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annual report & accounts
2011 - 2012

Providing Partnership Services in Bedfordshire,
Essex and Luton



**South Essex Partnership University NHS Foundation
Trust**

Annual Report and Accounts 2011/12

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

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01 Introduction

With an annual turnover of approximately £300m South Essex Partnership University NHS Foundation Trust (SEPT) is one of the most successful Foundation Trusts in the country providing integrated care including mental health, learning disability, social care and community health services. We provide these services across Bedfordshire, Essex and Luton and employ approximately 6,100 people and serve a population of 1.8 million.

We work with a wide range of partner organisations to deliver care and support to people in their own homes and from a number of hospital and community based premises. We have many modern community based resource centres and community facilities to provide local services to local people where possible.

In 2010 a major landmark was reached by bringing together under a single Board of Directors and Board of Governors the mental health and learning disability services for the people of Bedfordshire, Essex and Luton. This means that our service users and carers continue to receive excellent services, but with a reduction in management costs.

In 2011 we were successful in our bid to acquire Community Health Services in Bedfordshire, South East Essex and West Essex. These services transferred to SEPT and are being integrated with our already existing mental health services in Bedfordshire and South East Essex. In West Essex we will work closely with commissioners and providers of health services to ensure a comprehensive integrated service for the population. Whenever and wherever possible we will provide local services for local people.

Mental health, learning disability and community health services are mainly

provided in community settings with defined geographical localities. As a result we operate from over 200 locations across Bedfordshire, Essex and Luton. SEPT provides a comprehensive range of services including:

- mental health services for adults and older people;
- Essex wide forensic services;
- low and medium secure services;
- specialist children's services;
- inpatient adolescent mental health services;
- learning disability services;
- drug and alcohol services;
- other specialist services.

As of August 2011 SEPT provides community health services for those with physical health care needs including:

- urgent care;
- long term conditions;
- rehabilitation;
- health improvement;
- quality of life care;
- services for children, young people and families.

The alignment and integration of community health services forms an important part of the government's plans to deliver 'world class' services for patients, carers and the community. It is an exciting opportunity for SEPT to become even more effective in the services it provides and more efficient in the way they are delivered and become a stronger more innovative organisation in the newly competitive NHS market.



A year of change, expansion, integration and success!

A message from the Chair and Chief Executive

2011 was the year that the NHS experienced unprecedented change in its structure and financing. SEPT wasn't immune to these external pressures, but grabbed the challenges and turned them into opportunities.

Our acquisition of three Community Health Services has strengthened the Trust's position and thereby protected the services and staff delivering them. We are so delighted to welcome all our new staff from Bedfordshire, South East Essex and West Essex. It is early days for full integration of community and mental health services, but we are encouraged by

how our staff have started sharing their expertise

and experience. Their combined skills will guarantee a better service for all the people we serve. To boost our savings plans we have

brought the future into the present by rolling out up-to-date technology to support mobile working. This has enabled us to consolidate our estate and generate substantial savings within our corporate services and further protect our clinical services.

Our Annual Report gives us an opportunity to reflect on our achievements, and 2011/12 gave affirmation of SEPT's continued success.

Our operational performance again met and in some areas exceeded the levels laid down by our regulators. Clinical, financial and management targets have all been achieved. Monitor, gave us an excellent financial risk rating of 4 in their 4th Quarter Compliance Report, and assessed the Trust's governance risk ratings (GRR) as green for the end of the financial year. We received excellent feedback and reports from the Care Quality Commission (CQC) for the majority of services and where issues have been highlighted we reacted positively and quickly.

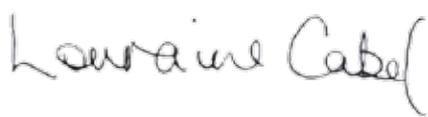
The Mental Health Transformation programme in Bedfordshire and Luton continues to move at a pace, and this year we opened the newly refurbished Robin Pinto 2 Ward and Calnwood Court in Luton and also moved patients into the renovated Townsend Court in Houghton Regis. Planning permission was granted for the new state of the art mental health hospital in Bedford, and we moved patients from Milton Ward (Weller Wing) to the modernised purpose built accommodation at Fountains Court.

We received confirmation of our staff's satisfaction of SEPT's investment in their working lives and future development by successfully being re-accredited with the national IIP (Investors in People) standard and Health & Wellbeing Award. Two of our clinical teams in Essex successfully achieved the Practice Development Unit (PDU) Accreditation – Taylor Centre (Level 2) and Byron Court (re-accredited). Queens Park Neighbourhood Centre in Bedfordshire received the highest recognition in their most recent Ofsted report. We were also awarded the Carbon Trust Standard for all our operational services reflecting our commitment to environmental issues.

Our work with the communities we serve increased further with the establishment of partnership working with faith organisations in Bedfordshire and Luton and the staging of a multi faith conference to address the mental health needs of local faith and community groups.

In a year where we welcomed new public, staff and appointed Governors to our already committed Board of Governors, we recognise that their interest and dedication to the health of their communities really makes a difference in planning our strategic direction. We are always impressed at the effort, energy and motivation given by our Directors, Governors, senior managers, clinical leaders, staff, service users, carers, partners and members. And we thank you all.

There will be more change to come which will test all of us, but we know that as individuals our staff's contribution will be invaluable to the significant success enjoyed by SEPT as an organisation. We want to take this opportunity to thank each and every one of you for your considerable contribution to the Trust's continued success and the partnership working between all of us to improve health services for the people of Bedfordshire, Essex and Luton.



Lorraine Cabel
Chair



Dr Patrick Geoghegan OBE
Chief Executive and Professor of Mental Health & Social Care

Welcome to the Directors' report where we provide an analysis of the development and performance of our organisation's business during the financial year which ended 31 March 2012. The following pages include an operating and financial review of the Trust's activities for 2011/12.

The Directors of South Essex Partnership University NHS Foundation Trust present their report for the period 1 April 2011 to 31 March 2012. Details of the Trust's Directors are contained within the Governance review section of this document (page 36).

On 1 August 2011, the Trust acquired the community services previously provided by South East Essex PCT and West Essex PCT. On 1 September 2011 the community services provided by Bedfordshire PCT were also acquired.

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 2011/12.

The Foundation Trust is a legal entity in the form of a Public Benefit Corporation and was licensed on 1 May 2006 under the Health and Social Care (Community Health and Standards) Act 2003, now superseded by the NHS Act of 2006 (Chapter 5).

Operating Review

Taking forward our strategic priorities

Following comprehensive and inclusive local planning, four key priorities were identified for 2011/12 in our Annual Plan.

Priority 1 – Delivering High Quality and Safe Services

Priority 2 – Transforming Services

Priority 3 – Efficient and Effective Organisation

Priority 4 – Clear plans for a sustainable future

The delivery of these priorities ensures the Trust remains responsive to the expectations of local commissioners, partners, service users and Trust staff. Additionally they underpin the delivery of our vision of 'providing services that are in tune with you'. In this section we have provided a summary of the progress made by the Trust to continually improve the quality of local services and highlighted just some of our many achievements.

These four priorities were underpinned by 15 corporate objectives that, thanks to the regular monitoring put in place by the Board of Directors, have been taken forward with great success. Following a yearend review of progress all 15 corporate objectives were confirmed as having been achieved. This was thanks to the delivery of 878 (98.8%) of the 888 directorate objectives that support the corporate objectives.

Below is a brief summary of some of the directorate objectives delivered during 2011/12:

Delivering High Quality and Safe Services

- Achievement of national and contractual targets including the local authorities targets in relation to increased support to carers and the provision of self-directed support for eligible patients
- Achievement of safeguarding targets and improvement in the quality of safeguarding practice.
- Clinical Outcomes measures implemented in all core Child and Adolescent Mental Health teams
- Increased response rate evidenced as a result of Mystery Shopper in place and feedback received regularly
- Carer support programme reviewed and improved processes put in place to enhance effectiveness of carer support groups; and improve support provided to carers on admission to and discharge from secure services

- Delivery of Quality Improvements and Initiatives as identified through the Quality Accounts and Commissioning for Quality and Innovation (CQUIN), further details of which are available in the Quality Report

Transforming Services

- Development and implementation of a robust Eating Disorder Care Pathway for Children and Adolescents
- Adult inpatient services at Townsend Court successfully transferred to the Robin Pinto 2 ward at the Luton & Dunstable hospital site
- Development and delivery of a service for people who have a learning disability to support access to community based interventions for all health services
- Development of sub-acute pathway in South Bedfordshire to support a reduction in avoidable admissions to hospital
- Achievement of Bedfordshire, South East and West Essex Community Health Services acquisition and integration

Efficient and Effective Organisation

- Minor estates rationalisation schemes successfully achieved and efficiency savings target achieved
- Effective implementation of the carbon management strategy resulting in a reduction in energy costs
- Successful reduction of appointments not attended in South Essex Child and Adolescent Mental Health Services
- A full review of outpatient mental health services pathway and model undertaken to optimise service provision to meet the needs of the service users in an effective and efficient manner
- Development of a Telehealth project in Bedfordshire Community Services



- Development of learning tools to support management and reduction of sickness absence across Trust

Clear plans for a sustainable future

- five year strategy in place and priorities reviewed through the annual planning process which incorporated staff from all disciplines and stakeholders from across the community
- Equality and Diversity Implementation Framework developed
- A range of new business opportunities and tenders were progressed throughout 2011/12 and work was undertaken to strengthen internal tendering systems and processes including training for staff
- Enhanced relationships with GPs, consortia leads and local authority colleagues through regular meetings.
- Achievement of 15% carbon reduction and significant progress with Good Corporate Citizenship Standard
- Achieved Trust accreditation to Carbon Trust Standard

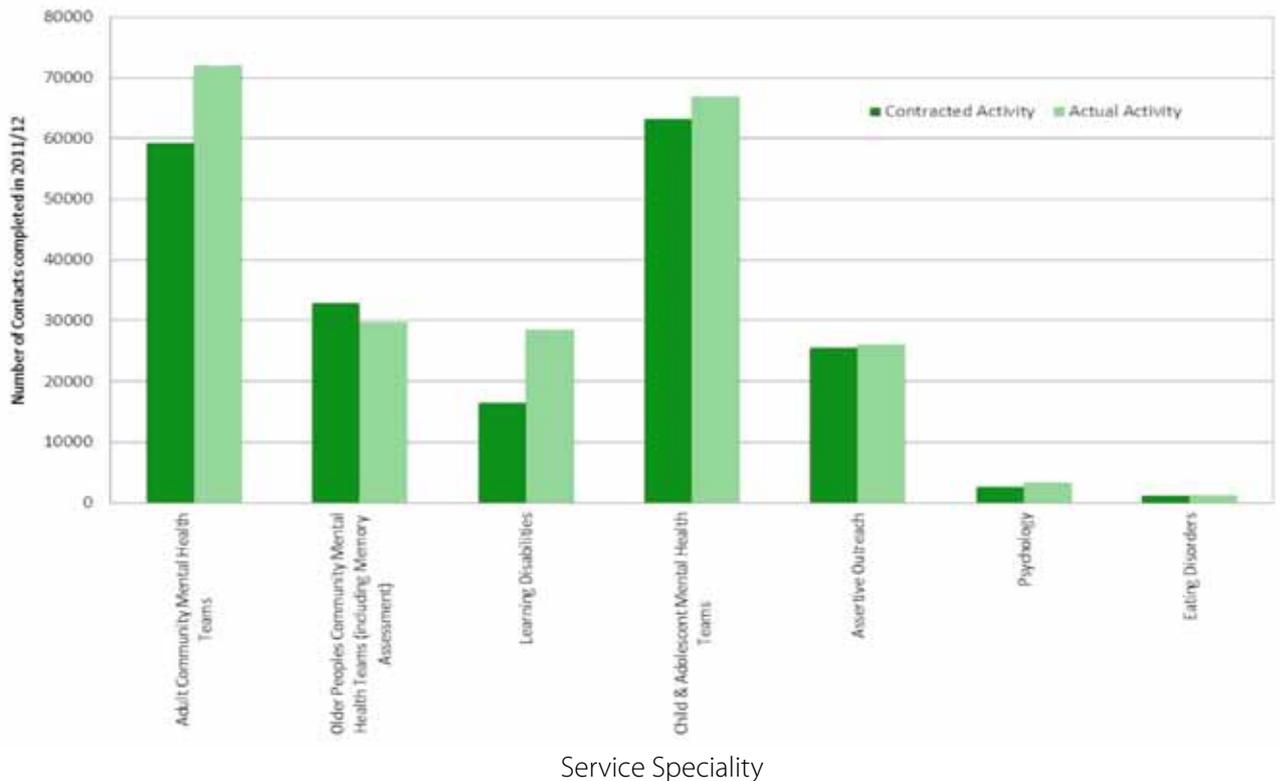
Performance Against Contracts Mental Health Services

The Trust has legally binding contracts in place with local Primary Care Trusts to deliver mental health services across south Essex and Bedfordshire and Luton. The contracts cover care services provided to patients in hospital wards, those cared for in the community and patients receiving day hospital services. The commissioners monitor the Trust to ensure that agreed activity is delivered through monthly monitoring reports and contract monitoring meetings. Contract activity during

The Trust also has a contract with the East of England Specialist Commissioning Group for the delivery of Low and Medium Secure Inpatient services. Contract activity for 2011/12 was based on available beds – 110 in total.

Figure 1 demonstrates that as at the end of March 2012, the Trust had successfully delivered the contracted activity levels for Bedfordshire & Luton for the majority of its service specialities. There was service speciality where underperformance was reported, Older Peoples Community Mental Health Teams. Whilst underperformance was reported, the service did successfully deliver 90%

Figure 1 - Bedfordshire & Luton Mental Health Community Activity by Speciality



2011/12 was based on the provision of a specified volume of occupied bed days on hospital wards and contacts in the community. Additionally, the Crisis Resolution and Home Treatment Service is monitored on the number of Home Treatment Episodes delivered and the Assertive Outreach Service on the caseload it is actively managing. In addition to monitoring activity delivery, the contract also monitors a range of quality indicators, further details of which can be found in the Quality Report.

of contracted activity during 2011/12. Actions to address the underperformance have been taken forward with commissioners for 2012/13.

Figure 2 demonstrates that as at the end of March 2012 the Trust had successfully delivered the contracted activity levels for south Essex for all of its service specialities. There was slight underperformance in Adult Community Health Teams, Learning Disabilities and Assertive Outreach services, however, activity delivered was at least

Figure 2 - South Essex Mental Health Community Activity by Speciality

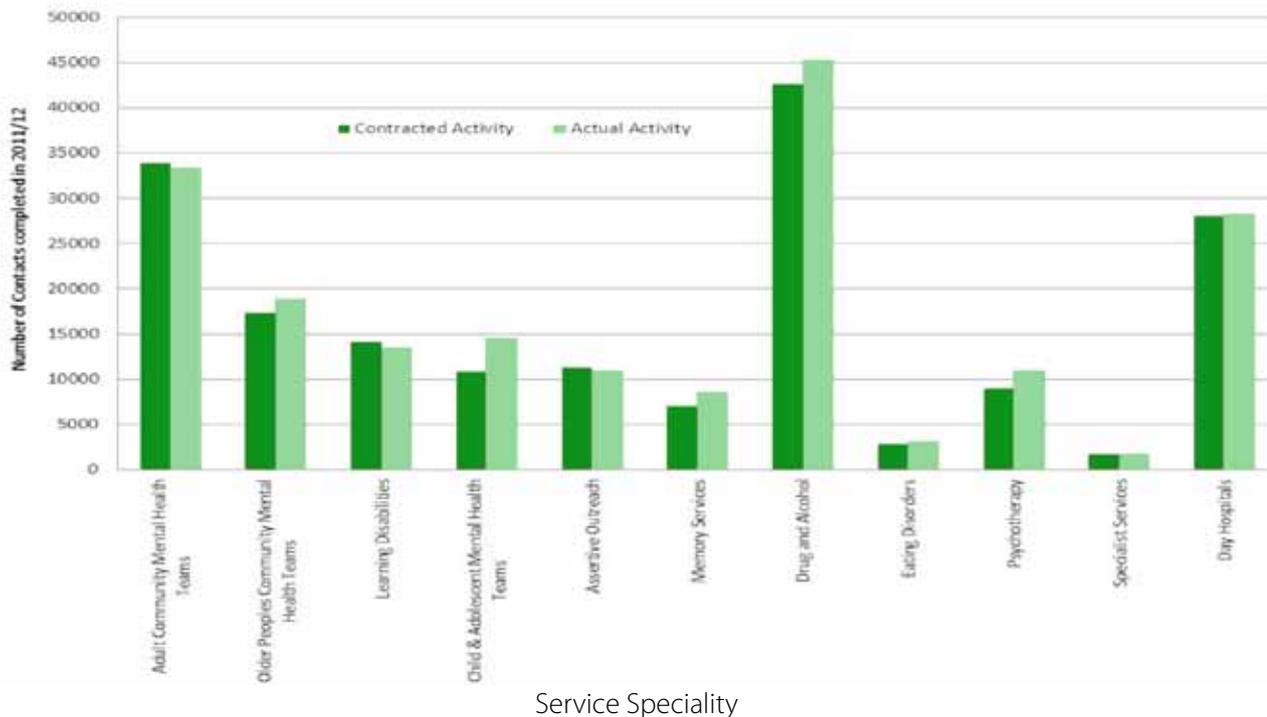
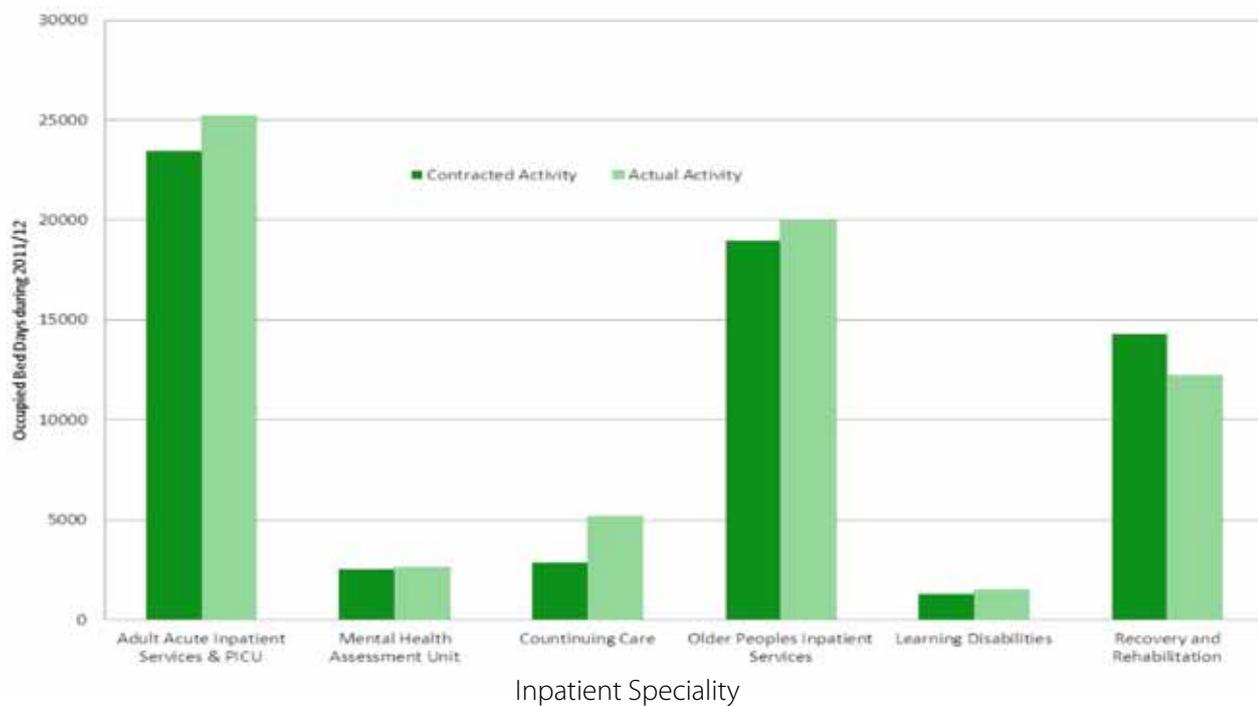


Figure 3 - Bedfordshire & Luton Mental Health Inpatient Activity by Speciality



95% of plan and therefore within accepted tolerance.

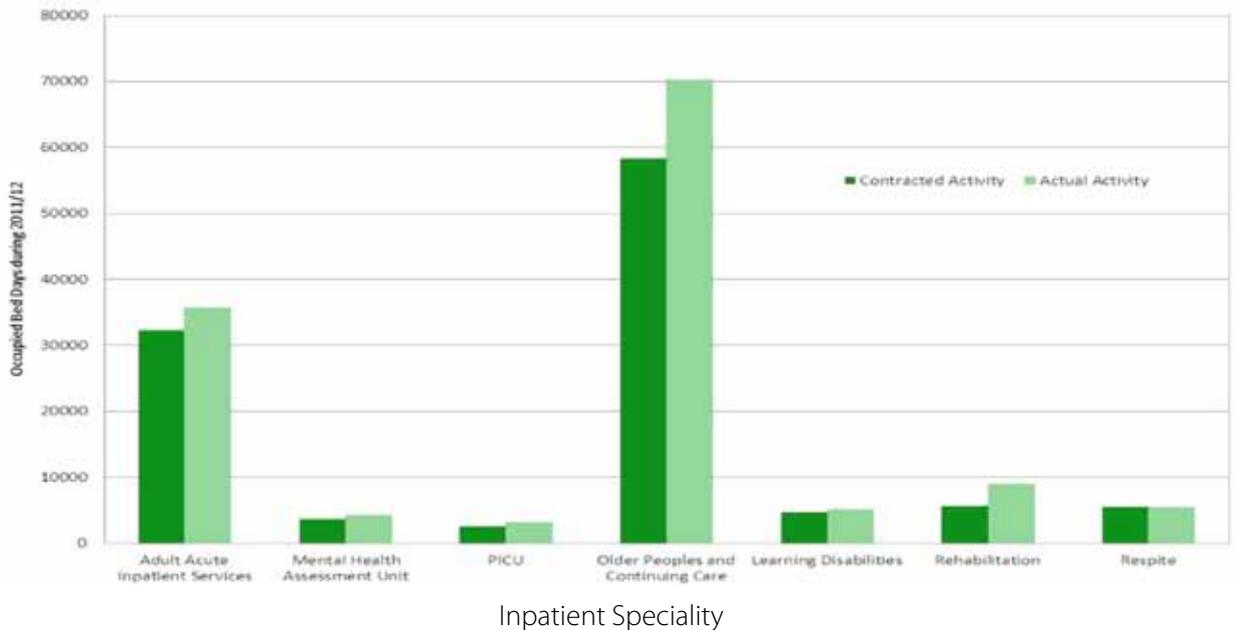
Figure 3 confirms that in Bedfordshire & Luton the Trust exceeded contractual requirements for all inpatient service specialities with the exception of the recovery and rehabilitation service. The underperformance in this service was attributable to vacancies within Cedar House and Whichello's Wharf as a result of the transformation plans. The significant over performance reported for continuing care was linked to a delay in planned service re-provision and an overflow of patients

from services external to SEPT. This position has been reviewed with commissioners and appropriate plans have been put in place to manage the increased activity levels.

Figure 4 confirms that in south Essex, the Trust achieved the contractual requirements for all inpatient service specialities.

The table below demonstrates that in both south Essex and Bedfordshire & Luton the Crisis Resolution and Home Treatment teams have exceeded targets on the delivery of home treatment episodes.

Figure 4 - South Essex Mental Health Inpatient Activity by Speciality



PCT	2011/12 Target	CRHT Patient Treatment Episodes 2011/12				2011/12 Outturn	% Var
		Q1	Q2	Q3	Q4		
NHS Bedfordshire	643	254	225	206	187	872	36%
NHS Luton	406	141	124	107	59	431	6%
+Beds & Luton Total	1049	409	368	332	260	1369	31%*
SE Essex PCT	548	137	139	138	148	562	3%
SW Essex PCT	674	176	167	170	176	689	2%
+South Essex Total	1222	315	306	310	324	1255	3%
SEPT	2271	724	674	642	584	2624	16%

*Revised data received from Bedfordshire & Luton for September to December 2011 shows significant increase in activity than previously reported, particularly in Luton.

+Totals include patients with unknown or out of area GP/PCT

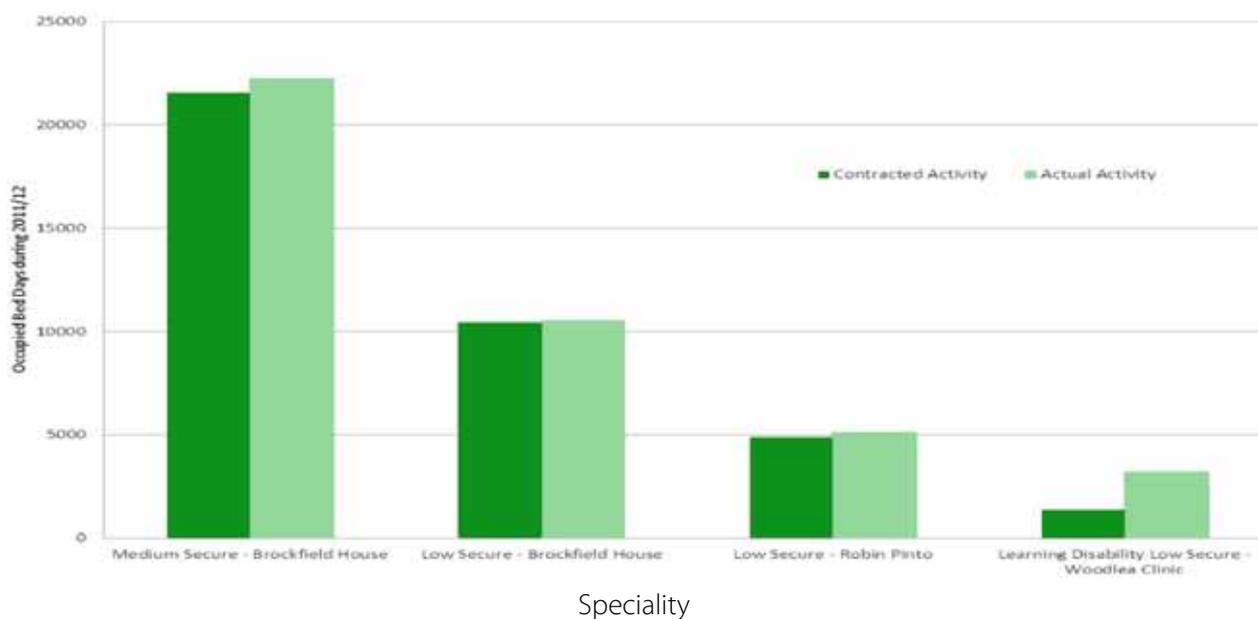
PCT	2011/12 Target	Q1	AOT Caseload 2011/12		Q4 2011/12 OT
			Q2	Q3	
NHS Bedfordshire	129	124	125	133	128
NHS Luton	81	76	87	85	78
Beds & Luton Total	210	200	212	218	206
SE Essex PCT	110	66	66	69	65
SW Essex PCT	135	173	176	177	181
South Essex Total	245	240	243	247	247
SEPT	455	440	455	645	453

The above table demonstrates that the Assertive Outreach caseload has fluctuated throughout the year, which is reflective of an active caseload. As at 31 March 2012 the caseload in south Essex was above plan by two cases and in Bedfordshire & Luton the caseload was four below plan. The position will be continually monitored through 2012/13, however, it is anticipated month on month

changes will occur as patients are discharged to other services and new patients referred in.

Figure 5 shows that the actual inpatient activity for medium and low secure wards has exceeded the activity expected on the basis of the contracted beds available.

Figure 5 - Low and Medium Secure Inpatient Activity



Community Health Services

Following the acquisition of South East Essex and West Essex Community Health Services in August 2011 and Bedfordshire Community Health Services in September 2011, the Trust gained three additional contracts. As with mental health, the contracts contain activity plans which outline the expected activity to be delivered. However, these plans are in their infancy and considered indicative, as such it has not been possible to gain a true reflection of service performance based on monitoring actual activity versus planned activity. New plans have been agreed for 2012/13 and they will be monitored monthly by the Trust alongside commissioners to ensure continued monitoring

of service performance. In addition to monitoring activity delivery, the contract also monitors a range of quality indicators, further details of which can be found in the Quality Report.

Monitor Key Targets

The NHS Foundation Trust regulator, Monitor, assesses the Trust's clinical and quality performance, quarterly. The compliance framework and subsequent risk rating assesses achievement of the Trusts performance against a key set of indicators as identified in the table below. Further details regarding performance throughout the year in respect of these indicators can be found in the Quality Report.

Indicator	Target	2011/12 Outturn
7 Day Follow Up on Discharge	≥95%	97%
Proportion of people on CPA having formal review within 12 months	≥95%	96%
% of adult acute admissions gate-kept by the crisis resolution and home treatment team	≥90%	99%
Early Intervention Service New Cases in Psychosis	≥149	169
Data Completeness: Patient Identifiers	≥99%	100%
Data Completeness: Patient Outcomes	≥50%	77%
% Delayed Transfers of Care	≤7.5%	2.2%
Access to healthcare for people with a learning disability	6 key requirements rated 4	6 rated at 4
18 week Referral to Treatment Waiting Times – Consultant-Led Pathways	≥95% each month	98%
A&E Clinical Quality – Total Time in A&E	≥95%	100%

In addition to the above, Monitor identified a requirement for all providers of Community Health Services to report the completeness of data under seven defined categories in Quarter 3 and Quarter 4. There is no target associated with the performance reported for these data completeness indicators, however, the position is presented on page 17 for information:

Risk Management

Risk Management Framework

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.

Indicator	Quarter 4 Outturn
Data Completeness - Community Care Referral to Treatment information - to include consultant and AHP led referrals	67%
Data Completeness - Leg Ulcer Treatment information	100%
Data Completeness - Community Care Referral Information	79%
Data Completeness - Community Treatment activity information	100%
Data Completeness - Patient identifier information	69%
Data Completeness - % deaths at home	99%
Data Completeness - User experience and care plan outcome	0%

The Trust has in place a comprehensive Risk Management Framework that sets out the Trust's approach to the management of risk and implementation of a system, which enables informed management decisions in the identification, assessment, treatment and monitoring of risk. The framework details how the organisation meets the demands of effective risk management and how it will be developed further. Throughout 2011/12 regular reports were provided to the Audit Committee, Integrated Quality and Governance Steering Committee, the Executive Operational Committee and the Board of Directors to ensure that progress with developing risk management and assurance systems remained productive and fit for purpose. The Risk Management Framework was revised in both June and November 2011 to ensure continued compliance with the NHSLA Risk Management Standards, recommendations from internal and external audits and national reviews.

Board Assurance Framework

At the start of the year the organisation identified 15 key objectives for 2011/12 and assessed the risks that had the potential to prevent 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.

These risks provided the foundation of the Board Assurance Framework and significant risks were

monitored in line with the Trust's approved Risk Management Framework and governance systems.

The Board Assurance Framework is a live and dynamic document and risks were continually monitored and updated throughout the year. A total of 25 potential significant risks and uncertainties were escalated to the Board Assurance Framework during the period 2011/12.

This has included:

- financial risks as detailed in the financial plan including achievement of both mental health and community health service CIPs, anticipated proceeds from property sales, redundancy and transition costs, QIPP efficiencies and, additionally, the reduction of funding as an outcome from the South West Essex PCT turnaround plan;
- delays to the Trust's Bedfordshire & Luton transition plan as a result of the consultation process and planning consent at Bedford Health Village;
- reputational risk as a result of legacy serious incidents following acquisitions including mental health services in Bedfordshire & Luton;
- development and implementation of safeguarding policies and systems;
- meeting key performance targets;
- implementing outcomes from patient survey;

- implementation of revised policies and procedures related to physical health care;
- CQC compliance reviews;
- staff morale through a period of change and industrial action;
- changed demographic and self-harm;
- capacity to support transition;
- engagement with GP Consortia and Health and Well Being Boards.

Gaps in controls and assurances were actively reviewed and monitored throughout the year. Through careful management these did not ultimately pose a problem for the Trust.

The Trust commissioned Parkhill Internal Auditors to conduct independent and focused assessments of the arrangements in place to control risks and these reviews provided the Board of Directors with substantial assurance that each risk had been mitigated.

Head of Internal Audit Opinion (HIAO)

The Head of Internal Audit Opinion for 2011/12 was issued 23 May 2012. The overall opinion 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. However, some weakness in the

design and/or inconsistent application of controls, put the achievement of particular objectives at risk.”

NHSLA Risk Management Standards

As a result of the acquisition of community health services in Bedfordshire, South East Essex and West Essex the Trust was required to undergo re-assessment by the NHSLA of its Level 1 risk management standards. This took place in February 2012 and the Trust was successful in achieving level 1 accreditation with a score of 50/50.

Environmental Matters

The Trust continues to ensure that services are delivered and buildings utilised in such a way as to minimise the impact on the environment. Further information is provided in the section entitled Sustainability/Climate Change on page 145.

Future Developments

The Trust produces a detailed three year plan for submission to Monitor, the Independent Regulator for Foundation Trusts, covering our future plans for the period 2012/13 to 2014/15. To receive your free copy of our Annual Plan, please contact our Communications Department on 01268 439755 or email communications@sept.nhs.uk. The plan is also available electronically via the Monitor website and the Trust’s own website.



Quality Governance Reporting

The Trust has put in place robust systems of governance to maintain, monitor and report on the quality of Trust services. In the Annual Governance Statement (see page 149) the Trust has confirmed that a detailed assessment of the Trust's implementation of Monitor's Quality Framework has been undertaken and an action plan is in place to strengthen quality governance where the Board of Directors identified it was necessary. Examples of actions to strengthen quality governance, which are already being taken forward are:

- quality impact assessment of Trust's Cost Improvement Programme to be developed and implemented;
- full review of the efficacy of Board of Director sub-committee structures;
- enhanced internal audit of data quality associated with acquired community health services.

The Quality Report (page 60) confirms the Trust's performance against its quality priorities over the past year and confirms the Trust's forward plans for continuous improvement.

Our Annual Plan 2012/13 confirms the detailed arrangements in place in the Trust to manage risk to quality and to ensure that there is appropriate learning and continuous improvement from regular monitoring of service quality.

The Trust Internal Auditors have provided 'substantial assurance' that the quality governance systems in place in the Trust are satisfactory. The Internal Auditors have also tested the arrangements in place in respect of quarterly and annual certification requirements (as set out in the Compliance Framework) and have confirmed that there is 'substantial assurance' that these arrangements are also satisfactory.

There are no material inconsistencies between the Annual Governance Statement, the board statements, the quality report and the annual report and reports received from the CQC as a result of responsive and planned reviews of services.

Financial Review

Overview

This part of the Directors' report provides a commentary on the Trust's financial performance leading to an underlying net surplus of £3.3 million. This reduces to a surplus of £2.3 million following a technical adjustment relating to the revaluation of Trust property by the District Valuer. This section also provides an overview of the accounting process together with an analysis of financial performance. This includes information in relation to the Trust's capital plans, 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.

The Trust's accounts for 2011/12 show the consolidated financial performance for SEPT as if the acquisition of the South East and West Essex and Bedfordshire Community providers had taken place on 1 April, 2011 even though the three acquisitions took place at different dates throughout the year. This is in accordance with the rules governing merger accounting for Government Departments. It has not been possible to show prior year information relating to the community provider acquisitions within prior year comparator figures shown in the accounts. It is recognised that this will make comparison with prior year's performance difficult.

Financial Statements

The Trust's annual report and accounts cover the 12 month period from 1 April 2011 to 31 March 2012. 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."

External Audit

The Trust's external auditors are the Trust's Practice Section of the Audit Commission. The Trust's Engagement Lead is Rob Murray and Emma Patchett is the Trust's External Audit Manager.

During 2011/12, 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 2011/12 financial year was presented to the Board of Directors in May 2012. Reports issued during the 2011/12 financial year were as follows:

- Audit Plan for 2011/12;
- 2010/11 Annual Governance Report;
- Review of Financial Statements 2010/11;
- Limited Assurance Report on the 2010/11 Quality Account;
- 2010/11 Assurance Report to the Board of Governors.

The total fee for external audit for 2011/12 was £47,000 in respect of the completion of the statutory audit work.

Counter Fraud Activities

The Trust receives a dedicated local counter fraud specialist advice service from the Parkhill Audit Agency and has developed a comprehensive counter fraud work plan in accordance with guidance received from the NHS Counter Fraud and Security Management Service. 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.

Charitable Funds

With effect from 1 April 2011, the Bedfordshire and Luton Mental Health and Social Care Partnership NHS Trust (BLPT) Charitable Fund (Charity No: 1051474), and the South Essex Partnership NHS Foundation Trust General Charitable Fund (Charity No: 1053793) merged under the South Essex Partnership Charity. These charitable funds have resulted from fund raising activities and donations received over many years, and are 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 to the benefit of patients and staff.

The Charitable Fund is administered by the Trust's Finance Department on behalf of the Partnership Trust, the two Primary Care Trusts across south Essex and the Primary Care Trusts in Bedfordshire & 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.

The financial activities of the charity for the 2011/12 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 2013, free of charge, from the Executive Chief Finance Officer.

Political and Charitable Donations

The Trust did not make any political or charitable donations from its exchequer or charitable funds during 2011/12.

Financial Performance

Against a background of continuing financial pressures facing public services, the Trust has remained strong in financial terms and generally performed well during 2011/12. During this period the Trust has continued to assist the local economy by ensuring payments, particularly to small suppliers, were paid as promptly as possible.

The Trust's financial settlement for the 2011/12 financial year once again did not include any funding for inflationary pressures. In addition, the Trust's income was reduced by 1.5% across all services. In total this required an efficiency savings programme to deliver 4% real cash reductions which amounted to £15.8 million including the savings programme relating to the transferred community service providers.

The South Essex mental health commissioners also imposed a further recurrent funding reduction of £3.5 million and plans were agreed to deliver this cost reduction through service change and transformation. The Trust was also required to deliver management savings of around £1 million agreed as part of the tender and acquisition process for the community service providers. The Trust's total savings plan for last year was therefore in excess of £20 million which represents 6.5% of total income.

The acquisition of the former BLPT on 1 April, 2010 enabled the Trust to generate savings from the integration and rationalisation of corporate and back office functions that would not have been possible as two separate organisations. The full year benefit of these savings was delivered during 2011/12. The acquisition of South East Essex, West Essex and Bedfordshire community services during 2011/12 has resulted in further corporate and back office savings being delivered totalling around £3 million in a full year.

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 years and undertake a substantial range of environmental and new capital developments throughout the year with major investments across many of the Trust's services.

Despite the difficulties and significant cost reduction programmes, the Trust ended the year with an underlying surplus of £3.3 million before impairments with all targets and major development programmes achieved. The Trust also received a Monitor financial risk rating of 4 representing a low risk.

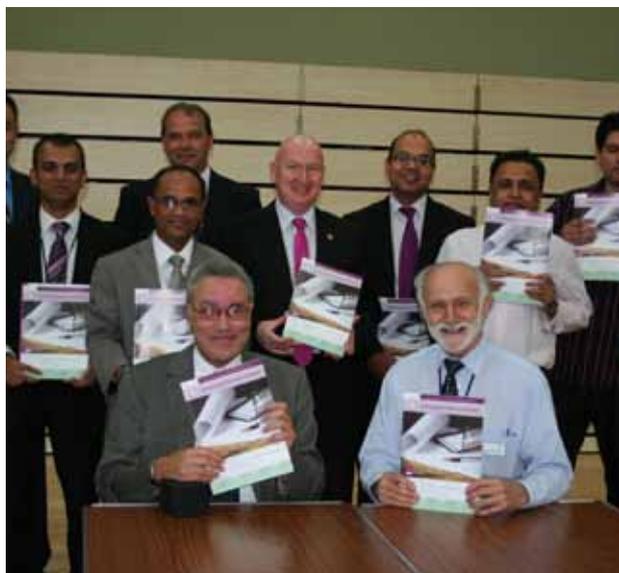
Financial Risk Management

As part of the preparation of the Trust's annual plan which is submitted to Monitor each year, the Trust completes a detailed five year financial plan incorporating revenue, capital, cash and cost improvement / income generation plans. The assumptions behind this plan are risk assessed, and all high rated risks successfully mitigated against as part of the planning process. 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.

Analysis of Financial Performance

Comparative Information

The Trust's Annual Report and Accounts provides comparative information in relation to the 2010/11



financial year. In accordance with a directive received from the Department of Health, and ratified by Monitor, this information does not, however, include 2010/11 comparatives in respect of the Community Provider Services acquired during 2011/12.

Impaired Value of Land and Property

For 2011/12 the Trust's accounts include a total impairment (reduction) on non current assets of £978,000 in respect of the revaluation of the Meadowview Ward at Thurrock Hospital and the Admin Block at Rochford, following completion of improvement works during 2011/12. Such impairments are not uncommon within the NHS and reflect the basis on 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.

The impact of the impairment is to reduce the value of the asset within the Statement of Financial

Position, with no impact on the Trust's cash, financial viability or risk rating.

Where permissible, the impairment is charged against the Trust's revaluation reserve for the particular property until such time as the reserve is fully utilised. Once fully utilised, the impairment is charged direct to the Statement of Comprehensive Income.

As the Trust held no revaluation reserves in respect of these premises, the full £978,000 has been included within operating expenditure on the Statement of Comprehensive Income.

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 a decrease in value from March 2011 of just over £92,000. The Trust is required to report this decrease on the face of its Statement of



Comprehensive Income which has resulted in a reduction to the Trust's underlying surplus.

Gains 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 2011/12 have been reflected within the Trust's Statement of Comprehensive income and reduced the Trust's surplus by £14,000. In addition, an actuarial loss of £899,000 resulting from a reduction in the value of scheme assets has been reflected as a reduction in reserves within the Statement of Comprehensive Income.

Income Generation

The Trust has continued to market its clinical expertise over the past year which has resulted in a contribution of £0.5 million being made to the Trust's financial position. Although this income is

less than previous financial years, it was sufficient to allow the Trust to meet its financial targets for the year.

Key Metrics

The key metrics from the financial statements demonstrate that the Trust achieved:

- an EBITDA margin of 5.6%;
- an income and expenditure surplus margin of 1.2%;
- a return on assets of 5.3%;
- a Liquidity ratio of 43.0 days.

The Trust's earnings before interest, taxation, depreciation and amortisation (EBITDA) margin and income and expenditure surplus margin represent a strong financial performance by the Trust. This is further reflected by a return on assets of 5.3%. The Trust also ended the financial year with a strong cash position reflecting the receipt of all major income streams from local commissioners and minor delays within the Trust's main capital programme.

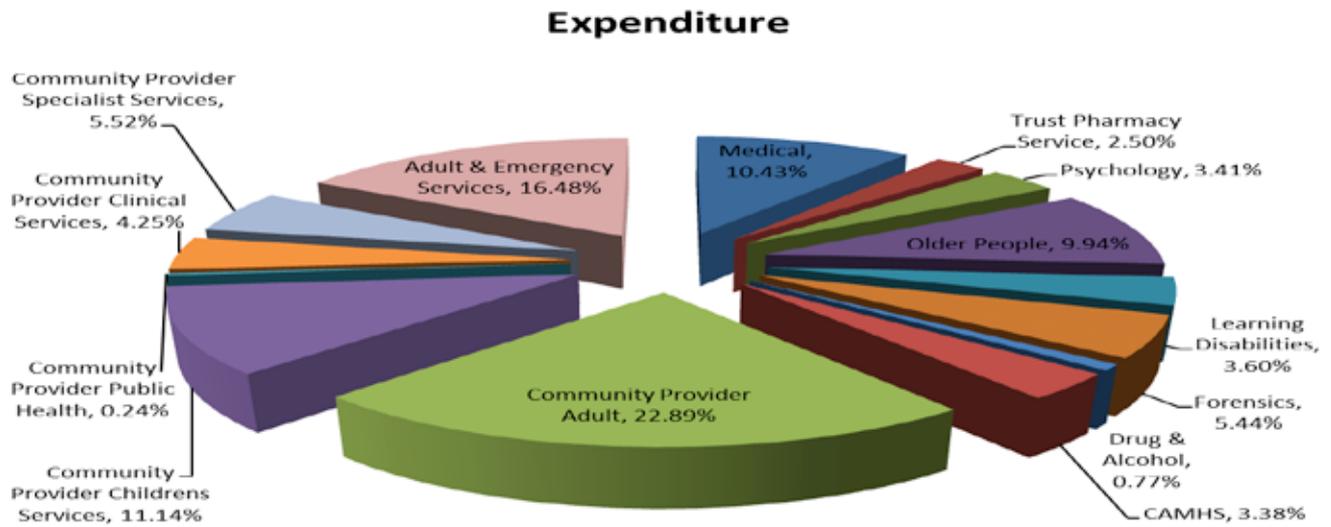
Key Points from the Accounts

Key information from the Trust's accounts is shown in the table below.

Table 1 – Key Points from the Accounts

	2011/12 £000	2010/11 £000
Total Income	314,103	202,159
Income from Mandatory Clinical Services	288,413	182,707
Surplus from Continuing operations (before impairments and other technical adjustments)	3,421	1,698
Surplus from Continuing operations (after impairments and other technical adjustments)	2,351	4,157
Capital Expenditure	4,218	6,314
Capital Charges (Depreciation and Dividends)	9,803	8,908
Closing Cash Balance	32,939	17,421

Figure 6 – Total Expenditure by Service



* Community provider services excludes mental health community services. These are included within, Adult and Emergency, Older Peoples and Learning Disability Services.

Operating Expenditure

The total operating expenditure excluding impairments for the 12 month period ended 31 March 2012 was £306.5 million. Figure 6 shows the Trust’s expenditure analysed over the type of patient care provided. The single largest area of expenditure relates to adult community provider services followed by adult and emergency mental health inpatient services. Within total expenditure the single largest area of expenditure related to staff cost which totalled 217.2 million. Figure 7 provides an analysis of expenditure over the different staff groups.

Working Capital and Liquidity

The Trust has robust cash management and forecasting arrangements. These are supported by a Cash Management Committee which is chaired by the Executive Chief Finance Officer. The membership of the Committee also includes the Director of Operations and a Non Executive Director.

The Trust has continued to invest surplus cash on a day to day basis throughout 2011/12. However, in light of the reduced interest rates available, has generated only modest interest from cash management activities of £0.1 million. As in previous financial years, this additional income has been used for the benefit of local patient care. 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 plus £9.5 million.

Events after the reporting period

There are no events to report after the reporting period.

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 essentially agreed with the Treasury before the start of the financial year with the calculations updated based on the closing Statement of 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.

The Department of Health has returned to the public financing of most capital schemes in the

form of interest bearing debt. For Foundation Trusts this is managed through the Foundation Trust financing facility. Foundation Trusts are also able to borrow externally, subject to a prudential borrowing limit set by Monitor, the independent regulator for Foundation Trusts. In 2011/12, the Trust is deemed to have a long term borrowing of £32.8 million as a result of recording the PFI assets onto the Statement of Financial Position in accordance with IFRS requirements.

Prudential Borrowing Limit

Section 12 of the Health and Social Care (Community Health and Standards Act 2003) requires Monitor, the independent regulator of Foundation Trusts, to prepare a code (prudential borrowing code) to determine a limit on the total amount of borrowing that an NHS Foundation Trust is able to undertake. Section 41 of the National Health Service Act 2006 allows Monitor to revise that code. The code is designed to ensure that a Foundation Trust is able to operate with a degree of independence while at the same time not compromising the provision of required services.

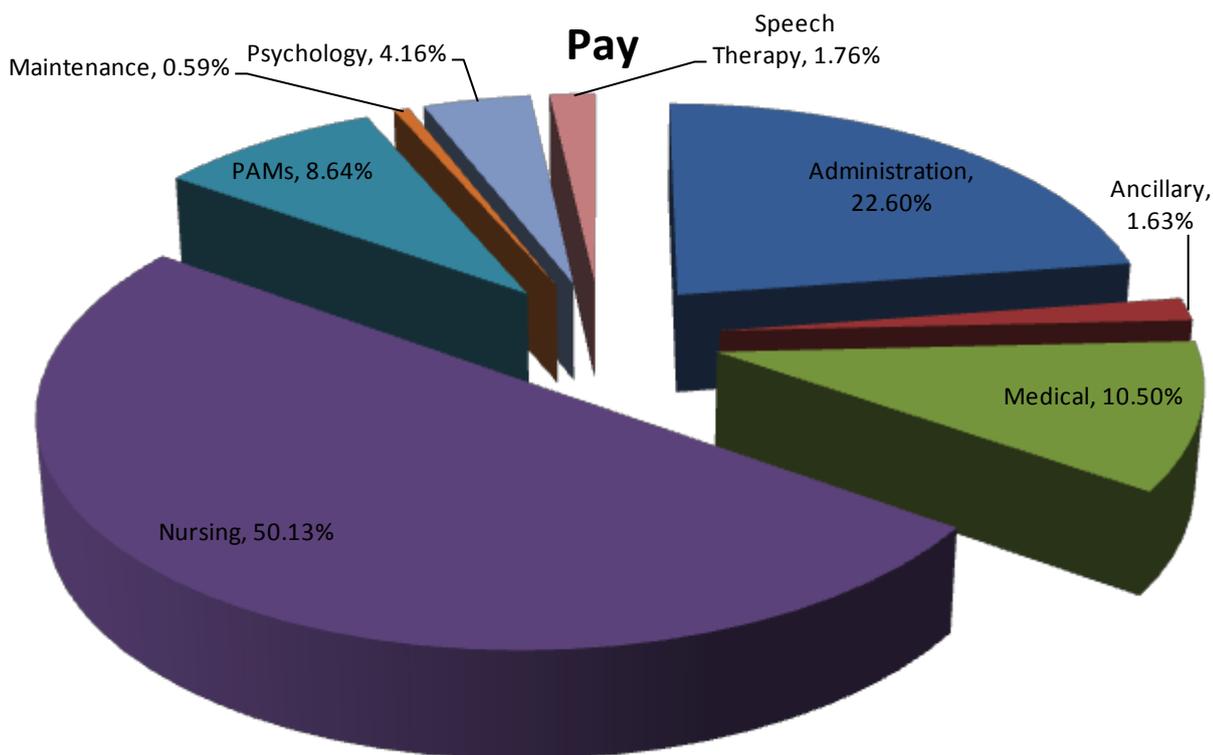
Foundation Trusts continue to benefit from public financing in certain circumstances but in addition are able to borrow from commercial sources. This commercial borrowing is not backed by any form of government guarantee and therefore in these circumstances the Foundation Trust has to prove its credit worthiness in a normal commercial sense. To assist this process, Monitor sets a prudential borrowing limit, based on the code, which forms part of a Foundation Trust terms of authorisation.

