a reduction in bed usage in South East Essex Area. The recent change to Community Mental Health Service to support the philosophy of “care closer to home” is in its infancy and the enhancement of the pathway overall. Patient views of the changes will need to be monitored this year to gain assurance regarding outcomes and patient experience.

The introduction of the AIMS accreditation from The Royal College of Psychiatrists. AIMS (Acute Inpatient Mental Health Services) is welcomed by the CCG as a standards-based accreditation programme designed to improve the quality of care in inpatient mental health wards. It involves a comprehensive process of review; that identifies and acknowledges standards of organisation and patient care, and supports services to achieve and improve the standards. Accreditation is an assurance process for staff, service users, carers, commissioners and regulators of the quality of the service being provided. AIMS accredits acute and assessment wards for working-age adults, wards for older people, psychiatric intensive care units, inpatient learning disability services, inpatient rehabilitation units and care for young people on adult wards.

The Improved Access to Psychological Therapies (IAPT), should as a minimum achieve the 15% target of planned population coverage as it is noted that there were areas where performance could have been improved.

It has been recognised that this has been a challenging year for the CAMHS Service with key areas of concern relating to performance which has had the potential for impact on the quality of services, patient safety and patient experience. The CCG will continue to actively monitor this service seeking improvements to optimise safe standards of care.

The CCG recognises the Trust’s achievements in 2013/14:

- improvement in compliance with modified early warning scoring
- the reduction in Grade 3/4 pressure ulcers
- compliance with Friends & Family testing
- good progress in reducing avoidable falls which have caused harm

NHS CPR CCG notes that the Trust has made quality improvements in the delivery of services for people with learning disabilities and ensuring that they are comfortable and respected during hospital admissions. The Health Facilitation Nurses from CPR and Southend attended the Houses of Parliament in recognition of the excellent work that these services have undertaken to support people to access mainstream services.

NHS CPR CCG noted the Trust’s commitment to implementing the CQUINs for 2014/15.

NHS CPR CCG continues to meet with SEPT on a monthly basis to gain assurance that quality, patient safety and experience is reported and monitored. Assurances on the quality of service provision will be monitored through a programme of announced and unannounced visits to strengthen quality assurance processes and to observe in real

time the delivery of patient care. In our role as commissioners supported by our GP colleagues and the Quality Support Team assurances will continue to be sought.

NHS CPR CCG is fully supportive of all the priorities identified by SEPT in taking forward the patient safety, effectiveness, experience and involvement agenda and looks forward to working in partnership with the Trust in the forthcoming year.

Chair: Dr Michael Saad

Accountable Officer: Dr Sunil Gupta

Prompt Payment Code

Approved Signatory

www.promptpaymentcode.org.uk  
administered by the Institute of Credit Management on behalf of BPS

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



## **NHS CASTLE POINT & ROCHFORD (NHS CP&R) CLINICAL COMMISSIONING GROUP'S (CCG) RESPONSE TO THE 2013/14 ANNUAL QUALITY REPORT OF SOUTH ESSEX PARTNERSHIP UNIVERSITY NHS FOUNDATION TRUST (SEPT)**

NHS CPR CCG welcomes the opportunity to comment on the annual Quality Report of SEPT, as a primary commissioner of mental health services across South Essex and community services in South East Essex. It is to be noted that this response is made on behalf of the four South Essex CCGs.

To the best of NHS CPR CCG's knowledge, the information contained in the Report is accurate and reflects a true and balanced description of the quality of provision of services.

The CCG is pleased to see the Trust's commitment to ensure there is sufficient staffing capacity and capability to provide holistic high quality care to patients. The CCG is keen to see the results of the staffing review of the Mental Health Unit based at Basildon Hospital following the CQC review in January 2014.

The CCG note the corporate aims to be achieved over the next two years are:

- safe care
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CPR CCG fully supports all the above aims and the opportunity to work with SEPT and its partner CCGs to optimise insight into the health and well-being of the population to achieve better solutions and outcomes for patients.

CPR CCG was pleased to note the Trust's participation with the national clinical audit programme and national confidential enquiries in 2013/14 and will monitor during the coming year that actions have been fully implemented to enhance patient safety, experience and for quality of care.

CPR CCG congratulates the Trust in its commitment to on-going research and development with its collaboration in establishing the Patrick Geoghegan Health and Wellbeing Academy to oversee research opportunities within the Trust.

The CCG acknowledges the work undertaken by SEPT for the delivery of Mental Health services in South Essex and are keen to see evidence of timely re-assessment of long-term patients to ensure they are receiving the correct care in the right place for them as an individual.

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NHS CPR CCG noted the Trust's commitment to implementing the CQUINs for 2014/15.

NHS CPR CCG continues to meet with SEPT on a monthly basis to gain assurance that quality, patient safety and experience is reported and monitored. Assurances on the quality of service provision will be monitored through a programme of announced and unannounced visits to strengthen quality assurance processes and to observe in real time the delivery of patient care. In our role as commissioners supported by our GP colleagues and the Quality Support Team assurances will continue to be sought.

NHS CPR CCG is fully supportive of all the priorities identified by SEPT in taking forward the patient safety, effectiveness, experience and involvement agenda and looks forward to working in partnership with the Trust in the forthcoming year.

West Essex Clinical Commissioning Group – received 27<sup>th</sup> May 2014

### **Statement of Endorsement**

West Essex Clinical Commissioning Group, as one of the commissioning organisations for SEPT, has been involved in reviewing the content of this Quality Report, ensuring that it reflects accurately the quality, safety and effectiveness of services provided. SEPT has also consulted with patient and public groups, staff and statutory bodies, taking into account their opinions.

The priorities and performance illustrated within the Report for this year and last year accurately reflect and support both national and local priorities. West Essex Clinical Commissioning Group is pleased to endorse and support the publication of this Report.

Jane Kinniburgh

**Director of Nursing & Quality**

**West Essex Clinical Commissioning Group.**

Bedford Borough Council Adult Services and Health Overview and Scrutiny Committee - received 23<sup>rd</sup> May 2014

**Adult Services and Health Overview and Scrutiny Committee 20 May 2014**

**Minute extract/Comment for the Quality Report.**

**SEPT QUALITY REPORT 2013/2014**

The Committee welcomed Richard Winter, Executive Director of Integrated Services, SEPT, Helen Smart, Director, Integrated Adult Services and Lead Nurse, SEPT and Paul Rix, Deputy Director of Mental Health Services who attended to present the SEPT Mental Health Services and Community Health Services draft Quality Report for 2013/2014.

Richard Winter gave a brief overview of the Quality Report and reported that there had been a significant reduction in the number of complaints and better response times to those received and that more compliments had been received. He was pleased to report that there had been a reduction in the number of pressure ulcers and mental health re-admissions. He was also pleased to report that there had been a succession of Care Quality Commission reports which had been very positive confirming that SEPT was compliant in all areas apart from three, namely Weller Wing, Fountains Court and in relation to privacy within prison. In addition, Richard Winter explained that there had been a very positive staff survey but also acknowledged that despite the level of improvements, there was no room for complacency and that more work needed to be done particularly in the areas of avoidable pressure ulcers, maintaining dignity, reducing restrictive practice, improving patients' experiences and better training for staff.

In relation to community services, Helen Smart reported on the success of the rapid intervention team which enabled staff to be more flexible thus allowing District Nurses to focus on more complex issues. She referred to the Multi Disciplinary Team and to the success of referrals from 'One Call' and crisis management and rehabilitation at home.

Paul Rix highlighted the success of the older people memory assessment process which used best practice standards and was pleased to report that it had been accredited as excellent. He was pleased to report that the number of suicides of people involved with SEPT had continued to fall from eighteen three years ago to twelve last year and nine this year.

A Member referred to the issue of pressure ulcers and asked SEPT's representatives to explain what the barriers were to achieving a total absence of them. Helen Smart explained that there were two different types of such ulcers, namely avoidable and unavoidable (often due to poor nutrition in end of life situations). He reported that every pressure ulcer was monitored and reviewed and that there was now a greater focus on prevention and treatment.

A Member referred to the Care Quality Commission report and its findings relating to Weller Wing at Bedford Hospital and was concerned that the Commission portrayed Weller Wing as 'Dickensian' in nature. He asked for details of SEPT's action plan to address the findings of the Commission. Richard Winter

agreed to share the action plan with Members of the Committee. He explained that there would be no more 'walk throughs' in the Ward and that careful consideration was being given to the types of patients in four bedded wards and the conversion of those wards into two bedded units. He further explained that, in future, SEPT would no longer be the provider and that the Bedfordshire Clinical Commissioning Group was considering creative ways to provide services in future.

In response to a Member's question about the timescale for the reconfiguration of Weller Wing it was reported that the action plan would set this out. It was also reported that this would be a consultant-led process and that, as part of the changes, the three commissioned beds for drug and alcohol rehabilitation patients could be relocated.

In relation to the Patient Advice and Liaison Service (PALS) enquiries, a Member asked about what was being done in the areas of staff attitude and assault/abuse. Richard Winter reported that all staff were required to undertake customer training but that, in respect of assault/abuse, he agreed to provide Members with a breakdown of the enquiries made. A Member asked whether there had been particular problems with the attitude of staff and Richard Winter acknowledged that, before SEPT's involvement, there had been issues with some staff inherited from the previous provider but was pleased to report that the number of suspensions had dropped significantly during the last five years and assured the Committee that all concerns raised were taken very seriously.

Reference was made to the anonymous reporting facility introduced for staff to raise concerns which was seen as less heavy handed than whistle blowing and a valuable tool for staff to access.

In response to a Member's question asking SEPT's representatives to identify issues that were of particular concern, Richard Winter explained that focusing on reducing harm to patients, the uncertainty of the future and the financial climate were the three most significant areas to consider.

Reference was made to the patient Friends and Family test and the decrease in scores in two service areas and Richard Winter reported that specific focused actions were being taken to ensure that feedback was acted upon to improve performance in those areas.

Concerns were expressed at the poor rating for food and Richard Winter explained that this would be addressed and re-commissioned as part of the action plan which he agreed to provide to Members.

In accordance with guidance from the Department of Health, the Committee considered whether SEPT's priorities matched those of the public and whether any major issues had been omitted. Members also considered whether SEPT had demonstrated that patients and members of the public had been involved in the production of the Quality Report and whether they wished to comment on any issues that the Committee had been involved with previously in relation to SEPT.

#### RESOLVED:

1. That the Committee makes the following comments on SEPT's draft Quality Report for 2013/2014:-

- SEPT's priorities match those of the public;
- No major issues had been omitted;
- SEPT had demonstrated that patients and members of the public had been involved in the production of the draft Quality Report;
- The Committee had considered at previous meetings SEPT's Quality Report for 2012/2013, proposed changes to Mental Health Services in the Borough and proposed changes to Community Services (Incontinence Services).

2. That arrangements be made for Members of the Committee to visit Weller Wing.

3. That SEPT's action plans be provided to the Committee to demonstrate measures being taken to address the concerns raised in relation to the provision at Weller Wing and to the poor food rating identified as part of the Friends and Family test.



#### Quality Account 2013/14

##### South Essex Partnership University Foundation Trust (SEPT)

Richard Winter, Executive Director, South Essex Partnership University Foundation Trust (SEPT) and colleagues Helen Smart and Paul Rix presented the Trust Quality Account. Mr Winter referred to the success of the Trust's performance which had seen a reduction in the number of suicides, a successful mystery shopper exercise and a reduction in the number of pressure ulcers and falls. Mrs Smart referred to areas of innovation in care, especially the work on acute pathways and the redirection of patients from hospital and moved to appropriate care. From November 2011 the Trust had ensured no patient experienced a delay in their transfer and SEPT was the only Trust to achieve this.

Paul Rix referred to achievements in the care of mental health patients and the Learning Disability Service. The Trust had successfully developed screening and access programmes to help adults and children in need. A programme of work to help dementia patients was also underway.

In light of the update, Members raised the following issues:-

- The low number of patients aged 75 years and over admitted to hospital was a great accomplishment. The Trust hoped to target the next age group in the same way.
- The suicide rate figures had reduced and work to combat the more vulnerable group of 35-55 year old men was planned. SEPT would undertake a survey on this issue and agreed to bring the information to the Committee for their consideration at a future date.

The Central Bedfordshire Council Social Care Health and Housing Overview and Scrutiny Committee agreed that in the Quality Account, the priorities matched those of the public and patients and that the public had been involved in the production of the Quality Account.

#### RECOMMENDED

The South Essex Partnership University Foundation Trust (SEPT) Quality Account 2013/14 be noted and a statement from the Committee be incorporated that the Committee were satisfied with the evidence provided.

## Quality Report 2013/14

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Luton Borough Council Scrutiny: Health and Social Care Review Group – received 27 <sup>th</sup> May 2014
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### South Essex Partnership NHS Foundation Trust Quality Reports 2013-14

#### Comments from Luton Borough Council

#### Scrutiny: Health and Social Care Review Group

The Luton Scrutiny: Health and Social Care Review Group (HSCRG) welcomes the opportunity to comment on South Essex Partnership NHS Foundation Trust's (SEPT) Quality Report 2013-14 and their priorities for quality improvements in 2014-15.

It is recognised mental health services performance in Luton improved under SEPT and HSCRG Members are encouraged by the reported further overall quality improvement in performance during 2013-14. However, the lack of Luton specific details in the reports about how mental health services were performing in Luton is a continuing concern and does not help with assessment and feedback.

As an indication of patient experience, an important measure of quality of service, it is pleasing that the Friends and Family test score for mental health and learning disabled services in Beds and Luton improved over last year. Luton's contribution to the score is assumed, as cannot be ascertained. However, why the score is still significantly lower than for community health services across the Trust is not explained.

During the year, HSCRG Members were pleased with SEPTs' positive engagement with the health overview and scrutiny process, with a senior officer attending committee meetings to provide information on mental health services in Luton and answering Members' questions and concerns. A senior officer was also involved with the scrutiny review of discharge from hospital and engaged with the Luton health and social care joint officer network, which feeds into the scrutiny process.

HSCRG Members endorse SEPT's priorities for quality improvements in 2014-15. However, Members were aware a change of provider was expected to take place during 2014/15. The impact of change on service users is a concern, but Members expect that quality of service would be maintained during the transition period, to continue to meet users' mental health needs and achieve positive outcomes for the people of Luton.



## **SEPT Quality Report 2013/14**

Thank you for sending the draft SEPT Quality Report 2013/14.

I have shared the document with the Members of the People Scrutiny Committee at Southend and following discussion with the Chairman and Vice Chairman have agreed that our response will be as follows:

“In view of the timescales for submitting comments on the Quality Report for 2013/14, we wish to advise you that the People Scrutiny Committee will not be submitting a response.

This should in no way be taken as a negative comment on the hard work and achievements of your organisation over the past year.

We would very much like to thank you for the presentation you gave to members in December 2013 at which you provided an update on the organisation and also outlined the challenges and opportunities facing the organisation. We would like to thank you for this extremely helpful and detailed presentation.”

**Fiona Abbott**

**Principal Committee Officer**



13 May 2014

Dear Chief Executive

SEPT – Draft Quality Account (QA) 2012/13

Introduction

Healthwatch Bedford Borough (HBB) is pleased to engage in meetings with the Senior Managers of SEPT on a regular basis - these meetings are both informative and constructive in their nature.

Comments on specific matters raised in the draft QA.

Page 3 and 4 - Introduction by Chief Executive. There is no mention here (or elsewhere in the draft QA) about the decision not to re-tender for the provision of Mental Health Services in Bedfordshire from 2015 onwards. HBB feels that this is a matter for inclusion, because it forms a large part of the current SEPT service provision.

Page 9 - (Safety) Quality Priority 3: Falls

Whilst the statement concerning the “reduction in avoidable falls” is fully supported by HBB, we would like to see more specific proposals concerned with reducing the total number of total falls by at least 20%.

It is hoped that this information will be of value.

Yours sincerely

Chair Healthwatch Bedford Borough.

*“A strong voice for local people”*

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*A Bustin*

*Chair Healthwatch Bedford Borough*

Healthwatch Essex - received 27 <sup>th</sup> May 2014
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### **Statement from Healthwatch Essex for SEPT Quality Report 2013-2014**

Healthwatch Essex is an independent organisation with a vision to be a voice for the people of Essex, helping to shape and improve local health and social care services. We recognise that Quality Report reports are an important way for local NHS services to report on what services are working well, as well as where there may be scope for improvements.

We welcome the opportunity to provide a critical, but constructive, perspective on the Quality Reports for SEPT, and we will comment where we believe we have evidence – grounded in people’s voice and lived experience – that is relevant to the quality of services delivered by SEPT.

Over the last year, Healthwatch Essex completed engagement work which has focussed on mental health services within the area covered by SEPT – and you can see our video of this here: <http://www.healthwatchessex.org.uk/videos>. People spoke openly about both positive and negative experiences of mental health services, including the following themes which were identified as problematic for the individuals concerned: access to mental health services through primary care, support for carers, and access to crisis teams. The follow-up to this work remains ongoing, and Healthwatch Essex looks forward to working with SEPT on this and other matters. Healthwatch Essex also recognises that SEPT has work already underway to resolve some of these issues. For example, the Trust has launched a GP advice line to facilitate fast-track assessment and support for patients in crisis, and will provide a response within 4 hours for GP’s who call regarding patients in crisis. SEPT has begun work on increasing supporting carers, the Trust has sent clinical staff on carers’ awareness training, and the Patient Experience Team has strengthened their connection with the Carer Link workers to allow them to refer carers directly.

