



# Annual Report & Accounts

2014 -15

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

## **Annual Report and Accounts 2014/15**

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



# Annual Report & Accounts

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## Foreword by the Chair and Chief Executive

### Welcome to our Annual Report and Accounts for 2014 – 2015

We are proud to report that during this past year SEPT has achieved all targets set by Monitor – our independent external regulator. In addition, we have received a number of unannounced Care Quality Commission (CQC) visits and we are pleased to confirm that no significant concerns were found. Where the need for any improvements was brought to our attention, immediate action was taken. SEPT and the NHS as a whole has once again been subject to increasing financial pressures. However, we have worked incredibly hard via our service transformation programmes to limit the impact of these pressures on our service users and our staff.

### Recognising the contribution of our staff

As well as achieving our targets, we also received awards from a number of external organisations recognising the excellence of our staff and services both clinical and non-clinical. These are highlighted throughout the Annual Report

We are extremely proud of our staff who deliver consistently high quality care to the people who need our services. This year, in celebration of how firmly we believe in our staff, we launched our Staff Recognition Scheme. Each month, applications from across the Trust are made for our 'In Tune' awards. These are presented to staff who demonstrate excellent customer service. The award can be for teams or individuals, and we are delighted to welcome these staff and to present their awards in public at our monthly Board of Directors' meetings.

### Taking time to listen

However, we are never complacent. Sally, as Chief Executive, and the Trust's Executive Directors make personal, often unannounced, visits to all our local services at all times of the day and night. They meet with staff, observe the care provided and hear directly from the people using the services at the time. Our Non-Executive Directors, Governors and senior clinicians also visit our wards to review clinical care regularly.

Our "Take it to the Top" public meetings hosted by us as Chair and Chief Executive provide local communities with the opportunity to raise issues directly with us. Our long-running and innovative 'mystery shopper initiative' means that Sally, as Chief Executive, receives regular reports directly and confidentially from the patients and carers using our services. We have a number of other ways in which regular feedback is received and is reported to the Board – many of these feature in this report.

The feedback received is vital for us to be able to monitor and improve the services we provide. We act promptly on what we hear and ensure that the action is working. We do not wait for external inspections. We regularly undertake our own internal inspections against our regulators' standards and identify areas for improvement. We believe that our internal governance arrangements are robust and we review them regularly to ensure that we continue to deliver top quality care.

### Service transformation in 2014 – 15

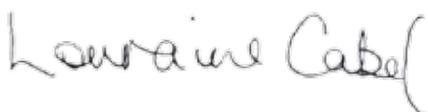
A major service transformation this year involved the disaggregation of our mental health services in Bedfordshire and Luton. These services and staff transferred to a new NHS provider on 01 April 2015. Although we were sad to see these colleagues move on, we remain in contact with many of them as SEPT continues to provide Bedfordshire's community health services and specialist mental health and learning disabilities services across the county.



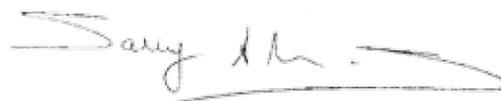
We would like to take this opportunity to thank all our transferred staff for their unstinting support over the years to the patients, carers and services. It was a real pleasure to work with them and they can look back with pride on their significant achievements during their time with SEPT.

And finally.....

The Trust's success relies entirely on the commitment and expertise of our dedicated workforce. We thank each and every one of them. Our governors and members, partners, patients, carers and fellow board members also make significant contributions to the work of the Trust every day of the week. We thank them for their continuing support. We hope you enjoy reading this report on how your Trust continues to improve the health and lives of you and the people in all the communities we serve.



Lorraine Cabel  
**Chair**

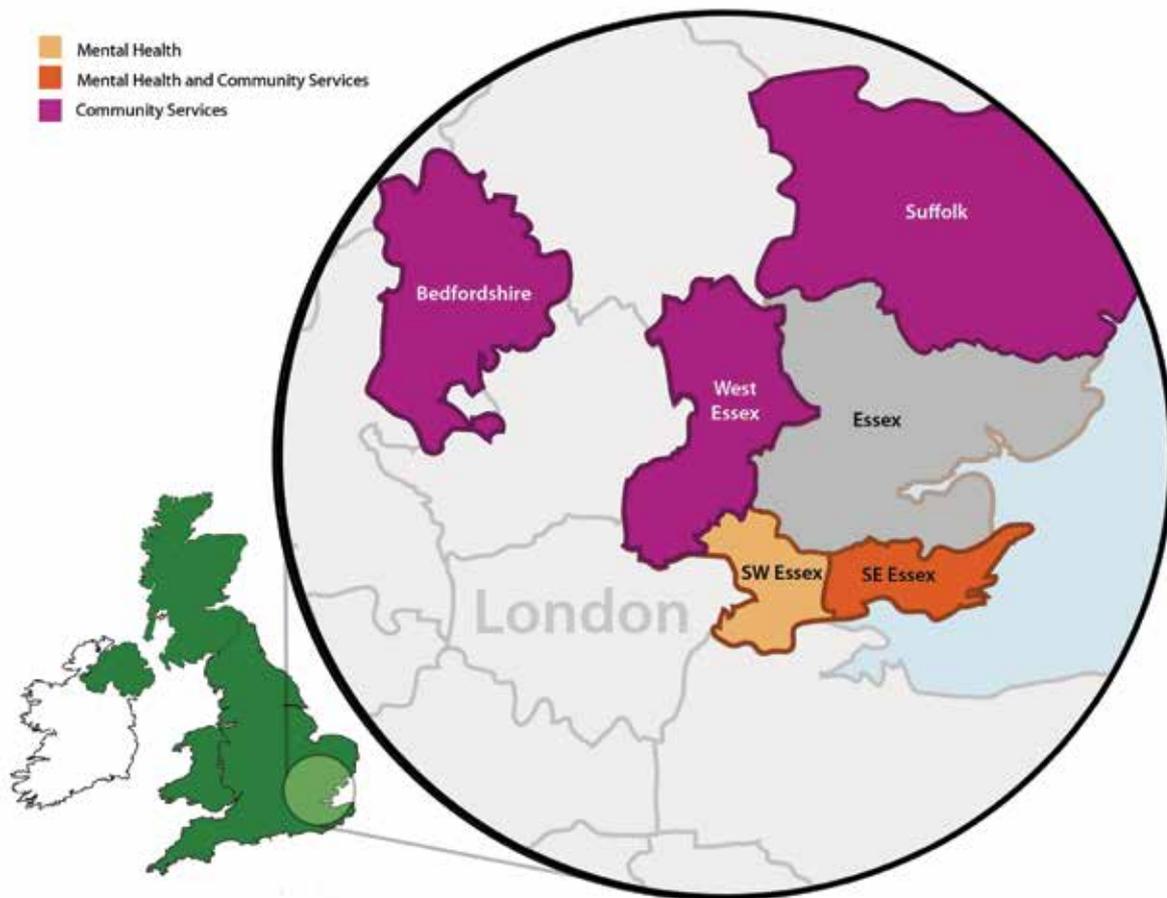


Sally Morris  
**Chief Executive**

## Introduction

Annual Report 2014 – 2015

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



In 2014/15 we employed around 7,200 members of staff working from over 200 sites, including community hospitals, health centres, inpatient units and social care services. Growing to one of the largest Foundation Trust's in the country, we are proud to have kept our patients at the very heart of all that we do, delivering safe, high quality services within the NHS.

### Our Vision

'Providing services that are in tune with you'

### Our Values

Respectful  
Involving

Positive  
Welcoming

Kind  
Accountable

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

### Our services include:

Mental Health Services -Treatment and support is provided to young people, adults and older people experiencing mental illness – including treatment in hospitals, secure and specialised settings.

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

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

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

During 2014/15 our staff had approximately 2,046,570 contacts with around 244,900 patients across all of our services.

### Involving local people

SEPT is a Foundation Trust. NHS foundation trusts are not-for-profit, public benefit corporations. They are part of the NHS and provide over half of all NHS hospital, mental health and ambulance services and were created to devolve decision making from central government to local organisations and communities. They provide and develop healthcare according to core NHS principles - free care, based on need and not ability to pay.



Suffolk Paediatric Services Stakeholder Event



Spreading Christmas Cheer

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

NHS foundation trusts are not directed by Government so have greater freedom to decide, with their governors and members, their own strategy and the way services are run. They can also retain their surpluses and borrow to invest in new and improved services for patients and service users; and are accountable to:

- their local communities through their members and governors;
- their commissioners through contracts;
- Parliament (each foundation trust must lay its annual report and accounts before Parliament);
- The CQC (Care Quality Commission)
- Monitor through the NHS provider licence.

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

## How we got to where we are today

**2015** – During 2014/15 we worked with commissioners in Bedfordshire and Luton to facilitate the acquisition by East London NHS Foundation Trust (ELFT) of the Bedfordshire & Luton Mental Health Services – these services transferred from SEPT to ELFT on 1 April 2015. Essex 5-19 Healthy Child, Child Health Information and Sexual Health Services also transferred to other providers during the year. We acquired the contracts for the Southend Sexual Health, Essex School Age Immunisation, Essex Family Nurse Partnership and Essex Drug & Alcohol Services. All of these contracts were negotiated through a competitive tendering process.

**2012** – In partnership with SERCo, we took over responsibility for delivering NHS services in Suffolk under the name of SCH – Suffolk Community Healthcare.

SEPT staff provide Podiatry, Speech and Language Therapy and Children's Services. This agreement is one of the first in the country between a service led organisation such as SERCo and a leading NHS provider.

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

**2010** – We achieved seven award category wins in the Healthcare 100 and moved up from the previous year's eighth ranking to take first place and also the enviable accolade of Top NHS Healthcare Employer. SEPT was also voted Top Mental Health Trust in the Healthcare 100 survey that names the top 100 healthcare providers to work for in the UK. SEPT was also runner up in the Top Healthcare Employer for Nurse and Midwives and Commitment to Clear Roles and Responsibilities and Jobs That Make A Difference.

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

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

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

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

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

## Operating Review

### External and Internal Consultation on Trust Strategic Plan

SEPT's success to date is built upon placing high importance on investing time and achieving engagement in planning for the future. We have well established and comprehensive mechanisms for staff and stakeholder involvement in service planning and our Operational Plan for 2014/15 and our Strategic Plan for 2014-2019 were developed by the Board of Directors as a result of consultation with and listening to the views of service users, members of staff and key stakeholders (including governors and partners in Clinical Commissioning Groups (CCGs), the voluntary sector and local authorities). The Board held eight strategy development sessions in addition to formal Board of Directors meeting discussions between July 2013 and June 2014 to develop the Operational and Strategic Plans that covered 2014/15 and beyond. Five staff consultation events involving circa 300 staff took place in November and December 2013. In January 2014 we held two combined staff and stakeholder engagement events and during January and February 2014, we asked our governors and members to help us identify our quality priorities for the coming year.

### Taking forward our strategic priorities

Four key strategic priorities were identified for 2014/15 in our Operational Plan.

Three of our strategic priorities confirmed our commitment to providing the best quality services; with the best possible leadership and workforce and sustaining SEPT and the health care delivery systems in which we operate. Eight corporate aims support delivery and achievement of these three strategic priorities. The fourth strategic priority confirmed that transformation, innovation and efficiency programmes are absolutely necessary to deliver the other three strategic priorities, the organisation's vision and sustainability.

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

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

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

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

#### **Priority 3:** Transforming Care

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

#### **Priority 4:** Clear plans for Sustainable Services and Resources Used to Deliver Them

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



The Trust welcomed Ruth May, Chief Nurse NHS England

### **Letter of Representation to Auditors**

In preparing this report the Directors confirm that they have provided the external auditors with a Letter of Representation. This letter has been duly considered by the Trust's Audit Committee and Board of Directors and confirms that all relevant audit information, of which the Directors are aware, has been passed onto the external auditors. The Trust's Directors have also taken all reasonable steps to ensure that the Trust's external auditors are aware of all material facts known to the Trust in relation to the Trust's annual report and accounts for 2014/15. The Foundation Trust is a public benefit corporation which received foundation trust status on 1 May 2006. It is constituted in accordance with the National Health Services Act 2006 (as amended by the Health and Social Care Act 2012) and licensed on 1 April 2013 (Licence No: 120104).

### **Head of Internal Audit Opinion**

The Head of Internal Audit Opinion for 2014/15 was issued 26 May 2015. The overall position that it contains is:

"Significant assurance can be given that there is a generally sound system of internal control, designed to meet the Trust's objectives, and that controls are generally being applied consistently. However, some weaknesses in the design and/or inconsistent application of controls put the achievement of particular objectives at risk"

### **Our Performance 2014 – 2015**

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

The table below provides a summary of SEPT performance during 2014/15 against a range of these KPIs, and demonstrates a largely positive picture, with the majority of targets achieved. Further details regarding each of the indicators and our performance can be found within the Quality Report section (5)

Key Performance Indicator	Target	Was the Target Achieved?
Patients who would Recommend us to Family or Friends	Improvement on 2013/14	  
Staff who would Recommend our services to Family or Friends	Scoring above national average	  
Complaints resolved within agreed timescales	≥95%	  
Eliminating Avoidable Grade 3 and 4 Pressure Ulcers	0	  
Number of Restraints	<1656	  
Patients on Care Programme Approach (CPA) followed up within 7 days of discharge from psychiatric inpatient stay	≥95%	  
Admissions to acute wards gatekept by Crisis Resolution Home Treatment	≥95%	  
Patient on Care Programme Approach (CPA) having a formal review within 12 months	≥95%	  
Early Intervention Services: New Cases of Psychosis	≥149	  
% Delayed Transfers of Care	≤7.5%	  
Referral to Treatment Waiting Times for Consultant-Led Pathways – non-admitted	≥95%	  
Referral to Treatment Waiting Times for Consultant-Led Pathways – incomplete pathway	≥92%	  
Data Completeness – Patient Identifiers (Mental Health)	≥97%	  
Data Completeness – Patient Outcomes (Mental Health)	≥50%	  
Data Completeness – Referral to Treatment (Community Health)	≥50%	  
Data Completeness – Referral Information (Community Health)	≥50%	  
Data Completeness – Treatment Activity Information (Community Health)	≥50%	  
Access to Healthcare for People with a Learning Disability	6 key requirements rated 4	  

## Principle Risks and Uncertainties

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

Throughout 2014/15 regular reports were provided to the Audit Committee, Quality and Governance Committee, Quality Committee, the Executive Operational Committee and the Board of Directors to ensure that the risk management and assurance systems remained productive and fit for purpose. The Risk Management Framework was revised in year to strengthen the assurance processes and to reflect the revised governance structures that had been implemented.

At the start of the year the organisation identified eight corporate aims for 2014/15 and assessed the potential risks that may have prevented their achievement. The Trust's Directors considered each risk in terms of the potential impact if the risk were to occur (taking into account financial, safety, and reputational risk) and the likelihood of occurrence during the financial year.

The risks to achieving the corporate aims with the highest impact if they were not achieved provided the basis for the Board Assurance Framework. Significant potential risks were monitored monthly by the Board of Directors in line with the Trust's approved Risk Management and Assurance Framework and governance systems. Twenty one potential significant risks were escalated to the Board Assurance Framework during 2014/15. These risks related to:

- learning from incidents;
- quality of records and implementing unified electronic records;
- financial risks as detailed within the financial plan including cost improvement programmes and maintaining quality;

- meeting the new Duty of Candour requirements;
- personalised care;
- disaggregation of Bedfordshire and Luton Mental Health Services to a new provider;
- consistent compliance with CQC standards;
- delivering the frailty project;
- meeting expectation of patients and commissioners;
- ensuring data quality;
- capacity to deliver the operational plan and transformation programmes.

## Likely future developments of the Foundation Trust

Despite a challenging health economy, SEPT is financially viable in the 2015/16 planning period. The Trust has consolidated current service contracts and will look to longer term sustainability through a refreshed transformational programme. This will also include opportunities for the Trust in terms of our contribution to the new models of care and economy wide discussions relating to the proposals with the NHS England Five Year Forward View.

Out of the many challenges in the health economy, the most significant strategic driver for 2015/16 and in the medium/long term is the implementation of The Forward View into Action. Twenty nine vanguard sites are working to prototype and blueprint new health and care models that will be resilient to the needs of the future population. It is expected that a limited range of tested models will be rolled out nationally from April 2016.

Therefore, a key strategic priority for SEPT in the coming year will be to develop a productive working partnership with the wide range of organisations that contribute to the health and wellbeing of the population and to secure resilient services for the local population through joint planning and joint provision of health and care services.

The Board of Directors has committed to work in partnership with relevant organisations to achieve:

- consolidation of very specialist mental health services to ensure ongoing capacity, quality and availability of health and care services for populations in need;
- integrated core services that are locality focused to achieve more effective across primary and secondary care models – the anticipated direction is to see greater between mental health and physical care in the community;
- the support of radical reform of acute and out of hospital provision including, where appropriate, Integrated Care Organisations.

The same approach to planning has been undertaken during 2014/15 to prepare us for future challenges. Illustrated below are our strategic priorities going forward for 2015/16 and supporting Corporate Aims, these have been circulated to staff and included in the Operational Plan for 2015/16

Our vision : providing services that are in tune with you		
Strategic Priority 1 Quality Services	Strategic Priority 2 Quality Leadership and Workforce	Strategic Priority 3 Sustainability of Service Provision
Corporate Aims Safe care Positive experience of care Effective, outcomes –focused care Well organised care	Corporate Aims Right staff, right skills A culture of openness, honesty and transparency	Corporate Aims Financially sound Clear strategy for securing our success
Enabling Strategies: Quality Customer Service Patient Engagement	Enabling Strategy: Workforce	Enabling Strategies: Operational Plan Financial Plan Commercial Strategy

<b>Strategic Priority 4</b>
<b>Innovative and transformation approach to efficacy and effectiveness</b>
Programme 1 : Centralisation of office accommodation
Programme 2 : Corporate Restructure
Programme 3 : Resign Psychotherapy Review
Programme 4 : Community Productivity Review
Programme 5 : Dementia / Challenging Behaviour Pathway
Programme 6 : Estates Rationalisation
Programme 7 : Workforce Redesign
Programme 8 : Housekeeping Review (Including Postage, Printing, Taxis, Uniforms)
Programme 9 : Inpatient Redesign (Shift patterns, MH Older People)
Programme 10 : Income Generation (Including PICU, LD, Specialist)

## **Actions taken in year to achieve a common awareness of the financial and economic factors affecting the Foundation Trust performance**

The Board, supported by the Leadership Team, has undertaken a significant amount of work and held a number of conversations with commissioners and partners examining the potential impact of the Five Year Forward View into Action. This work will continue during 2015/16. The Board supports changes to services that benefit the needs of the population and achieve resilience and sustainability for the economy. SEPT's strength is as a facilitator for change and, as detailed in our Five Year Plan, the Trust has already recognised the need to respond quickly to changes and be 'fleet of foot'. Our strategic direction may change at the end of this process.

The Trust is actively engaged in discussion, partnership building and co-creating new models of care with health and care organisations in Essex, as already set out in this document. The pace of change will differ in each CCG locality according to specific local pressures and readiness to change.

## **Enhanced Quality Governance Reporting**

In our Directors' Report (pages 28 to 47) and our Quality Report (pages 89 to 173) and throughout this annual report we have provided many examples of our achievements, our performance against quality targets and initiatives that have contributed to maintaining or improving the quality of service provision.

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

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

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

In the Annual Governance Statement (pages iii-vii of the annual accounts), we have identified the key components of the system of internal control that are in place within SEPT to support the achievement of the

NHS Foundation Trust's policies, aims and objectives. Robust quality governance arrangements are integral to the system of internal control described in the statement. Some examples of the arrangements in place are described there.

Further details of the arrangements in place are set out in our Quality Report as we have identified 'well organised care' (which incorporates the principles of quality governance) as one of our key quality priorities for the forthcoming year.

In conjunction with self-certification against the Corporate Governance Statement the Trust has also undertaken a robust self-assessment against Monitor's Quality Governance Framework. In order to ensure the continual drive to improve quality, actions identified to strengthen existing arrangements were approved by the Executive Operational Sub Committee and monitoring against progress is reported to the Quality Committee.

There are no material inconsistencies between our Annual Governance Statement (May 2015), our annual (May 2014 and April 2015) and quarterly (2014/15) board statements required by Monitor, our Corporate Governance Statement (May 2014), our Quality Report (2014/15), this Annual Report and reports received from the Care Quality Commission following inspection of our services.

## Regulatory Ratings

Since October 2014, the Trusts performance has been assessed under Monitor's Risk Assessment Framework, with performance prior to this date assessed under the former Compliance Regime.

The Trust ended the financial year with a Continuity of Services Risk Rating (COSRR) of 4, which was in line with the planned rating for the year.

**Table 1.1**

2014/15	Annual Plan	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Continuity of Services Rating	4	4	4	4	4
Governance Rating	Green	Green	Green	Green	Green
2013/14	Annual Plan	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>Under the Compliance Framework</b>					
Financial Risk Rating	3	4	4		
Governance Risk Rating	Green	Green	Green		
<b>Under the Risk Assessment Framework</b>					
Continuity of Services Rating				4	4
Governance Rating				Green	Green



## Staff

At the end of 2014/15 we employed around 6,800 staff including:

- 236 doctors and dentists;
- 3,459 nurses and healthcare assistants;
- 1,126 psychologists, allied health professionals and therapists;
- 31 pharmacists;
- 117 social workers and social care staff;
- 1,479 management, admin and clerical staff;
- 352 estates and facilities staff.

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

**Table 1.2 Workforce Profile**

Staff Group:	TOTAL	Gender		Age			
		Female	Male	<25	26-45	46-65	>65
Board of Directors	14	5	9	-	-	13	1
Senior Managers	142	106	36	-	37	103	2
Doctors and Dentists	236	103	133	1	121	97	17
Nursing	3,459	2,833	626	151	1,411	1,822	75
Other healthcare staff	1,274	1,109	165	87	648	522	17
Support staff	1,675	1,355	320	110	523	934	108
All Employees	6,800	5,511	1,289	349	2,740	3,491	220
All Employees %		81%	19%	5%	41%	51%	3%

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

## Financial Review

### Overview

This part of the Strategic Report provides a commentary on the financial position of the Trust for the year ending 31 March 2015. An overview of the accounting process and analysis of financial performance is provided, together with information on the Trust's capital plan, non-healthcare activities and efficiency programme. The report also looks forward to the future financial performance of the Trust.

### Financial Statements

The Trust's annual report and accounts cover the period of 1 April 2014 to 31 March 2015, and have been prepared in accordance with directions issued by Monitor under the National Health Service Act 2006. They are also prepared to comply with International Financial Reporting Standards (IFRS) and are designed to give a true and fair view of the Trust's financial activities.

### Going Concern

Directors have considered whether it is appropriate, taking into account best estimates of future activity and cashflow, for the accounts to be prepared on the basis of the Trust being a 'going concern'. The Trust's Directors have considered and declared:

*"After making enquiries, the Directors have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts."*

### Financial Performance

The 2014/15 financial year has again been financially challenging for the NHS and public services as a whole. Despite these challenges, the Trust has generally performed well and reported an underlying surplus of £0.8 million for 2014/15, which was broadly in line with the plan for the year. This increases to a surplus of £1.3 million when a technical accounting adjustment in respect of the revaluation of investment properties is included.

In line with planning guidance, the Trust was required to deliver a minimum efficiency requirement of 4%, comprising a reduction in income of 1.8% and assumed inflationary pressures of 2.2%. The Trust received minimal growth, cost pressure or inflationary funding from commissioners and, therefore, was required to identify recurrent efficiency savings totaling £16.5 million.

The Trust continues to benefit from the stability and freedoms associated with Foundation Trust status and invested in environmental and capital developments as required during the year.

Despite the financial challenges, the Trust ended the year with a Monitor Continuity of Services Risk Rating of 4 and a strong working capital position.

### Income from Health Care Activities

Section 43 (2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. The Trust has met this requirement with income received for the purpose of the health service in England totalling £311.1 million, and income from the provision of goods and services for any other purposes totalling £13.7 million during 2014/15.

### Income from Non Health Care Activities

The Trust continues to provide an Estates and Facilities Management service to the North East London NHS Foundation Trust and to NHS Property Services Limited in respect of the South West Essex and South East Essex community services properties. Total income received in respect of the Estates and Facilities Management service for 2014/15 was £2.1 million. In addition, an information service is provided to Thurrock CCG and Basildon and Brentwood CCG and a car leasing service to a number of local NHS organisations and Housing Associations.

In addition, an Estates and IT service is provided to Bedford CCG and Luton CCG.

### Operating Expenditure

The total operating expenditure of the Trust for the 2014/15 financial year was £317 million, with the largest area of spend relating to employee expenses of £231.4 million.

### Efficiency and Income Generation Initiatives

The Trust's planning process for 2014/15 identified a total planning shortfall / efficiency requirement of £16.5 million. This was made up of a reduction in income of 1.8% in accordance with planning guidance issued by the Department of Health, as well as a number of other national and local cost pressures. In addition, it includes an underachievement on the 2013/14 efficiency programme of £4.2 million.

In identifying saving measures for 2014/15, the Trust again tried to minimise the impact on front line services and where possible, generated savings from corporate and back office functions, and further income generation opportunities. However, in light of the continuing requirement to deliver significant levels of savings on an annual basis, there is, unfortunately, a growing impact on front line services. As such, the efficiency plan approved by the Board of Directors in March 2014, included the planned transformation of a number of inpatient and community services.

“ Positive results across the Trust in the annual national PLACE patient environment awards ”

**A summary of the Trust's main saving initiatives delivered during 2014/15, together with the recurrent impact is shown in Table 1.3:**

	<b>2014/15 Actual Savings £000s</b>	<b>2014/15 Recurrent Savings £000s</b>
<b>Transformational Schemes:</b>		
Reconfiguration of Essex Inpatient Mental Health Services	0	2,425
Income Generation	564	570
Transform Community Health Services	248	311
<b>Other CIPs:</b>		
Mental Health & Specialist Services	3,563	3,900
Community Services	2,165	2,377
Corporate & Back Office Services	3,111	3,107
Income Generation	738	937
Non Recurrent Savings	3,945	0
	<b>14,333</b>	<b>13,627</b>

Against the total efficiency requirement for the year of £16.5 million, the Trust successfully delivered savings totalling £14.3 million during 2014/15. This included non-recurrent measures of £3.9 million.

On a recurrent basis, the Trust has identified savings of £13.6 million, and confirmed that £2.9 million of planned schemes are no longer deliverable. This recurrent shortfall of £2.9 million has been factored into the planning process for the 2015/16 financial year.

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

The Trust is required to obtain an actuarial valuation on the Local Government Pension Scheme (LGPS) on an annual basis, which relates to Bedford and Luton social workers who were 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 verified by the Trust's External Auditors. The social worker staff have subsequently transferred to the East London NHS Foundation Trust as of 1<sup>st</sup> April 2015 (note 27 to the annual accounts).

The operational cost, finance income and finance costs of the scheme for 2014/15 have been reflected within the Trust's Statement of Comprehensive Income and reduced the Trusts surplus by £0.2 million. In addition, an actuarial loss of £1.4 million resulting from a reduction in the value of the scheme assets has been reflected as a reduction in reserves within the Statement of Comprehensive Income.

### **Capital Structure, Expenditure and Investments**

The Trust is required to pay the Treasury dividends in respect of the Public Dividend Capital held by the Trust and which was historically given by Treasury for capital financing. Dividends are paid to Treasury twice a year during September and March, and are payable at a rate determined by Treasury (currently 3.5%) on the average relevant net assets of the Foundation Trust. Average relevant net assets are based on the opening and closing balances of the Statement of Financial Position, and therefore a debtor or creditor arrangement may exist at year end between the Treasury and the Trust.

The Trust also has reserves relating to income and expenditure surpluses generated over the year, and from asset revaluations arising from the impact of valuations of the Trusts estate. The total of these reserves, plus the Public Dividend Capital, represents the taxpayers' equity in the Trust.

## Capital Expenditure

During 2014/15, the Trust invested £1.9 million of internally generated funds. This included £974,000 on IT (Information Technology) projects including £218,000 on the rollout of a health rostering system which will help the Trust ensure safe and real time reporting of staffing levels across a range of multi-disciplinary teams. In addition, the Trust updated its wireless network to provide enhanced security, invested in disaster recovery systems, and implemented Health Information Exchange which enables clinical and social care information from multiple providers to be shared appropriately to support integrated care and improved patient safety.

A further £236,000 was spent on carbon reduction initiatives including the development of solar thermal collection at Rochford Hospital and improved boiler controls within administration buildings. In addition, funds were also released to improving staff alarm systems at a number of clinical sites including Rochford Hospital and Heath Close in Billericay, health and safety issues at Basildon Mental Health Unit and the purchase of equipment for podiatry and dental services.

**Table 1.4**

	<b>2014/15 £000s</b>
IT Hardware	405
IT Software	569
Carbon Reduction Initiatives	236
Improvements to Staff Alarm Systems	335
Works at Basildon Mental Health Unit	207
Medical Equipment / Other	199
	<b>1,952</b>

## Private Finance Initiative

The Trust has three locations developed via the Private Finance Initiative. These include Clifton Lodge in Westcliff, Essex, and Rawreth Court in Rawreth, Essex, which both provide 35 in-patient beds for older people with mental illness. The units opened in 2004, and provide high quality environments for the provision of local care.

In addition, the Trust used the Private Finance Initiative to fund Brockfield House in Wickford, Essex, from which secure mental health services are provided. This unit became operational in 2009.

## Revaluation of Investment Property

In accordance with accounting guidelines, the Trust has opted to undertake an annual revaluation of its investment properties. The revaluation report obtained from the District Valuer showed an increase in value of £541,000 since March 2014. This compares to an increase of £535,000 in the previous financial year. This increase in the value of investment properties is reported on the face of the 'Statement of Comprehensive Income' and increases the Trust's underlying surplus.

During the year, the Trust reclassified one of its properties at Weymarks in Laindon, Essex, to investment properties due to the property now being privately leased. In addition, a property in Pickwick Close in Laindon, Essex, which became vacant at the end of its lease term, was reclassified from investment property to normal land and buildings.