The prudential borrowing limit for SEPT is:

- maximum cumulative long term borrowing: £60.0 million; and
- approved working capital facility: Not to exceed £24.8 million.

The Trust has a long term borrowing of £32.8 million in respect of the PFI Funded Scheme. The Trust's capital investment plans over the next five years can also be met from the Trust's internally generated resources including a programme of sale of unprotected assets. At this stage, therefore, the Trust has no plans to borrow commercially.

Figure 7 – Pay Expenditure



Capital Expenditure

Table 2 summarises the Trust's capital expenditure for 2011/12.

During the 2011/12 financial year, the Trust invested a total of £4.2 million in capital developments.

The Trust has invested £1.7 million in upgrading the Limetrees site in Bedfordshire, with works due to complete in early 2012/13 and £0.7 million in completing the upgrades to the Older Peoples Meadowview ward at Thurrock Hospital and the Administration Block at Rochford Hospital.

The Trust has continued to invest in its IT infrastructure with £0.5 million being spent on various schemes during 2011/12.

As part of the acquisition of South East Essex, West Essex and Bedfordshire Provider Services, the Trust also acquired £0.9 million of IT and equipment assets.

Financial Investments

Foundation Trusts are able to make financial investments through a variety of means including joint ventures and subsidiary companies. The Trust has established an Investment Committee comprising the Chief Executive, the Executive Chief Finance Officer and three Non Executive Directors. This Committee will oversee any future investment proposals including acquisition and mergers. For the future, the Trust's Investment Committee may

also consider the most efficient corporate structure to support the Trust's activities.

Non Health Care Activities

The Trust provides a range of non-health care activities in the form of shared support services to the two primary care organisations across south Essex. These services include the provision of Treasury Management, Procurement and Paymaster Services and the management of related computerised financial ledgers and purchasing systems for all organisations.

The Trust provides Estates and Facilities Management Services and a Car Leasing Service to the local south Essex PCTs and also provides a car leasing service to the Basildon and Thurrock University Hospitals NHS Foundation Trust and several local Housing Associations. The value of these combined services is £1.5 million.

In addition a range of shared support services are provided in Bedfordshire & Luton, including estates and IT services to NHS Bedford, NHS Luton, and Cambridgeshire Community Services NHS Trust who provide services in Luton. The value of these services is £1.6 million.

Accounting Policies

The Trust has detailed accounting policies which comply with both the NHS Foundation Trust Annual Reporting Manual and Capital Accounting

Table 2 – Capital Expenditure

	2011/12 £000
Meadowview Ward Upgrade at Thurrock Hospital	386
Administration Hubs at Rochford and Basildon Hospitals	347
Limetrees Development in Bedfordshire	1,673
Transfer of assets in acquiring Community Provider Services	896
Various IT Schemes	545
Other Minor Building / Upgrade Schemes	371
Total Capital Expenditure	4,218

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 162 to 176 of the 2011/12 accounts.

NHS Pensions and Directors Remuneration

The accounting policy in relation to employee pension and retirement benefits is set out on page 172 of the Annual Accounts for 2011/12. Details of the Directors' remuneration is contained within the Remuneration Report section of this document (page 30).

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.

In addition, the Trust provides 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.

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 2011/12 financial year, the Trust achieved an average of 72% of all trade invoices paid within 30 days. This figure is lower than in previous years and was as a result of delays in payments arising from the acquisition of community services and the transfer of financial services provision.

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.

Private Patient Income

Foundation Trusts are set a private patient cap which limits the amount of private patient income that maybe generated within a particular accounting year. The Trust has a private patient cap of £1.1 million and generated £25,000 of private patient income during 2011/12.

Efficiency and Income Generation Initiatives

The Trust generated efficiency savings and contributions from new initiatives of just under £19.7 million during 2011/12. This was a significant increase on the £10.3 million generated during

Table 3 – Efficiency and Income Generation Initiatives

	2011/12 Actual Savings £000s	2011/12 Recurrent Savings £000s
Income Generation		
Clinical Services – Community Health Services	631	233
Total Income Generation Contribution	631	233
Mental Health Services		
Service Transformation - Beds & Luton	809	1,308
Service Transformation – Essex	464	2,503
Improved Financial Controls	4,581	5,112
Corporate and Back-Office savings	1,314	2,179
Non Recurrent Measures	3,757	0
Total Mental Health Efficiency Savings	10,925	11,102
Community Health Services		
Children's Services	587	569
Adult Services	1,514	2,222
Specialist Services	365	391
Corporate / Business Support Services / COO	2,907	2,782
Non Recurrent Measures	2,757	0
Total Community Health Services Efficiency Savings	8,129	5,964
Total Efficiency Savings	19,054	17,066
Total Efficiency and Income Generation Initiatives	19,685	17,299

2010/11 reflecting the acquisition of three community services during the year. The savings were required to cover a shortfall on inflation funding in relation to national cost pressures around pay awards and drugs inflation together with local cost pressures across the Trust. They also covered £5.1 million of additional savings

requested by commissioners in Essex as part of the Quality, Innovation, Productivity and Prevention agenda.

A summary of the Trust's main savings initiatives delivered during 2011/12 is shown in table 3

During 2011/12 the Trust delivered a total efficiency requirement of just under £19.7 million by a mix of recurrent and non-recurrent measures. Of these measures, £17.3 million have been delivered on a recurrent basis from April 2012, with £3.0 million ultimately proving to not be achievable. Of this £3 million, £2.6 million reflected non-recurrent Cost Improvement Plans inherited when the Trust acquired the three community services in-year. The total shortfall against the 2011/12 plan has been factored into and addressed recurrently as part of the plan for the 2012/13 financial year.

As in previous financial years, the Trust ensured that, wherever possible, the impact on front line services was minimised and therefore generated savings from back office, clinical administration and corporate overheads of around £10.3 million during 2011/12.

In light of the scale of shortfall facing the Trust, the savings measures implemented for the 2011/12 financial year unfortunately impacted on front line services with a number of service reviews and transformations undertaken in order to release efficiencies. In addition, the Trust managed to generate savings from the pledged service transformation agreed as part of the acquisition of the Bedford and Luton services. The Trust also made savings from agreed mental health service changes following the request by South Essex Commissioners for additional cost reductions as part of the South Essex Quality, Innovation, Prevention and Promotion plan.

Cost Allocation and Charging Requirements

The Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

Future Financial Performance

The Trust's Directors have prepared a detailed financial plan covering all operational services for the five year period from 2012/13 to 2016/17 and this plan was approved by the Board of Directors at a meeting held on 28 March 2012. The plan demonstrates that the Trust intends to achieve a minimum surplus of £3.3 million in each year of

the five year plan. This will achieve a minimum predicted financial risk rating of 3 from Monitor, the independent regulator of foundation trusts.

The Trust's five year financial plan has assumed that the efficiency requirement in each of the five years, including 2012/13, remains at 4% in line with the Operating Framework for 2012/13. This includes a real reduction in income of 1.5 – 1.8%, and pay and price pressures of around 2.2 - 2.5%. In addition, the plan includes an additional savings target of £1.6 million in 2012/13 in respect of South Essex mental health and learning disability services.

The Trust's plan focuses on the sustainability of the Trust in the medium term. It also includes a major efficiency programme which will be supplemented by the need to explore other potential options of expansion including the possibility of further acquisitions and mergers throughout the planning period. This may also need to be supplemented by service contraction in order to ensure the Trust is able to continue to deliver high quality services that are effective and efficiently provided.

The Trust's Directors recognise that the public sector is facing a prolonged period of financial constraint and the NHS is also facing significant changes to commissioning arrangements. It will inevitably be difficult to continue to provide the same level of service in the future with reduced income and the uncertainty that market testing will bring. The Directors are nevertheless 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.

The Board of Directors

June 2012

This section covers the remuneration of the Trust's most senior management in relation to those persons in senior positions who have authority or responsibility for directing or controlling major activities of the Trust. In practical terms this relates to the Trust's Board of Directors including both Executive and Non Executive Directors.

Over the next few pages information is provided in relation to the Board of Directors Remuneration Committee and Board of Governors Remuneration Committee. The overall policy on remuneration is also outlined below and more detailed information in relation to the remuneration of all Board Executive and Non Executive Directors is shown in table 4. Comparative information is shown covering the 2010/11 financial year.

Board of Directors Remuneration Committee

The Remuneration Committee is a committee of the Board of Directors and has delegated responsibility to review and set the remuneration, allowances and other terms and conditions of the Executive Directors. Membership of the Remuneration Committee wholly comprises Non-Executive Directors who are viewed as independent. During 2011/12 the committee was chaired by Lorraine Cabel (Chair of Trust) and its members were Dawn Hillier, George Sutherland and Steve Currell. Members of the committee had no financial interest in matters to be decided. The Chief Executive and the Director holding the portfolio for people management also normally attend meetings of the committee unless their own salaries were to be discussed.

The Committee met on one occasion during the year. Membership of the committee and the attendance of each member is included in table 7 (page 54).

In considering the remuneration of 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.

All Executive Directors are employed on substantive contracts with a minimum notice period of six months. The Trust does not make termination payments to Executive Directors which are in excess of contractual obligations. There have been no such payments during the 2011/12 financial year. The Trust's disciplinary and performance management policies apply to the senior executives, including the sanction of instant dismissal for gross misconduct.

Board of Governors Remuneration Committee

The Board of Governors Remuneration Committee has delegated responsibility for assessing and making recommendations to the Board of Governors in relation to the remuneration, allowances and other terms and conditions of office, as well as the performance evaluation of the Trust's Chair and Non-Executive Directors.

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 advisors to the committee. The committee shall report in writing to the Board of Governors the basis of its recommendations.

The committee met on three occasions during 2011/12. The Committee members and the number of times each member attended Committee meetings during this period is included in table 8 (page 56).



Dr Patrick Geoghegan, OBE

Chief Executive and

Professor of Mental Health and Social Care



Table 4 – Directors’ Salaries and Allowances*

		Salary 2011/12 (bands of £5,000)
Professor Patrick Geoghegan	Chief Executive	215 - 220
Dr Pauline Roberts	Executive Medical Director	195 - 200
Ray Jennings	Executive Chief Finance & Resources Officer and Deputy Chief Executive	150 - 155
Sally Morris	Executive Director of Operational Services	140 - 145
Amanda Reynolds	Executive Director of Social Care and Partnership Strategy Delivery	125 - 130
Nikki Richardson	Executive Director of Corporate Affairs	125 - 130
Peter Wadum-Buhl	Executive Director of Strategy and Business Development	140 - 145
Andy Brogan	Interim Director of Integrated Governance	130 - 135
Malcolm McCann	Executive Director of Community Services Essex	115 - 120
Richard Winter	Executive Director of Community Services Bedford	110 - 115
Lorraine Cabel	Chair	50 - 55
Janet Wood	Non Executive Director and Vice Chair	15 - 20
George Sutherland	Non Executive Director	15 - 20
Steve Currell	Non Executive Director	15 - 20
Dawn Hillier	Non Executive Director	15 - 20
Randolph Charles	Non Executive Director	15 - 20
Steve Cotter	Non Executive Director	15 - 20
Alison Davis	Non Executive Director from 1 Jan 2012	0 - 5
Band of Highest Paid Director		215 - 220
Median Total Remuneration		£25,782
Ratio		8.4

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 2012, 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. Peter Wadum-Buhl was appointed to the Board of Directors from 1 June 2010. The amount shown above represents his salary from the date of appointment.

Other Remuneration 2011/12 (bands of £5,000)	Benefits in Kind 2011/12 (to the nearest £00)	Salary 2010/11 (bands of £5,000)	Other Remuneration 2010/11 (bands of £5,000)	Benefits in Kind 2010/11 (to the nearest £00)
0	0	225 - 230	0	0
45 - 50	0	190 - 195	45 - 50	0
0	0	155 - 160	0	0
0	0	145 - 150	0	0
0	0	30 - 35	0	0
0	0	130 - 135	0	0
0	0	115 - 120	0	0
0	0	95 - 100	0	0
0	0	n/a	0	0
0	0	n/a	0	0
0	0	50 - 55	0	0
0	0	15 - 20	0	0
0	0	15 - 20	0	0
0	0	15 - 20	0	0
0	0	15 - 20	0	0
0	0	5 - 10	0	0
0	0	5 - 10	0	0
0	0	n/a	0	0

225-230

£25,472

8.9

Table 5 – Directors’ Pension Benefits*

		Real Increase/ (Decrease) in pension & related lump sum at age 60 £000
Professor Patrick Geoghegan	Chief Executive	-2.5 – 0
Dr Pauline Roberts	Executive Medical Director	17.5 – 20
Ray Jennings	Executive Chief Finance & Resources Officer and Deputy Chief Executive	0 – 2.5
Sally Morris	Executive Director of Operational Services	7.5 – 10
Amanda Reynolds	Executive Director of Social Care and Partnership Strategy Delivery	30 – 32.5
Nikki Richardson	Executive Director of Corporate Affairs	0 – 2.5
Peter Wadum-Buhl	Executive Director of Strategy and Business Development	0 – 2.5
Malcolm McCann	Executive Director of Community Services Essex	n/a
Richard Winter	Executive Director of Community Services Bedford	n/a

*The information in tables 4 & 5 above is subject to audit.

In the budget on 23 March 2011, HM Treasury confirmed its intention to review the basis for the calculation of CETVs payable from public service schemes, including the NHS Pension Scheme. The review was undertaken and revised guidance was issued on 26 October 2011.

For the calculation of CETVs as at 31 March 2012, NHS Pensions have followed the revised guidance and have used the updated Government Actuary Department (GAD) factors in their calculations. The revised GAD factors are different to those used as at 31 March 2011 so direct comparison between financial periods is not possible.

The new factors will have differing impacts on the CETVs of the individuals concerned depending on their age and normal retirement date.

Total Accrued pension & related lump sum at age 60 at 31 March 12 £000	Cash Equivalent Value at March 2011 £000	Real Increase in cash equivalent transfer value £000	Cash Equivalent Value at March 2012 £000
405 – 410	2,006	93	2,161
125 – 130	605	117	741
270 – 275	1,323	75	1,439
105 – 110	367	47	426
120 – 125	294	162	465
215 – 220	968	74	1,072
215 – 220	897	91	1,016
135 - 140	n/a	327	562
110 – 115	n/a	281	483



CODE OF GOVERNANCE

Statement of compliance with the Code of Governance

The second edition of the NHS Foundation Trust Code of Governance was published by Monitor in March 2010. The purpose of the Code is to assist Trusts in improving their governance practices by bringing together the best practice of public and private sector corporate governance. It sets out a common overarching framework for the corporate governance of FTs and complements the statutory and regulatory obligations required of them.

The Trust is required to make a two part statement in respect of the NHS Foundation Trust Code of Governance. In the first part, the Trust reports on how it applies the main and supporting principles of the Code. In the second part, the Trust confirms that it complies with the provisions of the Code or, where it does not, provides an explanation.

The Trust's Boards of Directors and Governors are committed to continuing to operate according to the highest standards of corporate governance. A joint working group consisting of Directors and Governors undertakes an annual review of the Trust's compliance with the Code of Governance and ensures that any non-compliance does not affect the governance of the Trust.

Both Boards support and agree with the principles set out in the Code and in their opinion The Trust complies with all provisions of the Code except in the following:

A.3.2 The Trust's Constitution allows for up to a maximum of ten Non Executives, including the Chair, and ten Executives, with the Chair having a casting vote.

The Trust's Constitution was recently reviewed by the reporting accountants during the most recent acquisition and these arrangements were considered acceptable to Monitor.

Accountability

The Board of Directors is accountable to the Board of Governors, the majority of who are elected by the public and staff members, for the performance

of the Trust and to ensure that the Trust does not breach its Terms of Authorisation. This accountability is discharged by the Chief Executive in the form of quarterly performance reports to the Board of Governors together with other relevant information.

The Chief Executive and Directors also make regular presentations to the Board of Governors concerning the Trust's performance, quality related issues and forward plans. Governors also have the opportunity to meet separately in small groups or on a one to one basis with the Chief Executive and Directors.

Governors are also involved in a series of workshops on the priorities for development and improvement of the Trust as seen by their constituencies and partner organisations. This information impacts positively on the preparation of the Trust's annual plan.

The Board of Directors will present to the Board of Governors, at a general meeting scheduled for Thursday, 27 September 2012, the following information:

- the annual accounts;
- any report of the auditor on them;
- the annual report;
- forward planning information for the next financial year.

At this meeting the Board of Governors will present to the members:

- a report on steps taken to secure that (taken as a whole) the actual membership of its public constituencies and of the classes of the staff constituency is representative of those eligible for such membership;
- the progress of the membership strategy;
- any proposed changes to the policy for the composition of the Board of Governors and of the Non Executive Directors report of any other external auditor of the Trust's affairs;
- forward planning information for the next financial year;

- the results of the election and appointment of Governors and the appointment of Non Executive Directors.

The Trust recognises the value of making reporting and accounting information available for the general public, members and key stakeholders, which is appropriate to their needs, in accessible formats and fulfils its statutory requirements.

All Board of Governors' meetings are open to the public, except for reserved business, and during 2011/12 five meetings of the Board of Directors were also held in public, again except for reserved business.

Accounting Officer Status

The NHS Act 2006 (Chapter 5) designates the Chief Executive of the NHS Foundation Trust as the Accounting Officer. In this capacity the Chief Executive, reports to the Board of Directors on how the expected outcome and goals are intended to be delivered through the Trust's Annual Plan, identifying key risks and mitigation strategies. During the year the Chief Executive provides the Board of Directors with updates on progress towards these outcomes and goals through actual and forecast results. In addition, the Chief Executive in discharging his function as Accounting Officer, discusses with the Board of Directors all strategic projects and developments and all other matters of material interest which are current or will retrospectively affect the performance of the Trust specifically including under or poor performance.

Board of Directors

The Board of Directors' role is to:

- set the Trust's overall strategic direction regarding the development of services and the business planning process;
- set corporate performance and quality objectives;
- monitor performance against Trust goals;
- provide effective stewardship of the Trust's affairs;

- ensure the Trust provides high quality, patient focused care;
- ensure high standards of corporate governance and personal conduct;
- promote effective relationships between the Trust and the local communities it serves.

The Board of Directors believes that the Trust is led by an effective Board. This is supported by independent views from the Institute of Directors and the use of 360 degree appraisals. The Board has a formal schedule of matters reserved for Board decisions. Some decisions are delegated to its committees and these are clearly set out in those committees' terms of reference which are regularly reviewed by the Board. All Directors have full and timely access to relevant information to enable them to discharge their responsibilities. The Board of Directors meets regularly (at least 10 times per year) and at each meeting reviews the Trust's key performance and financial information.

The unitary nature of the Board means that Executive and Non Executive Directors share the same liability and have the same responsibility to constructively challenge Board decision and help develop proposals on strategy.

Directors may seek individual professional advice at the Trust's expense in the furtherance of their duties. The Board has direct access to advice from the Trust Secretary who is responsible for ensuring compliance with relevant regulations and that the Board and committee procedures are followed. The proceedings at all Board and committee meetings are fully minuted.

The Board of Directors has agreed a clear division of responsibilities between the chairing of the Board of Directors and Governors, and, the executive responsibility for the running of the Trust's Business.

Chair

The Chair is responsible for the leadership of the Boards of Directors and Governors ensuring governance principles and processes of the Boards are maintained whilst encouraging debate and discussion. The Chair is also responsible for ensuring the integrity and effectiveness of the Directors and

Governors' relationship. The Chair also leads the performance appraisals of both Boards including the Non-Executive Directors' performance appraisals.

Current Chair, Lorraine Cabel, was reappointed as Chair in March 2012 for a second term of office following a robust and very satisfactory performance review.

Senior Independent Non-Executive Director

In addition to the duties of a Non-Executive Director, the Senior Independent Director has a key role in supporting the Chair in leading the Boards of Directors and Governors and acting as a sounding board and source of advice for the Chair.

Janet Wood was appointed in September 2010 as the Senior Independent Director and Vice Chair of the Trust until the end of her term of office.

Chief Executive

The Chief Executive's principal responsibility is the effective running and operation of the Trust's business. The Chief Executive is responsible for proposing and developing the Trust's strategy and business plan objectives which is undertaken in close consultation with the Chair. The Chief Executive is also responsible for preparing forward

planning information, which forms part of the annual plan, taking into consideration the views expressed by the Board of Governors. The Chief Executive, together with the Executive Team, is responsible for implementing the decisions of the Board and its Committees. The Chief Executive is also the Accounting Officer for the Trust as required in the NHS Act 2006.

Board Balance and Independence

The Board of Directors believes that its membership is balanced, complete and appropriate and that no individual group or individuals dominate the Board meetings.

The Board of Directors has determined that its members must provide an appropriate balance of skills and have the necessary skills, qualities and experience to meet the requirements of the Board in effectively discharging its responsibilities. This includes, for example, the requirement for the Chair of the Audit Committee to hold a relevant financial qualification and have recent financial experience.

The Board of Directors reviews the size, composition and succession of Directors in line with the Trust's business objectives and makes recommendations as appropriate to the Board of Governors. The Trust's current Constitution allows for up to a maximum of ten Non Executives



including the Chair and ten Executive Directors, with the Chair having a casting vote.

The biographical details of the Board of Directors, set out below, demonstrates the wide range of skills and experience that they bring to the Board. All Non-Executive Directors are considered to be independent, including the Chair.

The Board of Directors requires all its Directors to devote sufficient time to the work of the Board to discharge the duties of the office of Director and to use their best endeavours to attend meetings. Details of the Boards of Directors, their status, committee membership and attendance at Board of Directors meetings, Board of Director committee meetings and Board of Governors meetings are in tables 7 and 8.

Appointments and Terms of Office

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. Assurances are sought from Non-Executive Director candidates that they have sufficient time to fulfil their duties.

The Board of Governors' Nominations Committee leads the process for the appointment of Non Executive Directors (including the Chair) and the Board of Directors Nominations Committee leads the process for the appointment of Executive Directors.

Non Executive Directors are appointed to a three year term of office and where possible appointments are staggered. The re-appointment of a Non Executive Director after their first term of office is subject to a satisfactory performance appraisal. Any term beyond six years, i.e. two terms, for a Non Executive Director 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 Board of Governors for two terms of office of four years, the second term of office being subject to satisfactory appraisal. Any term beyond this will be subject to external competition.

The Boards of Directors and Governors have agreed a policy on the Board of Directors Composition and Succession Framework to ensure the Board of Directors is renewed without compromising its continued effectiveness.

Board of Directors Committees

The Board of Directors focuses its attention as a Board on strategy issues. It delegates detailed consideration of operational issues to the appropriate committees. The Board has the following committees:

- Audit Committee;
- Cash Management Committee;
- Directors Appointments Committee;
- Directors Nominations Committee;
- Directors Remuneration Committee;
- Executive Operational Committee;
- Integrated Quality and Governance Steering Committee;
- Investment Committee;
- Joint Code of Governance Committee;
- Mental Health Act Managers Committee;
- Transformation and Finance Committee.

Membership of the committees is set out in the relevant terms of reference which, together with the effectiveness of the committee, is reviewed on a regular basis. Reports from these committees, with the exception of the Nominations and Remuneration Committees, are publicly available.

In common with the Board of Directors, each committee has access to independent advice as required and support, if required, by the Trust Secretary who is independent of the executive management of the Trust.

Audit Committee

The Audit Committee comprises solely of independent Non Executive Directors. Its membership is selected to provide a broad set of financial, legal and commercial expertise appropriate to fulfil the committee's duties. Members of the Audit Committee during the year were:

- Janet Wood (Chair)
- George Sutherland
- Randolph Charles

In accordance with Monitor's Code of Governance for NHS Foundation Trusts, the Board of Directors is satisfied that all committee members have recent and relevant financial experience. At the request of the Audit Committee Chair, each meeting is attended by the Executive Chief Finance Officer, the Assistant Chief Finance Manager, the External Audit representative, the Internal Audit representative, and the Local Counter Fraud Specialist. In addition, the Chief Executive presents the Annual Governance Statement.

The Audit Committee met on seven occasions during the year and the attendance of individual members is disclosed in table 7.

The key responsibility of the Audit Committee is to assure the Board of Directors that there are effective systems of integrated governance, risk management and internal control across the whole of the Trust's activities, both clinical and non-clinical, to ensure the achievement of the Trust's objectives.

The Audit Committee has devised a comprehensive work plan which ensures the activities undertaken fully comply with the good practice guidance set out in the NHS Audit Committee Handbook. The Committee reviews its effectiveness annually against its terms of reference following which a report and action plan is produced and provided to the Board of Directors for review.

Nominations Committees

The Trust has two Nominations Committees; the Board of Directors' Nominations Committee and the Board of Governors' Nominations Committee. Membership of the Committees and attendance of Directors and Governors at meetings is set out in tables 7 and 8.

Board of Directors Nominations Committee

The Directors' Nominations Committee makes recommendation to the Board of Directors for the appointment of replacement or additional Executive Directors and is responsible for succession planning. This committee also reviews the balance of skills, knowledge and experience of the Board of Directors against current and future requirements of the Trust, and, as appropriate draws up a list of required attributes.

The Committee is chaired by the Trust Chair with membership comprising of two Non Executive Directors and the Chief Executive, except in the case of the nomination of the Chief Executive's post The Executive Director of Corporate Affairs acts in an advisory capacity. Members of the Nominations Committee during 2011/12 were:

- Lorraine Cabel (Chair)
- Dr Patrick Geoghegan
- Dawn Hillier
- George Sutherland

The committee met once during the year and the attendance of individual members is disclosed in table 7.

Following the acquisition of community health services in Bedfordshire and Essex, the Board of Directors agreed to the creation of an additional Executive Director role for Community Services to support the transition arrangements. Malcolm McCann was appointed as Executive Director of Community Services (Essex) and Richard Winter was appointed as Executive Director of Community Services (Beds) both with effect from September 2011. As there is only one additional Executive Director Board position they share this

role, with a single Board vote between the two post-holders, in line with the Trust's Constitution (paragraph 13.4).

Board of Governors Nominations Committee

The Governors' Nominations Committee makes recommendations to the Board of Governors for the appointment of replacement or additional Non Executive Directors including the Chair. The Committee bases its recommendations on the attributes of Non-Executive Directors drawn up by the Board of Directors Nominations Committee.

The Committee is chaired by the Trust's Chair with membership comprising six elected and two 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.

The committee met on five occasions during 2011/12 and the attendance of individual members is disclosed in tables 7 and 8.

During the year under review the Governors' Nominations Committee undertook two recruitment processes that had been approved by the Board of Governors at their meeting on 28 April 2011. A robust and thorough recruitment process was overseen by the committee to ensure that the relevant knowledge, skills and experience of those seeking appointment were of a high calibre and effectively complemented and added to the Board of Directors existing strengths to create an effective Board, and on both occasions open advertising was used for the appointments.

Following the first recruitment process, the Board of Governors, at its meeting on 6 December 2011, approved the recommendation to appoint Alison Davis as a Non-Executive with effect from 7 January 2012. As the second Non Executive director post was not successfully appointed to, a further recruitment process took place in early 2012 and at its meeting on 22 February 2012, the Board of Governors approved the recommendation to appoint Janet Wood for a third term on expiry of her

current term of office on 31 October 2012.

During the year the committee also considered the reappointment of the Chair of the Trust and a Non Executive Director. At its meeting on 26 August 2011, the committee considered the Board of Directors' Remuneration Committee's recommendation that Lorraine Cabel should be re-appointed as Chair of the Trust on expiry of her current term of office on 2 March 2012 following a very satisfactory and rigorous appraisal review. The committee also considered the recommendation that Dawn Hillier be appointed for a second term of office as a Non Executive Director of the Trust effective from 1 January 2012 following the Chair's confirmation that Dawn continued to be effective and committed to the role.

The Board of Governors at its meeting on 7 September 2011 unanimously approved the committee's recommendation that both Lorraine Cabel and Dawn Hillier should be re-appointed for a second term on the expiry of their current term of office.

Remuneration Committee

The purpose of the Remuneration Committee is to set the remuneration, allowances and other terms and conditions of the Executive Directors, and to also recommend and monitor the level and structure of remuneration for senior management.

Membership of the Committee wholly comprises Non-Executive Directors who are viewed as independent having no financial interest in matters to be decided. The Committee is chaired by the Trust's Chair and the Chief Executive and Director holding the people management portfolio are also invited to attend meetings by the Chair, except where their own salaries are discussed. The Committee met once during the year and the members were:

- Lorraine Cabel (Chair)
- Dawn Hillier
- George Sutherland.
- Steve Currell

Director Remuneration

The Trust sets the remuneration of Executive Directors in order to balance the need to attract, retain and motivate directors of the quality required. In the year under review, no part of any Executive Director’s remuneration comprised performance related pay.

The Remuneration Committee commissions remuneration advice periodically, and not less than once in every three years, to gain assurance that executive pay remains competitive and in line with peers in the upper quartile of FTs.

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 Board of Governors Nominations Committee, and the Director holding the people management portfolio who provides advice to the Remuneration Committee.

Chair And Non Executive Directors’ Profiles



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 Board of Governors.

Originally from Lancashire, Lorraine has worked in the NHS in Essex for the last 18 years. 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. 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. She has a proven track record of effective partnership

working across local authority, health and third sector boundaries. Just prior to joining SEPT she was Interim Chief Executive at South East Essex Primary Care Trust.



Janet Wood, Vice Chair, Independent Non Executive Director: 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 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. She was appointed a NED for the Trust in November 2005 and brings her wealth of experience and knowledge to the NHS and contributes towards making SEPT one of the best Foundation Trusts in the country.



George Sutherland, Independent Non Executive Director: George lives in Hockley and has a substantial depth of experience at Chairman and Executive Director level in the

logistics and business services sectors. He has a Masters in Business Administration (Dist) and a Diploma in Management Studies. He is a Fellow of the Institute of Directors, a Member of the Chartered Institute of Logistics and Transport and a Member of the Chartered Institute of Marketing. This was achieved over a 30 year period in the private sector for large and medium-sized companies involved in the business services and logistics sectors. As well as being a NED at SEPT, he is also a Non Executive Director of a local housing management business and a packaging company. George’s motivation is using and transferring his considerable business experience and knowledge for the benefit of the local community in developing and improving mental health services.



Steve Currell, Independent Non Executive Director: Steve served for 34 years in the police service in many roles both in uniform and CID.

He retired in 2006 at the rank of superintendent. Steve 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 Integrated Quality and Governance Steering Committee and the nominated NED with responsibility for Security and Risk Management. Steve is also an advisor for local churches and a national charity on child protection.



Dr Dawn Hillier, PhD, Independent Non Executive Director: Dr Dawn Hillier PhD is well known in her field and has a successful international track record as an academic entrepreneur,

manager, teacher, and researcher and an exemplary record in higher education and the NHS. Apart from being the managing director of Accomplishing Wellness, Dawn also has several other companies. Dawn is an author and also a Fellow of the Royal Society of Medicine, The Royal Society of Arts and the Higher Education Academy. Currently Dawn is focusing her attention on 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. She comes to SEPT from her post as a Non-Executive Director and Vice Chair of South East Essex Primary Care Trust where she took an interest in health inequalities, lifestyle management and public health.



Randolph Charles, Independent Non Executive Director: For over 20 years Randolph has worked as a full time teacher of literacy, numeracy and recently functional skills 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 has served on various bodies as school governor and chair, Police Authority, Probation Board, 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.



Steve Cotter, Independent 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 international experience where he was the managing director of Laura Ashley companies in various territories. 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 of a housing complex. He has his own retail consultancy which offers services at senior management level to the retail sector.



Alison Davis, Independent Non Executive Director (Appointed 1 January 2012): 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.

Following the acquisition of BLPT by SEPT, she chaired Luton Community Services through their transfer out of NHS Luton in April 2011. Alison then joined with a business colleague in the development of a community based social enterprise company, due to be launched in April 2012.

Executive Directors:



Dr Patrick Geoghegan OBE, Chief Executive and Professor of Mental Health and Social Care: Patrick has more than 35 years NHS clinical and leadership experience. He is renowned

nationally and internationally as a leading champion for transforming mental health services. He was voted NHS Leader of the Year in 2010 in the national NHS Leadership Awards. In 2011 he was included in the HSJ's list of the 100 most influential people in the NHS. In 2012 he was appointed by the Royal Society

of Public Health as a Portfolio Holder for Mental Health. He is a national champion for the Time to Change mental health anti-stigma campaign and a Dignity Champion for people with dementia.

He has been hugely successful in acquiring new services to add to the SEPT portfolio and continues to bid and win new business to sustain and build on SEPT's success as an NHS Foundation Trust. Patrick leads by example and his determination and his ability to galvanise the efforts of partners and stakeholders has resulted in a truly shared vision and true community ownership and involvement in SEPT.

Patrick has developed international research and development links for SEPT including America, Italy, Ghana and Malaysia. These include a long-term programme of ongoing mental health research and academic links with the University of Pavia in Italy. As a Fellow of Yale Global Health, he supports local doctors introducing modern mental health practices in developing countries in Ghana.



Dr Pauline Roberts, Executive Medical Director Dr Pauline Roberts trained and worked in London and came as a Psychiatrist to South Essex in 1993. She was appointed as a

Consultant in 1999 to the Thurrock Sector and transferred to Southend in 2004. She has been involved in medical management for 10 years as Clinical Director, Associate Medical Director, Deputy Medical Director and Medical Director from March 2010. Her clinical practice in South Essex has been broad based and has worked over the last 15 years as a General Adult Psychiatrist with special interests in liaison psychiatry, intensive care crisis home treatment and early intervention. She is the Trust lead for New Ways of Working and piloted this initially in the Southend Crisis Home Treatment. She has also had interests in academic psychiatry and her research mostly relating to drug trials and liaison psychiatry. She is a Fellow of the Royal College of Psychiatry and has held numerous senior positions within the College.



Ray Jennings, Executive Chief Finance Officer and Deputy Chief Executive: Ray has a business degree and is a qualified Chartered

Management Accountant. He has worked for the NHS for 30 years during which time he has covered a variety of managerial positions across general hospitals, community and mental health services. For the past 15 years Ray has worked at Director of Finance level. Throughout this period Ray has led the development of financial management and governance which contributed to the Trust's 'excellent use of resources' rating from the Care Quality Commission and achieving one of the highest scores under the Auditors Local Evaluation process in the country. Ray is also Financial Trustee of the Trust's charitable funds which covers the Trust and local primary care organisations.

Ray's portfolio includes finance, purchasing, estates, facilities, information technology, information governance and clinical administration support.



Amanda Reynolds, Executive Director of Social Care and Partnerships: Amanda brings a

wealth of experience to the role having 21 years experience across

the NHS and local government management. This includes work with social services, health authorities, commissioning and provision in PCT. She has also worked nationally the Department of Health and regionally with the East of England Strategic Health Authority. Her specific expertise includes experience in developing social care, NHS community, mental health and learning disability services and secured beacon status for work in implementing the 'Valuing People' initiative.

Amanda's qualifications include Fellowship of Royal Society of Arts (FRSA), MBA, Strategic Health Services Management and early in her career qualified as a Registered Mental Health Nurse.

Amanda's operational responsibility includes community drug and alcohol services and specialist substance misuse services. Her remit also includes equality and diversity, social inclusion, links with community forums and faith communities, vocational services, carers and developing an integrated approach to health and social care across the Trust.

**Nikki Richardson, Executive****Director of Corporate Affairs:** 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. Nikki remains a registered speech and language therapist and has represented the profession at national level. Nikki's portfolio includes Human Resources, Workforce Training and Development, Caldicott Guardian, PPI, Complaints, Trust Secretary, Litigation and Customer Service Standards across the organisation.

**Sally Morris, Executive Director of Operational Services:**

Sally has been 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. She has a history of partnership working and was Chairman of the South Essex Mental Health Local Implementation Team and established the Bullwood Hall Prison Health Partnership Steering group. She is a chartered accountant and has held senior posts in acute, community and most recently primary care organisations. Sally's portfolio includes operational services including inpatient, community and specialist services, commissioning & contracting, psychological therapies & psychology, Mental Health Act and health & wellbeing including physical healthcare.

**Andy Brogan: Interim Executive Director Clinical Governance and Quality/Executive Nurse****Operations:** Andy Brogan is a registered nurse who was Director

of Nursing for the former BLPT. He joined SEPT's Board of Directors in November 2009 and now works across Bedfordshire, Essex and Luton. 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. Andy's role also comprises working with, deputising for and supporting the Executive Nurse. His portfolio includes managing the clinical governance programme and patient safety, pharmacy & NICE guidance lead, infection control, clinical risk management, emergency planning and organisational resilience, serious incidents, representing the Trust at Coroners Court & other inquests, the research programme, clinical audit, safeguarding, security management and clinical quality.

**Peter Wadum-Buhl, Executive Director of Strategy and Business Development:**

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. He holds a Diploma in Occupational Therapy, a Diploma in Management Studies and Masters Degree in Business Administration. Peter has held a variety of senior clinical and managerial positions, working at director level for the past 14 years. He also spent a year on secondment to the local Strategic Health Authority as director of service development. 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 includes strategic planning & business development, service development and efficiency improvement programmes, non-clinical risk management, compliance & integrated audit & assurance (including clinical audit support), CQC & NHSLA, policies & procedures management, Board Assurance Framework & risk registers, performance management, organisational risk management including health and safety and communications.

**Richard Winter, Executive Director of Community Services (Bedford):**

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 SEPT in September 2011, Richard continued to manage community health services in Bedfordshire. Richard's portfolio includes Adults and Older Adults Community Health Services and Children and Young People's Community Health Services.



Malcolm McCann, Executive Director of Community services (Essex):

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.

Contacting a Director

Directors can be contacted by telephone via the Trust's main switchboard on 0300 123 0808 or by email: firstname.surname@sept.nhs.uk (please fill in relevant first and surnames). Details are also included on the Trust's website.

Board of Governors

Governors are representatives of Trust members or of partner organisations. They help shape the strategic direction of the Trust and its services, and represent the views of the Trust's members or the stakeholder organisations which elected or appointed them and are also accountable to them.

The Board of Directors believes that the Board of Governors is representative, acts in the best interests of the Trust and adheres to its values and code of conduct. The Board of Governors and the Board of Directors have a clear understanding of the roles and responsibilities of each party in accordance with the Trust's Constitution.

Roles and Responsibilities

The roles and responsibilities are laid out in the Trust's Constitution, Terms of Authorisation and Code of Conduct and fall into three broad categories:

- Statutory
 - Appoint or, if appropriate, remove the Chair and other Non-Executive Directors
 - Approve the appointment of the Chief Executive
 - Set the remuneration, allowances and other terms and conditions of office of the Chair and Non-Executive Directors
 - Appoint and, if appropriate, remove the Trust's financial auditor on the basis of the Audit Committee's recommendation
 - Provide views to the Board of Directors in the preparation of the Trust's annual plan
 - Be presented with the annual report and accounts and any report of the auditor
- Consultation and engagement
 - Give views to the Board of Directors to support forward planning

- Receive the Board's plans and reflect back the views staff, public members and stakeholders
- Develop and review the Trust's membership strategy
- Performance
 - Hold the Board of Directors to account for the performance of the Trust.

Composition

During the year the Board of Governors composition was revised to accommodate the newly acquired Community Health Services in Bedfordshire, South East Essex and West Essex to ensure there is appropriate representation. These arrangements will remain in place until the expiry of the transitional arrangements in September 2012.

The Chair of the Board of Directors is also the Chair of the Board of Governors and during 2011/12, the Board of Governors comprised of 52 as follows:

Public Governors from the following constituencies:	30
Bedford	3
Central Bedfordshire	5
Luton	4
Rest of Essex	1
South Essex	7
Southend	3
Thurrock	2
West Essex	5
Staff Governors from the following classes:	8
Registered medical practitioner	1
Nursing (including three for Community Health Services)	4
Other clinical specialities	1
Social workers	1
Support staff	1
Appointed and Partnership Governors:	14
PCTs:	3
Bedfordshire and Luton PCTs (joint appointment)	
South East Essex and South West Essex PCTs (joint appointment)	
West Essex PCT	
Local Authorities:	7
Bedford Borough Council	
Central Bedfordshire Borough Council	
Essex County Council	
Luton Borough Council	
Southend on Sea Borough Council	
Thurrock Council	
Partnerships:	4
Essex University and Anglian Ruskin University (joint appointment)	
University of Bedfordshire	
Service User and Carer Group (Bedford, Central Bedfordshire and Luton)	
Service User and Carer Group (South Essex, Thurrock, Southend and Rest of Essex)	
Service User and Carer Group (Community Health Services West Essex)	

The names of those who have served as a Governor in 2011/12 are listed in table 8 which also includes the date of appointment, period elected and the number of Board of Governors meetings attended.

Elections

Public and staff Governors are elected by members of their own constituency using the single transferable vote system. For appointed Governors, our partner organisations were asked to nominate a representative.

Nine elections for Governors were held, four for public constituencies and five for staff. Election turnout ranged between 10% and 33%.

The Board of Directors can confirm that elections for public and staff Governors held in 2011/12 were conducted in accordance with the model election rules in the Trust's constitution using the single transferrable vote system. All elections for appointment as an elected Governor are administered by Electoral Reform Services Ltd.

Terms of Office

In accordance with the Trust's Constitution, elected Governors hold office for a period of up to three years commencing immediately after the annual general meeting at which their election is announced and are eligible for re-election at the end of that period. An elected Governor may not hold office for more than six consecutive years and is not be eligible for re-election if they have already held office for more than three consecutive years.

Appointed Governors also hold office for a period of three years commencing immediately after the annual general meeting at which their appointment is announced and are eligible for re-appointment at the end of that period. An appointed Governor may not hold office for longer than six consecutive years and is not be eligible for re-appointment if they have already held office for more than three consecutive years.

Governors will cease to hold office if they no longer reside within the area of their constituency (public Governors), are no longer employed by our

Trust (staff Governors) or are no longer supported in office by the organisation that they represent (appointed Governors).

Contacting a Governor

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

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

Email: membership@sept.nhs.uk

Freephone: 0800 023 2059

Work of the Board of Governors

Meetings of the Board of Governors are open to the public and advertised on the Trust's website. Meetings are conducted according to a schedule of business and the Chief Executive and other Executive Directors make regular presentations concerning the Trust's performance and forward planning providing Governors with frequent opportunities to raise issues, question performance and seek advice. Governors also attend the Board of Directors meetings held in public.

Governors were involved in many Trust activities and events and participated in the Trust's forward planning sessions. Their contribution impacts positively and materially on the preparation of the Trust's annual plan. Meetings were also organised to give Governors the opportunity of meeting with the Chair, Senior Independent Director and other Non Executive Directors in an informal setting. These occasions contributed to the development of a closer working relationship and allowed the Governors to present the views of their constituencies.

Informal meetings of the Board of Governors were introduced during the year to provide the opportunity for discussion on future agenda items and to raise any issues requiring clarification or



action. Either the Lead Governor or a nominated Governor would provide feedback to the Trust Secretary.

There are also seven Governor/Director Constituency Groups which have been set up to ensure there are regular links between the Governors and the Directors, the local community and our members. These groups meet regularly providing important opportunities for dialogue between the Trust and the local community it serves.

An important part of the Governor's role is to communicate with the group of people who elected them, whether staff, patients or members of the public in the surrounding area. Fifteen constituency public members meetings were held during the year where the presentation themes covered local topical issues. Governors also had the opportunity of meeting members on various Trust events and at the annual general meeting.

Board of Governors Committees

The Board of Governors have the following committees each with approved terms of reference:

- Joint Code of Governance Working Group
- Membership Development Strategy Committee
- Nominations Committee
- Remuneration Committee
- Rules and Regulations Committee.

Table 8 lists the names of the Governors, the constituency or organisation they represent and their terms of office together with the number of Board of Governor meetings and attendance by individuals.

Information, Development and Evaluation

The Boards of Directors and Governors regularly review their information needs. Reports from the Executive Directors, which include in-depth financial information and performance, are circulated to Board Directors prior to every Board of Directors meeting enabling them to discharge their respective duties.

Senior management give presentations to the Board on significant matters during the year. The Chair has ensured that both Boards work together effectively and that they receive appropriate, accurate and timely information that is required for them to effectively discharge their respective duties.

The Board of Governors receives regular presentations from the Chief Executive to enable them to discharge their duties and members of the Board of Directors regularly attend meetings of the Board of Governors to develop an understanding about the views of Governors.

On appointment or election all Directors and Governors are offered an appropriate induction programme and are encouraged to request further information according to their needs. They are

also encouraged to continually update their skills, knowledge and familiarity with the Trust using the Trust's own resources and facilities, as well as external learning opportunities, networking events and training courses to support their roles on respective boards and committees.

Governors are kept up to date with current news and issues through the Chair's bi-monthly newsletter and a weekly e-bulletin. There is an annual evaluation of the Board of Governors and the questionnaire feedback was used to identify and respond to development needs.

Robust processes are in place for the annual appraisal of the Board of Directors. The Chief Executive appraises each of the Executive Directors and submits an appraisal summary to the Remuneration Committee which determines the Executive remuneration which is based on a broad range of factors. The Chair leads the appraisal for the Non-Executive Directors and a summary of the evaluation outcomes is presented to the Board of Governors Remuneration Committee. The Board of Directors also recognises the value of on-going Board development and holds regular development programmes and seminars for all members.

Audit

The Board of Directors maintains a system of internal controls to safeguard the Trust's assets, patient safety and service quality.

The Board of Directors is responsible for the appointment of the Trust's external auditors based on the recommendation of the Trust's Audit Committee. The auditors provide an annual report on the audit of the Trust's financial statements to the Board of Governors.

The Board of Governors has also approved a policy ensuring external auditors' independence and undertaking work outside of the Audit Code.

Relationships with Stakeholders

The Trust has a variety of contacts, involvement and links across a wide geographical spread

including Bedfordshire, Essex and Luton with members, patients, and other key stakeholders in the health sector.

The Trust has put in place mechanisms and processes to understand the views of Governors, members and the wider communities that influence the strategic direction of the Trust. Governors are consulted on forward plans through a programme of presentations and contributed to setting the Trust's strategic aims.

Constituency meetings were held during the year where members of the Trust and the public were invited to attend. Presentations were given by Trust senior management and members of the Trust and the public are encouraged to share their views. These constituency meetings are chaired by the members of the Board of Governors with either the Chair, the Chief Executive and/or Directors in attendance. Senior Managers of the Trust also attend these meetings.

The Board of Directors will continue to develop such activities to maximise the benefits of these relationships and to ensure that it builds on the most appropriate forms of engagement at relevant levels. The Trust is committed to further developing the value of membership, both to members and the Trust, with particularly emphasis on improving the extent to which the membership reflects the community it serves.

Register of Interests

The Trust maintains a register of interests detailing company directorships and other significant interests held by Directors or Governors. In 2011/12 the Chair had no other significant commitments that conflict or impact upon her ability to meet her responsibilities as Chair.

At the start of all Boards of Directors and Governors meetings and committee meetings, the Chair routinely asks all members to declare any interests that relate to the scheduled agenda items so that they may withdraw from the discussion on any matter where there is a potential conflict. Any such declarations are recorded in the minutes.

During 2011/12 no Board members held directorships in companies with whom the Trust has business dealings. Details of the Boards of Directors and Governors declarations of interests are included in tables 7 and 8. The list includes details of company directorships held by Governors where those companies are likely to do business or are possibly seeking to do business with the Trust.

The Register of Interests for both Directors and Governors are reviewed and maintained by the Trust Secretary. The register is available to the public for inspection and can be requested by writing to the Trust Secretary at The Lodge, Runwell Chase, Wickford, Essex SS11 7XX.

Membership

The Trust's membership is an essential and valuable asset, and to ensure that we achieve the benefits associated with having a membership, we have encouraged members to be involved in a range of activities that will contribute to the development of the Trust and the well-being of the community served by the Trust.