The evidence of the service users we talked to suggested improvements could be made in communication between teams, care in the community and access to services. A consistent theme is that all of the service users and carers we spoke to said people who provide and run mental health services should take into Report the views and experiences of people that use the services. We therefore support SEPT in ensuring that they receive and act on feedback from service users, to improve service quality and patient experience.

We welcome the addition of the section 'Listening to our patients / service users' to the report. In this section, the Trust outlines what methods have been put in place for patient and carer engagement. The Trust has introduced the 'Friends and Family' test across the organisation, created an innovative 'mystery shopper initiative', and developed a new, unified patient survey, which includes the NHS Friends and Family Test and questions around key areas identified by service users. We look forward seeing the outcomes of these new initiatives.

SEPT has varying performance on patient experience measures. The Trust received the least amount of complaints this year in comparison to the past three years, and the most compliments over the same time period. But there remains work to done: in the national community mental health service user survey, SEPT followed the national trend in 2013, scoring lower than last year.

We look forward to working together in the production of Quality Reports in the coming year and making sure that the voice and experience of patients and the public form an integral part of these.



### Healthwatch Luton comments for SEPT Quality Accounts 2013-2014.

Healthwatch Luton is pleased to be able to comment on the Quality Accounts for SEPT 2013-14.

It is positive to see that SEPT have been achieving many of their targets as demonstrated by this report and a very positive CQUIN outcome as being over 90%. Additionally it is very positive to read that the Memory Assessment Clinics in Luton have been accredited as excellent and have met a 100% referral target. Whilst the CQC has found minor concerns for some SEPT services we are pleased to be able to note that this is not the case in Luton as all services were found to be compliant with CQC essential standards.

It is encouraging to see that SEPT are still promoting an agenda for education for staff and the introduction of the carer awareness training will undoubtedly bring further benefits to patients. SEPT's commitment to research in the field of mental health is also evidenced by the participation in clinical studies. However whilst there are positive outcomes evidenced in the report there are still improvements that can be made. It is very promising that the friends and family test has been rolled out trust wide but it is disappointing that there is only a score of 40% in Luton. This is concerning and more needs to be done to improve this score. The follow up questions that are introduced should show some insight into the reasons why only 40% of respondents would refer SEPT to their friends or families and it is hoped that the Luton data will be published in the near future.

There have been improvements in making localised data available in this year's report but there is still further work that needs to be done. For example, you have stated the number of complaints that have been made in Luton but you have not identified the categories for these complaints. This is also reflected in the reporting of Serious Incidents, pressure ulcers acquired in Luton and PALS data. It would be beneficial to have data around the nature of Serious Incidents in Luton and PALS data as this would enable local transparency, scrutiny and patient/public involvement. Clear and comprehensive localised data is essential as SEPT provides a wide array of services across a wide geographical location. In Bedfordshire alone SEPT provides both Mental Health services and Community Services, however in Luton, SEPT are only commissioned to provide Mental Health services.

The complete roll out of electronic patient records in Luton is a step in the right direction and will help to promote safer patient care providing the relevant mechanisms are in place to ensure data is kept confidentially and not shared with other parties without the patient's consent.

It is generally positive to see many good outcomes and developments in Luton and we would like to take this opportunity to thank all the staff at SEPT for their continued hard work for the residents of Luton.

Date submitted: 27 May 2014

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Healthwatch Southend – received 22<sup>nd</sup> May 2014

## **Healthwatch Southend response to SEPT quality Report 2013/14**

We would like to thank South Essex Partnership University NHS Foundation Trust (SEPT) for inviting us to comment on its quality Report 2013/14.

We have been impressed with the openness and willingness to engage with us of individual SEPT staff, with whom we have worked on issues such as local services for people with Asperger syndrome, dementia care, and child and adolescent mental health services. We are at the time of writing working with individual SEPT staff around health checks for people with learning disabilities. These staff have displayed professionalism, caring attitudes, and commitment to person centred provision that are a credit to the trust.

To a lesser extent, but still worthy of note, SEPT has positively engaged with us organisationally. We have been invited to attend 'listening' events such as 'take it to the top' meetings, and senior management has supported its staff's involvement in our events and enquiries.

Our comments on the report are as follows:

### **Statement on Quality Report from Sally Morris, chief executive**

- We commend Sally Morris and her team on implementing personal, unannounced visits to services, and for spending time talking to people using those services during the visits. Similarly, the trust's use of Care Quality Commission (CQC) assessment measures to proactively inspect its own services, and recognition that "...service users, staff and stakeholders are the best placed to tell us what constitutes the highest quality of service" indicate commitment to quality and patient experience.
- It is unfortunate that the trust predicts a possible need to 'redefine some of its high standards' due to funding pressures. We trust this relates to internally agreed standards above and beyond national and legislative requirements, and that therefore we will not see poor performance against those requirements in the coming months and years.

### **Corporate aim 3: effective outcomes-focused care**

- Adoption of NICE guidelines and evidence based practice is commendable, but we find it surprising that these are not already embedded in SEPT's working practices.

### **2.2 Quality priorities for 2014/15**

- Regarding targets around prone restraint incidences and pressure ulcers, we would have liked to have seen defined numerical reduction targets rather than just unspecified reductions.
- We feel the target for avoidable grade 3 and 4 pressure ulcers acquired in SEPT's care should be zero.
- We would be interested to know the percentage of 'friends and family' test responses as against the number of people using SEPT's services.

### **2.4 Learning lessons from the Francis inquiry**

- We commend the trust on its approach to incorporating the recommendations of the Francis, Berwick and Keogh reports into its service improvement initiatives.
- Publication of a new public quarterly quality dashboard on the SEPT website is indicative of a trust that is confident, open and transparent enough to share both its successes and areas requiring improvement. We think this is a positive development, although we did not feel the dashboard was easy to find on the site.

### **2.5.2 Participation in clinical audits and national confidential enquires**

- Sending discharge summaries to GPs within 24 hours as normal practice is commendable. We do however wonder when 'the clock starts' for this. Also, in light of the special inquiry being carried out by Healthwatch England into unsafe discharges, we would be interested to know more about the trust's discharge procedures and measures to mitigate risk.

### **2.5.4 Goals agreed with commissioners for 2013/14**

- Regarding the four CQUIN schemes, of which three were appropriate for SEPT services, we would question the inclusion of a staff survey to evidence patient experience focus.
- We feel the trust's practice of sending a staff picture to service users with learning disabilities in advance of home visits to reduce anxiety indicates a caring and innovative approach. We have seen first hand the attitudes of certain staff in the community towards people with LD, and have been impressed with their friendliness, responsiveness and flexibility.

- The implementation of a single gateway in child and adolescent mental health services for tiers 3 and 4 suggests SEPT is an organisation that is up with, if not ahead of the game in this area.

## **2.6 National mandated indicators of quality**

- Although close to the national average, we consider it of some concern that over 35% of SEPT staff would not recommend its services to their own friends and family.
- It is a matter of concern that the trust's patient experience of community mental health services indicator score is below the national average. We do however commend the trust's openness around this and its commitment to take remedial action.

## **3.1 Progress against the quality priorities set in 2013/14**

- The provision of training for staff on carer awareness is clearly positive, with 509 clinical staff receiving the training, but is this training also offered to non-clinical staff who might be more likely to come into contact with carers than clinical staff. We think it is worthy of note that 509 equates to only 7.27% of the 7,000 strong SEPT workforce.

## **Complaints**

- We would question why the target for closing/resolving complaints differs between community health services (100% in 25 days) and mental health services (90% in 30 days) considering the 'parity of esteem' agenda. We recognise there is probably a logical rationale for this.

## **Compliments**

- We note the fall in South East Essex community health services compliments from 2208 in 2011/12 to 1293 in 2013/14, suspecting an anomaly in the first figure.

## **Friends and family test**

- We welcome the trust's commitment to improve on its patient satisfaction following what would seem to be poor results for its mental health services.

## **3.4 Performance against key national priorities**

- The trust is to be commended on its performance around formal reviews, early intervention cases, delayed transfers of care, referral to treatment waiting times and data completeness, exceeding national targets, and achieving 'perfect' performance in some areas.

## **Learning disabilities access to healthcare**

- We are delighted to see SEPT's perfect rating in the assessment following Mencap's 'death by indifference' report. This relates to issues on which Healthwatch Southend has been paying close attention since the publication of the confidential inquiry into premature deaths of people with learning disabilities (CIPOLD) report. We see a possible correlation between these results and having the same trust deliver both community health and LD services.

***Jonathan Key***

***Healthwatch Manager***



Michelle Bourner  
South Essex Partnership NHS Foundation Trust  
Trust Head Office  
The Lodge  
Runwell Chase  
Wickford  
Essex  
SS11 7XX

27<sup>rd</sup> May 2014

Dear Michelle Bourner,

Healthwatch Suffolk response to South Essex Partnership NHS Foundation Trust (SEPT) Quality Account 2013/14

Healthwatch Suffolk thanks the South Essex Partnership NHS Foundation Trust (SEPT) for the opportunity to comment on its Quality Account for the year 2013/14.

Our working group has considered your draft document and produced a response statement (enclosed) for inclusion in the appendix of the published report.

If you have any questions about Healthwatch Suffolk or this response please do not hesitate to contact Michael Ogden on 01449 703949 or by email to [michael.ogden@healthwatchesuffolk.co.uk](mailto:michael.ogden@healthwatchesuffolk.co.uk).

Healthwatch Suffolk looks forward to working with the South Essex Partnership NHS Foundation Trust (SEPT) in the year ahead and to hearing of progress made to improve services and outcomes for patients and service users in Suffolk.

Yours sincerely

Annie Topping  
Chief Executive  
Enc.

## **South Essex Partnership NHS Foundation Trust (SEPT)**

### **Quality Report**

The Quality Report of the SEPT is readable and generally should be accessible to the general public. Healthwatch Suffolk welcomes the implementation of a Trust-wide approach to collecting feedback, through a standardised survey as well as the Friends and Families test question. The Trust surveys are regularly reported back to their teams for action. We found the layout of the corporate priorities in Section 2.1 made it difficult to follow, we suggest a layout utilising a table would make them easier to follow.

The analysis and learning for 2014/15 (priorities/actions/targets) was clear and logical and the reader found it easy to understand and to follow the reasoning. The Trust has set up major workstreams in response to the Francis, Berwick and Keogh reports. The Trusts service review shows that significant improvements have been achieved since the introduction of monthly data quality reports. The Trust has responded well to the national clinical/confidential reports with relevant actions for improvements, some examples are given. The Trust presents its progress against the quality priorities it set for itself in 2013/14. This information is well presented, using graphs and other graphics to illustrate the review of its performance. It is good to see that the Trust is making progress with quality performance. The Trust is working with commissioners in Suffolk to revise the model for timely and appropriate responses for looked after children. Work is also being carried out with Suffolk County Council to implement the proposed changes to planning for children with special educational needs. The Trust has also detailed action being taken in the variety of medical services that it provides in Suffolk (p37)

The Trust performance for against their targets for the 'Commissioning for Quality and Improvement' (CQUINS) scheme was good at a 92% achievement of targets this resulted in a CQUINS income of £5.8 Million whilst the total amount available to the Trust for a 100% performance was £6.3 Million. SEPT has been subjected to 11 routine compliance reviews in 2013/14 across the full range of its service provision and locations. This resulted in two locations not being fully compliant, 1 moderate and one minor non-compliance in both locations. We found the graphs on pages 21 and 22 somewhat difficult to follow despite the explanation perhaps the more simplified style of the friends and families test graph could be adopted. The Trust suffered a deterioration of the Mental Health Service User Survey – the Trust has developed specific action plans which they report as being well advanced in their implementation. The Trust reports the rate of Severe Harm and Deaths resulting from an incident. The Trust however does not tell us what actions it is taking to reduce the number of such incidents. While the SEPT figures compare well with the national picture, it would have been encouraging to see what efforts were being made to reduce the number of incidents resulting in severe harm or death. It may be these are addressed by the discussion around falls but this is not clear in the document.

The SEPT is performing well across a very wide range of services and localities. There are a few minor issues reported and we saw no discussion around the reduction of patient safety incidents. Healthwatch Suffolk looks forward to seeing the Trust achieve its goals for the coming year and is willing to work with the Trust in helping it achieving those goals.

**Annie Topping**

**Chief Executive**

We have been invited to review the draft Quality Report for 2013/14 and the following statement has been developed by the Lead Governor based on comments from Governors. This provides Governors with an opportunity to assure members of our Trust that quality is at the heart of what SEPT does and will not be compromised. We have to ensure that the priorities which were set for 2013/14, and which we highlighted in last year's report, have been met and are continuing.

We have appreciated the keenness of the Trust Board to engage with them in the processes relating to quality in the Trust, including our invitation to attend the Trust stakeholder events alongside service users and their carers, members of staff and senior staff from Local Authorities and Clinical Commissioning Groups, when time was spent considering the priorities for the coming year. Governors were also involved in meetings with the public and members across the Trust's constituencies in Bedfordshire and Essex where sessions focused on identifying what activities the Trust should start, carry on and stop doing to understand what quality service looks like.

In particular, we note:

- the continuing emphasis on carer support
- the improvement to service user experience
- the link between community and mental health services is bearing dividends in providing a more joined-up service for service users and their carers
- that service users are involved closely with their care plans and that the improved electronic records are contributing to a better handover process
- that the less than 100% mandatory training is because, on occasions, bank staff are brought in to provide necessary cover and that training cannot always be confirmed as being up to date
- there is a continuing relatively high level of complaints either upheld or partially upheld. We have accepted this shows a positive open culture within the Trust but there are still many areas where a service user or carer still feels dissatisfied. We would like to see more detailed analysis including lessons learnt
- that we are still waiting to see the detailed results of the Mystery Shopper Survey which is an important piece of ongoing work, monitoring the perceived quality of service received
- the results of the annual Staff Survey show the Trust is performing better in most areas than the national average for Trusts of our type and that the Board is striving to improve the figures in all the areas surveyed.

We appreciate the good working relationship which exists between the Board (both Executive and Non-Executive Directors) and the Council and the regular attendance and input which we have received from Directors in their presentations. The standard of report continues to be generally very high and all Directors have shown themselves prepared to answer questions which we, the Governors, ask on behalf of the members.

We have started to develop a good working relationship with the new Chief Executive, Sally Morris, and are very grateful for her regular attendance at meetings of the Council and for answering questions and providing assurance and advice to us all. We feel it is important to acknowledge the outstanding leadership role made by Lorraine Cabel as the Chair of the Council, particularly in relation to the Quality Report.

A basic tenet for any hospital trust is that a service user's physical or psychological condition should not be worsened by being in its care. Our Trust has, in the past, successfully concentrated on reducing and virtually eliminating hospital-acquired infections and that is on-going. We note the welcome focus on

reducing the incidents of avoidable falls (particularly for the elderly) and pressure ulcers, and are pleased that the Directors are treating these as a high priority (under Quality Priorities 2 and 3).

We have concluded that the Quality Report is an honest commentary on last year which shows a Trust which continues to be high performing, and the Directors have agreed a set of priorities which will continue to support the essential requirement that, at SEPT, safety and quality comes first.

## **ANNEX 2 - 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 Reports Regulations to prepare Quality Reports 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.

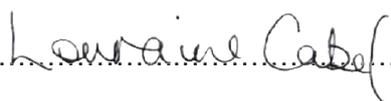
In preparing the Quality Reports, Directors are required to take steps to satisfy themselves that:

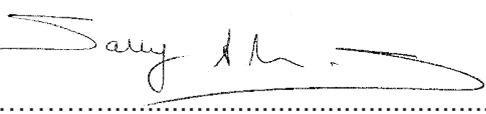
- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2013/14;
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
  - Board minutes and papers for the period April 2013 to May 2014
  - Papers relating to Quality reported to the Board over the period April 2013 to May 2014
  - Feedback from the commissioners dated/received 23<sup>rd</sup> and 27<sup>th</sup> May 2014
  - Feedback from governors approved 22<sup>nd</sup> May 2014
  - Feedback from Local Healthwatch organisations dated/received 13<sup>th</sup>, 22<sup>nd</sup> and 27<sup>th</sup> May 2014
  - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 for period April 2013 to March 2014, received by the Board of Directors on 30<sup>th</sup> April 2014
  - The national patient survey 2013 received by the Board of Directors on 27<sup>th</sup> November 2013
  - The national staff survey 2013 received by the Board of Directors on 26<sup>th</sup> March 2014
  - The Head of Internal Audit's annual opinion over the trust's control environment dated 20<sup>th</sup> May 2014
  - CQC quality and risk profiles dated 31<sup>st</sup> March 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 Reports, 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 Reports 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 Report Regulations) as well as the standards to support data quality for the preparation of the Quality Report (available at [www.monitor-nhsft.gov.uk/annualreportingmanual](http://www.monitor-nhsft.gov.uk/annualreportingmanual)).