### **Revaluation of Trust Estate**

In accordance with accounting guidelines, the Trust is required to undertake a full revaluation of its land and buildings on a five yearly basis, with an interim three yearly valuation. The last full valuation was undertaken as at 31 March 2010, and the Trust therefore appointed the District Valuer to complete the valuation as at 31 March 2015.

This District Valuer recorded a net increase in the Trust's land and buildings of just under £18.6 million and identified seven properties whose value had reduced by a total of £367,000. This impairment of £367,000 was fully chargeable against the revaluation reserve balance held within the Statement of Financial Position for the individual assets and had no impact on the Trusts reported surplus for the year.

### **Assets Held for Sale**

As at the end of the 2014/15 financial year, the Trust held assets in preparation for disposal with a market value of £740,000. During the year, the Trust successfully disposed of two properties which were not used by the Trust to provide commissioner requested services at a value of £760,000.

The Trust also reclassified Oakley Court in Luton from an asset held for sale, to normal land and buildings as this property is no longer to be disposed of. Going forward, this property will be leased to the East London NHS Foundation Trust.

### **Working Capital and Liquidity**

The Trust has robust cash management and forecasting arrangements in place, which are further supported by an Investment and Planning Committee. This Committee is chaired by the Chair of the Trust, and also includes a further three Non-Executive Directors, the Chief Executive, the Executive Chief Finance Officer and the Executive Director for Corporate Governance.

The Trust invests surplus cash on a day to day basis in line with the Operating Cash Management Procedure, and generated interest from cash management activities of £152,000 in 2014/15 which is an increase on the level of interest earned last year. The interest earned is used to offset the associated costs of banking and cash transit services. The Trust ended the financial year with a strong working capital position of positive £26.6 million.

### **Events after the Reporting Period**

During 2013/14, the Luton and Bedfordshire Clinical Commissioning Groups launched two separate procurement processes for the future provision of mental health, learning disabilities, CAMHS, intermediate and community health services across their respective geographical areas. Luton CCG launched their procurement process in advance of Bedford CCG, and rejected the Trust's bid to continue to provide an integrated service model across both Luton and Bedford. Following detailed discussions with Commissioners, the Board of Directors regrettably felt unable to submit a bid to provide stand-alone services to Bedfordshire CCG within the funding available.

Both Luton CCG and Bedfordshire CCG appointed the East London NHS Foundation Trust (ELFT) to provide the services that were previously contracted for with SEPT. The new contract between the CCG's and ELFT becomes effective on 1 April 2015. A supporting Business Transfer Agreement has been signed by both CCGs, ELFT and SEPT.

### **Charitable Funds**

The Trust operates a registered charity (number 1053793) called the South Essex Partnership NHS Foundation Trust General Charitable Fund which has resulted from fund raising activities, donations and legacies received over many years. The Charity consists of a number of restricted funds which are used to purchase equipment and other services in accordance with the purpose for which the funds were raised or donated, and as well as unrestricted (general purpose) funds which are more widely available for the benefit of patients and staff.

The Board of Directors act as Corporate Trustee for the Charity, and are further supported by the Charitable Funds Committee. The Committee is chaired by a Non-Executive Director and includes two further Non-Executive Directors, the Executive Chief Finance Officer and the Executive Director of Corporate Governance. In January 2014, the Board approved the non-consolidation of the charity accounts into the Trust's main accounts on the grounds of materiality, with this decision further verified and approved by the Board of Directors in April 2015.

The financial activities of the charity for 2014/15 are contained within the Annual Report and Accounts for the Funds Held on Trust. A copy of this document will be available from January 2016 upon request to the Executive Chief Finance Officer.

### External Audit

The Trust receives an external audit service from Ernst and Young, with Rob Murray as the Engagement Lead and Natalie Clark as the Audit Manager. During the year, the external auditors' work focused on the audit work covered by the Code of Audit Practice for Foundation Trust.



Official opening of Cherry Tree Garden at Thurrock Hospital

The Trust's Annual Governance Report for the 2014/15 financial year was presented to the Board of Directors in May 2015. Further reports issued during 2014/15 were as follows:

- Letter to Council of Governors for 2013/14;
- Final ISA 260 Report for 2013/14;
- Draft Audit Plan 2015/16.

The fee for external audit work around the completion of the statutory accounts for 2014/15 was £63,000.

### **Accounting Policies**

The Trust has detailed accounting policies which comply with the NHS Foundation Trust Annual Reporting Manual. These have been thoroughly reviewed by the Trust and agreed with External Auditors. Details of the policies are shown on pages 6 to 22 of the 2014/15 annual accounts.

### **Policy and Payment of Creditors**

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

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

During 2014/15, the Trust achieved an average of 84% of all trade invoices paid within 30 days, compared to a figure of 85% in 2013/14.

### **Cost Allocation and Charging Requirements**

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

### **Counter Fraud Activities**

The Trust receives a dedicated local counter fraud service from Mazars LLP, and has agreed a detailed counter fraud work plan in accordance with guidance received from NHS Protect. The Trust also has a counter fraud policy and response plan which has been approved by the Board of Directors.

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

### **Political and Charitable Donations**

The Trust did not make any political or charitable donations from its exchequer or charitable funds during 2014/15.

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

The accounting policy in relation to employee pension and retirement benefits, and the remuneration report is set out on pages 32 to 36 of the annual accounts for 2014/15.

### **Financial Risk Management**

Monitor, the Independent Regulator of Foundation Trusts, requires all Foundation Trusts to submit a detailed Operational Plan covering the 2015/16 financial year, during May 2015. This needs to be underpinned by the Trust's longer term strategic plans and be approved by the Board of Directors.

The Operational Plan is further supported by the Trust's internal Financial Plan which incorporates detailed revenue, capital, cash and cost improvement / income generation plans. This is based on a number of assumptions which have been duly considered by the Board of Directors and risk assessed. The Trust monitors the possibility of the high or extreme risks materialising throughout the year, in addition to any new risks which are identified.

## Future Financial Performance

The Trust's Operational Plan for 2015/16 demonstrates that the Trust plans to achieve a Continuity of Services risk rating of 3 for the year. In light of the continued financial pressures facing the economy as a whole, the Trust is currently planning for a break even position, compared to a planned surplus for the 2014/15 financial year of £1.2 million.

The plans include a national income reduction of 1.9% and a net increase in pay and price inflation funding of 1.5%. In addition, the Trust has identified a number of local cost pressures requiring funding, and has factored in the recurrent shortfall on the delivery of the 2014/15 cost improvement plan. In total, this requires the Trust to deliver a recurrent efficiency programme of around 5.1% of income, which equates to £12.2 million.

The Board of Directors remain proud of the Trust's ability to continue to provide excellent clinical services over several years of financial constraint. Every effort will be made to minimise impact on front line services as much as possible over the coming years.



The Directors of South Essex Partnership University NHS Foundation Trust present their report for the period 1 April 2014 to 31 March 2015.

## Introduction

Our Board of Directors provides overall leadership and vision to the Trust and is ultimately and collectively responsible for the Trust's strategic direction, day to day operations and all aspects of performance, including clinical and service quality, financial and governance.

The make-up and balance of the Board has been reviewed, including the appropriateness of current appointments. The Board believes that its membership is balanced, complete and appropriate and that no individual group or individuals dominate the Board meetings. The Board has also agreed a clear division of responsibilities between the Chair and Chief Executive which ensures a balance of power and authority.

The Board has a wide range of skills and the majority of members have a medical, nursing or other health professional background. Non-Executive Directors have wide-ranging expertise and experience with backgrounds in finance, audit, business and organisational development, primary care, commercial and marketing. Most have held office with specific briefs for governance, risk management and strategic planning as well as major investment decision making. The Board has demonstrated a clear balance in its membership through extensive debate and development.

## Our Board of Directors

### Executive Directors



#### **Sally Morris, Chief Executive**

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

Sally first joined SEPT in 2005 as the Executive Director with operational leadership responsibility for all mental health and learning disability services

across South Essex and subsequently Bedfordshire and Luton. During this time, Sally was pivotal in establishing a dedicated contracting function and led subsequent contract acquisitions.

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

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



#### **Dr Milind Karale, Executive Medical Director (Patient Safety Lead)**

MRCPsych, MSc (Forensic Psychiatry), DNB, DPM, MBBS

Milind is a Consultant Psychiatrist at our Mental Health Assessment Unit, Caldicott Guardian and Executive Medical Director for South Essex Partnership University NHS Foundation Trust (SEPT).

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

He has been involved in medical management for last five years, working as Clinical Director, CD for Clinical Governance, Deputy Medical Director and more recently Medical Director from 2012. He has keen interest in teaching and has written several chapters in books for MRCPsych examination. He is on the Board of Examiners for The Royal College of Psychiatrists, Chair of the Anglia Ruskin University Health and Wellbeing Academy and a Post graduate Medical Education Board Member, also at ARU.



**Mark Madden, Executive Chief Finance Officer and Resources Officer (appointed 9 April 2015)**

A qualified accountant, Mark has worked in a variety of NHS and non

NHS financial roles.

Mark is married and has two children and is a passionate sportsman. He formerly played rugby for Norwich and his hobbies include running, cycling and keeping up with his children.

His portfolio includes:

- Finance
- Purchasing
- Compliance
- Performance management
- Records management
- IT&T



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

Andy is our Executive Director of Integrated Governance, Executive Nurse and Deputy Chief Executive.

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

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

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

Andy's portfolio includes:

- Clinical Governance Programme – with Medical Directors
- Pharmacy & NICE Guidance Lead
- Infection Control - with the Director of Primary Care
- Patient Safety – with Medical Director
- Clinical Risk Management
- Emergency Planning & Organisational Resilience
- SUIs including representing the Trust at Coroners Court & other inquests
- Research Programme – with Medical Directors & Professor of Research

- Clinical Audit Programme – with Medical Directors
- Safeguarding – with Executive Director of Social Care and Partnership (Strategy & Delivery)
- Security Management
- Clinical quality - with the Medical Directors responsible for ensuring the development and evaluation of clinical quality standards across the Trust)
- Human Resources / Workforce
- Equality & Diversity (Workforce)
- Training and Development
- University Links; ARU, Yale, Pavia
- Library Services



**Nikki Richardson, Executive Director of Corporate Affairs and Customer Service (until 31 May 2014)**

Nikki has worked for this organisation for over 30 years in a number of roles;

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

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

Her portfolio includes:

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



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

Malcolm studied Nursing at the University of Manchester and has

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

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

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

His portfolio includes:

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



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

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

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

His portfolio includes:

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



**Nigel Leonard, Executive Director of Corporate Governance**

Nigel has worked in the NHS for over 20 years in a variety of planning, governance and project management roles in acute, community and mental health organisations. He has worked as a Programme Director delivering changes in mental health services in Essex and Berkshire and more recently was the Director of Planning & Corporate Affairs at West London Mental Health NHS Trust. Nigel is a qualified Company Secretary and has an Msc in Project Management. He is also a member of the Association for Project Management.

Nigel's portfolio includes:

- Patient Experience
- Complaints
- Customer Service
- Planning & Strategy
- Estates & Facilities
- Contracting
- Communications
- Risk management
- Trust Secretariat and legal services

### Non Executive Directors



**Lorraine Cabel, Chair**

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

Originally from Lancashire, Lorraine has worked in the NHS in Essex for the last 18 years, so is very familiar with the area and with SEPT. She began her career as nurse, specialising in burns and plastic surgery. Following a span of 15 years in various nursing roles, Lorraine took a break and did a degree in Social Policy and Administration, before moving to public health where she worked in health promotion.

However, being the kind of person that is always looking for new challenges, Lorraine then moved into commissioning of healthcare, later becoming Executive Director for Commissioning for South Essex Health Authority. From there she moved to the Essex Strategic Health Authority where she was Director of Modernisation. Two years into this post she then took on a broader role as Executive Director of Primary Care and Partnerships.

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



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

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

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

Janet is a NED of the Trust because she wants to bring her wealth of experience and knowledge to the NHS and contribute towards making SEPT one of the

best Foundation Trusts in the country. She believes that patients in the NHS should receive high standard services in bright modern settings and as a NED she can help make this happen. Janet is the Vice Chair and Senior Independent Director for the Trust.



**Dawn Hillier PhD, Non-Executive Director (until 31 December 2014)**

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

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

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

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

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



### **Steve Cotter, Non-Executive Director**

Steve has spent over 35 years in the retail and related sectors with a high level of expertise in operations, procurement and business reorganisation. He has served on the boards of both private and public companies as chairman, CEO, executive director and NED. In addition to the UK Steve has extensive experience of working in the United States, Europe and Asia where he was the CEO of Laura Ashley companies in those territories.

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

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

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



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

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

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

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



### **Alison Davis, Non-Executive Director**

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

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

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



### **Randolph Charles, Non-Executive Director**

For over twenty years Randolph has worked as a full time teacher in a Further Education College and has developed expertise in working with people with mental health and learning disabilities. Randolph's other role revolves around the local community giving advice, support and representing one of the ten most disadvantaged wards in the country as an elected councillor. He is currently chair of the council's Environment Overview and Scrutiny Committee, one of the committees which hold the mayor and Executive to account.

He has served on various bodies as school governor and chair, police Authority member, Probation board member, member of the independent monitoring

Board of the local prison and has acquired over a number of years a vast amount of experience as the chair and leader of various charitable organisations.

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

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



**Mary Ann Munford, Non Executive Director (appointed 5 January 2015)**

Mary-Ann brings wide experience from her varied, 40 year career in health services. Originally trained as a general

nurse and mental health nurse she specialised in psychosocial and family centred nursing where she became interested in individual and organisational development. After studying for a degree in Psychology and Anthropology and encouraged by the "Griffiths Report" she trained as a General Manager and held a variety of director roles in both the NHS and the independent sector.

After completing an MBA she took on the role of PCG and PCT Chief Executive and led considerable change developing these new commissioning organisations in Essex. Since then she has been involved in setting up a social enterprise, promoting nutrition and mental health, marketing patient safety, quality and efficiency tools with the NHS Institute for Innovation and Improvement and working as a volunteer with older people. She feels privileged to be able to continue to contribute to the NHS and the local community as a Non-Executive Director with SEPT.

### Contact our Board of Directors

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

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

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

**Post:** Freepost RTRG-UCEC-CYXU  
Trust Secretary Office  
The Lodge  
Runwell Chase  
Wickford SS11 7XX

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

### Register of Interests

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

Details can be requested from the Trust Secretary at The Lodge, Runwell Chase, Wickford SS11 7XX; email [trust.secretary@sept.nhs.uk](mailto:trust.secretary@sept.nhs.uk)



Signed: .....

**Sally Morris**  
**Chief Executive**

Date: 27 May 2015

## Our Staff



Pedometer Challenge winning team

## Staff Health and Wellbeing

Every year we run a range of health and wellbeing events designed to encourage staff to stay healthy and well. SEPT takes the health and wellbeing of its workforce seriously and each year we allocate funds to support this work. We continue to adhere to the actions set out in the NICE guidelines by regularly holding Trust initiatives to encourage physical activity in the workplace. Events included pedometer challenges, National Walking Month, Keepy Uppy Challenges, etc. In addition to this we held regular initiatives to encourage staff to think about their own health and wellbeing, evidenced more recently by our New Year New You – Making a Change Challenge where staff were encouraged to make one healthy change to their diet or lifestyle every day for 30 days. Feedback received from those who took part was very positive and there were a good range of changes made.

We also ran multiple events to encourage staff to stop smoking and used the October national STOPTOBER campaign to further encourage staff to give up. Examples of changes that staff told us about included:

- changing eating habits from vegetarian to full vegan;
- giving up smoking;
- getting more active by riding a bike;
- losing weight;
- getting fitter.

These initiatives and suggestions from staff show that both SEPT, as an employer, and the staff themselves, continually take responsibility for their health and wellbeing both in and out of work.



Weight and Waist winner

The Trust's Occupational Health and Wellbeing service continues to provide a full service to managers and staff helping them to manage sickness absence and running clinics local to staff. Staff have the ability to refer themselves, encouraging them to take responsibility for their own health and providing them with the appropriate support to achieve it.

To support the appointment of new staff we have in partnership with occupational health changed the health questionnaires with the aim of making them more user friendly for prospective employees to the Trust and to streamline the process of getting candidates in to post.

We continue to provide the 24 hour helpline employee assistance programme for staff to access to support them through a range of concerns which assists the Trust in meeting its commitments as a Mindful Employer. The service also provides a face to face short term counselling programme for those staff that may require a more structured support. Staff can access further information from the services website.

The team also attended and met with each new starter to the Trust at SEPT Corporate Inductions to ensure equality, health and wellbeing was promoted and new staff were clear about what the Trust could do to support staff.

Throughout the year the Employee Experience team continued to work with the Occupational Health and Counselling providers to analyse activity by equality information and ensure health initiatives were targeted to their needs and this work will continue.

Flexible Working data was analysed and it was identified that all applications across the Trust received a 100% success rate.

Equality forums were held throughout the year for staff to come and raise any equality issues and these were added to an action log which was the responsibility of the staff who attended and was later published on the intranet.

There was a 10% increase in members of the Personal, Fair & Diverse Champions Campaign.



CAMHS Balloon Launch in Grays



Flash Mob in Luton to mark Mental Health Week 2014

## Equality and Diversity

Our workforce objective to *provide a safe and inclusive place to work for staff – with equal opportunities in respect of recruitment, staff development and progression* is now in its second year of life and we worked on some key areas relating to these.

### BME (Black Minority Ethnic) Promotions

One of these was a piece of work which arose from the previous year's Staff Survey results. The results showed that the majority of respondents who felt that there was a lack of career progression within the organisation were from a BME background. As a result this was identified as one of our workforce equality priorities for the year. We were pleased to report that on further investigation – our recruitment of internal candidates was actually OVER representative of BME staff and we set about communicating that the perception was very different to the reality. We are optimistic that this work will show better staff survey results for the next year. We are proud of our work this year on LGBT (Lesbian, Gay, Bisexual, Transgender) issues. From holding random coffee dates with other NHS Stonewall members – to asking staff to wear a piece of rainbow ribbon in support of LGBT issues at SEPT and renewing our membership to Stonewall for another year.

We piloted some equality forums across the Trust for staff to bring issues and take away actions in their areas of work and staff who attended were required to take away an equality workstream back into their own place of work.



Jade Atcheler highly commended in the Positive, Fair and Diverse Champion awards

We continued to run our PFD (Positive Fair and Diverse) equality champions campaign and were successful in meeting our objective to increase the proportion of staff who were champions to over 10%. This year's work on equality peaked with one of our PFD Champions winning a special commendation award from NHS Employers for her contribution towards LGBT issues here at SEPT. We were also successful in being re-accredited this year as a mindful employer and two ticks disability employer for our commitment to employing and supporting staff with disabilities and in particular mental health problems.

Equality and Diversity Week had a combined healthy eating and cultural awareness theme with the Around the World Bake off being the main celebratory event. Staff were asked to research a religion or culture, cook a healthy dish from that country and then share some interesting facts.

### Equality Objectives

In order to guide the Trust's work in managing equality, diversity and inclusion, we have adopted the following objectives. In accordance with the Equality Duty, these are a legal requirement to cover a four year period and may be subject to review. Please see our other equality and diversity pages on our website, for information about how the Trust brings to life these objectives.

#### Objective 1

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

#### Objective 2

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

We will produce an action plan to help implement these objectives, which will appear on our intranet for staff to access. We will monitor progress and report on this through our performance management and governance framework and we will also report on progress through our intranet and weekly communications.

“SEPT named as one of the top places to work in the NHS by the Health Service Journal”



### Employee Experience

SEPT remains committed to the engagement of and the health and wellbeing of its workforce with the Employee Experience Team recently transferring into the Human Resources Team. The teams will be integrated to further support their objectives which are linked to three main strands, the staff survey, workforce wellbeing and equality and diversity.

SEPT uses a range of tools to engage with staff – predominantly through the annual national staff survey but now also through the Staff Friends and Family Test. We also run localised engagement events throughout the year based on needs identified by the service leads. Building on the full survey, this test asks staff to rate their employment and their organisation.

The Team will continue to facilitate the annual staff survey and the staff friends and family test. They will also support the Trust in meeting its equality objectives and workforce wellbeing initiatives.

The management of the occupational health service and the employee assistance programme transferred in to the Contracting Team this year. The Contracting Team will monitor their performance and quality of performance to the Trust. The Employee Experience Team, supported by Human Resources, will support the communication and monitoring of the services. Regular reports will be provided on both the physical and mental health of the staff.

The Team continues to attend the corporate induction sessions, which was introduced as an initiative last year and has been successful. They share with new employees the wide ranging support that is available to them whilst employed at SEPT.

The Team continues to have a section in the weekly newsletter which focuses on staff engagement. They also support the 'I'm worried about' option on the intranet which we implemented for staff giving them full confidence to raise concerns without fear of retribution.

There is also a section on the intranet for staff to access which gives them information on all initiatives being launched, support available and useful information about schemes and/or offers available to them as employees of SEPT.



Diabetes Awareness Day

### **Sickness Absence Data**

The average sickness absence rate for SEPT during the year was 5.06%. The Trust continues to place a high priority on tackling sickness absence and looking at ways of supporting staff whilst they are off and, where possible, returning them to work on restricted duties or in other suitable alternative roles temporarily. The Trust proactively seeks suitable alternatives for short and long term sickness absence and where relevant permanent redeployment opportunities for those staff that are no longer able to fulfil their substantive role.

The Trust continually reviews its Sickness Absence Policy and Procedure and since the introduction of the Bradford Factor the Trust has decreased this further to support the work the Trust is undertaking to reduce the level of sickness absence across the Trust in the interests of staff and our patients.

We have also reviewed the procedures in place with the aim of these supporting managers with their responsibilities and to ensure they are user friendly for all to use.

We have recently introduced the 'disabled leave function which allows us to separate and report on these types of leave from our sickness reporting data and to ensure the appropriate support and adjustments are being offered to those staff with disabilities.

We have introduced e-learning module for managers which aims to provide them with an overview of the Trust's Policy and Procedure and the processes managers should be following when a member of staff is absent.

We continue to work with managers and staff side to address and achieve the best outcomes for staff and the quality of care provided to our patients.

### **Staff Survey**

This year proved to be another fantastic year for staff survey results and SEPT achieved all but one key finding in the average, above average or top 20% of scores across the country. In a year of great uncertainty we were also proud to maintain our engagement score. This demonstrates our continuing development of services we offer to both patients and staff how engaged our workforce are. We remain in the HSJ index of 'Best Places to Work'. We think this is partly attributable to the investment SEPT makes in engaging with staff and acting on their comments and feedback.

**Table 2.1 Staff Survey Response Rates**

	2014/15		2013/14		Trust Improvement/ deterioration
<b>Response Rate</b>	Trust	National Average	Trust	National Average	
	44%	42%	53%	49%	9% deterioration

**Table 2.2 Staff Survey Top Five Ranking Scores**

	2014/15		2013/14		Trust Improvement/ deterioration
<b>Top 5 ranking scores</b>	Trust	National Average	Trust	National Av- erage	
KF26. Percentage of staff hav- ing equality & diversity training in last 12 months	87%	67%	88%	67%	1% deterioration
KF25. Staff motivation at work	3.95	3.84	3.98	3.85	0.10 Improvement
KF7. Staff of staff appraised in last 12 months	93%	88%	89%	87%	4% Improvement
KF27. Percentage of staff believing the trust provides equal opportunities for career progression or promotion	91%	86%	92%	89%	1% deterioration
KF10. Percentage of staff receiving health and safety training in last 12 months	84%	73%	88%	75%	4% deterioration

**Table 2.3 Staff Survey Bottom Ranking Scores**

Bottom ranking scores	2014/15		2013/14		Trust Improvement/ deterioration
	Trust	National Average	Trust	National Average	
KF17. Percentage of staff experiencing physical violence from staff in last 12 months	4%	3%	4%	4%	No change
KF12. Percentage of staff witnessing potentially harmful errors, near misses or incidents in the last month	27%	26%	25%	26%	2% deterioration
KF5. Percentage of staff working extra hours	71%	71%	70%	71%	1% deterioration
KF7. Percentage of staff reporting errors, near misses or incidents witnessed in the last month	92%	92%	89%	92%	No change

**Where staff experience has improved and deteriorated**

The results show that SEPT continues to perform highly in most key areas. In general there was no statistically significant variance from our last set of results. The table below highlights deteriorated scores which although have deteriorated slightly have not seen any significant changes from last year.

**Table 2.4 Staff Survey Deteriorated Scores**

Largest SEPT Deteriorated Scores	2012/13		2013/14		Trust Improvement/ Deterioration
	Trust	National Average	Trust	National Average	
KF 10. Percentage of staff receiving health and safety training in last 12 months	88%	75%	84%	73%	4% deterioration
KF 2. Percentage of staff agreeing that their role makes a difference to patients	93%	90%	90%	89%	3% deterioration

## Action plans

Each year an Employee Experience Action plan is developed based on patterns and trends identified from within our staff survey results and our annual equality analysis. The actions are monitored through both the Clinical Governance Senior Management Team (SMT) and the Equality & Diversity Steering Group where this plan forms part of the overall Equality Delivery System action plan. This year, based on our staff survey results we will focus on our top performing areas in terms of shared learning and also our lowest performing areas – most of which were still above the national average – but lowest for us of all our scores. Some of our actions for the 2015/16 action plan will include:

- analysing staff survey performance in from a BME v White perspective in line with the new Workforce Race Equality Standard being introduced for 2015 – 16;
- analysing information and establishing the reason for the proportion of staff who had experienced physical violence (from other staff) in the last 12 months;
- looking at why there has been a negative increase in the proportion of staff witnessing near misses and whether there is more we can do to encourage reporting and learning in this area;
- promoting and celebrating the staff survey results and sharing good practice and learning in those areas where we were in the top 20% of the country;
- feeding into work streams based on the end of year one of the Staff Friends and Family Test results; aiming to increase our response rate which saw a slight decrease this year.

## Friends and Family Test for Staff (SFFT)

The Staff Friends and Family Test became mandatory from 1 April 2014 and SEPT were pleased to embrace this new method of engaging with staff to allow them to comment on working for SEPT and whether they would recommend SEPT as an employer. In the first quarter of SFFT we surveyed all staff and used the comments and feedback to develop some directorate based actions to address their concerns. At the end of year one an evaluation will take place to establish the best use of the SFFT and how it can complement the existing staff survey.

At the end of the first quarter the feedback and comments were analysed to identify areas on which to base some actions. The action plans were reviewed each quarter and service leads were asked to provide updates and progress. Some of the achievements included:

- reducing negative experiences and increasing positive experiences of staff in most areas;
- regular communications with staff about the importance of participation;

- results from SFFT have been shared and disseminated widely with a view not only to continuously improving patient care – but also celebrating positive comments and identifying areas of good practice which can be shared with other teams;
- staff across the Trust winning an 'In Tune' Award from The Trust's Staff Recognition Scheme for contribution towards patient care and SEPT services and this was celebrated in all areas.



Launched Trust Staff Recognition Scheme

### **Disabled Employees**

This year saw a review and update of the Policy for Disabled Employees and we consulted our PFD champions who have recorded that they are disabled to ensure the needs of disabled staff were taken into account. The section on recruitment and selection of disabled workers was also strengthened to support this. We also consulted all of our PFD champions before we were re-accredited as a Two Ticks Employer to ensure they concur with the commitments we make.

Our occupational health provider, and Human Resources representatives work closely together to ensure that any employees who become disabled during employment, or those disabled on employment, are supported and guided through processes to maintain as positive a working life as is possible taking into account their condition. SEPT values the support of employees who consider themselves as disabled and works hard to increase the proportion of staff who not only declare disabilities in their equality status, but also who are registered PFD champions who can provide guidance and support within the Trust on any disability issues in services or employment.

Our staff survey results also showed that staff who considered themselves to be disabled received good support in terms of their managers making adequate adjustments to their work.

### **Staff Involvement and Communication**

SEPT has in place comprehensive communication systems for all its workforce. We have weekly communications which are two-way and location specific to ensure all staff are being communicated with effectively. The weekly communication covers all aspects of the Trust's business including, and not limited to, any proposed changes to systems/ processes and the weekly vacancy bulletin.

We have recently updated the Intranet to make this more user friendly for staff to be able to search for information whenever they need to. The Trust's intranet includes all Trust policies, access to mandatory training, smart forms, CQC guidance and news and dedicated pages on each service portfolio and useful links and resources.

We continue to have a link for staff to contact the Chief Executive anonymously to raise any concerns they may have about clinical practice or staff behaviour.

We have a monthly Board of Director's meeting which is held in various locations across the Trust's estate and staff are invited to attend. The agenda and all board papers are available to all staff on the Trust's website.

We also have weekly Executive Committee meetings, following which a brief is prepared and shared with the senior management team of the Trust for them to share and discuss with their teams.

Throughout the year the Trust routinely meets with staff side representatives from all professions to communicate and consult on decisions and developments for the Trust.

Planning events involving staff from all levels across the Trust have been held and external stakeholders and carers and/or patients also attended. Staff and stakeholders were given the opportunity to comment on the Trusts future financial and operational plans.



Launched New Trust Website [www.sept.nhs.uk](http://www.sept.nhs.uk)

## Staff Consultations

During the past year a variety of consultations with staff were carried out across the Trust. The nature of these consultations included restructure of teams/ services, relocation of staff, TUPE transfers out to new providers and in to SEPT, changes in the delivery of services and the closure of services. As we did last year, the restructures were to support the continued reductions in back office and support services to implement the Trust's savings initiatives.

All consultations were communicated with and involved staff side input.

The Trust will focus on similar issues in 2015/16 and may include the TUPE transfer of staff to new providers in Suffolk.

## Our Patients

### Patient Experience

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

experience is reported at the highest level.

The Patient Experience Team supports clinical staff across the organisation to get as much feedback from patients as possible. Working to provide assurance that we are consistently aware of how people using SEPT feel about the level of service they are receiving and enabling us to react to the latest comments. In 2014/15 the Patient Experience Team continued to embed the new, unified patient survey. Drawing together the NHS Friends and Family Test and a further series of questions around key areas identified together, with people who use our services. Surveys are coded so that feedback can be provided at team-level; teams receive scores and comments via the Friends and Family Test as well as additional scores against the areas that matter to our patients. Throughout the year we send reports to team managers, with their Family and Friends Test scores, comments, and performance against the other key indicators (as identified by our service users) included. Managers are asked to discuss feedback with the team (or in 1:1 supervision where team members are named) and use it as an opportunity to reflect on practice and look for improvements.