The Trust has two categories of membership:

Public Members

All people aged 12 and over and living in Bedfordshire, Essex and Luton 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 and Luton. The geographical area of the Trust serves is sub-divided using electoral boundaries into the constituencies of Bedford, Central Bedfordshire, Luton, Rest of Essex (electoral area covered by Essex County Council excluding the following four areas), South Essex (Basildon, Brentwood, Castle Point and Rochford), Southend, Thurrock and West Essex (Epping Forrester, Harlow and Uttlesford).

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

Staff Members

All staff 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 five sub-groups which are linked to different fields of work.

Membership

The Trust is keen to ensure a representative and engaged membership, and is committed to creating a dialogue with our communities. We are also keen to ensure that the membership grows and membership in areas of under-representation is addressed with targeted campaigns. Membership figures for the start and end of the year under review are shown in tables 6(a) and 6(b).

At 31 March 2011 Trust had approximately 20,500 members which is just over 1% of the population it serves. 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 among its public membership in the wealthy achievers, young people and males groups. During 2012/13 the Trust will aim to increase its overall membership to 23,000 and to focus on quality engagement with members.

The membership strategy was reviewed during the year to take account of the provision of community services and there was a focus on recruiting members in the two newest areas of Central Bedfordshire and West Essex. This will continue during 2012/13 to ensure that there is appropriate representation in these constituencies.

There has been a range of activities aimed at engaging with and recruiting new members.

Members receive regular communications from the Trust including the members' magazine which

Table 6 – Membership Analysis
(a) Membership size and movements

	2011/12
Public constituency	
At year start (April 1 2011)	13,300
New members	1,875
Members leaving	572
At year end (March 31 2012)	14,603
Staff constituency	
At year start (April 1 2011)	3,068
New members	2,923
Members leaving	5
At year end (March 31 2012)	5,986
Patient constituency	There is no patient constituency

(b) Analysis of current membership 2011/12

Public constituency	Number of members	Eligible membership
Age (years):		
0-16	138	486,677
17-21	1,465	142,536
22+	10,294	1,743,825
Ethnicity:		
White	11,164	2,051,382
Mixed	271	23,758
Asian or Asian British	943	65,822
Black or Black British	618	25,567
Other	104	13,191
Socio-economic groupings*		
ABC1	7,595	902,952
C2	2,811	321,021
D	3,185	208,792
E	1,001	62,826
Gender analysis		
Male	5,687	1,169,683
Female	8,844	1,203,351

provides a range of information and features on the Trust and issues relating to mental health, community services and learning disabilities as well as membership in general. Governors were actively involved in the production and members were also encouraged to write articles.

Members are also invited to events such as the annual general meeting, Board of Directors meetings held in public and Board of Governors meetings. The Trust's annual general meeting held on 7 September 2011 provided an opportunity for members, the public, staff and other stakeholders to hear how the Trust performed during the year and to meet members of the Board of Directors and the Board of Governors. In addition, public and members meetings were organised during the year in each constituency where issues relevant to the locality were discussed and members were given the opportunity of contributing to the development of the Trust's forward planning.

Table 6 Notes:

The analysis section of the above report excludes:

- (a) 2,706 public members with no stated date of birth
- (b) 1,503 members with no stated ethnicity
- (c) 72 members with no stated gender.

Table 6 General exclusions:

- (a) Suspended members
- (b) Inactive members

* Socio-economic data should be completed using profiling techniques (e.g. post codes) or other recognised methods. To the extent socio-economic data is not already collected from members, it is not anticipated that NHS foundation trusts will make a direct approach to members to collect this information.

Membership Strategy

Our strategy is to build a broad representative membership that is evenly spread geographically across the local area served by the NHS Foundation Trust and reflects the ages and diversity of our local population.

All membership activities and representativeness are regularly monitored and reviewed by the Membership Development Strategy Groups. There are two groups representing the localities – one for Bedfordshire & Luton, and one for Essex. The Groups are responsible for developing and monitoring the membership strategy, through reviewing the membership demographics, identifying plans to ensure a represented membership and promoting engagement from members and the wider community. Reports are produced for the Board of Directors and Board of Governors meetings.

The Trust recognises that it needs to encourage people in local communities to want to become a member of our Trust. We are keen to use the opportunity of having greater community involvement in our activities to promote good health, improve the understanding of mental illness and learning disabilities to help overcome barriers like stigma and greater social inclusion.

The Trust is also keen to improve the election turnout and will take steps to ensure that candidates and members actively participate in the election of public and staff governors.

Table 7 – Details of Board of Directors Meeting Attendance

Name / Position	Date of appointment	Current expiry of term	Board of Directors meeting		Audit Committee Meetings	
			No of Meetings	No attended	No of Meetings	No attended
Mrs Lorraine Cabel, Chair of SEPT, Chair of the Directors Remuneration Committee, Directors Nominations Committee and Governors Nominations Committee	3 Mar 08	Feb 2016	14	11		
Mrs Janet Wood - Vice Chair & Senior Independent Director	1 Nov 05	Oct 2012	14	12	7	7
Mr Steve Currell - NED. Chair of Mental Health Act Managers Committee with effect from September 2010	1 Jun 07	May 2013	14	11		
Mr George Sutherland - NED. Chair of Investment Committee.	1 May 05	April 2012	14	10	7	6
Dr Dawn Hillier - NED	1 Jan 09	Dec 2011 re-appointed 6.12.2011 for further term to 31 Dec 2014	14	10		
Randolph Charles - NED	1 Oct 10	Sept 2013	14	8	7	5
Stephen Cotter - NED	1 Oct 10	Sept 2013	14	14		
Alison Davis - NED	1 Jan 12	Dec 2014	3	3	1	1
Dr Patrick Geoghegan OBE - Chief Executive, Chairman of the Executive Operational Team and Chairman of the Integrated Governance Committee	Jun-96		14	12		
Mr Ray Jennings - Executive Chief Finance Officer, Chairman of the Cash Management Committee	Nov-91		14	11	7	7
Peter Wadum-Buhl - Executive Director of Strategy & Business Development	Jun-10		14	10		
Andy Brogan - Interim Director of Integrated Governance & Nursing	Nov-09		14	11		
Ms Sally Morris - Executive Director of Operations	Jan-06		14	11		
Mrs Amanda Reynolds - Executive Director of Social Care and Partnerships	Jan-11		14	10		
Ms Nikki Richardson - Executive Director of Corporate Affairs	Oct-03		14	12		
Dr Pauline Roberts - Executive Medical Director	Mar-10		14	10		
Malcolm McCann - Executive Director of Community Services Essex	Sep-11		8	7		
Richard Winter - Executive Director of Community Services Bedford	Sep-11		5	3		

	Directors Nomination Committee		Directors Remuneration Committee		Executive Operational Committee		Integrated Quality & Governance Steering Committee		Investment Committee		Cash Management Committee		Transformation & Finance		Joint Code of Governance		Governors Nominations Committee		Board of Governors	
	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
	1	1	1	1			1	1					3	2	1	1	5	5	6	5
									5	3	0	0	3	2					6	5
			1	1	3	3			5	4									6	2
	1	1	1	1					5	5									6	3
	1	0	1	0			5	4					3	3					6	2
																			6	3
											5	4							6	3
																			1	1
	1	1			46	34	1	0	5	0			3	2	1	1			6	5
					46	40			5	5	0	0	3	2	1	1			6	4
					46	32	5	4					3	1					6	1
					46	38	5	4											6	3
					46	36	5	5	2	2	0	0							6	2
					46	37	5	5											6	3
					46	34	5	3					3	2					6	1
					46	37	1	1					3	1					6	1
					46	28	4	2					3	0					3	2
					36	27	3	2					3	2					3	1

Table 8 – Details of Board of Governors Meeting Attendance (Public)

Category	Constituency/ Appointing Organisation	Name	Date of appointment	Period Elected	1/2nd Term of Office	In post as at 31 March 2012	Board of Governors meeting	
							No of Meetings	No attended
Public	South Essex	Akin Akinyemi	Sep-09	Sep 09 to Sep 12 (resigned April 11)	1	✗	0	0
		John Pike	Sep-09	Sep 09 to Sep 12	1	✓	6	3
		Dot Johnson	May-06	Sep 08 to Sep 11	2	✗	4	1
		Keith Bobbin	May-06	Sep 09 to Sep 12	2	✓	6	4
		Sylvia Fenton	May-06	Sep 08 to Sep 11	2	✗	4	3
		Eileen Greenwood Lead Governor	May-06	Sep 09 to Sep 12	2	✓	6	5
		Jeanine Cresswell	Sep-09	Sep 09 to Sep 12	1	✓	6	1
		Pamela Hintz	Sep-11	Sep 11 to Sep 14	1	✓	2	2
		Josie Clark	Sep- 11	Sep 11 to Sep 14	1	✓	2	2
	Richard Amner	Sep-09	Sep 11 to Sep 14	1	✓	2	2	
	Rest of Essex	Bob Calver	Sep-09	Sep 09 to Sep 12	1	✓	6	4
	Southend	Dr Naila Khokhar	Oct-10	Oct 10 to Sep 12	2	✓	6	1
		John Rolfe	May-06	Sep 08 to Sep 11	2	✗	4	4
		Clive Lucas	Sep-09	Sep 09 to Sep 12	1	✓	6	2
		Shurleea Harding	Sep-11	Sep 11 to Sep 14	2	✓	2	2
	Thurrock	Michelle Lucas	Sep-09	Sep 09 to Sep 12	1	✓	6	1
		Joan Sheppard	Sep-08	Sep 08 to Sep 11	1	✗	3	0
		Margaret Verity	Sep-07	Sep 07 to Sep 10	2	✓	2	0
	West Essex	Brian Arney	Sep-12	Sep 12 to Sep 14	1	✓	1	1
		Michael Edmonds	Sep-12	Sep 12 to Sep 14	1	✓	1	1
		Kresh Ramanah	Sep-12	Sep 12 to Sep 14	1	✓	1	1
		Patrick Sheehan JP	Sep-12	Sep 12 to Sep 14	1	✓	1	1
		Prof Sudi Sudarsanam	Sep-12	Sep 12 to Sep 14	1	✓	3	3
	Bedford	Alex Dillon	Apr-10	Apr 10 to Sep 12	1	✓	6	4
		John Jones	Apr-10	Apr 10 to Sep 12	1	✓	6	4
		Clive Travis	Apr-10	Apr 10 to Sep 12	1	✓	6	4
	Central Bedfordshire	Bob King	Apr-10	Apr 10 to Sep 12	1	✓	6	3
		Susan Butterworth	Apr-10	Apr 10 to Sep 12	1	✓	6	5
		Marie Creighton	Apr-10	Apr 10 to Sep 12	1	✓	6	4
		Susan Philipps	Nov-11	Nov 11 to Sep 12	1	✓	2	1
		Vincent Mooney	Apr-10	Apr 10 to Sep 12	1	✓	6	5
	Luton	Jackie Gleeson	Apr-10	Apr 10 to Sep 12	1	✓	6	5
		Partha Trivedi	Apr-10	Apr 10 to Sep 12	1	✗	5	5
Ron Greenham		Apr-10	Apr 10 to Sep 12	1	✓	6	4	
Michael Dolling		Apr-10	Apr 10 to Sep 12	1	✓	6	5	

Joint Code of Governance		Rules and Regulations Committee		Membership Sub Committee		Remuneration committee		Nominations Committee		Declaration of Interests
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	
										Board Member of St Georges Community Housing Ltd, Basildon Governance, Manager Lambeth Living Ltd
				2	2					Volunteer/Trustee for Basildon Mind and other voluntary work
				2	1					None
1	1	2	2			3	3			Member of Labour Party
1	0	1	1					2	1	None
						3	3	5	5	Mental Health Act Manager at SEPT
										None
				2	2					Husband in long term care
1	0									None
										Managing Director of LJS Guarding Ltd and previously Louis James Security Ltd. Both companies have in the past tendered and worked for the NHS providing manned guarding security services.
				2	2			1	0	None
										None
										None
										Manages Warrior House, Southend-on-Sea on behalf of the freeholder. NHS is a tenant. Member of the Conservative Party.
				2	2					None
				4	0					None
										None
										None
				1	1					None
										Practising Lecturer, Practice Educator.
										None
										None
				3	2					None
						3	3			Member of Liberal Democratic Party
						3	2			Member of Dr Zamari's Service User Group
								5	3	(1) Trustee of Beds & Luton MIND (2) Trustee of DRE (3) Member of Conservative Party
				3	3					None
										None
										None
		2	0							None
								5	3	None
				3	1					Member of Labour Party
		2	2							None
				2	2					Member of Liberal Democratic Party

Table 8 – Details of Board of Governors Meeting Attendance

Category	Constituency/ Appointing Organisation	Name	Date of appointment	Period Elected	1/2nd Term of Office	In post as at 31 March 2010	Board of Governors meeting		Joint Code of Governance	
							No of Meetings	No attended	No of Meetings	No attended
Staff	Medical	Thilak Ratnayake	Apr-10	Apr 10 to Sep 12	1	✓	5	2		
		Peter Jefferson	Sep-11	Sep 11 to Dec11	1	✗	1	0		
		Fiore Sannio	Dec-11	Dec11 to Sep 14	1	✓	1	1		
	Nursing	C Menna	Apr-10	Apr 10 to Sep 11	1	✗	3	0		
		Neil West	Sep-08	Sep 08 to Sep 11	1	✓	3	3		
	Support Staff	Maggie Nicholls	Apr-10	Sep 11 to Sep 14	2	✓	6	4		
		Karen Forrest	Apr-10	Apr 10 to Sep 12	1	✓	6	5	1	0
	Other Clinical	Alison Childs	Sep-09	Sep 09 to Sep 12	1	✓	6	1		
		Debbie Martin	Dec-11	Dec 11 to Sep 12	1	✓	2	2		
	Community Health Services	Tracy Reed	Dec-11	Dec 11 to Sep 12	1	✓	1	1		
		Carla Fourie	Sep-09	Sep 09 to Sep 12	1	✓	6	4	1	0
	Social Worker	Keith Hemans	Apr-10	Apr 10 to Sep 12	1	✓	6	5		
Sue Kerr		Jul-10	Jul 10 to Sep 12	1	✗	3	2			
Partnership Governors	Anglia Ruskin Uni/Essex Uni	Ann Devlin	Nov-11	Nov 11 to Sep 12	1	✓	2	2		
	University of Bedfordshire	Prof Michael Shoot	Mar-10	Mar 10 to Sep 12	1	✓	6	1		
	Service User Network	Roy Birch, Chairman, Governor's Remuneration Committee	May-08	May 08 to Sep 11	2	✗	4	2	1	1
	Essex Service Users and Carers	Mandy Tanner	Dec-11	Dec 11 to Sep 14	1	✓	1	1		
	Service and Carer Forum	Syed Jafari	Jan-12	Jan 12 to Sep 14	1	✓	1	0	1	0
Local Authority Governors	Southend Thurrock	Cllr Peter Ashley	Jul-11	July 11 to May 12	1	✓	3	0		
		Cllr Tony Fish	Jul-11	July 11 to May 12	1	✓	3	0		
	Essex	Mavis Webster	May-06	Sep 09 to Sep 12	2	✓	6	4		
	Bedford	Mayor Dave Hodgson	Nov-10	Nov10 to May 13	1	✓	6	3		
	Central Bedfordshire	Cllr David Bowater	May-10	May 10 to Sep 12	1	✓	6	5		
	Luton	Cllr Mahmood Hussain	Apr-10	Apr 10 to Sep 12	1	✓	2	1		
PCT Governors	South East Essex PCT/ South West Essex PCT	Mark Tebbs	May-11	May 11 to Sep 13	1	✓	6	2		
	Bedordshire & Luton PCT	Philippa Hunt	Apr-10	Apr 10 to Sep 12	1	✗	5	4		

	Rules and Regulations Committee		Membership Sub Committee		Remuneration committee		Nominations Committee		Declaration of Interests
	No of Meetings	No attended	No of Meetings	No attended	No of Meetings	No attended	No of Meetings	No attended	
									Contracted to be a Consultant Psychiatrist and Director of Medical Education
									None
									None
									Employee. Trustee for CARALINE (Charity for Eating Disorder) RCN Steward Joint Chair (Beds & Luton) Joint Staff Council
					1	0			None
			3	0					Employee
									None
			4	0					Employee
					1	1			I work for the Trust and represent as a staff governor
	2	1							Employee
									Employee
									None
									None
									Works for University that has training contracts via an SHA for Mental Health
	1	1	2	2	1	1			None
			1	1					None
									None
									Member of Labour Party
									Member of Conservative Party
									Member of Labour Party
	1	1					5	5	Member of Conservative Party
									Member of Liberal Democrats. Member of following organisations: Bedford Borough Council, Bedford Standing Committee Bedford & District, Gardeners on Religious Education, Scott Association, Bedford Hall Community Centre Development Agency Management Committee, Board, Bedford Partnership Sport Bedford, Strategic Board, Beds & Luton LGA: Tourism Advisory Group, Bedfordshire & Ivel Internal Bedford Academy Governors, Drainage Board, CVS (Mid & Shackleton Lower School North Beds, East of England Governor, Milton Keynes/ Regional Local Government South Midlands Inter-regional Association, Jubilation Centre, Partnership, Milton Keynes/ Management Committee, South Midlands Transport
			3	3	2	2			I am CBC appointed member. CBC uses SEPT services. Members of Conservative Party.
									Member of Labour Party
									Commissioner of SEPT services
							4	3	None

Part 1: Statement on quality from the Chief Executive

I am delighted to present this Quality Report for SEPT, which covers our second full year providing hospital and community-based mental health and learning disabilities services across Bedfordshire and Luton, as well as south Essex. It also includes our achievements since taking over community health services in west Essex and south east Essex in August 2011 and in Bedfordshire in September 2011.

We are required by law to produce an annual Quality Report, so that we can let you know how we did meeting our commitments for 2011/12 and what our quality priorities are for 2012/13. But we see it as more than that. This as our opportunity to share with you openly and honestly what is going well, where we might need to do better and how we are planning to do this, in partnership with the people who use our services, our commissioners (the organisations who “buy” services from us for you) and regulatory bodies such as Monitor and the Care Quality Commission (who check-up independently on our work and progress).

I hope that when you have read this Quality Report you will be able to see for yourself how seriously SEPT takes quality in all its forms. We believe that the best quality is what service users, staff and stakeholders tell us it is, we expect and strive for the highest standards of care at all times and we always “tell it like it is”.

What does quality look like?

Before I get into the detail about what we did well last year and what we need to look at to do better next year, it would be helpful if I gave you a quick overview of what we mean by ‘quality’. Everyone who uses the NHS expects to receive care of the highest standard - or quality. Mostly, this means that services must be safe (do no harm), effective (do what they are meant to do) and people receiving the services find them acceptable and value them.

To ensure that SEPT achieves all this every time for every person who uses any of our services, we have several ways in which we can check-up that we are achieving a consistently high level of quality. The reports and tables in this Quality Account are based on these.

SEPT is a NHS Foundation Trust. This means that we have a Board of Governors made up from elected members of our Trust, as well as a Board of Directors led by our Chair, Lorraine Cabel. These Boards “drive” the Trust, ensuring our staff are delivering services to the high standards we all aspire to, and critically holding myself and my executive team to account for the day-to-day running of the Trust.

The Board of Directors gets monthly reports on how we are getting on with meeting our goals and achieving desired outcomes – this keeps our eyes on the ball. The meetings are held in public four times each year and we will be increasing this during 2012/13 – this keeps our feet on the ground! The monthly requirement to report on quality means that we can take swift action to remedy anything that seems to be going off track.

What have we done well?

So much quality improvement has occurred in the past year with great outcomes for people who use our services that I do not have the space here to talk about them all. Examples I am particularly proud of include:

- Being on target with our ambitious programme to transform mental health services across Bedfordshire and Luton that will ensure the environments in which we care for our service users is much improved and more therapeutic. This includes moving our elderly vulnerable patients

from Milton Ward in the dark rundown basement of Weller Wing to brand new modern ground floor accommodation at Fountain's Court in Bedford; opening our refurbished Robin Pinto secure unit in Luton and turning the turf on our new mental health hospital building site at Bedford Health Village so that we can fulfil the long-promised closure of Weller Wing.

- Establishing and developing real and effective partnership working with faith communities to ensure that our services are accessible by all members of our local community. Our conference with the Sikh community in Bedfordshire was a great success and has helped us to understand the needs of this particular community and therefore design services going forward around their needs.
- Launching a new SEPT cutting edge Psychiatry journal, a new recovery workbook and physical healthcare resources for our mental health staff to ensure our workforce remains up to date and competent in modern mental health care service delivery.
- Being accredited as a top level nursing Practice Development Unit at The Taylor Centre, Southend and Byron Court in Billericay, Essex. This recognises the extra mile our staff have gone to raise clinical practice standards within each of those teams and the innovative ideas that they have implemented to better support service users with mental ill health and learning disabilities.
- Rising to the challenge of improving care provided to people with dementia and their carers, with our Southend Memory Service being accredited by the Memory Services National Accreditation Programme and also facilitating care homes and GPs to improve the support they provide through awareness training and providing expert assistance with prescribing of anti-psychotics.
- Bringing home treatment services into our children and adolescents mental health services, reducing the time young people need to stay in hospital, or avoiding the need for admissions in some cases.
- Being highly commended for our "work smart" project in the HSJ Efficiency Awards which has contributed to achieving our cost improvement programme through improving productivity and facilitating rationalisation of administrative bases.
- Implementing SystmOne mobile working for district nurses and other community staff, which has helped them to do their paperwork on the move and to make sure patients' records are shared safely and quickly with doctors and other healthcare staff involved in their care.
- End of life care improvements – in south east Essex, there was a 15% reduction in the number of patients dying in hospital, with people choosing instead to die at home or in a hospice.
- Recruiting brand new breastfeeding peer volunteers to help mothers in Harlow to breastfeed their babies for longer and improve their health for life.
- Best ever results in the national Care Quality Commission survey of staff satisfaction! This is important because the evidence suggests that happy staff provide a better experience of care for patients.
- Single point of access/referral systems implemented in community health services – so patients get referred to the right person quickly and efficiently, rather than have to be passed from pillar to post.
- Opening the first Disability Discrimination Act compliant cell in HMP Bedford
- Highest recognition by Ofsted in a report on the Queens Park Neighbourhood Children's Centre in Bedfordshire.
- Development of a unique, bespoke Health Facilitation Service for people with a learning disability in Bedfordshire and Luton.
- Maintaining "business as usual" despite facing significant reductions in funding and integrating 3000 new staff into the SEPT family.

What do we need to do better?

Areas I am less happy about at the moment include the rather disappointing 2011 national mental health community service user survey results. Despite some excellent results, overall the results were average and SEPT does not do average – we want to be the best – always! We have identified areas that need to be improved and work is underway to achieve this.

Hats off to the staff!

I am very proud of every member of SEPT staff. I have always believed that SEPT recruits and retains the best staff in the business and this is the same whether they work in Essex, Bedfordshire or Luton. They take huge satisfaction from being able to deliver services they feel passionate about and that SEPT can be proud of. I always ask staff to stop and consider if the service they are providing is one they would be happy for their friends and family to receive – and I'm pleased that they take this seriously!

But I don't live in a bubble. I do know that we always need to be on the lookout for things that may be going awry, so I have a willing band of "mystery shoppers" who report back to me directly and confidentially about their direct and personal experiences of SEPT staff and services. They "tell it how it is" – just as I want them to – and most of the time, they are full of praise for the staff, so they really do deserve this pat on the back!

What do others think of us?

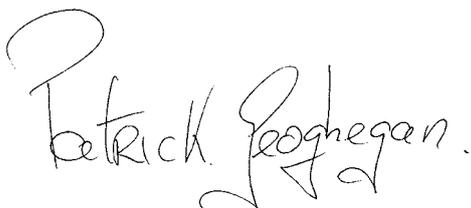
The Trust welcomes the Care Quality Commission's (CQC) unannounced visits to our services – day and night – to assess how well we are meeting their 16 Essential Standards of Quality and Safety. The CQC reports are made public for everyone to read.

But we don't just wait for the CQC to turn up on the doorstep. We invite other outside organisations to do unannounced spot checks on these standards in our services too. The Local Involvement Networks (LINKs) and our public governors have undertaken a programme of visits to different services. Their feedback has provided useful insight into service quality with 'fresh eyes' which we have found helpful in influencing improvement where necessary.

SEPT is proud to be a quality organisation and I am proud to be the Chief Executive of SEPT. I hope you will agree when you read the rest of this report.

Statement of Accuracy

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



Patrick Geoghegan OBE

Chief Executive

Professor of Mental Health and Social Care

Part 2: Priorities for Improvement and Statements of Assurance from the Board

Progress with the priorities for improvement for 2011/12 set out in the 2010/11 Quality Accounts of SEPT and the three former community health provider services is set out in Part 3 of this document.

SEPT is now responsible for delivering a wide range of in-patient and community based health services in Bedfordshire, Essex and Luton. We provide specialist mental health and social care services, specialist learning disability services, child and adolescent mental health services and forensic mental health services in Bedfordshire, Essex and Luton and since autumn 2011 community health services in Bedfordshire, south east Essex and West Essex. Although our organisation has changed, our commitment to providing the best possible quality of care hasn't.

We are proud of the effort that we put into listening to our staff, to users of our services, their carer's, our Governors and members, and our partners when we are considering our plans for the future. We engaged with nearly 1000 people during our planning for 2012/13 process. 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 has greatly influenced our corporate aims, and our quality improvement priorities and service developments for the next year.



Example comments from participants at our stakeholder planning events held 3 and 8 February 2012:

"I think the meeting was very good today. I am pleased that I am a service user."

"Thank you for today it has been a great help, lots of good points made by tables"

Valuable day, good to see a large audience who were provided the opportunity to have their say. People count and quality follows."

"Wish more organisations would use this model."

"Today was a fantastic start to the year."

"I thought today would be boring but have found it encouraging and informative."

"I left the meeting feeling more positive about SEPT than when I arrived."

As in previous years the priorities and drivers for quality improvement in 2012/13 have been developed as a result of:

1. working with commissioners to identify action required to meet their expectations of a high quality service provider;
2. listening to the views of 530 staff (almost 1 in 10) who attended seven internal service planning events where the drivers affecting the Trust in the coming year were considered; objectives developed and areas in which the quality of services can be improved identified;
3. consultation at two stakeholder planning events held in south Essex and in Bedfordshire;
4. asking our public Foundation Trust members in 7 public constituency meetings across Bedfordshire and Essex to identify the most important areas for action that they wanted us to take forward;
5. dialogue with our social care partners to ensure that our priorities are consistent with those of each Local Authority with whom we work;
6. using feedback received from our meetings with LINKs members;
7. considering performance against national

targets and priorities and identifying what action is required to ensure that services meet and where possible, exceed these;

8. making sure we are constantly taking action to deliver the rights and pledges contained in the NHS Constitution;
9. 5 Board of Director seminar session discussions about our forward plan.

2.1 Key Actions to Maintain and/ or Improve the Quality of Services Delivered

As a result of reviewing the outcomes from the various consultation processes, the Board of Directors has identified the key changes or actions that need to be made to continue to maintain and or improve the quality of services delivered.

SEPT's clinical and quality strategy is integral to and not separate from our overarching strategic vision and reflects the challenges and opportunities that are faced in respect of the strategic environment we operate. Clinical quality drives our vision to be sustainable in the longer term. Our clinical and quality strategy is identified in 16 out of 19 corporate aims that contribute to the delivery of each of the Trust's strategic priorities. A wide range of activities in all services that we provide will contribute to continued improvements in clinical quality and service delivery within each of these 16 priority areas for action and a range of enabling strategies (for example Estates, Workforce, IM&T, User Involvement) will support achievement.

Strategic Priority 1: Delivering High Quality and Safe Services

Examples of key clinical and quality changes required:

- embedding harmonised quality and performance monitoring mechanisms across acquired community health services;
- introducing harm free care monitoring in all appropriate services to reduce harm from pressure ulcers; Venous Thrombolysis Embolism (VTE), catheter acquired infection and falls;

- introduction of consistent systems Trustwide to collect and monitor patient feedback;
- fully embedding recovery as the driving purpose of mental health care and treatment;
- identification of outcome measures and mechanisms for monitoring in services where there are none;
- identification of minimum safe staffing levels for in-patient services and ensuring that these are consistently in place;
- care pathway review and redesign in partnership with stakeholders to improve access, productivity, effectiveness and patient experience;
- a focus on the quality of care planning and increased emphasis on ensuring that care is personalised and that patients are actively involved in developing their care plans;
- continued emphasis on safeguarding vulnerable adults and children;
- ensuring that services are culturally sensitive and meet the increasingly diverse nature of local communities in which we provide services.

Strategic Priority 2: Transforming services

Examples of key clinical and quality changes required:

- ensuring that year 3 plans for transformation of mental health services in Bedfordshire and Luton are delivered. This is the final year of the buildings based improvement plan and year 2 of the community service transformation process;
- transformation of rehabilitation and continuing care mental health services in Essex;
- radical redesign of community health services that are focussed on acute hospital admission avoidance and facilitating discharge from acute hospital care;
- continued development of the social care workforce and delivery of social care vision. This will further encourage taking forward the personalisation agenda;

- consideration of potential for parts of care pathways that could be delivered better in partnership with third sector.

Strategic Priority 3: Creating an efficient and effective organisation

Examples of key clinical and quality changes required:

- roll out of standardised, comprehensive, risk based clinical quality review process across Trust;
- consolidation and embedding of governance systems, processes and structures and non-clinical support services following acquisition of community health services;
- implementation of electronic patient records within Trust services;
- exploring potential for extension of tele-health initiatives throughout all of our services;
- elimination of legacy IT systems; full use of CarePlus and SystemOne and improved data quality used for decision making and outcome measurement;
- increased focus on benchmarking productivity and quality to reduce variation and increase standardisation within all services.

Strategic Priority 4: Workforce culture and capacity

Examples of key clinical and quality changes required:

- action taken to embed SEPTs' quality culture, vision and values across the enlarged organisation;
- continued modernisation of the workforce. Developing pathways that create capacity and free up advanced practitioners to focus on highest areas of clinical need and risk;
- encouraging extension of non-medical prescribing throughout all services, so patients don't have to wait for a doctor;
- increased links with higher education institutes to develop a more flexible workforce able to respond to current challenges;
- action taken to further develop clinical leadership in all services and disciplines through targeted training and development and improved structures and support systems;
- roll out of customer service improvement activities into community health services to improve patient experience.



Strategic Priority 5: Clear plans for a sustainable future

Examples of key clinical and quality changes required:

- development of integrated care teams and pathways for conditions and age groups as appropriate to the needs of particular localities in south east Essex, West Essex and Bedfordshire. By the end of this year we will have established integrated teams linked to specific localities and will have begun the process of aligning social care support and mental health services with those teams;
- development of effective relationships with new Clinical Commissioning Groups who will be responsible for commissioning local health services.

2.2 Our Quality Priorities for 2012/13

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 5 Quality Priorities for 2012/13. 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. We will be taking forward each of these priorities in Bedfordshire, Luton and Essex.

Table 9 – Quality Priorities and Targets

Quality Domain	Quality Priority	Target (outcome expected)
Safety	Eliminating avoidable pressure ulcers that are acquired in our care.	<ul style="list-style-type: none"> • Zero avoidable grade 3 or 4 pressure ulcers acquired in our care by December 2012 (see note below) • Increased identification and reporting of all grade 2 pressure ulcers compared to 11/12.
	Improving support provided to carers of patients and children in community health services.	<ul style="list-style-type: none"> • Increase in number of carers assessments undertaken compared to baseline audit during Q1. • Development of community health service carers support systems and training programmes.
Experience	Improving patient experience.	<ul style="list-style-type: none"> • By March 2013, increase % of patients who would recommend SEPT service to friends and family compared to baseline developed during Q1.
	Improving quality and personalisation of care plans.	<ul style="list-style-type: none"> • Development of critical information standards that evidence quality and personalised care planning. • Baseline audit undertaken in Q1 and % improvement by March 2013.
Effectiveness	Improving handover of care; transfer of patients in and between services and discharge of patients to primary care.	<ul style="list-style-type: none"> • Development of critical information standards and quality performance target expected for handover of care, transfer and discharge. • Baseline audit undertaken in Q1 and % improvement by March 2013. • Improvement in performance and quality of providing discharge summaries to GP.

By the end of June 2012 we will have agreed the detailed action plans and improvement targets that will deliver the priorities. They 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 Account for 2012/13.

(Note: At first, we will report all grade 3 and 4 pressure ulcers that we identify in our patient population. As the year progresses, we will report only those that occur in our care and are not considered to be clinically avoidable and we will refer on the other cases to the relevant provider organisations.)

2.3 Stretching Goals For Quality Improvement

For 2012/13 the Trust will be taking forward 43 stretching quality improvement projects as part of the Commissioning for Quality and Innovation (CQUIN) quality incentive scheme agreed with our commissioners. More detailed information about all of the projects is available via our website (www.sept.nhs.uk). Progress with implementing our CQUIN quality improvement projects against the milestones agreed with commissioners will be monitored on a monthly basis.

Some examples of the quality improvement projects that we will be taking forward this year include:

Quality Domain	Quality Goal (outcome expected)
Safety	Improved awareness and signposting to relevant services for diagnosis and support of patients with dementia <i>Bedfordshire, west Essex and south east Essex Community Health Services</i>
	Monitoring of falls, catheter acquired infections, VTE risk assessment and pressure ulcers to increase proportion of people using our services who have "harm free care". <i>All community health services and older peoples mental health services in Essex and Bedfordshire</i>
Experience	Improved transition for young people with additional needs to adult services. <i>Bedfordshire and Luton Child & Adolescent Mental Health and Bedfordshire Community Health Services</i>
	Improvements to the quality of community mental health service interventions with patients. <i>Bedfordshire and Luton Mental Health Services</i>
	Implementation of a single point of access to emotional wellbeing services to improve access to services. <i>Essex Child and Adolescent Mental Health Services</i>
Effectiveness	Development of an enhanced weekend support service for people with mental ill health. <i>Bedfordshire and Luton Mental Health Services</i>
	Potential for caring for patients with mild to moderate mental health problems in alternative settings explored. <i>South Essex Mental Health Services</i>
	Improved health of local population by using every contact to maintain or improve physical and mental health and wellbeing. <i>West Essex Community Health Services</i>
	Improvements to care pathways that lead to reduction in length of stay. <i>Forensic Mental Health Services.</i>

2.4 Service Developments

SEPT remains committed to continuing to develop local clinical services that respond to the needs of the diverse local communities in which we are delivering services; address issues raised by service users, patients, carers and their representatives and deliver improvements in line with local and national policy developments that lead to improved health outcomes. During the next year, the Trust will be taking forward a range of service developments as a result of internal redesign or in partnership with health and social care commissioners. We will ensure that service users, patients and their carers are involved in and actively influence our service developments. Examples include:

Quality Domain	Service Development	
Safety	Redesign model of inpatient service delivery.	Implement a revised model of mental health inpatient service in south Essex, based on a functional model of service delivery not one based on the locality where the patient lives or their age. This means that each of our inpatient wards will care for patients with a specific diagnosis, enabling specialist medical opinion and nursing and therapy support targeted to meet the needs of particular patient groups.
	South Essex Mental Health Services	
	Community Mental Health Service Transformation.	We plan to continue our redesign of community mental health services. We are specifically aiming to improve access to services as a result of improving the single point of referral / access service and developing extended weekend support services; strengthen links with GPs through better primary care liaison and support carers more effectively.
	Bedfordshire and Luton Mental Health Services	
Experience	Improved Access to Psychological Therapies (IAPT) provision increased.	Additional funding has been received to respond to high local demand for this highly effective service which offers patients a realistic and routine first-line, community based treatment, combined where appropriate with medication which traditionally had been the only treatment available. The service is already confirmed as the best performing in the country with over 70% of referrals accepted for treatment, waiting times less than 28 days and over 60% recovery rates. In addition the service will participate in a national pilot for IAPT for people with long term conditions and unexplained medical symptoms.
	South Essex Mental Health Services	
	Continue to improve the physical healthcare environment.	Our plans will deliver completion of Limetree redevelopment at Luton & Dunstable Hospital and transfer assessment and treatment inpatient service from Oakley Court by July 2012. During the year we will also commence pre-construction activities and construction work to develop a new build facility at Bedford Health Village in readiness for the transfer of assessment and treatment inpatient services from Weller Wing by December 2013.
	Bedfordshire and Luton Mental Health Services	

Quality Domain		Service Development
Experience	<p>Single Point Of Referral / Access</p> <p><i>South east Essex and West Essex Community Health Services</i></p>	<p>We will embed the establishment of services designed to ensure that the right person, from the community health service team, responds at the right time to referrals for support in the patient's home that prevents admission to or facilitates discharge from hospital.</p>
Effectiveness	<p>New sub- acute Pathway</p> <p><i>Bedfordshire Community Health Services</i></p>	<p>This pathway has been designed to prevent unnecessary admissions to general hospital and facilitate earlier discharges ensuring care closer to home provision and improved patient outcomes. This pathway includes a new 16 bedded sub-acute unit, single point of contact for referrals through the multi disciplinary team, integrated pathways between rehabilitation & enablement and Rapid Intervention Team and managing patients from care homes who have had frequent acute admissions.</p>
	<p>Early Supported Discharge Team (Stroke patients)</p> <p><i>West Essex Community Health Services</i></p>	<p>A new team will be established to support more patients in their own homes who have suffered a stroke. The team will aim to reduce lengthy hospital stays in hospital by providing intensive home support.</p>
	<p>Intermediate care provision for people with dementia.</p> <p><i>South Essex Mental Health services</i></p>	<p>In 2012/13 we will create a step up step down in-patient facility through redesign of existing service provision that is aimed at preventing admission and facilitating discharge from acute hospital beds of people with dementia. Our new model of service will also provide patients with intensive rehabilitation to help people remain in their own homes for as long as possible instead of being admitted into long term care.</p>
Effectiveness	<p>Integrated Care Teams</p> <p><i>Bedfordshire, South East Essex and West Essex Community Health Services</i></p>	<p>Implementation of SEPTs vision for future service delivery will see continued progress with establishing integrated adult care teams aligned to clinical commissioning groups and with social care provision. Our aim is to integrate children's and mental health services in the longer term and during this year we will take enabling actions to achieve seamless service provision tailored to meet the health and social care needs of local communities.</p>

2.5 Statements of Assurance From The Board

2.5.1 Review of services

During 2011/2012 SEPT provided and/or sub-contracted 232 NHS services.

SEPT has reviewed all the data available to them on the quality of care in 232 of these NHS services.

The income generated by the NHS services reviewed in 2011/12 represents 100% of the total income generated from the provision of NHS services by SEPT for April 2011 to March 2012

The data reviewed aimed to cover the three dimensions of quality – patient safety, clinical effectiveness and patient experience. Data quality, completeness and consistency associated with community health services acquired in year has been identified as a concern that is being addressed. This may have impeded the full review of all services.

2.5.2 Participation in clinical audits

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.

During 2011/12, 10 national clinical audits and one national confidential enquiries covered NHS services that SEPT provides.

During that period SEPT participated in 100% of national clinical audits and 100% of national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that SEPT was eligible to participate in during 2011/12 are as follows:

Note: POMH is the Prescribing Observatory for Mental Health. POMH aims to help specialist mental health trusts improve their prescribing practice.

- National audit of schizophrenia (NAS)
- POMH Topic 1f, Prescribing high dose and combined antipsychotics on adult acute and psychiatric intensive care wards
- POMH Topic 3f, Prescribing high dose and combined antipsychotics on forensic wards
- POMH topic 6c, Assessment of side effects of depot antipsychotic medication
- POMH Topic 7C, Monitoring of patients prescribed lithium
- POMH 10b, Use of antipsychotic medicine in CAMHs
- National Parkinson's audit
- National audit of falls and bone health
- National audit of back pain management
- National Epilepsy 12
- National Confidential Inquiry into suicide and homicide by people with mental illness

The national clinical audits and national confidential enquiries that SEPT participated in, and for which data collection was completed during 2011/12 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.





National Clinical Audit	Participation (Yes/No)	% Cases Submitted
Schizophrenia (National Schizophrenia Audit)	Yes	100%
POMH 1f Prescribing high dose and combined antipsychotics on adult acute and psychiatric intensive care wards	Yes	100%
POMH 3f Prescribing high dose and combined antipsychotics on forensic wards	Yes	100%
POMH 6c Assessment of side effects of depot antipsychotic medication – re audit	Yes	91%
POMH 7c Monitoring of patients prescribed lithium	Yes	100%
POMH 10b Use of antipsychotic medicine in CAMHS	Yes	100%
National Parkinson's Audit	Yes	100%
Falls and non-hip fractures (National Falls & Bone Health Audit) 2011 re-audit	Yes	SEPT Mental Health services and Bedfordshire Community services only able to participate in the organisational element of the audit so 0 cases. SEPT South East Essex completed 100% service user questionnaires
National audit of back pain management by NHS Occupational services	Yes	100%
National Epilepsy 12	Yes	100%
National Confidential Inquiry into suicide and homicide by people with mental illness	Yes	Organisers have advised that 91% (20/22) of questionnaires sent out have been returned (excludes those not expected back as at 31 March 2012)

The reports of six national clinical audits were reviewed by the provider in 2011/12 and SEPT intends to take the following actions to improve the quality of healthcare provided.

Audit Topic	Depression & Anxiety (National Audit of Psychological Therapies - NAPT)
Explanation of what the audit was examining and what the general aims were	<p>The aim of this three-year project is to evaluate and improve the quality of treatment and care provided to people who suffer from anxiety and depression in England and Wales.</p> <p>The key aims of the audit are to measure:</p> <ul style="list-style-type: none"> • access to services; • appropriateness of service; • acceptability of service; • outcomes for patients
Actions to improve the quality of healthcare provided	<p>Unfortunately, a number of concerns regarding the quality of data and usefulness of findings were identified in respect of this audit. These have been shared with the National Association of Psychological Therapies. Limited learning was possible, but improved monitoring of ethnicity, gender and attrition rates was identified as an action.</p>
Audit Topic	POMH 6c Assessment of side effects of depot antipsychotic medication – re audit
Explanation of what the audit was examining and what the general aims were	<p>To ensure side effects of depot antipsychotic medications are monitored appropriately and in a timely way for service users supported by SEPT Community Mental Health and Assertive Outreach Teams.</p>
Actions to improve the quality of healthcare provided	<p>List developed and maintained in every team identifying every service user on depot medications.</p> <p>POMH's Side Effects Information leaflets will be approved for dissemination to all clinicians.</p> <p>To consider redesign of SEPT Antipsychotic Depot Card to include annual assessment of depot related side effects.</p> <p>All clinicians to be reminded to adhere to recommended monitoring guidelines.</p>
Audit Topic	POMH 7c Monitoring of patients prescribed lithium
Explanation of what the audit was examining and what the general aims were	<p>To improve the mental and physical health of patients prescribed lithium in the care of SEPT Adult and Older Persons Community Teams. Ensuring that the monitoring of compliance and annual monitoring measurements and tests take place.</p>
Actions to improve the quality of healthcare provided	<p>Establishment of additional nurse led lithium clinics in south west Essex.</p>
Audit Topic	POMH 9b Re-audit of the use of antipsychotics in people with learning disabilities
Explanation of what the audit was examining and what the general aims were	<p>To help mental health services improve prescribing practice in the use of antipsychotic medication in people with a learning disability.</p> <p>All clinicians must undertake, on at least a yearly basis, assessment of patients' blood glucose and lipid profile and the results must be documented in the clinical records.</p>
Actions to improve the quality of healthcare provided	<p>A briefing will be prepared to be given out to every new Learning Disabilities doctor detailing standards expected in relation to this audit topic</p> <p>A spot check audit will be undertaken and re-audit in 2013/14.</p>

Audit Topic	POMH 11a prescribing antipsychotics for people with dementia
Explanation of what the audit was examining and what the general aims were	The aim is to help mental health services improve prescribing practice in the use of anti-psychotic medication in people with dementia.
Actions to improve the quality of healthcare provided	<p>All clinicians will refer to the pro-forma 'Use of antipsychotic medication in dementia' when a patient with dementia is considered to be started on an antipsychotic. The pro-forma will be annexed to:</p> <ul style="list-style-type: none"> a) annexed to the standard OPC letter for Out patients; b) in- patient medical notes / medication charts; c) day hospital medical notes; d) continuing care medical notes / medication charts; e) residential homes medication charts – through the link Nurse. <p>The SEPT POMH-11a audit standards will be part of the induction for psychiatry and GP trainees at the start of each clinical placement in Old Age services. A briefing will be prepared to be given out to every new doctor.</p> <p>Expansion of the Clinical Nurse specialist and community pharmacist input to residential homes in monitoring patients with dementia on antipsychotics and using the pro-forma in residential settings.</p>

Audit Topic	Falls and non-hip fractures (National Falls & Bone Health Audit) 2011 re-audit
Explanation of what the audit was examining and what the general aims were	<p>Objective 1: Improve outcomes and efficiency of care after hip fractures Objective 2: Respond to the first fracture, prevent the second Objective 3: early intervention to restore independence Objective 4: Prevent frailty, preserve bone health, reduce accidents</p>
Actions to improve the quality of healthcare provided	<p>SEPT Mental Health services:</p> <p>All patients who need walking aids to be able to routinely access these within 24 hours of admission</p> <p>An audit to be performed on the implementation of the inpatient / resident falls policy.</p> <p>SEPT South East Essex Community services: no recommendations were identified as being relevant to services provided.</p> <p>SEPT Bedfordshire Community services:</p> <p>Aspects of acute care to be included in the BPT (Best Practice Tariff) for hip fractures.</p> <p>Recommendations were made to commissioners in respect of therapeutic exercise programmes and commissioning of nursing home care.</p> <p>All inpatient services to ensure that their falls policies and procedures include specific regard to the recommendations of the National Patient Safety Agency in the use of bed rails, reporting and monitoring of falls, and the aftercare of fallers in hospital.</p>

The reports of 146 local clinical audits were reviewed by the provider in 2011/12 and SEPT intends to take the following actions (example only) to improve the quality of healthcare provided:

Community Health Services

Nasogastric Tube Audit

This audit was undertaken to establish compliance with the National Patient Safety Agency alert “reducing harm caused by misplaced nasogastric feeding tubes”. The audit has shown that the staff have good knowledge and understanding and are compliant in nearly all areas that were audited. The audit has highlighted that staff should be aware of the concept of CE marking and that some of the information that should be recorded on SystemOne (electronic records) related to the insertion of nasogastric tubes has not been and this will be addressed.

Audit of Department Equipment Controllers (DEC) folders

The aim of this audit is to measure compliance against the 12 steps for all the DEC’s and to establish the DEC’s knowledge around the Care Quality Commission and their role. The audit has

shown some areas of good practice, but also highlighted improvements to be implemented in ensuring staff are kept up to date through publishing information on the intranet, ensuring the DEC meeting agenda is relevant to specific equipment types and setting up a database for all types of medical devices that can be accessed by the DEC’s.

Service user experience surveys

Patient surveys were carried out in Her Majesty’s Prison Bedford and the Community Matron service. In addition to these, surveys have also been carried out in a number of services including; Heart failure service, Paediatric OT, Community nursing, Podiatric service. Overall, results of the surveys carried out have proved to be positive with the majority (97%) of patients rating their overall satisfaction with the services between fair and excellent.

Some of the changes implemented as an outcome of the surveys include:

Service	What the patients told us	Action
Acquired Brain Injury Service	12 (63%) respondents were not given any information regarding the role of the ABI service prior to being referred	Send referrer leaflet to GP with our GP letters so that they are better informed of services
Community Matron Service	Patients commented that they would have liked more information about the community matron before the first visit.	To send new matron leaflet to all possible referrers to the service and to the new patient prior to first visit.
Heart Failure Service	1 respondent was not satisfied that their individual needs had been met	Every patient should be followed up six monthly as a minimum – in line with NICE (2010) guidelines. This action is in progress To evidence this six month follow up information is kept in the folder. Evidenced by invite letters going to patient and GP letters written after review at six months.

Mental Health Services

Mental Health Act Audit

Following integration of Bedfordshire and Luton Partnership Trust (BLPT) and SEPT in 2010, policies for administration of Mental Health Act for detained patients in SEPT were reviewed and revised to produce a range of integrated policies to ensure that service users detained under the Mental Health Act were treated appropriately. It was identified that the Trust required assurance that policies were being correctly implemented trust-wide.

Findings of the audit showed that across the trust there were very high levels of compliance, with many criteria achieving compliance scores of over 90%.

However, there were also some areas where work was required to strengthen compliance and actions identified included:

- the development of a Multidisciplinary Team (MDT) proforma which includes the prompt to check understanding of rights at each MDT meeting;
- briefing to doctors reminding them of the need to ensure patients understand rights being checked on a monthly basis and where there is no understanding this is re-visited after 48 hours and then 2 weekly;
- to complete and publish the integrated policy for Leave of Absence from Hospital and aligned paperwork;
- named nurses allocated patients held under MHA to take 1 file to be spot checked at their monthly supervision.

Audit Reviews and links to 2010/11 Quality Account

The Chief Executive Officer requested the undertaking of two reviews of learning from serious incidents, randomly selected, that have occurred in the Trust. Much of the evidence required for these reviews was obtainable from local Trust clinical audits, such as the Trusts Clinical and Managerial supervision audit, the Community Mental Health Teams quarterly audit of risk assessment and management planning and the quarterly Inpatient audit of physical health assessment. These have also shown teams where high quality practice

is demonstrated and information is shared with team managers as well as operational service senior managers in order to drive continuous improvement. To assist with this aim for continuous improvement a number of audits have been identified for reaudit in the Trust's 2012/13 Priority Clinical Audit Programme, including the three mentioned here.