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:

Date: 29 May 2014 .....Chairman

Date: 29 May 2014 .....Chief Executive

## **2013/14 LIMITED ASSURANCE REPORT ON THE CONTENT OF THE QUALITY REPORT AND MANDATED PERFORMANCE INDICATORS**

### **Independent Auditor's Report to the Council of Governors of South Essex Partnership University NHS Foundation Trust on the Quality Report**

We have been engaged by the Council of Governors of South Essex Partnership University NHS Foundation Trust to perform an independent assurance engagement in respect of South Essex Partnership University 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:

- 100% enhanced Care Programme Approach patients receiving follow-up contact within seven days of discharge from hospital
- Admissions to inpatient services had access to crisis resolution home treatment teams
- Minimising delayed transfer of care

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

#### **Respective responsibilities of the Directors and auditor**

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 the Quality Report; 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 [either refer back to the specified documents in the guidance, or list those documents below:

- Board minutes for the period April 2013 to the date of signing of the limited assurance opinion;
- Papers relating to Quality reported to the Board over the period April 2013 to the date of signing of the limited assurance opinion;
- Feedback from the Commissioners dated 23/05/2014 and 27/05/2014 ;
- Feedback from local Healthwatch organisations dated 13/05/2014, 22/05/2014 and 27/05/2014 ;
- The trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, for period April 2013 to March 2014 , dated 30/04/2014 ;
- The *latest* national patient survey dated 27/11/2013;
- The *latest* national staff survey dated 26/03/2014;
- Care Quality Commission quality and risk profiles dated 31/03/2014;
- The Head of Internal Audit's annual opinion over the trust's control environment dated 20/05/2014 ; 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 South Essex Partnership University NHS Foundation Trust as a body, to assist the Council of Governors in reporting South Essex Partnership University 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 South Essex Partnership University NHS Foundation Trust for our work or this report save 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.
- 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 impact 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 thereof, 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 South Essex Partnership University 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 Quality Report; 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

Cambridge

Date:



## GLOSSARY

<b>BLPT</b>	Bedfordshire and Luton Mental Health and Social Care Partnership NHS Trust
<b>BNF</b>	British National Formulary
<b>CAMHS</b>	Child and Adolescent Mental Health Service
<b>CIPs</b>	Cost Improvement and Income Generation Plan
<b>CCG</b>	Clinical Commissioning Group
<b>CPA</b>	Care Programme Approach
<b>CQC</b>	Care Quality Commission
<b>CPN</b>	Community Psychiatric Nurse
<b>CMHT</b>	Community Mental Health Team
<b>CQUIN</b>	Commission for Quality and Innovation. This is shorthand for quality improvements agreed during the annual contracting negotiations between SEPT and its health commissioners.
<b>DoH</b>	Department of Health
<b>DTOC</b>	Delayed Transfer of Care
<b>FT</b>	Foundation Trust
<b>GCS</b>	Glasgow Coma Scale
<b>HOSC</b>	Health Overview and Scrutiny Committee
<b>IAPT</b>	Improved Access to Psychological Therapies
<b>IC</b>	Infection Control
<b>IG</b>	Information Governance
<b>IT</b>	Information Technology
<b>KPI</b>	Key Performance Indicators
<b>Lean Working</b>	A process developed to help services evaluate their effectiveness and improve quality, care pathways and cost effectiveness.
<b>LTC</b>	Long Term Condition
<b>MDT</b>	Multi-Disciplinary Team
<b>MRSA</b>	Type of bacterial infection that is resistant to a number of widely used antibiotics
<b>NCB</b>	National NHS Commissioning Board
<b>NHS</b>	National Health Service
<b>NICE</b>	National Institute for Clinical Excellence
<b>NPSA</b>	National Patient Safety Agency
<b>NRLS</b>	National Reporting and Learning System
<b>NRES</b>	National Research Ethics Service
<b>NSF</b>	National Service Framework
<b>OLM</b>	Oracle Learning Management – the Trust’s on-line training programme
<b>PASCOM</b>	Podiatric Audit surgery and Clinical Outcome Measurement
<b>PHP</b>	Personal Health Plan
<b>PICU</b>	Psychiatric Intensive Care Unit
<b>POMH</b>	Prescribing Observatory for Mental Health
<b>PRN</b>	A shortened form of the Latin phrase <i>pro re nata</i> , which translates roughly as ‘as the thing is needed – means a medication that should be taken only as needed
<b>Quality Reports</b>	All NHS provider organisations are required to produce a report on progress against quality targets in the preceding year and the indicators it wishes to use for the coming year.
<b>QIPP</b>	Quality Innovation Productivity and Prevention

<b>RCA</b>	Root Cause Analysis
<b>SPC</b>	Summary of Product Characteristics (relating to BNF/pharmaceutical products)
<b>SEPT</b>	South Essex Partnership University NHS Foundation Trust
<b>SI</b>	Serious Incident
<b>SIGN</b>	Scottish Intercollegiate Guidelines Network
<b>UTI</b>	Urinary Tract Infection
<b>VTE</b>	Venous Thromboembolism – blood clots

## Photo Index

95 Caption: The Trust welcomed Sally Morris as new Chief Executive - pictured here visiting Meadowview Ward at Thurrock Community Hospital

95 Chair, Lorraine Cabel, and Chief Executive, Sally Morris, congratulate Employee Engagement team on achieving the Health and Wellbeing Award (photo)

95 Caption: Staff deliver Christmas cheer to inpatient wards across the Trust (photo)

97 Caption: Executive Team line up for their flu shots (photo – November 1282)

100 Caption: Community nutrition project host the Old Spices Cooking Class (photo)

105 Caption – Trust awarded ‘Positive Fair Diverse’ accreditation by NHS Employers for 2013 – 2014 (photo – July 0868)

106 Caption: Trust’s Procurement Team won Green Apple award for ‘Green Switch’ (photo)

106 Caption: Launched the Dr. Patrick Geoghegan Health and Wellbeing Academy with Anglia Ruskin University (photo)

106 Caption: Queens Nurses’ Awards presented to Jane McNaughton and Tracy Reed (photos)

107 Caption: BMHU Trust Marks World Mental Health Day (photos)

112 Caption: Open Arts received national award at Positive Practice in Mental Health Awards (photo)

115 Caption: Thurrock Hospital’s Dementia Garden Turf Cutting (photo)

115 Caption: 2013 AGM and Health & Wellbeing Fayre (photos)

117 Caption: Volunteer Joyce Culling shortlisted as finalist for Great East of England Care Awards in Unpaid Carers Award category (photo)

117 Caption: Local primary school children take part in the Green Christmas competition (photo)

118 Caption: Trust chosen by Department of Health to pilot one of seven areas testing the Fluenz vaccination programme for primary school children (photo)

125 Caption: Local primary school children take part in the Green Christmas competition (photo)

125 Caption: MAP Service won Patient Experience Network National Award 2013 in the Access to Information category (photo)

125 Caption: Chief Executive, Sally Morris, and Non Executive Director, Dawn Hillier, mark NHS Sustainability Day (photo)

127 Caption: Staff support Carers Rights Day in Basildon

(photo)

137 Caption: Committee of the Friends of St Margaret’s Hospital presenting a pulse oximeter and otoscope to Julia Brown, Parkinson’s nurse, Present: Dr Ambe and his team of Doctors, Ivy, Charge Nurse from Rapid Assessment clinic, Maria Owen, Modern Matron, Julia Brown Parkinson’s nurse, League of friends: Anne Munro, Liz Jones, Valerie Lal, Sue Savage, John & Sylvia Spencer League of Friends – Saffron Walden / St. Margaret’s donations (photo)

147 Caption: Trust Marks World Mental Health Day (photos)

148 Caption: Brockfield House staff celebrate Children in Need (photo – November 039)

151 Caption: Staff celebrate the opening of Churchview House (photo)

155 Chair, Lorraine Cabel, and Chief Executive, Sally Morris, celebrate with staff on receipt of IIP Accreditation (photo)

155 Caption: HMP Bedford Inreach Team received High Sheriff’s Award for Outstanding Team (photo)

155 Caption: Graduates and guests pictured at the Toddler Graduation – Hamstel Children’s Centre (photo)

156 Caption: Nebuliser presentation (photo)

158 Caption: Blood Pressure check at Saffron Walden Community Hospital (photo)

161 Board of Directors show their support for the LGBT Rainbow Campaign (photo)

161 Caption: Opening of Cancer Information Kiosk Princess Alexandra Hospital (photo)

- Caption: Bedfordshire’s Food First Team win PrescQIPP Innovation Award in nutrition category (photo)

- Caption: Hosted more faith events in Bedfordshire and Luton for Muslim and Sikh communities (photos)

- Caption: Trust’s Procurement Team awarded the Health Care Supply Sustainable Procurement Award (photo)

- Caption: Living Well with Dementia Photo Competition winners in partnership with Anglia Ruskin University (photos)

- Caption: Rem Pods delivered to help improve quality of life of patients with dementia (photo)

- Caption: Learning Disability Week – Basildon info stand (photo)

- Caption: Nurses Day Fundraiser – Saffron Walden Community Hospital donation to Teenage Cancer Trust (photo)



# **SECTION B: ANNUAL ACCOUNTS**



# South Essex Partnership University NHS Foundation Trust

## ANNUAL ACCOUNTS 2013/2014

### INDEX

<b>SECTION A: CERTIFICATE FOR ANNUAL ACCOUNTS</b>	<b>PAGE NO</b>
Index	i
Statement of the Chief Executives' Responsibilities as the Accounting Officer of the Trust	ii
Annual Governance Statement 2013/14	iii - vii
Independent Auditor's Report	viii -ix
<b>SECTION B: ANNUAL ACCOUNTS AND NOTES TO THE ACCOUNTS</b>	
Foreword to the Accounts	1
Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Change in Taxpayer's Equity	4
Statement of Cash Flows	5
Note 1 Summary of Accounting Policies and Other Information	6
Note 2 Operating Income from continuing operations	23
Note 3 Other Operating Income from continuing operations	27
Note 4 Operating Expenses of continuing operations	28
Note 5 Staff Cost	30
Note 6 Employee Retirement Benefit Obligations	39
Note 7 The late payment of Commercial Debts (Interest) Act1988	42
Note 8 Finance Cost and Finance Income	43
Note 9 Intangible Assets	44
Note 10 Property, Plant and Equipment	45
Note 11 Investment Property	49
Note 12 Other Non-current Assets	49
Note 13 Trade and Other Current Receivables	50
Note 14 Inventories	51
Note 15 Non-current Assets held for sale	52
Note 16 Cash and Cash Equivalents	52
Note 17 Investments	52
Note 18 Trade and Other Current Payables	52
Note 19 Other Liabilities	53
Note 20 Borrowings	53
Note 21 Provisions for Liabilities and Charges	55
Note 22 Movements in Taxpayers' Equity	56
Note 23 Public Dividend Capital	56
Note 24 Movements in Reserves	56
Note 25 Notes to the Statements of Cash Flows	57
Note 26 Capital Commitments	57
Note 27 Events after the reporting period	57
Note 28 Contingencies	57
Note 29 Related Party Transactions	58
Note 30 Prudential Borrowing Limit	60
Note 31 Financial Instruments	60
Note 32 Fair Value	63
Note 33 Third Party Assets	63
Note 34 Losses and special payments	64

## Statement of Chief Executive's Responsibilities as the Accounting Officer of South Essex Partnership University NHS Foundation Trust

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").

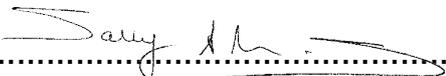
Under the NHS Act 2006, Monitor has directed South Essex Partnership University NHS foundation trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of South Essex Partnership University 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 him/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.

Signed:   
Sally Morris

Date: 28 May 2014

## **ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 MARCH 2014**

### **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.

### **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 South Essex Partnership University NHS Foundation Trust (SEPT), 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 SEPT for the year ended 31 March 2014 and up to the date of approval of the annual report and accounts.

### **Capacity to handle risk**

As part of my role of providing leadership to the risk management process I am Chair of the Executive Operational Committee, which is a sub-committee of the Board of Directors. This committee and the Quality and Governance Committee (previously known as the Integrated Quality and Governance Committee) are responsible for developing, maintaining and monitoring the risk management and assurance systems within the Trust.

The Trust trains all staff in various aspects of risk management and ensures that where staff require specialist advice and training, that this is provided through attendance on specific courses and attendance at conferences. The Trust has in place an approved mandatory and core training matrix in line with best practice requirements. Training and guidance is provided in various media formats to staff including e-learning, classroom environment, information bulletins and seminars to ensure learning from good practice and experience is disseminated quickly and effectively.

### **The risk and control framework**

The Risk Management Framework details SEPT's risk management arrangements. It was reviewed and agreed by the Trust's Board of Directors in June 2013. It confirms accountability arrangements for individuals including executive directors, risk specialists, managers and all staff. Risk registers at Board, Corporate and Directorate level are in place and there is an effective risk identification and assessment process to support these. Potential risks are identified fed from a wide variety of sources including; complaints, incidents/accidents, claim

trend reports, internal and external reviews, risk assessment, performance information and staffing trends.

The framework outlines how risks are prioritised in a consistent manner throughout the organisation, including the potential impact should the risk materialise and an assessment of the likelihood that the risk will materialise. The framework details the ways in which controls are identified, and how assurance is provided and evaluated. Risk appetite of the Trust is defined by the identification of a target risk score. The Trust manages its most significant current and future potential risks through a Board Assurance Framework. During 2013-14 this has included potential risks associated with personalisation, learning from serious incidents, engagement with CCGs and Health and Well Being Boards, mandatory training, performance, integrated care records, changes and complexities in commissioning arrangements, achievement of the financial plan and delivery of the cost improvement programme.

Future significant potential risks are identified as part of the strategic planning process that supports development of the Trust's forward plans. For 2014-15 the most significant future risks identified by the Board relate to delivery of the Trust's financial plan (and cost improvement plan) and managing the transfer of mental health services to an alternative provider(s) as a result of Bedfordshire and Luton CCG procurement processes.

Each potential risk identified is owned by an Executive Director. Mitigation strategies will vary, but enhanced action planning/ project management and monitoring arrangements will be expected as the norm.

The Board of Directors has continued to develop SEPTs systems and processes for monitoring and improving quality in line with Monitor's Quality Governance Framework. The Quality and Governance Committee has responsibility for overseeing action that continually enhances the quality governance arrangements in place. Developments in 2013-14 included development of a strategy for quality, introduction of an Information Assurance Framework to provide assurance on the quality of information used by the Board to monitor quality performance and increased internal audit of data quality.

The Board of Directors has put in place a process to assure itself of the validity of its Corporate Governance Statement as required under NHS foundation trust condition 4(8)(b). The Quality and Governance Committee is responsible for undertaking an annual self assessment process of compliance with the requirements of the statement and for making a recommendation to the Board of Directors. As at the end of March 2014 no significant gaps in compliance or risks were identified. Internal audit completed an independent review of evidence available to support compliance with the statement and a "full assurance" opinion was provided to support the recommendation from the Quality and Governance Committee. During 2014-15 the Trust will be undertaking a review of its governance structures and processes as a result of recent changes to the Executive Director structure to ensure that structures remain effective; that there is clarity of responsibility of directors and board sub-committees and the Board receives the information it needs to discharge its responsibilities appropriately.

Risks relating to data security are managed by the Director of IT in accordance with the Risk Management Framework, Adverse Incident Policy and Procedure and the Information Governance & Security (D) - Information Security Incident Management Procedure. The

Information Governance Steering Committee monitors progress against identified actions and controls in place and provides assurance reports to the Quality and Governance Committee.

The Board of Directors and I fully support the continued development of a safety culture throughout the Trust. The safety and health of all service users, staff, carers and visitors is paramount. The Trust has provided clear procedures and resources for reporting and managing incidents and insists on a philosophy that promotes open and honest reporting. Trust staff have a duty to report all incidents to prevent harm in the future. Incident reporting is monitored via the Health Safety and Security Committee. Issues are escalated as necessary to the Board or its sub committees.

The Trust has in place policies, procedures and monitoring arrangements to support its duty to eliminate discrimination. Quality Impact Assessments and Equality Impact Assessment processes ensure that decisions made are fair and representative. Where an impact assessment identifies a potential risk to a protected characteristic group further analysis is carried out and reported to the Equality and Diversity Steering Group and Joint Staff Forum for action.

Public stakeholders such as the Local Authority partners of the Trust are involved in managing key shared risks through an established committee structure that oversees the operations and potential threats to services delivered in partnership. These committees are responsible for identifying shared risks and for agreeing appropriate remedial action, including referral and escalation of the risks, where appropriate. In addition, the Board of Governors is advised of key risks which may have arisen or are likely to materialise through regular meetings.

The foundation trust is fully compliant with the registration requirements of the Care Quality Commission. The Trust maintains an overarching assurance database that maps internal and external intelligence on quality to understand where action may be required to prevent lapses in compliance with the essential standards of quality and safety. Assurance on compliance with the standards is obtained through service reviews undertaken by the Compliance Team and commissioners. A system of regular quality visits by Non Executive, Executive Directors and Governors is also take place. Actions from reviews and visits are monitored until completed.