Managers are encouraged to use positive feedback to share and reinforce good practice, promoting further participation in the survey. Teams are asked to look for improvements based on all comments received, with managers asked to respond with any changes and improvements that have been made following patient comments.

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

### Mystery Shopper Programme

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

SEPT Mystery Shoppers are patients and carers who give anonymous feedback about their actual experiences of using SEPT services, naming the staff they have had contact with. The feedback is monitored by directors and team managers and staff

receive feedback in supervision sessions with their manager, on how their individual practice has been perceived by patients and carers.

Staff and managers are audited on a quarterly basis to capture outcomes, changes in practice and service delivery as a result of this feedback.

Mystery Shoppers can opt to give feedback via completing questionnaires, email, and telephone or can meet with a member of the Patient Experience Team face to face. Feedback specifically about issues they may have encountered in accessing or using SEPT services which relate to the Equality and Diversity protected characteristics is also captured. The Mystery Shopper protocol, process and feedback questionnaires were reviewed in consultation with service users and carers which has resulted in improvements in the process, contents and format of the documents.



Southend United visit Brockfield House

## Patient and Public Engagement

Our focus remains on listening to the people who use our services, provide them with information on what we do, working with them to try and constantly improve their experience.. To this end we continue to run a series of events, meeting the public and hearing their issues and concerns directly. Through *Let's Talk About...* sessions, we are able to give patients, carers and the public relevant information on specific service areas (eg medication, psychosis, schizophrenia).

*Take it to the Top* is an event held in the localities where members of the public are able to ask direct

questions to members of the Board about specific concerns they have as well as queries about the Trust and healthcare in general.

As well as using the above fora to engage with our patients, we also have Patient Experience groups across the Trust where patient representatives, local patient interest groups and voluntary associations are invited to send a representative to our Patient Experience groups. These patient interest groups include Healthwatch (across Bedfordshire, Essex, Luton and Suffolk), MIND, Rethink, Clinical Commissioning Groups, Carers Awareness Group, Essex Mental Health Community, Basildon and South Essex Disability Equality Forum, Age Concern, Impact, advocacy groups and other relevant local voluntary associations.

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

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

## Our Environment

### Sustainability and Environmental Stewardship



Carbon Trust Standard achieved

Our organisation has a Board of Directors approved Sustainable Development Management Plan (SDMP) that includes the good corporate citizenship model. A revised SDMP will be developed during the coming year in line with the new recent guidance issued from the Sustainable Development Unit. This will set out the Trust's plan of action for sustainable development and implementation timetables up to 2020. Progress against key performance indicators will continue to be monitored and updated on the Trust's website. The NHS Carbon Reduction Strategy asks for the Boards of all NHS organisations to approve such a plan (SDMP) in recognition that a sustainable NHS can only be delivered through the efforts of all staff.

To that end, responsibility for sustainability issues such as carbon reduction and sustainable practices continue to be included in all job descriptions. Staff awareness campaigns have already been shown to deliver cost savings and associated reductions in carbon emissions and our staff energy awareness campaign is ongoing.

We have made arrangements to purchase around 90% of our electricity consumption from renewable sources, and this will continue for the next two years.

Procurement of gas and electricity is achieved through the Government's Crown Commercial Services and has secured the best possible unit prices in a changing market for all public service organisations over the last year.

Prioritisation of risk is an important part of managing complex organisations and sustainability issues are included in our analysis of risks facing our organisation. As an example of our ongoing investment programme this year to mitigate against cost and carbon emission increases, we are installing roof mounted solar thermal panels at Rochford Hospital. Once installation is completed, this will enable us to supply domestic hot water to four wards, without the need to run the large gas boilers for many hundreds of hours a year.

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 continue to consider both the potential need to adapt the organisation's activities and buildings as a result of the potential risks posed by climate change.

Our NHS, Public Health & Social Care System is taking a fundamentally new approach to sustainability, embracing for the first time the entire Health and Social Care system, working in partnership across organisations, but also, with our communities to improve health and wellbeing. SEPT is developing its new five year strategy to support the vision of a sustainable system that will protect & improve health both now and into the future.

The new national strategy encourages implementation at a local level and within this context SEPT will aspire to ensure that it contributes successfully by continuing to measure and report its progress, frequently evaluating its approach and engaging its staff, users and most importantly, the public. SEPT has continued to position itself to participate and where possible to lead on the planning and implementation of particular environmental initiatives and associated specific actions that will enhance both Trust and community sustainability.

For operational purposes, new activity will be directed into defined groups to facilitate consistent evaluation and be reported through integrated metrics. These include, Adaptation to Climate Change, Models of Care, Community Involvement, Social Values and Innovation, Procurement, Carbon Hot Spots and Research and Development. It is intended

that particular work streams will be developed during the coming year within each of these themes to match closely the guidance contained in the new National Sustainable Development Strategy.

“ **Accreditations at the Public Sector Sustainability Awards:**  
 Best Procurement Project - Runner Up; Best Green Office Project - Highly Commended; Most Sustainable Organisation In Health / NHS - Highly Commended ”

## Our Compliance with Legislation

### Health & Safety

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

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

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

During 2014/15 the following policies were reviewed internally and also in some key areas externally to provide assurance that the Trust continues to maintain compliance with all Health, Safety and Fire legislation and guidance:

- RM01 Corporate Statement and Policy on Health & Safety
- RM02 Fire Safety Policy
- RM04 Control of Substances Hazardous to Health (COSHH)
- RM07 Display Screen Equipment Policy
- RM11 Non-Clinical Risk Assessment Policy

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

- the monitoring of all identified deficiencies submitted to the Quality and Safety Groups for completion so that legal requirements and NHS guidance requirements are maintained across the organisation;
- the undertaking of investigation into the causes of incidents and identifying actions to mitigate the risk of any further occurrence and reporting the appropriate information to the HSE;
- a continual review of health & safety, fire risk assessment audit templates to ensure the documents are in line with current legal requirements;
- a review of the Ligature Audit tool and process.



Andy Brogan and Andy Ward with safer Staffing Board at Brockfield House

## RIDDOR Activity

Reporting of Injuries, Diseases & Dangerous Occurrences (RIDDOR) incidents within the organisation for the period 2014/15 are detailed below:

45 Reported Incidents – Trust wide

**Table 2.5**

Area/Service	Q1	Q2	Q3	Q4	Total
Bedfordshire Community Health Services	2	1	-	-	3
South East Essex Community Health Services	3	-	4	-	7
Suffolk Community Health Services	1	-	-	-	1
Bedfordshire and Luton Mental Health & Learning Disability Services	3	3	-	2	8
Essex Mental Health & Learning Disability Services	8	6	3	1	18
West Essex Community Health Services	4	-	-	-	4
Specialist Services	-	-	4	-	4
<b>Totals</b>	<b>21</b>	<b>10</b>	<b>11</b>	<b>3</b>	<b>45</b>

## Health & Safety Audits

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

All wards and units throughout the organisation were subject to a full health and safety inspection, as required by Health & Safety legislation. This now includes an assessment of the security measures that are currently in place to provide an assurance that they meet the requirements of the NHS Protect recommendations and guidance. Ligature audits were completed for all in-patient mental health units. The process has been reviewed and Specialist Services and areas designated as high risk (acute, assessment, Psychiatric Intensive Care Unit [PICU]) are now completed six monthly (all other areas annually).

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

## Health & Safety Training

The health and safety training module continues to be available as part of the mandatory on line training module which all new members of staff are required to complete. Fire training is undertaken as face to face in the initial induction to the Trust and a local induction completed by all staff during the first day of their deployment. Refresher training is undertaken by staff in line with our mandatory training policy.

Compliance with health and safety and fire training is monitored on a monthly basis.

## Emergency Planning and Organisational Resilience

The Civil Contingencies Act 2004 provides a coherent and unambiguous framework for building resilience to disruptive challenges in the UK, such as a terrorist attack, inclement weather, industrial action or a pandemic.

Therefore, as a Trust we have specific duties to fulfil which includes the duty to assess the risk of an emergency occurring and to maintain business continuity to continue to provide routine NHS services. Being prepared for emergencies is also one of the top five priorities within the NHS Operating Framework.

The Health and Social Care Act also made significant changes to the health system in England from April 2013. **Arrangements for Health Emergency Preparedness, Resilience and Response from April 2013** published in April 2012, set out the intended arrangements for delivering safe and consistent Emergency Preparedness, Resilience and Response (EPRR) in the health sector in England from April 2013.

This was further enhanced with the issuing of the NHS England Emergency Preparedness Framework 2013. In order to meet its responsibilities, SEPT has a major incident plan and business continuity plans, which are fully compliant with NHS Emergency Preparedness Framework 2013 and can be activated in response to any type of emergency. The Trust has also confirmed its compliance against the NHS England Core Standards.

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

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

The Directors are required under the National Health Service Act 2006, and as directed by Monitor, to prepare accounts for each financial year. Monitor, with the approval of HM Treasury, directs that these accounts shall show, and give a true and fair view of the NHS foundation trust's gains and losses, cash flow and financial state at the end of the financial year.

Monitor further directs that the accounts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual that is in force for the relevant financial year, which shall be agreed with HM Treasury. In preparing these accounts, the Directors are required to:

- apply on a consistent basis, for all items considered material in relation to the accounts, accounting policies contained in the NHS

Foundation Trust Annual Reporting Manual issued by Monitor;

- make judgements and estimates which are reasonable and prudent; and ensure the application of all relevant accounting standards, and adherence to UK generally accepted accounting practice for companies, to the extent that they are meaningful and appropriate to the NHS, subject to any material departures being disclosed and explained in the accounts.

The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time the financial position of the Trust. This is to ensure proper financial procedures are followed, and that accounting records are maintained in a form suited to the requirements of effective management, as well as in the form prescribed for the published accounts.

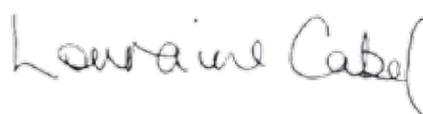
The Directors are also responsible for safeguarding all the assets of the Trust, including taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are required to confirm that:

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

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

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



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

## Introduction

This section covers the remuneration of the most senior managers of the Trust – those people who have the authority and responsibility for controlling the major activities of the Trust. In effect this means the Board of Directors, including both Executive Directors (including the Chief Executive) and Non-Executive Directors (including the Chair).

In this section information is provided about the Remuneration Committees, the policy on remuneration and detailed information about the remuneration of the Executive and Non-Executive Directors of the Trust.

## Annual Statement on Remuneration

The Board of Directors Remuneration Committee has delegated responsibility to review and set the remuneration, allowances and other terms and conditions of the Executive Directors (this includes the Chief Executive), who are the Trust's most senior managers as required under the NHS Act 2006. The Trust's Executive Directors have the authority and responsibility for directing and controlling major activities of the Trust.

The Committee also recommends and monitors the level and structure of remuneration of other directors who are the Trust's senior managers but who are not Board members, operating within the locally determined pay scale.

The remuneration policy for the Trust's Executive Directors is to ensure remuneration is consistent with market rates for equivalent roles in Foundation Trusts of comparable size and complexity.

It also takes into account the performance of the Trust, comparability with employees holding national pay and conditions of employment, pay awards for senior roles elsewhere in the NHS and pay/price changes in the broader economy, any changes to individual roles and responsibilities, as well as overall affordability.

Decisions regarding individual remuneration are made with due regard to the size and complexity of the senior managers' portfolios of responsibility. In setting the remuneration levels, the Committee balances the need to attract, retain and motivate directors of the quality required.

The current remuneration policy is not to award any performance related bonus or other performance payment to Executive Directors. The Committee refers to the annual NHS Providers' salary survey together with publicly available information about trends within the NHS and broader economy.

Performance is assessed in relation to both organisational performance against agreed objectives relating to the Trust's strategic goals, and individual performance against annual personal objectives and contribution to the performance of the organisation. Progress towards achievement of these objectives is reviewed and regularly recorded during the year by the Chief Executive for the Executive Directors as well as by myself as Trust Chair for the Chief Executive, and subsequently reported to the Remuneration Committee.

In addition, as Trust Chair, I review and agree with the Chief Executive, the Executive Director's and Chief Executive's training and development needs as they relate to their role on the Board.

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

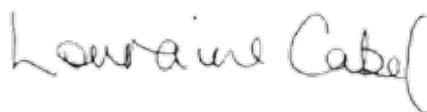
There were no pay awards or inflationary uplifts for Executive Directors during 2014/15.

The Trust does not make termination payments to Executive Directors which are in excess of contractual obligations and there have been no such payments during the past year.

There was one payment for loss of office to an Executive Director in 2014/15 as part of a move to reduce Board costs. Payment was in the form of retirement on the grounds of redundancy and was calculated in accordance with Section 16 of the NHS Terms and Conditions of Service and the NHS Pensions Regulations in force at the time.

Accounting policies for pensions and other retirement benefits are set out in the notes to the accounts and details of senior managers' remuneration can be found on pages 56-60.

**Signed:**



**Lorraine Cabel**  
**Chair of the Trust and Chair of the Board of Directors Remuneration Committee**



Directors line up for flu jab

## Senior Managers Remuneration Policy

### Future Policy

Remuneration Package Components	<p>The Executive Directors' (including the Chief Executive) remuneration package consists of salary and the entitlement to NHS pension benefits.</p> <p>Non-Executive Directors are remunerated for an agreed number of days work per month. There is no entitlement to the NHS pension scheme.</p>
Remuneration Package	<p>The Executive Director salary is a "spot" salary within an agreed remuneration framework. The salary levels are set to attract and retain appropriately skilled Executives. The Trust believes that by setting an appropriate salary then no additional components are necessary to drive forward objectives.</p>
Remuneration Package Framework	<p>The current remuneration policy is not to award any performance related bonus or other performance payment to Executive Directors and senior managers.</p> <p>Executive Director and senior manager contracts both stipulate that if monies are owed to the Trust the post-holder will agree to repay them by salary deduction or by any other method acceptable to the Trust. The Trust may withhold payment in circumstances of unauthorised absence. This policy applies to Executive Directors and senior managers.</p> <p>There are no new components or any changes made to the existing components of the remuneration package</p> <p>The key difference between the Trust's policy on Executive Directors' and senior managers' remuneration and its general policy on employees' remuneration are:</p> <p>Salary: The Trust appoints Directors on a range of spot salaries within an agreed remuneration framework, i.e. salaries with no incremental progression</p> <p>Notice period: Executive Directors and senior managers not employed on national terms and conditions are expected to give six months' notice of termination of employment. This is in recognition of the need to have sufficient time to recruit a replacement or alternatively to appoint to a different post</p> <p>Pay review: The Board of Directors Remuneration Committee determines whether or not to award cost of living pay awards to Executive Directors and senior managers not employed on national terms and conditions of service.</p>
Performance Framework	<p>Performance Management for the Executive Directors is part of a robust common framework for the trust and is based around objective setting and review, and supervision sessions that are held on a regular basis. It is further supported by constructive criticism and challenge in key meetings such as the Executive Operational Committee where Executive Directors are also accountable.</p> <p>The Trust sets a series of aims yearly which are centred on taking the Trust forward for the benefits of its patients, service users and the community it services. These are then translated into SMART objectives for the Executive Directors. These objectives and progress towards them are monitored in monthly supervision between the Executives and the CEO. There is also a formal quarterly progress review, which is presented to the Trust Board once a quarter.</p>

Progress against objectives is reviewed by the CEO and for that post in turn by the Chair of the Board. If concerns do arise they can be highlighted and remedial action taken using the above system. The Trust does not currently have in place any performance based remuneration; Directors are employed on a fair and competitive salary rate and in return are expected to exhibit high levels of performance and achievement.

**Table 3.1 Non-Executive Directors Remuneration**

Name	Role	Remuneration £000	Working Days Per Month	Additional Fees £000
Lorraine Cabel	Chair	50-55	16	Nil
Janet Wood	Vice-Chair	15-20	6	Nil
Randolph Charles	NED	15-20	5	Nil
Steve Cotter	NED	15-20	5	Nil
Steve Currell	NED/SID	15-20	5	Nil
Alison Davis	NED	15-20	5	Nil
Dr Dawn Hillier (left 31 December 2014)	NED	10-15	5	Nil
Mary-Ann Munford	NED	0-5	5	Nil

### Service Contract Obligations

The Trust is obliged to give directors six months' notice of termination of employment, which matches the notice expected of Executive Directors from the Trust. The Trust does not make termination payments beyond its contractual obligations which are set out in the contract of employment and related terms and conditions. Executive Directors' terms and conditions, with the exception of salary shadow the national arrangements, inclusive of sick pay and redundancy arrangements and do not contain any obligations above the national level.

### Policy on Payment for Loss of Office

Executive Directors' contracts contain a requirement for the Trust to provide six months' notice of termination to directors and in turn requires Executive Directors to provide six months' notice to the Trust if they resign from its service. The Trust retains the right to make payment in lieu of the notice period be it in part or for the whole period where it considers it is in the Trust's interest to do so. Any decision on this would be taken by the Board of Directors Remuneration Committee.

Trust Executive Directors are covered by the same policy in terms of conduct and capability as other Trust staff and if found to have engaged in gross misconduct they can be summarily dismissed, i.e. their contract would be terminated without notice.

In cases of termination due to organisational change, Executive Directors are covered by the national arrangements for redundancy for NHS staff. This states that one month's pay will be provided for each complete year of reckonable service in the NHS without a break of twelve months or more. Limits are set on this payment in that a maximum of 24 months' pay has been nationally set. In addition to this, from 1 April 2015 the maximum salary upon which redundancy is calculated is set at £80,000 per annum. This equates to an overall cap of £160,000.

## Statement of consideration of employment conditions elsewhere in the Trust

The Trust's Board of Directors Remuneration Committee carries out an annual review of pay and terms and conditions for Executive Directors and senior managers. This includes their having regard to salary and the remuneration package as a whole. Salary levels are set taking into account the need to recruit and retain able directors and balancing that against a proper regard for use of public funds. In setting salary levels the Remuneration Committee satisfies itself that the salary is competitive with other NHS providers of a similar constitution.

The Remuneration Committee will also review the pay progression framework in light of the current and emerging economic environment. There is no performance based progression in place in the Trust although performance is managed by a robust appraisal and supervision framework. Trust Executive Directors and senior managers are subject to the same capability arrangements as other Trust staff.

The decision was taken not to award a cost of living salary increase for 2014/15.

## Annual Report on Remuneration

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

### Board of Directors Remuneration Committee

Membership of the Committee wholly comprises of Non-Executive Directors who are viewed as independent having no financial interest in matters to be decided and the Committee is chaired by the Trust's Chair. The Chief Executive will attend meetings of the Committee if invited to do so by the Chair but may not receive any papers in relation to or be present when her remuneration or conditions of service are considered. The Deputy Director of HR attends the meeting in an advisory capacity. The Committee may commission independent professional advice if considered necessary.

The Committee meets when necessary but at least annually.

**Members of the Committee and the number of meetings attended by each member during the year are set out below in Table 3.2**

Name	Role	Meetings attended
<b>Lorraine Cabel</b>	Chair	4/4
<b>Alison Davis (wef 01.01.15)</b>	Non-Executive Director	0/1
<b>Steven Currell</b>	Non-Executive Director	3/4
<b>Dr Dawn Hillier (until 31.12.14)</b>	Non-Executive Director	3/3
<b>Janet Wood</b>	Non-Executive Director	4/4

## Council of Governors Remuneration Committee

The Council of Governors is responsible for setting the remuneration of the Chair and Non-Executive Directors. The Council has delegated responsibility to its Remuneration Committee for assessing and making recommendations to the Council in relation to the remuneration, allowances and other terms and conditions of office for the Chair and all Non-Executive Directors.

In addition, the Committee leads on the process to receive assurance on the performance evaluation of the Chair, working with the Senior Independent Director, and Non-Executive Directors, working with the Chair.

The Committee may, as appropriate, retain external consultants or commission independent professional advice. In such instances the Committee will be responsible for establishing the selection criteria, appointing and setting the terms of reference for remuneration consultants or advisers to the Committee. The Committee reports in writing to the Council of Governors the basis of its recommendations. No consultants were commissioned during 2014/15.

**Members of the Committee and the number of meetings attended by each member during the year are set out below in Table 3.3**

Name	Role	Meetings attended
<b>John Jones</b>	Public Governor (Chair)	3/3
<b>David Bowater</b>	Appointed Governor	3/3
<b>Paula Grayson</b>	Public Governor	1/3
<b>Eileen Greenwood</b>	Public Governor	3/3
<b>Sue Revell</b>	Public Governor	2/3
<b>Nic Taylor-Barbieri (until 28.02.15)</b>	Staff Governor	1/2
<b>Clive Travis</b>	Appointed Governor	2/3

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

During the year, the Council of Governors approved the recommendation from the Board Directors not to award a cost of living salary increase for 2014/15. The Committee also met to discuss the annual performance reviews of Non-Executive Directors, including the Chair and the reappointment of Non-Executive Directors. In addition, it undertook its annual review of the remuneration of the Chair and Non-Executive Directors and was supported by the Deputy Director of HR who provided independent guidance and advice.

Recommendations following these discussions were presented at general meetings of the Council of Governors for approval. Taking account of advice provided by the Deputy Director of HR, as well as considering the current economic landscape, national policy for NHS staff, and ensuring remuneration rates reflected an appropriate local rate to support with succession planning, the Council approved an uplift of 9% and 2% respectively to both the Chair's and NEDs' remuneration with effect from 1 April 2015.

# Remuneration Report

**Table 3.4 Service Contracts: Executive Directors**

Name	Role	Contract Start Date	Contract End Date
<b>Sally Morris</b>	Chief Executive	14 July 2006	
<b>Andy Brogan</b>	Executive Director Clinical Governance & Quality/Executive Nurse	1 Feb 2014	
<b>Nigel Leonard</b>	Executive Director Corporate Governance	1 Feb 2014	
<b>Dr Milind Karale</b>	Executive Medical Director	30 July 2012	
<b>Mark Madden</b>	Executive Finance Director	9 April 2014	
<b>Malcolm McCann</b>	Executive Director Integrated Services (Essex & Suffolk)	15 April 2013	
<b>Nikki Richardson</b>	Executive Director Corporate Affairs & Customer Service	1 April 2000	31 May 2015
<b>Richard Winter</b>	Executive Director Integrated Services (Beds & Luton)	7 May 2013	

**Table 3.5 Service Contracts: Non-Executive Directors (including the Chair)**

Name	Role	Period of Office	1 <sup>st</sup> Term	2 <sup>nd</sup> Term		Annual reappointment term	
			Start	Start	End	Year 1 End	Year 2 End
<b>Lorraine Cabel</b>	Chair	4 years	1 Mar 2008	1 Mar 2012	2016		
<b>Janet Wood</b>	Vice-Chair	3 years	1 Nov 2006	1 Nov 2009	2012	2013	2014
<b>Randolph Charles</b>	NED	3 years	1 Oct 2010	1 Oct 2013	2016		
<b>Steve Cotter</b>	NED	3 years	1 Oct 2010	1 Oct 2013	2016		
<b>Steve Currell</b>	NED/SID	3 years	1 June 2007	1 June 2010	2013	2014	
<b>Alison Davis</b>	NED	3 years	1 Jan 2012	1 Jan 2015	2018		
<b>Dr Dawn Hillier</b>	NED	3 years	1 Jan 2009	1 Jan 2012	2015		
<b>Mary-Ann Munford</b>	NED	3 years	5 Jan 2015				

## Executive and Non-Executive Director Expenses

Total Executive and Non-Executive Director expenses incurred by the Trust during 2014/15 totalled £37,700, and were claimed by 16 Directors out of total Directors in post during the year of 17. During 2013/14, expenses totalling £65,100 were incurred.

## Governor Expenses

Governors do not receive remuneration but are able to claim travel and other expenses in line with Trust policy. During the year total Governor expenses incurred totalled £10,500 and were claimed by 27 Governors out of a total of 45 in office. This is the same as that incurred in 2013/14.

## Off Payroll Arrangements

In line with HM Treasury guidance, the Trust has put controls in place around the use of off-payroll arrangements. These engagements are only entered into on the basis of the providers relevant skills, experience and knowledge and are supported by individual contracts. All contracts are signed by both parties and include such terms as services to be provided, amount payable per day and responsibility for tax and national insurance contributions.

**Table 3.6: For all off-payroll engagements as of 31 March 2015, for more than £220 per day and that last for longer than six months**

No. of existing engagements as of 31 March 2015	28
Of which...	
No. that have existed for less than one year at time of reporting	21
No. that have existed for between one and two years at time of reporting	3
No. that have existed for between two and three years at time of reporting	2
No. that have existed for between three and four years at time of reporting	1
No. that have existed for four or more years at time of reporting.	1

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

**Table 3.7: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2014 and 31 March 2015, for more than £220 per day and that last for longer than six months**

No. of new engagements, or those that reached six months in duration, between 1 April 2013 and 31 March 2014	8
No. of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations	8
No. for whom assurance has been requested	8
Of which...	
No. for whom assurance has been received	7
No. for whom assurance has been not received	1
No. that have been terminated as a result of assurance not being received	1

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

**Table 3.8: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2014 and 31 March 2015**

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	0
No. of individuals that have been deemed "board members and/or senior officials with significant financial responsibility" during the financial year. This figure should include both off-payroll and on-payroll engagements.	13

Table 3.9 Senior Managers Pay

		2014/15									
	Salary	Other Remuneration	Expense Payments (Taxable)	Performance pay & bonuses	Long term performance pay & bonuses	All Pension related benefits	Exit Package	Total			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Sally Morris	180-185	0	0	0	0	37.5-40	0	220-225			
Andy Brogan	130-135	0	0	0	0	N/A	0	130-135			
Mark Madden	145-150	0	0	0	0	107.5-110	0	255-260			
David Griffiths	0-5	0	0	0	0	0	0	0-5			
Nikki Richardson	20-25	0	0	0	0	0	260-265	280-285			
Malcolm McCann	130-135	0	0	0	0	0	0	130-135			
Richard Winter	130-135	0	0	0	0	0	0	130-135			
Dr Milind Karale	170-175	5-10	0	0	0	2.5-5	0	180-185			
Nigel Leonard	130-135	0	0	0	0	237.5-240	0	365-370			
Lorraine Cabel	50-55	0	0	0	0	0	0	50-55			
Janet Wood	15-20	0	0	0	0	0	0	15-20			
Steve Currell	15-20	0	0	0	0	0	0	15-20			
Dr Dawn Hillier	10-15	0	0	0	0	0	0	10-15			
Randolph Charles	15-20	0	0	0	0	0	0	15-20			
Stephen Cotter	15-20	0	0	0	0	0	0	15-20			
Alison Davis	15-20	0	0	0	0	0	0	15-20			
Mary-Ann Munford	0-5	0	0	0	0	0	0	0-5			

2013/14										
	Salary	Other Remuneration	Expense Payments (Taxable)	Performance pay & bonuses	Long term performance pay & bonuses	All Pension related benefits	Exit Package	Total		
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Sally Morris	Deputy Chief Executive and Executive Director of Specialist Services and Contracts (till 31 August 2013)/Chief Executive (from 1 September 2013)	165-170	0	0	0	0	0	0	0	170-175
Dr Patrick Geoghegan OBE	Chief Executive and Executive Nurse (left 7 October 2013)	115-120	0	0	0	0	0	0	0	115-120
Ray Jennings	Executive Chief Finance Officer (left 30 March 2015)	205-210	0	0	0	0	0	0	0	215-220
David Griffiths	Acting Executive Chief Finance officer (from 31 March 2015)	0-5	0	0	0	0	0	0	0	0-5
Amanda Reynolds	Executive Director of Social Care & Partnerships (left 21 February 2014)	115-120	0	0	0	0	0	0	0	255-260
Nikki Richardson	Executive Director of Corporate Affairs	130-135	0	0	0	0	0	0	0	130-135
Peter Wadlum-Buhl	Executive Director of Strategy & Business Development (left 28 October 2013)	80-85	0	0	0	0	0	0	0	465-470
Andy Brogan	Executive Director Clinical Governance & Quality (fixed term contract until 31 January 2013/substantive from 1 February 2014)	130-135	0	0	0	0	0	0	0	130-135
Malcolm McCann	Executive Director of Integrated Services (Essex & Suffolk)	130-135	0	0	0	0	0	0	0	130-135
Richard Winter	Executive Director of Integrated Services (Bedfordshire & Luton)	130-135	0	0	0	0	0	0	0	130-135
Dr Milind Karale	Executive Medical Director	170-175	0	0	0	0	0	0	0	190-195
Pauline Roberts	Executive Medical Director (left 31 March 2013)	0-5	0	0	0	0	0	0	0	-35-40
Nigel Leonard	Executive Director of Corporate Governance (from 1 February 2014)	20-25	0	0	0	0	0	0	0	20-25
Lorraine Cabell	Chair	50-55	0	0	0	0	0	0	0	50-55
Janet Wood	Non-Executive Director/Vice Chair	20-25	0	0	0	0	0	0	0	20-25
Steve Currell	Non-Executive Director	15-20	0	0	0	0	0	0	0	15-20
Dr Dawn Hillier	Non-Executive Director	15-20	0	0	0	0	0	0	0	15-20
Randolph Charles	Non-Executive Director	15-20	0	0	0	0	0	0	0	15-20
Stephen Cotter	Non-Executive Director	15-20	0	0	0	0	0	0	0	15-20
Alison Davis	Non-Executive Director	15-20	0	0	0	0	0	0	0	15-20

## Fair Pay Multiple

The Trust is required to disclose the relationship between the remuneration of the highest paid Director and the median remuneration of the Trust's workforce. The median remuneration of the workforce for 2014/15 is £25,783 (2013/14: £25,783), which reflects the total remuneration of the staff member lying in the middle of the linear distribution of the total staff. This has been calculated based on the full time equivalent of staff as at 31 March 2015, on an annualised basis and excludes agency and other temporary staff.