2.5.3 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.

The number of patients receiving NHS services provided or sub-contracted by SEPT Mental Health Services in 2011/12 that were recruited during that period to participate in research approved by a research ethics committee was 226 against a target of 77 set by Essex and Hertfordshire Comprehensive Learning Research Network (CLRN) of which SEPT is a Member Trust.

This figure is for recruitment to National Institute of Health Research (NIHR) Portfolio studies. In terms of research recruitment within the community health services recently acquired; a mapping exercise is currently taking place to ascertain the level of research activity and recruitment level. For all new studies, recruitment information will be recorded on the same system presently used to record non-community service recruitment.

2.5.4 Goals agreed with commissioners for 2011/12

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 Accounts to ensure that local quality improvement priorities are discussed and agreed at board level within – and between – organisations. It makes the provider's income dependent on locally agreed quality and innovation goals.

A proportion of SEPT income in 2011/12 was conditional on 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 NHS services, through the Commissioning for Quality and Innovation payment framework.

In 2011/12 commissioners identified that £3,323,700 was conditional on achieving quality improvement and innovation goals. SEPT received £3,323,700 of this conditional income as a result of achieving agreed goals.

Further details of the agreed goals for 2011/12 and for the following 12 month period are available electronically on the Trust's website www.sept.nhs.uk

SEPT was asked by commissioners to undertake a broad range of quality initiatives under the CQUIN scheme during 2011/12. The clinical and operational teams tasked with implementing the improvements have excelled once again this year, delivering all but six schemes in full, with clear evidence of improvement in quality for patients.

In total the Trust was tasked with implementing over 50 schemes across mental health, learning disabilities and community health services within Bedfordshire, Essex and Luton. Particular examples we are proud of are:

1. Further development of a recovery focussed mental health service through the implementation of the recovery star tool in adult mental health community services across Bedfordshire, Luton and south Essex. As a key-working tool it enables staff to support individuals they work with to understand their recovery and plot their progress. As an outcomes tool it enables organisations to measure and assess the effectiveness of the services they deliver.
2. Introducing systems that ensure every service user in our secure mental health services has a minimum of 25 hours meaningful activities per week.
3. Significant improvement in the number of patients attending their appointments in CAMHs and maintaining the improvement throughout the year.

2.5.5 What others say about the provider?

SEPT is required to register with the Care Quality Commission (CQC) and its current registration status is "Registered Without Conditions".

The CQC has not taken enforcement action against SEPT during 2011/12.

SEPT has participated in the National Learning Disability Review undertaken by the CQC during 2011/12. Services provided at Heath Close, Essex and The Coppice, Bedfordshire were reviewed.

The CQC reported positively on the quality of services reviewed. Some minor areas for improvement were identified.

SEPT intends to take the following action to address the conclusions or requirements reported by the CQC:

- * Enhance recording of the reading of patient's rights detained under the Mental Health Act
- * Ensure that care planning is more personalised
- * Consistently record consent and capacity assessments
- * Improve overall record keeping

SEPT has made the following progress by 31 March 2012 in taking such action:

New care planning, consent, capacity and rights paperwork developed

Support provided to staff to ensure consistent implementation

The new paperwork was reviewed by the CQC during an inspection of Heath Close Learning Disabilities Service and was confirmed to be addressing previously identified concerns.

The CQC has undertaken a number of routine compliance reviews across a number of Trust services. Following each compliance review the CQC has provided a report outlining their findings and where there are areas for improvement the CQC has identified minor or moderate concerns and associated improvement or compliance actions. None of the actions identified had a significant impact on patient safety.

The table below outlines the Trust services reviewed; CQC findings and progress made with action plans. It should be noted that only the CQC can close a compliance action, to do this the Trust must have completed appropriate action, audited implementation and provided the CQC with a report, including supporting evidence, outlining action taken and how this has improved patient outcomes and request that the CQC re-reviews compliance. The CQC can choose to come back and re-inspect or do a desk top review using evidence provided by the Trust.

Key:

Green = Compliance confirmed by CQC/ Minor improvement actions identified by CQC; actions completed / Moderate concern identified by CQC; actions completed and closed by the CQC.

Yellow = Moderate concern identified by CQC and action completed internally but not yet closed by CQC

Registered Location	Outcome 1 Respect and Involvement	Outcome 2 Consent	Outcome 4 Care and Welfare	Outcome 7 Safeguard	Outcome 9 Medicines	Outcome 10 Premises	Outcome 13 Staffing	Outcome 14 Supporting Staff	Outcome 16 Responding to feedback	Outcome 21 Records
Weller Wing Visited March 11 Report April 11	Moderate Concern	Not Assessed	Moderate Concern	Moderate Concern	Not Assessed	Not Assessed	Not Assessed	Moderate Concern	Not Assessed	Not Assessed
Weller Wing Visited Aug 11 Report Sept 11	Compliant	Not Assessed	Minor Concern	Compliant	Not Assessed	Not Assessed	Not Assessed	Compliant	Not Assessed	Not Assessed
The Glades May 2011	Compliant	Compliant	Minor Concern	Compliant	Not Assessed	Not Assessed	Not Assessed	Compliant	Not Assessed	Not Assessed
Brockfield House Visited March 11 Report Sept 11	Minor Concern	Moderate Concern	Moderate Concern	Not Assessed	Not Assessed	Compliant	Compliant	Compliant	Not Assessed	Moderate Concern
Heath Close Visited Feb 11 Report Sept 11	Minor Concern	Moderate Concern	Moderate Concern	Not Assessed	Not Assessed	Compliant	Compliant	Compliant	Not Assessed	Moderate Concern
Archer Unit	Not Assessed	Not Assessed	Moderate Concern	Not Assessed	Minor Concern	Not Assessed	Not Assessed	Not Assessed	Not Assessed	Not Assessed
Biggleswade Hospital	Compliant	Not Assessed	Minor Concern	Moderate Concern	Minor Concern	Not Assessed	Not Assessed	Compliant	Compliant	Not Assessed
Rochford Visited March & July 11 Report Feb 12	Minor Concern	Moderate Concern	Moderate Concern	Compliant	Not Assessed	Compliant	Compliant	Compliant	Not Assessed	Moderate Concern

The key findings and learning identified in all CQC reviews are:

- **Outcome 1:** Improvement needed in documenting informing people of their rights; this is now part of the MDT ward round proforma to ensure continual recording and part of ward preparation form for patients to use. This change was found compliant by the CQC when they visited Weller Wing in August 2011.
- **Outcome 2:** Improvement needed in documenting patient capacity and consent to treatment; this is now part of ward round MDT proforma to ensure continual recording.
- **Outcome 4:** Improvement needed in ensuring person centred care planning; new documentation development and implemented. Training for inpatient care planning implemented. This change was found compliant by the CQC when they visited Weller Wing in August 2011 and Heath Close in February 2012.
- **Outcome 9:** In community services medicines management has been reviewed following further discussion with the CQC.
- **Outcome 21:** General improvements in record keeping including integration. New index developed and implemented to ensure paperwork is easy to navigate. All disciplines now input into the new care planning documentation to ensure integrated care planning. One integrated care record is not currently possible until electronic records are developed nationally, however action taken mitigates risk by ensuring all professionals are using the same paperwork.

2.5.6 Data Quality

The ability for 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 Trust Board 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 has the ability to alert services to deviation from expected trends.

During 2011/12 the Trust acquired community health services, and is embedding the systems used previously in mental health services to

drive up the standard of data quality within these services. The Trust recently commissioned an independent data quality review of the community health services by Parkhill Internal Audit Service, to ensure a clear understanding of data collection and quality was understood.

The Trust issues routine Data Quality Reports to clinical staff for validation, and any amendments identified are implemented. Year on year metrics are shown below that confirm a high standard of data quality in mental health services is achieved and maintained regarding the % completeness of the patient identifier data items. The Monitor (NHSFT regulator) target is 99%.

Data Item	Apr-Mar 2009/10	Apr-Mar 2010/11	Apr-Mar 2011/12
Date of Birth	100%	100%	100%
Patient's current gender	100%	100%	100%
Patient's NHS Number	99%	100%	99%
GP Practice Code	97%	97%	100%
Postcode of residence	99%	99%	100%
Commissioner Code	100%	100%	100%
SEPT Total	99%	99%	100%



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

- all data items held on the Trust Information systems comply with the National Standard definitions. The Trusts systems are programmed to ensure all mandatory data items are completed;
- clear data entry procedures are in place, to ensure consistent data collection;
- Parkhill Internal Audit Services and the Audit Commission will have an on-going programme of independent review of data collection, monitoring and reporting processes;
- routine Data Quality Reports are sent to clinical staff for validation, and any amendments identified are implemented;
- the Trust's Data Quality Group meets monthly and oversees all aspects of data consistency and monitoring within the Trust;
- monthly Data Quality monitoring reports are made to the Trust Board.

NHS Number and General Medical Practice Code Validity

SEPT submitted 36,741 records during April 2011 to January 2012 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:

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

98.8% for admitted patient care

100% for Outpatient care

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

100% for admitted patient care

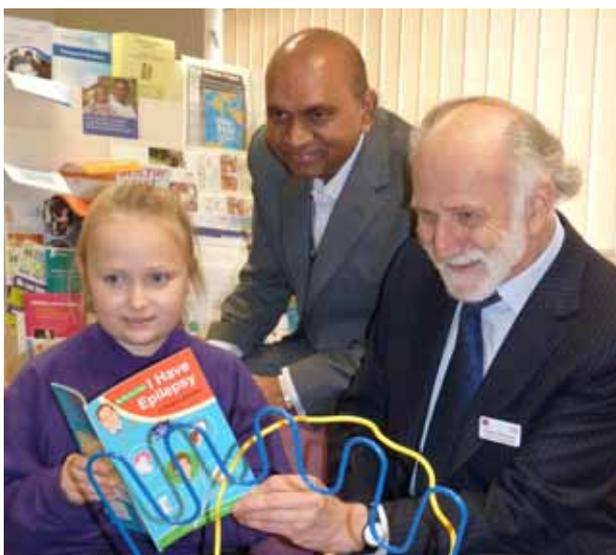
100% for Outpatient care

Information Governance Toolkit attainment levels

SEPT's Information Governance Assessment Report overall score for 2011/12 was 75% and was graded GREEN

Clinical coding error rate

SEPT was not subject to the Payment by Results clinical coding audit during 2011/12 by the Audit Commission.



Part 3: Review of Quality Performance During 2011/12

3.1 Performance Against Quality Improvement Priorities Identified in our 2010/11 Quality Account

In SEPT's Quality Account for 2010/11 we identified the key quality priorities that would be delivered in respect of mental health and learning disability services. At the time of publication, community health services in Bedfordshire, south east Essex and West Essex had not been acquired and the quality priorities for these services were set out in three separate Quality Accounts. In this section we have provided a summary of the progress made against as many of the priorities set out last year for each of the three community health services as we can, as well as those identified for SEPTs mental health services. Unfortunately this does mean that we have a great deal of detailed information to share this year!

3.1.1 Community Services

3.1.2 Community Health Services

Bedfordshire (CHSB)

Within Community Health Services Bedfordshire's Quality Account seven key priorities were identified, all of which have demonstrated positive progression in 2011/12 and achievement of targets set.

1. Reduce the number of patients who come to harm following a fall (SAFETY)

Target	Result	Outcome	Direction of travel
Reduction	21% reduction	Target achieved	Improving



At the beginning of 2011/12 CHSB committed to reducing the numbers and levels of harm of people who fall in inpatient areas and therefore reduce the incidence of falls that have minor, moderate, major and catastrophic impact on the patient.

This was actively monitored throughout 2011/12. A number of initiatives were implemented, e.g. a post fall protocol has been ratified and implemented, all patients who suffer harm or are repeat fallers have a Root Cause Analysis (RCA) completed, the day room has been re-organised, and a trial of low profile beds has been undertaken.

2. Reduce the number of catheter infections (SAFETY)

Target	Result	Outcome	Direction of travel
Compliance with guidelines	Compliant	In progress	Improving



The baseline used for this indicator was the number of falls resulting in harm in 2010/11, which was 52. By the end of 2011/12 CHSB reduced the number of falls resulting in harm to 41, a 21.15% reduction and evidence of effective quality improvements.

A number of key steps have been taken throughout 2011/12 to support a reduction in the number of catheter infections, these include:

- Implementation of an infection control template onto SystemOne (the electronic patient system) to capture the number of patients with catheters with the aim of effectively managing catheter care through care planning and best practice guidelines
- Development of joint training with the Continence and Infection Control Teams

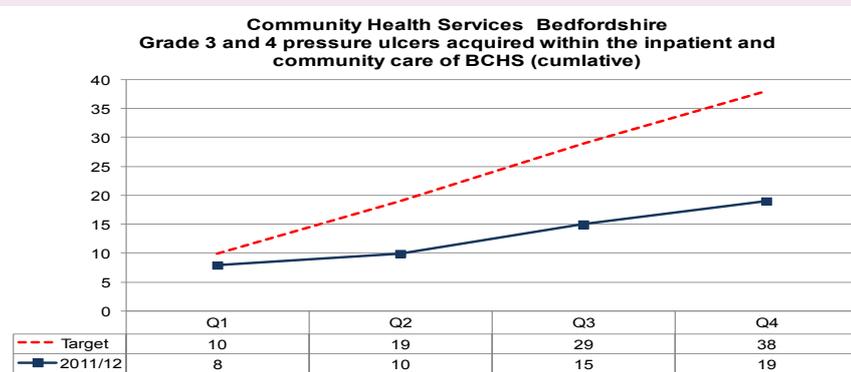
- Regular auditing of care bundles as part of monthly infection control audits
- Involvement in the launch of the new Strategic Health Authority (SHA) policy linked to reductions in catheter infections

3. Reduction of community acquired pressure ulcers (SAFETY)

Target	Result	Outcome	Direction of travel
30%	65%	Target achieved	Improving



For 2011/12 CHSB committed to reducing the number of avoidable grade 3 and 4 pressure ulcers acquired within the inpatient and community care of CHSB by 30% compared to 2010/11.



The number of avoidable grade 3 and 4 pressure ulcers acquired in 2011/12 has reduced to 19 in comparison to 54 acquired in 2010/11. This is a reduction of 65% and exceeds the original aim of 30%, demonstrating excellent improvements have been made over the past year.

4. Implementation of Venous Thromboembolism (VTE) assessment in inpatient areas (SAFETY)

Target	Result	Outcome	Direction of travel
Implementation	Implemented	>90% achievement	Not applicable



In 2011/12 CHSB has successfully implemented VTE assessment within community hospitals alongside appropriate administration of prophylaxis and ongoing audit of this work is in progress.

The table below shows the number of admissions to the inpatient units and the number of VTE assessments completed.

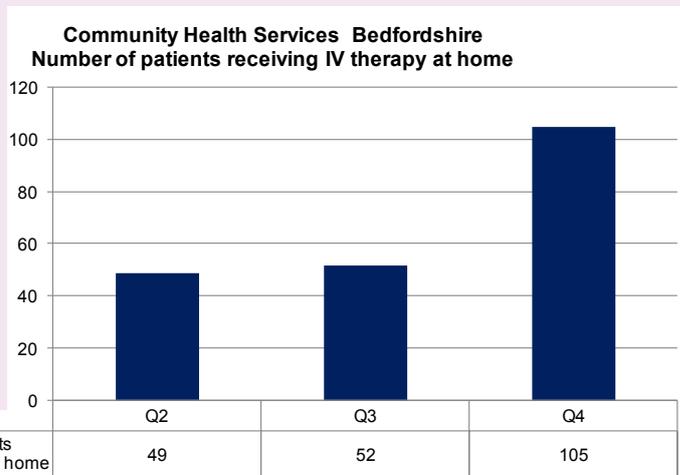
Quarter 2011/12	Number of Admissions	Number of VTE assessments completed	Percentage of patients admitted receiving VTE assessments
1	28	28	100%
2	70	68	97%
3	83	83	100%
4	118	108	92%

5. Increase the number of Patients who receive intra venous (IV) antibiotics at home where appropriate (EXPERIENCE)

Target	Result	Outcome	Direction of travel
49 Q2 Baseline	105	Target achieved	Improving



The number of patients receiving IV antibiotics at home where appropriate has increased by 114% from the baseline identified in Quarter 2. Training of staff is ongoing and further work is in progress with Bedford Hospital and the Luton & Dunstable Hospital to increase the number of patients receiving intra venous antibiotics at home. The teams are working collaboratively to ensure effective service delivery and there has been positive progress made throughout 2011/12 as demonstrated by the increase achieved by year end.



6. Improving our patient experience (EXPERIENCE)

Target	Result	Outcome	Direction of travel
10%	15.69%	Target achieved	Improving

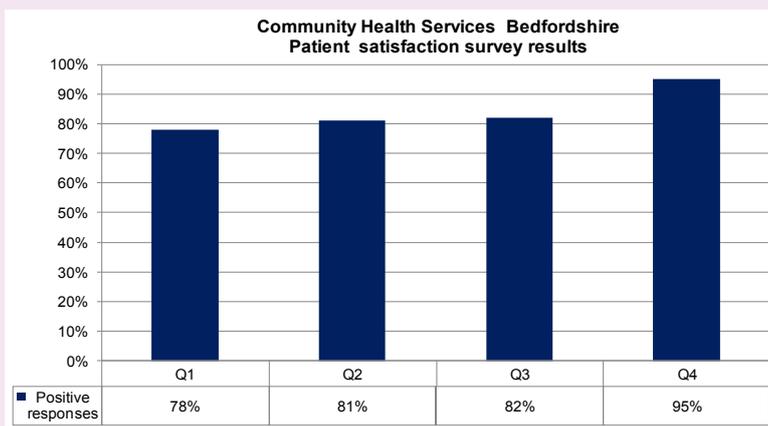


Patient satisfaction surveys are in progress within inpatient areas prior to discharge and further patient satisfaction surveys are being implemented to cover all clinical services.

A pilot was undertaken within the North Bedfordshire Locality for live patient feedback using 'health feedback'. Plans are now being taken forward to roll this out further in 2012/13 following the success of the pilot.

The composite results of the patient satisfaction audits undertaken have been compiled and are outlined below. The questions that make up the composite percentage are derived from the themes below:

- Involved in decisions about treatment/care
- Staff available to talk about worries/concerns
- Privacy when discussing condition/treatment
- Informed about medication side effects (where appropriate)
- Informed who to contact if worried about condition
- Attitude of staff



Performance in the graph below shows a steady improvement in performance and achievement of the target of 10% improvement from baseline by Quarter 4.

7. Improving our reputation with key stakeholders such as GPs, Local Authorities and Practice Based Commissioners (PBCs) (EFFECTIVENESS)

Target	Result	Outcome	Direction of travel
n/a	n/a	Outcome achieved	Improving



Following the comprehensive GP survey undertaken in 2010/11 the Executive Director of Community Services Bedfordshire met with a number of GP practices serving the population of Bedfordshire in 2011/12. Feedback from the meetings was positive:

- GPs have seen an improvement in the communication with CHSB – GPs welcomed the new Service Directory.
- Movement of teams has reduced – although there have been occasions when staff have been moved without prior notice (i.e. to cover sickness etc). This has also now been addressed and CHSB have committed to provide advance notice before any movements are made.
- The reputation of CHSB has improved over the last twelve months.
- Contact with CHSB clinical staff is generally good but contact with named Community Nurse / Health Visitor and Community Matrons could be strengthened further – this has now been addressed by the introduction of the Named Practice Guide which has been well received.
- GPs are looking to see how SEPT will provide an integrated CHSB and Mental Health (MH) service.

3.1.3 South East Essex Community Health Services (SEECHS)

South East Essex Community Services identified a number of Quality Account indicators for 2011/12 aimed at improving health services. A selection of these indicators and the progress that has been made against them are outlined below.

1. To develop Integrated Locality Care in partnership with NHS colleagues, Southend Borough Council, Essex County Council, and our partner organisations in the private and third sectors (EFFECTIVENESS)



Work is on-going with Estuary Clinical Commissioning Group (CCG) to scope the vision for the Integrated Locality Working Teams and the relationship with the work streams relating to the whole systems model of Integrated Care.

Discussion with Essex County Council (ECC) is on-going; ECC have representation on the Single Point of Access Integrated Teams Steering Group, although as yet the Essex Health & Wellbeing Board has not formally agreed to progress integration.

The SEPT Project Manager post for the Integrated Locality Working initiative was successfully appointed into on the 3rd October 2011. Three work

streams are underway to facilitate the development of integrated teams with the Southend locality as follows:

1) SEE Community Services

Workshops/Engagement events with SEPTs South East Essex Community Services staff have been held to introduce the concept of integration and scope areas of potential conflict/engagement issues. Staff have been supported to identify how integration could improve their ability to deliver quality care to patients in a climate of financial constraints and competing resource demands.

2) Engagement with Southend Borough Council.

The formal consultation for the restructure of Social Care staff within Southend Borough Council (SBC) commenced on January 18th 2012; it is anticipated by the Council that staff will be working in their locality teams (although still based in the Council offices) in June 2012.

3) Multidisciplinary working with Estuary Clinical Commissioning Group (CCG) and SBC to case manage the frail elderly population

A schedule of monthly, practice level Multi-Disciplinary Team (MDT) meetings across all Estuary practices has been established. Each practice has an identified representative from the District Nursing and Long Term Conditions teams; in addition, specialist services (Continence, Diabetes, End of Life and MacMillan) have developed a process to support the MDT where their input is required. Social Care staff are a key component of the MDT process and each practice has an identified key worker who attends each meeting. Key deliverables have been identified and key risks have been documented, with mitigating actions agreed. To promote the benefits of integrated working staff are being supported to understand the impact of proposed changes, joint engagement events between Health and Social care are being organised and examples of patient stories (where outcomes have improved as a result of MDT working) are being shared with service users and professionals.

2. To support the development of South East Essex Practice Based Commissioning Clusters (EFFECTIVENESS)



Excellent relationships have been established with Clinical Commissioning Group and Primary

Care Trust (PCT) Colleagues in South East Essex to support the development of Practice Based Commissioning Clusters. The Executive Director for Essex Community Health Services now meets all Clinical Commissioning Groups and joint meetings with SEPT's Chief Executive will take place going forward. These meetings ensure that newly appointed GP leads and their supporting teams are aware of the issues facing community health services and provide opportunities for new service developments that solve system wide issues to be agreed.

3. To support the reduction in unnecessary hospital admissions in South East Essex through the community-based Urgent/Intermediate Care Programme (EXPERIENCE)

A number of steps have been taken during 2011/12 to support a reduction in unnecessary hospital admissions, including:

- The roll out of the End of Life Register with Community Geriatrician.
- The development of a Single Point of Referral which ensures patients are assessed by the most appropriate practitioner for their needs and appropriate care packages put in place, without the need for multiple referrals to different services.
- Providing extra capacity in the Collaborative Care Team.

4. To provide all ambulatory foot surgery via our Podiatric Surgery service in South East and South West Essex (EFFECTIVENESS)

This aim has been successfully achieved with all referrals now being diverted through the Podiatric Surgery service in both South East and South West Essex. Commissioners are in regular contact with GP's to ensure referrals are directed correctly. Activity is up in South West accordingly and further work is being undertaken by the Primary Care Trust (PCT) to address the East referral pathways. The PCT is very supportive of the service and patient

satisfaction is consistently high as monitored by the national audit programme adhered to in this area.

5. To achieve accreditation at Level One of the NHS Litigation Authority Risk Management Standards (SAFETY)

The assessment of all of SEPT's services took place in February 2012 and Level One accreditation was successfully achieved.

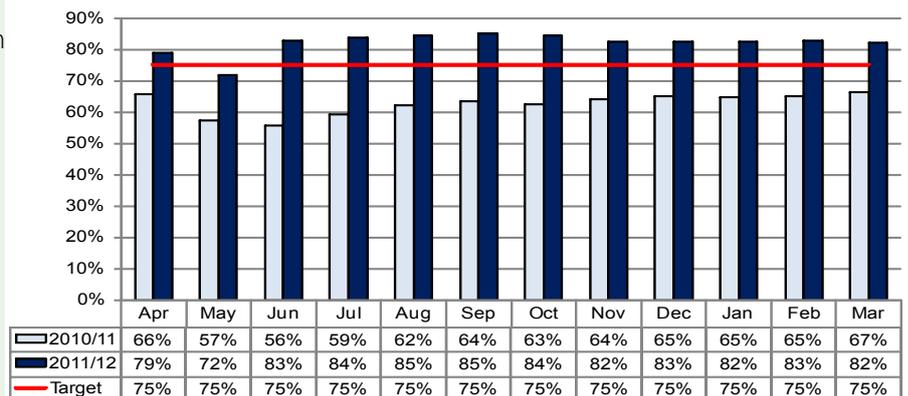
6. To increase the number of women who are supported to breastfeed their babies (EFFECTIVENESS)

An action plan was put in place to improve the quality and support available to breastfeeding mothers to initiate and continue breastfeeding. This is monitored regularly by the Trust through an identified steering group with membership from midwifery and commissioners. A training programme is in place for staff and an audit has been completed and the breastfeeding policy updated. In addition the UNICEF Level 1 assessment has been completed.

There is greater understanding of the needs of women in this area through analysis of audit feedback; learning points have been incorporated into the action plan that has helped to involve and focus the efforts of the broader team including midwives, health visitors, school nurses and trained volunteers. Continuation of breast feeding has improved and the network of support established means rates should be sustained for the future.

Breastfeeding prevalence has increased significantly in 2011/12 when compared with 2010/11 ending the year at 82% compared with 67% in March 2010/11.

**South East Essex Community Health Services
Prevalence of Breastfeeding at 6-8 weeks**



3.1.4 West Essex Community Health Services (WECHS)

West Essex Community Services identified five Quality Account indicators for 2011/12; an update on progress for each is provided below.

1. Infection control - To reduce the incidence of urinary tract infections related to short term and long term indwelling urethral catheters (SAFETY)



West Essex Community Health Services have adopted the high impact intervention urinary catheter care bundle published in June 2011.

Regular auditing of the care bundle actions supports the cycle of review and continuous improvement in care settings.

Compliance has been audited each month and compliance evidenced. Audit results will continue to be completed and monitored by the Trust.

2. Safeguarding Children (SAFETY) measurable criteria

No

- Ensure learning from recent case reviews fully incorporated into practice.

Aim - All serious case reviews to be presented at team meetings and at quality, risk and governance committee meetings to ensure Board acknowledgement.

Progress – Regular review of minutes of meetings have been undertaken and action plans set up where extra learning needs to be established in practice.

- Increase the number of adult service practitioners who have had safeguarding children training.

Aim - All adult teams who treat children to have completed appropriate safeguarding training via e-learning or classroom sessions.

Progress - Routine reporting of training uptake is completed on a monthly basis by the Trust

and any issues are escalated as appropriate and in accordance with the Essex Wide Safeguarding Policy.

The current compliance rate for safeguarding training across the West Essex Community Health service teams is reported as follows;

Safeguarding Level 1 (93%)

Safeguarding Level 2 (93%)

Safeguarding Children Level 3 (80%)

This demonstrates a positive level of training compliance at the yearend.

- Continue to provide and monitor staff safeguarding supervision.

Aim - 100% of staff case managing children who have safeguarding needs will comply with the safeguarding supervision policy.

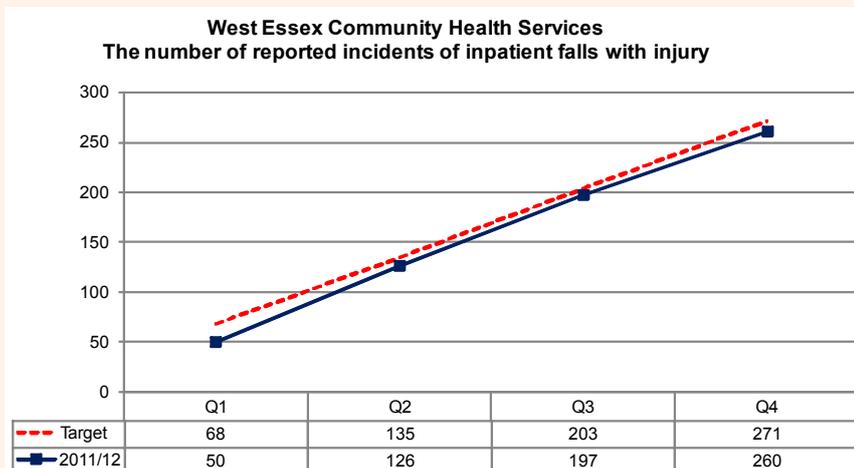
Progress - Monthly reviews of supervision uptake and escalation process to line manager are in place for staff not attending safeguarding supervision.

3. Falls prevention (SAFETY)

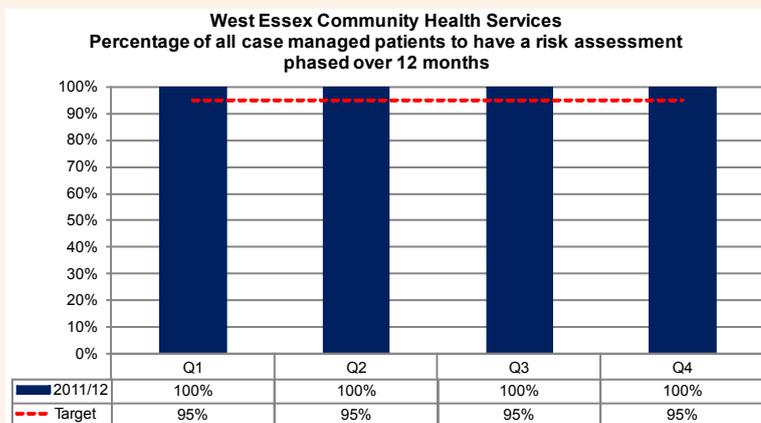


Falls prevention has been monitored routinely and reported through the monthly Performance & Quality Report to SEPTs Executive Team and Board.

There were 260 reported incidents of falls by in-patients during 2011/12. There were 301 falls reported in 2010/11. The target of a 10% reduction from the 2010/11 outturn was therefore achieved.



A management of falls policy is in place and patients identified as high risk are monitored by electronic devices. Patients also receive information regarding falls management. During 2011/12 we were able to report that 100% of case managed patients had a basic risk assessments carried out.



4. Urgent care - Improve access to services, Implementation of virtual ward and reduce unnecessary emergency admissions to hospital (EFFECTIVENESS)

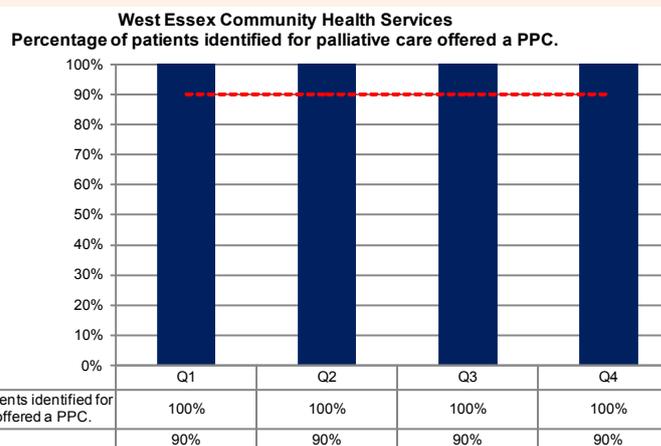
Aim - To reduce the number of attendances, and admissions to secondary care, through the provision of accessible community urgent care services. Additionally, to support timely discharge from hospital where appropriate, to enable people to manage their health needs within their own home.

Progress – The virtual ward is operational and the performance of this and other emergency / urgent services, such as, the Single Point of Access (SPA) and the urgent care centre, is monitored both through daily and monthly urgent care performance reports. A basket of 28 indicators are used to report the progress of the services and towards the end of 2011/12 SEPT has worked closely with commissioners to identify further measures to support evidence of a reduction in unnecessary emergency admissions. The monitoring will be carried forward into 2012/13 as part of SEPTs contractual reporting requirements.

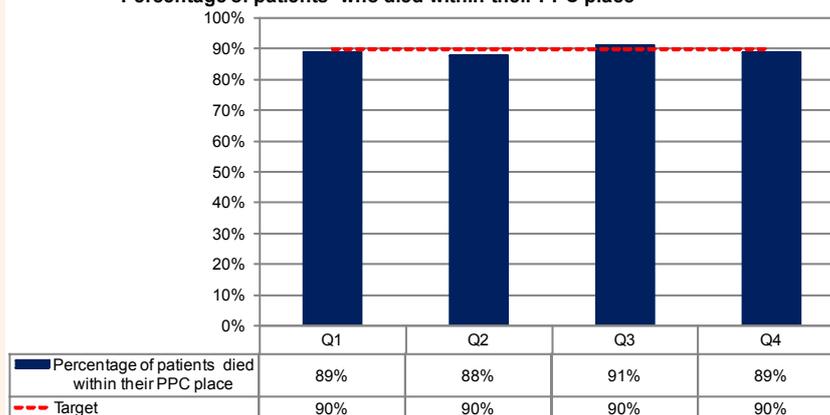
5. End of life care - to increase the number of people who are able to die in their preferred place of care (PPC) (EXPERIENCE)

No measurable criteria

During 2011/12 100% of patients identified for palliative care were offered a preferred place of care (PPC) and 89% of patients died within their PPC.



West Essex Community Health Services
Percentage of patients who died within their PPC place



3.1.5 Mental Health Services Bedfordshire, Luton and Essex

In the 2011/12 Quality Accounts five priorities for improvement were identified for Mental Health services across Bedfordshire, Luton and Essex.

1. Support provided to carers (EXPERIENCE)

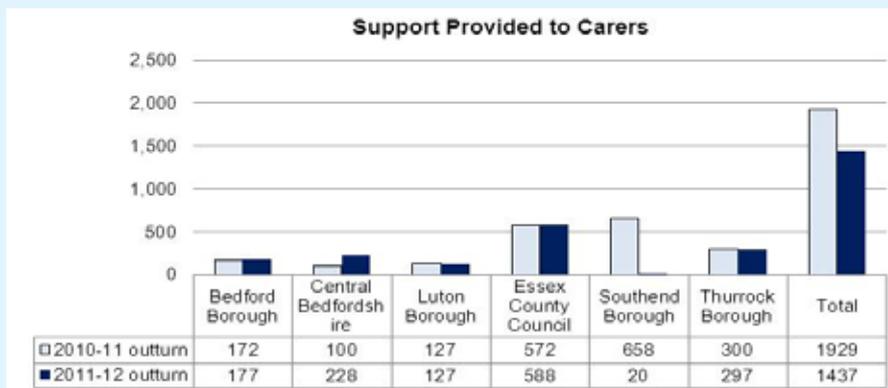
Target Increase the number of carers who receive a service as a result of having a carers assessment

Result	Outcome	Direction of travel
Overall increase	Outcome achieved	Improving



The role of carers and the support provided to them remains as the most consistent feedback theme obtained from all carers, LINK members and Local Authority partners.

When considering performance it should be noted that a change in reporting methodology was introduced in Southend Borough Council at the end of 2011/12 which results in only carers of services users who meet Fair Access to Care eligibility being included and therefore is not comparable with the 2010-11 outturn position reported. If the methodology had remained unchanged 402 carers would be reported below. The number of carers receiving a service has shown a significant increase in Bedfordshire & Luton during 2011/12 where the greatest need for improvement was originally identified.



2. Recovery focused services (EFFECTIVENESS)

Target Evidence the effective implementation of recovery planning using the Recovery Star outcome measurement tool

Result	Outcome	Direction of travel
	Target achieved	Improved



Recovery was identified as a health commissioner priority and as a local quality priority during 2010/11 and therefore the Recovery Star outcome measurement tool was introduced within Mental Health Services in both Bedfordshire and Luton and South Essex in 2011/12.

The first task of the Trust's implementation plan was to train care coordinators in the use of the Recovery Star tool with Service Users. The UK's leading Recovery Star training consultancy and designer of the tool 'Triangle Consulting', was commissioned to deliver this training to all adult Community Mental Health Teams (CMHTs) within SEPT.

Processes were introduced to support the monitoring of implementation, and to meet commissioner needs, the measures differed between the Trusts two operating areas, Bedfordshire & Luton and South Essex.

By the end of Quarter 4, in Bedfordshire and Luton, 58% of adults being actively managed by a CMHT had one Recovery Star tool completed and 16% had two Recovery Star tools completed.

In South Essex, 96% of adult service users were offered the opportunity of completing a Recovery Star at their Care programme Approach review and 32% of those service users had completed at least two Recovery Star dimensions.

Both positions represent achievement of the contractual targets set by commissioners and evidence implementation of the Recovery Star tool.

Obtaining the views of Service Users, Care Coordinators, Clinical Supervisors and Managers was also considered key in identifying the suitability and effectiveness of the implementation. Therefore at a recent 'Let's Talk about' Trust event there was a focus on Recovery Star. Service Users were overwhelmingly pleased with the roll out of Recovery Star and were keen to see it rolled out to other services outside of the scope of the Trusts existing plans.

Managers, Care Coordinators and Clinical Supervisors identified that the Recovery Star was a valuable tool in improving the quality of outcome based care planning.

At a recent Trust conference 'Recovering a Life – Changing Perspective' Service Users were asked what they think of the Recovery Star. Collated feedback highlighted that the Recovery Star:

- enables a helpful conversation;
- is good to be listened to;
- is a working tool for staff and service users and it helps to break processes down into manageable steps;
- helps you to be treated as an individual;
- helps service users to build on success;
- is holistic;
- should lead to the construction of a meaningful care plan;
- enables service users to define their own recovery;
- easy to 'read off' your strengths and weaknesses;
- could be shared with support networks (such as family and friends);
- should be able to show that practical support is really important;
- helps you to understand that you can make choices;
- builds mutual respect;
- offers hope;
- means I can work at my own pace.

The priority to deliver recovery focused services has been delivered through the implementation of the Recovery Star tool during 2011/12 and has supported widespread use and adoption of Recovery Star as the preferred tool for care planning with Service Users.

The Trust is committed to its long term use and spread to other services, and is contributing to the development of a national Learning Disabilities Recovery Star tool.

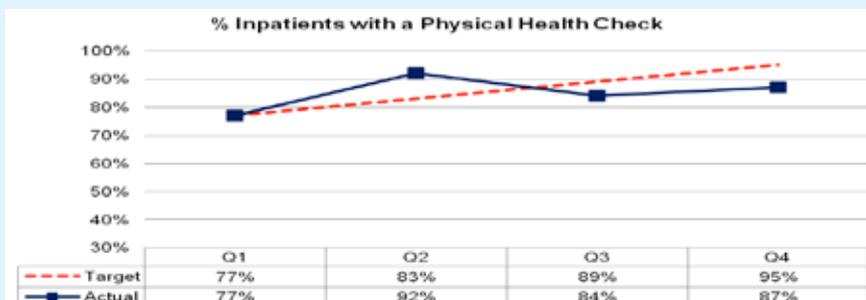
1. 3. Physical Health (EFFECTIVENESS)

Target 95% of in-patients will have a physical health assessment within 24 hours of admission

Result	Outcome	Direction of travel
87%	Target not achieved	Improving



As a result of analysis of serious incident trends and as a result of feedback from staff and stakeholders, further action was taken in 2011/12 to ensure that the physical healthcare of our patients was considered integral to the care and treatment package provided by our specialist mental health in-patient services.



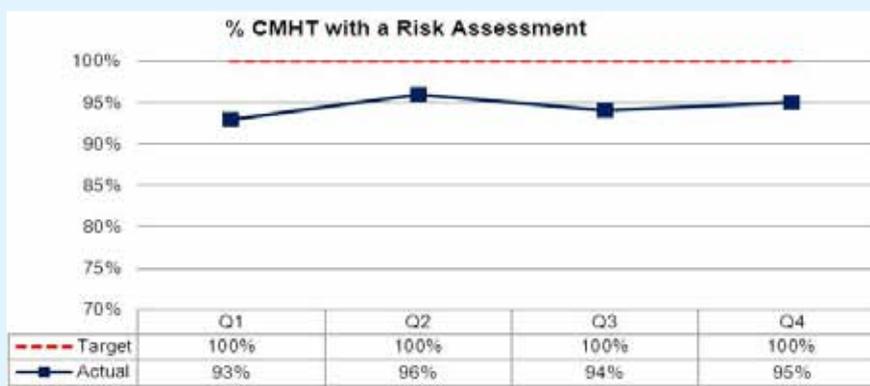
The aim was to determine a baseline in quarter 1 and achieve the target by quarter 4. There has been an improvement in delivery of physical health assessments from the baseline level of 77% with overall compliance up to 87.3% in March 2012, however despite the training and support provided to staff, this has not achieved the target of 95% compliance expected. The target will be rolled forward into 2012/13 for on-going monitoring.

4. Risk Assessment (SAFETY)

Target 100% of service users will have a current risk profile and active risk management plan in place



Result	Outcome	Direction of travel
95% with assessment	Target not achieved	Improving
94% Plan in place	Target not achieved	Not improving



The quality of clinical risk assessment and formulation was identified as a potential trend associated with serious incidents in 2010/11; it is an integral part of the care planning process in which service users should be fully involved and was identified by staff as an area where further improvement was required.



Whilst the Trust was able to demonstrate some improvements during 2011/12 the target of 100% of risk assessments and risk management plans was not achieved. This does not necessarily indicate that risk assessments have not been carried out. The audit carried out to monitor progress

looked for specific tools/paperwork to be completed. A review of the audit methodology and on-going training will be carried forward into 2012/13 to achieve consistent results.

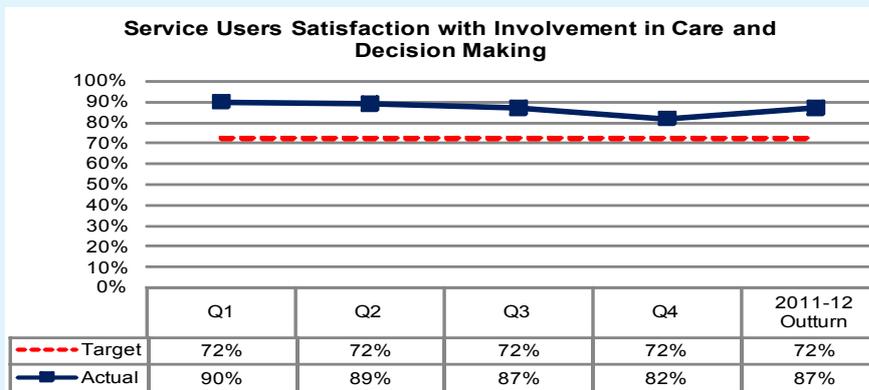
5. Service User Involvement in Care and Decision Making (EXPERIENCE)

Target Year on year increase in satisfaction expressed by service users relating to their involvement in care and decision making.



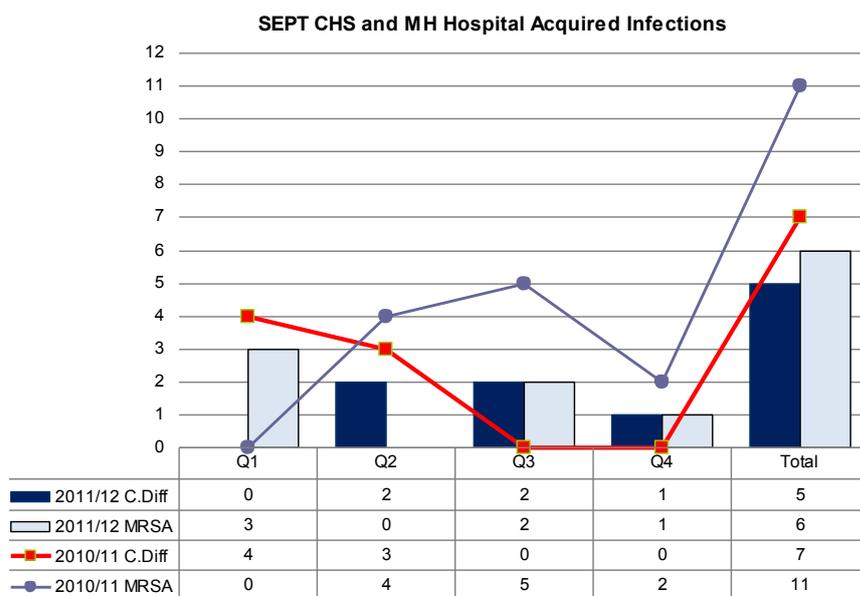
Result	Outcome	Direction of travel
72%	Target achieved	Improving

Patient experience in community mental health services has been an on-going cause for concern for the Trust and an area Stakeholders have identified as a continuous priority. As a result SEPT identified improving service user satisfaction with involvement in their care and decision making as a priority for 2011/12. SEPT are pleased to report that this target was successfully achieved.



3.2.1 Trust Wide

Hospital Acquired Infections (PATIENT SAFETY)



Data source: Infection Control Nurses KPI data collection sheets

National definition applied: Yes

The national target is a reduction in the number of blood borne cases of MRSA Bacteraemia. The prevention of infection by a health care organisation is a key expectation of patients and also key control for the Trust in improving patient safety. The DoH and Health Protection Agency mandatory reporting scheme for MRSA bacteraemia cases involves acute trusts only.

The NHS Outcomes Framework (December 2010) contains an indicator measuring the incidence of MRSA and C.Difficile at a national level which underlines the continued and ongoing importance attributed to infection control.

Hospital acquired infections reported in Mental Health and Community Health Services during 2011/12 were lower than in the previous year.

Complaints (PATIENT EXPERIENCE)

The Trust maintains that complaints can be a valuable source of information from which the organisation can learn. Increases in the number of complaints should therefore not necessarily be interpreted as a sign of poor performance (and vice versa).

Area	Number of Complaints Handled
Mental Health – Essex	159
Mental Health – Bedfordshire & Luton	127
Community – South East Essex	28 since 1 August 2011
Community – West Essex	29 since 1 August 2011
Community -Bedfordshire	38 since 1 September 2011

A total of 286 formal complaints were received for mental health during 2011/2012.

Since we acquired the three community services (West and South East Essex in August 2011 and Bedfordshire in September 2011), a total of 95 formal complaints were received (28 from South East Essex, 29 from West Essex and 38 from Bedfordshire).

In Bedfordshire and Luton mental health services the number of complaints has risen from 103 (2010/11) to 127 this year, an increase of 24 (23%). The increase was experienced in the second half of 2011/12. The number of medical staffing related complaints represented the largest reason for the increase. There were no further trends identified in terms of same doctor etc. There was a campaign to raise awareness about the complaints process in August/ September, which included re-distribution of leaflets and promotional materials which could have contributed to the increase experienced. We do not see an increase in complaints as negative; in fact we positively welcome them as a way of learning where improvement can be made!

Complaint Themes	Total Number of Complaints Received (2011/2012)	Well Founded	Partially Founded	Total
Unhappy with treatment	195 (68%)	2	28	30 (15%)
Staff attitude	81 (28%)	8	17	25 (25%)
Communication	35 (12%)	10	7	17 (48%)

Area	2010/11 Baseline	2011/12 Outturn	% change	Direction of travel
Bedfordshire & Luton Mental Health	103	127	23%	▲
South Essex Mental Health	158	159	-0.6%	▼
SEPT	261	286	+9.5%	Increase

Data source: Datix

National definition applied: N/A

A total of five complaints for mental health were referred to the Parliamentary & Health Service Ombudsman and no actions/recommendations were made on four. One complaint from Bedfordshire and Luton is under investigation. No complaints in respect of community services were referred to the Parliamentary & Health Service Ombudsman from August/September to March 2012.

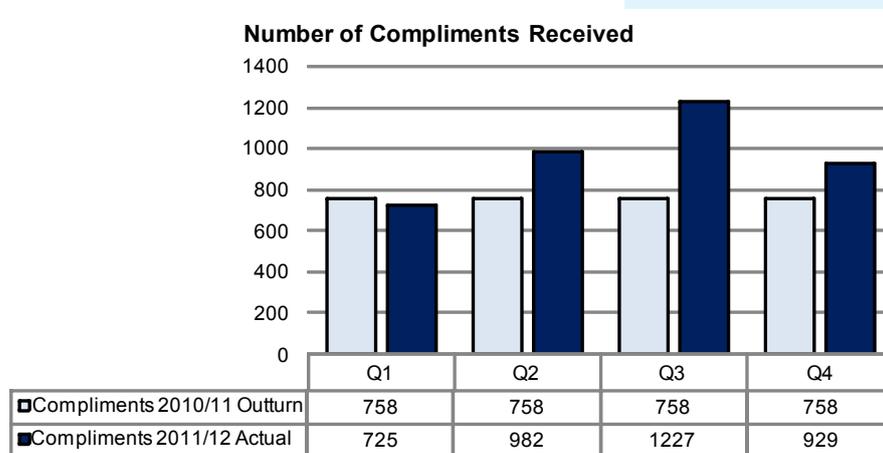
Nature Of The Complaints Received

The top three themes for complaints for both mental health and community during 2011/2012 were; unhappy with treatment, staff attitude and communication. The table below shows figures for mental health only as we are unable to access community data.

Of the 195 of complaints received in respect of those unhappy with treatment a total of 30 were either well or partially founded. Of the 81 complaints received regarding staff attitude a total of 25 were either well or partially founded. Of the 35 complaints received regarding communication a total of 17 were either well or partially founded.