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

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

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.

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

The Executive Operational Committee has responsibility for overseeing the day-to-day operations of the Trust and for ensuring that resources are being used economically, efficiently and effectively. The Performance and Finance Scrutiny Committee scrutinises quality, clinical (including workforce) and financial performance each month and provides the Board with assurance that performance is acceptable or that risks are being managed.

### **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 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 in the NHS Foundation Trust Annual Reporting Manual.

As Chief Executive Officer I have a personal commitment to quality in everything that we do, this is shared by our chair and all members of our Board of Directors. The Trust has taken steps to assure the Board that the Quality Account presents a balanced view of quality and that there are appropriate controls in place to ensure the accuracy of data that it contains. These include: The Executive Director of Clinical Governance and Quality has led the development of the Quality Report and has supported the Board in determining the quality priorities that it contains. Robust systems are in place to monitor performance against the quality indicators, metrics and priorities set out in the Quality Report in year and for ensuring that the Quality Report is consistent with reports received in year.

The Quality Report is circulated to our key stakeholders (commissioners, health overview and scrutiny committees and Healthwatch) as well as our Council of Governors and their comments on content are included in the final published version.

The Trust has a wide range of policies and procedures in place to ensure that the quality of care provided meets the standard expected by the Board of Directors and that services are compliant with legal, regulatory, contractual and best practice requirements.

There are plans, strategies and frameworks in place in the Trust to continually improve the quality of services. Examples include the response to the recommendations of the Francis Enquiry; our Nursing Strategy; our Quality Strategy and our Customer Service Framework.

The Trust has systems and processes in place for the collection, recording, analysis and reporting of data. Information systems have built in controls to minimise scope for human error or manipulation. There are corporate security and recovery arrangements in place.

Roles and responsibilities in relation to service and data quality are clearly defined and where appropriate incorporated into job descriptions.

Internal and external reporting requirements have been assessed and data provision is reviewed to ensure it is aligned to these needs. Data used for reporting is used for day to day management of the Trust's business. Data is used to support decision making and management action is taken to address service delivery issues identified by reporting. Data used for external

reporting is subject to verification prior to submission. Data returns are prepared and submitted on a timely basis and are supported by an audit trail.

An Information Assurance Framework has been developed and has been implemented during 2013-14.

External independent assurance has been sought on the content of the Quality Report and of the quality of data that supported reporting of performance against three of the KPIs.

### **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. 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 Quality and Governance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The following processes have been applied in maintaining and reviewing the effectiveness of the system of internal control:

- There is a comprehensive programme of Internal Audit in place aligned to key areas of potential financial and operational risk.
- The Audit Committee has met regularly and carried out its responsibilities effectively in line with its terms of reference and the Audit Committee Handbook.
- A Clinical Audit programme is in place to drive up quality standards. An annual report of results is produced and re-audit is undertaken if results require it.
- An efficacy review was undertaken of the sub-committees of the Board of Directors to ensure that they were meeting their terms of reference.

Internal Audit conducted a review of the Trust's Board Assurance Framework in May 2013 and February 2014. The auditors provided a "substantial" and "full assurance" opinion respectively and confirmed that "There is a sound system of internal control designed to achieve the Trust's objectives and the control processes tested are being consistently applied." No recommendations for action were identified.

The Head of Internal Audit Opinion (issued 20 May 2014) for 1 April 2013 to 31 March 2014 confirms: " Significant assurance can be given that there is a generally sound system of internal control, designed to meet the Trust's objectives, and that controls are generally being applied consistently. However, some weakness in the design and/or inconsistent application of controls, put the achievement of particular objectives at risk."

Signed:   
Sally Morris  
Chief Executive

Date: 28 May 2014

## **INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF SOUTH ESSEX PARTNERSHIP UNIVERSITY NHS FOUNDATION TRUST**

We have audited the financial statements of South Essex Partnership University NHS Foundation Trust for the year 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 34. 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 South Essex Partnership University 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 ii, 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 South Essex Partnership University NHS Foundation Trust's affairs as at 31 March 2014 and of its income and expenditure and cash flows for the year 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 financial year 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 South Essex Partnership University 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.



*Rob Murray*  
*for and on behalf of Ernst & Young LLP, Statutory Auditor*  
*Cambridge*  
*Date: 29 May 2014*



**FOREWORD TO THE ACCOUNTS****South Essex Partnership University NHS Foundation Trust**

South Essex Partnership University NHS Foundation Trust ('the Trust') is required to prepare annual accounts in such form as Monitor, the independent regulator of Foundation Trusts, may with the approval of HM Treasury, direct. These requirements are set out in paragraphs 24 and 25 of schedule 7 to the National Health Service Act 2006.

In preparing the accounts the Trust has complied with any directions given by Monitor, with the approval of HM Treasury, as to the methods and principles according to which the accounts are to be prepared and the information to be given in the accounts. The accounts are designed to present a true and fair view of the Trust's activities (paragraph 25(3), schedule 7 to the 2006 Act).

If you require any further information on these accounts please contact:

The Executive Chief Financial Officer  
South Essex Partnership University NHS Foundation Trust  
Head Office – The Lodge  
Runwell Hospital  
Runwell Chase  
Wickford  
Essex SS11 7XX

Telephone: 01268 366000

Signed:  .....

**Sally Morris**  
**Chief Executive**

**Date: 28 May 2014**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED  
31 MARCH 2014**

	NOTE	2013/14 £000	2012/13 £000
<b>INCOME FROM ACTIVITIES</b>			
Operating income from continuing operations	2	311,628	310,758
Other operating income from continuing operations	3	12,903	13,638
Operating expenses of continuing operations	4	(319,205)	(313,503)
<b>Operating surplus (deficit) for the year</b>		<b>5,326</b>	<b>10,893</b>
<b>FINANCE COST</b>			
Finance income	8	498	577
Finance expense - financial liabilities	8	(2,566)	(2,556)
Finance expense - unwinding of discount on provisions	8	(85)	(132)
PDC dividends		(4,165)	(4,178)
<b>Net finance cost</b>		<b>(6,318)</b>	<b>(6,289)</b>
Movement in fair value of investment property		535	(266)
<b>Surplus/(Deficit) from continuing operations for the year</b>		<b>(457)</b>	<b>4,338</b>
<b>OTHER COMPREHENSIVE INCOME (LOSSES)</b>			
Gain/(loss) from transfer by absorption from demising bodies		153	0
Impairments		0	(67)
Revaluations		0	7,743
Remeasurements of net defined benefit pension scheme		(446)	(970)
Other reserve movements		(144)	516
<b>TOTAL COMPREHENSIVE INCOME (EXPENSES) FOR THE YEAR</b>		<b>(894)</b>	<b>11,560</b>

The notes on pages 6 to 64 form part of these accounts. All income and expenditure is derived from continuing operations.

**STATEMENT OF FINANCIAL POSITION AS AT  
31 MARCH 2014**

	NOTE	2013/14 £000	2012/13 £000
<b>NON CURRENT ASSETS</b>			
Intangible assets	9	3,148	3,065
Property, plant and equipments	10	156,558	161,508
Investment property	11	10,325	8,650
<b>Total non-current assets</b>		<b>170,031</b>	<b>173,223</b>
<b>CURRENT ASSETS</b>			
Inventories	14	436	409
Trade and other receivables	13	12,352	13,388
Non-current assets for sale	15	4,350	6,810
Cash and cash equivalents	16	38,622	34,302
<b>Total current assets</b>		<b>55,760</b>	<b>54,909</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	18	(23,964)	(26,373)
Borrowings	20	(852)	(695)
Provisions	21	(2,061)	(1,731)
Other current liabilities	19	(2,132)	(1,872)
<b>Total current liabilities</b>		<b>(29,009)</b>	<b>(30,671)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>196,782</b>	<b>197,461</b>
<b>NON CURRENT LIABILITIES</b>			
Borrowings	20	(31,168)	(32,020)
Provisions	21	(4,450)	(4,334)
Other non current liabilities	19	(3,710)	(3,032)
<b>Total non-current liabilities</b>		<b>(39,328)</b>	<b>(39,386)</b>
<b>TOTAL ASSETS EMPLOYED</b>		<b>157,454</b>	<b>158,075</b>
<b>FINANCED BY: TAX PAYERS EQUITY</b>			
Public dividend capital	23	98,537	98,264
Revaluation reserve	24	42,787	44,563
Income and expenditure reserve	24	16,130	15,248
<b>TOTAL TAX PAYERS EQUITY</b>		<b>157,454</b>	<b>158,075</b>

The Financial statements on pages 6 to 64 were approved by the Board on 28 May 2014 and signed on its behalf by,

Signed:   
Sally Morris  
Chief Executive

Date: 28 May 2014

## STATEMENT OF CHANGES IN TAXPAYERS' EQUITY AT 31 MARCH 2014

	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
<b>TAXPAYERS EQUITY AT 01 APRIL 2013</b>	<b>158,075</b>	<b>98,264</b>	<b>44,563</b>	<b>15,248</b>
Surplus/(deficit for the year)	(457)	0	0	(457)
Transfers by modified absorption: Gains/(losses) on 1 April transfers from demising bodies.	153	0	0	153
Impairments	0	0	0	0
Transfers between reserves	0	0	(1,159)	1,159
Transfer to retained earnings on disposal of assets	0	0	(617)	617
Revaluations - property, plant and equipment	0	0	0	0
Actuarial gains/(losses) on defined benefit pension schemes	(446)	0	0	(446)
Public Dividend Capital received	273	273	0	0
Other recognised gains and losses	0	0	0	0
Other reserve movements	(144)	0	0	(144)
<b>TAXPAYERS EQUITY AT 31 MARCH 2014</b>	<b>157,454</b>	<b>98,537</b>	<b>42,787</b>	<b>16,130</b>

## STATEMENT OF CHANGES IN TAXPAYERS' EQUITY AT 31 MARCH 2013

	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
<b>TAXPAYERS EQUITY AT 01 APRIL 2012</b>	<b>146,460</b>	<b>98,209</b>	<b>37,803</b>	<b>10,448</b>
Surplus/(deficit for the year)	4,338	0	0	4,338
Impairments	(67)	0	(67)	0
Transfers between reserves	0	0	(916)	916
Revaluations - property, plant and equipment	7,743	0	7,743	0
Actuarial gains/(losses) on defined benefit pension schemes	(970)	0	0	(970)
Public Dividend Capital received	55	55	0	0
Other recognised gains and losses	0	0	0	0
Other reserve movements	516	0	0	516
<b>TAXPAYERS EQUITY AT 31 MARCH 2013</b>	<b>158,075</b>	<b>98,264</b>	<b>44,563</b>	<b>15,248</b>

**STATEMENT OF CASH FLOWS AS AT 31 MARCH 2014**

	NOTE	2013/14 £000	2012/13 £000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating surplus from continuing operation		<b>5,326</b>	<b>10,893</b>
<b>Non-cash income &amp; expenses</b>			
Depreciation and amortisation		5,534	5,627
Impairments		1,508	2,065
Reversals of impairments		(20)	(2,618)
(Gain)/Loss on disposal		135	38
On SoFP Pension liability - employer contributions paid less net charge to the SOCI		232	
(Increase)/Decrease in Trade and Other Receivables		1,317	(3,365)
(Increase)/Decrease in Inventories		(27)	(173)
Increase/(Decrease) in Trade and Other Payables		(2,565)	276
Increase/(Decrease) in Other Liabilities		260	(414)
Increase/(Decrease) in Provisions		361	(217)
Other movements in operating cash flows		(139)	(4)
<b>Net cash generated from/(used in) operations</b>		<b>11,922</b>	<b>12,108</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		88	184
Purchase of intangible assets		(1,234)	(637)
Purchase of property, plant and equipment		(493)	(3,922)
Cash from acquisitions of business units and subsidiaries		0	516
Sales of property, plant and equipment		923	80
<b>Net cash generated from (used in) investing activities</b>		<b>(716)</b>	<b>(3,779)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Public dividend capital received		273	55
Capital element of private finance Initiative obligations		(696)	(821)
Interest element of private finance Initiative obligations		(2,026)	(2,077)
PDC dividend paid		(4,437)	(4,123)
<b>Net cash generated from (used in) financing activities</b>		<b>(6,886)</b>	<b>(6,966)</b>
<b>Increase (decrease) in cash and cash equivalents</b>		<b>4,320</b>	<b>1,363</b>
<b>CASH AND CASH EQUIVALENTS AT 1 APRIL</b>		<b>34,302</b>	<b>32,939</b>
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>		<b>38,622</b>	<b>34,302</b>

## NOTES TO THE ACCOUNTS

### 1. Summary of Accounting Policies and Other Information

#### 1.1 General Information

Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the NHS Foundation Trust Financial Reporting Manual which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2013/14 NHS Foundation Trust Financial Reporting Manual issued by Monitor. The accounting policies contained within that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual 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.

#### 1.2 Presentation of Financial Statements

When preparing the financial statements the Trust will in normal circumstances follow the standard format. However, where it is determined that the standard format is not representative in reflecting the true performance of the Trust, the presentation of the primary statements may be amended accordingly.

#### 1.3 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 healthcare 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 the sale have been met, and is measured as the sums due under the sale contract.

#### 1.4 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 Pensions 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.

## **1.5 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

## **1.6 Property, Plant & Equipment**

### **Recognition**

Property, plant and equipment is capitalised where:

- It is held for use in delivering services or for administrative services
- 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
- Individually it has a cost of at least £5,000; or
- They form a group of assets which individually have a cost of more than £250, collectively have a cost of at least £5,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous, disposal dates and are under single managerial control; or
- They form part of the initial equipping and setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost.

### **Tenant Improvements**

Property, plant and equipment are capitalised where they are tenant improvements made on leased properties, that costs at least £5,000 and add value to the leased property such that it is probable that future economic benefits will flow to the Trust for more than one year over the remaining lease term.

## Measurement

### Valuation

All property, plant and equipment assets are initially measured 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 Trusts services or for administrative purposes are stated in the balance at their revalued amounts, being fair value at the date of revaluation less any subsequent depreciation or 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 balance sheet date. Fair values are determined as follows,

Land and non specialised buildings	-	market value for existing use
Specialised buildings	-	depreciated replacement cost

In accordance with HM Treasury requirements, Land and Building assets are valued every 5 years, with an interim valuation at the end of the intervening 3<sup>rd</sup> year. The previous 5 yearly valuation was carried out as at 31 March 2010, with the interim 3 yearly valuation carried out as at 31 March 2013.

The valuations are carried out primarily on the basis of Depreciated Replacement Cost for specialised operational property and Existing Use Value for non-specialised operational property. The value of land for existing use purposes is assessed at Existing Use Value. For non-operational properties including surplus land, the valuations are carried out at Open Market Value.

Additional alternative Open Market Value figures have only been supplied for operational assets scheduled for imminent closure and subsequent disposal.

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would not meet the location requirements of the service being provided, an alternative site can be valued.

Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. During the year the Trust used the District Valuers to value its' fixed assets.

Properties in the course of construction for service or administrative purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses, as allowed by IAS23 for assets held at fair value. Assets are re-valued and depreciation commences when they are brought into use.

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008 indexation ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered materially different from fair value.

## Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is added to the asset's carrying value. Where subsequent expenditure is simply restoring the asset to the specification assumed by its economic useful life then the expenditure is charged to operating expenses.

## Depreciation

Items of Property, Plant and Equipment are depreciated over their remaining useful 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 reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

The Trust applies the following useful lives to property, plant and equipment assets. The lives applied to building assets are based on the latest valuations received from the district valuer.

Main Asset Category	Sub Category	Minimum Useful Economic Life (in years)	Maximum Useful Economic Life (in years)
Buildings –owned	Structure	3	80
	Building finishes	3	70
	Engineering and installations	1	49
	External works	3	80
	Fixtures and fittings	3	70
Buildings – PFI schemes	Structure	60	62
	Building finishes	60	62
	Engineering and installations	27	30
	External works	44	45
	Fixtures and fittings	60	62
Plant, machinery and equipment	Medical and surgical equipment	5	15
	Office equipment	5	5
	IT hardware	5	5
	Other engineering works	5	15
Furniture and fittings	Furniture	10	10
	Soft furnishings	7	7
Motor vehicles		7	7

## Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease previously 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

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 or group of assets before 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.

## 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.
  1. management are committed to a plan to sell the asset;
  2. an active programme has begun to find a buyer and complete the sale
  3. the asset is being actively marketed at a reasonable price;
  4. the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
  5. 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 and the assets are not re-valued, except where the 'fair value less costs to sell' falls below the carrying amount. 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 assets**

Donated Assets are capitalised at their fair value on receipt. The donation is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the donation are to be consumed in a manner specified by the donor, in which case, the donation is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

Donated assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

### **Private Finance Initiative (PFI Contract)**

PFI transactions which meet the IFRIC12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on balance sheet' by the Trust. The underlying assets are recognised as Property, Plant and Equipment at their fair value. An equivalent financial liability is recognised in accordance with IAS39.