The banded remuneration of the highest paid Director in the 2014/15 financial year is £180k to £185k (2013/14: £205k to £210k), and relates to the Chief Executive. This was 7.08 times (2013/14: 8.1 times) the median remuneration of the workforce.

**Table 3.10 Total Pension Entitlement**

		2014/15				
		Real Increase/ (Decrease) in Pension & related lump sum at age 60 £000	Total Accrued pension and related lump sum at age 60 at 31 March 2015 £000	Cash Equivalent Value at 31 March 2014 £000	Real Increase in cash equivalent Transfer Value £000	Cash Equivalent Value at 31 March 2015 £000
Sally Morris	Chief Executive	10-12.5	150-155	634	70	704
Andy Brogan	Executive Director Clinical Governance & Quality (Deputy Chief Executive & Executive Nurse)	N/A	N/A	N/A	N/A	N/A
Mark Madden	Executive Chief Finance Officer (from 9 April 2014)	25-30	175-180	678	158	836
David Griffiths	Acting Executive Chief Finance officer (until 8 April 2014)	Nil	Nil	Nil	Nil	Nil
Nikki Richardson	Executive Director of Corporate Affairs (left 1 June 2014)	0	232.5-235	1236	0	0
Malcolm McCann	Executive Director of Integrated Services (Essex & Suffolk)	0-5	170-175	736	31	767
Richard Winter	Executive Director of Integrated Services (Bedfordshire & Luton)	0-5	150-155	706	32	738
Dr Milind Karale	Executive Medical Director	0-5	70-75	289	21	310
Nigel Leonard	Executive Director of Corporate Governance	42.5-45	155-160	503	222	724

# Remuneration Report

		<b>2013/14</b>				
		Real Increase/ (Decrease) in Pension & related lump sum at age 60	Total Accrued pension and related lump sum at age 60 at 31 March 2014	Cash Equivalent Value at 31 March 2013	Real Increase in cash equivalent Transfer Value	Cash Equivalent Value at 31 March 2014
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Sally Morris	Deputy Chief Executive and Executive Director of Specialist Services and Contracts (till 31 August 2013)/Chief Executive (from 1 September 2013)	12.5-15	135-137.5	579	26	618
Dr Patrick Geoghegan OBE	Chief Executive and Executive Nurse (left 7 October 2013)	0-(2.5)	422.5-445	2286	-1216	0
Ray Jennings	Executive Chief Finance Officer (left 30 March 2014)	35-37.5	320-322.5	1536	249	1,819
Amanda Reynolds	Executive Director of Social Care & Partnerships (left 21 February 2014)	2.5-5	135-137.5	518	-473	0
Nikki Richardson	Executive Director of Corporate Affairs	5-7.5	232.5-235	1147	63	1,236
Peter Wadum-Buhl	Executive Director of Strategy & Business Development (left 28 October 2013)	2.5-5	240-242.5	1090	-644	0
Malcolm McCann	Executive Director of Integrated Services (Essex & Suffolk)	5-7.5	167.5-170	658	44	716
Richard Winter	Executive Director of Integrated Services (Bedfordshire & Luton)	5-7.5	147.5-150	628	46	688
Andy Brogan	Executive Director Clinical Governance & Quality (fixed term contract until 31 January 2013/substantive from 1 February 2014)	n/a	n/a	n/a	n/a	n/a
Nigel Leonard	Executive Director of Corporate Governance (from 1 February 2014)	7.5-10	80-82.5	n/a	79	489
Dr Milind Karale	Executive Medical Director	67.5-70	67.5-70	n/a	281	281

## Loss of Office Payments

**Table 3.11** Payments for Loss of Office

Senior Manager £000's		Voluntary Redundancies including Early Retirements Contractual Costs	Total Termination Costs
		£000's	
Nikki Richardson	Executive Director of Corporate Affairs (left 1 June 2014)	263	263

One payment for loss of office was made to an executive Director in 2014/15 as part of a move to reduce Board costs. Payment was in the form of retirement on the grounds of redundancy and was calculated in accordance with Section 16 of the NHS Terms and Conditions of Service and the NHS Pensions Regulations in force at the time.



**Sally Morris,**  
**Chief Executive**

May 2015

## Governance Review and Statement of Compliance with code of Governance

### Code Governance

South Essex Partnership University NHS Foundation Trust has applied the principles of the *NHS Foundation Trust Code of Governance* on a comply or explain basis. The *NHS Foundation Trust Code of Governance*, must recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

#### Purpose

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

The *Code* is best practice advice but imposes specific disclosure requirements. The Annual Report includes all the disclosures required by the *Code*.

#### Statement of compliance

SEPT's Board of Directors and Council of Governors are committed to continuing to operate according to the highest standards of corporate governance. A joint working group consisting of Directors and Governors annually reviews our compliance with the *Code* and in their opinion there is strong evidence that the Trust is compliant with all the provisions in the *Code* for the period 1 April 2014 to 31 March 2015.

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

**Code Provision B.1.2:** *"At least half the Board, excluding the Chairperson, should comprise of Non-Executive Directors determined by the Board to be independent."*

#### Explanation:

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

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

#### Explanation:

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

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

## Board of Directors

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

The Board exercises all the powers of the Trust on its behalf and delegates specific functions to committees of Directors. Further details can be found on page 67. In addition, certain decisions are made by the Council of Governors, and some Board of Director decisions require the approval of the Council of Governors (see page 62). All Directors have joint responsibility for decisions.

The Executive Directors manage the day-to-day running of the Trust while the Chair and Non-Executive Directors provide operational and Board-level experience gained from other public and private sector bodies; among their skills are accountancy, audit, clinical, law, communications and marketing. The Board of Directors includes members with a diverse range of skills, experience and backgrounds which incorporate the skills required of the Board.

The Board has a Vice Chairman and has also appointed a Senior Independent Director. All Non-Executive Directors are considered by the Board to be independent as defined in the **Code** taking into account, character, judgement and length of tenure. None of the Executive Directors holds Non-Executive appointments.

All Directors have confirmed that they meet the criteria for being a fit and proper person as prescribed by our Monitor Licence and Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.

**Table 4.1 Board of Directors Attendance at Meetings 2014-2015**

Name	Position	Board of Directors Meetings		Board Audit Committee		Board Charitable Funds Committee	
		No attended	No of meetings	No attended	No of meetings	No attended	No of meetings
Lorraine Cabel	Trust Chair	10	10				
Randolph Charles	NED	8	10	4	6		
Stephen Cotter	NED	10	10	1	2		
Steve Currell	NED/Senior Independent Director (wef 1 May 2014)	9	10	4	4		
Alison Davis	NED	8	10	1	4	2	2
Dr Dawn Hillier	NED (until 31 Dec 2014)	6	7				
Mary-Ann Munford	NED (wef 5 Jan 2015)	3	3	2	2		
Janet Wood	Vice Chair/Senior Independent Director	8	10	6	6	1	2
Andy Brogan	Executive Director Clinical Governance & Quality/ Executive Nurse	9	10	1	1		
Dr Milind Karale	Executive Medical Director	10	10				
Nigel Leonard	Executive Director Corporate Governance	9	10				
Mark Madden	Executive Chief Finance Officer (wef 09 Apr 2014)	9	10	6	6	1	2
Malcolm McCann	Executive Director Integrated Services (Essex & Suffolk)	10	10				
Sally Morris	Chief Executive	10	10	1	1		
Nikki Richardson	Executive Director Corporate Affairs & Customer Service (until 31 May 2014)	0	1				
Richard Winter	Executive Director Integrated Services (Beds & Luton)	9	10	1	1		

	Finance & Performance Committee		Board Investment & Planning Committee		Board Mental Health & Safeguarding Committee		Board Nominations Committee		Board Quality Committee		Board Remuneration Committee		Executive Operational Team (until 31.12.14)		Governors Nominations Committee		Governors Remuneration Committee		Council of Governors Meetings		AGM/AMM	
	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No of meetings	No attended	No meetings
	6	9	2	2			3	3	3	3	4	4			4	4	2	3	4	4	1	1
	2	3					3	3											3	4	1	1
	11	12	4	4	0	2	3	3											2	4	1	1
					2	2	1	3	3	8	3	4					1	1	3	4	1	1
	9	12	3	4			2	3			0	1							3	4	1	1
							3	3	5	5	3	3							3	3	1	1
							0	0	3	3									1	1	0	0
	11	12	3	4			3	3	7	8	4	4					1	1	4	4	0	1
	12	12			1	2			7	8			31	36					4	4	1	1
	8	12			2	2			6	8			28	36					2	4	1	1
			4	4	2	2			6	8			30	36					4	4	1	1
	11	12	4	4									32	34					4	4	1	1
	9	12							4	8			26	36					3	4	1	1
	9	12	1	4			3	3			4	4	31	36					4	4	1	1
													7	7					0	0	0	1
	11	12							6	8			32	36					4	4	1	1

### Board of Directors Appointments

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

Executive Directors are permanent appointments, while Non-Executive Directors are appointed to a three year term of office and where possible appointments have been staggered. The reappointment of a Non-Executive Director after their first term of office is subject to a satisfactory performance appraisal. Any term beyond six years is subject to a rigorous review and satisfactory annual performance appraisal, and takes account of the need for progressive refreshing of the Board.

The Chair is appointed for two terms of office of four years, the second term of office being subject to satisfactory appraisal. Both the Chair and Non-Executive Directors are appointed by the Council of Governors who may also terminate their appointment as set out in the Trust's constitution. There have been no changes to the Chair's significant commitments since the disclosure on appointment that conflict or impact upon her ability to meet her responsibilities as Chair.

During the year, Mark Madden commenced as the new Executive Chief Finance Officer with effect from 09 April 2014 and Mary-Ann Munford was appointed as a Non-Executive Director 05 January 2015.

Further details of appointments and reappointments during the year are included on page 68 *Nominations Committees*.

### Board of Directors Performance Evaluation

The Board of Directors undertakes an annual self-evaluation to evaluate its own effectiveness and in line with Monitor's requirements an external evaluation is carried out every three years.

During the year the Board commissioned KPMG to undertake a Board skills assessment as well as Board and Committee observation and effectiveness. The assessment demonstrated that the Trust has strong processes in place and good challenge. A plan was developed taking account of the recommendations and all actions have been implemented. The assessment was commissioned prior to the publication of Monitor's *Well-Led Framework for Governance Reviews*; however, the Trust has taken the opportunity of reviewing the assessment against the new guidance. The Board has agreed to undertake a further independent review within three years.

In addition, the Board implemented a number of development opportunities in response to the outcomes of the evaluation and the training and development requirements of Directors. These were aimed at ensuring that the work of the Board is as effective as possible and the skills of Board members are well used.

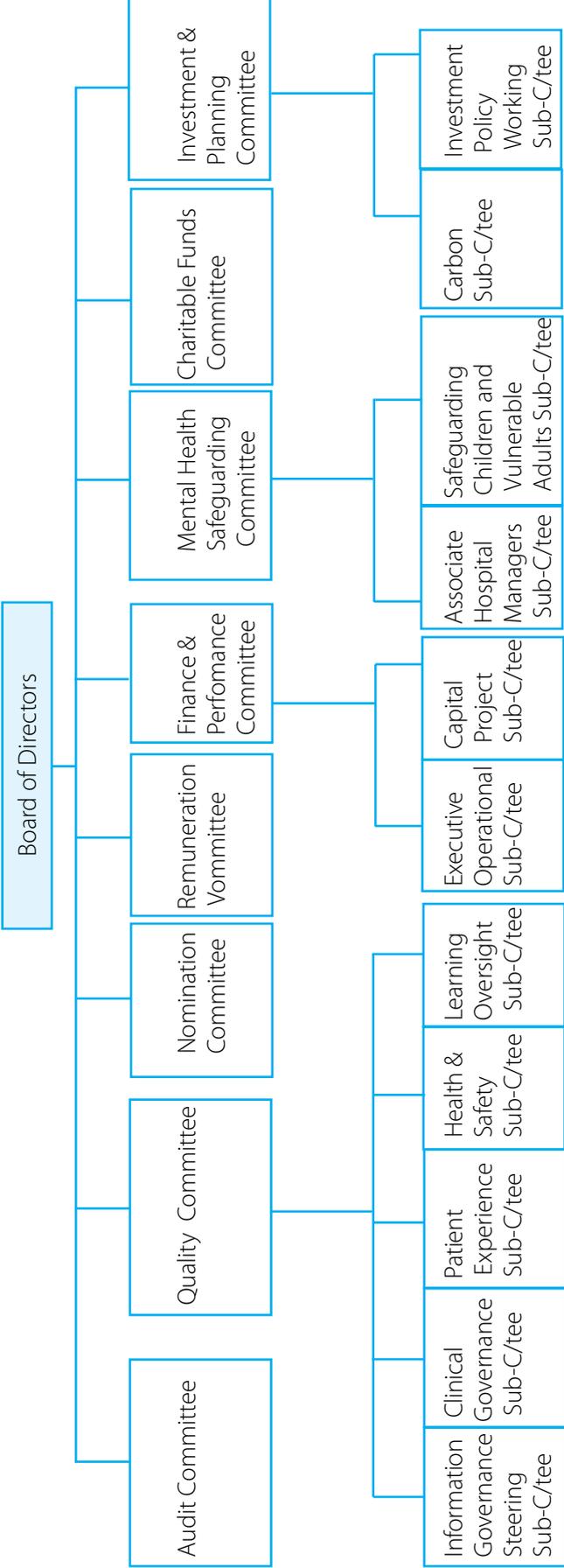
All members of the Board receive a full and tailored induction on joining the Trust and undertake a personal induction programme during the first 12 months of appointment. All Directors undergo an annual performance review against agreed objectives, skills and competences and agree personal development plans for the forthcoming year. In addition, the Chair reviews and agrees the Executive Directors and Chief Executive's training and development needs as they relate to their role on the Board.

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

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

**Board of Directors Governance Review**

During the year the Trust conducted a review of its governance and assurance framework including its committee structures, reporting requirements and the effectiveness of its standing committees against their terms of reference, taking account of both the feedback from the KPMG review as well as an internal assessment. The following new standing committee structure was approved by the Board and implemented with effect from 1 January 2015.



The terms of reference for all standing committees went through an extensive scrutiny process prior to approval by the Board and all committees have developed a schedule of business and work plan for the year. All committees meet regularly and are chaired by a Non-Executive Director. There is a standing agenda item at every Board of Directors' meeting to receive assurance reports from the Board standing committees. Committee annual reports, including a self-assessment, and review of the terms of reference are also received.

A second stage review of sub-committees and working groups structure underpinning the sub-committees commenced in January 2015 and it is anticipated that the review will be completed and any actions implemented by July 2015.

### Nominations Committee

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

#### Board of Directors Nominations Committee

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

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

As part of the review of the Board of Directors' governance structure, the Committee's terms of reference were reviewed and refreshed, taking into account Monitor's **Code of Governance**, legal and regulatory requirements, and best practice.

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

**Members of the Committee and the number of meetings attended by each member during the year are set out in Table 4.2 below:**

Name	Role	Meetings attended
<b>Lorraine Cabel</b>	Chair	3/3
<b>Randolph Charles</b>	Non-Executive Director	3/3
<b>Steve Cotter</b>	Non-Executive Director	3/3
<b>Steve Currell</b>	Non-Executive Director	1/3
<b>Alison Davis</b>	Non-Executive Director	2/3
<b>Dr Dawn Hillier (until 31.12.14)</b>	Non-Executive Director	3/3
<b>Sally Morris</b>	Chief Executive	3/3
<b>Mary-Ann Munford (wef 05.01.15)</b>	Non-Executive Director	0/0
<b>Janet Wood</b>	Non-Executive Director	3/3

During 2014/15 the Committee met to consider the balance of the Board taking account of the skills, knowledge and experience required.

## Council of Governors Nominations Committee

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

The Committee is chaired by the Trust's Chair with membership comprising elected and appointed Governors. If the Chair is being appointed or not available, the Vice Chair or one of the other Non-Executive Directors who is not standing for appointment will be the Chair. When the Trust Chair is being appointed, the committee comprises only of Governors who will elect a Chair of the committee from amongst its members.

**Members of the Committee and the number of meetings attended by each member during the year are set out in Table 4.3 below:**

Name	Role	Meetings attended
<b>Lorraine Cabel</b>	Chair	4/4
<b>Brian Arney</b>	Public Governor	4/4
<b>David Bowater</b>	Appointed Governor	4/4
<b>Josie Clark (until 15.09.14)</b>	Public Governor	1/2
<b>Joy Das</b>	Appointed Governor	3/4
<b>Jackie Gleeson</b>	Public Governor	2/4
<b>Eileen Greenwood</b>	Public Governor	1/4
<b>John Jones</b>	Public Governor	4/4
<b>Deborah Ridley-Joyce (until 28.02.15)</b>	Public Governor	1/4

During the year, the Committee considered and recommended to the Council of Governors that Alison Davis be reappointed as a Non-Executive Director for a second term of office, and for Steve Currell to be appointed for a further year in office. The Committee had taken account of the critical needs of the organisation balanced against future skills and expertise as well as the views of the Board of Directors. The recommendation was approved by the Council of Governors at its meeting on 12 August 2014 and 22 May 2014 respectively.

Dr Dawn Hillier was due to end her second term of office in December 2014. The Committee considered the skills and experience required to recruit to the post and taking account of the views of the Board of Directors as well as the feedback following the independent external Board assessment review, agreed that candidates would have to demonstrate one or more of the following: commercial, marketing, strategic leadership, innovative thinking and talent management.

The Committee developed a timetable for the interview process and the position was advertised nationally in October. The Committee shortlisted in October with informal stakeholder meetings and formal interviews taking place in November. The approval of Mary-Ann Munford as a Non-Executive Director with effect from 5 January 2015 was agreed at the Council of Governors meeting on 12 November 2014.

## Board of Directors Audit Committee

The Audit Committee comprises solely of independent Non-Executive Directors who have a broad set of financial, legal and commercial expertise to fulfil the Committee's duties.

**Members of the Committee and the number of meetings attended by each member during the year are set out in Table 4.4 below:**

Name	Role	Meetings attended
<b>Janet Wood</b>	Chair	6/6
<b>Randolph Charles</b>	Non-Executive Director	4/6
<b>Steve Currell</b>	Non-Executive Director	4/4
<b>Alison Davis</b>	Non-Executive Director	1/4
<b>Steve Cotter</b>	Non-Executive Director	1/2
<b>Mary-Ann Munford</b>	Non-Executive Director	2/2

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

The Trust has an internal audit function which forms an important part of the organisations internal control environment. The functions of the internal audit service are to provide an 'independent, objective assurance and consulting activity designed to add value to an organisations activities'. This means that the role embraces two key areas:

- the provision of an independent and objective opinion to the Accountability/Accounting Officer, the governing body and the Audit Committee on the degree to which risk management , control and governance support the achievement of the organisations agreed objectives;
- the provision of an independent and objective consultancy service specifically to help line management improve the organisation's risk management, control and governance arrangements.

During the year, the Committee considered a number of significant issues relating to 2014/15 including developments around payment by results for mental health services, and the loss of the contract for mental health services in Bedford and Luton.

In addition, further significant issues relating to the 2014/15 annual accounts which were discussed by the Committee were as follows:

- Revaluation of the Estate: in accordance with accounting guidelines, land and building assets are revalued every five years with an interim valuation at the end of the intervening third year. The last interim valuation was conducted as at 31 March 2013. The financial year 2014/15 therefore required a full revaluation of land and buildings to be undertaken resulting in a net gain of £18.6 million.
- Impaired Debts: the Committee discussed the level of impaired debts contained within the accounts for 2014/15, and acknowledged that this reflected historic difficulties with agreeing and securing payment for a number of debts, particularly out of area treatments.
- Local Government Pension Scheme: the accounting treatment for the cessation of the Trust's membership of the scheme was discussed in light of the transfer of those staff to East London NHS Foundation Trust. The full impact of the final cessation will be accounted for as part of the 2015/16 accounts.
- Going Concern: the Audit Committee considered this issue and recommended that the Board could sign off the appropriate statements.

In March 2015, an Internal Audit plan for the third year of the current three-year Strategic Internal Audit Plan was prepared for the Trust covering the period 1 April 2015 to 31 March 2016. The plan was compiled on the basis of identified risk and materiality, which was drawn together through previous experience of audit requirements within the sector; previous audit work at the Trust; risks previously identified by the Trust as significant; and horizon scanning of current issues. The outputs from this plan will give assurance to the Committee on operational and compliance systems.

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

Following a tendering process undertaken in 2012, the current external auditors were awarded a contract for a period of three years (renewable annually for a 12 month period) by the Council of Governors.

Within the contract there was provision for a further extension after the three year period and in September 2015 the Council of Governors approved a 12 month extension to the end of September 2016. The value of the contract was £60,000. There was no non-audit work undertaken in the 2014/2015 period.

## **Council of Governors**

An integral part of the Trust is the Council of Governors who brings the views and interests of the public, service users and patients, carers, our staff and other stakeholders into the heart of our governance. This group of committed individuals has an essential involvement with the Trust and contributes to its work and future developments in order to help improve the quality of services and care for all our service users and patients.

### Role of the Council

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

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

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

The Council of Governors is required to meet a minimum of four times a year. All Board members are invited to the Council's general meetings and standing agenda items include reports from the Chief Executive and Executive Directors.

**Table 4.5 below details attendance at both the Council of Governors general meetings and committee meetings.**

Category	Constituency/ Appointing Organisation	Name	Date of Appointment
	South Essex	Richard Amner	Sep-11
		Roy Birch	Sep-14
		Josie Clark	Sep-11
		Eileen Greenwood	May-06
		Pamela Hintz	Sep-11
		Evelyn Hoggart	Sep-12
		Sue Revell	Sep-12
		David Watts	Sep-14
		Tony Wright	Sep-14
	Rest of Essex	Bob Calver	Sep-09
	Southend	Clive Lucas	Sep-09
		Shurleea Harding	Sep-14
	Thurrock	Christina Guy	Sep-12
		Margaret Verity	Sep-07
	West Essex	Brain Arney	Sep-14
		Michael Edmonds	Sep-11
		Colin Harris	Sep-14
		Kresh Ramanah	Sep-14
		Prof Sudi Sudarsanam	Sep-14
Suffolk	David Parsons	May-14	
Bedford	Paula Grayson	Sep-12	
	John Jones (Lead Governor from Aug 2012)	Apr-10	
	Clive Travis	Apr-10	
Central Bedfordshire	Susan Butterworth	Apr-10	
	Lynda Lees	Sep-12	
	Deborah Ridley-Joyce	Sep-12	
	Larry Smith	Sep-12	
	Jim Thakoordin	Sep-12	

	Period Elected	1st / 2nd / 3rd Term of Office	In post as at 31 March 2015	Council of Governors		Governance Committee		Governors Nominations Committee		Governors Remuneration committee		AGM/AMM	
				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
				Sep 11 to Sep 14	1	x	2	0					
Sep 14 to Sep 17	3	✓	2	2							1	1	
Sep 11 to Sep 14	1	x	2	1			1	2			0	0	
Sep 12 to Sep 15	3	✓	4	4	5	5	1	4	3	3	1	1	
Sep 11 to Sep 14	1	x	1	2							0	0	
Sep 12 to Nov 15	1	✓	3	4	1	5					1	1	
Sep 12 to Sep 15	1	✓	3	4					2	3	0	1	
Sep 14 to Sep 17	1	✓	2	2							0	1	
Sep 14 to Sep 17	1	✓	2	2							1	1	
Sep 12 to Sep 15	2	✓	1	4							1	1	
Sep 12 to Jun 15	2	✓	2	4							1	1	
Sep 14 to Sep 17	3	✓	2	4							1	1	
Sep 12 to Sep 15	1	✓	0	4							0	1	
Sep 11 to Sep 14 (resigned Jun 14)	2	x	0	1							0	0	
Sep 14 to Sep 17	2	✓	4	4	5	5	4	4			1	1	
Sep 11 to Sep 14	1	✓	0	2							0	0	
Sep 14 to Sep 17	1	✓	2	2							1	1	
Sep 14 to Sep 17	1	✓	2	4							0	1	
Sep 14 to Sep 17	1	✓	3	4							1	1	
May 14 to May 17	1	✓	0	2							0	1	
Sep 12 to Sep 15	1	✓	3	4					1	3	1	1	
Sep 12 to Sep 15	2	✓	4	4	5	5	4	4	3	3	1	1	
Sep 12 to Sep 15	2	✓	2	4					2	3	0	1	
Sep 12 to Sep 15	2	x	2	4							1	1	
Sep 12 to Sep 15	1	✓	3	4	2	5					1	1	
Sep 12 to Sep 15	1	x	2	3			1	4			1	1	
Sep 12 to Sep 15	1	✓	3	4									
		1	✓	4	4	5	5						

**Table 4.5** below details attendance at both the Council of Governors general meetings and committee meetings.

Category	Constituency/ Appointing Organisation	Name	Date of Appointment	
<b>Luton</b>		Michael Dolling	Apr-10	
		Jill Gate	Sep-15	
		Jackie Gale	Apr-10	
		Zoe Loke	Sep-15	
<b>Staff Governors</b>	<b>Medical</b>	Thilak Ratnayake	Apr-10	
	<b>Nurses (MHS)</b>	Fiore Sannio	Dec-11	
	<b>Support Staff</b>	Nic Taylor-Barbieri	Sep-12	
	<b>Other Clinical Specialties</b>	Karen Forrest	Apr-10	
	<b>Nurses &amp; Midwives (CHS)</b>	Tracy Reed	Dec-11	
	<b>Social Worker</b>	Paul Delaney	Nov-12	
<b>Partnership Governors</b>	<b>Anglia Ruskin University /Essex University</b>	Ann Devlin	Nov-11	
	<b>University of Bedfordshire</b>	Prof Michael Shoot	Mar-10	
	<b>Beds &amp; Luton Service Users &amp; Carers</b>	Syed Jafari	Jan-12	
	<b>Essex Service Users &amp; Carers</b>	Mandy Tanner	Dec-11	
	<b>West Essex Service Users &amp; Carers</b>	Joy Das	Jun-12	
<b>Local Authority Governors</b>	<b>Essex</b>	Bill Archibald		
	<b>Southend</b>	Fay Evans		
		Marimuthu Velmurugan	Jun-14	
	<b>Thurrock</b>	Barbara Rice	May-14	
	<b>Bedford</b>	Vacant		
	<b>Central Bedfordshire</b>	David Bowater	May-10	
	<b>Luton</b>	Cllr Mahmood Hussain	May-10	

	Period Elected	1st / 2nd / 3rd Term of Office	In post as at 31 March 2015	Council of Governors		Governance Committee		Governors Nominations Committee		Governors Remuneration committee		AGM/AMM	
				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
	Sep 12 to Sep 15 (resigned May 15)	2	x	3	4							1	1
	Sep 12 to Sep 15 (resigned April 14)	1	x	0	0							0	0
	Sep 12 to Sep 15	2	x	3	4			2	4			1	1
	Sep 12 to Sep 15 (resigned Mar 15)	1	✓	0	4							0	1
	Sep 11 to Sep 14	2	✓	0	2							0	0
	Dec 11 to Sep 14	1	✓	0	2							2	0
	Sep 12 to Sep 15 (resigned Feb 15)	1	x	1	3					1	2	0	1
	Sep 12 to Sep 15	2	x	4	4							1	1
	Sep 12 to Sep 15	2	x	4	4	3	5					0	1
	Nov 12 to Nov 15	1	x	3	4							1	1
	Nov 11 to Nov 14 (resigned Feb 15)	1	✓	0	4							0	1
	Feb 13 to Feb 16 (resigned Mar 15)	2	✓	0	4							0	1
	Jan 12 to Dec 14	1	x	0	4							0	1
	Dex 11 to Dec 14	1		4	4	2	4					1	1
	Jun 13 to Jun 16	2	✓	4	4			3	4			1	1
	May 13 to May 16	1	✓	0	4							0	0
	Jan 14 to Jan 17 (resigned May 14)	1	x									0	0
	Jun 14 to Jun 15	1	✓	0	2							0	0
	May 14 to May 15	2	✓	0	4							0	1
	May 13 to May 16	2	✓	3	4	3	5	4	4	3	3	1	1
	May 13 to May 16	2	✓	0	4							0	0

### Annual Report of the Council of Governors

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

This past year has yet again been one of considerable change, notably by the disaggregation of mental health services in Luton and Bedfordshire. This has resulted in a closer strategic working relationship between Governors, non-Executive and Executive Directors. In particular, we have been closely involved in the Constituency Review needed to reflect the changes in the service provision (mainly in Bedfordshire and Luton) and also the size of the Council of Governors. We also recognised that it is important that Governors keep up to speed with what is happening in the NHS world and so a revised training and development programme has been introduced, starting with a new induction programme for those colleagues who were elected during the year.

We have also been involved in establishing a procedure to consider the issue of significant transactions, mindful that the general guidance from Monitor was that this would be 25% of turnover which we considered to be too high. A new procedure has already been put into place and seemed to work very well.

Those of you who are able to attend the Council meetings every quarter will have noticed the session before the main meeting where the Chief Executive, Sally Morris, gives a presentation on a subject of interest to us all. This is a useful development, enhancing the closer working relationship between the Governors and the Chief Executive. We also take this opportunity meet with the Chair and Non-Executive Directors to discuss matters in a reasonably informal atmosphere so we are more able to understand what they do and how they go about doing it. This then links into our statutory role of holding the Non-Executive Directors to account for the performance of the Board, and also helps to inform the evaluation of the Chair and NEDs which is reported annually to Governors, as well as to appoint any new NEDs. We had that opportunity this past year and were pleased to appoint Mary-Ann Munford to the role and note that she has settled in well and is making a valuable contribution even at this early stage.

An important part of our role is undertaking Quality Visits which we do regularly in the company of one of the Executive Directors and a NED. This gives us an opportunity to talk to service users, their carers, and staff and to provide feedback to SEPT on what we have found, areas of good practice and any areas which we consider need to improve. We have also been involved in reassuring ourselves that SEPT complies with Monitor's Code of Governance.