Compliments (PATIENT EXPERIENCE)

In addition to the monitoring of complaints SEPT monitors the number of compliments received and is pleased to report an increase in the number of compliments received during 2011/12 in comparison to 2010/11.



Data source: Datix

National definition applied: N/A

These figures include compliments received about mental health and community health services since 1 April 2011.

Mental Health - Essex

- Dear Dr B, I am making contact to thank you for all your care and attention concerning my son. Under your supervision he has gradually improved and is doing well, he has been housed where he feels safe and secure. Thank you again for your help and kindness.
- Knightswick Clinic - Dear B, It pleases me to say that your work with me, has made a great difference, particularly recently. I have always enjoyed your support, which is given quite unconditionally. When I was unable to drive, I would like to give a very personal thank you for providing transport and support.

Mental Health - Bedfordshire & Luton

- The Lawns - I have been seeing Dr V for some time and I have just made a plan with her for my discharge. When I first started seeing her I was close to giving up on my life. It has been very hard going but she never gave up on me and has taught me so much. I feel so privileged and honoured to be one of her patients. She is dedicated and professional and such a helpful person. We cannot afford to lose people like her."
- My 90 year old mother was admitted to Milton Ward as she suffers with Dementia and had not been allowing anyone to care for

her, resulting in a serious pressure sore. I was very guilty admitting my Mum into hospital. I need not have worries as Mum was settled and she appeared calm. The staff showed her care and understanding at all times, I cannot praise the staff enough. They were also kind and understanding to me and my husband. As a result of Milton Ward care, my mum was transferred to a care home today, pressure sore free and calmer due to the care she received from staff. Thank You.

Community Services – South East Essex

- I would like to express my immense gratitude for the great care and kindness you showed my husband during the last seven months and for the tremendous support you gave me during that time. I know that he really appreciated your care and did enjoy his chats with you all. For me the guidance and encouragement you provided gave me the confidence to keep my husband at home, which was very important to both of us.

Community Services – West Essex

- My father died recently at St Margaret's Hospital Epping. The care given to him and us was just amazing. Their kindness/compassion should be held as an example to other hospitals.

Community Services - Bedfordshire

- I feel very fortunate to have all these people to help my wife and I. The Parkinson's Nurses speak to you and listen to you in a manner which is down to earth and practical. We have two wonderful Parkinson's Nurses worth their weight in gold and much more.

Patient and Carer Experience and Engagement

The Trust is committed to engaging and involving service users, carers, as well as third sector partners and agencies in policy, practice and service development. We work closely with stakeholders in the voluntary and third sector, including MIND, Carer Support Groups, Advocacy, Impact, the Independent Complaints Advocacy Service, LINKs and various housing and young people's organisations. We place an emphasis on ensuring that involvement and engagement with stakeholders is meaningful to each individual. We would like to thank all the



service users, carers and stakeholders who have volunteered to work with us on many issues.

Patient Experience Feedback

Using Patient / Carer Experience Feedback helps:

- SEPT to provide responsive services based on people identified needs;
- to build trust and confidence in the service;
- to improve communication;
- patients and carers to shape the services that they use.

There are many different ways that we gather feedback from people who use our services:

Mystery Shoppers (Patient and Carer experience feedback method)

Mystery Shoppers are service users and carers who are invited to comment on their actual experiences of using the Trust's services. The feedback is real time feedback so the Trust can act quickly if needed. The feedback is an important indicator of how people felt about their experience and it helps the Trust to see experiences through the eyes of someone who is actually receiving the service.

The feedback from Mystery Shoppers can be about face to face meetings, telephone calls, letters, a visit from SEPT staff or any attempt to gain access to a Trust service. Mystery Shoppers are recruited by the patient experience team. The identity of Mystery Shoppers remains confidential between the Patient Experience Team and the Chief Executive. Mystery Shopper feedback to managers and staff is anonymised.

The Trust organises regular feedback sessions with the Mystery Shoppers and Mystery Shoppers also support the patient experience teams at other public events and Trust training and focus groups.

It is planned to roll out the Mystery Shopper initiative across the community services in 2012/13.

SEPT hosted a Mystery Shopper Conference at Cranfield University in March 2012. A promotional DVD on the Mystery Shopper initiative was launched and copies of this can be requested from the Patient Experience Team.

Supper with Consultants

These have become annual events in Essex and Bedfordshire & Luton whereby service users are invited to have 'supper' with the Chief Executive and a group of Consultant Psychiatrists. The informality lends itself to improving understanding from both service users and Doctor's perspectives. The events herald excellent feedback from all who have taken part.

LINKs

The Trust has developed good working relationships with the LINK organisations in all the localities where Trust services are provided. LINK members are invited to Trust events such as Planning Days and stakeholder groups. All LINKs meet with SEPT Chief Executive and/ or Senior Management team on a regular basis.

Customer Care Telephone Calls

Service Users are contacted by telephone following contact with SEPT services to gauge if they are satisfied with the service they have received. Any queries the service user may have are dealt with through the PALS service on their behalf if they wish.

PEx (Essex) and Service User and Carer Involvement Group (Beds & Luton)

PEx and the Service User & Carer Involvement Group meet quarterly, and receive reports on all involvement activity. Membership is made up of service users, carers, third sector representatives and senior Trust staff to discuss all aspects of patient experience at the Trust. The group is also used as a sounding board for new issues as well as giving members the opportunity to raise their own concerns or those from other service users and carers.

Bedfordshire and Luton Services for People who have a Learning Disability (SPLD) Service User and Carer Inclusion Forum

The forum meets on a monthly basis in various locations around Bedfordshire and Luton and involves service users, carers, governors and staff members. In addition, the forum is taken to the service users at locations such as day centres in order to engage a wide variety of people and additional engagement activities are planned. The aim of the forum is to gain feedback on services or consult to inform local planning decisions and

to influence governors as they function at board level. A challenge for the future is to use the forum to assist service users who have a learning disability to access the other forms of service user engagement around the trust.

Recruitment Panels

Service user and carer involvement in interview panels is a powerful signal to candidates that involvement is real here. It also helps to have people present at the interview who consider how the candidates interact with the service user or carer. This year SEPT staff delivered three recruitment and Selection training sessions for service users and carers.

Work with Schools and Young People

Work continues within secondary schools to raise understanding of mental health issues.

Our mental health awareness sessions with student groups are extremely popular. We tailor the talks to the requirements of the particular school or college.

Student Nurse Training

Service users and carers continue to be involved with the training of student nurses at the University of Essex. This has now been extended to an on-going training programme with the University of Essex in Southend.

PIPE (Patient Information in Plain English)

The Patient Information in Plain English Group is made up of service users and carers who review all draft SEPT leaflets intended for public use to ensure the information provided in the leaflets is clear and jargon free.

Let's Talk About ... Sessions

The Let's Talk About ... series of talks commenced in September 2011. The interactive and lively sessions are well attended by service users, carers, FT members and governors as well as local voluntary sector group members.

Topics covered to date are:

- Recovery Star;
- Out Patient Review;
- Advanced Statements / Advanced Decisions;
- Carers Strategy.

Take It To The Top Meetings

SEPT hosts annual Take It To the Top Meetings in each locality across the Trust. The meetings provide an opportunity for service users, carers, FT members, and the general public to meet with the Chief Executive, Trust Chair and Executive Directors to ask questions and express views about the services provided locally.

3.2.2 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 and West Essex over the past 12 months and where possible the past 24 months.

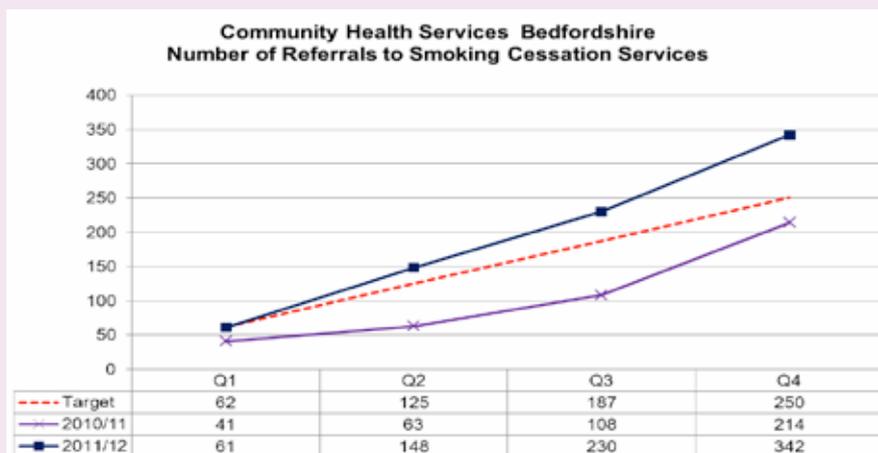
Smoking Cessation (CLINICAL EFFECTIVENESS)

Smoking Cessation targets are aimed at contributing to the reduction of the number of smokers within the population. Indicators can include the number of patients referred to Smoking Cessation Services, the number of patients who attend Smoking Cessation Services and the number of patients who actually quit smoking.

The Community Health Services Bedfordshire smoking referral target for 2011/12 was 250. CHSB achieved this target in January with two months of the year remaining. This was also a significant increase on the 2010/11 outturn of 214.

Data source: Public Health services

National definition applied: Yes



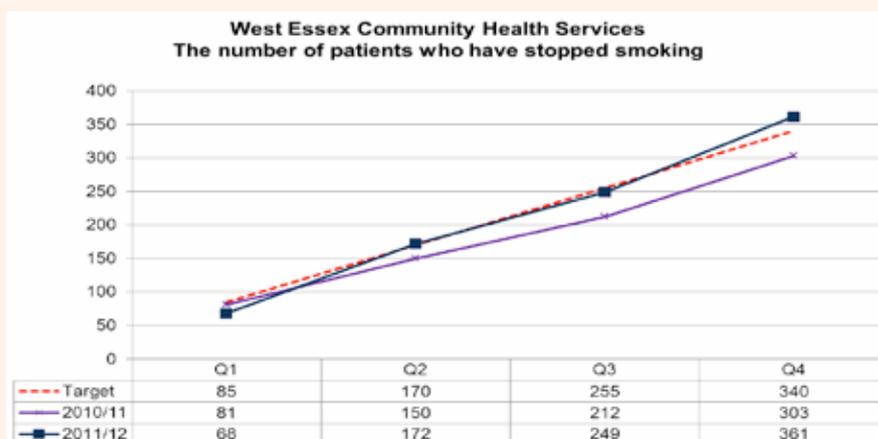
West Essex Community Services was set a target of 340 patients who stopped smoking in 2011/12. This was achieved by the services with a final outturn of 361. This was also a significant improvement on 2010/11 where 303 was the final outturn.

South Essex Community Health Services do not provide a smoking cessation

service as the function was returned to the commissioners in 2010/11 and currently delivered by Public Health.

Data source: Smoking Cessation database [Online]

National definition applied: Yes



South Essex Community Health Services do not provide a smoking cessation service as the function was returned to the commissioners in 2010/11 and currently delivered by Public Health.

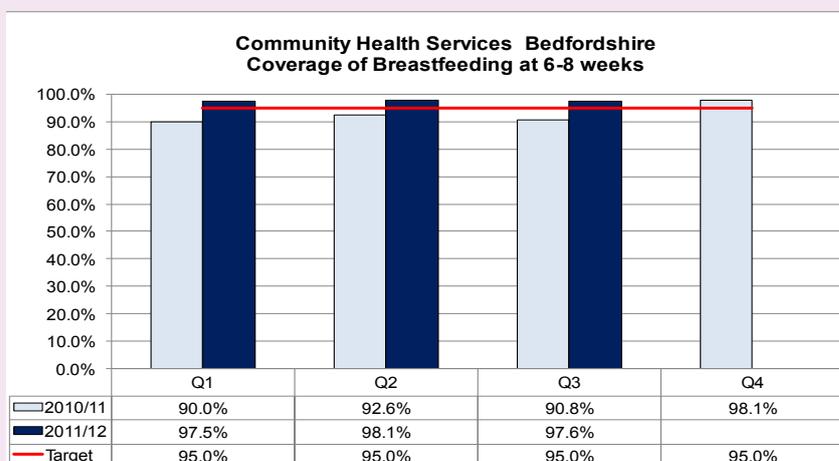
Breastfeeding (CLINICAL EFFECTIVENESS)

There are two types of breastfeeding measure used within community services. The first is breastfeeding coverage, which is the number of babies aged 6-8 weeks with breastfeeding status recorded. The second is breastfeeding prevalence, which is the number of babies being breastfed at the 6-8 week check. The West Essex position has previously been provided within the Quality Accounts – Look Back section of this report, however, the position for Bedfordshire and South East Essex are provided below.

For Community Health Service Bedfordshire the coverage of breastfeeding target at 6-8 weeks was 95%. CHSB achieved this target in Quarters 1, 2 and 3 with the Quarter 4 figures still to be published. This was a significant improvement on 2010/11.

Data source: SystmOne

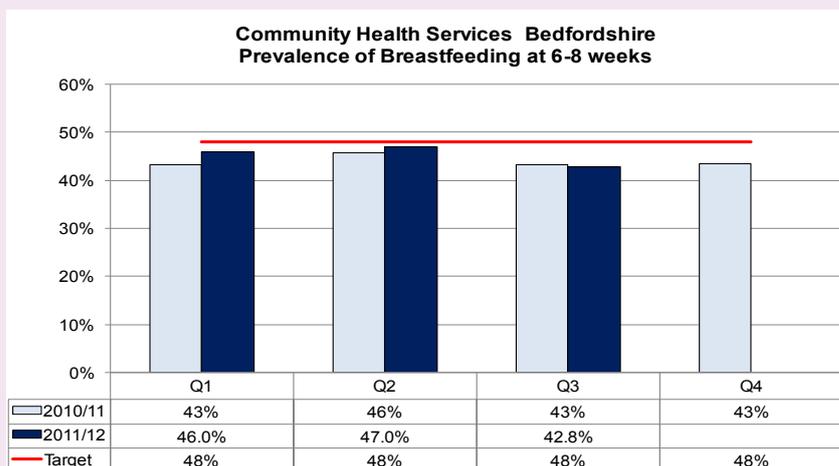
National definition applied: Yes



Community Health Services Bedfordshire is currently falling short of the 48% breastfeeding prevalence target at 6-8 weeks although performance has improved in Quarters 1 and 2 compared with 2010/11. The Quarter 4 figures are yet to be published.

Data source: SystmOne

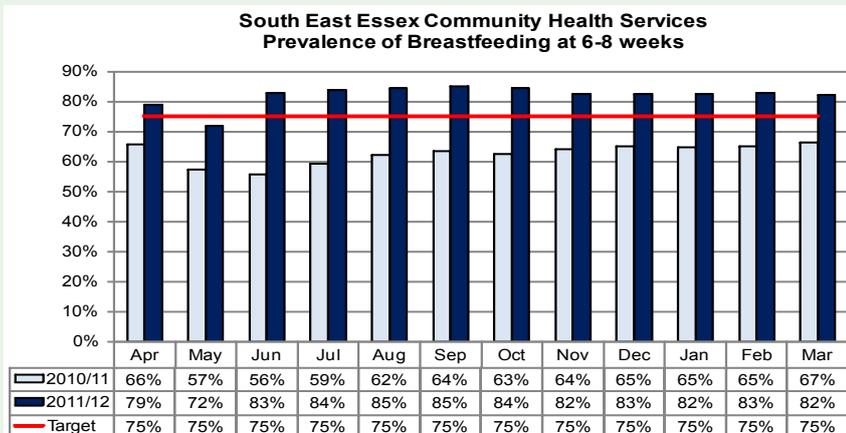
National definition applied: Yes



South East Essex Community Health Services met the breastfeeding prevalence target of 75% with an average performance of 82%. This was also a significant improvement on 2010/11 performance where breastfeeding prevalence averaged 63%.

Data source: SystmOne

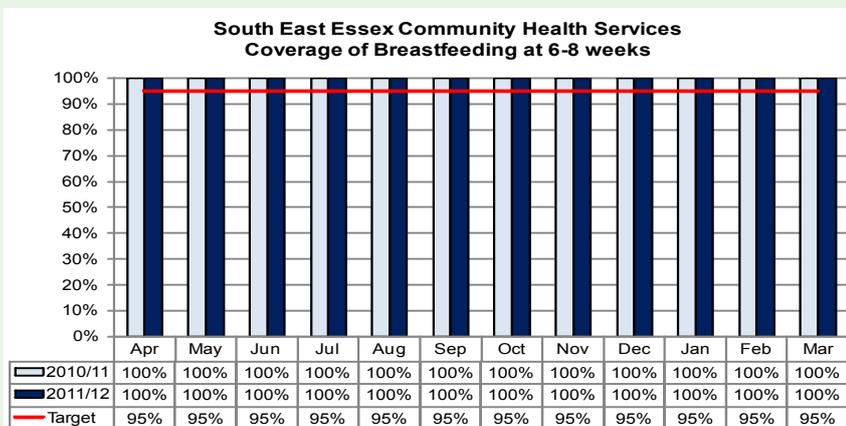
National definition applied: Yes



South East Essex Community Health Services also met the 95% breastfeeding coverage target performing at 100% throughout the year.

Data source: SystmOne

National definition applied: Yes



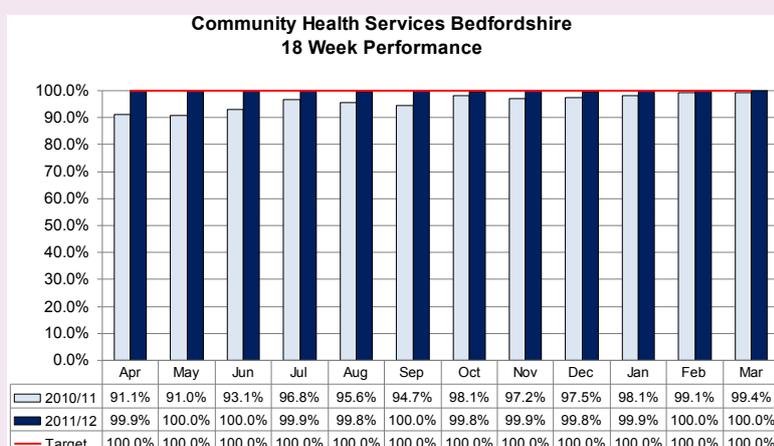
18 Week Referral to Treatment (PATIENT EXPERIENCE)

18 week referral to treatment performance measures the length of time in weeks between referral into the service and start of treatment. This is an important measure as it describes the length of time patients have had to wait for treatment. This is a national indicator and the target for services is to commence treatment within 18 weeks of referral.

Community Health Services Bedfordshire performance was consistently high throughout 2011/12, averaging 99.9% patients treated within 18 weeks. This was a considerable improvement from 2010/11 where performance averaged 96%.

Data source: SystmOne

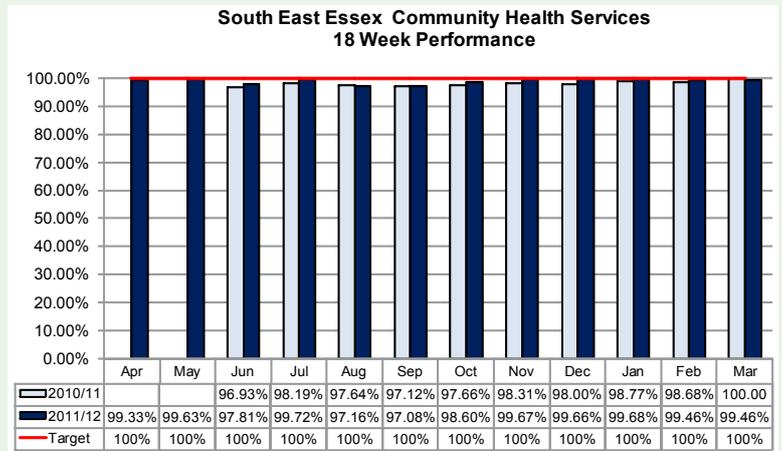
National definition applied: Yes



South East Essex performance is also consistently high over 2011/12 averaging 98.9% of patients commencing treated within 18 weeks of referral. This was an improvement on 2010/11 where performance averaged 98.1%.

Data source: SystmOne

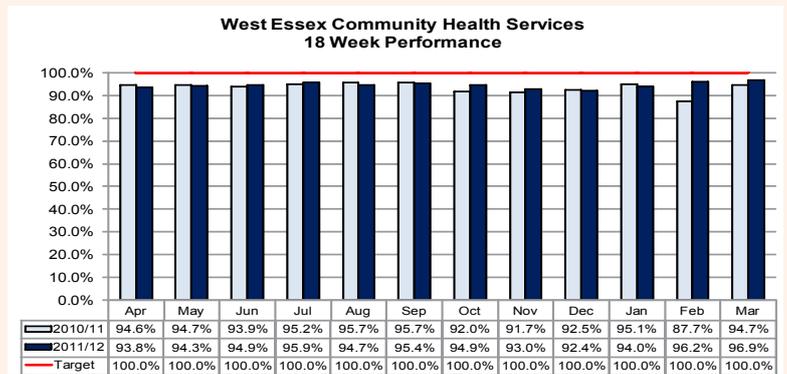
National definition applied: Yes



In West Essex Community Health Services performance averaged 94.7% for the year, however, performance did improve towards the end of the year as the 18 week backlog was cleared, reaching 96.9% in March. This was also an improvement in performance on 2010/11 where performance averaged 93.6% of patients treated within 18 weeks.

Data source: SystmOne

National definition applied: Yes



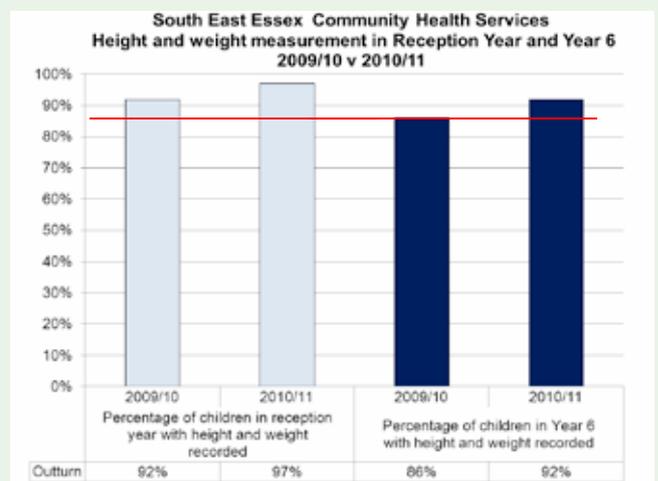
Height and Weight Measurement (CLINICAL EFFECTIVENESS)

This indicator records the percentage of children in reception year and year 6 who have had their height and weight measured. The programme is completed over the course of the school year, hence performance is shown September to August.

The target for South East Essex was to record the height and weight of 85% of the reception and year 6 children. Both of these targets were achieved in 2010/11 with performance reaching 97% for children in the reception year, and 92% for children in year 6.

Data source: School Nurses data collection templates

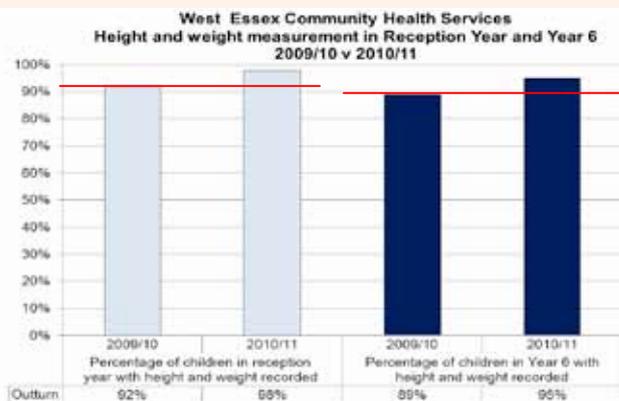
National definition applied: Yes



In West Essex the target was for 92% of the children in reception to have their height and weight recorded and 90% of the children in year 6 to have their height and weight recorded. Both of these targets were achieved with performance in 2010/11 reaching 97.7% for children in the reception year, and 94.9% for children in year 6.

Data source: SystmOne

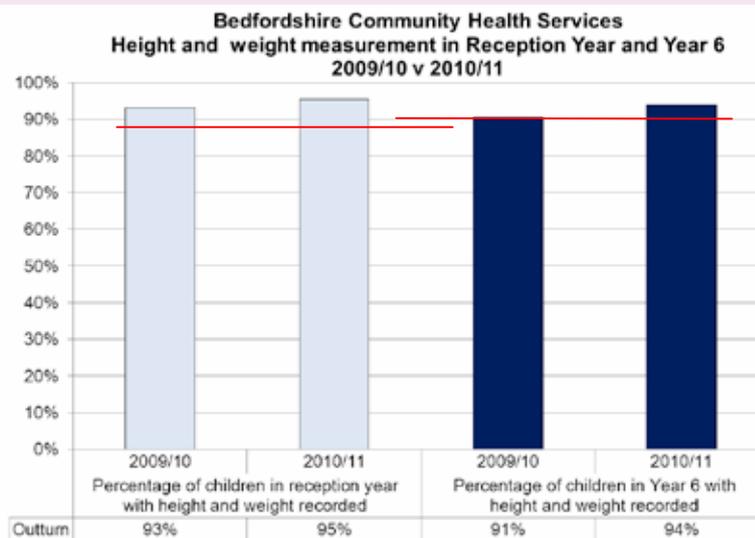
National definition applied: Yes



In Bedfordshire the target was for 89% of the children in reception to have their height and weight recorded and 90% of the children in year 6 to have their height and weight recorded. Both of these targets were achieved with performance in 2010/11 reaching 96.4% for children in the reception year, and 94% for children in year 6.

Data source: Public Health

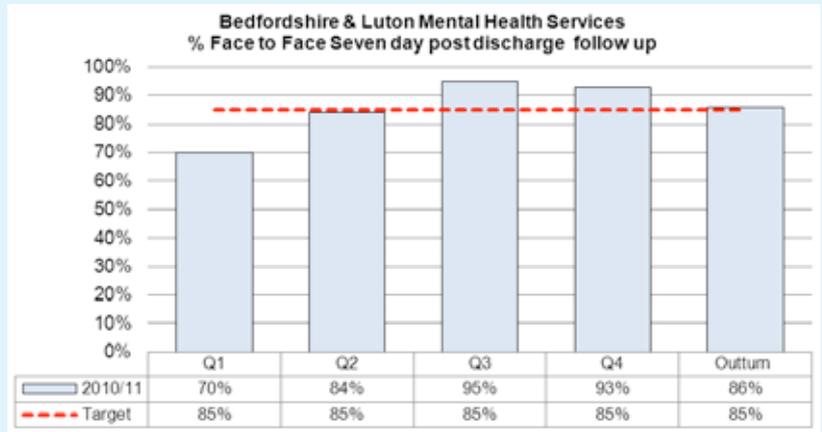
National definition applied: Yes



3.2.3 Mental Health: Local Quality Indicators

Seven Day Post Discharge Follow Up - Face to Face (PATIENT SAFETY)

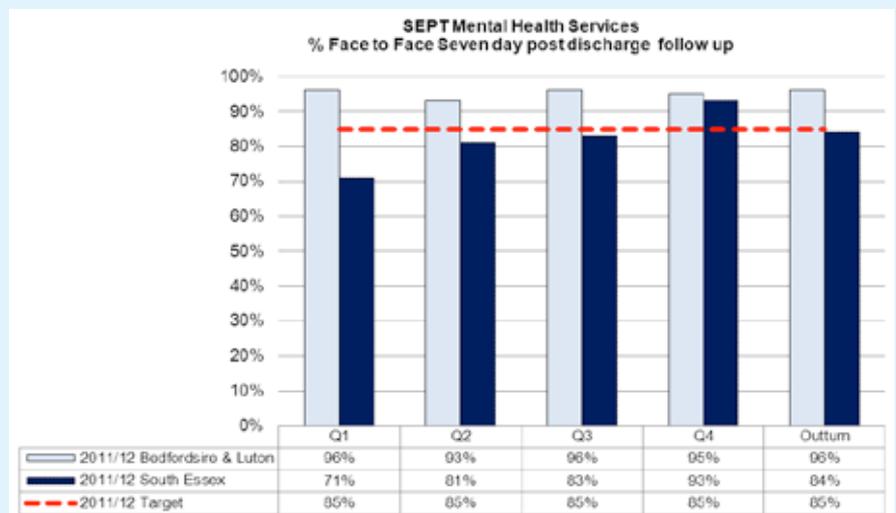
A national target applies for all inpatients discharged from hospital to receive a follow up from mental health services within seven days of discharge. The national indicator states that the follow up can be completed face to face or by telephone and in 2010/11 a quality improvement target was introduced by SEPT to ensure that 85% of patients received a face to face follow up, effectively reducing the number of telephone follow ups and improving the quality of care provided. The initiative was introduced initially in Bedfordshire and Luton, performance demonstrated for 2010/11 above



Data source: Careplus

National definition applied: n/a

SEPT wished to maintain this positive performance in 2011/12 and also to implement the same standard within South Essex and the graph below demonstrates the performance achieved during 2011/12. The performance within Bedfordshire and Luton has remained above the 85% target and steady improvements were evident in South Essex with achievement of the target in Quarter 4.

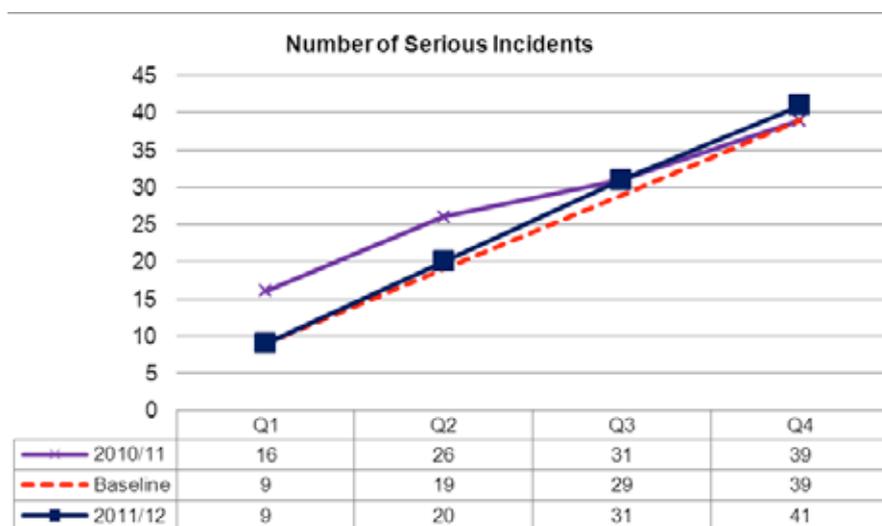


Data source: Careplus

National definition applied: n/a

Note: The Essex indicator was calculated differently from that in Bedfordshire during 2011/12. The calculating methodologies have been aligned for 2012/13.

Serious Incidents (PATIENT SAFETY)



Data source: Serious Incident Database

National definition applied: EoE and Midlands definition applied

The Trust reported 44 serious incidents (SIs) in total during 2011/12, however, two unexpected deaths were subsequently downgraded when the Trust was notified by Her Majesty's Coroner for Bedfordshire, Luton and Cambridge that they were due to natural causes. In addition

a fall that was reported in accordance with the NPSA's severe harm category was subsequently found not to meet the criteria as the fracture did not require surgical intervention. Therefore the total number of reported serious incidents in Mental Health for 2011/12 was 41. (Note that in May 2012, following a coroner inquest; a further serious incident was downgraded.)

The end of year position shows there has been a slight increase in serious incidents compared to the previous year. We are however now including incidents of certain fractures as highlighted above. In 2011/12 there were two. It should also be recognised that serious self-harm and injury is known to increase at times of economic stress, therefore as the recession continues the national and local trend may continue to show an increase in serious incidents.

Weekly monitoring of SIs provides the Executive Team with timely and detailed information about each serious incident as it occurs. In order to ensure that the risk to quality and safety of service delivery are identified and reported appropriately, the Executive Director of Clinical Governance & Quality has reflected on the serious incidents that have occurred in the previous month and during the cumulative reporting period to derive an appropriate risk level.

In addition to individual investigations any potential trends are examined by the Medical Director and the Executive Director of Clinical Governance & Quality with assistance from the Deputy Medical Directors. The type of incident, the location, including the team and any other common factors are specifically analysed to determine if any trends or themes have developed in the period. On reviewing the specified criteria in relation to the unexpected deaths no trends, themes or immediate areas of concern were identified in this time period.

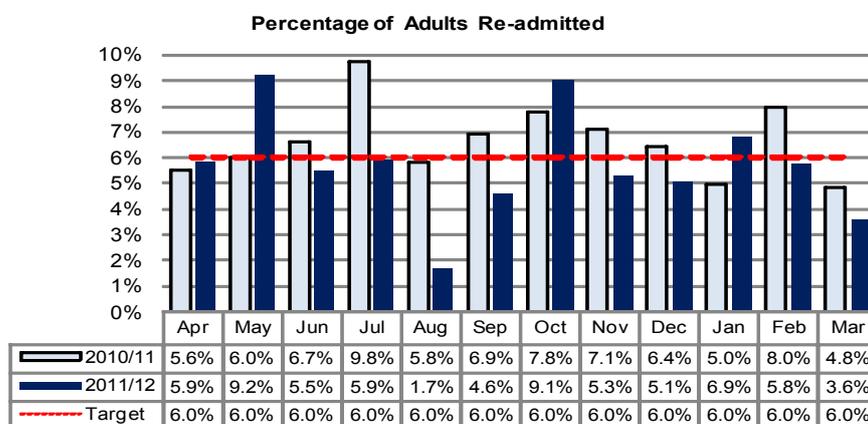
The Executive Team commissioned a Consultant Psychiatrist, external to the trust, to undertake a review of unexpected deaths over the summer. We are still awaiting the outcome of the review. In addition, South East Essex commissioned an Independent Review to seek assurance that the trust was learning lessons from Serious Incidents. This look back exercise considered action plans for a 5 year period. The report is in draft and will be shared and actioned accordingly when published by the Primary Care Trust.

Readmissions (CLINICAL EFFECTIVENESS)

Readmission rates have been used extensively in the past to conduct national reviews into health-check arrangements, and as part of CQC cross-checking arrangements. This indicator is monitored nationally on a calendar year basis but reported here as performance in the financial year.

The Board of Governors selected readmissions as a local indicator reported in the 2010/11 that would be subjected to independent testing by the Audit Commission in order to provide independent assurance on the quality of data used to report performance. The Audit Commission confirmed that the systems in place were sound. Some improvement to record management systems and development of admission and discharge profiles by clinical staff has been identified and will be taken forward.

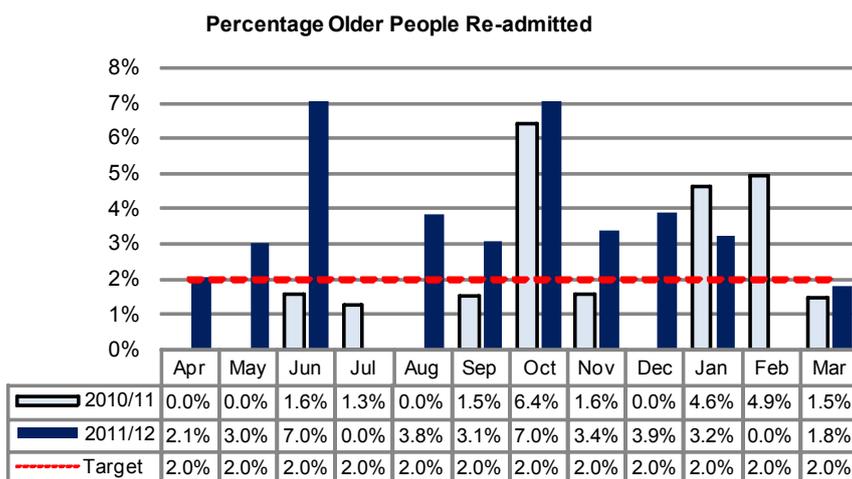
Adults



Data source: Careplus

National definition applied: Yes

Older People

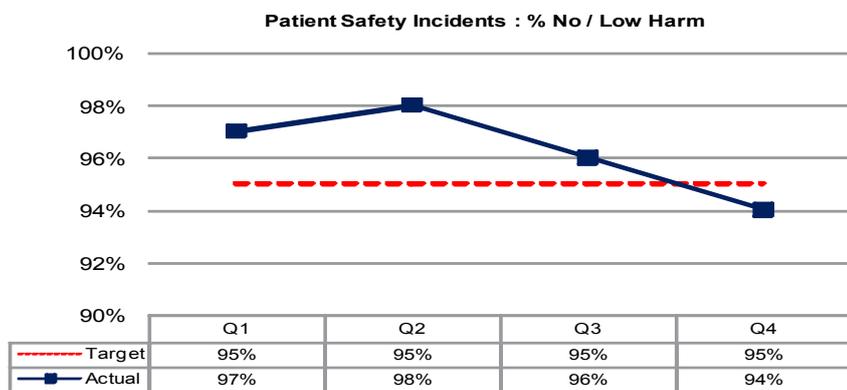


Data source: Careplus

National definition applied: Yes

Patient Safety Incidents – Reporting Rate and Degree of Harm (PATIENT SAFETY)

Patient safety related incidents are submitted by Trusts to the National Patient Safety Agency (NPSA) via the National Reporting and Learning System (NRLS). These incidents are adverse incidents that relate to



patient safety. Patient safety related incidents are analysed and benchmarked below against the cluster averages provided in the latest NPSA feedback report (which covers the period April 2011 to September 2011).

Data source: Datix

National definition applied: Yes

The NPSA feedback report shows an increase in patient safety incident reporting for SEPT, we are in the middle 50% of reporters compared to the previous report which showed us in the lowest 25%. SEPT reported 6 out of the 6 months via the NRLS, The Committee is advised that due to technical issues with the NRLS SEECHS were not mapped correctly to the SEPT account and two months' data for this service is missing from the latest feedback report (August and September 2011). The cluster reporting rate per 1000 bed days is 21.1 incidents. SEPT is reporting 17.1 incidents per 1000 bed days.

Data source: Datix

National definition applied: Yes

A variety of actions have been taken in year to encourage increased reporting as this has been a performance issue in subsequent quarters. Staff have suggested that the reason for under-reporting is the amount of time taken to report repeat and no harm/ low harm incidents and the Risk Team are currently developing systems to enable summary incident reports to be made.

SEPT Mental Health Services NPSA Patient Safety Incidents

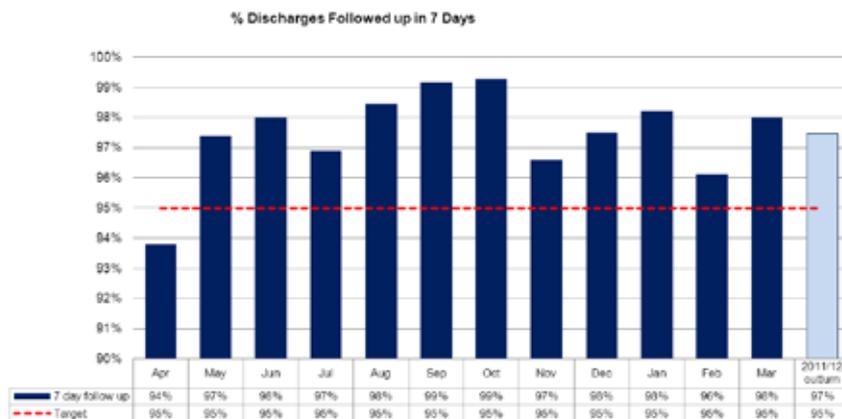


3.3 Performance against key national priorities

In this section we have provided an overview of performance in 2011/12 against the key national targets and indicators relevant to SEPT's services contained in Monitor's (NHS FT regulator) Compliance Framework.

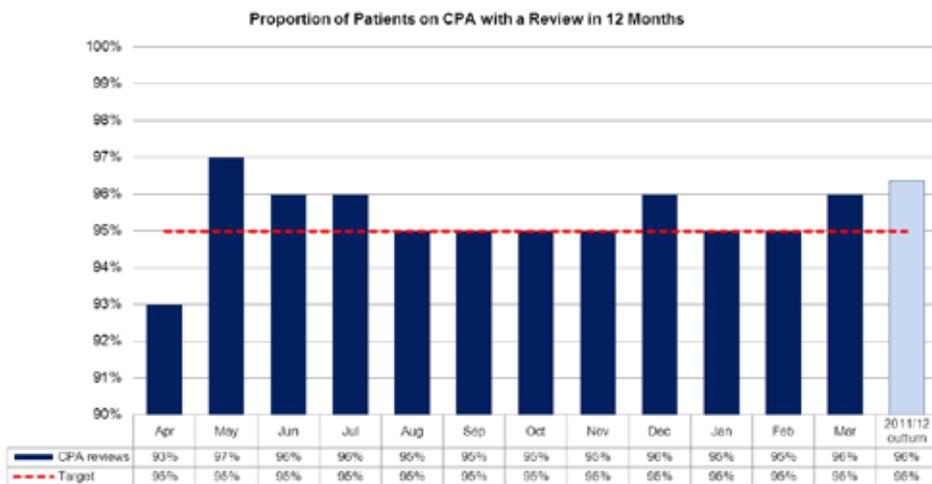
Seven day post Discharge Follow-Up

The target is to follow-up each discharge from a hospital bed within seven days with a contact (face to face or by telephone) from a mental health professional. MONITOR requires 95% achievement in the Foundation Trust compliance framework.



Proportion of people having a formal review within 12 months

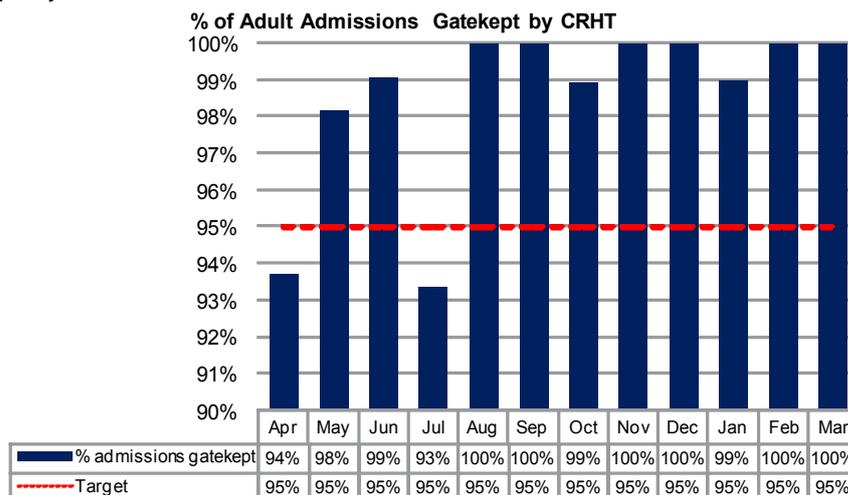
This indicator applies to adults who have been on the Care Programme Approach for at least 12 months. The definition of this indicator has been recently amended in the Compliance Framework and now comprises a snapshot of clients on CPA for over 12 months, together with any discharges from CPA



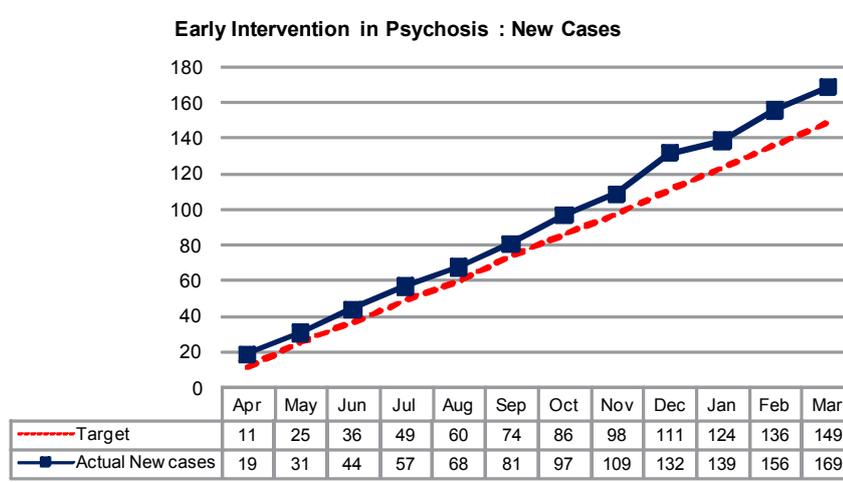
in the reporting period. The target set by MONITOR of 95% provides tolerance for factors outside the control of the Trust which may prevent a review being completed for all patients every 12 months.

% of adult admissions gatekept by CRHT

The MONITOR compliance threshold for this indicator is 90%, whereas the contractual target is 95%. The chart below shows performance compared to the higher threshold.

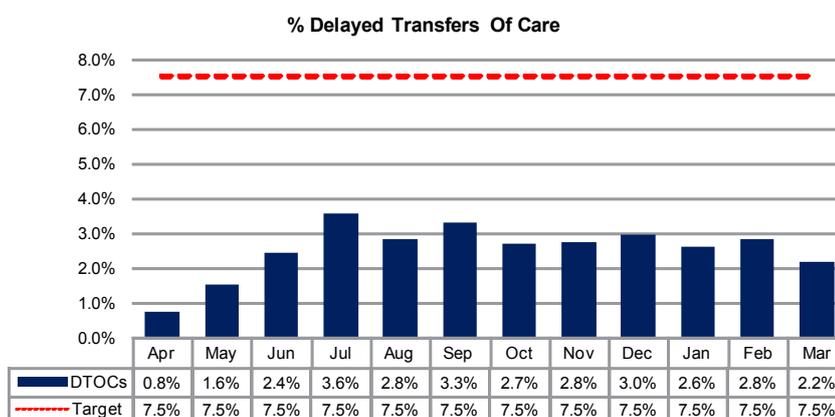


Early Intervention Services: New Psychosis Cases



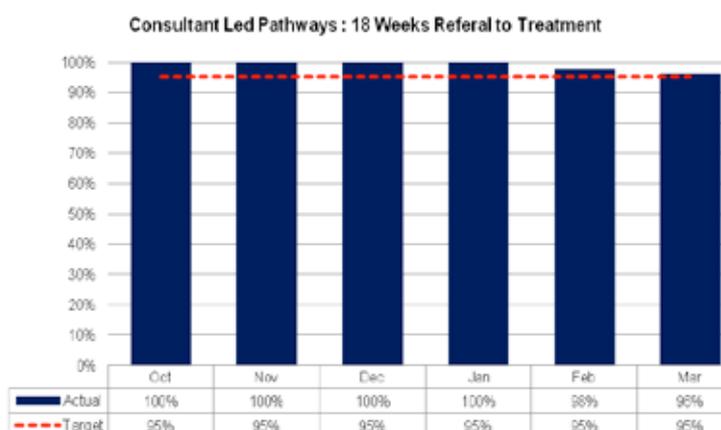
% Delayed Transfers of Care (DTOCs)

This indicator is calculated as the number of DTOCs due to NHS related issues for both mental health and learning disability service. The target established by MONITOR is less than 7.5% of patients should be Delayed Transfers of Care. The definition for this indicator excludes DTOCs due to social care issues.



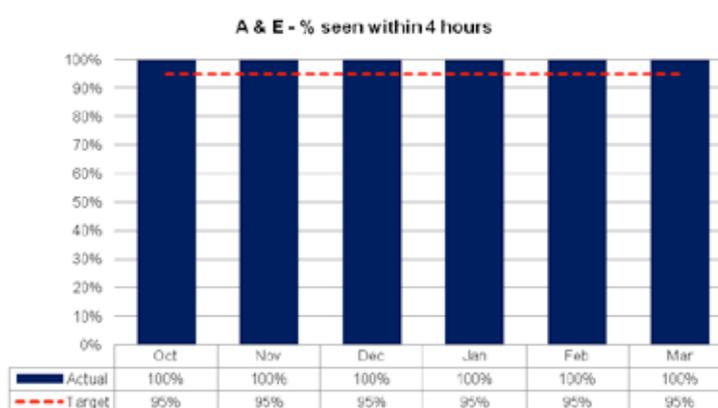
Referral to Treatment Waiting Times

This indicator measures waiting times for non-admitted consultant-led pathways. Waits are measured from referral to treatment commencement with a maximum waiting time of 18 weeks. The target is set at 95% and applies to the Community Paediatric Medical Service in Bedfordshire.



A & E Clinical Quality Indicator: Time in A & E

The A&E Clinical Quality indicators are only relevant to the Urgent Care Service that is provided in West Essex. This indicator measures the total time patients spend in A&E, the target is four hours or less and the threshold is 95%.



Closing Statement

This Quality Report is an annual reporting requirement with prescribed content. However, I hope I have given information in an open and useful way. As this report is an annual requirement I would be delighted to receive any ideas from readers as to how this could be made more interesting or useful for future years, and sincerely ask that if you have any ideas you contact me.

Information on progress with quality goals we sign up to are regularly reported at our Board of Director meetings which I would encourage all interested parties to attend. We also report on more locally focused issues at our Public Member meetings, where again I would encourage people to come and talk to staff and managers responsible for care in their area. You will be made very welcome, **I promise!**

If you have any questions or comments about this Quality Report or about any service provided by SEPT please contact:

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Annex 1 - Statements from Partners and Board of Governors



NHS Bedfordshire and Luton's response to South Essex Partnership University NHS Foundation Trust Quality Account 2011/12

Dated – 25 May 2012

NHS Bedfordshire and Luton has received the Quality Account 2011/2012 from South Essex Partnership NHS Trust. The Quality Account was shared with Bedfordshire and Luton Clinical Commissioning Group (CCG) and internal stakeholders as part of developing our assurance statement. This comment relates to the mental health partnership commissioned work and now also for the first time our community services in Bedfordshire which SEPT acquired in September 2011.