The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charge for services. The finance cost is calculated using the effective interest rate for the scheme.

The service charge is recognised in operating expenses and the finance cost is charged to Finance Costs in the Statement of Comprehensive Income.

## **1.7 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. Where internally generated assets are held for service potential, this involves a direct contribution to the delivery of services to the public.

Intangible assets are capitalised when they are capable of being used in Trust activities for more than one year; they can be valued; and have a cost of at least £5,000.

### **Internally generated intangible assets**

Internally generated goodwill, mastheads, publishing titles, consumer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all 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.

The Trust does not have any internally-generated intangible assets.

### **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 is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at fair value. Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairment previously recognised in operating expenses, in which case they are recognised in operating income. Decreases in asset values and impairments 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'.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), and indexed for relevant price increases, as a proxy for fair value.

Purchased computer software licences are capitalised as intangible fixed assets where expenditure of at least £5,000 is incurred and amortised over the shorter of the term of the licence and their useful economic lives.

### **Amortisation**

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

The Trust applies the following useful lives to amortise intangible assets to arrive at the assets residual value'

Main Asset Category	Sub Category	Useful Economic Life minimum (in years)	Useful Economic Life maximum (in years)
Intangible assets	Software	0	5

## 1.8 Investment Properties

On initial recognition Investment Properties are measured at cost including any costs directly attributable to bringing them into working condition. Investment property is recognised as an asset only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost of the investment property can be measured reliably.

The Trust currently has properties which were previously used for learning disability rehabilitation and community mental health services. Following the decommissioning of these services, the properties have subsequently been deemed surplus to requirements and are currently leased to housing associations.

In accordance with IAS40, Investment Properties are re-valued annually, with any gain or loss arising being dealt with in the Statement of Comprehensive Income.

## 1.9 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the income statement. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

## 1.10 Government grants

Government grants are grants from Government bodies other than income from primary care trusts or NHS trusts for the provision of services. Grants from the Department of Health, including those for achieving three star status, are accounted for as Government grants as are grants from the Big Lottery Fund. Where the Government grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure the grant is held as deferred income and

released to operating income over the life of the asset in a manner consistent with the depreciation charge for that asset.

## 1.11 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 implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the inception of the lease, and are de-recognised when the liability is discharged, cancelled or expires. The annual rental is split between the repayment of the liability and a finance cost. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and is charged to Finance Costs in the Statement of Comprehensive Income.

### 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. Leased land is treated as an operating lease.

## 1.12 Inventories

Inventories are stated at lower of cost and net realisable value.

## 1.13 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 Trusts 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.

Regular way purchases or sales are recognised and de-recognised, as applicable, using the settlement date.

## **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 the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

The classification of financial assets depends on the nature and purpose of the assets and is determined at the time of initial recognition. The financial assets are classified on the balance sheet as follows;

### **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: current investments, cash at bank and in hand, NHS debtors, accrued income and 'other debtors'.

Loans and receivables are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest rate method, less any impairment. 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.

### **Financial liabilities**

Financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest rate 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 balance sheet date, which are classified as long term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest rate method and charged to the income and expenditure account.

### **Impairment of financial assets**

At the balance sheet date, the Trust assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses 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, or through a provision for impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Comprehensive Income to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### **Provision for debtor impairment**

A provision will be provided against the recovery of debts, where such a recovery is considered doubtful. Where the recovery of a debt is considered unlikely, the debt will either be written down directly to the Statement of Comprehensive Income, or charged against a provision to the extent that there is a balance available for the debt concerned, and thereafter charged to operating expenses.

## **1.14 Provisions**

The NHS Trust provides for legal or constructive obligations that are of uncertain timing or amount at the period end date on the basis of the best estimate of the expenditure 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 HM Treasury's discount rate of 1.8% for early retirement provisions and for general provisions, the HM Treasury's discount rate used is dependent on the timing of future cashflows i.e. -1.9% for short term, -0.65% for medium term and 2.2% for long term.

### **Clinical negligence costs**

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS 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 Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 20.

### **Non clinical risk pooling**

The 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 as and when the liability arises.

### **1.15 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 28 where an income of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 28, 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.

### **1.16 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 forecast cost of capital utilised by the NHS Foundation Trust, is paid over 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. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for donated assets and the average daily bank balances held with the Government Banking Service. Average relevant net assets are calculated as a simple mean of opening and closing relevant net assets.

### **1.17 Pension cost**

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](http://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 recognized 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 utilizes 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 at 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 FR&M 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 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 summarized 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.

### **Local Government Pension Scheme (LGPS)**

The Trust also has a number of employees who are member of the LGPS - the Bedford Borough Council Pension Funds. The Funds comprising the LGPS are multi-employer schemes, and each employer's share of the underlying assets and liabilities can be identified. Hence a defined benefit approach is followed. The scheme has a full actuarial valuation at intervals not exceeding five years. In between the full actuarial valuations the assets and liabilities are updated using the principle actuarial assumptions at the balance sheet date. Any material changes in liabilities associate with these claims would be recoverable through the pool, which is negotiated every five years.

The scheme assets and liabilities attributable to these employees can be identified and are recognised in the trust's accounts. The assets are measured at fair value, and the liabilities at the present value of future obligations.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs. Actuarial gains and losses during the year are recognised in the income and expenditure reserve and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

## **1.18 Taxation**

South Essex Partnership NHS Foundation Trust is a Health Service body within the meaning of s519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within the categories covered by this. There is a power for the Treasury to dis-apply the exemption in relation to specified activities of a Foundation Trust (s519 A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities which are not related to, or ancillary to, the provision of healthcare, and where the profits there from exceed £50,000pa. There is no tax liability arising in the current financial year.

### 1.19 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.

### 1.20 Foreign exchange

The functional and presentational currencies of the Trust are sterling. A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the balance sheet date:

Monetary items are translated at the spot exchange rate on 31 March 2014.

Non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and

Non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the balance sheet date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

### 1.21 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 the HM Treasury's Financial Reporting Manual.

### 1.22 Capital commitments

For ongoing capital projects at the balance sheet date, the value of capital commitments will be based on the value of contracted work not yet completed at the balance sheet date. The value of the capital commitment is disclosed at note 26.

### 1.23 Investments

Investments in subsidiary undertakings, associates and joint ventures are treated as fixed asset investments and valued at market value. Fixed asset investments are reviewed annually for impairments.

Deposits and other investments that are readily convertible into known amounts of cash at or close to their carrying amounts are treated as liquid resources in the cash flow statement. These assets, and other current assets, are valued at cost less any amounts written off to represent any impairments in value, and are reviewed annually for impairments.

#### **1.24 Cash, bank and overdrafts**

Cash, bank and overdraft balances are recorded at the current values of these balances in the NHS Foundation Trust's cash book. These balances exclude monies held in the NHS Foundation Trust's bank account belonging to patients (see 'third party assets' above). Account balances are only set off where a formal agreement has been made with the bank to do so. In all other cases overdrafts are disclosed within creditors. Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, 'interest receivable' and 'interest payable' in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

#### **1.25 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 each individual case is handled.

Losses and special payments are charged to the relevant functional headings, 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).

#### **1.26 Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker of the Trust. The Chief Operating Decision Maker is the Trust Board. The operating segments reported to the Trust Board includes the Community Provider Services and Mental Health, but covers the income and expenditure account only, with the Statement of Financial Position being reported to the Trust Board at Trust total level only. The operating segments reported in the accounts at note 2.4, therefore includes the income and expenditure account only.

#### **1.27 Key Sources of Judgment and Estimation Uncertainty**

##### *Actuarial assumptions in respect of post-employment benefits*

The Trusts post-employment benefits are rebased periodically subject to life expectancy assumptions as issued by Government Actuary Department.

The Trust also has a number of employees who are members of the Local Government Pension Scheme - the Bedford Borough Council Pension Funds. The liabilities of the scheme attributable to the Trust are included in the accounts on an actuarial basis using an assessment of the future payments that will be made in relation to retirement benefits earned to date by

employees, based on assumptions including mortality rates, employee turnover rates and projections of earnings for current employees.

#### *Provisions*

Provisions have been made in line with management's best estimates and in line with IAS 37: *Provisions, Contingent Liabilities and Contingent Assets*.

Apart from the provisions relating to the above-mentioned post-employment benefits, the Trust has no other material provisions, or provisions which may change materially as a result of any underlying uncertainty.

#### *Assumptions regarding valuation of Property, Plant and Equipment and Investment Properties*

The Trust's Land and Buildings and Investment Properties are valued at market value, as valued by the District Valuer at the end of each accounting period.

#### *Assumptions regarding depreciation of Property, Plant and Equipment*

The depreciation of Buildings is based on the value and life of the assets as periodically determined by the District Valuer

#### *Consolidation of SEPT Charity Accounts with the Trust Accounts*

IAS 27 *Consolidation and Separate Financial Statements*, requires consolidation of a group of entities under the control of a parent where there exists "the power to govern the financial and operational policies of an entity so as to obtain benefits from its activities". As the Trust is a corporate trustee of the South Essex Partnership NHS Foundation Trust General Charitable Fund, hence controls it, and the purpose of the Charity is to assist NHS patients, hence the Trust benefits from its activities; the IAS 27 is normally applicable in the preparation of the Trust Accounts.

However, In line with IAS 1, *Presentation of Financial Statements*, specific disclosure requirements set out in individual standards or interpretations need not be satisfied if the information is not material. The net assets of the Charity are 1% of the Trust's total assets employed, and are therefore not considered to be material in the context of the Trusts wider accounts. As such, the Board of Trustees have noted and approved that the Charity Accounts will not be consolidated into the main Trust Accounts for 2013/14. This will be subject to an annual materiality review each financial year.

## 2 Operating Income from continuing operations

### 2.1 Provision of Healthcare Services

	<b>2013/14</b>	<b>2012/13</b>
	<b>£ 000</b>	<b>£ 000</b>
Block contract income	150,114	149,781
Clinical partnerships providing mandatory services	5,593	6,045
Other clinical income from mandatory services	9,269	10,026
Cost and volume contract income	22,319	20,801
Income from provision of Community Services	108,190	111,345
Other non-mandatory clinical income	16,143	12,760
	<b>311,628</b>	<b>310,758</b>

### 2.2 Source of Income from Activities

	<b>2013/14</b>	<b>2012/13</b>
	<b>£ 000</b>	<b>£ 000</b>
NHS Foundation Trusts	1,766	1,948
NHS Trusts	293	358
CCGs and NHS England	278,430	-
Strategic Health Authorities	-	389
Primary Care Trusts	-	290,145
Local Authorities	18,936	10,836
Department of Health - other	26	23
NHS other	215	(24)
Non-NHS other	11,962	7,083
	<b>311,628</b>	<b>310,758</b>

Strategic Health Authorities and Primary Care Trusts were abolished on 31 March 2013 as part of the Health and Social Care Act 2012, with their commissioning responsibilities transferring to Clinical Commissioning Groups, NHS England and Local Authorities.

### 2.3 Income from Commissioner Requested Services

Under the Trust's Provider Licence, the Trust is required to provide commissioner requested services. The allocation of operating income between commissioner requested services and non-Commissioner Requested Services is detailed below,

	<b>2013/14</b> <b>£ 000</b>	<b>2012/13</b> <b>£ 000</b>
Commissioner Requested Services	295,485	297,998
Non Commissioner Requested Services	16,143	12,760
	<b>311,628</b>	<b>310,758</b>

### 2.4 Segmental Report

<b>Operating Segments</b>	<b>2013/14</b>		
	<b>Income</b>	<b>Expenditure</b>	<b>Surplus/ (Deficit)</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Mental Health:			
Essex	119,442	(118,589)	853
Bedfordshire & Luton	73,581	(76,336)	(2,755)
<b>Total Mental Health</b>	<b>193,022</b>	<b>(194,925)</b>	<b>(1,902)</b>
Community Services:			
Bedfordshire	46,199	(45,884)	315
South East Essex	35,029	(34,567)	462
Suffolk	11,167	(10,446)	721
West Essex	40,147	(40,200)	(53)
<b>Total Community Services</b>	<b>132,542</b>	<b>(131,096)</b>	<b>1,445</b>
<b>Total</b>	<b>325,564</b>	<b>(326,021)</b>	<b>(457)</b>

## 2.4.1 Reconciliation to Statement of Comprehensive Income

	Income £000	Expenditure £000
Operating Income/(expenses) from continuing operations	311,628	(319,205)
Other Operating income from continuing operations	12,903	0
Finance income/(expense)	498	(2,651)
PDC dividend	0	(4,165)
Movement in fair value of investment property	535	
<b>Per Statement of Comprehensive Income</b>	<b>325,564</b>	<b>(326,021)</b>
Netting within operating segments	0	0
<b>Per Operating Segments</b>	<b>325,564</b>	<b>(326,021)</b>

Operating Segments	2012/13		
	Income £000	Expenditure £000	Surplus/ (Deficit) £000
Mental Health:			
Essex	120,807	(117,829)	2,978
Bedfordshire & Luton	72,319	(72,085)	234
<b>Total Mental Health</b>	<b>193,126</b>	<b>(189,914)</b>	<b>3,212</b>
Community Services:			
Bedfordshire	46,821	(46,438)	383
South East Essex	35,058	(34,654)	404
Suffolk	6,711	(6,648)	63
West Essex	40,639	(40,363)	276
<b>Total Community Services</b>	<b>129,229</b>	<b>(128,103)</b>	<b>1,126</b>
<b>Total</b>	<b>322,355</b>	<b>(318,017)</b>	<b>4,338</b>

## Reconciliation to Statement of Comprehensive Income

	Income £000	Expenditure £000
Operating Income/(expenses) from continuing operations	310,758	(313,503)
Other Operating income from continuing operations	13,638	0
Finance income/(expense)	577	(2,688)
PDC dividend	0	(4,178)
Movement in fair value of investment property	0	(266)
<b>Per Statement of Comprehensive Income</b>	<b>324,973</b>	<b>(320,635)</b>
Netting within operating segments	(2,618)	2,618
<b>Per Operating Segments</b>	<b>322,355</b>	<b>(318,017)</b>

### 3 Other Operating Income from continuing operations

#### 3.1 Other Operating Income

	Note	2013/14 £ 000	2012/13 £ 000
Education & training		4,470	3,110
Research & development		353	175
Reversal of impairments of property, plant and equipment		-	2,618
Received from NHS charities & other bodies: Other charitable and other contributions to expenditure		142	165
Received from other bodies: Receipt of grants/donations for capital acquisitions		120	-
Non-patient care services to other bodies		2,224	2,383
Reversal of impairments of assets held for sale		20	-
Lease rental	3.2	1,081	1,017
Staff recharges		564	497
Other income	3.3	3,929	3,673
<b>Total</b>		<b>12,903</b>	<b>13,638</b>

#### 3.2 Operating leases Income

	2013/14 £000	2012/13 £000
Minimum lease receipts	1,081	1,017
<b>Total</b>	<b>1,081</b>	<b>1,017</b>

#### 3.2.1 Arrangements containing an operating lease other

	2013/14 £000	2012/13 £000
Future minimum lease payments due:		
- not later than one year;	779	974
- later than one year and not later than five years;	636	1,357
- later than five years.	0	0
<b>Total</b>	<b>1,414</b>	<b>2,331</b>

#### 3.3 Other Income

	2013/14 £ 000	2012/13 £ 000
Estate recharge	2,221	2,100
Staff accomodation rentals	113	119
IT recharges	926	713
Clinical excellence awards	45	49
Pharmacy sales	5	70
Catering	181	203
Property rentals	437	418
Other	1	1
<b>Total</b>	<b>3,929</b>	<b>3,673</b>

#### 4 Operating expenses of continuing operations

##### 4.1 Operating expenses

	2013/14 £ 000	2012/13 £ 000
Services from NHS Foundation Trusts	1,063	904
Services from NHS Trusts	1,477	1,565
Services from PCTs	0	75
Services from CCGs and NHS England	51	0
Purchase of healthcare from non NHS bodies	902	835
Employee Expenses - Executive directors	1,752	1,866
Employee Expenses - Non-executive directors	173	169
Employee Expenses - Staff	230,274	220,643
Supplies and services - clinical (excluding drug costs)	8,396	8,468
Supplies and services - general	7,344	7,041
Establishment	6,178	6,125
Research and development - (Not included in employee expenses)	299	180
Research and development - (Included in employee expenses)	224	0
Transport (Business travel only)	4,360	4,181
Transport (other)	457	415
Premises	20,045	24,102
Increase/(decrease) in provision for impairment of receivables	(106)	258
Change in provisions discount rate(s)	414	0
Drug costs (non inventory drugs only)	2,254	2,503
Drugs Inventories consumed	2,036	1,333
Rentals under operating leases - minimum lease payments	13,075	14,094
Depreciation on property, plant and equipment	4,514	4,683
Amortisation on intangible assets	1,020	944
Impairments of property, plant and equipment	68	2,065
Impairments of assets held for sale	1,440	0
Audit services- statutory audit	61	55
Clinical negligence	479	409
Loss on disposal of other property, plant and equipment	18	38
Loss on disposal of assets held for sale	117	0
Legal fees	544	570
Consultancy costs	940	1,454
Training, courses and conferences	1,306	1,117
Patient travel	383	479
Car parking & Security	777	514
Redundancy - (Not included in employee expenses)	1,378	467
Redundancy - (Included in employee expenses)	1,419	1,648
Early retirements - (Included in employee expenses)	0	1,260
Hospitality	70	55
Insurance	349	243
Other services, eg external payroll	3,228	2,945
Losses, ex gratia & special payments- (Not included in employee expenses)	126	12
Other	300	(212)
	<b>319,205</b>	<b>313,503</b>

## 4.2 Operating leases

	<b>2013/14</b> <b>£000</b>	<b>2012/13</b> <b>£000</b>
Minimum lease payments	13,075	14,094
<b>Total</b>	<b>13,075</b>	<b>14,094</b>

### 4.2.1 Arrangements containing an operating lease land & buildings

	<b>2013/14</b> <b>£000</b>	<b>2012/13</b> <b>£000</b>
Future minimum lease payments due:		
- not later than one year;	9,292	9,909
- later than one year and not later than five years;	6,922	2,714
- later than five years.	0	0
<b>Total</b>	<b>16,213</b>	<b>12,623</b>

### 4.2.3 Arrangements containing an operating lease other

	<b>2013/14</b> <b>£000</b>	<b>2012/13</b> <b>£000</b>
Future minimum lease payments due:		
- not later than one year;	2,228	1,632
- later than one year and not later than five years;	1,677	1,404
- later than five years.	0	0
<b>Total</b>	<b>3,905</b>	<b>3,036</b>

Non cancellable operating leases are operating leases with a total committed cost at outset of at least £5,000.