Turning to the future, we have now become much more involved in strategic and forward planning issues, with the setting up of a working group which meets as required with the relevant Executive Director to discuss the Trust's operational and forward plans and provide what we hope are helpful comments.

As in the past we always make sure that there are Governors present at Board meetings to provide us with an insight into how the NEDs and the EDs interact as well as to ask questions on your behalf. This is all in addition to the Public Member meetings which we Governors are pleased to chair, as well as our attendance at the various Stakeholder events which SEPT organises

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

We ask members to note that we still have a strong presence in Bedfordshire and Luton as we continue to provide the local forensic mental health services there which are commissioned by NHS England as well as the community health services in Bedfordshire. We have kept a close eye on the hand-over process to the new providers of mental health services and are assured that it was as seamless as possible at the end of March 2015

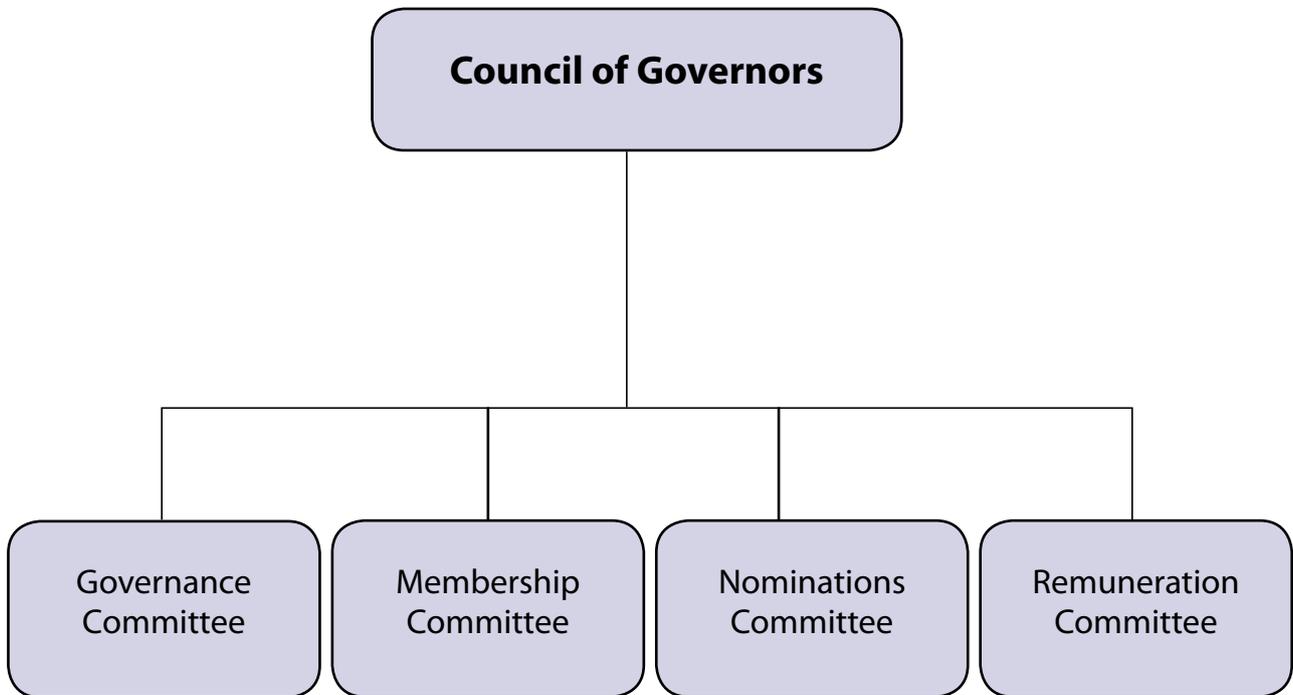
Finally, we hope that you, as members, have been satisfied with the representation which we, as Governors, have been able to provide during the past year and we look forward to continuing to do so during 2015/16. If you wish to contact us then you are very welcome to do so via the Trust Secretary's office.

**John Jones**  
**Governor Coordinator (Bedfordshire & Luton)**  
**Lead Governor**

**Brian Arney**  
**Governor Coordinator (Essex)**

### Council of Governors Committees

There are four standing committees reporting to the Council:



The committees do not have any delegated authority. All responsibilities are undertaken in support of the Council as it is the Council of Governors that holds the responsibility for decisions relating to all issues covered by the committees.

A report on the Nominations Committee can be found on page 59 and for the Remuneration Committee on page 41. Membership and attendance at meetings can be found on pages 41 and 63-64.

#### Constituencies and Composition of the Council of Governors

The Council is led by the Chair of the Trust. The composition of the Council of Governors is in accordance with the Trust's constitution and during the year, the Council consisted of 48 Governor positions representing the following constituencies and organisations:

<b>CONSTITUENCIES</b>		
<b>Public</b>	Bedford	3
	Central Bedfordshire	5
	Luton	4
	Rest of Essex	1
	South Essex	7
	Southend	3
	Suffolk	1
	Thurrock	2
	West Essex	5
<b>Staff</b>	Medical Practitioner	1
	Nurses (Mental Health)	1
	Nurses & Midwives (Community Health)	1
	Social Worker	1
	Support Staff	1
	Other Clinical Specialities	1
<b>Partnership</b>	Essex & ARU	1
	University of Bedford	1
<b>Service User &amp; Carer</b>	Beds & Luton	1
	Essex	1
<b>Local Authority</b>	West Essex	1
	Bedford Borough Council	1
	Central Bedfordshire Council	1
	Essex County Council	1
	Luton Borough Council	1
	Southend Borough Council	1
Thurrock Borough Council	1	
<b>Council of Governors Total</b>		<b>48</b>

A joint Director/Governor task and finish group reviewed the Trust's constituency framework and composition of the Council to take account of the changes to the Trust's service provision in the light of the transfer of mental health services in Bedfordshire and Luton to other service providers with effect from 1 April 2015. In addition, the review also took account of Monitor's Code provision (A.5.2) which aims to ensure that "the Council should not be so large as to be unwieldy. The Council should be of sufficient size for the requirements of its duties".

## Governance Review

As a result both the Board and Council approved the Trust's constituency framework and Council composition as follows:

CONSTITUENCIES	NEW (wef 1 October 2015)	
<b>Public</b>	South Essex	7
	Southend	3
	Thurrock	2
	Essex ( <i>rest of</i> )	5
	Rest of England	7
<b>Staff</b>	Clinical	2
	Non-Clinical	2
<b>Partnership</b>	Essex & ARU	1
<b>Service User &amp; Carer</b>	Essex	1
	Beds & Luton	1
<b>Local Authority</b>	Essex County Council	1
	Southend Borough Council	1
	Thurrock Borough Council	1
	Central Bedfordshire Council	1
	Bedford Borough Council	1
<b>Council of Governors Total</b>		<b>36</b>

As a number of Governors' terms of office come to an end in September 2015, both the Board and Council agreed to implement the changes with effect from 1 October 2015.

### Training and Development

Governors have been involved in various activities over the past year with the purpose of enhancing their knowledge and understanding of the organisation. A joint Director/Governor task and finish group has been taking forward the development of the Trust's learning and development pathway for Governors covering the life-cycle of a Governor.

All Governors undertake a comprehensive induction programme which was recently reviewed and updated. In addition, the Council approved the development of a Governor work plan to support Governors in understanding how to fulfil their role and responsibilities.

The Trust is a member of NHS Providers which provides training and development days for Governors. As well as taking part in workshops and discussions on important topics, Governors have the opportunity to network with Governors in other Trusts and share learning and experiences. Our Governors are encouraged to share their experiences of events attended through a written event feedback form which is circulated to the wider Council.

## Keeping Informed of Governors' and Members views

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

- attendance and/or presentations at Council of Governor meetings by Directors;
- joint informal Non-Executive Director and Governor discussion meetings held quarterly;
- regular briefing sessions with the Chief Executive ;
- all Directors have been aligned to each of the public constituencies and attend both planning and public member meetings ;
- attendance by Governors at public Board of Directors meetings ;
- the establishment of a specific group of Governors and Directors to focus on the forward and strategic planning of the Trust;
- a series of consultation meetings with Governors, members and the public on the development of the operational plan;
- consultation on the selection of the indicator for auditing for the Quality Report;
- establishment of Director/Governor task and finish groups and working groups to take forward specific work including, for example, the review of the Trust's constituencies and composition of the Council of Governors, significant transactions review working group, training and development, etc;
- joint quality visits which are designed to mirror the 15 Steps Challenge to provide assurance on the quality of care provided by services;
- PLACE (Patient-led Assessments of the Care Environment) which helps the Trust understand how well we are meeting the needs of service users and patients, and identifies how improvements can be made;
- joint review of the Trust's compliance with Monitor's *Code of Governance* provisions.

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

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

The Council of Governors has a policy for *Engagement with the Board of Directors where there is Disagreement or Concerns with Performance* which outlines the procedure to be followed when there are disagreements and/or when the Council has concerns about the performance of the Board. The Lead Governor for the Council is John Jones, Public Governor Bedford. This position will be held until 31 September 2015.

## Membership

Foundation Trust membership aims to give local people, service users, patients and staff a greater influence in how the Trust's services are provided and developed. The membership structure reflects this composition and is made up of two categories of membership:

### Public members

All people aged 12 and over and living in Bedfordshire, Essex, Luton and Suffolk are eligible to join the Trust. Our strategy is to build a broad membership that is evenly spread geographically across the local area we serve and reflects the ages and diversity of our local population.

The public membership includes all people who use our services, their carers and families, as well as the broader community of Bedfordshire, Essex, Luton and Suffolk. The geographical area of the Trust serves is sub-divided using electoral boundaries into the constituencies of:

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

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

### Staff members

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

### Membership size

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

As at 31 March 2014, the Trust had over 20,700 members as follows:

**Table 4.6**

<b>Membership size and movements</b>	
<b>Public constituency</b>	<b>2014/15</b>
<b>Public members at 1 April 2013</b>	<b>14,722</b>
<b>New members</b>	<b>147</b>
<b>Members leaving</b>	<b>222</b>
<b>Public members at 31 March 2014</b>	<b>14,647</b>
<b>Staff constituency</b>	<b>2014/15</b>
<b>Staff members at 1 April 2013</b>	<b>6,082</b>
<b>New members</b>	<b>1</b>
<b>Members leaving</b>	<b>0</b>
<b>Staff members at 31 March 2014</b>	<b>6,083</b>

The breakdown of public membership by age, ethnic origin, socio-economic status and gender at 31 March 2015 was as follows:

**Table 4.7**

<b>Analysis of current membership</b>	
<b>Public constituency</b>	<b>Number of members</b>
<b>Age (years):</b>	
<b>0-16</b>	15
<b>17-21</b>	749
<b>22+</b>	11,209
<b>Ethnic origin:</b>	
<b>White</b>	11,103
<b>Mixed</b>	286
<b>Asian or Asian British</b>	1,079
<b>Black or Black British</b>	654
<b>Other</b>	55
<b>Socio-economic groupings*:</b>	
<b>ABC1</b>	3,464
<b>C2</b>	4,208
<b>D</b>	3,211
<b>E</b>	3,523
<b>Gender analysis:</b>	
<b>Male</b>	5,565
<b>Female</b>	8,927

**Notes:**

The analysis excludes:

- 2,674 public members with no stated date of birth
- 1,470 members with no stated ethnic origin
- 155 members with no stated gender
- suspended members
- inactive members.

A jointed Director/Governor task and finish group was established to review the Trust's engagement with members and the wider public to improve the quality of engagement and ensure accountability resulting in the approval by the Board and Council of a refreshed Membership Strategy.

The Trust recognises that the Council of Governors directly represent the interests of the members and the local communities it serves. The Trust believes that its members have an opportunity to influence the work of the trust and the wider healthcare landscape, thereby making a real contribution towards improving the health and wellbeing of service users/patients, and the quality of services provided.

The Board values the relationship it has with the Council and recognises that its work promotes the strategic aims and assists in shaping the culture of the Trust.

The Membership Strategy sets out a series of objectives for the Trust to continue to encourage a wide and diverse membership with the focus on quality membership engagement activity, including the actions it will take to meet the following objectives:

- build and maintain membership numbers to meet/exceed annual operational plan targets ensuring membership is representative of the population the trust serves;
- communicate effectively with members and the public;
- engage with members and the public, and encourage involvement.

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

### **Engagement and recruitment**

A range of methods are used to recruit members including:

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

Although the Trust will continue to aim to increase our overall membership, the main focus of the membership strategy is on quality engagement with members and the public.

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

- receiving copies of *SEPT News* which is distributed three times a year providing up to date information and features on the Trust including service developments, information on issues relating to mental health, community services and learning disabilities, information about the Council of Governors, etc;
- visiting the member pages on our website;
- using social media such as becoming a friend of the Trust on Facebook and/or following the Trust on Twitter;
- attending our annual general and members meeting held in September 2014 which provided an opportunity to hear how the Trust performed during the year, the work of the Council of Governors and to meet Directors and Governors;
- attending public meetings of the Board of Directors and Council of Governors;

- attending our public member meetings in the constituencies which are highly participative;
- members were also able to contribute to the development of the Trust's annual plan by attending stakeholder planning events;
- attending various Trust organised events such as *Let's Talk About* where attendees can learn more about specific health issues and our related services, and *Take It To The Top* where attendees can meet with the Chair, Chief Executive and/or other senior management to ask questions and put forward ideas.

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

### Council of Governors elections

A summary of elections held in 2014/15 is as follows:

Constituency	Election Date	No of vacancies	No of candidates	Turnout rates	Governor
<b>Public</b>					
Suffolk	12 May 2014	1	1	Uncontested	David Parsons
South Essex	5 Aug 2014	3	3	Uncontested	Roy Birch David Watts Tony Wright
Southend	15 Sept 2014	1	2	9.1%	Shurleea Harding
Thurrock	5 Aug 2014	1	0	-	-
West Essex	5 Aug 2014	4	4	Uncontested	Brian Arney Colin Harris Kresh Ramanah Sudi Sudarsanam
<b>Staff</b>					
Medical Practitioner	5 Aug 2014	1	0	-	-
Nurses (Mental Health)	5 Aug 2014	1	0	-	-

### How to contact us

Details of Governors are included on the Trust website and members can contact their Governors by any of the following methods:

**Post:** Freepost RTRG–UCEC-CYXU  
Trust Secretary Office  
The Lodge  
Runwell Chase  
Wickford SS11 7XX

**Email:** [membership@sept.nhs.uk](mailto:membership@sept.nhs.uk)

**Freephone:** 0800 023 2059

Council meetings are open to the public and details are published on the website together with the papers and minutes of the meetings.

### Register of Interests

All members of the Council of Governors have a responsibility to declare relevant interests as defined in the Trust's constitution which may conflict with their appointment as a Governor of the Trust as well as any related party transactions that occurred during the year. A copy of the register is available from the Trust Secretary Office at The Lodge, Runwell Chase, Wickford SS11 7XX or by emailing [trust.secretary@sept.nhs.uk](mailto:trust.secretary@sept.nhs.uk)

All Governors have confirmed that they meet the criteria for being a fit and proper person as prescribed by our Monitor Licence.





# Quality Report

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

**Part 1** is a statement written by our Chief Executive, Sally Morris, on behalf of the Board of Directors setting out what quality means to us, what improvements we have made in the past year and where things didn't go as well as we had hoped. **92**

**Part 2** looks forward setting out our priorities for improvement in 2015/16 **96**

The Board of Directors has agreed the top six priorities for quality improvement this year. These are set out in **section 2.2**. **98**

Examples of some of the stretching goals for quality improvement that have been agreed with health commissioners of our services are identified in **section 2.3**. **101**

Information about our progress with addressing issues arising from the Francis Inquiry Report and other national documents is included in **section 2.4**. **102**

The statements of assurance contained in **section 2.5** are mandated. The Trust is able to confirm that it is able to meet all of the mandated requirements. **103**

Section 2.6 reports our performance against the national mandated quality indicators. **109**

**Part 3** focuses on 'looking back' at our performance against quality priorities, indicators and targets during 2014/15 **118**

**Section 3.1** reports progress against our quality priorities for 2014/15, outlined in our Quality Report 2013/14 (including historic and benchmarking data, where this is available, to enable you to compare our performance with other providers). **119**

**Section 3.2** provides examples of some achievements relating to quality service improvement during 2014/15. **124**

**Section 3.3** reports performance against SEPT Trust wide and service specific quality indicators. **132**

- Trust wide quality indicators **132**
- Community health services local quality indicators **139**
- Mental health services local quality indicators **142**

**Section 3.4** reports performance against key indicators and thresholds relevant to SEPT from Appendix A of Monitor's Risk Assessment Framework, which have not been included elsewhere in this Quality Report. **144**

**Section 3.5** details the work we have undertaken in relation to capturing patient experience and using this to help us to improve the quality of our services. This section includes the results of the national "Friends and Family Test" indicator. **149**

**Closing Statement by Sally Morris, Chief Executive** **154**

**Annex 1** contains statements that we have received from our partner organisations and our Council of Governors **156**

**Annex 2** contains the Statement of Directors' Responsibilities in respect of the Quality Report. **167**

**Annex 3** contains the Independent Auditor's Report to the Council of Governors of South Essex Partnership University NHS Foundation Trust on the Annual Quality Report. **168**

**A glossary** of terms is provided at the end of the Quality Report in case we have used jargon which you are not familiar with. **172-173**

## Statement on Quality from Sally Morris, Chief Executive

I am delighted to present this year's Quality Report, which highlights how well we have met our quality commitments for 2014/15 and outlines our quality priorities for 2015/16.

SEPT is an open and transparent organisation, so this report also identifies where more work needs to be done.



### Our quality highlights from the past year include:

- Commitment to 'Sign up to Safety' National Campaign
- Continuous reduction in number of avoidable category 3 and 4 pressure ulcers
- Ongoing reduction of the number of avoidable falls in our inpatient units
- A number of national accreditations reflecting the quality of our care and staff
  - Accreditation for In-patient Mental Health Services (AIMS) Accreditation for Learning Disability and Mental Health Services in Bedfordshire and Luton and South Essex
  - Bedfordshire Memory Service received Memory Services National Accreditation Programme (MSNAP) Accreditation
  - East of England Leadership Awards – NHS Development Champion
  - Quality in Education and Training
  - Four Health Visitors accredited as Institute of Health Visiting Fellows
  - Associate Director of Clinical Governance and Quality graduated from NHS Leadership Academy
  - SEPT named as one of the top places to work in the NHS by the Health Service Journal (HSJ)
  - Team of the Year and Psychiatric Trainer of the Year awarded by the Royal College of Psychiatrists

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

I am extremely proud of how our medical, clinical and support staff across Bedfordshire, Essex, Luton and Suffolk continue to deliver high quality care to the people who need our services. But I am never complacent. I constantly check that things are as they should be. I make personal and unannounced visits to all our local services at all times of the day and night.

At these, I meet with staff to observe the care provided and to hear directly from the people using the services at the time. In this way, I can make sure that the claims we make about high quality care are supported not only by external assessments, but also by my own experience of observing that care in action. Also, I can pick up any issues and ensure prompt action is taken to resolve these.

SEPT has always and continues to recognise the importance of listening to, involving and engaging our patients, service users, carers and staff.

We have established robust mechanisms for capturing feedback and also, and most importantly, acting on that feedback and using it to improve and shape services.

This year we have seen the further roll out of the 'Friends and Family' test across the organisation – both mental health and community services. This simple questionnaire seeks feedback from patients, service users and carers on whether they would recommend the service they have received to friends or family.

We continue to utilise our innovative 'mystery shopper' initiative. This enthusiastic group reports directly to me in confidence about their individual experiences of SEPT staff and services, and I am pleased to report that the numbers of these important volunteers have swelled considerably over this past year. There is also a "I am worried about" intranet button for staff to raise issues anonymously directly with the senior leadership team.

We do not wait for inspections by the Care Quality Commission (CQC) or other inspectors to ensure quality of services.

We undertake regular formal internal inspections of our services against the CQC standards and identify any areas for quality improvement.

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

As a Trust, we realise that less funding may mean that some of our high standards may have to be re-defined to be affordable.

However, we are absolutely certain that we will never compromise safety as a result and that we will always continue to ensure that national and legislative requirements are met.

Our relentless focus on the quality of service provision, regardless of the complexity of the external environment, means that we, our commissioners and regulators can be confident about the quality of our existing service provision.

## **Who is SEPT?**

During 2014/15, SEPT provided hospital and community-based mental health and learning disability services across Bedfordshire and Luton and south Essex as well as community health services in Bedfordshire, south east Essex and west Essex. In 2012 SEPT, in partnership with Serco, took over responsibility for delivering NHS services in Suffolk under the name of SCH – Suffolk Community Healthcare. SEPT staff are responsible for delivering podiatry, speech and language therapy and children's services.

Over the past year, the clinical commissioning groups (CCGs) for Luton and Bedfordshire tendered the mental health services in both areas and these services transferred to East London NHS Foundation Trust from 1 April 2015. (We do still provide forensic services in Beds & Luton). During the transition phase, staff and the Trust have worked incredibly hard to ensure that services remained of the highest quality and that the transfer to new providers was as smooth as possible with minimal impact on service users.

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

As an NHS Foundation Trust, SEPT has a Council of Governors which includes elected members of the public and staff, as well as a Board of Directors, both of which are led by the Chair of the Trust. Together they 'drive' the Trust, ensuring our staff are delivering services to the high standards to which we all aspire and they hold me and my executive team to account for the day-to-day running of the Trust.

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

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

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

## What do others think of us?

During 2012/13 and 2013/14, the Care Quality Commission (CQC) carried out 17 unannounced reviews of our services. No significant concerns were identified and all actions for improvement have been completed and audited to ensure that they are embedded. The CQC have not undertaken any reviews of our services during 2014/15.



MSNAP Accreditation for Memory Service

However, we are looking forward to welcoming a full CQC inspection in June 2015. This inspection is part of a national programme and is a golden opportunity for the Trust to showcase our high quality services to the CQC inspectors. As well as this positive opportunity, the inspection will also allow us to put any necessary further improvements in place.

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

Our public governors have continued with their programme of visits to different services. Our commissioners also undertake announced and unannounced quality visits to our services. Feedback from this external

perspective has provided useful insight into service quality and the 'fresh eyes' input has enabled us to put improvements in place.

### What do we need to do better?

Like any successful organisation, we are always looking for areas where we can improve. The areas in which I am particularly keen to see action include the continued reduction of the use of restrictive practices, of grade 3 and 4 pressure ulcers and of avoidable falls. This year we are challenging ourselves more broadly in terms of quality priorities and have set ourselves 6 priorities on which to focus.



AIMS Accreditation for Learning Disability and Mental Health Services

These include the earlier detection of patients whose condition is getting worse and implementation of preventative actions, reducing unexpected deaths and reducing medication omissions. Full details of all our priorities for 2015/16 are outlined in section 2.2 of this report.

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

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

Once you have read this Quality Report, I hope you will be able to understand how seriously we all take quality and how we work to ensure that we continue to deliver services in a caring, dignified and respectful way.

We believe that service users, staff and stakeholders are the best people to tell us what constitutes the highest quality of service. We will continue to strive to meet these expectations and at all times provide the highest standards of care by listening carefully and actively to the people who use our services, our staff and other stakeholders.

### Statement of Accuracy

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

Sally Morris  
Chief Executive

### **Our Quality Priorities for Improvement during 2015/16 and Statements of Assurance from the Board**

Our progress against the priorities for improvement for 2014/15, as set out in SEPT's 2013/14 Quality Report, is set out in Part 3 of this document.

SEPT has a well-established planning process that leads to the development of an annual Operational Plan that sets out our aims and the action that we will take to deliver our vision of "providing services that are in tune with you". Our Operational Plan for 2015/16 continues to place the quality of services to our patients as our highest priority.

Two of our four Strategic Priorities and six of our eight Corporate Aims set out our commitment to providing quality services and having the right enablers in place to support this - having quality leadership, the right staff with the right skills and a culture of openness, honesty and transparency. Our Operational Plan 2015/16 will be published on our website (<http://www.sept.nhs.uk>) when it has been approved by Monitor.

Our Operational Plan for 2015/16 and the priorities for quality within it was produced following detailed discussions over a five month period with the Board of Directors, the Trust's Leadership Team, our partners and our Council of Governors.

Two planning events were held in January 2015 with participation from over 250 staff, service users, carers, partners, commissioners and representatives from other statutory and voluntary organisations.

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

The Trust has refreshed its five year Quality Strategy, originally developed in 2014. The priorities set out in 2014, linked to Strategic Priority 1 identified in our Operational Plan remain largely unchanged for 2015/16.

Our Quality Strategy describes our vision for quality to be:

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

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

The Trust's Quality Strategy aims to deliver quality improvements in a transparent and measurable way covering four key domains (these are also identified as four of our corporate aims):

### Corporate Aim 1: Safe care

#### Our priorities are:

- early detection of the deteriorating patient;
- reduction in avoidable pressure ulcers;
- reduction in harm from falls;
- reduction in unexpected deaths;
- reduction in use of restraint;
- reduction in medication omissions.

### Corporate Aim 2: Experience of care

#### Our priorities are:

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

### Corporate Aim 3: Effective, outcome-focused care

#### Our priorities are:

- adoption of NICE and evidence based practice;
- contemporaneous record keeping and personalised care planning;
- use of clinical audit to improve care and not just for compliance;
- publication and benchmarking of clinical outcomes; and
- learning from incidents, near misses and embedding change.

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

#### Our priorities are:

- appropriate staffing and skill mix;
- improved efficiency and productivity;
- timely and effective discharge and aftercare;
- leadership and capabilities of teams.

The second strategic priority in our Operational Plan 2015/16 is "Quality Leadership and Workforce". SEPT aims to develop an organisational culture that reflects the increasingly diverse nature of SEPT's service provision and builds on the values already in place. Our workforce is key to delivering our strategic priorities. The Board recognises that this is not just about the number of staff and their competency. We want our staff to share values and belief systems that engender trust from our patients and their carers. Key aims that contribute to delivering this priority are:

- alignment of workforce to principles and values contained in the NHS Constitution;
- leadership and accountability structures and systems strengthened from the Board to service delivery;
- developing and implementing the Band 1-4 Clinical Workforce strategy to ensure consistency of standards and training across the Trust as recommended by the Francis Report;
- developing generic workers (without compromising clinical specialism) so that care can be delivered within integrated team settings;
- extending the core competency frameworks that have been developed for staff groups, again to ensure consistency of standards across the Trust;
- increased partnership and cross-sector working as care is delivered by a wider range of providers;
- supporting staff in their use of new technology required to deliver 21st century healthcare;
- moving to different shift patterns to match demand and extended access policy;
- continuing our investment in staff engagement;
- maintaining focus on ensuring that staff are appropriately trained, supervised and appraised.

### 2.2 Our quality priorities for 2015/16

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 six Quality Priorities for 2015/16. These build on our quality priorities for 2014/15 and link with the national 'Sign up to Safety' Campaign. We believe that these priorities will deliver the improvements most often identified by our stakeholders and will lead to improved health outcomes for our patients and service users.

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

Across health and social care services, people who present with behaviour that challenges are at higher risk of being subjected to restrictive interventions. These can include physical restraint, seclusion and segregation. Many restrictive interventions place people who use services, and to a lesser degree staff and those who provide support, at risk of physical and/or emotional harm. Increasing concerns about the inappropriate use of restrictive interventions across health and care settings led to guidance being developed including "*Transforming Care: a national response to Winterbourne View Hospital (DH 2012)*" and "*Mental Health Crisis Care: physical restraint in crisis*" in June 2013 by Mind. The guidance supports the development of a culture where restrictive interventions are only ever used as a last resort and only then for the shortest possible time.

Last year we commenced a number of areas of work with significant progress, but this work needs to be sustained to meet our ambition.

#### **Priority:**

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

#### **Action:**

- To be involved in relevant national and local work in reducing restrictive practices.
- To implement a risk reduction programme for all services where restrictive interventions are used.

#### **Target:**

- We will have less prone restraints in 2015/16 compared to 2014/15.

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

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

#### **Priority:**

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

#### **Action:**

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

#### **Target:**

- We will have less avoidable grade 3 and 4 pressure ulcers acquired in our care in 2015/16 compared to 2014/15.

### **(SAFETY) Quality Priority 3: Falls**

Falls prevention is a complex issue crossing the boundaries of healthcare, social care, public health and accident prevention. The causes of falls are multifaceted. People aged 65 years and older have the highest risk of falling, with 30% of the population over 65 years and 50% of those older than 80 years falling at least once a year. People admitted to hospital are extremely vulnerable as a result of their medical condition, as are those with dementia. Falls are the commonest cause of accidental injury in older people and the commonest cause of accidental death in those over the age of 75 years. Prevention of falls is a vitally important patient safety challenge as the human cost includes distress, pain, injury, loss of confidence and independence and, in some cases, death. Over the last two years, SEPT had a priority to reduce the level of avoidable falls, and again a number of areas of work have been taken forward with significant progress, but this work needs to be sustained to meet our ambition.

#### **Priority:**

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

#### **Action:**

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

#### **Target:**

- We will have less avoidable falls that result in moderate or severe harm in 2015/16 compared to 2014/15.

### **(EXPERIENCE) Quality Priority 4: Early Detection of Deteriorating Patient**

Physical healthcare assessment is a vital part of the holistic assessment and supports early detection of deteriorating patients. Recent publications have identified issues with early detection of deteriorating patients and the number of avoidable deaths within the NHS. Further to this, within mental health, there is clear evidence that people with serious mental illnesses die, on average, 20 years earlier than the rest of the population.

A large proportion of patients who suffer cardio-respiratory arrest in hospital have recognisable changes in routine observations during the preceding twenty-four hours, including changes in vital signs, level of consciousness and oxygenation. Current evidence suggests that early detection, timeliness of response and competency of the staff involved are vital to defining clinical outcomes. In order to improve the clinical response to the acutely ill patient we are embedding systems to support this including an education framework so that staff are competent in the measurement, monitoring and interpretation of vital signs, equipped with the knowledge to respond to deteriorating health and respond effectively to acutely ill patients.

#### **Priority:**

- Embed system of early detection of deteriorating patient and preventative actions.