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 on-going contract monitoring process.

NHS Bedfordshire and Luton are pleased with the 2011/12 CQUIN achievement, the scheme was fully achieved by both mental health services and community health services in Bedfordshire and Luton.

NHS Bedfordshire and Luton acknowledges that this account covers the entire organisation; however we would have liked to have seen more focus around Bedfordshire and Luton issues.

The quality priorities for 2013 are completely supported by NHS Bedfordshire and Luton and we look forward to working with SEPT to achieve targets set out within the account.

NHS Bedfordshire and Luton welcome the trusts transparency in identifying partial achievement of Risk Assessment and physical health assessment, there has been an improvement this year and we would support these being included as their priorities for 2012/13.

Infection Control performance in relation to High Impact Interventions has been good and no MRSA Bacteraemia or Clostridium Difficile were attributed to SEPT during 2011/12.

NHS Bedfordshire and Luton acknowledges that the trusts has unconditional registration with the CQC

NHS Bedfordshire and Luton support the trusts rationale and indicators for 2012 and look forward to working with them to achieve good quality outcomes.



NHS North Essex

West Essex PCT response to South Essex Partnership University NHS Foundation Trust Quality Account 2011/12

Dated – 29 May 2012

This is the final year that Quality Accounts are being commented on by West Essex PCT (Primary Care Trust - PCT). The PCT welcomes this Quality Account as a commitment to an open and honest dialogue with the public regarding the quality of care in South Essex Partnership University NHS Foundation Trust

Assurance from the PCT is required to ensure that the information in this Quality Account is accurate, fairly interpreted, and representative of the range of services delivered.

Though the PCT are commenting on a draft version of this Quality Account, it is pleased to be able to assure the accuracy of the content in general. The PCT is however unable to assure all data reported, as some is yet to be reported.

You describe processes to monitor your own progress through the year, these appear robust. In your account you also celebrate your quality achievements, and as necessary working through any issue that might of arisen in relation to delivering against your priorities for the last year. You give an outline summary of actions taken in the past twelve months and your vision for the year to come. You use views and comments from users of your services to illustrate areas of good practice. You make clear commitments to providing safe, quality care by inviting other outside organisations to do unannounced spot checks on these standards in our services which you tell us has given an insight into service quality with "fresh eyes". We applaud this approach and encourage you to continue to use it.

The priorities for improvement in 2011 – 2012 have been supported by the North Essex PCT Cluster through the agreement of CQUIN schemes which

provide financial incentives to improve quality. You have made some progress in meeting the CQUIN milestones in West Essex Community services, it is to be noted however that not all were met this year. The lessons we have learnt from the 2011 - 2012 CQUINs have enabled us to jointly develop new CQUINs for 2012 - 2013 and NHS West Essex will continue to work with you over the next year to enable success in meeting all the 2012-2013 CQUIN requirements.

Your use of a variety of methods to involve people and take account of their views is commendable including stakeholder events, mystery shoppers, supper with consultants and learning from compliments as well as complaints.

You give a comprehensive description of your participation in and learning from clinical audit. You give a summary of findings and learning from all clinical audits undertaken. We note you have undertaken 100% of all national audits for which you were eligible.

In your report there is information about your performance in respect of data quality and the improvements you have made in the last twelve months. In particular that you have worked with newly acquired services to bring them to the same high standard as the existing services.

Your strategic priorities for improvement in 2012 – 2013 are:

1. Eliminating avoidable pressure ulcers
2. Improving support to carers
3. Improving patient experience
4. Improving quality and personalisation of care plans
5. Improving handover of care

The North Essex PCT Cluster support these as appropriate areas of focus for quality improvement. We note that there were a few areas where you failed to fully achieve the set targets in the last year; it is recommended that you do not lose focus on these and continue to strive for improvements in these areas:

- Physical Health Assessments within 24 hours of admission
- current risk profile and active risk management plan in place

In conclusion the North Essex PCT Cluster considers South Essex Partnership University NHS Foundation Trust Quality Accounts for 2011 to 2012 as providing an accurate and balanced picture of key the reporting period. The PCT encourages the organisation to continue to implement the multiple and wide-ranging efforts and initiatives to improve and be innovative in its delivery of quality in the services delivered.

**NHS South Essex
Commentary on South
Essex Partnership
University NHS
Foundation Trust**

Dated – 1 June 2012



NHS South Essex

welcomes the opportunity to comment on the third annual Quality Account prepared by South Essex Partnership University NHS Foundation Trust (SEPT). As a primary commissioner of the Mental Health services across South Essex and the Community Services in South East Essex, NHS South Essex has the following statement to make for inclusion in the SEPT Quality Account.

To the best of NHS South Essex's knowledge, the information contained in the Account is accurate and reflects a true and balanced description of the quality of the provision of services.

The Chief Executive has identified in his introductory statement that the Trust has achieved success in many areas by improving quality of services but also recognises that the national patient survey results published in 2011 identified areas where patients were less than satisfied with community services. The PCT has been monitoring the Trust's progress with their action plan developed following these results and can confirm that actions are being taken and then monitored to ensure that they are fully implemented and effective.

The Trust has identified its strategic priorities for delivering high quality and safe services and the PCT fully supports all areas identified. The PCT would also welcome a prioritisation of risk assessments and risk management plans in mental health community services. It is recognised later in the Account that currently the Trust is not achieving its target and the PCT will be working with SEPT to monitor progress in this key area of

managing the safety of patients receiving mental health care in the community.

The PCT is pleased to note the actions taken following participation in the national clinical audit programme and will take the opportunity in 2012/2013 to review that these have been fully implemented to enhance safety and quality of care. The topics chosen for local clinical audits are supported by the PCT in that they reflect areas where the Trust has recognised improvements are required. The PCT notes the local audit related to 'reducing harm caused by misplaced nasogastric feeding tubes' in the community services; this risk is recognised as a 'Never Event' and the PCT welcomes the proactive monitoring of this risk area.

The mental health services local audit of learning from serious incidents is also noted and the PCT has been working closely with the Trust to ensure that all these incidents are investigated to identify root causes, that actions are then implemented to ensure learning takes place and that practice improvements are made.

The Trust has identified the numbers and categories of complaints and the PCT will review the outcome of the thematic review being undertaken by the trust as part of its quality monitoring process.

The Trust has used many ways to involve and gain feedback from service users and the PCT particularly welcomes the commitment to use Mystery Shoppers and the roll out to community services.

The Trust has received several visits from the Care Quality Commission (CQC) and the action plans developed following these visits are monitored through the quality monitoring process. The PCT noted particularly the concerns related to ensuring person centred care planning and that this has been stated as a key quality strategic priority for 2012/2013.

NHS South Essex wish to support SEPT in monitoring its compliance with the statutory requirements of the Mental Capacity Act and Deprivation of Liberty Safeguards to ensure that vulnerable adults are supported in making decisions related to their care and treatment. Due to recent changes in case law the requirement to assess patients in inpatient settings has led to an increase in the number of patients being considered under the deprivation of Liberty Safeguards. The Trust has recognised this increase and has identified where its procedures

required review to ensure a more effective and timely process is in place; the PCT is working closely with the Trust to ensure these processes are robust.

The PCT is aware of the excellent work that the South East Essex Community Services are involved in, working with the local Clinical Commissioning Group to support integrated care in the community, avoid unnecessary hospital admissions and supporting the multidisciplinary team (MDT) meetings that have been established across local GP practices.

In relation to the reduction of Health Care Associated Infections (HCAI) the Trust has provided consistent confirmation that there is good compliance with the code of practice. The organisation presents some of the most well designed health care premises and the standard of cleanliness appears to be second to none. The trust remains impressively organised and can clearly demonstrate lines of accountability with a lot of good work to show application of the code of practice in this sometimes challenging environment.

With the widening of the Trust to provide community services across a broad area the PCT identified a concern over the capacity to manage the infection control agenda. This situation will continue to be monitored closely and this is a standard agenda item at all quality meetings.

NHS South Essex continues to meet every two months with SEPT to seek assurance that quality, patient safety and patient experience is reported and monitored. This meeting is the PCT's opportunity to robustly challenge any areas of concern related to the quality and safety of patient care.

Our role as commissioners will in the future be handed to our GP colleagues in Clinical Commissioning Groups (CCGs) and as such SEPT has welcomed a CCG lead GP to these meetings. This has allowed the CCGs to be informed of current methodology for quality monitoring and also for them to determine their own strategy/vision for future assurance.

NHS South Essex has an agreed methodology and programme of announced and unannounced visits to SEPT for the forthcoming year. NHS South Essex would like to point out the welcome that is extended to us when these take place. This provides an opportunity to strengthen our quality assurance process and observe 'real time' patient care being

delivered. Similarly with the forthcoming changes to the NHS, GPs and Non-Executive Directors (NEDs) also attend these visits.

NHS South Essex has also developed, in discussion with SEPT, a Quality Monitoring Tool which allows a consistent and agreed methodology for reporting quality initiatives that has now become part of the wider contract and NHS South Essex looks forward to continuing the positive discussions and assurances both observed and evidenced from SEPT going forward.

The Quality Account gives a good reflection of achievements for 2011/2012 and the Trust has been clear where they believe there is room for improvement. NHS South Essex is fully supportive of all the priorities identified by SEPT in taking forward the patient safety, effectiveness, experience and involvement agendas and looks forward to working in partnership with the Trust in the forthcoming year.



**Luton Scrutiny:
Health and Social
Care Review Group
response to South
Essex Partnership
NHS Foundation Trust
Quality Account 2011-
12**

Dated – 21 May 2012

The Luton Scrutiny: Health and Social Care Review Group welcomes the opportunity to comment on South Essex Partnership NHS Foundation Trust's (SEPT) Quality Account 2011-12 and their quality priorities for 2012-13.

The HSCRG is grateful for the attendance of SEPT's Chief Executive and other senior officers to its meeting in May 2012 and updating Members on the Trust's performance and implications for services in Luton, including providing responses to specific questions and concerns.

The HSCRG applauds SEPT's continuing commitment to invest in services in Luton, despite the current financial situation. However, Members remain concerned about the potential adverse impact savings may have on services in Luton, where health inequalities is already quite significant. The HSCRG intends to monitor the situation, and if necessary, call commissioners to account for commissioning decisions on mental

health.

That aside, the HSCRG is impressed with SEPT's achievement in meeting its quality improvement and innovation goals, which ensured that the Trust received 100% of its commissioners' conditional funding in 2011/12.

The HSCRG is similarly impressed with the Trust's overall performance against its targets in 2011/12. It notes with interest, due to its potential effect on patients' safety, the area not met around risk profiling and risk management and will monitor progress over the coming year.

The Luton Scrutiny: Health and Social Care Review Group is content with and supports SEPT's stated improvement priorities for 2012/13 and the Trust's commitments to provide the highest quality services in partnership with all its stakeholders, including service users. It looks forward to see the service continuing to meet the needs of the people of Luton, and achieving positive outcomes in the forthcoming year and beyond.



**Central Bedfordshire
Social Care, Health &
Housing OSC**

Dated: 21 June 2012

At the meeting held on 18 June 2012 the committee were advised that there were no issues raised by members and thus no response to the Quality Account will be made.



**Bedford Borough
Council Health,
Overview and Scrutiny
Committee**

Dated – 21 June 2012

The Quality Account was considered by members at the committee meeting held on 29th May 2012.

The Committee received an outline of the Quality Accounts process and the role for the Committee by the Principal Scrutiny and Overview Support Officer, together with Minute extracts of previous Committee Minutes concerning Mental Health and Continuing Healthcare, and the Quality Account

2011/12 from SEPT. Mr Richard Winter, Ms Faye Swanson and Ms Sarah Browne gave a presentation to the Committee which included the following comments:

- SEPT had to publish a single Quality Account which encompassed all of its services in various locations.
- SEPT aimed to produce a more detailed Quality document for the Borough Council's area in future.
- There was recognition that the quality of Personal Care Plans needed to be improved. The Quality Account was set out in three elements which were Achievements, Required Improvements and Reporting of Targets.
- There were a number of goals to be achieved such as improving the out of hours service for Mental Health teams, focus on Integrated Care teams and embracing Physical and Mental Health issues. A Sub-Acute Unit had been established in Houghton Regis with the aim of reducing the length of stay of mental health patients in hospital.
- With regard to performance in 2011/12, all quality priorities had been achieved and two Mental Health Indicators had not been met.
- There had been 40 serious incidents reported across the SEPT area, 20 of which related to Mental Health services, 18 were deaths and there were two homicides.
- The Inspection by the Care Quality Commission (CQC) had not reported any major concerns.

The following responses were provided to questions from Members:

- The growing pressure on Mental Health services with reduced resources was a substantial challenge, however, this provided the opportunity to redesign services that better suited patients. Also to redesign the Out Patients process to make best use of available resources.
- There was an ambition to try to avoid pressure ulcers whilst patients were in care and this was achieved by patients on admission, being assessed and, if required, special equipment was made available to patients in their homes.
- Work was also being carried out with the

Strategic Health Authority to more widely communicate the circumstances where pressure ulcers could occur. In addition, further funding had been made available in order to employ Tissue Viability Specialists. There was also integration with other medical issues such as falls and hydration/nutrition.

- The recommendations from any CQC visit were taken extremely seriously and Action Plans had been prepared to address their recommendations. The two visits which had been carried out at Weller Wing at Bedford Hospital had shown improvement, however, the CQC had requested further personalisation of Care Plans, rather than these being management orientated. It was noted that CQC would not close any action until it had undertaken a further visit or suitable evidence was provided. The SEPT Board was not willing to confirm any improvements to CQC until these were allowed some time to become established. It was intended that the improvements would also be scrutinised by their Chief Executive and when he was satisfied then CQC would be advised that the issues had been addressed.
- The target that 95% of in-patients would have a physical health assessment within 24 hours of admission had resulted in a return of 87%, however, there was confidence that this target would be met on the next occasion.
- SEPT recognised the need to improve support for carers and was working with Local Authorities to ensure that carers were directed to the correct place to receive that support.
- SEPT was about to pilot a system of mobile working in Bedford Borough for Nursing teams and Health Workers and would provide the necessary equipment so that the results of any visit could be input into the system immediately.
- The One-Call system was based at the Ambulance Service and proposals had been put to the Primary Care Trust in order to enhance the service in the Borough. It was noted that it was vital that patients needs were addressed correctly.
- MacMillan Nurses were heavily involved in the "End of Life System". In addition, there was about to be a further restructure to improve the service and enhance the skills of District Nurses

by a system of shared learning from specialist Nurses.

- The Children's Centre which received a good Ofsted report was based in Queens Park.
- SEPT in future, would provide an extract of the Quality Account for Bedford Borough.

RESOLVED:

- (1) That the Quality Account for 2011/12 submitted by SEPT be received.
- (2) That SEPT be issued with this Minute as the Committee's response to the Quality Account for 2011/12.
- (3) That the Committee supports the improvements outlined in the Quality Account for 2011/12.

Thurrock LINK response to South Essex Partnership University NHS Foundation Trust (SEPT) Quality Accounts 2011-2012



Dated – 12 June 2012

Members of Thurrock LINK have read the SEPT Quality Account and recognise that it covers the whole of the SEPT Organisation some parts of which does not affect Thurrock, the parts that do the account would seem to be a fair reflection of SEPT Services for the period covered. Members felt that with regards to the more technical aspects of the Account that there is other Organisation (CQC, Monitor and PCT), which are in a much better position with the expertise to be able to analyse and to respond on Technical matters. Therefore the Thurrock LINK response is more along the lines of general observations on SEPT's performance during 2011/2012.

Thurrock LINK during the year 2011 – 2012 has had a very good and open relationship with SEPT. We have been invited by SEPT to many meetings throughout the year, which has enabled the LINK to keep up to date with the SEPT organisations and make a positive contribution in the decision making processes and to highlight any shortfall / problems with services. During the current period of financial restraint we are pleased that to-date

SEPT has been able to maintain its level of front line services albeit we are aware that to meet the future required savings this may not be the case.

As LINKs we are very happy with SEPT's Mental Health Strategy and their innovative approach on Dementia. As for users and their carers of SEPT services they are not at this time seeing any positive results from the Strategy. It is expected that in the long term this strategy will have a beneficial effect on services.

Over the past year LINK Members have visited a number SEPT sites and were most impressed with both the facilities and Staff. One of the main objects of these visits was to monitor the use of SEPT CQC manual in these areas. These manuals are used by Staff to ensure they are operating to CQC standards. SEPT has issued to Thurrock LINK an open invitation to visit its sites, which we as LINK will continue to do so and will recommend to the New HealthWatch organisation to do so when it takes over from the LINK.



Essex and Southend Local Involvement Network (LINK) response

Dated – 12 June 2012

The LINK members of the localities of West Essex, South West Essex, and South East Essex are pleased to have the opportunity to comment on the Quality Account 2011-2012 produced by SEPT. We have met with members of the SEPT team on a number of occasions leading up to its production. South East Essex members are able to comment on both Mental Health and Community Health Services, West Essex on Community Health Services and South West Essex on Mental Health Services. We have confined our remarks to patient outcomes and the experiences of patients and their carers.

Our review covers four areas of public experience:

- Handover of patients and carers from other NHS services to SEPT services
- The effectiveness of SEPT managed community health services
- Improvement in dementia services in line with the national plan.

- Services for 13-19 year old patients with complex conditions

We reported in our response to the SEPT Quality Account of 2010-2011 that we were concerned about the problems of patients receiving timely healthcare in the community after discharge from the acute hospital.

As the LINKs have not performed a survey in the last year, we have no detailed figures about handover problems between hospital and community services. We can report that there have been problems associated with the discharge service, and in the case of one poorly co-ordinated discharge, the SEPT managed community healthcare services recovered the potentially dangerous situation to the benefit of the patient. We are still in discussion about problem discharges with both the acute hospital and community healthcare services. We believe that as they are now co-operating more closely, there is a reasonable expectation that the patient handover is likely to improve in 2012-2013, and as a result the health of patients.

Members were concerned that the transfer of community services from the PCT to Trusts was likely to result in a reduction in the quality of care. We are pleased to report that patients receiving care from community services praise the care they have received. Patients and carers have expressed concern that the community care clinical staff appear to be under pressure, but the service quality is at the previous high standard.

The LINK is pleased to note that there have been investments in dementia care services in South Essex. However member contact with carers has not revealed evidence of improvements in patient care and dementia outcome improvements do not appear to be developing at the rate suggested in the Living well with dementia: a National Dementia Strategy and in the publication: the clinical and health economic case for early diagnosis and intervention services in dementia published in 2009. Members look forward to working with the Trust, during the next year, to monitor the efficacy of service improvements.

Finally, members have been especially concerned that the provision of adequate commissioned services to support patients who are 13 -19 years old with complex mental health and learning disabilities is unsatisfactory. We have discussed the problems

in depth with SEPT, the PCT and local government commissioners. We are now able to report that the commissioners are pledged to resolve present delivery problems and the commissioners have requested LINK assistance in establishing a satisfactory solution.



**Bedfordshire LINK
(covering Central
Bedfordshire) Response
to SEPT's Quality
Account 2011-12**

Dated – 8 June 2012

Firstly, Bedfordshire LINK covering Central Bedfordshire would like to thank the Trust for the opportunity to comment on your Quality Account and for the chance to meet with your representative to discuss our responses.

The document is a comprehensive and upbeat account of the year's activities, but we feel the Trust has been challenged with the task of incorporating information about both its mental health activities with its community health services provision across Bedfordshire, Essex and Luton. Thus making the document rather difficult to understand for the layperson. Perhaps clear sectioning for mental health provision and community health areas may have helped.

The document mentions good working relationships with LINKs in Essex, Bedford and Luton and does not mention our LINK in Central Bedfordshire, but we do acknowledge the useful, regular meetings with the Trust. Perhaps using the county name Bedfordshire instead of Bedford, would be more inclusive (addressed in the final Quality Account document).

Not everyone who is tasked with reviewing all or parts of the document will have the skills needed to understand all that is included – neither as lay persons should this be expected. However, many are 'experts by experience' and due to personal; or family commitments have considerable knowledge, gleaned from their care of a friend or relative, whose condition comes within the scope of the report.

It would have been of considerable help to reviewers had a contents page been included at the start. Several times the document, which it is assumed will be finalised with colour tints used as background where a point is to be emphasised,

comes over as extremely hard to read, grey tint with black type in the background (addressed in the final Quality Account document).

It is appreciated that at the DRAFT stage it is not practical to reproduce review copies in colour, but to assist reviewers at this stage it may have been as well to place the required passages in a text box with a footnote that there will be a tinted background. This would assist in not breaking reader concentration.

Similarly some thought needs to be paid to the diagrams, in colour they may be readily assimilated, but in monochrome they are practically unreadable and therefore confusing. A little constructive thought given to the graphics when translated to mono may have eased the position considerably.

We are unable to locate any table revealing the full meanings of the many initial letter groups used in this report; it is often confusing to the experienced professional reader to carry these meanings. Often the same group of letters can have several interpretations so a comprehensive glossary should be a must if only to avoid misinterpretation and confusion (addressed in the final Quality Account document).

We appreciate the time and effort involved in compiling such a document, and hope you find the above and attached comments helpful.



Luton LINKs response to SEPTs Quality Account 2011/12

Dated – 11 June 2012

Luton LINK welcome the SEPT Quality Account 2011/12 and the Chief Executive, Dr Patrick Geoghegan, OBE comprehensive introduction and vision for SEPT.

Luton LINK also welcomes the contribution from the staff, service users and carers in helping SEPT improvements during the past year. Dr Geoghegan has listed some of SEPT achievements as well as areas he was less happy with.

The Trust's five strategic Priorities 2012/13 for service development seems to be a positive move

especially the need for more carer's assessments, improving quality and personalisation of care plans and better hand over procedures of patients between services. We strongly support this policy improvement.

Luton LINK is glad to see the Trust embracing the Commissioning for Quality and Innovation (CQUIN) incentive. However Luton LINK would have liked to see these quality goal's trust wide and not to selective localities.

2.4 Service Development

Luton LINK are pleased to see the improvement to the inpatient services with 70% of referrals accepted for treatment, reduction in waiting times to less than 28 days and a recovery rate of over 60%. Nevertheless, as this seems to relate to South Essex Mental Health Services only. We at Luton LINK believed this statistic should be more reflective of the entire Trust mental health services. However, the development of better weekend support services and the strengthening of links with GPs/ primary care is seems as very positive.

2.5.2 Participation in clinical audits

We are pleased to see SEPT participating in 100% of the national clinical and national confidential enquires audits as well as conducting a three year project to improve the quality of treatment provided to people suffering from Anxiety and depression. Luton LINK welcome this project, but have noticed your Head of Psychology has cast doubt on this project and has also recommended SEPT not to participate in this project due to data quality, inappropriate comparisons and that the findings would be unsuitable in most areas.

Luton LINK members were disappointed to see this especially as depression and anxiety affects such a large percentage of the population. Therefore, as this is such an important area to conduct an audit, we think SEPT and the head of psychology should urgently revisit this project.

SEPT Auditing the side effects of depot antipsychotic medication is too narrow. Luton LINK members believe this should include all antipsychotics medications and should be extended to the prescribing of antipsychotics medications in all service areas. We also think the

auditing of antipsychotics medications to patients with dementia is urgently needed.

SEPT's policy of prescribing antipsychotics medications and explaining the potential risk and benefits to service users: Luton LINK have noticed that the NICE guideline or the Maudsley prescribing guidelines has been omitted from the Prescribing Observatory for Mental Health (POMH) audit.

Mental Health Act Audit

Luton LINK are pleased with the aim and objective of this audits and the 90% compliance trust wide. We see this as very important and would like to see this audit extended to include the ethnicity of people detained under the mental health act (1983) trust wide.

2.5.4 Goals agreed with commissioners for 2011/12

Luton LINK support the commissioners agreed goals and especially the three schemes which service users and carers found to have made a significant difference to the quality of service. We welcome the development of a recovery focus mental health service, service users having more meaningful activity and improving the number of patients attending appointment at CAMHs.

2.5.5 Luton LINK are pleased to see SEPT have had no CQC compliance condition on registration as well as not having any enforcement action taken against them during 2011/12. We are also very pleased with the action SEPT have taken to enhance recording of reading patients' rights detained under the Mental Health Act (1983), as well as improving care plan, record keeping and providing more support to staff.

2.5.6 Data Quality

Luton LINK sees this as an integral part to effective patient care and welcomes the actions SEPT has taken to improve data quality.

3.1.2 Mental Health Services Bedfordshire, Luton and Essex

Luton LINK welcomes the introduction of the Recovery Star outcome measurement tool and the training given to both staff and service users and SEPT commitment to its long term use trust wide. We are pleased with risk assessment and service user's involvement in care decisions. However, we were disappointed with the target for physical health assessment not achieved. We were also very disappointed to see an increase in the number of complaints made by Bedfordshire and Luton Mental Health about the service they are receiving.

In summary

Luton LINK, who represents the population of Luton, encountered some difficulty identifying service areas specific to Luton. This quality account was presented as trust wide report, but we would like to see future Quality Account presented in a way that identifies each of SEPT's four localities on an individual and focussed basis.

However, we at Luton LINK are pleased to be asked to comment on SEPT Quality Accounts 2011/12 and found the Quality Account document to be well presented with clear vision and mechanism to improve service delivery. We were very impressed with the objective opinions the Chief Executive, Dr Patrick Geoghegan OBE and we have tried to give an honest opinion especially on the areas that are pertinent to the population of Luton. However, as previously mentioned, we were unable comment on a Trust wide quality account as quite a lot of the information has no relevance to the community of Luton



SEPT Board of Governor's Statement on the Quality Account

Dated – 18 June 2012

The draft Quality Account for 2011/12 was shared with Governors via a mail out on 24 April 2012. Governors were invited to review the document and feedback comments in two meetings arranged for this purpose, one in Essex on 1 May and one in Luton on 3 May. A number of governors in both areas attended these meetings and the statement below is based on their comments and the

additional emailed comments sent to the Director of Compliance and Assurance.

SEPT Governors have appreciated the keenness of the Trust Board to engage with them in all processes related 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, where much of the day was spent considering the quality improvement priorities for the coming year.

We are very happy to see that the list of 5 quality priorities for 2012/13 includes a focus on carer support as this has been something a number of governors have raised for the attention of the Board during the year. Also appreciated is the focus on improvement to service user experience and involvement and we note that the Trust is starting to highlight priorities relating to quality improvements in community services as well as the interface between mental health and community services that is now possible as an outcome of the acquisition of community services during 2011/12.

We look forward to receiving the usual high quality reports in relation to these quality priorities and also wish to express our appreciation for the regular updating of progress with improvement goals via reports in Board and Governors' meetings where there has always been a very visible presence of Executive Directors willing and able to answer questions raised by us and other attendees.

We believe that it is essential to the success of SEPT that the Trust has strong leadership at all levels. Patrick as Chief Executive, Lorraine our Chair and the Board are great exemplars of this and we look forward to working with the new Executive Directors for Essex and Bedfordshire and Luton services.

We feel that the Quality Account is an open and honest commentary on what has occurred in the last year and are pleased and reassured to see that this reflects quality services within community as well as mental health and learning disability services. Although we understand that within the Quality Account there are statutory statements and so some elements cannot change, we asked in the 2010/11 Quality Account Governor's statement that the Trust seek to make whatever they could more accessible and think the tables in Part 3

providing very clear details about achievement, or not, of 2011/12 quality improvement priorities presented are excellent, thank you for listening and acting on our request.

SEPT Governors look forward to working with the Board and SEPT staff to improve quality in the Trust even further during 2012/13 and would like to thank the Board for the opportunity to comment on this Quality Account.

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 Accounts) Regulations 2010 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 foundation trust boards should put in place to support the data quality for the preparation of the Quality Report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual;
- 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 2011 to May 2012;
 - Papers relating to Quality reported to the Board over the period April 2011 to May 2012;
 - Feedback from the commissioners dated 25 May, 29 May and 1 June 2012;
 - Feedback from governors dated 18 June 2012;
 - Feedback from LINKs dated 8 June, 11 June and 12 June 2012;
 - The trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints

Regulations 2009, dated April 2012;

- The national patient survey 2011 ;
- The national staff survey 2011;
- The Head of Internal Audit's annual opinion over the trust's control environment dated 23 May 2012;
- Care Quality Commission quality and risk profiles dated March 2012;
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered;
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, and is subject to appropriate scrutiny and review;
- the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at www.monitor-nhsft.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at 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.

Independent Auditor's Report to the Board of Governors of South Essex Partnership University NHS Foundation Trust on the Annual Quality Report

I have been engaged by the Board 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 2012 (the "Quality Report") and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2012 subject to limited assurance consist of the national priority indicators as mandated by Monitor:

- 100% enhanced Care Programme Approach (CPA) patients receiving follow-up contact within seven days of discharge from hospital; and
- Admissions to inpatient services had access to crisis resolution home treatment teams.

I refer to these national priority indicators collectively as the "indicators".

Respective responsibilities of the Directors and auditors

The Directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the NHS Foundation Trust Annual Reporting Manual issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

My responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to my attention that causes me 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 section 2.1 of Monitor's Detailed Guidance for External Assurance on Quality Reports 2011-12; 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.

I read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual, and considered the implications for my report if I became aware of any material omissions.

I read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes for the period April 2011 to May 2012;
- Papers relating to quality reported to the Board over the period April 2011 to April 2012;
- Feedback from the Commissioners;
- Feedback from Governors dated June 2012
- Feedback from LINKs dated June 2012

- The trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated April 2012;
- The 2011 national patient survey;
- The 2011 national staff survey;
- Care Quality Commission quality and risk profiles dated 02/04/2012;
- The Head of Internal Audit's annual opinion over the trust's control environment dated 19/04/2012; and
- Any other information included in our review.

I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with those documents (collectively the "documents"). My responsibilities do not extend to any other information.

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

This report, including the conclusion, has been prepared solely for the Board of Governors of South Essex Partnership University NHS Foundation Trust as a body, to assist the Board of Governors in reporting South Essex Partnership University NHS Foundation Trust's quality agenda, performance and activities. I permit the disclosure of this report within the Annual Report for the year ended 31 March 2012, to enable the Board of Governors to demonstrate that it has discharged its governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Board of Governors as a body and South Essex Partnership University NHS Foundation Trust for my work or this report save where terms are expressly agreed and with my prior consent in writing.

Assurance work performed

I 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'). My 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;
- 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; and
- Reading the documents listed above under the respective responsibilities of the Directors and auditors.

A limited assurance engagement is less 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 nature, form and content required of Quality Reports are determined by Monitor. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS Foundation Trusts.

In addition, the scope of my 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 my procedures, nothing has come to my attention that causes me to believe that, for the year ended 31 March 2012:

- 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 section 2.1 of Monitor's Detailed Guidance for External Assurance on Quality Reports 2011-12; 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* and the six dimensions of data quality set out in the *Detailed Guidance for External Assurance on Quality Reports*.



Rob Murray

Officer of the Audit Commission

3rd Floor, Eastbrook, Shaftesbury Road, Cambridge, CB2 8BF

22 June 2012

Glossary

BLPT	Bedfordshire and Luton Mental Health and Social Care Partnership NHS Trust
CIPs	Cost Improvement and Income Generation Plan
CQC	Care Quality Commission
QIPP	Quality Innovation Productivity and Prevention
CQUIN	Commission for Quality and Innovation. This is a shorthand for quality improvements agreed during the annual contracting negotiations between SEPT and it's health commissioners.
FT	Foundation Trust
IT	Information technology
Lean Working	A process developed to help services evaluate their effectiveness and improve quality, care pathways and cost effectiveness
NHS	National Health Service
NICE	National Institute for Clinical Excellence
Quality Accounts	All NHS provider organisations are required to produce a report on progress against quality targets in the proceeding year and the indicators it wishes to use for the coming year.
SEPT	South Essex Partnership University NHS Foundation Trust

Working in Partnership with Staff

Workforce Wellbeing

Building on the successes at last year's Health Care 100 awards, SEPT is extremely proud of its achievements in the area of workforce wellbeing.

We were a Gold Winner of the NHS Challenge Award – and were invited to a prestigious event in London which included an awards ceremony and an exclusive tour of the Olympic stadium. Additionally, we were successful in our application for the Staying Healthy at Work award – part of the Investors in People Accreditation and a new Healthy Workplace recognition scheme. Our work on engaging the workforce in balancing their home and work life was key in achieving this award.

The Wellbeing Steering Group continued to grow and a new Wellbeing Action Group was developed, to take forward the workstreams identified. The key priority was to embed wellbeing within SEPTs culture and there has been evidence of this with schemes such as the 'get on track' campaign – run in conjunction with the Olympics – where individuals had to sign up to a six week programme of getting fit and healthy – and the programme has grown and strengthened.

Work is nearly complete on the negotiation and acquisition of a new Occupational Health and Wellbeing Service – and Counselling Service for all SEPT staff – which brings equity and consistency across the newly formed Trust. The Service Contract has been development with a high focus placed on wellbeing and support for staff and performance monitoring will be stringent.

As a result of the significant Consultation and Austerity measures imposed on SEPT, a newly formed Engagement Team commenced operations at the end of the financial year – bringing together patient and employee experience to ensure that the effects of a positive employee experience were transferred to the patient experience and this will be further monitored through the next financial year.

Sickness Absence Data

The sickness rate for SEPT at year end was 5.49% and the Trust continues to place a high priority on tackling sickness absence with work continuing through the year to reduce absence levels. As a result of the new acquisitions significant work has taken place to harmonise absence policies and procedures as well as reporting and data collection processes.

Equality and Diversity

SEPT is committed to eliminating any form of discrimination either within the workplace or in relation to our service users. This does not mean treating everyone the same or providing the same service to everyone. It means providing everyone with a service in a way that meets their personal circumstances and needs.

As a result of the new acquisitions which took place in 2011 – SEPT has been on a mission to bring together equality and diversity issues – and to ensure that opportunities are harmonious and equal across all localities.

Significant work has taken place on the development of a new website which demonstrates SEPT's commitment to Equality through its work and enables us to meet our legal obligations under the Public Sector equality Duty which came into force January this year.

SEPT signed up to the implementation of the Equality Delivery System and there have been some key developments in work towards promoting equality and reducing discrimination within our workforce and our services. These include:

- re launching the Champions campaign and partnering up with the NHS East of England Diversity Champions Scheme;
- the development of a diversity calendar;
- a review of the role of the Champions and Staff networks to ensure they are fit for purpose;
- development of a new on-line equality and diversity refresher tool for all existing staff.

All Equality and Diversity progress is overseen and steered by the Equality & Diversity Steering Group and work is currently underway to develop an action plan which will enable our performance against priorities to be monitored and reported as well as being published on the website.

There was also a legal requirement that all Public Sector Employers published their Equality Objectives online by 1 April and SEPTs were as follows:-

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.

We will produce an action plan to help implement these objectives, which will appear on these pages. We will monitor progress and report on this through our performance management and governance framework.

SEPT is very proud of the relationships it has with Equality Groups from both within the organisation and externally. We are proud of the strong partnerships we hold with Stonewall, Mindful Employer and Positive about Disabled People (two ticks) and these groups are regularly involved with equality workstreams.

Every year SEPT produces a Workforce Equality Analysis report which presents key equality information on the workforce. Where further analysis is required, further reports are produced and discussed within the equality forums and the Steering Group. This information is already published and accessible to staff and the general public.

The leads for Equality and Diversity are the Executive Director of Social Care and Partnership Strategy & Delivery and the Executive Director of Corporate Affairs. The action plans for Equality and Diversity are agreed and monitored by the Equality and Diversity Steering Group which reports through the Executive Team to the Trust's Board of Directors.



Table 10 – below provides information on Equality and Diversity in respect of the Trust’s staff.

	Headcount	%
Age Group		
16-29 Years	574	10.09%
30-49 Years	2,949	51.82%
50-59 Years	1,673	29.40%
60-70+ Years	495	8.70%
Sum:	5,691	100.00%
Ethnic Group		
Asian or Asian British	346	6.08%
Black or Black British	533	9.37%
Chinese or Other Ethnic Group	96	1.69%
Mixed	75	1.32%
Not Stated/Undefined	111	1.95%
White	4,530	79.60%
Sum:	5,691	100.00%
Gender		
Female	4,699	82.57%
Male	992	17.43%
Sum:	5,691	100.00%

Operational Services

SEPT continues to promote equality in the delivery of our services. For example in the autumn of 2011 we organised our first ever Multi-faith conference addressing stigma in mental health across the different faith communities. The success of this event, which was held in Luton, led us to develop a Faith Action Plan which sets out a two year programme describing how we will improve our links with different faith communities in promoting better mental health.

In addition, in April 2012 we ran a mental

health and well being conference with the Sikh community, exploring these issues and developing a better understanding of the Sikh perspective on them.

Staff from operational services have been involved in planning and delivering these events and will continue to address inequality in all aspects of delivering services to our diverse communities.

Staff Survey

All NHS trusts in England are required to take part in the National Staff Survey every year,

and the results are published by the Care Quality Commission (CQC), along with reports on the national findings. The survey enables each organisation to benchmark itself against other similar NHS organisations on a range of measures of staff satisfaction and opinion.

This year SEPT managed a response rate of 56% which was slightly higher than the national response rate of 55%.

In order to provide a comparison, SEPT results for the year were compared to those for Essex for the year prior. The results were excellent – with only three out of a possible 38 key findings below the National 20% average, leaving 35 Key findings within the top 20% across the country.

The tables below present samples of the Key Findings, using data from the Trust’s 2011 survey,

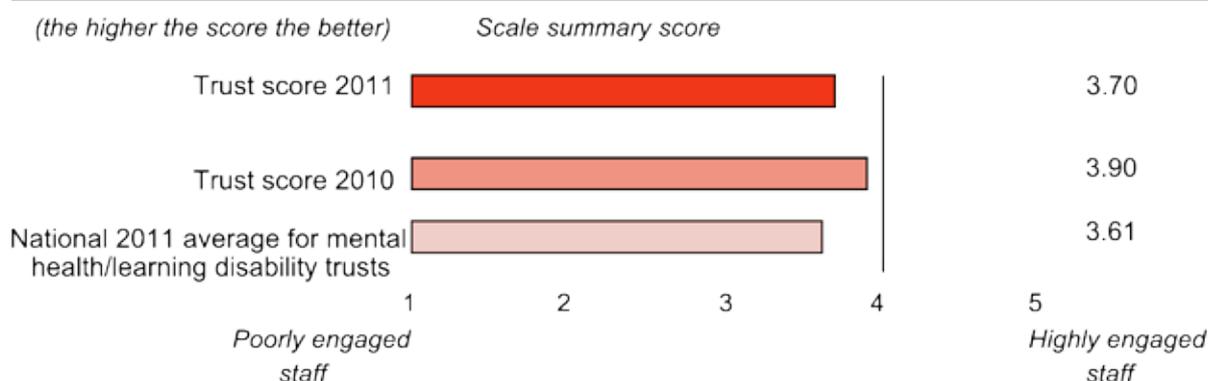
and compares these to other mental health/ learning disability trusts in England and to the Trust’s performance in the 2010 survey.

The figure below shows how South Essex Partnership University NHS Foundation Trust compares with other mental health/learning disability trusts on an overall indicator of staff engagement.

Possible scores range from 1 to 5, with 1 indicating that staff are poorly engaged (with their work, their team and their trust) and 5 indicating that staff are highly engaged. The Trust’s score of 3.70 was in the highest (best) 20% when compared with trusts of a similar type.

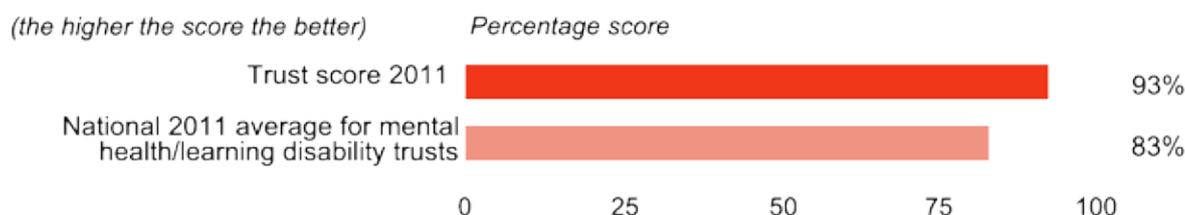
This is a reduction nationally as in 2010 the average for mental health and learning disability trusts was 3.64.

	2011 – 38 Key finding areas (SEPT)	2010 – 38 Key finding areas (SEPT)
Best 20%	15	28
Better than Average	9	3
Average	10	4
Below Average	3	1
Worst 20%	1	2

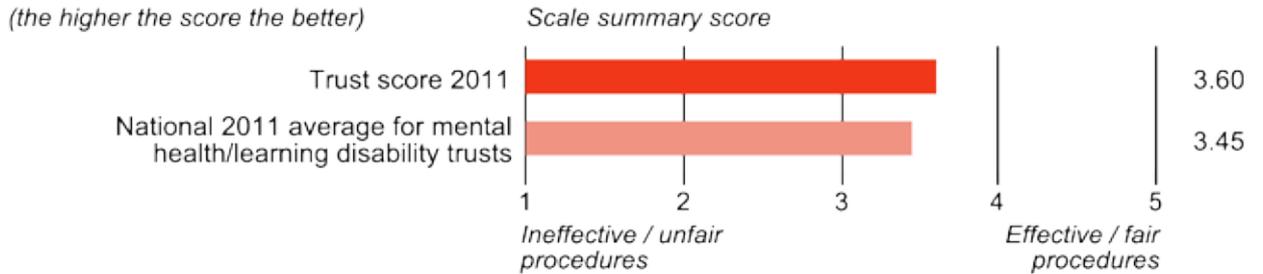


Top four ranking areas

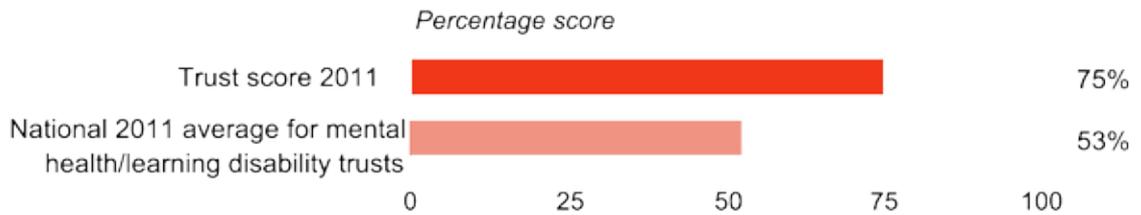
Percentage of staff receiving Health and safety training in the last 12 months



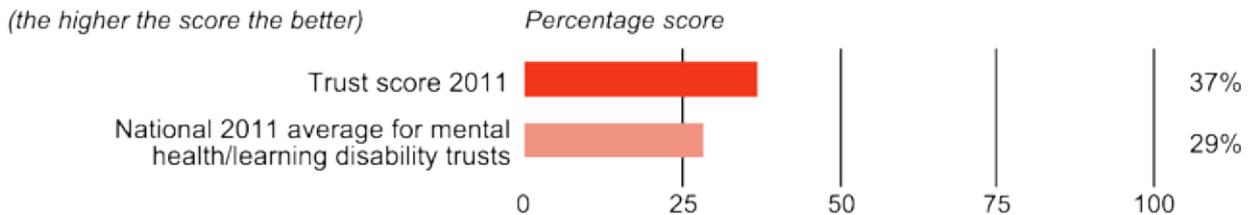
Fairness and effectiveness of **incident reporting** procedures



Percentage of staff having **equality and diversity** training in last 12 months

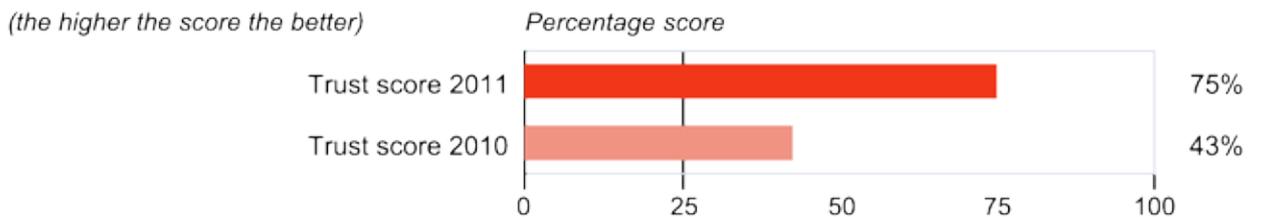


Percentage of staff reporting **good communication** between senior management and staff

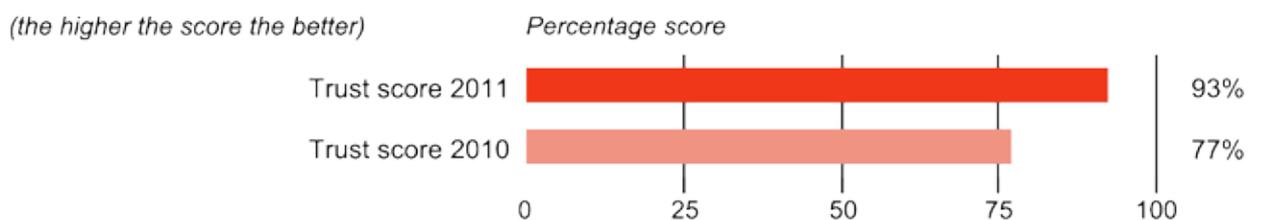


LARGEST IMPROVING AREAS

Percentage of staff having **equality and diversity** training in last 12 months

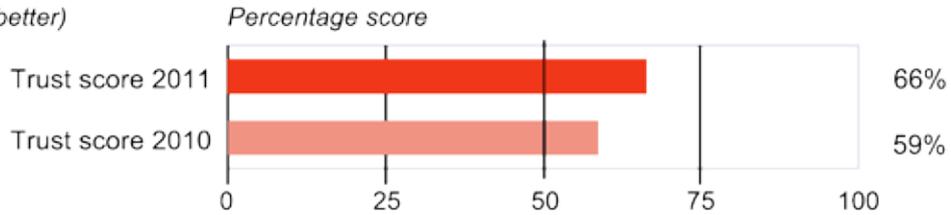


Percentage of staff receiving **health and safety** training in last 12 months



Percentage of staff using **flexible working** options

(the higher the score the better)

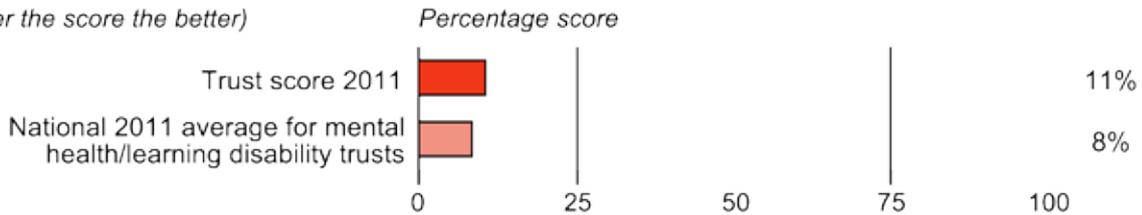


Areas for Action

These were the lowest performing areas in the survey.

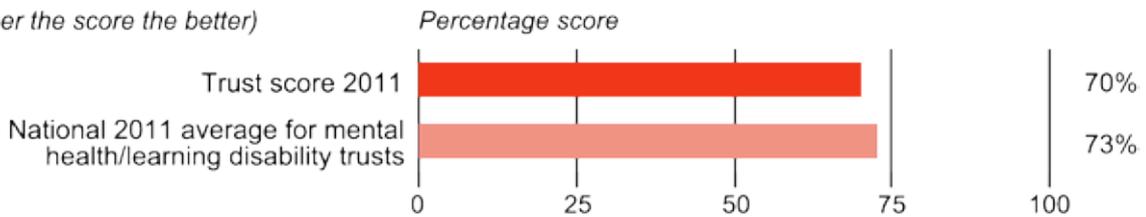
Percentage of staff suffering **work-related injury** in last 12 months

(the lower the score the better)



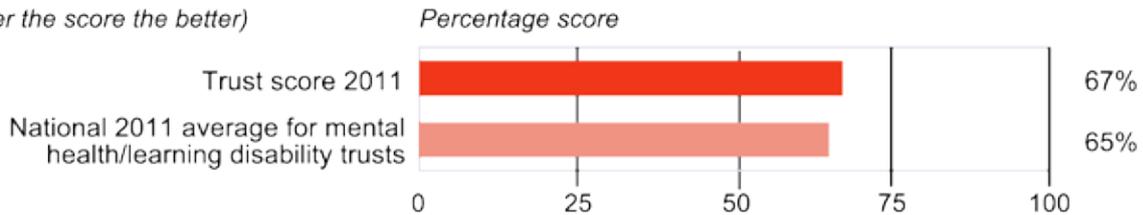
Percentage of staff **appraised with personal development plans** in last 12 months

(the higher the score the better)



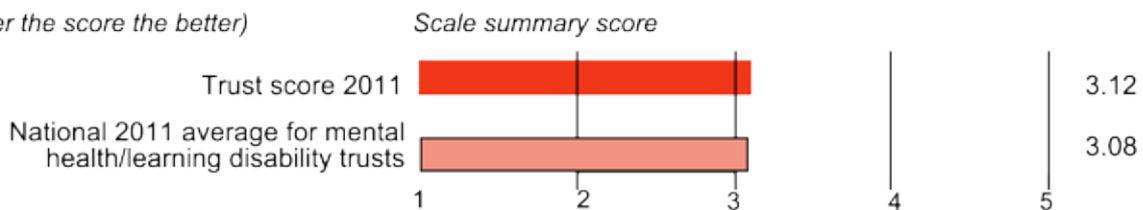
Percentage of **staff working extra hours**

(the lower the score the better)



Work pressure felt by staff

(the lower the score the better)



We have an extensive Staff Survey action plan which focuses on the areas for improvement from the survey responses.