**5 Staff Costs**  
**5.1 Analysis of staff costs**

	<b>2013/14</b>	<b>2012/13</b>
	<b>£ 000</b>	<b>£ 000</b>
Salaries and wages	178,590	173,278
Social security costs	14,243	13,146
Employers contributions to NHS pensions	19,904	19,657
Pension cost - other contributions	264	254
Other employment benefits	0	1,260
Termination benefits	1,419	1,648
Agency/contract staff	19,249	16,174
<b>Total</b>	<b>233,669</b>	<b>225,417</b>

## 5.2 Directors remuneration

		2013-14				
		Salary	Other	Benefits in	Employers	Exit
		£000	Remuneration	Kind	Pension	Package
		£000	£000	£000	£000	£000
Sally Morris	Deputy Chief Executive and Executive Director of Specialist Services and Contracts (till 31 August 2013)/Chief Executive (from 1 September 2013)	165-170	0	0	20-25	0
Dr Patrick Geoghegan OBE	Chief Executive and Executive Nurse (left 7 October 2013)	115-120	0	0	15-20	0
Ray Jennings	Executive Chief Finance Officer (left 30 March 2014)	205-210	0	0	20-25	0
David Griffiths	Acting Executive Chief Finance officer (31 March 2014)	0-5	0	0	0	0
Amanda Reynolds	Executive Director of Social Care & Partnerships (left 21 February 2014)	115-120	0	0	15-20	255-260
Nikki Richardson	Executive Director of Corporate Affairs	130-135	0	0	15-20	0
Peter Wadum-Buhl	Executive Director of Strategy & Business Development (left 28 October 2013)	80-85	0	0	10-15	465-470
Andy Brogan	Executive Director Clinical Governance & Quality (fixed term contract until 31 January 2013/substantive from 1 February 2014)	130-135	0	0	0-5	0
Malcolm McCann	Executive Director of Integrated Services (Essex & Suffolk)	130-135	0	0	15-20	0
Richard Winter	Executive Director of Integrated Services (Bedfordshire & Luton)	130-135	0	0	15-20	0
Dr Milind Karale	Medical Director (from 1 April 2013)	170-175	0	0	10-15	0
Pauline Roberts	Executive Medical Director (left 31 March 2013)	0-5	0	0	0	0
Nigel Leonard	Executive Director of Corporate Governance (from 1 February 2014)	20-25	0	0	0-5	0
Lorraine Cabel	Chair	50-55	0	0	0	0
Janet Wood	Non-Executive Director/Vice Chair	20-25	0	0	0	0
Steve Currell	Non-Executive Director	15-20	0	0	0	0
Dr Dawn Hillier	Non-Executive Director	15-20	0	0	0	0
Randolph Charles	Non-Executive Director	15-20	0	0	0	0
Stephen Cotter	Non-Executive Director	15-20	0	0	0	0
Alison Davis	Non-Executive Director	15-20	0	0	0	0

<b>5.2.1</b>	<b>Band of Highest Paid Director</b>	<b>205-210K</b> (2012/13: 215-220k)
	<b>Median Total Remuneration</b>	<b>£25,783</b> (2012/13: £25,528)
	<b>Ratio</b>	<b>8.1</b> (2012/13: 8.5)

The median remuneration is the total remuneration of the staff member lying in the middle of the linear distribution of the total staff, excluding the highest paid Director. The median remuneration has been calculated based on the full time equivalent of staff, as at 31 March 2014, on an annualised basis, and excludes agency and other temporary staff. The ratio represents the multiple of the remuneration of the highest paid Director, when compared to the median remuneration.

## 5.2 Directors remuneration

		2012-13			
		Salary	Other	Benefits in Kind	Employers Pension
		£000	£000	£000	£000
Dr Patrick Geoghegan OBE	Chief Executive and Executive Nurse	215-220	0	0	30-35
Pauline Roberts	Executive Medical Director	185-190	45-50	0	30-35
Ray Jennings	Executive Chief Finance Officer and Resources Officer	150-155	0	0	20-25
Sally Morris	Deputy Chief Executive and Executive Director of Specialist Services and Contract	140-145	0	0	15-20
Amanda Reynolds	Executive Director of Social Care & partnership	125-130	0	0	15-20
Nikki Richardson	Executive Director of Corporate Affairs and Customer Service	125-130	0	0	15-20
Peter Wadum-Buhl	Executive Director of Strategy & Business Development	145-150	0	0	20-25
Andy Brogan	Executive Director of Clinical Governance and Quality	125-130	0	0	0
Malcolm McCann	Executive Director of Integrated Services (Essex and Suffolk)	125-130	0	0	15-20
Richard Winter	Executive Director of Integrated Services (Bedfordshire and Luton)	125-130	0	0	15-20
Lorraine Cabel	Chair	50-55	0	0	0
Janet Wood	Non-Executive Director/Vice Chair	15-20	0	0	0
George Sutherland	Non-Executive Director (left 30 April 2012)	0-5	0	0	0
Steve Currell	Non-Executive Director	15-20	0	0	0
Dr C.D.Hillier	Non-Executive Director	15-20	0	0	0
Randolph Charles	Non-Executive Director	15-20	0	0	0
Stephen Cotter	Non-Executive Director	15-20	0	0	0
Alison Davis	Non-Executive Director	15-20	0	0	0

## 5.3 Directors Pension Benefits

		2013/14				
	Benefits In Kind	Real Increase/(Decrease) in Pension and related lump sum at age 60	Total Accrued pension and related lump sum at age 60 at 31 March 2014	Cash Equivalent value at 31 March 2014	Real Increase in cash equivalent Transfer Value	
		£000	£000	£000	£000	
Sally Morris	Deputy Chief Executive and Executive Director of Specialist Services and Contracts (till 31 August 2013)/Chief Executive (from 1 September 2013)	12.5 - 15	135 - 137.5	618	26	
Dr Patrick Geoghegan OBE	Chief Executive and Executive Nurse (left 7 October 2013)	0 - (2.5)	422.5 - 445	0	(1,216)	
Ray Jennings	Executive Chief Finance Officer (left 30 March 2014)	35-37.5	320 - 322.5	1,819	249	
Amanda Reynolds	Executive Director of Social Care & Partnerships (left 21 February 2014)	2.5 - 5	135 - 137.5	0	(473)	
Nikki Richardson	Executive Director of Corporate Affairs	5 - 7.5	232.5 - 235	1,236	63	
Peter Wadum-Buhl	Executive Director of Strategy & Business Development (left 28 October 2013)	2.5 - 5	240 - 242.5	0	(644)	
Malcolm McCann	Executive Director of Integrated Services (Essex & Suffolk)	5 - 7.5	167.5 - 170	716	44	
Richard Winter	Executive Director of Integrated Services (Bedfordshire & Luton)	5 - 7.5	147.5 - 150	688	46	
Andy Brogan	Executive Director Clinical Governance & Quality (fixed term contract until 31 January 2013 /substantive from 1 February 2014)	n/a	n/a	n/a	n/a	
Nigel Leonard	Executive Director of Corporate Governance (from 1 February 2014)	17.5 - 20	107.5 - 110	489	79	
Dr Milind Karale	Medical Director	67.5 - 70	67.5 - 70	281	281	

		2012/13				Real Increase in cash in equivalent Transfer Value
	Benefits In Kind	Real Increase/(Decrease) in Pension and related lump sum at age 60 £000	Total Accrued pension and related lump sum age 60 at 31 March 2013 £000	Cash Equivalent Value at 31 March 2013 £000	Real Increase in cash in equivalent Transfer Value £000	
Dr Patrick Geoghegan OBE	Chief Executive & Executive Nurse	nil	415-417.5	2,285.69	12	
Pauline Roberts	Executive Medical Director	7.5-10	142.5-145	0.00	-779	
Raymond Jennings	Executive Chief Finance & Resources Officer and Deputy Chief Executive	-2.5 - 5	280-282.5	1,535.57	22	
Sally Morris	Executive Director of Operational Services	5-7.5	120-122.5	578.78	130	
Amanda Reynolds	Executive Director of Social Care and Partnership Strategy Delivery from 04/01/11	0 - 2.5	127.5-130	518.11	29	
Nikki Richardson	Executive Director of Corporate Affairs	-2.5 - 5	222.5-225	1,147.03	19	
Peter Wadum-Buhl	Executive Director of Strategy and Business Development from 18/06/10	-0 - 2.5	227.5 - 230	1,090.48	22	
Malcolm McCann	Executive Director of Community Services Essex	10-12.5	157.5-160	658.07	66	
Richard Winter	Executive Director of Community Services Bedford	22.5-25	137.5-140	628.42	120.00	
Andy Brogan	Interim Director of Integrated Governance	nil	n/a	n/a	n/a	

#### 5.4 Analysis of Average Staff Numbers

	<b>2013/14</b>	<b>2012/13</b>
	<b>Total</b>	<b>Total</b>
Medical and dental	221	219
Administration and estates	1,187	1,188
Healthcare assistants and other support staff	908	885
Nursing, midwifery and health visiting staff	1,752	1,751
Scientific, therapeutic and technical staff	823	761
Bank and agency staff	851	766
Social care staff	103	110
Other	42	38
<b>Total</b>	<b>5,887</b>	<b>5,718</b>

#### 5.5 Employee benefits

There are no non pay benefits which are not attributable to individual employees.

#### 5.6 Retirement due to Ill Health

During the year ended 31 March 2014, there were 11 (2012/13: 3) retirements from the Trust agreed on the grounds of ill-health. The additional pension liability from these early retirements, to be borne by the NHS Pensions Agency, is estimated to be £654,507 (2012/13: £303,068).

## 5.7 Termination Costs

Termination cost band	2013/14					
	Compulsory Redundancies		Other Departures Agreed		Total Termination Costs	
	Number	£000's	Number	£000's	Number	£000's
<£10,000	9	35	6	22	15	57
£10,001 - £25,000	15	240	2	33	17	273
£25,001 - £50,000	14	489	1	37	15	526
£50,001 - £100,000	6	423	3	261	9	684
£100,001 - £150,000	3	381	2	213	5	594
£150,001 - £200,000	1	167	0	0	1	167
>£200,001	2	557	1	467	3	1,024
<b>Total</b>	<b>50</b>	<b>2,292</b>	<b>15</b>	<b>1,033</b>	<b>65</b>	<b>3,325</b>

Termination cost band	2012/13					
	Compulsory Redundancies		Other Departures Agreed		Total Termination Costs	
	Number	£000's	Number	£000's	Number	£000's
<£10,000	26	148	6	22	32	170
£10,001 - £25,000	19	315	2	33	21	348
£25,001 - £50,000	15	535	0	0	15	535
£50,001 - £100,000	9	579	1	67	10	646
£100,001 - £150,000	2	227	0	0	2	227
£150,001 - £200,000	1	154	0	0	1	154
>£200,001	1	235	0	0	1	235
<b>Total</b>	<b>73</b>	<b>2,193</b>	<b>9</b>	<b>122</b>	<b>82</b>	<b>2,315</b>

### 5.7.1 Analysis Of Other Departures agreed

	2013/14	
	Number	£000's
Voluntary redundancies including early retirement contractual costs	8	516
Early retirements in the efficiency of the service contractual costs	1	426
Contractual payments in lieu of notice	7	91
Non-contractual payments requiring HMT approval	0	0
<b>Total</b>	<b>16</b>	<b>1,033</b>

	2012/13	
	Number	£000's
Voluntary redundancies including early retirement contractual costs	0	0
Early retirements in the efficiency of the service contractual costs	3	87
Contractual payments in lieu of notice	4	27
Non-contractual payments requiring HMT approval	2	8
<b>Total</b>	<b>9</b>	<b>122</b>

## 5.8 Staff Sickness Absence

	2013/14	2012/13
<b>Staff Sickness Absence</b>		
	<b>Number</b>	<b>Number</b>
Days Lost (Long Term) *	70,063	74,102
Days Lost (Short Term)	34,890	36,339
<b>Total Days Lost</b>	<b>104,953</b>	<b>110,441</b>
<b>Total Staff Years</b>	6,891	6,956
Average working Days Lost	15.2	15.9
Total Staff Employed In Period (Headcount)	<b>6,891</b>	<b>6,958</b>
Total Staff Employed In Period with No Absence (Headcount)	2,276	2,208
<b>Percentage Staff With No Sick Leave</b>	<b>33.0%</b>	<b>31.7%</b>

\*long term sickness is over 20 days

## 6 Employee Retirement Benefit Obligations

### 6.1 Amounts recognised in the Statement of Comprehensive Income

Current service cost
Interest on pension obligations
Expected return on plan assets
<b>Total pension cost recognised</b>

2013/14 £000	2012/13 £000
(361)	(277)
(540)	(479)
402	393
<b>(499)</b>	<b>(363)</b>

### 6.2 Fair value of employer assets

	31 March 2014				31 March 2013			
	Quoted prices in active markets £000	Quoted prices not in active markets £000	Total £000	Percentage of total assets	Quoted prices in active markets £000	Quoted prices not in active markets £000	Total £000	Percentage of total assets
<b>Equity Securities</b>								
Consumer	111.30	0.00	111.30	1%	111.60	0.00	111.60	1%
Manufacturing	79.20	0.00	79.20	1%	61.50	0.00	61.50	1%
Energy and Utilities	162.20	0.00	162.20	2%	138.80	0.00	138.80	2%
Financial Institutions	205.60	0.00	205.60	2%	202.00	0.00	202.00	2%
Health and Care	163.20	0.00	163.20	2%	133.50	0.00	133.50	1%
Information Technology	126.40	0.00	126.40	1%	126.50	0.00	126.50	1%
Other	95.30	0.00	95.30	1%	102.80	0.00	102.80	1%
<b>Real Estate</b>								
UK Property	569.00	196.20	765.20	8%	276.10	385.90	662.00	7%
Overseas Property	0.00	9.00	9.00	0%	0.00	21.10	21.10	0%
<b>Investment Funds and Unit Trusts</b>								
Equities	154.30	3764.80	3919.10	40%	159.10	3281.30	3440.40	39%
Bonds	849.70	937.60	1787.30	18%	788.20	1075.20	1863.40	21%
Hedge Funds	0.00	0.00	0.00	0%	0.00	320.50	320.50	4%
Commodities	0.00	0.00	0.00	0%	0.00	150.20	150.20	2%
Infrastructure	0.00	0.00	0.00	0%	0.00	0.00	0.00	0%
Other	1731.60	0.00	1731.60	18%	1280.40	0.00	1280.40	14%
<b>Cash and Cash Equivalents</b>								
All	0.00	644.40	644.40	7%	0.00	295.30	295.30	3%
<b>Total</b>	<b>4248</b>	<b>5552</b>	<b>9800</b>	<b>100%</b>	<b>3381</b>	<b>5529</b>	<b>8910</b>	<b>100%</b>

## 6.3 Principal actuarial assumptions at 31 March 2014

	2013/14 %	2012/13 %
Rate of inflation/pension increase rate	2.8	2.8
Rate of increase in salaries	3.6	5.1
Discount rate	4.3	4.5

## 6.4 Amounts recognised in the Statement of Financial Position

	2013/14 £000	2012/13 £000
Present value of funded liabilities	(13,510)	(11,942)
Fair value of employer assets	9,800	8,910
<b>Net liability</b>	<b>(3,710)</b>	<b>(3,032)</b>

## 6.5 Change in benefit obligation during period to 31 March 2014

	2013/14 £ 000	2012/13 £ 000
<b>Defined benefit obligation as at 1 April</b>	<b>11,942</b>	<b>9,922</b>
Current service cost	361	277
Past service cost	0	0
Interest on pension obligations	540	479
Member contributions	104	117
Remeasurements recognised in other comprehensive income	874	1,416
Benefits paid	(311)	(269)
<b>Defined benefit obligation as at 31 March</b>	<b>13,510</b>	<b>11,942</b>

## 6.6 Change in fair value of plan assets during period to 31 March 2014

	2013/14 £ 000	2012/13 £ 000
<b>Fair value of plan assets as at 1 April</b>	<b>8,910</b>	<b>7,969</b>
Expected return on plan assets	402	393
Remeasurements recognised in other comprehensive income	428	446
Employer contributions	267	254
Member contributions	104	117
Benefits paid	(311)	(269)
<b>Fair value of plan assets as at 31 March</b>	<b>9,800</b>	<b>8,910</b>

## 6.7 Analysis of net liability as at 31 March 2014

	<b>2013/14 £000</b>	<b>2012/13 £000</b>
Fair value of employer assets	9,800	8,910
Present value of funded liabilities	(13,510)	(11,942)
<b>Net liability</b>	<b>(3,710)</b>	<b>(3,032)</b>
<b>Represented by:</b>		
<b>Opening defined benefit obligation 1 April</b>	<b>(11,942)</b>	<b>(9,922)</b>
Current service costs	(361)	(277)
Contribution by members	(104)	(117)
Interest costs	(540)	(479)
Remeasurements recognised in other comprehensive income	(874)	(1,416)
Past service (costs)/gains	0	0
Estimated benefits paid	311	269
<b>Closing defined benefit obligation 31 March</b>	<b>(13,510)</b>	<b>(11,942)</b>
<b>Opening fair value of plan assets 1 April</b>	<b>8,910</b>	<b>7,969</b>
Expected return on plan assets	402	393
Remeasurements recognised in other comprehensive income	428	446
Employer contributions	267	254
Member contributions	104	117
Benefits paid	(311)	(269)
<b>Closing fair value of assets 31 March</b>	<b>9,800</b>	<b>8,910</b>
<b>Total</b>	<b>(3,710)</b>	<b>(3,032)</b>

## 6.8 Future contribution estimate

The scheme actuaries, Hymans Robertson LLP, estimated the employer's contribution for the year ended 31 March 2015 will be approximately £1,774,000.