#### **Action:**

- To roll out training to all inpatient areas to implement Modified Early Warning System (MEWS) scoring.
- To undertake a regular schedule of audit of a sample of mental health in-patient records to assess whether a MEWS score has been documented if relevant.
- To implement a review of all inpatient cardio-respiratory arrests in order to identify learning and improve practice.

#### **Target:**

- To establish a baseline for improvement in MEWS scores recorded.

### **(EXPERIENCE) Quality Priority 5: Reduction in Unexpected Deaths**

Around 4,400 people end their own lives in England each year, that's one death every two hours and at least 10 times that number attempt suicide. People with a diagnosed mental health condition are at particular risk and around 90% of suicide victims suffer from a psychiatric disorder at the time of their death, although three-quarters of all people who end their own lives are not in contact with mental health services. When someone takes their own life, the effect on their family and friends is devastating. Many others involved in providing support and care will feel the impact.

"Preventing suicide in England: A cross-government outcomes strategy to save lives (2012)" and "Preventing suicide in England: One year on; First annual report on the cross-government outcomes strategy to save lives (2014)" identified that real progress has been made in reducing the already relatively low suicide rate to record low levels, but further work is still required.

### Priority:

- Implementation of suicide prevention strategy covering learning and recommendations from national strategy.
- Involvement of family and carers in identifying concerns and key factors in determining risk.
- Support and take active involvement in any relevant research.

### Target:

- Year on year reduction in the number of suicides across clinical services.

### Ambition:

- No avoidable suicides of patients known to services.

### (SAFETY) Quality Priority 6: Reduction in Medication Omissions

Care Quality Commission standards require that people who use services will have their medicines at the time they need them, and in a safe way. Between 2005 and 2010 more than 82,000 incidents involving omitted and delayed medicines were reported nationally to the National Reporting and Learning System (NRLS). 'Omitted and delayed medicines' was the most commonly reported category, accounting for nearly 16% of all medication incidents.

For some medicines such as antibiotics, anticoagulants and insulin, a missed dose can have serious or even fatal consequences.

In some conditions it may lead to slower recovery or loss of function.

Doses of medicines may be omitted for a variety of reasons. Causes include:

- a valid clinical reason for not giving the medicine;
- the intention to prescribe a new or regular medicine is not carried through;
- the medicine is not available on the ward / in the patient's home;
- the route of administration is not available (i.e. nil by mouth, IV line issued);
- the patient is away from the ward or out when visited at home;
- poor communication between or within teams about the patient's needs;
- the patient refuses the medication.

A retrospective audit undertaken in February 2014 identified the overall rate of omitted doses across the Trust was 3.1%. However, if those doses which were omitted for what appears to be a clinical reason, including those where the patient refused the medication, are excluded this drops to 1.3%. We want to reduce this further. Across the Trust 98.7% of medication doses were administered as prescribed.

### Priority:

- Reduction in the number of omitted doses.
- Reduction in the number of omitted doses where no reason code is annotated.

### Action:

- Establish omitted medicines task and finish group as part of the Sign up for Safety campaign.
- Review omitted medicines incidents as part of quarterly review of medication-related incidents at Medicines Management Groups.

### Target:

- Reduction in the number of omitted doses within mental health services in 2015/16, compared to 2014/15.
- Improvement in the reporting of omitted doses within community health services so that a clear baseline can be established.

Each of the above six priorities will be monitored on a monthly basis by the Executive Directors of the Trust as part of the routine quality and performance report and the Board of Directors will be informed of any slippage against agreed targets. We will report on our progress against these priorities in our Quality Report / Account for 2015/16.

### **2.3 Stretching goals for quality improvement – 2015/16 CQUIN Programme (Commissioning for Quality and Innovation)**

Commissioners have incentivised SEPT to improve quality during 2015/16 via 31 programmes of work.

NB the final number of CQUINs and financial value has yet to be finalised at the time of writing this report due to on-going negotiations. This number is noticeably reduced compared to last year where SEPT was commissioned to deliver 56 programmes (and is projected to achieve ~84% of these, unconfirmed at the time of writing this report).

The reduced number is due to:

- a reduced number of national CQUIN schemes as the safety thermometer and the friends and family test will instead be covered from 2015/16 by new requirements within the NHS Standard Contract;
- the transfer of Bedfordshire and Luton mental health services to a new provider; and
- fewer but more complex CQUINs in south Essex Mental Health Services.

The value of the 2015/16 CQUIN scheme will be up to 2.5% of Actual Annual Contract Value, as defined in the 2015/16 NHS Standard Contract. Across all contracts/all locations, SEPT is expected to deliver on nationally set CQUINs (forming 0.75% of contract value).

Given the financial challenges facing the NHS in 2015/16 and the need to continue delivering high quality care for our patients, the national schemes seek to incentivise quality and efficiency and reward transformation across care pathways that cut across different providers, thus enhancing patient experience and encouraging collaborative working.

This year the Trust's CQUIN programme is structured to include the national CQUINs for Community Health Services and Mental Health Services which aim to consolidate efforts for national goals set for previous years as well as to improve services that give the greatest cause of concern to clinical commissioning group GP leads. Commissioners expect SEPT to be able to deliver quantitative service improvements, measured both by patient satisfaction and improvement in clinical/quality outcomes.

This year, the national CQUIN schemes are worth 0.75% of contract value. For mental health these focus on holistic care and enhancing the physical health as well as the mental health and wellbeing of patients. For community health the focus is on enabling care to be provided closer to home for those that need access to urgent and emergency care and also consolidation of the 'Find, Assess, Refer (FAIR)' programme to support early identification, diagnosis and support for patients with dementia and their carers.

Locally agreed CQUIN schemes form the remaining 1.75% of contract value and, although CQUIN ideas may be locality specific and individually proposed, there are common themes identified for community services in West and South Essex such as admission avoidance and supporting training to avoid pressure ulcers for care homes and domiciliary care providers.

There are also two CQUINs arising from successful tenders for the Family Nurse Partnership (South Essex) and School Immunisation (Essex-wide) services. A third tender-related CQUIN will relate to Essex-wide Child and Adolescent Mental Health Services; its focus is still to be determined as this will depend on the outcome of the bid submitted to Commissioners at the beginning of April 2015.

In conclusion SEPT is committed to continually improving services and teams have proven adept at meeting the stretching goals for quality improvement within the National CQUINs that have been set by commissioners in previous years as well as locally negotiated schemes. We anticipate teams will ably meet the challenges for the coming year.

## 2.4 Learning lessons from the Francis Inquiry

Over the past year further work has been undertaken linked to the Francis, Berwick and Keogh reports and the Government response published in November 2013, to ensure the Trust has continued to further foster the desired culture of transparency, accountability and learning, making care safer for all.

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

From the work undertaken last year, four key themes were identified to support embedding changes covering:

- use and quality of information
- safer staffing
- duty of candour
- culture



World Mental Health Day Art Exhibition



## Areas of work taken forward to support the themes included:

- monitoring of compliance with the revised Complaints Handling process, to ensure it is fully aligned with the incident investigation process and explicitly clarifies expectations in respect of honesty, transparency and learning from error;
- implementation of the training pathway for clinical staff, Bands 1-4, again reflecting the learning from the Inquiry report;
- implementation of the Nursing Strategy aligned to the national nursing strategy and 6Cs;
- introduction of a new dissemination and monitoring system in respect of NICE guidance;
- board development sessions held covering Duty of Candour and Safer Staffing;
- implementation of new Quality Report reporting to Board covering Quality Report and 'Sign up to Safety' initiative;
- production of Safety Improvement Plan as part of 'Sign up to Safety' initiative which will align with Quality Strategy and Quality Report priorities;
- task and finish group set up to ensure processes in place for revalidation of nursing staff; and
- review of Learning Lessons Review Group and launch of Learning Oversight Sub Committee reporting into Quality Committee.



Winning artwork from Brockfield House

## 2.5 Statements of Assurance From The Board

### 2.5.1 Review of services

During 2014/15, SEPT provided and/or sub-contracted 158 relevant health services. SEPT has reviewed all the data available to them on the quality of care in 158 of these relevant health services.

The income generated by the relevant health services reviewed in 2014/15 represents 99 per cent of the total income generated from the provision of relevant health services by SEPT for 2014/15.

The data reviewed aimed to cover the three dimensions of quality – patient safety, clinical effectiveness and patient experience. During 2014/15 monthly data quality reports have been produced in a consistent format across all services. These reports monitor both timeliness of data entry and data completeness. Significant improvement in compliance has been achieved since the introduction of the reports and there has been excellent clinical engagement with a clear understanding of the importance of good data quality across the clinical areas. Significant progress has again been made this year in terms of data quality in Suffolk Community Services which were acquired by the Trust in 2012/13. As a result during 2014/15 the Trust has been able to review the quality of services provided by Suffolk Community Services in line with the provision of relevant health services in the same way as for all other services provided by SEPT.

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

Clinical audit is a quality improvement process undertaken by doctors, nurses, therapists and support staff that seeks to improve patient care and outcomes through systematic review of care against explicit criteria and the implementation of change (NICE 2005).

Robust programmes of national and local clinical audit that result in clear actions being implemented to improve services is a key method of ensuring high quality and ever improving services and the Trust participates in all relevant National Clinical Audit Patient Outcome Programme (NCAPOP) audit process and additional national and locally defined

clinical audits identified as being important to our populations of service users.

During 2014/15 eight national clinical audits and one National Confidential Inquiry covered relevant health services that SEPT provides.

During 2014/15 SEPT participated in 100% national clinical audits and 100% national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that SEPT was eligible to participate in during 2014/15 are as follows:

#### National clinical audits:

- Epilepsy 12 (Childhood Epilepsy) 2012/14.
- Sentinel Stroke National Audit Programme (SSNAP) 2014/15
- POMH 12b – Re audit of prescribing for people with a personality disorder
- National Diabetes Foot Care Audit
- National Memory Clinics Reaudit
- National Audit of Intermediate Care (NAIC)
- National Chronic Obstructive Pulmonary Disease (COPD) Audit
- POMH 9c Reaudit of antipsychotic prescribing for people who have a learning disability

#### National confidential enquiry:

- Suicide and Homicide

The national clinical audits and National Confidential Inquiries that SEPT participated in during 2014/15 are as listed above.

## PART 2

The national clinical audits and National Confidential Inquiries that SEPT participated in, and for which data collection was completed during 2014/15, 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:

Audit (POMH = Prescribing Observatory for Mental Health)	Number of cases submitted as a percentage of the number of registered cases required by the terms of the audit / enquiry
Epilepsy 12 – (Childhood Epilepsy) (data collection 2014/15)	100% of relevant cases had information provided to national organisers.
Sentinel Stroke National Audit Programme (SSNAP)	100% of relevant cases had information provided to national organisers.
National Diabetes Foot Care Audit	This audit process has continuous data entry which will continue throughout 2015/16.
National Memory Clinics Reaudit	Service descriptor audit. 100% of relevant teams participated.
National Audit of Intermediate Care (NAIC)	100% of relevant cases had information provided to national organisers.
National Chronic Obstructive Pulmonary Disease (COPD) Audit	This audit process has continuous data entry which will continue from January 2015 until July 2015.
POMH 9c Reaudit of antipsychotic prescribing for people who have a learning disability	100% of relevant cases had information provided to national organisers.
POMH 12b – Re audit of prescribing for people with a personality disorder	86% of relevant cases had information provided to national organisers.
National Confidential Inquiry – Suicide and Homicide	100% of relevant cases had information provided to national organisers.

**The reports of nine national clinical audits were reviewed by the provider in 2014/15 and SEPT intends to take the following actions to improve the quality of healthcare provided:**

**Epilepsy 12 (Childhood Epilepsy) 2012/14:**

- Implement a database or register for children with epilepsy.
- Carry out a local audit of local practice following the implementation of the database/register.

**Parkinson's Audit (2013/14):**

- To ensure End of Life care requirement is considered throughout all phases of the condition and both patient and their carers should be given the opportunity to discuss end of life issues, the Parkinson's Nurse Specialist arranged for an end of life template to be added to the Parkinson's initial and follow up assessment form, prompting discussion. *(Beds CHS).*
- Speech and Language therapists will improve their data capture of best practice by modification of the assessment form to include relevant prompts through use of SystemOne and which will support Patients with Parkinson's, their carers and relatives being provided with the information and have the opportunity to make informed decisions about their care and treatment. *(West Essex CHS).*
- Community Matron with specialist interest in Parkinson's Disease will liaise with Parkinson's Clinical Nurse Specialist at Southend Hospital to arrange training session for the Integrated Team which will include teaching on End of Life care. *(South Essex CHS).*

**POMH Topic 4b Reaudit of prescribing antimentia drugs:**

- Information leaflet to be developed to be included in the Formulary and Prescribing Guidelines for the Trust.
- Improve the documentation of the initial assessment prior to start of antimentia medication, the six month review and long term follow up.

**POMH Topic 10c Reaudit of use of antipsychotics in CAMHS:**

- Use the audit results to raise awareness of the

results of the audit with CAMHS Psychiatrists.

- Develop an audit tool to run an internal audit to review performance in 6 months' time.

**POMH Topic 14a Baseline audit of prescribing for substance misuse: alcohol detoxification:**

- Enhance the local alcohol detoxification procedure to ensure documentation of alcohol breath tests, smoking status and Wernicke's encephalopathy symptoms as well as the undertaking of relevant blood tests. *(Bedfordshire and Luton).*
- Review the current assessment templates and liaise with the Medical Tutors to assess if alcohol detoxification can be included in the junior doctor medical education. *(Essex)*

**National Audit of Schizophrenia (NAS2):**

- Establishment of a Physical Health Steering Group, an alliance of senior clinicians and managers, who will be responsible for ensuring that physical health needs are addressed under the Parity of Esteem agenda. This Group are to develop and implement actions required to ensure greater Trust compliance with the standards, including those relating to medication management.

**National Audit Programme (SSNAP) 2014/15:**

- Review waiting times to treatment within West Essex Integrated Care Teams for physiotherapy, occupational therapy and speech and language therapy and refer any issues to the Quality and Safety Group.
- Review the findings for the current Speech and Language services provision within Bedfordshire Community Health and refer any issues to the Operational Service Quality Group for review.

**POMH Topic 12b Reaudit of prescribing for people with a personality disorder:**

- Present and discuss audit findings with medical staff and circulate relevant guidelines / standards to doctors. *(Bedfordshire and Luton).*
- Individual action plans to be created. *(Essex)*

- Although Secure Services did not take part in the national audit, they have determined to complete a 'local audit' in 2015-16 to benchmark their practice against the relevant treatment standards.

### **National Audit of Intermediate Care (NAIC):**

- Unfortunately this national audit did not provide breakdowns or findings related to individual Trusts or services. Therefore appropriate services in Bedfordshire Community Health Services and West Essex Community Health Services are reviewing the reports supplied by the national organiser to identify learning and are in the process of considering the needs for any action plan. South East Essex CHS did not participate in this audit as they do not follow the "intermediate care" model.

SEPT's priority clinical audit programme for 2014/15 covered mental health, learning disability and community health services. This programme was developed following consultation with senior mental health and community health service managers to focus on agendas required to provide assurance to the Trust and stakeholders that services being delivered are safe and of high quality. A centralised Clinical Audit Department oversee all priority clinical audits, facilitate clinicians to ensure high quality, robust audits and monitor and report on implementation of action plans post audit to ensure that, where necessary, work is undertaken to improve services. Learning from audits takes place internally via reports that are provided to individual senior and local managers, operational quality groups and centralised senior committees such as the Clinical Effectiveness Group (CEG). The Trust also reports regularly to stakeholders such as Clinical Commissioning Groups about outcomes of audits relevant to services in their portfolios.

### **The reports of 101 local clinical audits were reviewed by SEPT in 2014/15 and SEPT intends to take the following actions to improve the quality of healthcare provided (examples of actions are listed):**

- Implementation of formal follow ups 4 weeks post-handover of equipment to assess outcomes **(Bedfordshire CHS)**

- Inclusion of more information on discharge summary templates regarding patients' physical health status and plan for physical health review **(Beds & Luton MHS)**
- Review of physical health admission tests to ensure that all relevant physical health tests are included during the admission process to in-patient services **(South Essex CAMHS)**
- Introduction of templates to remind doctors (and junior doctors at induction) of the importance of discussing 'PCT' (Pregnancy, Contraception and Teratogenicity) with female bi-polar patients, as well as revision of the GP letter template to reflect 'PCT' to ensure that GPs are advised appropriately to support on-going care **(South Essex MHS)**
- Conducting a simulation emergency drill in in-patient services to enable staff to practice the necessary skills in the event of an actual resuscitation being required **(South East Essex CHS)**
- Introduction of more targeted prescribing of ambulatory oxygen to ensure accuracy and cost effectiveness **(West Essex CHS)**

### **2.5.3 Clinical Research**

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

As a demonstration of our commitment to research and development we continue to participate in studies funded by the National Institute for Health and this is very much our core research activity. We have increased the numbers recruited in to these studies again this year. We continue to work with our partner organisations to develop research and to support students undertaking research as part of further education courses.

The number of patients receiving relevant health services provided or sub-contracted by SEPT in 2014/15 that were recruited during that period to participate in research approved by a research ethics committee was 386.

#### 2.5.4 Goals agreed with commissioners for 2014/15

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 continues to be an important lever, supplementing Quality Reports, to ensure that local quality improvement priorities are discussed and agreed at Board level within and between organisations. It makes a proportion of the provider's income dependent on locally agreed quality and innovation goals.

A proportion of SEPT's income (2.5% of contract value) in 2014/15 was conditional upon achieving quality improvement and innovation goals agreed between SEPT and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework. Further details of the agreed goals for 2014/15 and for the following 12 month period are available electronically at: <http://www.sept.nhs.uk/>

Following negotiation with commissioners, SEPT again launched a broad range of quality initiatives under the CQUIN scheme during 2014/15 to increase the quality of service user care and experience. In total, the Trust was tasked with implementing a total of 58 schemes across mental health, learning disabilities and community health services within Suffolk, Bedfordshire, Luton and Essex. This constituted a slight increase from 56 CQUINs in 2013/14.

Working with the Midlands & East Specialist Commissioning Group for forensic and secure indicators, as well as Community and Mental Health Commissioners in South and West Essex, Bedfordshire and Luton each new CQUIN scheme was designed with our patients and service quality in mind.

Since its introduction in 2010/11 CQUIN has increased in importance for providers giving potential for SEPT to achieve the following contract income:

0.5% (£3.3m) in 2011/12

2.5 % (£6.7m) in 2012/13

2.5% (£6.3m) in 2013/14

2.5% (£5.3m) in 2014/15

In 2014/15, the total amount of income achievable by the successful delivery of CQUIN schemes was £5.3 million - we are delighted to report that the clinical and operational teams tasked with implementing the improvements have once again excelled – delivering ~84% of the schemes (based on self-assessment at the end of Q4 and expressed as a % of the financial value of the schemes) with clear evidence of improving quality for patients. Achieving 84% will equate to £4.5million income; the final figure will be confirmed once Clinical Commissioning Groups have validated our performance against quarter four indicators.

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

**Patient experience** — organisations were required to improve response rates and reduce % negative response. A staff test was introduced in 2013/14 which asked staff whether they would recommend the ward/ service in which they work to friends and family, and secondly whether they would recommend their organisation as a good place to work.

Incentivising use of the **NHS safety thermometer** (an improvement tool that allows the NHS to measure harm in four areas — pressure ulcers, urine infection in patients with catheters, falls and venous thromboembolism) (VTE).

A 2-part CQUIN aiming to improve **Physical Health** for patients with Schizophrenia receiving support as an in-patient in Mental Health Services through better assessment and documenting of agreed physical health criteria and completion of a local audit of communication with the patients GP.

We implemented a total of 39 CQUIN schemes across the organisation under the above three national schemes. The remaining 19 out of the total of 58 CQUIN schemes were set locally in discussion with the Clinical Commissioning Groups based on local priorities.

A selection of the projects negotiated locally included initiatives to:

- train senior nurses to identify patients with dementia;
- facilitate partnership working aiming to reduce inappropriate unplanned admissions;
- pilot extended hours in community service;
- develop an End of Life register to improve sharing of patient information and co-ordination of care;
- raise awareness of the specific needs of service users diagnosed with a learning disability;
- provide training to targeted care homes to support proactive assessment and monitoring of fluid management;
- achieve Royal College of Psychiatrists accreditation for crisis home treatment assessment teams;
- ensure that the Care Programme Approach process is effective and appropriately identifies and addresses S117 needs;
- improve access to IAPT (Improved Access to Psychological Therapies);
- provide targeted Child and Adolescent Mental Health Services training for GP's highlighting local pathways to avoid inappropriate unplanned admissions;
- support carer involvement with their relatives in secure care.

The full list of projects is available on our website: <http://www.sept.nhs.uk/>

### 2.5.5 What others say about the provider?

SEPT is required to register with the Care Quality Commission and its current registration status is 'Registered Without Conditions'.

The Care Quality Commission has not taken enforcement action against SEPT during 2014/15.

SEPT has participated in special reviews or

investigations by the Care Quality Commission (CQC) relating to the following areas during 2014/15:

Safeguarding Children's Inspection for MH in Luton Clinical Commissioning Group (CCG) area. No significant concerns were found and all actions have been completed and sent to the CCG and CQC.

The CQC undertook 11 routine compliance reviews across a range of Trust Services in 2013/14. From these 11 reviews, actions were identified at four reviews. These were detailed in the Trust's Quality Report / Account for 2013/14. During 2014/15 all actions relating to these reviews were completed and closed. Action plans with evidence of compliance were submitted to the CQC. There were no routine compliance reviews of Trust services by the CQC in 2014/15.

### 2.5.6 Data Quality

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

Significant improvements have been made during 2014/15 in terms of data quality and reporting. The following key developments have been made:

- introduction of Electronic Dashboards allowing the Trust to display Key Performance Indicators, designed with a drill down facility that allow data quality issues to be clearly identified;
- increased number of Data Quality Audits have been undertaken by internal audit to continue the high focus on data quality in year;
- continued production of Routine Data Quality Reports available via the Trust's Intranet - these reports highlight missing and out of date data fields;
- continued improvement of data entered within one working day continues to improve as the Trust moves closer to 'real' time reporting ensuring the electronic dashboards are kept up to date;

- monthly Data Quality monitoring reports covering all services are presented to the Executive Operational Sub-Committee;
- a data quality assurance framework is routinely monitored and regularly updated when additional assurance is put in place and identifies any gaps still requiring attention;
- the PSD (Patient Summary Database) was implemented during 2014. This ensures the consistent recording and reporting of all patient details across all Trust Patient Information systems.

SEPT submitted records during 2014/15 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data. **The percentage of records in the published data: Please note the data supplied is as at month 10 (April to January 2014/15)**

1) which included the patient's valid NHS Number was:

- **99.2% for admitted patient care;**
- **98.7% for outpatient care; and**
- **Accident and emergency care – Not applicable**

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

- **99.4% for admitted patient care;**
- **98.5% for outpatient care; and**
- **Accident and emergency care – Not applicable**

SEPT's Information Governance Assessment Report overall score for 2014/15 was 75% and was graded Green (Level 2 or above (Satisfactory)).

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

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

Increase in the number of mandatory datasets submissions will take place during 2015/16. As part of the implementation of new National Datasets the Trust is undertaking intensive analysis and monitoring of all the data fields to ensure a high level of data quality is achieved;

Full review of the Trust's Data Quality Policy, to ensure all additional assurance in place is documented clearly;

Further focus with another increased number of Data Quality Audits will be undertaken by the Internal Auditors;

The roll out of service specific Electronic dashboards; IAPT to be completed first.

### 2.6 National Mandated Indicators of Quality

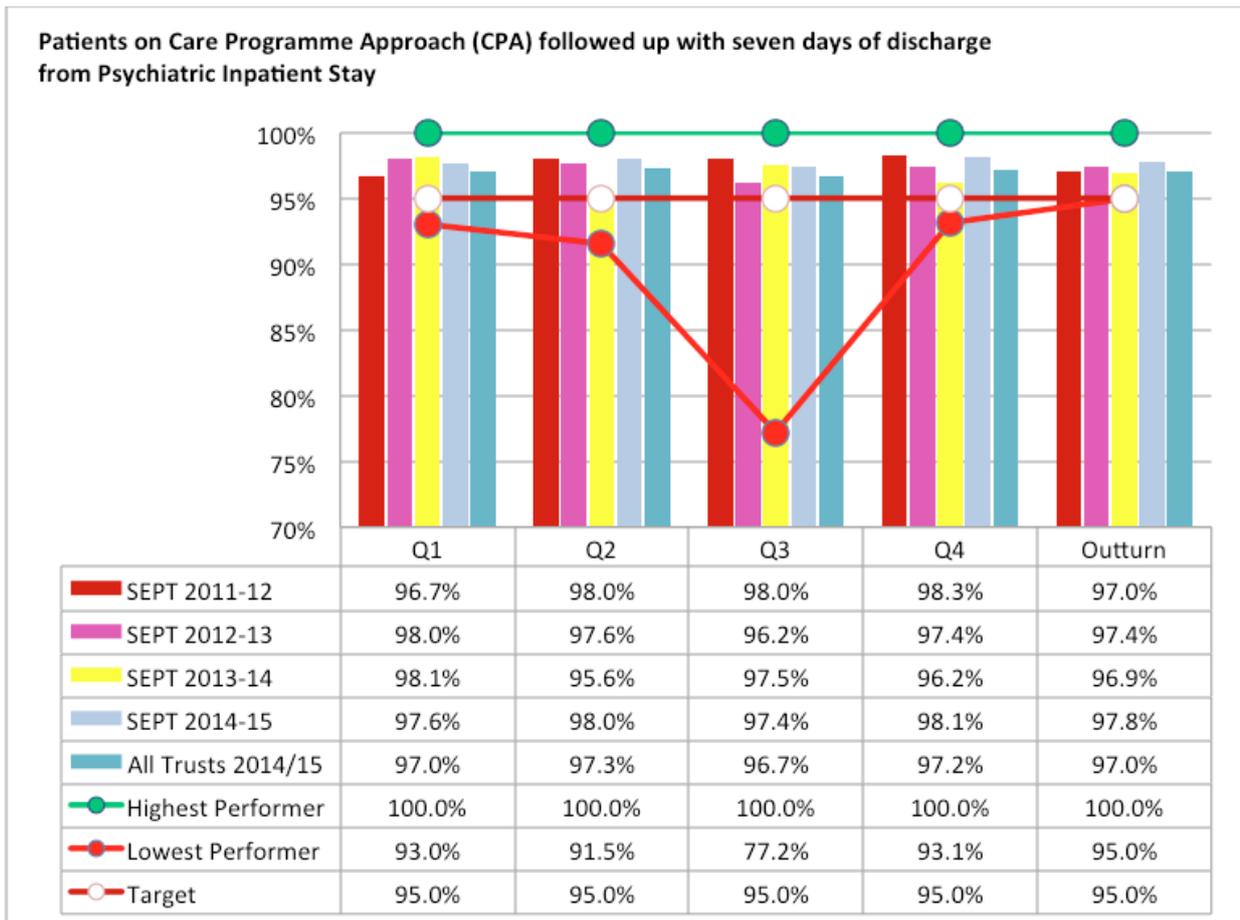
A letter from the Department of Health (DoH) dated 4 March 2015 stated that there was no change to the existing reporting and recommended audit arrangements for Quality Reports for 2014/15. The National Health Service (Quality Reports) Regulations 2010 had been previously amended to include changes of the mandatory reporting of a core set of quality indicators made on 9 January 2014. Those indicators relevant to the services SEPT provides are detailed below, including a comparison of SEPT's performance with the national average and also the lowest and highest performers.

The information presented for the four mandated indicators has been extracted from nationally specified datasets, and as a result, is only available at a Trust-wide level.



Winners at the East of England Leadership Awards

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

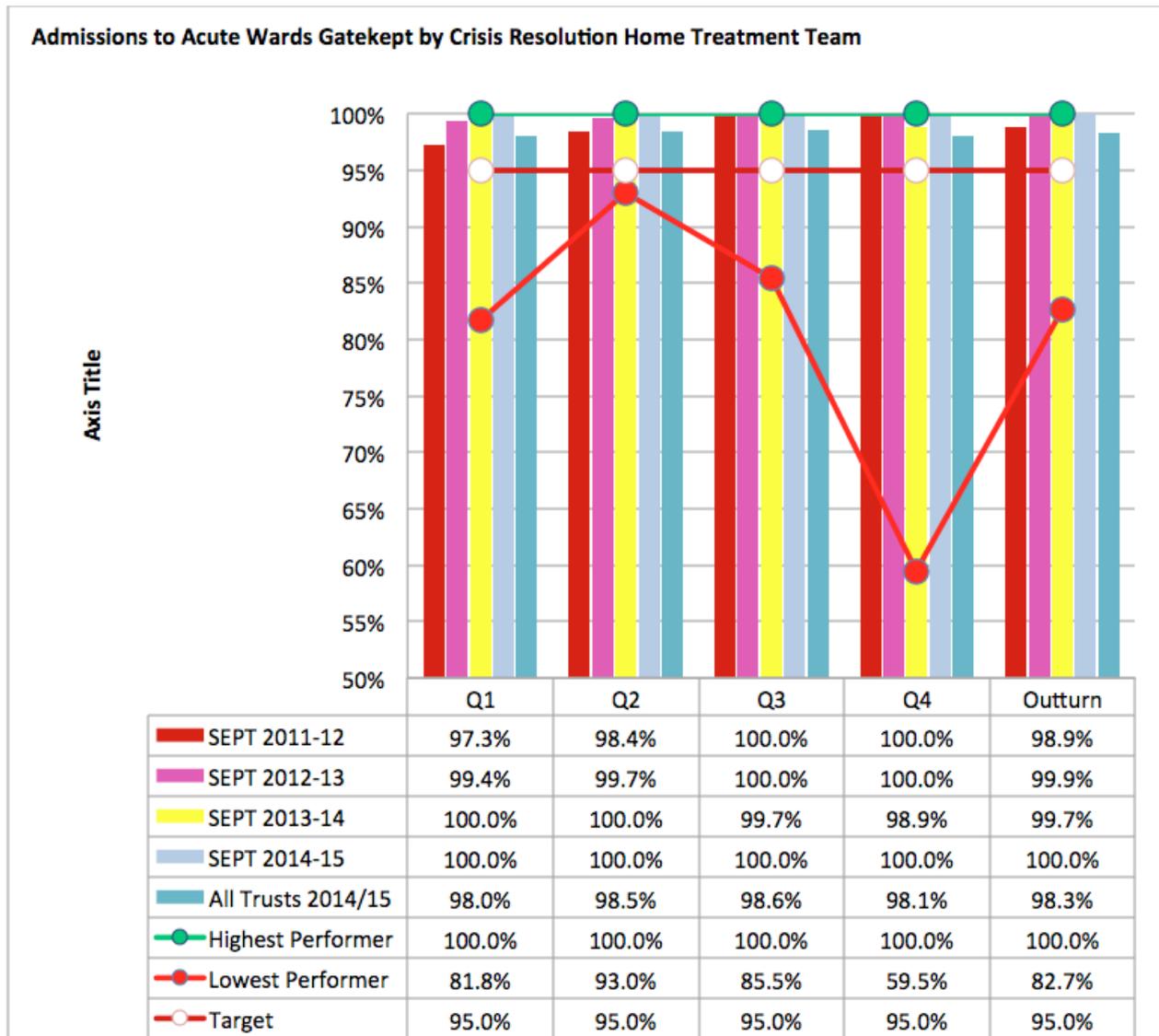


The above indicator measures the percentage of patients that were followed up (either face to face or by telephone) within seven days of their discharge from a psychiatric inpatient unit. A comparison with the national average demonstrates that SEPT has been performing above the 95% target set by MONITOR, the independent regulator of NHS-funded health care services for each quarter during 2014/15.