Priorities include:

- work pressure felt by staff (KF5);
- percentage appraised with personal development plans in last 12 mths (KF14);
- percentage suffering work-related injury in last 12 mths (KF17).

An analysis has taken place by locality including the new acquisitions to ensure that issues specific to locality areas can be identified and actions put in place to ensure improvements can be made.

Employee Consultations

The Trust has a number of policies and agreements which allow staff to raise any matters of concern.

These include:

- Staff Affected by Organisational Policy and Procedure;
- Recognition Agreement;
- Grievance Policy and Procedure;
- Whistle-blowing Policy and Procedure.

Staff are always encouraged to raise concerns informally with their managers in the first instance in order to deal with the issue quickly and as close to source as possible.

In addition to this, collective arrangements exist for the Trust to meet and discuss significant issues with staff representatives.

The Trust has a policy that promotes formal consultation with employees in relation to significant change. Consultations that have taken place in 2011/12 include:

Consultations – April 2011 to March 2012

Staff Group being consulted	Details of proposed change
SEPT ESSEX Psychology	Senior management re-structure
SEPT ESSEX Rehab Service	closure of Weymarks and Periphery Homes and re-structure of Churchview
SEPT ESSEX Learning Disability	Restructure the Community Teams and close Dickens Place in Heath Close
SEPT Support Services	Re-structure of Strategy and Business Development including Compliance and Assurance, Service Development and Communications; Clinical Governance and Quality ; IM&T and Contract Management
SEPT Corporate Affairs	Re-Structure of HR, Workforce Training and Development, PPI/PALS and Complaints and Membership Office
SEPT Finance	Restructure of Finance Services
SEPT ESSEX Taylor Centre relocation	The Taylor Centre is to close and the staff working there will be relocated to either Warrior House or Rochford Hospital
WEST ESSEX Adult Speech and Language Therapy Service	Restructure of clinical roles
WEST ESSEX Cancer Information Service (WE)	Restructure and reduction in clinical roles
WEST ESSEX Foot Health Service	Restructure and reduction of band 7 roles.
WEST ESSEX Immunisation Team	Integration into School Nursing Service
WEST ESSEX Staff relocation from Ongar to Epping	Staff due to move out of Ongar Banson's Lane Clinic

Consultations – April 2011 to March 2012 (Cont..)

Staff Group being consulted	Details of proposed change
WEST ESSEX One Stop Shop Staff	Closure of Service
WEST ESSEX Adult Community Nursing and Inpatients	To cease Term Time Only working arrangements
WEST ESSEX Beech Ward	Reduce to 12 Beds (Stroke and Neuro) and establishment of Early Supported Discharge Team (ESD)
SEPT ESSEX CAMHS Base relocation	Relocation of all staff from Warrior House to Rochford due to Taylor Centre staff move
Wellbeing Service	
WEST ESSEX Adults Management Team	Restructure of leadership posts, creation of integrated teams, change of bases within the locality, harmonisation of shift patterns
SEPT Bedfordshire and Luton Community and Crisis services and CAMHS	Clinical Team Management Restructure
SEPT Bedford Acute Inpatient & Crisis Relocation	Relocation of Fountain Court at Weller Wing to Bedford Health Village
SEPT Bedford Acute Inpatient & Crisis Relocation	Integration Fountains Court and Milton Ward to one single unit
SEPT Forensics – Robin Pinto 1	Reduction of staffing establishment due to reduction in beds
SEPT BEDS & LUTON SPLD – The Willows	Closure of the Willows unit and deployment of staff
SEPT BEDS & LUTON CAMHS – Luton	Relocation from Trend House to Charter House
SEPT BEDS & LUTON 42 Kimbolton Road	Closure of unit and redeployment of staff
BEDS COMMUNITYSERVICES Leadership Restructure	Restructure of the BCHS management and leadership structure
BEDS COMMUNITY SERVICES Children's Centres	TUPE Transfer of Children's Centres to Children's Society
SEPT ESSEX Brockfield House Domestics	Restructuring of Domestic/Housekeeping services



Involvement of Employees in FT's Performance

Our annual planning process ensures that as many staff as possible have an opportunity to consider how the Trust is currently performing and identifying the action that is required to ensure continued success. In December 2011, approximately 530 staff participated in a series of planning events, for each of our services, across Bedfordshire, Essex and Luton. The outcome of these events contributed to development of the Trust's Corporate Objectives for 2012/13 and quality priorities for 2012/13 identified in the Trust's Quality Report. In turn these corporate objectives are translated into service objectives and every member of staff is required to identify how they will contribute to achievement of these as part of their annual appraisal.

Training

The Trust acquired three areas of community services in the summer of 2011. These acquisitions required work to be undertaken to ensure that all policies and procedures were harmonised across the organisation. Integration work plans were developed with careful consideration of timelines to ensure that continuity of services could be maintained.

All policies relating to workforce development were reviewed and harmonised. As a result of the acquisition of community services, the Trust had to reapply for NHSLA ratings. Several additions had been made to the NHSLA mandatory training requirements so the policy was due for review. Following the review several new programmes were added to the curriculum and work was undertaken to devise training to meet these requirements. To ensure that equivalent training is delivered across the Trust, all existing programmes in the mandatory curricula of the acquired organisations were mapped against learning outcomes. Very few changes were required. To ensure continuity of service, where provision was with external suppliers, bookings were continued for an interim period. However, in accordance with Trust procurement processes, provision requirements for the next year were calculated and a tendering process put in place. Initial contracts will be for a 12 month period so that additional reflection can be given to requirements and potential economies in provision. All other programmes were reviewed as part of the annual programme review process.

The Virtual Learning Zone was enlarged to accommodate all staff in the new Trust. Most of the community services were using some form of e-learning but none had their own provision. The

e-learning provision was extended to meet the community service requirements and additional programmes generated. A range of new programmes were created that reduced the need for staff release time in all areas. Existing programmes (e.g. Safeguarding of Vulnerable Adults) were reviewed to ensure that they contain material appropriate for all sites. E-learning continues to provide a cost effective



means of delivering training and of providing an information resource that is readily accessible by all staff.

Library access was also harmonised across the Trust. All staff in the enlarged organisation will have access to the electronic resources purchased by SEPT. The partner libraries serving the Trust: Basildon Healthcare, Luton and Dunstable and Bedford Hospital are working to facilitate access to their resources. Requests for library purchases were taken from staff across the organisation and sent on to the appropriate librarian.

Staff were notified once purchases were in place. Librarians have been given a contact list of subject leads so that they can notify staff of additional purchases and other information. This has been put in place to facilitate knowledge sharing and to start a knowledge network. Basildon Healthcare Library will continue as the NHS Athens administrator for the Trust. SEPT has continued to invest a significant proportion of the library budget in electronic resources as this mitigates access difficulties. All three libraries continue to hold hard copy resources for the Trust and the possibility of inter-library loans also mean that these resources are available across the organisation.

The Study Leave Policy was harmonised across the Trust to ensure equality of opportunity for staff. The policy will continue to require approval for all forms of study, with and without a cost. Extended forms of study, defined as lasting a year or more and/or costing over £1,000 will require attendance at a study leave panel. This process is designed to ensure that Trust study funds are focussed on service priorities. The funding is mostly used to cover professional qualifications or higher level degrees. Joint Panels are run via video conferencing between the two main sites. Video conferencing is also used for the Workforce and Organisational Development Meetings to minimise staff travel time and to promote engagement across the Trust.

University contracts for Continuing Professional Development (CPD) budgets are allocated via the Bedfordshire and Essex County Workforce Groups



(CWG). Workforce Development representatives attend CWG meetings. Contract allocations were negotiated with both groups. Use of funds is decided through a process of internal approval as mentioned above. This is used to ensure applications are prioritised and follow the requirements set out in the Trust-wide training needs analysis conducted on an annual basis. In 2011/12 university contract funds for Mental Health allocations were fully utilised and in some cases additional spend was negotiated with the County Workforce Groups. There was some underspend in the community service contracts, mostly due to staff changes that required revisiting the original requests. Some of this money has been put into project work with the universities. In Bedfordshire a project looking at the use of the Associate Practitioner role in community services, mental health/learning disability or physical health, has been initiated, funded from the contract underspend. In Essex, some new workshops are in development, these have been funded out of monies allocated to QIPP projects. SEPT engaged with the locality QIPP leads to help inform how QIPP funding could be used to support service change.

The workforce development needs of the pre-professional workforce were addressed in both localities. SEPT continues to offer in-house training for pre-professional staff on Associate Practitioner Foundation Degrees or Apprenticeship Diplomas in Essex. External providers are used in other areas of the Trust. This approach is used in Essex as it ensures that the Trust can tailor the courses to meet internal

needs whilst still meeting the requirements of the external accrediting bodies. It also provides additional income for the Trust through the Pre-professional Learning Centre.

The Trust also started to benefit from Institutional Approval status that was obtained through Anglia Ruskin University in March 2011. Following this several accredited courses were developed and registered with the University. The Mental Health and Offending Behaviour course was launched in September 2011 and the first cohort of students completed in December. This is a Level 4 course. Further modules are in development so that students will be able to study to Level 4 Certificate level. Again, income generated is used to benefit staff and the Trust.

The focus of this year has been on ensuring that policies and processes are in place that are suitable for staff in all areas of the Trust. Following the acquisitions the Trust virtually doubled in staff headcount. Training passports were issued to all new staff so that they can maintain a personal record of all their training. The training needs of all these staff will continue to be assessed and funding utilised to ensure that mandatory and development needs are prioritised to meet service requirements.

University Status

The Workforce Development and Training Department played a central role in the achievement of 'University Trust' status with Anglia Ruskin University (ARU). In 2011 the Trust took a further step and was awarded 'Approved Institution' status. This allows SEPT to develop courses at Foundation Degree level (level 4) and above, that can be accredited through ARU but are delivered by the Trust. SEPT sought 'University Trust' status through its awareness of the challenges that services face as we start to implement the changes proposed through the Quality, Innovation, Productivity and Prevention (QIPP) agenda. This agenda is asking all trusts to consider how services can be improved in order to enhance quality, patient safety and service efficiency in use of resources. The University Trust status has enabled SEPT to work closely with ARU and other

universities to develop and deliver the education that is required to underpin service change.

In order to manage and direct change there will be a need for strong clinical and managerial leadership at every level, and a need for creative solutions to evolving issues. SEPT continues to develop a learning culture. It has embraced the concept of a learning organisation as one that encourages and embeds learning through working practices. The organisation facilitates the exchange of learning and actively works to promote a more knowledgeable workforce through:

- a creative and supportive environment;
- empowerment of staff;
- strong and inspirational leadership;
- effective, flexible and high-quality learning.

The Health and Social Care Bill has now been passed and the associated arrangements for health education as set out in 'Equity and Excellence: Liberating the NHS', will be put in place with shadow Local Education and Training Boards (LETB) in place from April 2012. The paper emphasises the importance of the relationship between healthcare and education providers and that strong engagement between sectors is necessary to ensure that clinical training is educationally sound, but sufficiently flexible to accommodate changing roles and service models in the future.

We are aware that the LETBs will present new challenges for partnership working between universities and providers. SEPT has established good working relationships through our university trust status and should be well placed to work within the new infrastructure. The development of Academic Health Science Networks will be something that SEPT will watch to see how we should engage.

Our university trust work has continued to look at the areas of:

- Development of the Business Model;
- Curriculum Delivery and Research;
- Curriculum Development.

Development of the Business Model

Close working has continued with ARU and with other partner education providers. Further 'visioning' workshops have taken place at ARU to consider the potential for expanding the original concept of a mental health academy, situated within the Postgraduate Medical Institute, to a mental health and community care academy looking at evidence based pathways for the delivery of integrated care. This will be developed further over 2012/13.

Curriculum Delivery and Research

Other areas of focus have considered the need for enhanced outputs from the pre-registration nursing programme in terms of ensuring that we are preparing our newly qualified nurses for their preceptorship programme and taking up employment in the Trust. A 'curriculum challenge' group was established from service leads, Trust and

university education staff. Our newly qualified staff are the investment in the future workforce and we need to equip them with the attitudes, knowledge and skills to enable them to deliver the highest quality care. Through our partnership with ARU we have set up two joint evaluation projects to enhance the pre-registration programme. The first proposal is considering the preparation of nurses for employment in their final semester. Student nurses and their mentors have been interviewed using an appreciative enquiry approach in their final semester and then again following employment. The second project is using a service user 'buddy' scheme to help student nurses to appreciate the service user perspective on care.

Curriculum Development

SEPT launched its new programmes in the autumn of 2011.

Title	Level	Credits	Target Group	Course Lead
Evidence Base for Clinicians	3	30	Multi-disciplinary	Sharon Rautenbach
Vona du Toit Model of Creative Ability (introduction)	3	30	Occupational Therapy	Sharon Rautenbach
Vona du Toit Model of Creative Ability Theoretical Application	4	30	Occupational Therapy	Sharon Rautenbach
Mental Health and Offending Behaviour	4	30	Multi-disciplinary	Mick Loughran



The Vona du Toit Model of Creative Ability programme has run previously, but was reaccredited with a new introductory model. First delivery is anticipated later this year.

The first cohort of students completed the Mental Health and Offending Behaviour model in September to December 2011. As a module that has been designed for distance learning delivery this has the potential to attract a national market.

SEPT also worked closely on the development of modules on Physical Healthcare and Outcome Focussed Recovery. The Physical Healthcare programmes were delivered, by two of our partner universities. The Trust is starting a project of impact analysis of education and will work with our partners on this. The first programme to be considered is the Physical Healthcare and an analysis of care plans has been undertaken pre and post delivery of the education intervention. This process will be used to focus and evaluate the learning to ensure that it meets the needs of our service users and is effective use of CPD monies.

It is SEPT's intention to develop close working arrangements with other education providers as well. Programmes are in development for delivery with Essex and Bedfordshire Universities. We are engaging with all our partner universities to look at the service improvement projects that our student nurses are engaged in. The new curricula have been designed to encourage research, innovation and leadership as core skills. The work that has been produced is full of fresh ideas, and the Trust is working with the universities to consider how these projects can be promoted and utilised.

Research and Development

In 2011/12 work continued to develop and strengthen research in SEPT and in particular the increase in the number of Trust staff of all professional backgrounds collaborating on

studies funded by the National Institute for Health Research (NIHR) known as NIHR Portfolio studies. At year end SEPT had collaborated or been the Principal Investigator on 14 NIHR studies and recruited 228 participants in to these studies against a recruitment target of 77 set by the NIHR Essex & Hertfordshire Comprehensive Local Research Network (CLRN).

Recruitment in to these studies attracts funding from the CLRN and meets the government's objective that every patient in the NHS should have the right to take part in approved medical research that is appropriate for them.

During 2011/12, the CLRN funded three fixed term contracts for research posts to increase the Trust's capacity to recruit and deliver on NIHR Portfolio studies. Funding from the CLRN in 2012/13 has meant that these contracts have been extended to March 2013.

With the three community services joining SEPT during the year, the CLRN provided funding to SEPT for an eight month secondment post to map the existing research activity within the community services that were now part of SEPT and to increase the engagement of community services staff in collaborating on NIHR Portfolio studies. This has been very successful and at least 11 studies are at various stages of set up and will be reflected in the recruitment figures for 2012/13.

The Indicative funding from the CLRN for 2012/13 is £91,890 based, amongst other factors, on the research activity during 2011/12. This allocation has yet to be finally agreed as discussions are on-going between the Trust and the CLRN on the level of funding needed to continue to increase the level of research activity on NIHR Portfolio studies in order to meet the expectations of the CLRN in terms of recruitment and study type in 2012/13.



Sustainability and climate change.

In 2011, SEPT were awarded the Carbon Trust Standard for all our operational services reflecting our commitment to environmental issues.

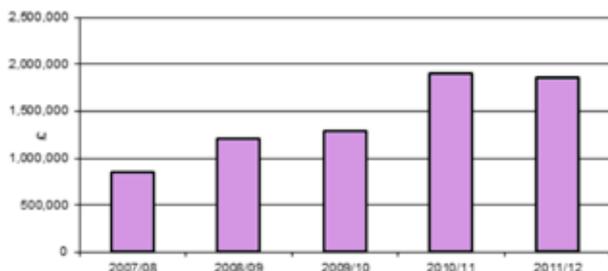
Ray Jennings (Executive Chief Finance Officer) and Dawn Hillier (Non Executive Director) are the Board level leads for Sustainability. Board level leads for Sustainability ensure that sustainability issues have visibility and ownership at the highest level of the organisation.

Our organisation has an up to date Sustainable Development management plan. 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.

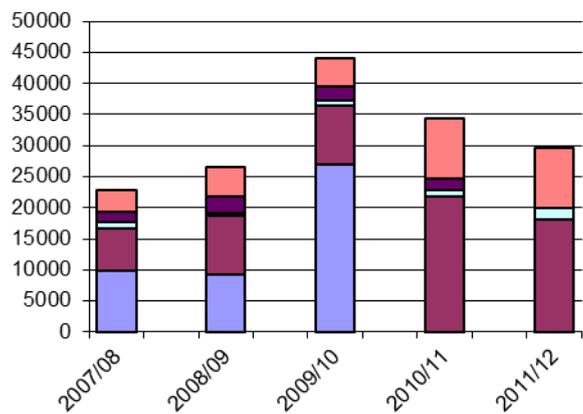
A sustainable NHS can only be delivered through the efforts of all staff. All our staff have sustainability issues, such as carbon reduction, included in their job descriptions. Staff awareness campaigns have been shown to deliver cost savings and associated reductions in carbon emissions, our staff energy awareness campaign is ongoing.

The NHS aims to reduce its carbon footprint by 10% between 2009 and 2015. Reducing the amount of energy used in our organisation contributes to this goal. There is also a financial benefit which comes from reducing our energy bill.

By reducing our energy costs by 3% in 2011/12 we have saved £48,881, the equivalent of 9 hip operations.

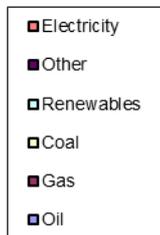


We have put plans in place to reduce carbon emissions and improve our environmental sustainability. Over the next 10 years we expect to save £1,214,000 as a result of these measures.

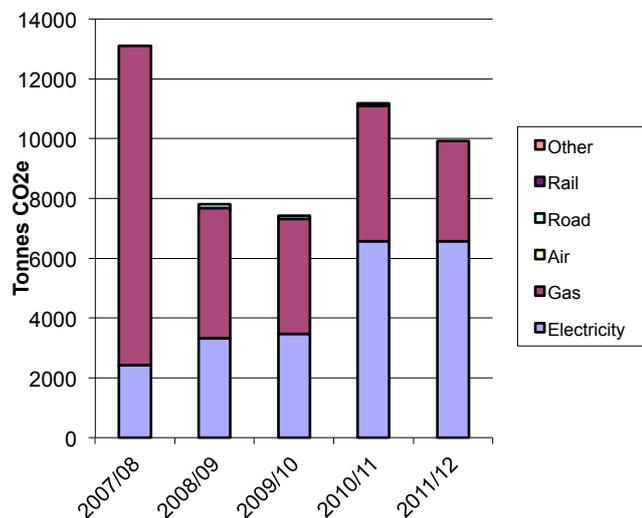


Our total energy consumption has fallen during the year, from 34,435 to 29,686 MWh

Our relative energy consumption has changed during the year, from 0.40 to 0.33 MWh/square metre.



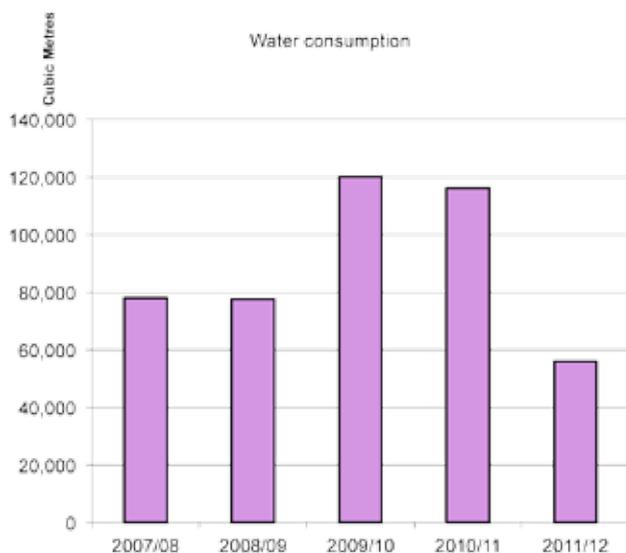
We have made arrangements to purchase electricity generated from renewable sources, and renewable energy represents 8.9% of our total energy use. In addition we generate 1% of our energy on site.



Our measured greenhouse gas emissions have reduced by 1,175 tonnes this year.

In 2011/12 we spent £147,689 on water, and our water consumption has reduced by 60,428 cubic meters in the recent financial year

NHS organisations have a statutory duty to assess the risks posed by climate change. Risk assessment, including the quantification and



prioritisation of risk, is an important part of managing complex organisations. 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.

In addition to our focus on carbon, we are also

committed to reducing wider environmental and social impacts associated with the procurement of goods and services. This is set out within our policies on sustainable procurement. We have started work on calculating the carbon emissions associated goods and services we procure.

Regulatory Ratings (Monitor Ratings)

The Trust is monitored in accordance with the Compliance Framework for 2011/12 issued by Monitor – the Independent Regulator for Foundation Trusts. The Compliance Framework consists of three main components, namely an annual risk assessment, in year monitoring and intervention by Monitor as required. Monitor assigns risk ratings in three areas to the Trust in relation to finance, governance and mandatory goods & services. The ratings assigned to each of these areas determine the level of monitoring undertaken by the regulator.

The Trust's performance in each of the three risk rating areas for the 2011/12 financial year is detailed in table 11. In addition, comparator information for the 2010/11 financial year is also provided below which relates to the Trust's performance prior to the acquisition of the South East Essex, West Essex and Bedford Community Health Services.

Table 11 – Regulatory Ratings

	Annual Plan 2010/11	Q1 2010/11	Q2 2010/11	Q3 2010/11	Q4 2010/11
Financial risk rating	3	5	4	4	4
Governance risk rating	Green	Green	Green	Green	Green
Mandatory services	Green	Green	Green	Green	Green
	Annual Plan 2011/12	Q1 2011/12	Q2 2011/12	Q3 2011/12	Q4 2011/12
Financial risk rating	3	5	5	4	4
Governance risk rating	Amber-Green	Amber-Red	Amber-Red	Amber-Red	Green
Mandatory services	Green	Green	Green	Green	Green

As at the end of the 2011/12 financial year the Trust is anticipating to have achieved a financial risk rating of 4 which is in excess of the planned risk rating for the year of a 3.

The Trust's strong financial governance and mandatory services risk rating has therefore not required any formal interventions by Monitor.

Health & Safety Performance

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

The Corporate Statement and Policy on Health & Safety (RM01) is the foundation on which the Trust identifies the organisational structure for managing Health & Safety and thereby fulfilling all 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 the 2011/12 period the Risk Management department was involved in the integration of the Community Health Services across South East Essex, West Essex and Bedfordshire. Part of this process was to review the policies and procedures across all areas to develop individual combined documents and provide assurance that the Trust maintains compliance with all Health, Safety and Fire legislation and guidance.

The following policies were included as part of the process and were completed during the period 2011/2012:

- RM01 Corporate Statement and Policy on Health & Safety;
- RM02 Fire Policy;
- RM04 Control of Substances Hazardous to Health (COSHH) Policy;
- RM09 Security Policy and Procedure
- RM11 Health & Safety Risk Assessment Policy;

The Trust continues to develop the health and safety agenda across the organisation and participates in Health and Safety Executive (HSE), safety initiatives to provide assurance of its commitment to a safe working environment for staff, service users and visitors to the Trust's premises. This has included:

- the implementation of proactive initiatives by encouraging 'near miss' reporting to control the level of accidents and incidents within the Trust;
- developing a series of 'podcasts' on all health and safety subjects for review on the Trust intranet site;
- in recognition of the high standard of health and safety controls in Brockfield House, an International 'merit' Safety Award was presented by the British Safety Council.

The Trust has continued to provide Health & Safety guidance and support throughout the year and provides an assurance of the organisation's commitment in maintaining a safe environment for all. The Trust works in partnership with the unions to drive this agenda forward.

RIDDOR Activity

The on-going statistics for the Reporting of Injuries, Diseases & Dangerous Occurrences (RIDDOR) incidents within the organisation for the period 2011/12, are detailed in table 12.

H&S Audits

The Risk Management Department have 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.

In all cases an action plan is completed of those areas where corrective action is required. This is discussed with the local manager and timescales agreed for the actions to be completed. The plan is

Table 12 – Reported Incidents – Trustwide

Location	Qtr 1	Qtr 2	Qtr 3	Qtr 4	2011/12 Total
Adult Wards	1	2	4	1	8
Community	0	0	1	2	3
Elderly Wards	5	3	7	16*	31
Forensic Wards	1	0	3	0	4
CAMHS Wards	0	0	1	1	2
LD Wards	0	0	0	0	0
Resource Centres/ Office	0	0	0	0	0
	7	5	16	20	48

*The quarter 4 figure for Elderly Wards includes two Reported Incidents for West Essex Community Health Services.

continually reviewed and is subject for discussion at the local health and safety sub group meetings.

H&S Training

The Health and Safety training module is now included as part of the VLZ induction module which all new members of staff have to complete. The fire training, however, is undertaken as face to face in the initial induction to the Trust.

The Risk Management Department continues to provide training courses throughout the year, they are:

- Accident/Incident Reporting (including RIDDOR);
- Accident/Incident Investigation;
- Workplace Risk Assessment and Risk Assessor Training;
- Health & Safety Representatives;
- Fire Marshall;
- Cascade Fire Trainer;
- Health & Safety for Managers.

Infection Prevention and Control

The Board of Directors

The Board of Directors is committed to ensuring that patient safety is at the forefront of all that we do. The importance of maintaining high standards of infection, prevention and control and cleanliness is a matter of national concern. Therefore, Infection Prevention and Control (IPC) is a key feature of maintaining patient safety and ensuring that both the quality and the care our patients receive is of a very high standard.

Care Quality Commission (CQC) Registration Standards

CQC Registration Standards Outcome 8 requires Healthcare Organisations to keep patients, staff and visitors safe by having systems to ensure that the risk of healthcare acquired infection to patients is reduced, with particular emphasis on high standards of hygiene and cleanliness.

Risk Management Standards level 1

The Trust is fully compliant with Registration Standards requirements and this was further illustrated when the Trust achieved Risk Management Standards level 1, with full marks achieved for Infection Control.

Integration of Mental Health and Community Services

Infection Prevention and Control arrangements within SEPT are well established across all areas of the Trust and with the acquisition of community services, extensive work has been undertaken to standardise systems and policies to ensure continued compliance with The Health and Social Care Act – Code of Practice. The on-going work in maintaining compliance is overseen by the respective Infection Control Committees.

The Infection Control committees, chaired by the Director for Infection Prevention and Control (DIPC) –Teresa Kearney, meet quarterly and meetings are well attended with constructive input from all members. The committees provide an opportunity to review arrangements for the management and control of infection across the organisation and the long term plan for the forthcoming year is to restructure the previous infection control committees to create an overarching strategic committee with local operational groups.

The Trust takes great pride in ensuring it provides a patient environment that is clean and fit for purpose. Local and national targets have successfully been achieved, affirmed by independent validation, such as PPI reports and



PEAT assessments, demonstrating the Trust’s ongoing commitment to providing an appropriate environment.

Areas of good practice

A small number of gastrointestinal outbreaks were experienced this year, resulting in closure of some of our inpatient units however these were managed quickly and effectively. The pattern of the outbreaks mirrored the incidence within the local community, and the swift efficient actions of the staff ensured the outbreaks were effectively managed allowing for units to be re-opened quickly.

Hand hygiene has been audited across the Trust showing an increase in compliance month on month.

Collaborative working and sharing the lessons learnt across the whole health economy in situations including flu outbreaks & incidents of HCAI’s.

The use of care bundles for high impact interventions such as urinary catheter care and insertion is audited monthly. Excellent progress has been made this year within the Community Services in ensuring these are used for all patients with an invasive device in order to facilitate best practice and ensure national guidance is followed.

Serious Incidents

Between 1 April 2011 and 31 March 2012, the Trust reported 41 serious incidents in accordance with NHS Midlands and East Serious Incident Reporting Policy. These incidents comprised of 21 in Bedfordshire and Luton localities, and 20 in South East and West Essex localities. This compares to a total of 39 serious incidents reported in the previous year. However, of the 41 serious incidents reported in the last 12 months this slight increase from the previous year includes three serious incidents that the Trust were not required to report in the previous year.

The Trust had no instances of ‘Never Events’ as defined by the Department of Health between 1 April 2011 and 31 March 2012.

55 senior nursing and medical staff have attended Root Cause Analysis or Human Factors training sessions in the last 12 months as part of a rolling programme of investigation training. This training is open to all senior clinical and non-clinical staff and has enabled the Trust to demonstrate that it is fully complying with the requirements of the National Framework for Reporting and Learning from Serious Incidents Requiring Investigation.

The Trust prepares and disseminates learning summaries which are then discussed at the Learning Lessons Review Group. This process enables learning from serious incidents, external investigations, and near misses to be shared with other teams trust wide so that consideration can be given about whether actions may be required in other SEPT services. Examples of topics disseminated in the last 12 months are increased risk of falls when using specific types of medication, MRSA bacteraemia and external homicide investigations.

Learning and trends and themes are shared at various learning forums such as charge nurses meetings, post graduate training sessions, the Learning Lessons Review Group, the Trust's annual Learning Conference.

Learning from serious incidents is also fed into targeted works streams such as physical health care, suicide prevention, productive wards and audit planning.

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.

In order to meet its responsibilities, SEPT has a major incident plan and business continuity plans, which are fully compliant with NHS Emergency Planning

guidance 2005 and the Civil Contingencies Act and can be activated in response to any type of emergency.

Following the acquisition of Bedfordshire Community Health Services, South East Essex Community Health Services and West Essex Community Health Services our focus this year has been on developing a Business Continuity Management Policy and Procedures that is consistent across all services within SEPT and this has been approved by the Board of Directors. 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 both Bedfordshire & Luton Local Resilience Forum and Essex Local Resilience Forum to ensure a consistency in planning in the event of a major incident. This year the focus has been and continues to be on planning for the Olympics.

A number of exercises have been completed throughout the year to train staff and to test our plans. We are also one of the first trusts to introduce an e-learning induction course for all staff.

Working in Partnership with Service Users / Carers

Providing the best possible health and social care services to improve the lives of people with mental health and learning disabilities is extremely important to the Trust. The experience we provide for people who use our services is critical. A good experience can make all the difference, helping people to feel valued as individuals and to engage better with their treatment.

During 2011/12, the Trust worked in accordance with its Customer Service Strategy. This includes a clear set of customer service standards which the Trust is committed to delivering.

The Trust’s vision and values remain unchanged from the previous year, as follows:

Our Vision:

‘Providing services that are in tune with you’

Our Strategy:

Our aim is to provide high quality health services:

- in accordance (or in tune) with the NHS principles and standards;
- that are delivered in partnership with our service users, their carers, our staff, local authorities and other healthcare providers;
- that are innovative;
- that promote recovery, independence and wellbeing;
- that maximise opportunities to develop and expand services in related areas.

People who use the service	VALUES	Colleagues (including partners)
In tune with me		In tune with me
We believe you can live a fulfilling life	OPTIMISTIC	Everything we do - every intervention - is focused on helping you feel better
We respect you as an individual, and expect you to respect us too	RESPECTFUL	We value each other’s contributions
We listen to your point of view, and think about things in the context of your life	EMPATHISING	We consider each other’s perspective
We will give you choices	INVOLVING	We work together as teams, within our organisation and with partners
We help you to take control of your life	EMPOWERING	We all have permission to innovate
We’ll help you to play an active part too	ACCOUNTABLE	We want to be judged by our results

Service User and Carer Involvement

The Trust remains committed to engaging and involving service users, carers, as well as third sector partners and agencies in policy, practice and service development. We work closely with stakeholders in the voluntary and third sector, including MIND, Rethink Carers, Rethink Advocacy, Impact, the Independent Complaints Advocacy Service, LINKs and various housing and young people's organisations.

We place an emphasis on ensuring that involvement and engagement with stakeholders is meaningful to each individual. We would like to thank all the service users, carers and stakeholders who have volunteered to work with us on many issues. Examples of service user/carer and stakeholder engagement include:

Trust Annual Planning Events

Service users, carers and stakeholders attended two planning events (one in south Essex and one in Bedfordshire) where they were fully involved in planning of the Trust's priorities for 2011/12.

Recruitment Panels

Service user and carer involvement in interview panels is a powerful signal to candidates that involvement is real here. It also helps to have people present at the interview who consider how the candidates interact with the service user or carer.

This year, service users and carers from Essex, Bedfordshire & Luton attended recruitment & selection training which is facilitated by SEPT Human Resource staff. For people with a learning disability we work with Southend's Shields' Parliament, who also provide a support worker for these occasions. We have also had involvement from service users from the Child and Adolescent Mental Health Service (CAMHS).

Induction Presentations

Another clear demonstration that we put our service users at the heart of everything we do comes immediately after recruitment. At Trust Induction, new staff hear directly from one or more of our service users and carers about their experiences (good and bad) of SEPT services and the quality of care that they demand from the people who look after them.

Patient Experience Groups:

PEX (Essex) and Service User and Carer Involvement Group (Beds & Luton)

PEX and the Service User & Carer Involvement Group meet quarterly and receive reports on all involvement activity. Membership is made up of service users, carers, third sector representatives and senior Trust staff to discuss all aspects of patient experience at the Trust. The group also receives reports on complaints, compliments, Patient Advice and Liaison Service (PALS) activity and service user survey results. The group is also used as a sounding board for new issues as well as giving members the opportunity to raise their own concerns or those from other service users and carers.

Local Involvement Networks (LINKs)

The Trust has developed good working relationships with the three LINKs in South Essex and the three LINKs in Bedford & Luton all of which are invited to Trust events such as planning days. All LINKs organisations meet with the SEPT Chief Executive and senior management staff on a quarterly basis.

Supper with Consultants

This has become an annual event whereby service users are invited to have 'supper' with the Chief Executive and a group of consultant psychiatrists. The informality lends itself to improving understanding from both service users and doctor's perspectives. The event heralds excellent feedback from all who have taken part.

Work with Schools and Young People

Work continues within secondary schools to raise understanding of mental health issues. Secondary schools and colleges within our area have been individually written to, and were sent copies of DVDs produced by the Trust on issues affecting young people.

Our seminars with student groups are extremely popular. We tailor the talks to the requirements of the particular school or college and have delivered sessions on mental health awareness.

Trust Meetings

Service users attend and are involved in a number of Trust meetings/groups. These include the following:

- the Acute Care Forum (about adult wards);
- Secure Service Forum (patient reps from across the service);
- Partnership Boards (in learning disability services);
- PEx (South Essex);
- Service User & Carer Group (Bedfordshire and Luton);
- Self Harm;
- Bi-Polar Group;
- Stakeholder Groups.

Service users and carers also represent the Trust at other events, workshops and meetings.

Carers

The Trust's Carers Awareness Group for carers and staff (south Essex) continues to meet and is looking at providing training for staff, as well as delivering a Carers Education Programme. The Carers Forum in Bedfordshire and Luton continues to move forward with initiatives and sharing information with carers/ carer support groups and staff.

The Trust publishes a regular carer's magazine which focuses on carer's experiences and sharing good practice and information.

Student Nurses

Service users and carers continue to be involved with the training at the University of Essex.

This has now been extended to an ongoing training programme with the University of Essex in Southend. Three training days were held in the last year, with another three planned for 2012/13. The students and staff gave excellent feedback about the training days.

PIPE

The Patient Information and Plain English Group is made up of service users/carers/advocates who approve all Trust material for the public. The purpose of getting feedback on all Trust leaflets, posters etc. is to make sure it is clear and jargon-free.

Translation and Interpretation

The Trust continues to operate a translation and interpretation service for Essex and Bedford & Luton based services.

PALS

The PALS (Patient Advice and Liaison Service) gives service users and carers an alternative to making a formal complaint. PALS is contactable between 9am and 5pm Monday to Friday and also through the Trust's website by email. If you are a service user or carer, and have a question, a concern or just want to find out more about our services, please contact PALS on freephone 0800 013 1223 (Beds and Luton) or 0800 085 7935 (Essex).



Complaints and Compliments Received

A total of 381 formal complaints were received during 2011/2012 and all of these were thoroughly investigated. Investigating complaints helps the Trust to make improvements to services. Information about how to make a complaint, comment or compliment on the services is widely available at all trust bases.

Complaints handling training sessions were delivered across the Trust to directors, consultant psychiatrists and managers.

A total of 556 compliments were received for mental health and 2,457 for community services.

The top two categories of for both complaints and compliments received are 'appropriate care and treatment' and 'staff attitude'. This reflects both the national picture and previous years.

Mystery Shoppers

Mystery Shoppers are service users and carers who are invited to comment on their actual experiences of using the Trust's services. The feedback is real time feedback so the Trust can act quickly if needed. The feedback is an important indicator of how people felt about their experience and it helps the Trust to see experiences through the eyes of someone who is actually receiving the service.

The feedback from Mystery Shoppers can be about face to face meetings, telephone calls, letters, home visits from SEPT staff or any attempt to gain access to a Trust service.

Mystery Shoppers are recruited by the Patient Experience Team. The identity of Mystery Shoppers remains confidential between the Patient Experience Team and the Chief Executive.

Mystery Shopper feedback is anonymised.

The feedback is recorded and the results are passed to the Executive Team members. Feedback about named staff is discussed and monitored through individual staff supervision sessions.

The Trust organises regular feedback sessions with the Mystery Shoppers and Mystery Shoppers also support the Patient Experience Teams at other public events and Trust training and focus groups.

Positive outcomes from mystery shopper feedback to date include changes being made to the SEPT website, improved staff customer care skills, improvements made to some waiting areas and improvements in reception staff communicating delayed appointment times.

Work is in progress to roll out the Mystery Shopper initiative across the community services this year.

SEPT hosted a very successful Mystery Shopper Conference at Cranfield University in March 2012.

Patrick Geoghegan, Chief Executive, and Lorraine Cabel, Chair, attended with senior staff and the conference was positively supported by service users, carers, Trust members and other external organisations. A promotional DVD on the Mystery Shopper initiative was launched and copies of this can be requested from the Patient Experience Team.

Dr Patrick Geoghegan, OBE

Chief Executive and

Professor of Mental Health and Social Care

South Essex Partnership University NHS Foundation Trust
ANNUAL ACCOUNTS 2011/2012

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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").

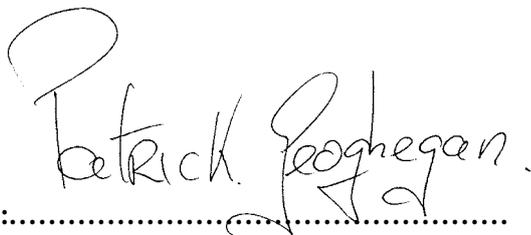
Under the NHS Act 2006, Monitor has directed South Essex Partnership University NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair 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; 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 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:.....

Dr Patrick Geoghegan OBE

Chief Executive/Executive Nurse (Strategic)

Professor of Mental Health & Social Care

Date: 30 May 2012

ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

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 on-going 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 South Essex Partnership University NHS Foundation Trust for the year ended 31 March 2012 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. Together with the Integrated Governance Operational Committee is responsible for overseeing the risk management and assurance systems within the Trust. The Trust's governance structure was reviewed by the Board to ensure it is fit for purpose and meets the requirements of a NHS Foundation Trust following the acquisition of Bedfordshire, West Essex and South East Essex Community Health Services. A number of Board Development sessions have also been undertaken throughout the year to provide further assurance and self-assessment against the effectiveness of the Trust Board.

The Executive Director of Strategy and Business Development has delegated responsibility for managing the strategic development and implementation of organisational risk management and assurance systems. The Executive Director of Clinical Governance & Quality is responsible for ensuring there are adequate systems in place to manage clinical risk and including the investigation of Serious Incidents and Root Cause Analysis training and methodology. The Executive Director of Operations is responsible for risk management in all Mental Health operational services. The Executive Directors for Acute and Community Services are responsible for risk management in Bedfordshire and South East Essex and West Essex community Health Services. The Executive Chief Finance & Resources Officer is responsible for developing and implementing systems of financial risk management and estates and facility risks.

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 course and attendance at conferences. Risk specialists are employed by the Trust and the organisation also contracts with independent risk specialists to develop or address specific training needs.

The Trust has in place an approved mandatory and core training matrix in line with the requirements of the NHSLA. In addition 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 Board has regularly considered the development of an Assurance Framework since March 2003. A review of the Assurance Framework for the period April 2011 to March 2012 was carried out by Internal Audit in November 2011 and March 2012 and has provided substantial assurance and confirmed that:

Generally sound system of internal control designed and operating in a way that gives a reasonable likelihood that the system's objectives will be met.

The Risk Management Framework was reviewed and agreed by the Trust's Board of Directors in April 2011 and November 2011. The framework confirms the accountability arrangements for risk management within the Trust of both individuals and committees, including Service Management Teams, the Audit Committee, the Executive Operational Team, and the Integrated Operational Governance Committee. The framework is supported by a plan that outlines actions for delivery of effective risk management, including a tiered approach of risk registers at Board, Corporate and Directorate level. These registers are underpinned by a Risk Identification process which is fed from a wide variety of sources;

such as;

- Complaints, incidents/accidents, claim trend reports,
- Internal and External audit and review
- Risk assessment
- Patient surveys
- waiting list trends; and performance information
- staff recruitment / retention trends

The Trust has put in place effective systems that assess and identify risks to achieving objectives at the start of the year and continues throughout the year to identify any new risks that arise and evaluate any changes to existing risks. The framework outlines how risks are prioritised in a consistent manner throughout the organisation, including the potential impact on the organisation and the assessment of the likelihood of the risk crystallising. Furthermore, the framework details the way in which controls are identified and how assurance is provided and also evaluated. The Trust's appetite for risk is to identify all potential sources of threat prior to evaluation. This rating is used to determine the severity of the risk. Thereafter, all identified risks are managed through the establishment of actions and controls and are verified by appropriate assurance. The severity of the risk determines the level in the organisation at which the risk is managed but does not affect the organisations appetite for identifying all potential threats in a managed and controlled manner.

Risk Management is embedded within the organisation in several ways. Risk Registers are regularly presented at Service Management Team meetings and to director leads for discussion and update. Training and Education are key elements of the development process by providing staff with the necessary knowledge to work safely and to minimise risk at all levels. The process starts at Induction and continues through general and specific training programmes that include workshops, seminars, policies and procedures. In addition, a range of policies and procedures have been developed to minimise risk. These policies and procedures are subject to regular review and update and are made accessible to all staff through the Trusts' intranet.

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 the fully integrated community teams. 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 a regular series of meetings and workshops.

The Board of Directors completed an assessment of SEPTs systems and processes for monitoring and improving quality against Monitor's Quality Governance Framework as part of the acquisition of community health services in May 2011. The assessment identified the need to enhance the formal systems in place in the Trust to assess the impact of the annual cost improvement plan (CIP) on the quality of service provision. The Board of Directors therefore considered and agreed an approach to facilitate the assessment of the impact on quality of the 12/13 CIPs and accountability arrangements associated with it. The full action plan from this review is regularly received and monitored by the Integrated Operational Governance Committee. Quality of performance information is also being assessed via Internal Audit as part of the Annual Audit Programme Plan approved by the Audit Committee. The results and any recommendations will be reported to the Board of Directors and its sub-committees.

A further review was undertaken against the FTN 'The foundations of good governance: a compendium of best practice' areas identified for action are monitored by the Integrated Operational Governance Committee.

For 2011/12 SEPT has maintained full registration and compliance without conditions with the Care Quality Commission for both NHS and Social Care services provided. The Trust maintains a robust part system of compliance which including an overarching assurance database that maps all internal and external information about the Trust to the essential standards of quality and safety. A programme of onsite compliance checking is in place and undertaken by the Compliance Team involving Non Executive and Executive Directors, Governors and LINKS. Outcomes from these visits are reported to the Integrated Governance Committee, Executive Operational Committee, Board of Directors and operational Service Management Teams.

The Trust has monitored compliance with the Information Governance Standards and Data Protection Act through the Information Governance Toolkit issued by the Department of Health. For the 2011 /12 year the Trust has achieved a score of level 2 (satisfactory) against the toolkit requirements.

For 2011/12 the Trust had no serious untoward incident to report in relation to the security of personal data. Risks relating to data security are managed by the Director of Information and managed in accordance with the Risk Management Framework, Adverse Incident Policy and Procedure and the Security Incident Management Procedure. The Information Governance Security Group monitors progress against identified actions and controls in place.

The Trust manages major risks through the Board Assurance Framework process in line with the Risk Management Framework. For 2011-12 this has included potential risks associated with Safeguarding, Transformation, Implementation of outcomes identified by Patient Surveys, SIs cluster, Mandatory Training, CQC KPIs, Physical Healthcare, Integrated Care Records, Staff morale and Financial risks identified through the financial plan. All risks have been successfully managed through the development of mitigating actions to address gaps in control.

Future potential risks currently identified include those included within the financial plan and the CIP and transformation programme.

The programme of internal audit is integral to assurance systems and linked to the BAF. In addition a separate review was undertaken by internal audit in March 2012 to review mitigating actions, controls in place and assurance for those risks detailed within the Board Assurance Framework. The outcome of this audit provided substantial assurance.

The Chief Executive and Board of Directors fully support the continued development of a safety culture throughout the Trust, whereby the safety and health of all service users, staff, carers and visitors is

paramount. To control this risk 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 Group via the Risk Management Report. The performance and quality report details all incidents reported and received by the Board of Directors and Executive Operational Committee.

The Trust has in place policies and procedures to support its duty to eliminate discrimination and promote good relations. Equality Impact Assessments processes ensure we consider all members of our workforce, the communities we serve that decisions are fair and representative to all. At SEPT the question is asked 'will this decision impact on those in a protected characteristic Group – or those not in a protected characteristic group'. 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. To support this – for key decisions including financial decisions managers and decision makers are expected to go through an impact assessment.

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. Significantly, SEPT have put in place, through to 2014, a Sustainable Development Management Plan and a Carbon Reduction Plan to deliver its commitment to the highest standards of environmental stewardship.

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. To inform them in these matters the Team receives regular monthly finance and performance reports which highlight any areas of concern.

At a strategic level, the Transformation and Finance Group is responsible for ensuring that the use of resources is planned in an efficient and effective manner. The Executive team and the Transformation and Finance Group are both sub-committees of the Board of Directors, which reviews regular reports from them and itself receives a regular integrated finance and performance report.

Internal Audit conduct a review of the Trust's systems of internal control processes as part of an annually agreed audit plan. This review encompasses the committee structure, the flow of information pertaining to risk and its assurances through the organisation, ensuring that systems are appropriate, are in place and can be evidenced by a range of documents available within the organisation. Audits performed by internal audit have reviewed the governance arrangements within the organisation over a range of financial functions and activities to ensure that there is an appropriate and robust approach to the use of resources. Internal audit provides regular reports to the Audit Committee, a subcommittee of the Board. The Board reviews the Trust's financial position monthly and approves the compliance reports which are required by the independent regulator, Monitor.

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 and ensure 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.

The steps taken include:

- Governance and leadership

The Trust has put in place a performance and quality framework for managing quality performance and for ensuring that there is accountability for data quality. The Trust identified achievement of data quality targets and implementation of data quality improvement plans as agreed with commissioners as a corporate objective in 2011/12. All staff have responsibility for data quality and the need to maintain this at high levels is communicated regularly. Accountability for data quality is defined and considered where relevant as part of the supervision and performance appraisal systems in place. There are robust processes in place to monitor and review data quality.

- Policies

The Trust has operational procedures in place covering data collection and recording. Policies and procedures meet the requirements of relevant national standards. There are mechanisms in place to check compliance with policy and procedure and corrective action is taken where necessary.

- Systems and Processes

The Trust has systems and processes in place for the collection, recording, analysis and reporting of data which ensure that data is accurate, reliable, timely and complete. The arrangements for collecting, recording and reporting data are integrated into the management processes of the Trust and support day to day operations. Information systems have built in controls to minimise scope for human error or manipulation and prevent erroneous data entry, missing data or unauthorised data changes. There are corporate security and recovery arrangements in place.

- People and skills

Roles and responsibilities in relation to data quality are clearly defined and where appropriate incorporated into job descriptions. Staff receive training to support them in implementing Trust policies and procedures relating to data collection and recording.

- Data use and reporting

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 reported back to those that created it to reinforce understanding of their wider role and importance. 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.

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 and the Audit Committee.