## 6.9 Sensitivity Analysis

The sensitivity regarding the principle assumptions used to measure the scheme liabilities are set out below.

<b>Change in assumptions at year ended March 2014</b>	<b>31</b>	<b>Approximate % increase to employer liability</b>	<b>Approximate monetary amount £000</b>
0.5% decrease in Real Discount Rate		11	1,459
1 year increase in member life expectancy		3	405
0.5% increase in the Salary Increase Rate		3	411
0.5% increase in the Pension Increase Rate		8	1,035

## 7 The Late Payment of Commercial Debts (interest) Act 1998.

There is no interest payment related to the late payment of commercial debts in the year ended 31 March 2014 (2012/13: £55)

## 8 Finance Cost and Finance Income

### 8.1 Finance income

Interest on held-to-maturity financial assets
Expected return on pension scheme assets
<b>Total finance income</b>

2013/14 £000	2012/13 £000
96	184
402	393
<b>498</b>	<b>577</b>

### 8.2 Finance Costs - interest expense

Finance cost on PFI obligation
Finance costs on pension scheme liabilities
<b>Total finance cost</b>

2013/14 £000	2012/13 £000
2,026	2,077
540	479
<b>2,566</b>	<b>2,556</b>

### 8.3 Finance costs - unwinding of discount

Unwinding of discount on pension provision
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2013/14 £000	2012/13 £000
85	132
<b>85</b>	<b>132</b>

## 9 Intangible Assets

	2013/14			2012/13 £000
	Total £000	Software licences purchased £000	Intangible Assets Under Construction £000	
Cost at 1 April	6,593	6,542	51	5,950
Additions	1,103	1,103	0	643
Reclassifications	0	51	(51)	0
<b>Cost at 31 March</b>	<b>7,696</b>	<b>7,696</b>	<b>0</b>	<b>6,593</b>
Amortisation at 1 April	3,528	3,528	0	2,584
Provided during the year	1,020	1,020	0	944
<b>Amortisation at 31 March</b>	<b>4,548</b>	<b>4,548</b>	<b>0</b>	<b>3,528</b>
Net book value at 1 April	3,065	3,014	51	3,366
<b>Net book value at 31 March</b>	<b>3,148</b>	<b>3,148</b>	<b>0</b>	<b>3,065</b>

## 10 Property, Plant and Equipment

	Total £000	Land £000	Buildings excluding dwellings £000	Dwellings £000	Plant & Machinery £000	Transport Equipment £000	Information Technology £000	Furniture & Fittings £000	Assets under Construction £000
<b>Cost or Valuation at 1 April 2013</b>	<b>177,918</b>	<b>54,311</b>	<b>101,946</b>	<b>671</b>	<b>4,510</b>	<b>299</b>	<b>12,466</b>	<b>3,655</b>	<b>60</b>
Transfers by absorption - Modified	152	0	0	0	0	0	142	10	0
Additions - purchased	660	0	218	0	251	0	156	0	35
Additions - grants / donations of cash to purchase assets	120	0	120	0	0	0	0	0	0
Impairments charged to operating expenses	(68)	0	(68)	0	0	0	0	0	0
Reversal of impairments credited to operating income	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Reclassifications	(1,140)	(382)	(758)	0	54	0	0	0	(54)
Transfers to/from assets held for sale and assets in disposal groups	0	0	0	0	0	0	0	0	0
Disposals	(160)	0	0	0	(2)	0	(141)	(17)	0
<b>Cost or valuation at 31 March 2014</b>	<b>177,482</b>	<b>53,929</b>	<b>101,458</b>	<b>671</b>	<b>4,813</b>	<b>299</b>	<b>12,623</b>	<b>3,648</b>	<b>41</b>
<b>Accumulated Depreciation at 1 April 2013</b>	<b>16,410</b>	<b>0</b>	<b>0</b>	<b>149</b>	<b>2,646</b>	<b>299</b>	<b>10,090</b>	<b>3,226</b>	<b>0</b>
Transfers by absorption - Modified	0	0	0	0	0	0	0	0	0
Provided during the year	4,514	0	2,837	28	429	0	979	241	0
Impairments charged to operating expenses	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
<b>Accumulated depreciation at 31 March 2014</b>	<b>20,924</b>	<b>0</b>	<b>2,837</b>	<b>177</b>	<b>3,075</b>	<b>299</b>	<b>11,069</b>	<b>3,467</b>	<b>0</b>
<b>Net Book Value</b>									
NBV - Purchased at 1 April 2013	161,501	54,311	101,939	522	1,864	0	2,376	429	60
NBV - Donated at 1 April 2013	7	0	7	0	0	0	0	0	0
<b>NBV Total at 1 April 2013</b>	<b>161,508</b>	<b>54,311</b>	<b>101,946</b>	<b>522</b>	<b>1,864</b>	<b>0</b>	<b>2,376</b>	<b>429</b>	<b>60</b>
<b>Net Book Value</b>									
NBV - Purchased at 31 March 2014	156,433	53,929	98,496	494	1,738	0	1,554	181	41
NBV - Donated at 31 March 2014	125	0	125	0	0	0	0	0	0
<b>NBV Total at 31 March 2014</b>	<b>156,558</b>	<b>53,929</b>	<b>98,621</b>	<b>494</b>	<b>1,738</b>	<b>0</b>	<b>1,554</b>	<b>181</b>	<b>41</b>

### Property, Plant and Equipment financing

#### Net book value at 31 March 2014

Owned arrangements	128,199	53,929	70,343	494	1,738	0	1,554	100	41
Donated	28,234	0	28,153	0	0	0	0	81	0
	125	0	125	0	0	0	0	0	0
<b>Total at 31 March 2014</b>	<b>156,558</b>	<b>53,929</b>	<b>98,621</b>	<b>494</b>	<b>1,738</b>	<b>0</b>	<b>1,554</b>	<b>181</b>	<b>41</b>

### Acquisition of Donated Asset

During 2013/14, the Trust was successful in securing a cash donation of £120,000 from the Veolia North Thames Trust. The donation was awarded to the Trust as part-funding for the development of a Dementia Friendly Community Garden at Thurrock Hospital, Essex. A condition of this donation is that the Trust is required to maintain the asset properly and to advise the donor if there is any proposed change in the ownership or use of the asset. The cash received and the fair value of the corresponding asset is as follows,

	<b>Cash Received</b>	<b>Fair Value</b>	<b>Impairment</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Donated Asset	120	117	3

### The analysis of revaluation of property plant and equipment

	<b>2013/14</b>					<b>2012/13</b>
	<b>Total</b>	<b>Revaluation Reserve Surplus</b>	<b>Revaluation Reserve Impairment</b>	<b>Operating Income (Reversal of Impairment)</b>	<b>Operating Expenses Impairment</b>	<b>£000</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
Land	(65)	0	0	20	(85)	2,400
Building	(1,423)	0	0	0	(1,423)	5,829
<b>Total</b>	<b>(1,488)</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>(1,508)</b>	<b>8,229</b>

For the financial year 2013/14, the Trust conducted impairment reviews on building works which were completed and bought into use during the financial year. This related to the development of a Dementia Friendly Community Garden at Thurrock Hospital, Essex and external works and improvements to Grays Hall, Essex. In line with guidance, both assets were valued at modern equivalent depreciated replacement cost by the District Valuer, resulting in impairment losses of £22,000 and £46,000 respectively.

In addition to the above, the Trust has carried out a revaluation of its assets held for sale as at 31 March 2014. These were valued at market price, by the District Valuer, resulting in impairments of £1,440,000 and the reversal of a prior year impairment of £20,000.

The impairment of £1,508,000 was recognised within Operating Expenses, and the reversal of prior year impairments of £20,000 was recognised within Operating Income.

### 10.3 Remaining Economic lives of Property, plant and equipments

Main Asset Category	Sub Category	Minimum Useful Life (in years)	Maximum Useful Life (in years)
Buildings –owned	Structure	3	83
	Building Finishes	3	69
	Engineering and Installations	1	34
	Fixtures and fittings	3	69
	External Works	3	83
Buildings – PFI schemes	Structure	60	61
	Building Finishes	60	61
	Engineering and Installations	27	29
	Fixtures and fittings	60	61
	External Works	44	44
Plant, machinery and equipment	Medical and surgical equipment	1	10
	Office equipment	0	0
	IT Hardware	1	10
	Other engineering works	1	15
Furniture and fittings	Furniture	1	5
	Soft furnishings	0	0
Motor vehicles		0	0

## 10.4 Assets under PFI contract

	2013/14 £ 000	2012/13 £000
<b>Cost or valuation</b>		
Cost or valuation at 1 April	29,324	35,844
Revaluation during the year	0	1,604
<b>Cost of valuation at 31 March</b>	<b>29,324</b>	<b>37,448</b>
<b>Accumulated depreciation</b>		
Accumulated depreciation at 1 April	349	7,728
Provided during the year	741	746
Accumulated depreciation at 31 March	<b>1,090</b>	<b>8,474</b>
<b>Net Book Value at 1 April</b>	<b>28,974</b>	<b>28,036</b>
<b>Net Book Value at 31 March</b>	<b>28,234</b>	<b>28,974</b>

**EMI Homes – PFI**

In 2004, two homes were opened for the provision of care for the Elderly Mentally ill. The construction has been financed by a private finance initiative, between South Essex Partnership University NHS Foundation Trust (the grantor) and Ryhurst (the operator), under a public private service concession arrangement.

The term of the arrangement is 30 years, over which the grantor will repay the financing received from the operator, ending in 2033. At the end of the financing period legal ownership will pass from Ryhurst to South Essex Partnership University NHS Foundation Trust.

During the period of the arrangement the grantor will have full and sole use of the properties to provide the health care services as described above.

The operator is contracted to provide maintenance services of a capital and revenue nature over the period of the contract. No material capital expenditure is included in the contract arrangement.

Maintenance costs payable to the operator are subject to annual increases based on the Consumer Price Index (CPI).

There are no changes in the arrangement over the contract period.

**Forensic Unit - PFI**

In November 2009 a new forensic unit was opened to provide low and medium secure services. The construction of the new facility has been financed by a private finance initiative between South Essex Partnership University NHS Foundation Trust (the grantor) and Grosvenor House (the operator), under a public private service concession arrangement.

The term of the arrangement, over which the grantor will repay financing received to the operator, is 29 years ending in 2037. At the end of the financing period legal ownership will pass from Grosvenor House to South Essex Partnership University NHS Foundation Trust.

During the period of the arrangement the grantor will have full and sole use of the unit to provide health care services as described above.

The operator is contracted to provide maintenance services of a capital and revenue nature over the period of the contract.

Maintenance costs payable to the operator are subject to annual increases based on the Consumer Price Index (CPI).

There are no changes in the arrangement over the contract period.

### Finance Leases

There were no assets held under finance leases and hire purchase contracts at the end of the reporting period and therefore there was no depreciation charged in the statement of comprehensive income.

### 11 Investment Property

	<b>2013/14</b>	<b>2012/13</b>
	<b>£ 000</b>	<b>£000</b>
Carrying value at 1 April	8,650	9,106
Reclassifications to/from PPE	1,140	0
Transfers to/from assets held for sale	0	(190)
Movement in fair value (revaluation or impairment)	535	(266)
<b>Carrying value at 31 March</b>	<b>10,325</b>	<b>8,650</b>

In accordance with accounting guidance, the Trust annually revalues its investment properties. The revaluation provided by the District Valuer showed an increase of £535,000 during 2013/14.

### 12 Other Non Current Assets

There were no non-current assets held by the Trust as at 31 March 2014 (2012/13: £nil).

### 13 Trade and Other Current Receivables

	2013/14 £000	2012/13 £000
NHS receivables	6,050	7,962
Other receivables with related parties	1,803	832
Provision for impaired receivables	(1,043)	(1,149)
Accrued income	1,435	1,420
Interest Receivable	8	0
Prepayments	2,362	2,181
PDC receivable	272	0
VAT Receivable	1,219	734
Other receivables	246	1,409
<b>Total</b>	<b>12,352</b>	<b>13,388</b>

The Trust's final payment of Public Dividend Capital dividends is dependant on the closing balance sheet position for the Trust, and therefore either a creditor or debtor situation will exist in NHS organisations accounts at year end.

This is subsequently amended via the next payment of dividends to HM Treasury by the Trust in September of each year.

#### 13.1 Provision for impaired receivables

	2013/14 £000	2012/13 £000
At 1 April	1,149	891
Increase in provision	974	258
Unused amount reversed	(1,080)	0
<b>Total</b>	<b>1,043</b>	<b>1,149</b>

### 13.2 Analysis of Impaired Receivables

	<b>2013/14</b> <b>£000</b>	<b>2012/13</b> <b>£000</b>
Up to 30 days	842	514
In 30 to 60 days	39	8
In 60 to 90 days	40	0
In 90 to 180 days	54	318
Over 180 days	68	309
<b>Total</b>	<b>1,043</b>	<b>1,149</b>

At 31 March 2014, the Trust had impaired debts totalling £1,043k against which full provision has been made, reflecting the age of the debt and likelihood of recovery. No collateral is held against recovery of debts.

### 13.3 Analysis of Non impaired receivables past their due dates

	<b>2013/14</b> <b>£000</b>	<b>2012/13</b> <b>£000</b>
Up to 30 days	893	841
In 30 to 60 days	1,730	200
In 60 to 90 days	427	304
In 90 to 180 days	664	247
Over 180 days	321	225
<b>Total</b>	<b>4,035</b>	<b>1,817</b>

Debts are past their due date if payment is not received within the settlement terms. The standard settlement terms of the Trust is 30 days from the date on which the invoice is issued. At the balance sheet date none of these debts were considered doubtful, with full settlement therefore expected.

### 14 Inventories

	<b>2013/14</b> <b>£000</b>	<b>2012/13</b> <b>£000</b>
Drugs	88	78
Wheelchairs	348	331
	<b>436</b>	<b>409</b>

**15 Non current assets held for sale**

	<b>2013/14</b> <b>£ 000</b>	<b>2012/13</b> <b>£000</b>
Land	1,945	2,370
Building	2,195	3900
Dwellings	0	350
Investment Properties	210	190
	<b>4,350</b>	<b>6,810</b>

As at 31 March 2014, £4,350,000 of properties and land assets were classified as assets held for sale. These properties had previously been deemed surplus to requirements in accordance with Monitor guidelines, and approved for sale by the Trust Board.