In order to improve this percentage and thus the quality of its services, SEPT has been routinely monitoring compliance with this indicator on a monthly basis and identifying the reasons for any patients not being followed up within seven days of their discharge. Any identified learning is then disseminated across relevant services. In addition a local indicator was established in 2013/14 to monitor the percentage of follow ups that are provided face to face to and we are pleased to report that during 2014/15 94% of those patients followed up had a face to face contact rather than a telephone call.

**Data Source :** DoH Unify2 Data Collection – MHPrvCom  
**National Definition applied:** Yes

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



SEPT has consistently performed above both the 95% target set by MONITOR as well as above the national average during 2014/15. SEPT achieved 100% compliance in all quarters.

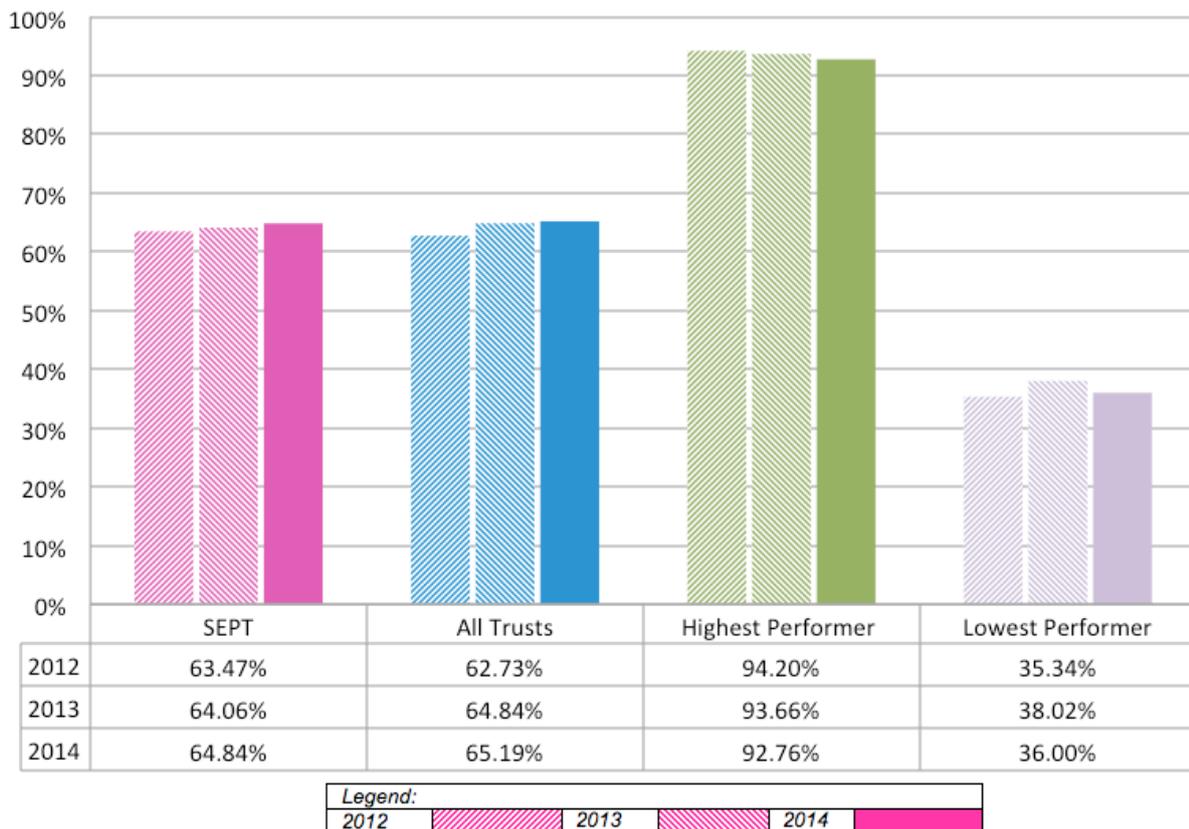
The senior operational staff in each locality responsible for the delivery of mental health services review the causes of any breaches each month to ensure that no common themes or trends are developing.

**Data Source :** DoH Unify2 Data Collection – MHPvCom  
**National Definition** applied: Yes

## PART 2

### Staff who would recommend the Trust to their family or friends

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



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

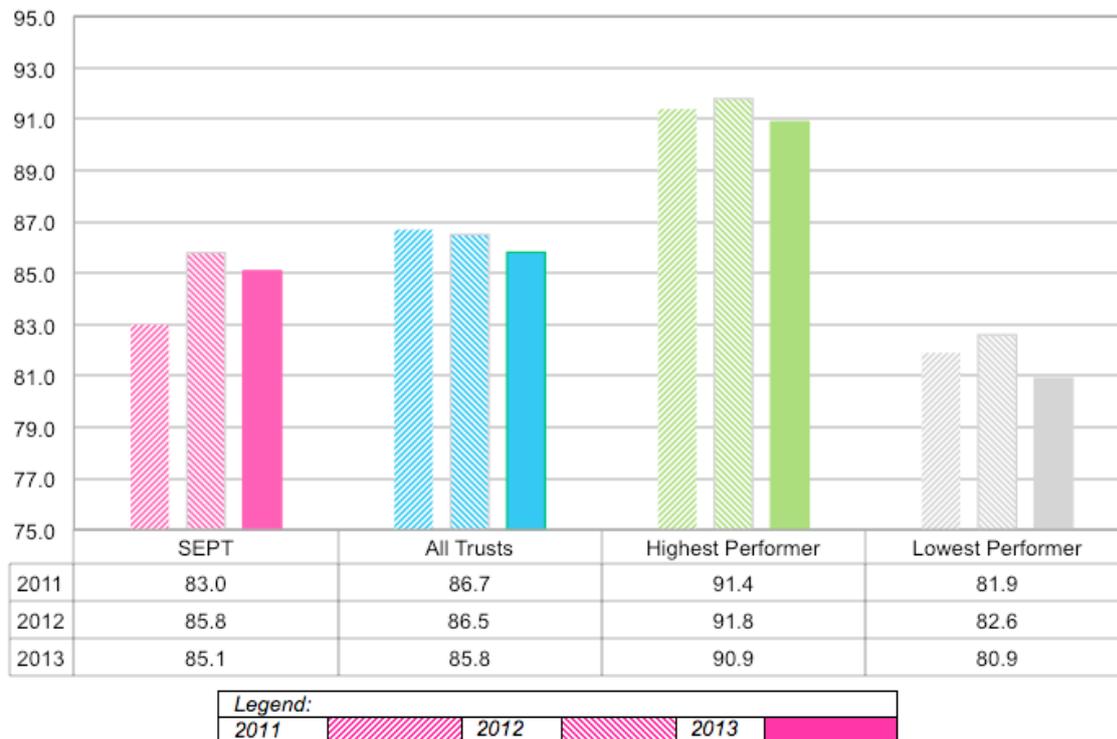
This year 1500 Surveys were distributed and 631 were returned giving a return rate of 44%. This is a lower response rate than last year (53%) but still remains above the average 42% for other comparable Trusts.

The 2014 staff survey results confirm that the Trust continues to maintain very high levels of engagement, staff motivation and job satisfaction. The Trust continues to build upon year on year increases and is delighted to see such positive results but still intends to take action to improve these and the quality of its services.

**Data Source:** National NHS Staff Survey Co-ordination Centre/ NHS Staff Surveys 2011, 2012, & 2013  
**National Definition applied:** Yes

## Patient experience of community mental health services

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



Please Note: The Trust has been advised by the Health and Social Care Information Centre (HSCIC) that, due to a change in the national patient survey questions in 2014, they are no longer able to use the same questions to calculate an overall measure of patient experience for Trusts as they have done in previous years (and as reported above). This is being addressed nationally with NHS England in terms of future years reporting against this indicator. For 2014, Trusts are therefore unable to report a score against this indicator. However, some narrative information has been included below in order to provide an overview of the outcomes of this national patient survey for the Trust. The outcomes of all the community mental health surveys nationally can be found at <http://www.cqc.org.uk/content/community-mental-health-survey-2014>

The community mental health service user survey is nationally conducted on an annual basis. The survey consists of a range of questions focusing on the care and treatment received by service users at various stages of care with SEPT community mental health services. The average score results for SEPT under the general headings of the Survey are broadly comparable to the results of other Trusts nationally. As well as these average score results under each general heading, the Survey provides individual scores for the Trust against each of the individual questions. This enables the Trust to identify those areas where it has performed above and below the average scores nationally; highlighting its strengths and also those areas that service users feel that the Trust needs to improve on.

## PART 2

It is evident that SEPT performed strongly in relation to listening to the needs of service users, maintaining contact with them and involving family and friends in their care. Other areas where SEPT is above the national average include regular reviews of medicines and the overall treatment of service users with respect and dignity.

Areas for potential improvement highlighted by the Survey include providing clear information regarding who is organising and providing care; the importance of other areas of life that impact on the mental wellbeing of the service user (taking a more holistic approach to their overall care) and crisis support. The Trust is taking action to address all of these areas identified.

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

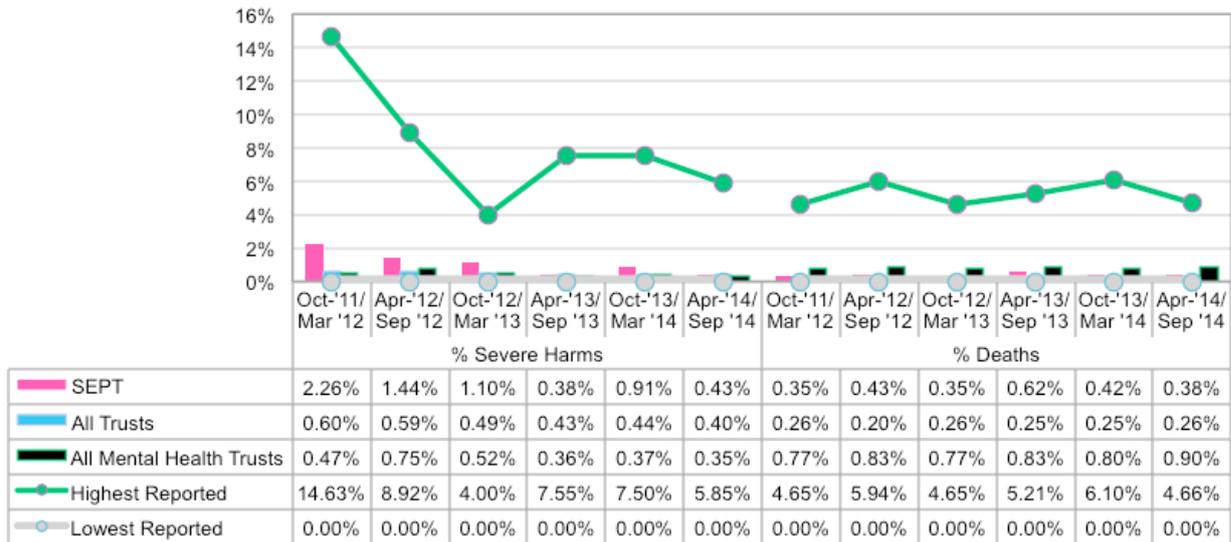
**Data Source:** HSCIC/Community Mental Health Services Surveys

**National Definition applied:** Yes

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

Reported Dates	1 October 2013 – 31 March 2014			1 April 2014 - 30 September 2014		
Organisation	All incidents	Severe harm	Deaths	All incidents	Severe harm	Deaths
All UK & Wales	730708	3183	1733	779670	3092	1707
SEPT	3530	32	11	4651	20	21

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



Patient safety data for period 1 April 2014 to 30 September 2014 was published on the 8 April 2015. The national collection of patient safety incident data for period 1 October 2014 to 31 March 2015 is due to be completed by the end of May 2015 and publication of reports is anticipated to be around September 2015.

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

Over the period October 2013 to April 2014, 50% of severe harm incidents were pressure ulcers and 28% were the result of Slips, Trips or Falls. Section 2.2 of this document details our Quality priorities for 2014/15, which will further reduce the number of severe harms that are reported:

- Further reduction in avoidable grade 3 and 4 pressure ulcers acquired in our care.
- Reduction in avoidable falls that result in moderate or severe harm within inpatients areas.

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

It is noted that there were 11 deaths in the 6 month period between October 2013 and March 2014; and 21 deaths in the 6 month period between April 2014 and September 2014. The Consultant Nurse for Suicide Prevention has an overview of all completed suicides across the organisation. There were no specific trends noted with regards to the increase in the second half of the year. If trends had been found then targeted work would have been undertaken to understand and address the issues. Some of the imbalance in the figures between the two 6 month periods is due to receiving the toxicology reports from the Coroner sometime after the death. In addition, SEPT commissioned the Centre for Suicide Prevention to review a sample of serious incidents (Mental Health Services) reported in 2013/14. The results of this had recently been received at the time of preparing the Quality Report and will be addressed during 2015/16.

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

- The early detection of patients who are deteriorating physically via the introduction of 'Track and Trigger' systems to measure simple physiological parameters in all patients to support recognition of those who are deteriorating (ie the Modified/National Early Warning Scoring Tools); a clear definition of the appropriate urgency and scale of the clinical response required which is tailored to the level of acute-illness severity; and the use of an easy to remember tool that can be used to frame communication/ conversations in a structured way to escalate a clinical problem that requires immediate attention.
- The development of quality standards to analyse all inpatient cardio-respiratory arrests so that we can identify those that are Failure to Rescue events (currently work in progress). All resuscitation events will be subject to a Root Cause Analysis to measure effectiveness of intervention in detection of deteriorating patient so that there are no avoidable deaths on inpatient areas. Learning from these incidents is shared via the trust wide Medical Equipment and Resuscitation Committee.
- We are rolling out a competency framework for staff on how to recognise and respond to patients who are becoming acutely ill from physical illness. The framework is a tool to support staff in ensuring that routine vital signs measurements are accurately taken and recorded by staff and that they understand their clinical relevance. The new framework includes competencies in assessment and management of tissue viability and hydration.
- Training on the use of the new Modified Early Warning Scoring System (MEWS), which commenced on older peoples wards is being rolled out to adult inpatient wards including Secure Services. MEWS awareness is now incorporated within mandatory Enhanced Emergency Skills training.
- The MEWS has been incorporated with a number of other observation charts as a trifold that captures a number of physical observation monitoring charts such as the Glasgow Coma Score and the SBAR communication tool. Additionally, the observation trifold has been further adapted to ensure effective monitoring and recording of hydration status following Pharmacological Management of Acutely Disturbed Behaviour.
- Part of the Sign up to Safety work the Trust is undertaking has resulted in the commitment to reduce avoidable suicides to zero within three years. To achieve this:

*Sign up to*  
.....  
**SAFETY**  
**LISTEN LEARN ACT**

- a task group is being developed led by the Deputy Medical Director and the Consultant Nurse to oversee the work stream and develop the local strategies;
- the criteria for assessing whether suicides are avoidable have been agreed in draft and are being piloted in 2014/15 deaths;
- the Clinical Risk training has been reviewed in light of the work undertaken by some staff in Human Factors and local trends ensuring that the training covers the elements required to reduce the risk of suicides;

- the development of the Learning Lessons Oversight Sub Committee to receive the learning from RCA's and to agree the messages that are to be disseminated to staff;
- development of the Quality and Safety Newsletter giving staff monthly key messages in an easy to read format;
- the Trust has commissioned an independent investigation into the trends and themes of the deaths reported as suicides in 2014/15 and the Sign up To Safety Suicide Prevention Group will look at developing an action plan based on that report;
- as part of the Duty of Candour work that is being undertaken, Family Liaison Officers are being appointed and are making contact within 10 days of the Trust identifying the death. This enables the Serious Incident Investigation Team to make contact with the family to hear their concerns and thus produce richer reports;
- the Trust's annual Clinical Risk Conference contains the work being undertaken to reduce suicides and the trend and themes from the previous 12 months;
- establishment of a Trust Suicide Prevention Task and Finish Group;
- review of Trust practices against the National Confidential Inquiry [NCI] recommendations of 1999, its updated toolkit published in 2013 and other research and best practice guidance;
- critical self-assessment gap analysis against the toolkit which identified that all applicable recommendations were either fully or partially implemented with no major gaps. The following areas were identified for further strengthening:
  - clinical risk assessment training;
  - support offered to families bereaved by suicide;
  - development of a local suicide prevention strategy.

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

**Data source:** NRLS NPSA Submissions

**National Definition applied:** Yes

## Review of Our Quality Performance during 2014/15

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

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

Section	Content	Page
<b>3.1</b>	Progress against our quality priorities for 2014/15 (which were outlined in our Quality Report/Account 2013/14) – we have included historic and benchmarking data, where this is available, to enable you to see whether our performance in improving and to compare our performance with other providers.	31
<b>3.2</b>	Some examples of key achievements, both Trust-wide and by locality area, relating to quality improvement during 2014/15.	36
<b>3.3</b>	Performance against SEPT Trust wide and service specific quality indicators.	
	Trust wide quality indicators	44
	Community Health Services quality indicators	51
	Mental Health Services quality indicators	56
<b>3.4</b>	Performance against key national indicators and thresholds relevant to SEPT (from Appendix A of Monitor's Risk Assessment Framework - a document which sets out the approach Monitor will take to assess the compliance of NHS foundation trusts with their licence conditions) which have not been included elsewhere in this Quality Report. Appendix A of Monitor's Risk Assessment Framework sets out a number of measures Monitor use to assess the quality of governance in NHS Foundation Trusts.	56
<b>3.5</b>	Listening to our patients / service users. This section details the work we have undertaken in relation to capturing patient experience and using this to help us to improve the quality of our services. This section includes the results of the national "Friends and Family Test" indicator.	61

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

### Section 3.1: Progress against the quality priorities we set for 2014/15

Our Quality Report for 2013/14 identified four quality priorities for 2014/15 that aimed to deliver the improvements most often identified by our stakeholders as important. These priorities were taken forward in Bedfordshire, Luton, Essex and Suffolk and focused on enhancing the safety, experience and effectiveness.

RAG (**R**ed **A**mber **G**reen) ratings have been applied to provide an accessible method of comprehending the levels of performance. RAG ratings should be used in conjunction with the actual levels of performance which are also quantified in the charts below.



RAG rated **RED** to indicate that performance has not met the target by more than 10%  
( Avoidable Falls employs a 20% threshold due to small numbers )



RAG rated **AMBER** to indicate that performance has met the target by +/- 10%.  
( Avoidable Falls employs a 20% threshold due to small numbers )



RAG rated **GREEN** to indicate that performance has exceeded the target by more than 10%.  
( Avoidable Falls employs a 20% threshold due to small numbers )



Hamstel Centre celebrate 'Good' Ofsted Report

## 3.1.1 Safety

## 3.1.2 Experience

## 3.1.3 Effectiveness

**Quality priority:** To reduce the number of restrictive practices undertaken across the Trust

We said we would have less prone restraints in 2014/15 compared to 2013/14

**Data source:** Datix

**National Definition applied:** Yes

**At times to ensure patient safety we are required to restrain patients.**

**This may be due to:**

- Patients displaying behaviour that is putting themselves at risk of harm
- Patients displaying behaviour that is putting others at risk of harm
- Patients requiring treatment by a legal order, for example, under the Mental Health Act 2007
- Patients requiring urgent life-saving treatment



The purpose of this workstream is to ensure that restrictive practices like restraint is only used as a last resort and could not have been avoided to protect the safety of the patient.

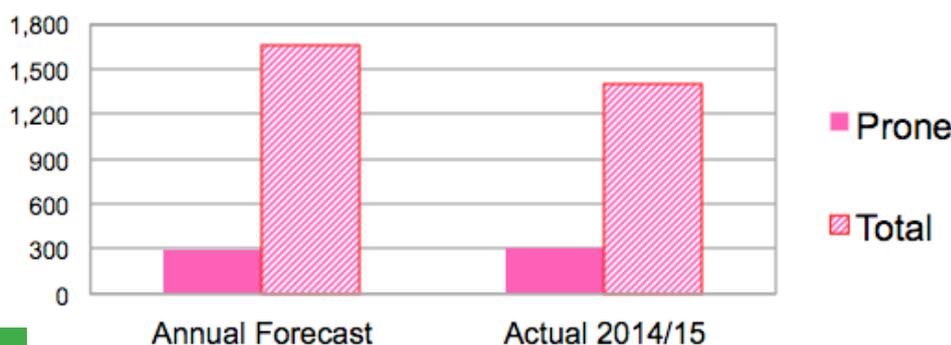
An initial baseline was based on 3 months data, showing 288 prone restraints per year. Through the year as further information was collected it became apparent that there were fluctuations between the months and that the baseline should be set going forward on a yearly basis. Further work has identified that a full baseline for 2013/14 was 406.

There were 312 prone restraints across the Trust in 2014/15 which is a significant reduction on the full baseline for 2013/14.

The restrictive practices work stream continues as outlined in the Trust Quality Strategy and in our commitment to the Sign up to Safety Campaign. This includes reviewing best practice guidance and further exploration of areas which have seen the greatest reduction in restrictive practices. The working group which includes membership from across operational and corporate services has identified a number of additional work streams to benchmark, audit and identify learning and best practice. The following areas of work have been taken forward including:

- Setting up a steering group on restrictive practice with leads for service directorates
- Weekly reporting and monitoring of restraint data by the Executive Director Clinical Governance and Quality
- Review of training programme undertaken
- Membership of champions network (national)
- Review of Restrictive practices policy and procedure
- Reviewing use of risk reduction plans
- Took part in national data collection benchmarked per 10 beds with SEPT showing to have one of the lowest rates of restraint in the country (August 2014 data)

### Restrictive Practices



### 3.1.1 Safety

### 3.1.2 Experience

### 3.1.3 Effectiveness

**Quality priority:** To further reduce the number of avoidable grade 3 and 4 Pressure Ulcers acquired in our care.

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

In terms of the baseline, a total of 22 avoidable pressure ulcers were identified following RCAs for 2013/14.

**Data source:** Datix

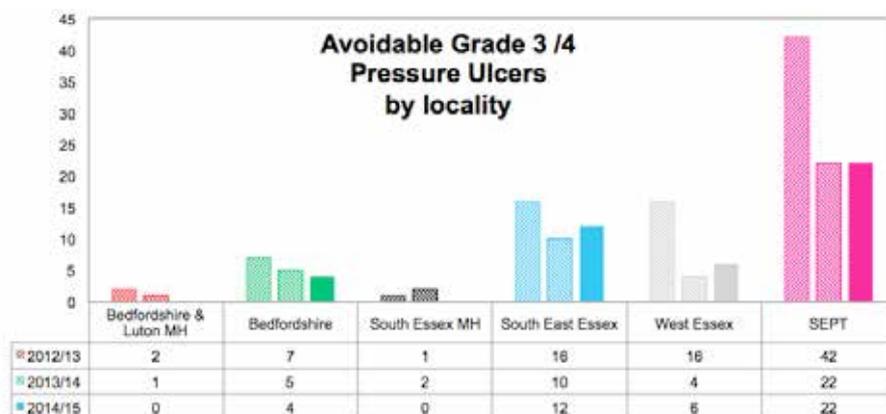
**National Definition applied:** Yes



Work has continued over the year to sustain and look to improve the work undertaken in reducing avoidable category 3 and 4 pressure ulcers. Following the last two years of over 50% reduction, our baseline from 2013/14 was reduced to 22 across all services. To date 22 have been found to be avoidable following root cause analysis during 2014/15, although there are still some root cause analyses in progress. Whilst we have not seen a reduction in total number of avoidable pressure ulcers, we have seen an increase in the prevalence of pressure ulcers across the Trust. This is in line with feedback from specialist nurses who state that there have been increases in the reporting of pressure ulcers in East of England and nationally. This has been explained due to improvements in awareness and training of staff as well as efficient monitoring and better practice governance, whilst caring for more complex patients who are at risk of pressure ulcers within the community. The table below shows the percentage of avoidable pressure ulcers from those reported across the Trust, showing a decrease in the percentage of avoidable pressure ulcers during 2014/15 in comparison to 2012/13. The Skin Matters Groups continue to meet on a monthly basis in each locality with weekly reporting of Category 3 and 4 pressure ulcers to the Executive Operational Sub Committee.

#### Work over the year continues and includes:

- all patients are assessed on admission to caseload or inpatient bed using Waterlow score;
- preventative equipment is offered to all patients identified as at risk (above 15 Waterlow);
- skin Matters group in place in each locality with Tissue Viability Nurses (TVNs), senior clinicians and management in attendance who review all Root Cause Analyses to ensure tool completed with detailed information and agree outcome;
- work with CCGs, acute Trusts and care homes to review number of pressure ulcers and identify further workstreams to be taken forward ;
- involvement in County Wide patient safety and Sign up to Safety Campaign Lead Group.



## PART 3

### 3.1.1 Safety

### 3.1.2 Experience

### 3.1.3 Effectiveness

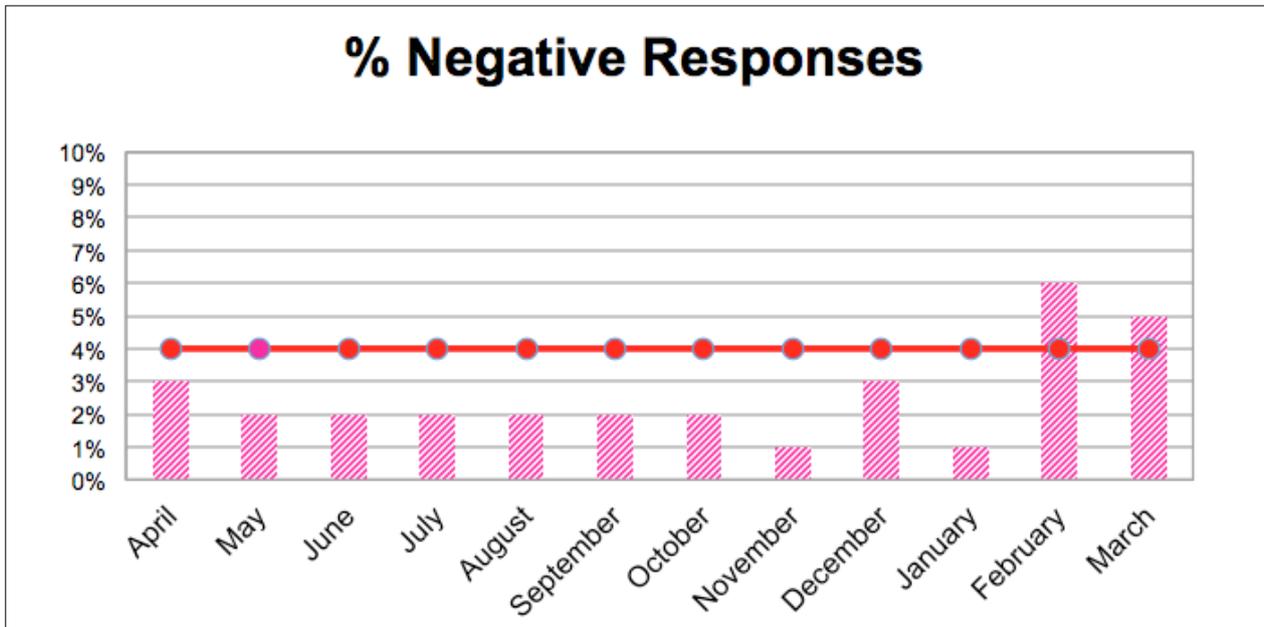
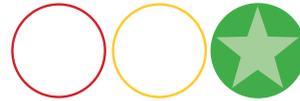
**Quality priority:** To improve the overall patient experience.

We said we would reduce the percentage of negative responders (ie those scoring “extremely unlikely” or “unlikely” to recommend in response to the Friends and Family Test question) in 2014/15 compared to 2013/14.

The Friends and Family Test question asks “**On a scale of 1 to 10, how likely is it that you would recommend this service to a friends or family member who needed similar care or treatment?**” Those responding “extremely unlikely” or “unlikely” are classed as negative responders.

**Data source:** Datix

**National Definition applied:** Yes



The Baseline is taken from Q2-Q4 2013/14 which had 4% of negative responses. Throughout the year the Trust consistently achieved the reduction in negative responses, with the exception of the months of February and March 2015. Work is underway to investigate the underlying reasons for this increase in negative responses. Actions identified to deliver improvements will be closely monitored and progress reported to the Patient Experience Committee.