The processes that have been applied in maintaining and reviewing the effectiveness of the system of internal control include the roles of the following:

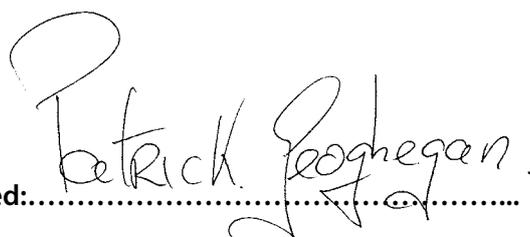
- assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. The Head of Internal Audit Opinion for 1 April 2011 to 31 March 2012 is as follows:

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. However, some weakness in the design and/or inconsistent application of controls, put the achievement of particular objectives at risk

- manage the risks to the organisation achieving its principal objectives have been reviewed,
- the National Patient and Staff Surveys,
- and have monitored the controls in place and the assurances available to ensure that these risks are being appropriately managed,
- for internal control within the Trust and to ensure the Internal Audit service complies with mandatory auditing standards, including the review of all fundamental financial systems.

Conclusion

There are no significant internal control issues that have been identified between 1 April 2011 and 31 March 2012 that require disclosure in the Annual Governance Statement.

Signed: 

Date: 30 May 2012

Dr Patrick Geoghegan, OBE

Chief Executive and Executive Nurse (Strategic)

Professor of Mental Health and Social Care

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS OF SOUTH ESSEX PARTNERSHIP UNIVERSITY NHS FOUNDATION TRUST

I have audited the financial statements of South Essex Partnership University Hospital NHS Foundation Trust for the year ended 31 March 2012 under the National Health Service Act 2006. 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. These financial statements have been prepared under the accounting policies set out in the Statement of Accounting Policies.

I have also audited the information in the Remuneration Report that is described as having been audited.

This report is made solely to the Board 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. My audit work has been undertaken so that I might state to the Board of Governors those matters I am required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Foundation Trust as a body, for my audit work, for this report or for the opinions I have formed.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

My responsibility is to audit the financial statements in accordance with applicable law, the Audit Code for NHS Foundation Trusts and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Auditing Practice's 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 Trust; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion the financial statements:



- give a true and fair view of the state of affairs of South Essex Partnership University NHS Foundation Trust's affairs as at 31 March 2012 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by Monitor as being relevant to NHS Foundation Trusts.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the accounting policies directed by Monitor as being relevant to NHS Foundation Trusts; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I report to you if, in my opinion the Annual Governance Statement does not reflect compliance with Monitor's requirements. I have nothing to report in this respect.

Delay in certification of completion of the audit

I cannot formally conclude the audit and issue an audit certificate until I have completed the work necessary to provide external assurance over the Trust's annual quality report. I am satisfied that this work does not have a material effect on the financial statements.

A handwritten signature in black ink, appearing to read 'Rob Murray'.

Rob Murray
Officer of the Audit Commission

3rd Floor
Eastbrook
Shaftsbury Road
Cambridge
CB2 8BF

30 May 2012

FOREWORD TO THE ACCOUNTS

South Essex Partnership University NHS Foundation Trust

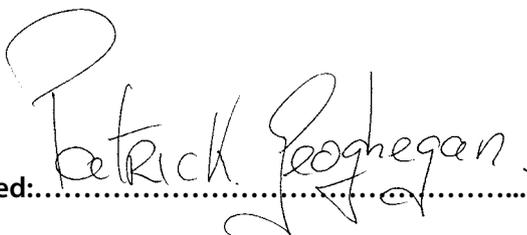
South Essex Partnership University NHS Foundation Trust ('the Trust') is required to prepare annual accounts in such form as Monitor, the independent regulator of Foundation Trusts, may with the approval of HM Treasury, direct. These requirements are set out in paragraphs 24 and 25 of schedule 7 to the 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:.....


Date: 30 May 2012

Dr Patrick Geoghegan, OBE
Chief Executive and Executive Nurse (Strategic)
Professor of Mental Health and Social Care

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
31 MARCH 2012**

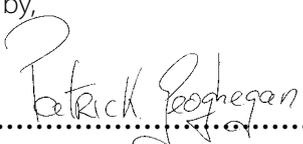
	NOTE	£000	2010/11 £000
INCOME FROM ACTIVITIES			
Operating income from continuing operations	2	300,522	189,749
Other operating income from continuing operations	3	13,581	12,410
Operating expenses of continuing operations	4	(305,398)	(191,390)
Operating surplus (deficit) for the year		8,705	10,769
FINANCE COST			
Finance income	8	620	643
Finance expense - financial liabilities	8	(2,616)	(2,829)
Finance expense - unwinding of discount on provisions	8	(99)	(118)
PDC dividends		(4,259)	(4,308)
Net finance cost		(6,354)	(6,612)
Surplus/(Deficit) from continuing operations for the year		2,351	4,157
OTHER COMPREHENSIVE INCOME (LOSSES)			
Revaluation gains/(losses) and impairment losses on property, plant and equipment		(9)	(69)
Other recognised gains and losses		123	424
Actuarial gains/(losses) on defined benefit pension schemes		(899)	2,990
TOTAL COMPREHENSIVE INCOME (EXPENSES) FOR THE YEAR		1,566	7,502

The notes on pages 162 to 209 form part of these accounts. All income and expenditure is derived from continuing operations.

**STATEMENT OF FINANCIAL POSITION AS AT
31 MARCH 2012**

	NOTE	£000	2010/11 £000
NON CURRENT ASSETS			
Intangible assets	9	3,366	3,920
Property, plant and equipments	10	160,258	163,841
Investment property	11	9,106	8,833
Other non current assets	12	1,519	1,603
Total non-current assets		174,249	178,197
CURRENT ASSETS			
Inventories	14	236	72
Trade and other receivables	13	8,504	7,280
Non current assets held for sale	15	500	0
Cash and cash equivalents	16	32,939	17,421
Total current assets		42,179	24,773
CURRENT LIABILITIES			
Trade and other payables	18	(26,042)	(16,371)
Borrowings	20	(822)	(730)
Provisions	21	(3,000)	(1,760)
Other current liabilities	19	(2,286)	(802)
Total current liabilities		(32,150)	(19,663)
TOTAL ASSETS LESS CURRENT LIABILITIES		184,278	183,307
NON CURRENT LIABILITIES			
Borrowings	20	(32,715)	(33,536)
Provisions	21	(3,150)	(3,763)
Other non current liabilities	19	(1,953)	(1,040)
Total non-current liabilities		(37,818)	(38,339)
TOTAL ASSETS EMPLOYED		146,460	144,968
FINANCED BY: TAX PAYERS EQUITY			
Public dividend capital	23	98,209	98,209
Revaluation reserve	24	37,803	39,985
Income and expenditure reserve	24	10,448	6,774
TOTAL TAX PAYERS EQUITY		146,460	144,968

The Financial statements on pages 158 to 159 were approved by the Board on 30 May 2012 and signed on its behalf by,

Signed:.....


Date: 30 May 2012

Dr Patrick Geoghegan, OBE

Chief Executive and Executive Nurse (Strategic)

Professor of Mental Health and Social Care

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY AT 31 MARCH 2012

	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
TAXPAYERS EQUITY AT 01 APRIL 2011	144,968	98,209	39,985	6,774
Acquired from Community Provider Services	1,693	0	0	1,693
TAXPAYERS EQUITY AT 01 APRIL 2011 RESTATED	146,661	98,209	39,985	8,467
Surplus/(deficit for the year)	2,351	0	0	2,351
Asset disposals	(9)	0	(9)	0
Transfers between reserves	0	0	(1,061)	1,061
Actuarial gains/(losses) on defined benefit pension schemes	(899)	0	0	(899)
Other recognised gains and losses	123	0	0	123
Other reserve movements	(1,767)	0	(1,112)	(655)
TAXPAYERS EQUITY AT 31 MARCH 2012	146,460	98,209	37,803	10,448

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY AT 31 MARCH 2011

	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
TAXPAYERS EQUITY AT 01 APRIL 2010	137,466	98,209	43,554	(4,297)
Surplus/(deficit for the year)	4,157	0	0	4,157
Revaluation gains/(losses) and impairment losses on property, plant and equipment	(69)	0	(69)	0
Actuarial gains/(losses) on defined benefit pension schemes	2,990	0	0	2,990
Other recognised gains and losses	424	0	0	424
Other reserve movements	0	0	(3,500)	3,500
TAXPAYERS EQUITY AT 31 MARCH 2011	144,968	98,209	39,985	6,774

STATEMENT OF CASH FLOWS AS AT 31 MARCH 2012

	NOTE	£000	2010/11 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash generated from/(used in) operations	25	23,938	14,226
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		118	122
Purchase of intangible assets		(42)	(1,743)
Purchase of property, plant and equipment		(2,519)	(4,485)
Sales of property, plant and equipment		967	209
Net cash generated from (used in) investing activities		(1,476)	(5,897)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital element of private finance Initiative obligations		(730)	(756)
Interest element of private finance Initiative obligations		(2,122)	(2,169)
PDC dividend paid		(4,092)	(4,492)
Net cash generated from (used in) financing activities		(6,944)	(7,417)
Increase (decrease) in cash and cash equivalents		15,518	912
CASH AND CASH EQUIVALENTS AT 1 APRIL 2011		17,421	16,509
CASH AND CASH EQUIVALENTS AT 31 MARCH 2012		32,939	17,421

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 2011/12 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.

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 3rd year. The previous 5 yearly valuation was carried out as at 31 March 2010, with the next valuation therefore due to be 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	8	78
	Building finishes	11	68
	Engineering and installations	1	78
	External works	13	78
	Fixtures and fittings	11	68
Buildings – PFI schemes	Structure	59	60
	Building finishes	59	60
	Engineering and installations	27	29
	External works	59	60
	Fixtures and fittings	43	44
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	Minimum Useful Economic Life (in years)	Maximum Useful Economic Life (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 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 2.9% for early retirement provisions and 2.2% for all other provisions.

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 27 where an income of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 27, 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 cash held. 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. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General 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. The total employer contributions payable in 2011/12 were £19,467,000. The Scheme is subject to a full actuarial investigation every four years. The main purpose of which 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 to be paid by employers and scheme members.

The last such investigation, on the conclusions of which scheme contribution rates are currently based, had an effective date of 31 March 2004 and covered the period from 1 April 1999 to that date. Between the full actuarial valuations, the Government Actuary provides an annual update of the scheme liabilities for IAS 19 purposes. The latest assessment of the liabilities of the Scheme is contained in the Scheme Actuary report, which forms part of the NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the Business Service Authority - Pensions Division website at www.nhspa.gov.uk. Copies can also be obtained from the Stationery Office.

The conclusion of the 2004 investigation was that the scheme had accumulated a notional deficit of £3.3 billion against the notional assets as at 31 March 2004. This is after making some allowance for the one-off effects of pay modernisation, but before taking into account any of the scheme changes which come into effect on 1 April 2008. Taking into account the changes in the benefit and contribution structure effective from 1 April 2008, employer contributions could continue at the existing rate of 14% of pensionable pay. On advice from the actuary, scheme contributions may be varied from time to time to reflect changes in the scheme's liabilities. From 1 April 2008, employees' contributions will be on a tiered scale from 5% up to 8.5% of their pensionable pay.

The scheme is a 'final salary' scheme. Annual pensions are normally based on 1/80th of the best of the last 3 years pensionable pay for each year of service. A lump sum normally equivalent to 3 years pension is payable on retirement. 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. On death, a pension of 50% of the member's pension is normally payable to the surviving spouse.

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 pensionable pay for death in service, and up to five times their annual pension for death after retirement, is payable. 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 income and expenditure account at the time the Trust commits itself to the retirement, regardless of the method of payment.

The scheme provides the opportunity to members to increase their benefits through money purchase additional voluntary contributions (AVC) provided by an approved panel of life companies. Under the arrangement the employee/member can make contributions to their pension benefits. The benefits payable relate directly to the value of the investments made.

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 2012.

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 Mergers and Acquisitions

Under the Transforming Community Services (TCS) initiative, services previously provided by Primary Care Trusts have transferred to other providers – notably NHS Trusts and NHS Foundation Trusts. Such transfers fall to be accounted for by use of merger accounting. The Treasury FREM provides that where a transfer takes place in 2011-12, the recipient of the transfer will account for transferred activities in full for the period (and the original provider for none) to reflect the position had the transfer always applied from the start of the financial year.

For TCS transactions specifically it is impracticable to adjust the prior period revenue account in each body and so restatement is effected by adjustment to 1 April 2011 opening balances rather than by full restatement of comparators.

1.27 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 2.5, therefore includes the income and expenditure account only.

STATEMENT OF COMPREHENSIVE INCOME

Appendix A

	1 April 2011 to 31 July 2011			1 April 2011 to 31 August 2011	August 2011	1 September 2011 to 31 March 2012	Full Year
	South East Essex Community Service Provider	West Essex Community Service Provider	SEPT	Bedfordshire Community Service Provider	Combined Excluding Bedfordshire	Combined	£000
	£000	£000	£000	£000	£000	£000	£000
INCOME FROM ACTIVITIES							
Operating income from continuing operations	11,621	12,582	64,859	18,118	11,138	195,785	314,103
Operating expenses of continuing operations	(11,619)	(12,613)	(58,162)	(18,118)	(9,055)	(195,831)	(305,398)
Operating surplus (deficit) for the year	2	(31)	6,697	0	2,083	(46)	8,705
FINANCE COST							
Finance income	0	0	39	0	13	568	620
Finance expense - financial	0	0	(709)	0	(173)	(1,733)	(2,616)
Finance expense - unwinding of discount on provisions	0	0	0	0	0	(99)	(99)
PDC dividends	0	0	(1,455)	0	(364)	(2,441)	(4,259)
Net finance cost	0	0	(2,125)	0	(524)	(3,705)	(6,354)
Surplus/(Deficit) for the year	2	(31)	4,572	0	1,559	(3,751)	2,351

The transactions referred to below, represent a transfer between public sector bodies which are under common control and therefore is a 'machinery of government change'. These transactions meet the definition of a 'Group Reconstruction' under IFRS 3 'Business Combinations' and therefore fall outside the scope of the standard. Consequently, in accordance with the FT ARM the principle of merger accounting has been applied to these transactions, as set out in Financial Reporting Standard 6 'Acquisitions and mergers' issued by the United Kingdom Accounting Standards Board. The effect of the merger to the Statement of Comprehensive Income of the Trust as at transaction dates are shown above.

On 1 August 2011 South Essex Partnership University NHS Foundation Trust acquired the Community Provider Services of South East Essex Primary Care Trust and West Essex Primary Care Trust. The transactions involved the purchase of the net liabilities of South East Essex Primary Care Trust, with a value of £1,238,000, and the net assets of West Essex Primary Care Trust, with a value of £253,000. The consideration given for each transaction was £nil in cash, with the contra adjustment for the acquired balances being dealt with through the Statement of Comprehensive Income.

On 1 September 2011 South Essex Partnership University NHS Foundation Trust acquired the Community Provider Services of Bedfordshire Primary Care Trust. The transaction involved the purchase of the net liabilities of Bedfordshire Primary Care Trust, with a value of £1,166,000. The consideration given was £nil in cash, with the contra adjustment for the acquired balances being dealt with through the Statement of Comprehensive Income.

2 Operating Income from continuing operations

2.1 Provision of Healthcare Services

	£ 000	2010/11 £ 000
Block contract income	238,045	171,298
Clinical partnerships providing mandatory services	6,185	5,889
Other clinical income from mandatory services	3,794	4,484
Cost and volume contract income	40,389	1,036
Other non-mandatory clinical income	12,109	7,042
	300,522	189,749

2.2 Source of Income from Activities

	£ 000	2010/11 £ 000
NHS Foundation Trusts	1,729	333
NHS Trusts	983	8
Strategic Health Authorities	279	82
Primary Care Trusts	286,417	179,234
Local Authorities	10,185	9,797
Department of Health - other	19	-
Non NHS: Private patients	25	-
NHS other	1	6
Non-NHS other	884	289
	300,522	189,749

2.3 Mandatory and Non Mandatory Clinical Income

Under the Trust's terms of authorisation, the Trust is required to provide mandatory health services. The allocation of operating income between mandatory health services and other services is detailed below,

	£ 000	2010/11 £ 000
Mandatory services	288,413	182,707
Non Mandatory services	12,109	7,042
	300,522	189,749

2.4 Private Patient Income

	2010/11 £000	2002/03 £000
Private patient income	0	0
Total patient income	189,749	74,491
Proportion	0%	0%

Section 44 of the 2006 Act requires that the proportion of private patient income (PPI) to the total patient related income of NHS Foundation Trusts should not exceed the relevant proportion whilst the body was an NHS Trust in 2002/03 (the base year). For mental health NHS Foundation Trusts the PPI cap will be the greater of;

- The proportion of the total income derived from private patient charges in the base year ; or
- 1.5 %

As a Trust received no income from private patient charges in 2002/03, the cap is therefore set at £1,117,000, represented by 1.5% of total patient income in 2002/03.

The Trust received £25,000 private patient income for the year ended 31 March 2012 (2010/11: £nil).

2.5 Operating Segments

	Income £000	Expenditure £000	Surplus/ (Deficit) £000
Mental Health			
Essex	113,320	(111,076)	2,244
Beds & Luton Clinical	71,460	(70,041)	1,419
Total mental health	184,780	(181,117)	3,663
Community Services			
West Essex	37,838	(38,222)	(384)
South East Essex	33,983	(33,155)	828
Bedfordshire	40,245	(41,023)	(778)
Total community service	112,066	(112,400)	(334)
Unallocated income/(expenditure)			
Impairment of property, plant & equipment	0	0	(978)
Overall surplus/(deficit)	296,846	(293,517)	2,351

2.5.1 Reconciliation to Statement of Comprehensive Income

	£000	£000
Operating Income/(expenses) from continuing operations	300,522	(305,398)
Other Operating income from continuing operating	13,581	0
Finance income/(expense)	620	(2,715)
PDC dividend	0	(4,259)
Per Statement of Comprehensive Income	314,723	(312,372)
Netting within operating segments	(17,877)	17,877
Impairment of property, plant and equipment	0	978
Per Operating Segments	296,846	(293,517)

3 Other Operating Income from continuing operations

3.1 Other Operating Income

	Note	£ 000	2010/11 £ 000
Education & training		2,589	2,491
Research & development		116	106
Revaluation gain on investment property		-	1,530
Non-patient care services to other bodies		4,720	3,905
Lease car rental		411	-
Staff recharges		1,756	491
Other income	3.2	3,989	3,887
Total		13,581	12,410

3.2 Other Income

	£ 000	2010/11 £ 000
Estate recharge	2,675	803
Staff accommodation rentals	107	110
Charitable and other contributions to expenditure	69	-
IT recharges	214	240
Clinical excellence awards	86	145
Pharmacy sales	196	239
Catering	235	219
Property rentals	396	315
Other	11	1,816
Total	3,989	3,887

4 Operating expenses of continuing operations

4.1 Operating expenses

	£ 000	2010/11 £ 000
Services from NHS Foundation Trusts	907	593
Services from NHS Trusts	1,805	306
Services from PCTs	2	0
Services from other NHS Bodies	18	0
Purchase of healthcare from non NHS bodies	1,357	439
Employee Expenses - Executive directors	1,823	1,737
Employee Expenses - Non-executive directors	211	171
Employee Expenses - Staff	215,181	133,217
Drug costs	4,526	3,820
Supplies and services - clinical (excluding drug costs)	7,376	683
Supplies and services - general	11,836	2,426
Establishment	12,214	7,347
Research and development	222	394
Transport	225	187
Premises	27,657	22,879
Increase / (decrease) in provision for impairment of receivables	431	646
Depreciation on property, plant and equipment	4,595	4,378
Amortisation on intangible assets	949	222
Impairments of property, plant and equipment	978	562
Impairments of investment property	92	0
audit services- statutory audit	56	84
further assurance services	230	228
other services	23	27
Clinical negligence	431	292
Loss on disposal of other property, plant and equipment	236	209
Legal fees	574	625
Consultancy costs	1,265	1,529
Training, courses and conferences	1,046	618
Patient travel	603	568
Car parking & Security	475	571
Redundancy	4,949	4,266
Early retirements	(323)	0
Hospitality	82	147
Insurance	325	359
Other services, eg external payroll	2,515	1,694
Losses, ex gratia & special payments	15	79
Other	491	87
Total	305,398	191,390

4.2 Operating leases

	£000	2010/11 £000
Minimum lease payments	6,182	3,140
Total	6,182	3,140

4.2.1 Arrangements containing an operating lease buildings

	£000	2010/11 £000
Future minimum lease payments due:		
- not later than one year;	3,745	1,255
- later than one year and not later than five years;	3,728	2,254
- later than five years.	0	607
Total	7,473	4,116

4.2.2 Arrangements containing an operating lease other

	£000	2009/10 £000
Future minimum lease payments due:		
- not later than one year;	1,189	987
- later than one year and not later than five years;	1,090	866
- later than five years.	0	0
Total	2,279	1,853

Non cancellable operating leases are operating leases with a total committed cost outset of at least £5,000.

4.3 Audit Remuneration Other

	£000	2010/11 £000
IT services	11	27
Internal audit services	230	228
Other	12	0
TOTAL	253	255

5 Staff Costs

5.1 Analysis of staff costs

	£ 000	2010/11 £ 000
Salaries and wages	171,492	105,080
Social security costs	12,958	8,855
Employers contributions to NHS pensions	19,467	11,620
Pension cost - other contributions	-	50
Other post employment benefits	(323)	-
Termination benefits	4,949	4,266
Agency/contract staff	13,087	9,349
Total	221,630	139,220

5.2 Directors remuneration

		Salary £000	Other Remuneration £000	Benefits in Kind £000	Employers Pension Contribution £000
Dr Patrick Geoghegan OBE	Chief Executive and Executive Nurse	215-220	0	0	30-35
Pauline Roberts	Executive Medical Director	195-200	45-50	0	25-30
Ray Jennings	Executive Chief Finance Officer and Deputy Chief Executive	150-155	0	0	20-25
Sally Morris	Executive Director of Operational Services	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	125-130	0	0	15-20
Peter Wadum-Buhl	Executive Director of Strategy & Business Development	140-145	0	0	15-20
Andy Brogan	Interim Executive Director of Integrated Governance/Deputy Executive Nurse	130-135	0	0	
Malcolm McCann	Executive Director of Community Services Essex	115-120	0	0	15-20
Richard Winter	Executive Director of Community Services Bedford	110-115	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)	15-20	0	0	0
Steve Currell	Non-Executive Director	15-20	0	0	0
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 from (01/01/2012)	0-5	0	0	0

		2010/11			
		Salary	Other Remuneration	Benefits in Kind	Employers Pension Contribution
		£000	£000	£000	£000
Dr Patrick Geoghegan OBE	Chief Executive and Executive Nurse	225-230	0	0	30-35
Dr Hameen Markar	Executive Medical Director	170-175	40-45	0	25-30
Pauline Roberts	Executive Medical Director	190-195	45-50	0	20-25
Ray Jennings	Executive Chief Finance Officer and Deputy Chief Executive	155-160	0	0	20-25
Sally Morris	Executive Director of Operational Services	145-150	0	0	20-25
Peter Wadum-Buhl	Executive Director of Strategy & Business Development	115-120	0	0	15-20
Amanda Reynolds	Executive Director of Social Care & partnership	30-35	0	0	0-5
Nikki Richardson	Executive Director of Corporate Affairs	130-135	0	0	15-20
Andy Brogan	Interim Executive Director of Integrated Governance/Deputy Executive Nurse	95-100	0	0	0
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	15-20	0	0	0
Leslie Cuthbert	Non-Executive Director	5-10	0	0	0
Randolph Charles	Non-Executive Director	5-10	0	0	0
Steve Cotter	Non-Executive Director	5-10	0	0	0
Steve Currell	Non-Executive Director	15-20	0	0	0
Dawn Hillier	Non-Executive Director	15-20	0	0	0
Gary Scott	Non-Executive Director	5-10	0	0	0

Peter Wadum-Buhl was appointed to the Board of Directors from 1 June 2010. The amount shown above represents his salary from the date of appointment.

5.3 Analysis of Average Staff Numbers

	Total	2010/11 Total
Medical and dental	206	182
Administration and estates	971	670
Healthcare assistants and other support staff	827	545
Nursing, midwifery and health visiting staff	1,685	855
Scientific, therapeutic and technical staff	717	365
Bank and agency staff	811	467
Social care staff	118	72
Other	281	173
Total	5,616	3,329

The increase in staff numbers when compared to 2010/11 was mainly due to the transfer of staff as part of the acquisition of the West Essex, South East Essex and Bedfordshire Community Provider Services.

5.4 Employee benefits

There are no non pay benefits which are not attributable to individual employees.

5.5 Retirement due to Ill Health

During the year ended 31 March 2012, there were 4 (2010/11: 6) 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 £186,069 (2010/11: £396,178).

5.6 Termination Costs

Termination cost band	2011/12		2010/11	
	Number of compulsory redundancies	Cost of compulsory redundancies	Number of compulsory redundancies	Cost of compulsory redundancies
	Number	£000s	Number	£000s
<£10,000	19	83	26	223
£10,001 - £25,000	31	492	23	424
£25,001 - 50,000	30	1,160	27	1,014
£50,001 - £100,000	20	1,326	9	667
£100,001 - £150,000	9	1,063	11	1,343
£150,001 - £200,000	5	825	2	355
>£200,001	0	0	1	240
Total	114	4,949	99	4,266

5.7 Staff Sickness Absence

	2011/12	2010/11
Staff Sickness Absence		
	Number	Number
Days Lost (Long Term) *	54,599	40,492
Days Lost (Short Term)	24,838	29,068
Total Days Lost	79,437	69,560
Total Staff Years	4,621	2,014
Average working Days Lost	17.2	34.5
Total Staff Employed In Period (Headcount)	4,621	2,014
Total Staff Employed In Period with No Absence (Headcount)	1,398	851
Percentage Staff With No Sick Leave	30.3%	42.3%

*long term sickness is over 20 days

6 Employee Retirement Benefit Obligations

6.1 Amounts recognised in the Statement of Comprehensive Income

	£000	2010/11 £000
Current service cost	(309)	(381)
Interest on pension obligations	(496)	(660)
Expected return on plan assets	502	521
Past service (costs)/gains	0	1,155
Total	(303)	635
Actual return on plan assets	9	(598)

6.2 Fair value of employer assets

	£000	2010/11 £000
Equities	3,905	4,302
Bonds	1,913	1,832
Property	717	717
Cash/liquidity	1,434	1,115
Total	7,969	7,966

6.3 Principal actuarial assumptions at 31 March 2012

	%	2010/11 %
Rate of inflation/pension increase rate	2.5	2.8
Rate of increase in salaries	4.8	5.1
Discount rate	4.8	5.5
Expected return on assets (average)	4.9	6.3

6.4 Amounts recognised in the Statement of Financial Position

	£000	2010/11 £000
Present value of funded benefit obligations	(9,922)	(9,006)
Fair value of plan assets	7,969	7,966
Net liability	(1,953)	(1,040)

6.5 Change in benefit obligation during period to 31 March 2012

	£000	2010/11 £000
Defined benefit obligation as at 1 April	9,006	12,756
Current service cost	309	381
Past service cost	0	(1,155)
Interest on pension obligations	496	660
Member contributions	118	133
Actuarial (gains)/losses on obligations	387	(3,540)
Benefits paid	(394)	(229)
Defined benefit obligation as at 31 March	9,922	9,006

6.6 Change in fair value of plan assets during period to 31 March 2012

	£000	2010/11 £000
Fair value of plan assets as at 1 April	7,966	7,797
Expected return on plan assets	502	521
Actuarial gains/(losses) on assets	(512)	(550)
Employer contributions	289	294
Member contributions	118	133
Benefits paid	(394)	(229)
Fair value of plan assets as at 31 March	7,969	7,966

6.7 Analysis of net liability as at 31 March 2012

	£000	2010/11 £000
Fair value of employer assets	7,969	7,966
Present value of defined benefit obligation	(9,922)	(9,006)
Net liability	(1,953)	(1,040)
Represented by:		
Opening defined benefit obligation 1 April	(9,006)	(12,756)
Current service costs	(309)	(381)
Contribution by members	(118)	(133)
Interest costs	(496)	(660)
Actuarial (losses)/gains	(387)	3,540
Past service (costs)/gains	0	1,155
Estimated benefits paid	394	229
Closing defined benefit obligation 31 March	(9,922)	(9,006)
Opening fair value of plan assets 1 April	7,966	7,797
Expected return on plan assets	502	521
Actuarial gains/(losses) on assets	(512)	(550)
Employer contributions	289	294
Member contributions	118	133
Benefits paid	(394)	(229)
Closing fair value of assets 31 March	7,969	7,966
Total	(1,953)	(1,040)

6.8 Future contribution estimate

The scheme actuaries, Hymans Robertson LLP, estimated the employer's contribution for the year ended 31 March 2013 will be approximately £ 275,000.

6.9 Sensitivity Analysis

The sensitivity regarding the principle assumptions used to measure the scheme liabilities are set out below.

Change in assumptions at year ended 31 March 2012	Approximate % increase to employer liability	Approximate monetary amount £000
0.5% decrease in Real Discount Rate	11	1,090
1 year increase in member life expectancy	3	298
0.5% increase in the Salary Increase Rate	3	314
0.5% increase in the Pension Increase Rate	8	767

7 The Late Payment of Commercial Debts (interest) Act 1998.

There is no amount included within interest payable (Note 7) arising from claims made by small business under this legislation

8 Finance Cost and Finance Income

8.1 Finance income

Interest on held-to-maturity financial assets	118
Expected return on pension scheme assets	502
Total finance income	620

£000
118
502
620

2010/11 £000
122
521
643

8.2 Finance Costs - interest expense

Finance cost on PFI obligation	2,120
Finance costs on pension scheme liabilities	496
Total finance cost	2,616

£000
2,120
496
2,616

2010/11 £000
2,169
660
2,829

8.3 Finance costs - unwinding of discount

Unwinding of discount on pension provision	99
	99

£000
99
99

2010/11 £000
118
118

9 Intangible Assets

Cost at 1 April 2011	5,555	5,555	3,869
Acquired from Community Provider Services	240	240	0
Cost at 1 April 2011 - restated	5,795	5,795	3,869
Additions	155	155	1,745
Reclassifications	0	0	(59)
Cost at 31 March	5,950	5,950	5,555
Amortisation at 1 April	1,635	1,635	1,413
Provided during the year	949	949	222
Amortisation at 31 March	2,584	2,584	1,635
Net book value at 1 April	3,920	3,920	2,456
Net book value at 31 March	3,366	3,366	3,920

Total £000	Software licences purchased £000	2010/11 £000
5,555	5,555	3,869
240	240	0
5,795	5,795	3,869
155	155	1,745
0	0	(59)
5,950	5,950	5,555
1,635	1,635	1,413
949	949	222
2,584	2,584	1,635
3,920	3,920	2,456
3,366	3,366	3,920

10 Property, Plant and Equipment

	Total	Land	Buildings excluding dwellings	Dwellings	Plant & Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Assets under Construction
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation at 1 April 2011	216,073	56,006	139,226	879	3,239	299	10,963	3,701	1,760
Acquired from Community Provider Services	655	0	0	0	388	0	267	0	0
Cost or Valuation at 1 April 2011 - restated	216,728	56,006	139,226	879	3,627	299	11,230	3,701	1,760
Additions - purchased	3,167	0	865	0	160	0	390	0	1,752
Impairments charged to revaluation reserve	0	0	0	0	0	0	0	0	0
Revaluation surplus	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	1,683	0	5	0	46	13	(1,747)
Non current assets held for sale	(500)	(160)	(340)	0	0	0	0	0	0
Transfer to Investment Property	(365)	(120)	(245)	0	0	0	0	0	0
Disposals	(967)	(280)	(570)	0	(5)	0	(79)	(33)	0
Cost or valuation at 31 March 2012	218,063	55,446	140,619	879	3,787	299	11,587	3,681	1,765
Accumulated Depreciation at 1 April 2011	52,232	1,325	38,058	76	1,928	299	8,053	2,493	0
Provided during the year	4,595	0	2,844	37	343	0	996	375	0
Impairments recognised in operating expenses	978	0	978	0	0	0	0	0	0
Revaluation surplus	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
Accumulated depreciation at 31 March 2012	57,805	1,325	41,880	113	2,271	299	9,049	2,868	0
Net Book Value									
NBV - Purchased at 1 April 2011	163,813	54,674	101,147	803	1,311	0	2,910	1,208	1,760
NBV - Donated at 1 April 2011	28	7	21	0	0	0	0	0	0
NBV Total at 1 April 2011	163,841	54,681	101,168	803	1,311	0	2,910	1,208	1,760
Net Book Value									
NBV - Purchased at 31 March 2012	160,230	54,114	98,718	766	1,516	0	2,538	813	1,765
NBV - Donated at 31 March 2012	28	7	21	0	0	0	0	0	0
NBV Total at 31 March 2012	160,258	54,121	98,739	766	1,516	0	2,538	813	1,765

Analysis of Property Plant and Equipment

Net Book Value

- Protected	143,660	51,481	92,179	0	0	0	0	0	0
- Unprotected	16,598	2,640	6,560	766	1,516	0	2,538	813	1,765
Total at 31 March 2012	160,258	54,121	98,739	766	1,516	0	2,538	813	1,765

10.1 The net book value of land and building at the year end

	Total £000	Protected £000	Unprotected £000	2010/11 £000
Freehold	160,258	143,660	16,598	164,496
Total	160,258	143,660	16,598	164,496

10.2 The analysis of revaluation of property plant and equipment

	Total £000	Revaluation Reserves Surplus £000	Revaluation Reserves Impairment £000	SOCI Impairment £000	2010/11 '£000
Building	(978)	0	0	(978)	(562)
Total	(978)	0	0	(978)	(562)

During the year ended 31 March 2012, the refurbishment and extension to the older peoples Meadowview Ward at Thurrock Hospital, and the provision of an administration hub at Rochford Hospital were completed. Following completion, the Meadowview Ward and administration hub were valued at modern equivalent depreciated replacement cost by the District Valuer, resulting in impairment losses of £427,000 and £551,000 respectively.

10.3 Remaining Economic lives of Property, plant and equipment

Main Asset Category	Sub Category	Minimum Useful Life (in years)	Maximum Useful Life (in years)
Buildings –owned	Structure	8	78
	Building finishes	11	68
	Engineering and installations	1	78
	Fixtures and fittings	11	68
	External works	13	78
Buildings – PFI schemes	Structure	59	60
	Building finishes	59	60
	Engineering and installations	27	29
	Fixtures and fittings	59	60
	External works	43	44
Plant, machinery and equipment	Medical and surgical equipment	4	8
	Office equipment	1	5
	IT hardware	1	5
	Other engineering works	0	6
Furniture and fittings	Furniture	1	10
	Soft furnishings	1	7
Motor vehicles		1	7

10.4 Assets under PFI contract

	£000	2010/11 £000
Cost or valuation		
Cost or valuation at 1 April	33,735	33,735
Additions during the year	0	0
Cost of valuation at 31 March	33,735	33,735
Accumulated depreciation		
Accumulated depreciation at 1 April	6,982	6,128
Provided during the year	747	854
Accumulated depreciation at 31 March	7,729	6,982
Net Book Value at 1 April	26,753	27,607
Net Book Value at 31 March	26,006	26,753

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 to 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

	£000	2010/11 £000
Carrying value at 1 April	8,833	7,303
Transfer from property, plant and equipment	365	0
Impairments recognised in operating expenses	(92)	0
Revaluation surplus	0	1,530
Carrying value at 31 March	9,106	8,833

In accordance with accounting guidance, the Trust annually revalues its investment properties. The revaluation provided by the District Valuer showed a decrease of £92,050 during 2011/12.

12 Other Non Current Assets

	Financial Assets £000	Financial Assets 2010/11 £000
NHS debtors	1,519	1,603
Total	1,519	1,603

13 Trade and Other Current Receivables

	£000	2010/11 £000
NHS receivables	4,958	3,532
Other receivables with related parties	1,173	1,602
Provision for impaired receivables	(891)	(803)
Accrued income	233	694
Prepayments	1,569	1,105
PDC receivable	11	178
VAT Receivable	1,025	802
Other receivables	426	170
Total	8,504	7,280

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

	£000	2010/11 £000
At 1 April	803	1,047
Increase in provision	1,245	646
Amount utilised	(343)	(890)
Unused amount reversed	(814)	0
Total	891	803

13.2 Analysis of Impaired Receivables

	£000	2010/11 £000
Up to 30 days	113	278
In 30 to 60 days	0	5
In 60 to 90 days	0	7
In 90 to 180 days	390	60
Over 180 days	388	453
Total	891	803

At 31 March 2012, the Trust had impaired debts totalling £891,000 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

	£000	2010/11 £000
Up to 30 days	853	362
In 30 to 60 days	277	514
In 60 to 90 days	361	73
In 90 to 180 days	531	309
Over 180 days	34	34
Total	2,056	1,292

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

	£000	2010/11 £000
Consumables	0	72
Wheelchairs	236	0
	236	72

15 Non current assets held for sale

	£000	2010/11 £000
Land	160	0
Building	340	0
Total	500	0

16 Cash and Cash Equivalents

	£000	2010/11 £000
Cash and cash equivalents at 1 April	17,421	16,509
Net change during the year	15,518	912
Cash and cash equivalents at 31 March	32,939	17,421
Represented by;		
Cash at commercial bank and in hand	750	553
Cash at GBS (Government Banking System)	32,189	16,868
Total	32,939	17,421

17 Investments

There were no investments held by the Trust as at 31 March 2012 (2010/11: £nil)

18 Trade and Other Current Payables

	£000	2010/11 £000
NHS payables	4,198	301
Amounts due to other related parties	2,234	72
Trade payable - capital	1,382	564
Trade payable - other	1,690	1,340
Social Security costs	1,942	2,798
Other taxes payable	2,047	1,462
Accruals	12,549	9,834
Total	26,042	16,371

19 Other Liabilities

19.1 Other current liabilities

	£000	2010/11 £000
Deferred income	2,286	802
	2,286	802

19.2 Other non current liabilities

	£000	2010/11 £000
Net Pension Scheme liability (local Government Pension Scheme)	1,953	1,040
	1,953	1,040

20 Borrowings

20.1 Current liabilities

	£000	2010/11 £000
Obligation under PFI contract due within one year	822	730
Total	822	730

20.2 Non current liabilities

	£000	2010/11 £000
Long term Obligation under PFI contract after more than one year	32,715	33,536
Total	32,715	33,536

20.3 PFI obligations

	£000	2010/11 £000
Gross liabilities	65,295	68,145
Of which liabilities are due		
- not later than one year;	2,898	2,852
- later than one year and not later than five years;	11,022	11,212
- later than five years.	51,375	54,081
Finance charges allocated to future periods	(31,758)	(33,879)
Net liabilities	33,537	34,266
- not later than one year;	821	730
- later than one year and not later than five years;	3,204	3,196
- later than five years.	29,512	30,340
	33,537	34,266

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	EMI Homes £000	Forensic £000
1,130	455	675
5,637	2,070	3,567
57,562	14,605	42,957
64,329	17,130	47,199

**2010/11
£000**

1,041

5,254

59,075

65,370**20.5 Imputed obligations under PFI commitments comprise****Commitments in respect of the lease rentals of the PFI**

Rentals due within one year

Rentals due within 2nd to 5th years (inclusive)

Rentals due Later than five years

Sub total rentals due

less interest element

Total

Total £000	EMI Homes £000	Forensic £000
2,899	523	2,376
11,022	2,090	8,932
51,374	8,468	42,906
65,295	11,081	54,214
(31,758)	(4,861)	(26,897)
33,537	6,220	27,317

**2010/11
£000**

2,852

11,212

54,081

68,145

(33,879)

34,266

21 Provisions for Liabilities and Charges

	Pensions Former Directors £000	Pensions Other Staff £000	Other Legal Claim £000	Redundancy £000	Carbon Reduction £000	Other £000	Total £000	2010/11 £000
At 1 April	86	3,314	128	1,260	0	735	5,523	5,012
Change in the discount rate	0	0	0	0	0	0	0	(465)
Arising during the year	0	0	0	4,813	160	0	4,973	1,388
Utilised during the year	(7)	(326)	0	(3,724)	0	(41)	(4,098)	(365)
Reversed unused	0	(301)	(10)	0	0	(36)	(347)	(165)
Unwinding of discount	2	78	0	0	0	19	99	118
At 31 March	81	2,765	118	2,349	160	677	6,150	5,523
Expected timing of cash flows:								
- not later than one year;	7	328	118	2,349	160	38	3,000	1,760
- later than one year and not later than five years;	24	1,109	0	0	0	141	1,274	1,274
- later than five years.	50	1,328	0	0	0	498	1,876	2,489
Total	81	2,765	118	2,349	160	677	6,150	5,523

The total value of clinical negligence provisions carried by the NHS Litigation Authority (NHSLA) on the Trust's behalf as at 31 March 2012 was £6,985,792 (2010/11: £4,478,441).

22 Movements in Taxpayers' Equity

	£000	2010/11 £000
Tax payers equity at 1 April	144,968	137,466
Acquired from Community Provider Services	1,693	0
Tax payers equity at 1 April - restated	146,661	137,466
Surplus (deficit) for the year	2,351	4,157
Asset disposals	(9)	0
Impairment on property, plant and equipment	0	(69)
Actuarial gains/(losses) on defined benefit pension schemes	(899)	2,990
Other recognised gains and losses	123	424
Other reserve movements	(1,767)	0
Tax payers equity at 31 March	146,460	144,968

23 Public Dividend Capital

	£000	2010/11 £000
Public dividend capital at 1 April	98,209	98,209
Public dividend capital at 31 March	98,209	98,209

24 Movements in Reserves

	Revaluation Reserve £000	Income and Expenditure Reserve £000	Total £000
At 1 April 2011	39,985	6,774	46,759
Acquired from Community Provider Services	0	1,693	1,693
At 1 April 2011 - restated	39,985	8,467	48,452
Surplus/(deficit for the year)	0	2,351	2,351
Asset disposals	(9)	0	(9)
Transfers between reserves	(1,061)	1,061	0
Actuarial gains/(losses) on defined benefit pension schemes	0	(899)	(899)
Other recognised gains and losses	0	123	123
Other reserve movements	(1,112)	(655)	(1,767)
At 31 March 2012	37,803	10,448	48,251

25 Notes to the Statement of Cash Flows

25.1 Cash Flows from operating activities

	£000	2010/11 £000
Operating surplus(deficit) from continuing operations	8,705	10,769
Operating surplus (deficit)	8,705	10,769
Non Cash Income and Expense:		
Depreciation and amortisation	5,544	4,600
Revaluation (gain) losses	1,070	(968)
(Increase)/Decrease in Other Assets	84	0
(Increase)/decrease in trade and other receivables	(1,391)	126
(Increase)/decrease in inventories	(164)	(31)
Increase/(decrease) in trade and other payables	8,910	984
Increase/(decrease) in other liabilities	1,504	257
Movements in operating cash flow in respect of Transforming Community Services transaction	(798)	0
Increase/(decrease) in provisions	528	(364)
Other movements in operating cash flows	(54)	(1,147)
NET CASH GENERATED FROM/(USED IN) OPERATIONS	23,938	14,226

25.2 Reconciliation of net cash flow to movement in net debt

	£000	2010/11 £000
Net increase/(decrease) in cash for the period	15,518	912
Change in net debt resulting from cash flow	15,518	912
Net debt at 1 April	17,421	16,509
Net debt at 31 March	32,939	17,421

25.3 Analysis of net debt

	At 1 April 2011	Cash Change in the year	At 31 March 2012
Commercial cash at bank and in hand	553	197	750
Government banking service (GBS)	16,868	15,321	32,189
Total	17,421	15,518	32,939

26. Capital Commitments

The value of the capital commitments under expenditure contracts at 31 March 2012 was £1,603,000 (2010/11: £1,116,000).

27. Events after the Reporting Period

There were no events after the reporting period.

28. Contingencies

As at 31 March 2012, the Trust had contingent liabilities in respect of the liabilities to third parties scheme totaling £89,000 (2010/11: £96,000).

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 2012 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	2011/12				Provision for bad debt £000
	Income £000	Expenditure £000	Receivables £000	Payables £000	
Bedfordshire PCT	75,101	344	1,265	1,253	29
Luton Teaching PCT	28,557	17	786	0	258
South East Essex PCT	94,271	1666	625	4,891	33
South West Essex PCT	47,162	348	1,829	161	26
West Essex PCT	44,476	2359	294	1,984	0

Organisation	2010/11				
	Income £000	Expenditure £000	Receivables £000	Payables £000	Provision for bad debt £000
Bedfordshire PCT	37,201	14	52	14	0
Luton Teaching PCT	24,996	23	810	3	281
South East Essex PCT	64,459	74	1,343	1	25
South West Essex PCT	48,694	499	2,182	1	124
West Essex PCT	7,096	19	44	12	0

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 Board 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:

Three Primary Care Trust Governors: one appointed by NHS West Essex, one to be appointed jointly by Bedfordshire PCT and Luton PCT, and one to be jointly appointed by South East Essex PCT and South West Essex PCT.

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 2012, the Trust received income of £27,240 from South Essex Partnership University NHS Foundation Trust General Charitable Fund 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

Professor Patrick Geoghegan OBE is a Governor at the Anglia Ruskin University (ARU). During the year ended 31 March 2012, the Trust had transactions with the University including income received from ARU of £93,780 (2010/11: £27,960) and payments made of £110,106 (2010/11:£370,000) relating to training, education and grants.

Sally Morris has a minority share holding 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 2012 was £31,050 (2010/11:£8000).

Alison Davis is the Trustee of a company called Impact. Impact has been engaged to provide Mental Health Peer Intervention and Support. The value of services provided during the period ended 31 March 2012 was £60,000 (2010/11:£nil).

30. Prudential Borrowing Limit

The NHS Foundation Trust is required to comply and remain within a prudential borrowing limit. This is made up of two elements:

1. The maximum cumulative amount of long-term borrowing.

This is set by reference to the four ratio tests set out in Monitor's Prudential Borrowing Code. The financial risk rating set under Monitor's Compliance Framework determines one of the ratios and therefore can impact on the long term borrowing limit ; and

2. The amount of any working capital facility approved by Monitor

The Trust has a maximum cumulative long term borrowing limit of £60.0 million (2010/11: £47.2 million). At 31 March 2012, the Trust had long term borrowing of £32.7 million (2010/11: 33.6 million).

The Trust has an approved working capital limit of £24.8m (2010/11: £15.3m). As at 31 March 2012, the Trust had a working capital facility with Lloyds TSB of £24.8m of which £nil was utilised (2010/11: £15.3m).

	Actual ratio	Approved ratio	Actual ratio	Approved ratio
	2011/12	2011/12	2010/11	2010/11
Minimum dividend cover	2.13	>1	1.87	>1
Minimum interest cover	5.05	>2	4.86	>2
Minimum debt service cover	3.78	>1.5	3.62	>1.5
Maximum debt service to revenue	0.98%	<10%	1.47%	<10%

Further information on the NHS foundation trust Prudential Borrowing Code and Compliance Framework can be found on the website of Monitor, the Independent Regulator of Foundation Trust.

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 Primary Care Trusts and the way those Primary Care Trusts 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 Primary Care Trusts, which are financed from resources voted annually by Parliament. The Trust also largely finances its capital expenditure from funds made available from Government under an agreed borrowing limit. South Essex Partnership University NHS Foundation Trust is not, therefore, exposed to significant liquidity risks.

At 31 March 2012 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 or expenditure.

32 Financial Assets and Liabilities

32.1 Financial assets

	Loans and Receivables 2011/12 £000	Loans and Receivables £000
Trade and other receivables	5,910	5,373
Cash and cash equivalents (at bank and in hand)	32,939	17,421
	38,849	22,794

32.2 Financial liabilities

	Other Financial Liabilities 2011/12 £000	Other Financial Liabilities £000
Obligations under PFI contract	33,537	34,266
Trade and other payables	20,002	12,111
Provisions under contract	6,150	5,523
	59,689	51,900

32.3. Foreign currency risk

The Trust has negligible foreign currency income and expenditure.

32.4 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.

	2011/12		2010/11		Basis of Fair Valuation
	Book Value £000	Fair Value £000	Book Value £000	Fair Value £000	
Financial Assets					
Other Non Current receivables	1,519	1,519	1,603	1,603	Note A
	<u>1,519</u>	<u>1,519</u>	<u>1,603</u>	<u>1,603</u>	
Financial Liabilities					
Provisions	3,150	3,150	3,763	3,763	Note B
	<u>3,150</u>	<u>3,150</u>	<u>3,763</u>	<u>3,763</u>	

The Trust's financial liabilities as at 31 March 2012 comprise provision for early retirement and, 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. These debtors reflect agreement with commissioners to cover creditors over 1 year for early retirement provisions under contract and their related interest charge/unwinding of discount. In line with note B below, fair value is not a significantly deferent from book value.
- 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 2.9% in real terms.

33. Third Party Assets

The Trust held £799,867 cash at bank and in hand at 31 March 2012 (2010/11: £871,811) 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

There were 24 cases (2010/11: 38) of losses and special payments totalling £15,081 (2010/11: £79,028). Losses and special payments are reported on an accruals basis but excluding provision for future losses.

South Essex Partnership University 
NHS Foundation Trust

Providing Partnership Services in Bedfordshire,
Essex and Luton