**16 Cash and Cash Equivalents**

	<b>2013/14</b> <b>£ 000</b>	<b>2012/13</b> <b>£000</b>
Cash and cash equivalents at 1 April	34,302	32,939
Net change during the year	4,320	1,363
<b>Cash and cash equivalents at 31 March</b>	<b>38,622</b>	<b>34,302</b>
Represented by;		
Cash at commercial bank and in hand	4,713	963
Cash at GBS (Government Banking System)	26,909	33,339
Other current investments	7,000	0
<b>Total</b>	<b>38,622</b>	<b>34,302</b>

**17 Investments**

There were no non-current investments held by the Trust as at 31 March 2014 (2012/13: £nil)

**18 Trade and Other Current Payables**

	<b>2013/14</b> <b>£ 000</b>	<b>2012/13</b> <b>£000</b>
NHS payables	2,551	1,388
Amounts due to other related parties	3,030	2,830
Trade payable - capital	372	216
Trade payable - other	3,793	3,530
Social Security costs	2,256	2,305
Other taxes payable	2,110	2,338
Accruals	9,852	13,764
<b>Total</b>	<b>23,964</b>	<b>26,373</b>

**19 Other Liabilities**

**19.1 Other current liabilities**

	<b>2013/14 £000</b>	<b>2012/13 £000</b>
Deferred income	2,132	1,872
	<b>2,132</b>	<b>1,872</b>

**19.2 Other non current liabilities**

	<b>2013/14 £000</b>	<b>2012/13 £000</b>
Net Pension Scheme liability (Local Government Pension Scheme)	3,710	3,032
	<b>3,710</b>	<b>3,032</b>

**20 Borrowings**

**20.1 Current liabilities**

	<b>2013/14 £000</b>	<b>2012/13 £000</b>
Obligation under PFI contract due within one year	852	695
<b>Total</b>	<b>852</b>	<b>695</b>

**20.2 Non current liabilities**

	<b>2013/14 £000</b>	<b>2012/13 £000</b>
Long term Obligation under PFI contract after more than one year	31,168	32,020
<b>Total</b>	<b>31,168</b>	<b>32,020</b>

## 20.3 PFI obligations

**Gross liabilities****Of which liabilities are due**

- not later than one year;
- later than one year and not later than five years;
- later than five years.

Finance charges allocated to future periods

**Net liabilities**

- not later than one year;
- later than one year and not later than five years;
- later than five years.

2013/14 £ 000	2012/13 £000
59,675	62,395
2,836	2,722
10,943	11,186
45,896	48,487
(27,655)	(29,680)
<b>32,020</b>	<b>32,715</b>
852	695
3,543	3,566
27,625	28,454
<b>32,020</b>	<b>32,715</b>

## 20.4 PFI commitments in respect of the service element

**Of which commitments are due**

Within one year

2nd to 5th years (inclusive)

Later than five years

**Total**

Total £000	2013/14		2012/13 £000
	EMI Homes £000	Forensic £000	
1,601	525	1,076	1,239
6,847	2,247	4,600	5,826
55,331	10,921	44,410	52,403
<b>63,779</b>	<b>13,693</b>	<b>50,086</b>	<b>59,468</b>

## 21 Provisions for Liabilities and Charges

	2013/14					Total £000	2012/13 £000
	Pensions Former Directors £000	Pensions Other Staff £000	Other Legal Claim £000	Redundancy £000	Other* £000		
<b>At 1 April</b>	<b>105</b>	<b>3,602</b>	<b>129</b>	<b>1,225</b>	<b>1,004</b>	<b>6,065</b>	<b>6,150</b>
Change in the discount rate	9	279	0	0	126	414	0
Arising during the year	0	0	75	3,325	0	3,400	3,820
Utilised during the year	(8)	(314)	0	(2,542)	(61)	(2,925)	(3,610)
Reversed unused	0	0	0	(528)	0	(528)	(427)
Unwinding of discount	2	64	0	0	19	85	132
<b>At 31 March</b>	<b>108</b>	<b>3,631</b>	<b>204</b>	<b>1,480</b>	<b>1,088</b>	<b>6,511</b>	<b>6,065</b>
<b>Expected timing of cash flows:</b>							
- not later than one year;	8	311	204	1,480	58	2,061	1,731
- later than one year and not later than five years;	29	1,140	0	0	211	1,380	2,980
- later than five years.	71	2,180	0	0	819	3,070	1,354
<b>Total</b>	<b>108</b>	<b>3,631</b>	<b>204</b>	<b>1,480</b>	<b>1,088</b>	<b>6,511</b>	<b>6,065</b>

\* The other provisions consist mainly of provisions for Injury Benefit claims.

The total value of clinical negligence provisions carried by the NHS Litigation Authority (NHSLA) on the Trust's behalf as at 31 March 2014 was £6,490,286 (2012/13: £6,834,421).

## 22 Movements in Taxpayers Equity

	2013/14 £ 000	2012/13 £000
<b>Tax payers equity at 1 April</b>	<b>158,075</b>	<b>146,460</b>
Surplus (deficit) for the year	(457)	4,338
Transfers by Modified Absorption: Gains/(losses) on 1 April transfers from demising bodies.	153	0
Impairments	0	(67)
Revaluations - property, plant and equipment	0	7,743
Remeasurements of defined net benefit pension scheme	(446)	(970)
Public Dividend Capital received	273	55
Other reserve movements	(144)	516
<b>Tax payers equity at 31 March</b>	<b>157,454</b>	<b>158,075</b>

## 23 Public Dividend Capital

	2013/14 £ 000	2012/13 £000
Public dividend capital at 1 April	98,264	98,209
New public dividend capital received	273	55
<b>Public dividend capital at 31 March</b>	<b>98,537</b>	<b>98,264</b>

## 24 Movements on Reserves

	Revaluation Reserve £000	Income and Expenditure Reserve £000	Total £000
<b>At 1 April 2013</b>	<b>44,563</b>	<b>15,248</b>	<b>59,811</b>
Surplus/(deficit) for the year	0	(457)	(457)
Transfers by Modified Absorption: Gains/(losses) on 1 April transfers from demising bodies.	0	153	153
Impairments	0	0	0
Revaluations - property, plant and equipment	0	0	0
Transfers between reserves	(1,159)	1,159	0
Transfer to retained earnings on disposal of assets	(617)	617	0
Actuarial gains/(losses) on defined benefit pension schemes	0	(446)	(446)
Other reserve movements	0	(144)	(144)
<b>At 31 March 2014</b>	<b>42,787</b>	<b>16,130</b>	<b>58,917</b>

The Trust had no Government Grant or Other Reserves during the year.

**25 Notes to the Statement of Cash Flows**

**25.1 Reconciliation of net cash flow to movement in net cash**

	<b>2013/14</b> <b>£ 000</b>	<b>2012/13</b> <b>£000</b>
Net increase/(decrease) in cash for the period	4,320	1,363
Net change in the year	<b>4,320</b>	<b>1,363</b>
Net cash at 1 April	34,302	32,939
<b>Net cash at 31 March</b>	<b>38,622</b>	<b>34,302</b>

**25.2 Analysis of net cash**

	<b>At 1 April</b> <b>2013</b>	<b>Cash</b> <b>Change in</b> <b>the year</b>	<b>At 31 March</b> <b>2014</b>
Commercial cash at bank and in hand	963	3,750	4,713
Government banking service (GBS)	33,339	(6,430)	26,909
Other current investments	-	7,000	7,000
<b>Cash and cash equivalents</b>	<b>34,302</b>	<b>4,320</b>	<b>38,622</b>

**26. Capital Commitments**

There were no capital commitments under expenditure contracts at 31 March 2014 (2012/13: £nil).

**27. Events after the Reporting Period**

During late 2013, Luton Clinical Commissioning Group launched a procurement process for the future provision of Luton’s mental health, learning disabilities, CAMHS, intermediate and community health services. Unfortunately the Trust’s bid to continue to provide an integrated service model for mental health services was not successful and the Trust did not proceed to the next stage of the process. In light of this decision, and following detailed discussions with the Bedfordshire commissioners, the Trust Board regrettably felt unable to submit a bid to provide a safe stand-alone service for Bedfordshire within the funding available. The approximate value of the contract to be transferred during 2014/15 is £68 million.

**28. Contingencies**

As at 31 March 2014, the Trust had contingent liabilities in respect of the liabilities to third parties scheme totaling £102,000 (2012/13: £70,000).

## 29. Related Party Transactions

South Essex Partnership University NHS Foundation Trust is a body corporate established by the Secretary of State. The Independent Regulator of NHS Foundation Trusts ("Monitor") and other Foundation Trusts are considered related parties. The Department of Health is regarded as a related party as it exerts influence over a number of transactions and operating policies of the Trust. During the year ended 31 March 2014 the Trust had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department of those entities.

During the year and at the period end, Trust had the following material transactions with other NHS bodies:

Organisation	2013/14				
	Income	Expenditure	Receivables	Payables	Provision for bad debt
	£000	£000	£000	£000	£000
Health Education England	3,765	9	118	871	0
NHS England	41,558	840	1,177	650	33
NHS Basildon & Brentwood CCG	29,703	212	(5)	71	11
NHS Bedfordshire CCG	65,350	90	2,520	131	226
NHS Castle Point & Rochford CCG	31,762	10	(62)	10	1
NHS Luton CCG	26,674	0	193	82	100
NHS Southend CCG	33,520	130	109	104	3
NHS Thurrock CCG	18,514	85	(88)	0	1
NHS West Essex CCG	31,267	5	(50)	5	138

Organisation	2012/13				
	Income	Expenditure	Receivables	Payables	Provision for bad debt
	£000	£000	£000	£000	£000
South East Essex Primary Care Trust	97,349	4,227	1,456	2,716	176
Bedfordshire PCT	75,399	2746	2,486	381	475
South West Essex Primary Care Trust	48,052	270	605	502	114
West Essex Primary Care Trust	43,875	7,209	589	378	48
Luton Teaching PCT	28,705	0	288	0	98

During the year and at the period end, Trust had the following material transactions with other public sector bodies:

	<b>2013/14</b>				
	<b>Income</b>	<b>Expenditure</b>	<b>Receivables</b>	<b>Payables</b>	<b>Provision for bad debt</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Central Bedfordshire Council	3,959	37	(43)	184	4
Essex County Council	4,615	515	622	167	0
Luton Borough Council	3,802	219	261	66	6
Southend Borough Council	3,666	947	403	184	0

	<b>2012/13</b>				
	<b>Income</b>	<b>Expenditure</b>	<b>Receivables</b>	<b>Payables</b>	<b>Provision for bad debt</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Central Bedfordshire Council	3,003	97	67	315	4
Essex County Council	1,611	693	359	46	89
Luton Borough Council	2,389	114	160	0	1
Southend Borough Council	1,325	236	272	11	2

Other than those disclosed under note 29.1, during the year none of the Board Members, Governors or members of the key management staff or parties related to them has undertaken any material transactions with South Essex Partnership University NHS Foundation Trust.

The members appointed to the Council of Governors may also be members of Boards and Committees of local stakeholder organisations. Local stakeholder organisations have the right to nominate a Governor to the Board under the following arrangements:

Six Local Authority Governors, one each appointed by Essex County Council, Thurrock Council, Southend on Sea Borough Council, Bedford Borough Council, Central Bedfordshire Council and Luton Borough Council.

Five Partnership Governors appointed by partnership organisations. The Partnership organisations that may appoint a Partnership Governor are:

- Essex University and Anglia Ruskin University jointly – one Partnership Governor;
- University of Bedfordshire – one Partnership Governor;
- Service User & Carer Group (Essex) – one Partnership Governor;

- Service User & Carer Group (Bedfordshire & Luton) – one Partnership Governor;
- Service User & Carer Group (Community Health Services West Essex) – one Partnership Governor.

South Essex Partnership University NHS Foundation Trust is the Corporate Trustee of the South Essex Partnership NHS Foundation Trust General Charitable Fund. During the year ended 31 March 2014, the Trust received income of £65,179 from South Essex Partnership University NHS Foundation Trust General Charitable Fund for administrative services provided by the Trust on behalf of the Charity and grant for Epilepsy Nursing support (2012/13: £27,240 for administrative services provided by the Trust on behalf of the Charity). The Trust did not receive any capital payments. All the members of the Corporate Trustee are also members of the South Essex Partnership University NHS Foundation Trust Board.

### 29.1 Director's Interests

Sally Morris has a minority shareholding in a company called Health Idol. Health Idol has been engaged to provide Health and Fitness consultancy, including courses for patients. The value of services provided during the year ended 31 March 2014 was £9,000 (2012/13; £24,200).

Professor Patrick Geoghegan OBE was a Governor at the Anglia Ruskin University during the previous financial year 2012/13; however his governorship ended on the 10th September, 2012. (2012/13: the Trust total income received from ARU was £170,145 and total payment made was £10,137 relating to training, education and grants).

Alison Davis is the Trustee of a company called Impact and also the Chair of the advisory group of a social enterprise company CHUMS. The Trust has previously engaged Impact to provide a Mental Health Peer Intervention and Support service, however for the current financial year, no services have been obtained from Impact (2012/13; £65,000). CHUMS has been engaged in providing an element of the training for Improving Access to Psychological Therapies. The value of the service provided during the period ended 31 March 2014 was £ 25,780 (2012/13; £0).

### 30. Prudential Borrowing Limit

The prudential borrowing code requirements in section 41 of the NHS Act 2006 have been repealed with effect from 1 April 2013 by the Health and Social Care Act 2012. The financial statement disclosures that were provided previously are no longer required.

### 31. Financial Instruments

IAS 32, Financial Instruments: Disclosures, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Foundation Trust has with the local Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the NHS Foundation 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 the listed companies to which IAS 32 mainly applies. The NHS Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Foundation Trust in undertaking its activities.

As allowed by IAS32, comparatives of carrying amounts with fair values have not been disclosed for short term financial assets and liabilities where the carrying amount is a reasonable approximation of fair value.

### **Credit risk**

Over 90% of the Trusts income is from contracted arrangements with commissioners. As such any material credit risk is limited to administrative and contractual disputes.

Where a dispute arises, provision will be made on the basis of the age of the debt and the likelihood of a resolution being achieved.

### **Liquidity risk**

The Trust's net operating costs are incurred under annual service agreements with local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust also largely finances its capital expenditure from cash made available from prior year surpluses; and Public Dividend Capital funding that may be available from the Department of Health to fund particular projects. The Trust has also funded two of its buildings through Private Finance Initiative scheme. South Essex Partnership University NHS Foundation Trust is not, therefore, exposed to significant liquidity risks.

At 31 March 2014 the Trust had no financial liabilities represented by provisions under contract.

### **Interest-rate risk**

100% of the Trust's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest. South Essex Partnership University NHS Foundation Trust is not, therefore, exposed to significant interest rate risk.

### **Foreign currency risk**

The Trust has negligible foreign currency income and expenditure.

**31.1 Financial assets**

	<b>Loans and Receivables 2013/14 £000</b>	<b>Loans and Receivables 2012/13 £000</b>
Trade and other receivables	8,771	10,474
Cash and cash equivalents (at bank and in hand)	38,622	34,302
	<b>47,393</b>	<b>44,776</b>

**31.2 Financial liabilities**

	<b>Other Financial Liabilities 2013/14 £000</b>	<b>Other Financial Liabilities 2012/13 £000</b>
Obligations under PFI contract	32,020	32,715
Trade and other payables	16,631	19,043
Provisions under contract	6,511	6,065
	<b>55,162</b>	<b>57,823</b>

### 32. Fair value

Set out below is a comparison, by category, of book values and fair values of the NHS Trust's non-current financial assets and liabilities.

	2013/14		2012/13		Basis of Fair Valuation
	Book Value £000	Fair Value £000	Book Value £000	Fair Value £000	
Financial Assets					
Other Non Current receivables	0	0	0	0	Note A
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Financial Liabilities					
Provisions	4,450	4,450	4,334	4,334	Note B
	<u>4,450</u>	<u>4,450</u>	<u>4,334</u>	<u>4,334</u>	

The Trust's financial liabilities as at 31 March 2014 comprise provision for early retirement, but do not include public dividend capital. As a foundation Trust's in accordance with guidelines issued by Monitor, public dividend capital previously shown as non-interest bearing debt is not classified as a financial liability.

#### Notes

- A. There were no non-current receivables held by the Trust as at 31 March 2014 (2012/13: £nil)
- B. Fair value does not differ from book value since, in the calculation of the book value; the expected cash flows have been discounted by the Treasury discount rate of 1.8% in real terms.

### 33. Third Party Assets

The Trust held £430,378 cash at bank and in hand at 31 March 2014 (2012/13: £510,286) which relates to monies held by South Essex Partnership University NHS Foundation Trust on behalf of patients. This has been excluded from cash at bank and in hand figure reported in the accounts.

## 34. Losses and Special Payments

	2013/14		2012/13	
	Number	£000	Number	£000
<b>Losses</b>				
Losses of cash due to:				
Theft, fraud etc	7	0	10	0
Damage to buildings, property etc. (including stores losses) due to:	1	40		
<b>Total Losses</b>	<b>8</b>	<b>40</b>	<b>10</b>	<b>0</b>
<b>Special Payments</b>				
Compensation under legal obligation	4	81	0	0
Loss of personal effects	19	3	21	3
Personal injury with advice	1	2	7	8
<b>Total special payments</b>	<b>24</b>	<b>86</b>	<b>28</b>	<b>12</b>
<b>Total losses and special payments</b>	<b>32</b>	<b>126</b>	<b>38</b>	<b>12</b>