### 3.1.1 Safety

### 3.1.2 Experience

### 3.1.3 Effectiveness

**Quality priority:** Reduction in avoidable falls that result in moderate or severe harm within inpatient areas

We said we would have less avoidable falls that result in moderate or severe harm in 2014/15 compared to 2013/14

**Data source:** Datix

**National Definition applied:** Yes

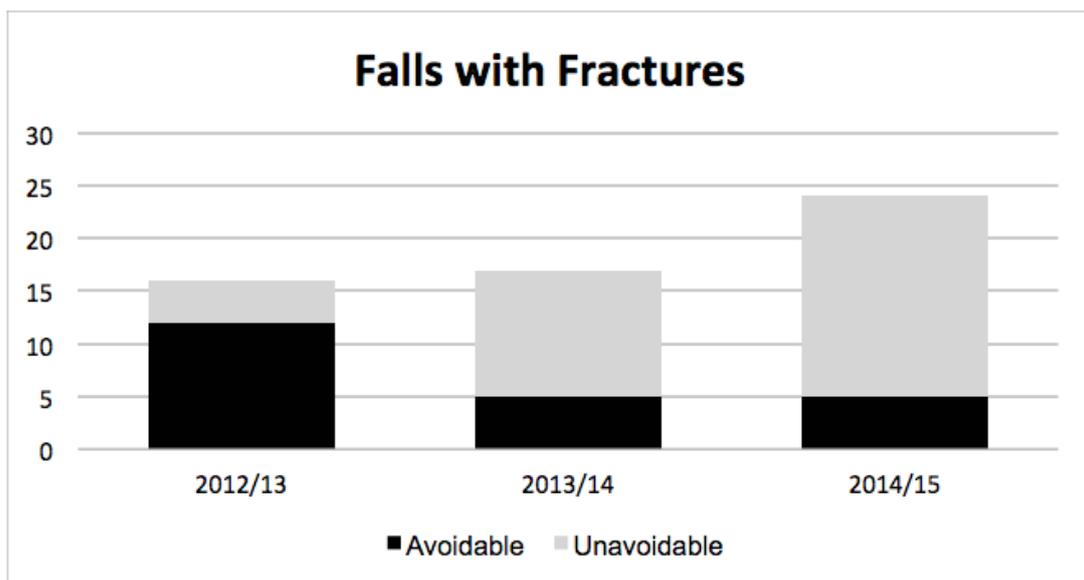


During 2014/15, five falls have been found to be avoidable following root cause analysis (RCA). This is the same number of avoidable falls reported last year. There are four Root Cause Analyses in progress at the time of preparing the Quality Report / Account. There has been an increase in 2014/15 in the total number of falls reported (increasing from 17 in 2013/14 to 24 in 2014/15). Although a reduction in avoidable falls has not been achieved as anticipated, the number has remained constant and work will be continued through 2015/16 to continue to strive for a reduction.

This is an area of focus within our 'Sign up to Safety' workstream. Areas of work undertaken include:

- continuation of falls group with multi-disciplinary representation;
- establishing links with other Trusts to share best practice and learning from incidents;
- review of the Falls Prevention Guideline to include a revised multifactorial assessment which complies with recently revised guidance issued by the National Institute for Health and Clinical Excellence and Falls Prevention Pathway;
- training has been extended beyond the Slips, Trips and Falls annual update and is now included in the annual face-to-face risk management sessions, manual handling updates and e-learning training;
- pilot of an observation pathway.

During 2014/15, the new Root Cause Analysis procedure has enabled the scrutiny of all serious incident falls, with 5 being identified as avoidable in the year to 31st March 2015.



### Section 3.2: Examples of key achievements relating to quality improvement during 2014/15

Outlined below is a selection of quality improvements that have been achieved during 2014/15 to provide you with a flavour of the diversity of initiatives we are working on and the progress we are making in improving the quality of care we provide to our patients and users. Due to the diversity and volume of services we provide, we only have room to include very brief details in this report - please do get in touch with us (contact details at the end of this report) if you would like further details about any of the initiatives listed.

#### Trust wide

A number of Trust wide quality developments implemented in 2014/15 are listed in section 2.4 of this Quality Report (our response to the Francis Inquiry). Some further examples are listed below:

- Review of the Falls Prevention Guideline to include a revised multifactorial assessment which complies with recently revised guidance issued by the National Institute for Health and Clinical Excellence and Falls Prevention Pathway.
- Further roll out of physical health care training across mental health adult inpatient areas with competencies for staff to ensure that the physical health needs of patients are met for which the Trust received a Health Education East of England award and was a finalist within the Health Service Journal (HSJ) Patient Safety Awards.
- Further staffing establishment reviews of inpatient areas resulting in approval to increase registered staff in relevant ward areas.
- Roll out of service user interviews within safeguarding investigations.
- Signed up to the national 'Sign up to Safety' campaign that was launched in June 2014 with the mission to strengthen patient safety in the NHS and make it the safest healthcare system in the world. The Secretary of State for Health set out the ambition of halving avoidable harm in the NHS over the next three years, and saving 6,000 lives as a result.

We have also made a number of workforce development quality improvements over the past year, including:

- Introduction of Student Education Facilitators to support all students in the Trust, pre-registration and on Continuous Professional Development or pre-professional courses. They run the student forums and inductions, help with mentor and practice educator training and visit the clinical areas to give advice and to help to develop the learning environment; as well as delivering seminars and short workshops to give additional learning opportunities on topics such as medicine management, catheterisation, the deteriorating patient etc.
- The existing education facilities across the Trust have been enhanced to provide better equipment in skill laboratories and video conferencing facilities so that students across the Trust can take part in learning sessions that are delivered by our trainers.
- Implemented a development pathway for Associate Practitioners so that they can progress further if they wish to. Staff can now apply for a work-based learning 'top up' from the Foundation Degree which will enable them to reach registered status within 18 months. This completes the pathway for pre-professional staff from entry level qualifications onto registered status.
- Introduction of the national Care Certificate which will be undertaken by new employees in clinical posts from Band 1 – 4 from May 2015. It is also available for existing staff to take as well.
- Implementation of a Buddy scheme whereby all second year MH students at ARU have been partnered with a service user and given the opportunity to undertake structured discussions with them on aspects of care. They have also been given a chance to meet a carer and have similar discussions with them. The pilots have been run twice and evaluated by the University with very positive results.

### **Bedfordshire Community Health Services (Adults)**

- Improvement of referral flows to and from the Single Point of Contact (SPOC) including the use of a dedicated email address.
- Improvement of joint working with the Partnership in Palliative Care (PEPs), enabling them to refer directly to the SPOC for patients at the end of life thus improving responsiveness and enabling them to access clinicians promptly.
- Improvement of the low weight molecular heparin (LWMH) and intravenous referral pathway, including ensuring that all the required information in relation to the patient is received before the referral is accepted and the development of guidelines to enable the community nurses to move the scheduled administration of LWMH if appropriate.
- Development and roll out of a range of competency frameworks for staff, including Band 5/6 community nursing, Macmillan nursing and Community Matron Services.
- Introduction of caseload assurance for the community nursing and clinical care at home teams.

### **Bedfordshire Community Health Services (Children's)**

- Development of a training package for Parent Administration of Analgesia via a syringe driver for long term use, in response to a parents request to support their child's palliative care needs.
- Introduction of a dependency Red-Amber-Green (RAG) rating scale to manage a more consistent and safe approach to accepting referrals and managing day to day activities.
- Development of a number of user friendly resources to educate, engage and empower parents, children and young people attending clinics including use of iPads, flipcharts, booklets and tear-off pads.

Development of a number of programmes for children, parents and partners including:

"Bump, Birth and Baby Stuff" programme for parents to be which is modelled on the Department of Health's Birth and Beyond Programme;

"Talk Together at Home" programme delivered by the Speech and Language Therapy Early Communication Support Team;

"Language Deprivation Training" to Children's Centre staff.



Bedfordshire's Award winning Food First Team

### **Bedfordshire Community Health Services (Specialist)**

- Establishment of a Specialist Community Diabetic Podiatrist and introduction of the Diabetic Annual Foot Review Clinic for all diabetic patients in the service.
- Development of MEALS (Managing Eating and Lifestyles Successfully) – a nutrition education programme for learning disabilities care home staff.
- Development of the "Family Food First" programme running in nurseries, pre-schools and children's centres.
- Development of the use of SystemOne (computerised records system) in the community paediatric medical service including the automatic creation and printing of prescriptions, generation of referrals to other services.

### **Bedfordshire and Luton Learning Disability Services**

- Sensory Impairment Service - Negotiated and agreed a referral pathway into Ear Nose and Throat services at the Luton and Dunstable Hospital to support service users who have learning disabilities directly into the hospital setting for investigations and assessment. Increased partnership working with Audiology Services in Bedford Hospital supporting the team there to see a greater number of people who have learning disabilities in a mainstream setting. These service improvements have had a positive outcome for service users by shortening the episode of care and widening access to specialist treatment with additional monitoring

and surveillance in order to meet individual need, thus ensuring the right treatment is given in the right place at the right time.

- Health Facilitation Service – actively working to encourage and support people to participate in Annual Health Checks for people who have a learning disability. Supporting an increased number of people to access specialist cancer services. By encouraging people to have an Annual Health Check service users have any health issues identified early which can be addressed with positive recovery outcomes, thereby preventing prolonged treatment and potentially life threatening conditions.
- Intensive Support Service (IST) – implementation of a Joint Assessment Pathway with Bedford Crisis Team to ensure appropriate access to assessment for people who have a learning disability who present at A&E. This work identifies the best team to support the individual and meet their needs ensuring swift appropriate treatment. Implementation of various joint working protocols with local authorities in order to reduce the likelihood of crisis occurring and ensure accessibility to a nurse able to manage their mental health needs. The service user outcome for this joint working is that needs are identified early before reaching a crisis and hospital admissions can be prevented. With regard to the Depot Joint Working Protocol the outcome for service users is that they have their depots in a place and at a time that meets their needs as opposed to waiting at depot clinics. In this way, service users can conduct their daily lives with very little disruption. The Coppice in-patient unit has been awarded AIMS review accreditation. This gives service users and carers assurance that the service provided is recognised to be delivered in a safe, caring and supportive person-centred way in line with the AIMS set criteria.
- Adult Autism Service – significant progress has been achieved in developing the range of post-diagnostic support and therapy available and in developing professional networks with other health services, local authorities and other service providers. The outcomes for service users are that they no longer need to travel a considerable distance for assessment and diagnosis for an Autism Spectrum Disorder,

access is available to post diagnostic specialist treatment that is close to home and will enable the person to live a fulfilling life. Post diagnostic treatments are tailored specifically to meet individual need which may include sensory processing – this enables people to live more comfortably in their home or work environment, with cognitive behaviour therapy to support the person to understand their needs in relation to their diagnosis. The professional networks facilitate access to mainstream services, such as Mental Health Services, by people who have autism, thereby providing a seamless service user journey / experience.

### **Bedfordshire and Luton Mental Health Services**

- Implementation of a Psychiatric Liaison Service at Bedford Hospital, with the aim of improving the patient experience of acute hospital care and reduce the overall length of stay and delayed transfers of care through the provision of timely psychiatric assessments, treatment planning and signposting to appropriate mental health services. This was extended to Luton and Dunstable Hospital, enabling inpatients there to access this service.
- Enhancement of the mental health Accident and Emergency Liaison Service which has improved responsiveness and accessibility of the service.
- Improvement of the processes for partnership working with the police in terms of section 136 cases.
- Review of inpatient and crisis pathways to ensure clarity of operation and that there are no gaps between services. Alongside this, expectations of services have been developed in order to enhance the delivery of high quality, responsive and effective mental health services throughout the acute pathway.
- Development of new risk assessment protocols and tools to help capture risks and inform staff intervention. One of these tools aims to link outcomes of assessment with packages of care designed for use within the crisis setting to modulate risk and improve mental health.
- Development of a “Help and Information for Carers of People with Mental Health Conditions” booklet, forming the basis of a new approach for better involving carers in the treatment and care

of their family member. This approach is now going to be adopted Trust-wide.

- Creation of a video by the Bedfordshire Early Intervention Service with the support of service users to highlight the message that “psychosis is treatable, recovery is expected”. This has been launched and it is intended to use this video to help ensure other young people seek this vital service early.
- Focus on working closely with individuals within the Early Intervention Service to ensure that their physical health is prioritised and that they do not allow their physical needs to go untreated.

### **Children’s Services – South East and West Essex**

- Introduction of delivery of the expanded programme for the Family Nurse Partnership (FNP) across Essex and Thurrock as well as continuing delivery of the service in Southend-on-Sea, Castle Point and Rochford.
- Revision of cytotoxic policy in line with the Royal College of Nursing (RCN) guidelines for the administration of methotrexate for juvenile arthritis to enable administration outside of normal working hours as well as working patterns to enable the service to respond to the demand from parents for more afterschool visits.
- Improvement of the Paediatric Speech and Language Therapy initial assessment and triage booking system which has made the system more helpful for parents and reduced average waiting times down to 13 weeks.
- Appointment of 3 health visitors as Fellows to the Institute of Health Visiting in recognition of their excellence in practice, working as experts in their field and supporting national as well as local initiatives.
- Introduction of a training programme in terms of Perinatal Mental Health, in order to address the issues relating to the negative impact untreated maternal mental health issues have on outcomes for children and young people.
- In response to feedback from residents of the Young Parents Supported Housing Scheme in Ongar (26 young parents between the ages of 16 – 24 years all with either an infant up to one year of age or in the last trimester of pregnancy),

a Stop Smoking Group was run for 8 weeks. As a result of this project 25% of the group stopped smoking.

### **Children’s Services – Suffolk**

- Development of individualised Education, Health and Care plans in partnership with Suffolk County Council in order to respond to the new statutory frameworks under the SEND reforms within the new Children’s Act.
- Review and / or development of the following care pathways:
  - Autism Diagnostic Review
  - Pre-school Multi-disciplinary Assessment Pathway within Child Development Centres
  - Autism Pathway interface with CAMHS over 11 years diagnostic service
- Implementation of a new service model for Initial Health Assessments for Looked After Children with a specialist nurse supporting the medical assessment of children under Local Authority care.
- Development of guidance for service users and clinicians relating to consent to treatment.
- Review of the Paediatric Speech and Language Therapy Service with a focus on services to children within mainstream schools, as well as participation in a review of 0-25 years Speech and Language and Communication Needs with Suffolk County Council.

### **South East Essex Adult and Older People’s Community Health Services**

- Development of six psychological champions within Integrated Community Nursing Service to extend psychological support available to patients with Chronic Obstructive Pulmonary Disease (COPD), in partnership with the Long Term Oxygen Service and Psychology Service.
- Achievement by the Tissue Viability Team of the 2<sup>nd</sup> prize in the Pressure Area Care category of the Journal of Wound Care Awards 2014 for the implementation of an innovative poster providing nursing staff with a visual aid regarding appropriate pressure relieving equipment and management of patient care.
- Review of the appointment system within the Diabetes Service, resulting in a reduction from

## PART 3

the previous 30 – 40% DNA (“Did Not Attend”) rate to an average of 15% and still continuing to improve.

- Several new venues from which diabetes services are provided have been introduced over the past year, increasing the geographical area covered improving access for patients and increasing clinic capacity.

### South Essex Learning Disability Services

- Inpatient Services - achievement of AIMS accreditation on the first submission for assessment.
- Community Services – introduction in partnership with “Active Basildon” of sporting activities suitable to people with all abilities, including people on the autism spectrum. A weekly programme of various sporting activities has proved to be very popular amongst service users and the public.
- Intensive Support Team – developed links with other areas of the Trust to develop and raise the profile of learning disabilities and ensure people with learning disabilities get appropriate care when they go into crisis - for example from the Liaison and Diversion Team and Early Intervention Service.
- Health Facilitation Team – working alongside NHS England, delivery of training to GPs, other health and care providers and local universities on a variety of topics including Annual Health Checks, improving health outcomes, improving access to healthcare and the needs of people with learning disabilities and capacity issues. A project has recently been completed on improving health experience for service users and Health and Wellbeing Groups and Screening Programme Groups have been implemented as part the work to educate people with learning disabilities and their carers about Annual Health Checks and how to keep healthy.



MAP Team pictured with their awards

### South Essex Mental Health Services

- Implementation of a new model of service for Community Mental Health Services incorporating a single point of access “Gateway” and re-modelling of the community services to provide “first response” services with an individual receiving support for up to six months and “recovery and wellbeing” services for individuals requiring more medium to longer term support for up to two years based on the Recovery Model.
- Significant developments in the delivery of services to individuals with dementia, including redesign of the pathway to ensure all providers involved in the provision of care are better supporting those with dementia and supporting them to remain at home for as long as possible; as well as development in conjunction with Anglia Ruskin University of a training programme for experienced Registered Nurses and other suitably qualified professionals to provide the knowledge, skills and competencies required to independently identify cases of dementia syndrome in care home populations.
- A one year pilot project has been undertaken in terms of the development of a Recovery College, which aims to support people become experts in their own self-care and for families, friends, carers and staff to better understand mental health conditions and support people in their recovery journey.

Three courses were run during this pilot and expertise and experience have been gained as a result of this pilot.

- Development of a Maintaining Adherence Programme (MAP) which has reduced “revolving door” admissions and achieved effective use of resources. This service has won numerous awards including the Royal College of Psychiatrists Team of the Year, the Patient Experience Network National Award for Access to Information, the Geoff Brook Award for Innovation and the Inventive Health Communications Award for Excellence in Healthcare Collaboration and Partnerships; as well as a finalist for the Nursing Times (Nursing in Mental Health) awards. Due to the success of this innovation, it is now planned to roll out key components of the model into mainstream community mental health services as part of the transformation of services.
- Implementation of a Street Triage Scheme in conjunction with Essex Police, the aim of which is to help police officers make appropriate decisions based on a clear understanding of the background to these situations and ensuring that individuals receive appropriate care more quickly. This has already resulted in a reduction of the number of individuals detained in police custody under Section 136.
- Rolled out the computer-based Care Programme Approach (CPA) system for care planning. This system is designed to improve the quality of information in care plans and for the first time to enable the rapid and standardised adoption of evidence based good practice by all community mental health team staff.
- Development by the Community Occupational Therapy Service of a rapid access Coping Skills Programme, increasing the patients’ potential to benefit from treatment at the time of need; as well as a Social Inclusion Recovery Pathway to Ambleside College in Southend.
- The “Therapy for You” service engaged with a social marketing company to improve the understanding of what local communities wanted from the therapy service. The award winning campaign involved a variety of exercises, including street marketing, patient focus groups

and local media advertising. As a result several changes have been implemented that improve the service to clients. Additionally a service re-design was implemented to simplify the referral process enabling clients to now self-refer via telephone and website and to be offered an initial telephone assessment appointment within 3-4 days, significantly improving access times.

- Creation of a multi-disciplinary Mindfulness Special Interest Group which meets quarterly and is designing a strategy for developing sustainable and equitable access to Mindfulness based therapies across the Trust, and to provide oversight of training and supervision standards.



Best Social Marketing Campaign award for Therapy For You

### **Specialist Mental Health Services**

#### **Secure Services:**

- Piloted, as one of 10 sites nationally, a Liaison and Diversion Team working to the national service specification to provide screening, assessment and signposting for vulnerable people of all ages who are in contact with the criminal justice system. Although evaluation of the pilot is on-going, initial data indicates that outcomes are positive.
- Participation by Brockfield House in a review of student placements by the Nursing and Midwifery Council. The feedback from this has been extremely positive.

- Achievement of “Excellent” status in the AIMS review of the Wood Lea Clinic, a low secure unit for men with a learning disability in Bedfordshire.
- Participation of all three secure units (Brockfield House, Robin Pinto Unit and Wood Lea Clinic) in the Royal College of Psychiatrists Peer Review of secure services. All three units received positive feedback from the review teams and national ratings will be published later this year.

### **Child and Adolescent Mental Health Services (CAMHS):**

- Development of a parenting support group for parents by CAMHS learning disability services in South Essex, to provide assessment and intervention in the form of psycho education.
- Delivery of support and themed teaching sessions to schools which have included over 80 teaching staff at one time. These have been well received and further sessions are to be arranged following feedback on key areas of learning requested by school staff.
- Increase of the therapeutic capacity within the Tier 4 Poplar Unit which has improved the quality of care available.

### **Suffolk Community Health Services (Adults)**

#### **Speech and Language Therapy:**

- Provision of monthly speech support groups to help patients with Parkinson’s disease maintain their progress following successful completion of the intensive speech programme recommended in NICE guidelines.
- Close working with multi-disciplinary team colleagues for the benefit of patient care (eg joint sessions with dieticians when seeing clients with swallowing difficulties).
- Appointment of Graduate Therapists with support to enable them to develop their dysphagia (swallowing) competencies.

#### **Foot surgery:**

- Revision of staff rotas to achieve podiatric surgeon cover for all of the working week.
- Implementation of new protocols for MRSA screening.

- Implementation of multi-disciplinary podiatry and foot surgery clinics for musculo-skeletal patients.

#### **Podiatry:**

- Incorporation of Foot Protection Team slots into routine clinics to improve access for high risk patients in more locations.
- Implementation of electronic waiting lists in all clinic locations to improve the appointment access process for higher risk patients.
- Provision of additional nail surgery sessions in Stowmarket.
- Implementation of PASCOP (the audit system for Podiatric Surgery) which will enable the reporting of quality outcomes as part of the on-going assessment of patient satisfaction and clinical outcomes.

### **West Essex Adult and Older People’s Community Health Services**

- Developed and implemented, in partnership with partner organisations, initiatives to support the hospital during the winter period aimed at admission avoidance and early discharge. This included redesigning the community ward discharge process, redesign of the process to obtain medication out of hours to allow discharge and provision of therapy support 7 days a week.
- Implementation of a centralised booking service for MSK/Physio in order to streamline referral processes and reinstatement of telephone reminders to improve the DNA (“Did Not Attend”) rate.
- Agreement and medicines governance put in place to allow the district nursing teams to administer flu vaccine for prophylaxis.
- Implementation of an electronic record keeping system across the community wards which has improved the quality of record keeping and information governance compliance.
- Addition of a Social Worker to the Single Point of Access (SPA) team has improved the level of multi-disciplinary team co-operation and speeded up the transfer of referrals to social care.

- Creation of an End of Life Co-ordination Team which aims to facilitate improved recognition of need, earlier intervention, improved care co-ordination and enhanced care delivery outside of the hospital setting wherever possible and in line with patient choice and preferences.

### **South and West Essex Specialist Services – Community Health Services**

- Podiatry (South East / South West Essex) – Increased the profile of Podiatry with other healthcare professionals and patients through the provision of various training sessions, which will improve overall patient care.
- Podiatric Surgery (South East / South West and West Essex): Implementation of a wider use of diagnostic ultrasound as well as performing many therapeutic injections under ultrasound guided imaging. This enables some treatments previously performed in theatre to be performed in the clinic environment. Implementation of PASCUM (the audit system for Podiatric Surgery) which will enable the reporting of quality outcomes as part of the on-going assessment of patient satisfaction and clinical outcomes.
- Podiatry (West Essex) – Commencement of the acceptance of referrals for foot orthoses from the Patient Appliances Service, enabling patients to receive a full biomechanical assessment by specialist clinicians.
- Independent Living Centre / Community Equipment Service (West Essex) – Implementation of the Home to Assess pathway pilot in Harlow, to process urgent same day delivery to enable patients to be discharged home quickly and safely.
- Holly Wheelchair Service (West Essex) – Shared decision making aimed at improving the service delivered to service users by encouraging a transparent and collaborative style to what can be at times a clinical process giving the service user more control, has been implemented as a mandatory approach across all clients seen by the service.

### **Participation in Royal College of Psychiatrists National Quality Improvement Programmes**

In support of our objective to continually improve the quality of our services, we have participated in the following Royal College of Psychiatrists national quality improvement programmes / networks or service accreditation programmes during 2014/15:

Forensic Mental Health Units

Inpatient Rehabilitation Units

Learning Disability Inpatient Wards

Older Peoples' Inpatient Wards

Psychiatric Intensive Care Wards

Working Age Inpatient Wards

Electroconvulsive Therapy Clinics

Memory Clinics

## Section 3.3: Overview of the quality of care offered in 2014/15 against selected indicators

As well as progress with implementing the quality priorities identified in our Quality Report / Account last year, the Trust is required to provide an overview of the quality of care provided during 2014/15 based on performance against selected quality indicators. The Trust has selected the following indicators because they have been regularly monitored by the organisation, there is some degree of consistency of implementation across our range of services, they cover a range of different services and there is a balance between good and under-performance.

### Trust wide Indicators

The Key Performance Indicator (KPI) targets were established with the Commissioners: for C. Difficile and MRSA bacteraemia cases they must be solely attributable to the Trust and avoidable after investigation via root cause analysis (RCA).

#### PATIENT SAFETY

#### Hospital Acquired Infections

**Data source:** Infection Control Dept

**National Definition applied:** Yes

Infection Control Measure		2012/13 Outturn	2013/14 Outturn	2014/15 Target	2014/15 Outturn
Mental Health Services	Cases of avoidable <u>C.Difficile</u>	0	0	0	0
	Cases of avoidable MRSA Bacteraemia	0	0	0	0
Community Health Services	Cases of avoidable <u>C.Difficile</u>	0	0	0	0
	Cases of avoidable MRSA Bacteraemia	0	0	0	0

## PATIENT SAFETY

**Data source:** Safety Thermometer

**National Definition applied:** Yes

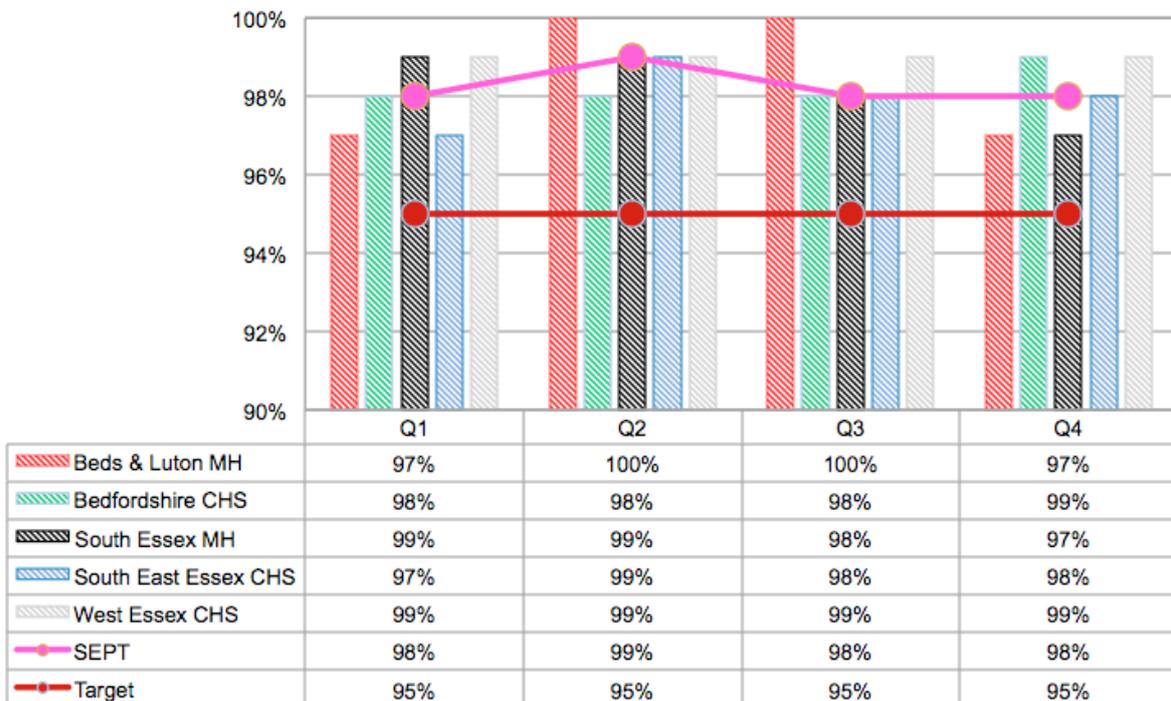
### Safety Thermometer (Harm Free Care)

A monthly census is taken of patients in our care which meet the national criteria for Safety Thermometer to measure four areas of harm. Censuses are taken in over 100 teams covering adult and older people wards and community teams, but excluding specialist services, on a monthly basis.

The areas of harm are:- Category 2 / 3 / 4 Pressure Ulcers (acquired in care or outside our care), Falls within 72 hours, Catheter Urinary Tract Infection (UTI) or Venous Thrombo-Embolism (VTE).

The graph below show the percentage of patients that were visited or were an inpatient on the census date, who had not acquired any of the four harms whilst in SEPTs care. During 2014/15, SEPT successfully achieved above the 95% target. This information is reported to the Trust Board monthly as part of the Quality Report.

A Sign up to Safety Campaign leads group has been established and the group review the information obtained through the Safety Thermometer to inform its work.



## PATIENT EXPERIENCE

## Complaints

**Data source:** Datix

**National Definition applied:** Only to K041-A Submissions to the Department of Health

### Complaints referred to the Parliamentary & Health Service Ombudsman

During 2014/15 a total of 11 complaints were referred to the Parliamentary & Health Service Ombudsman. This represents a decrease of two on the previous year.

No further actions or recommendations were made in respect to four of the 2014/15 referrals.

One was upheld and the Trust was asked to apologise and pay £1,000.

One was partially upheld and the Trust provided an apology and introduced a formal process for auditing care plans.

There are five active cases with the PHSO: Four in relation to Bedfordshire and Luton Mental Health Services and one for Essex Mental Health Services.

### Complaints closed within timescales

The % of Complaints Resolved within agreed timescales indicator is a measure of how well the complaints-handling process is operating within the organisation. The agreement of a timescale for the resolution of a complaint is identified in the NHS Complaints Regulations, but these do not stipulate a % target to be achieved. The Trust believes that commitments to complainants should be adhered to and aims for 100% resolution of all complaints within the agreed timescale with the complainant.

### Non-Executive Director Reviews

The Non-Executive Directors (NEDs) undertake monthly reviews of complaints selected at random. The reviewer will take into consideration the content and presentation of the response, whether they feel the Trust has done all it can to resolve the complaint and if they think anything else could have been done to achieve an appropriate outcome.

During 2014/15, the NEDs reviewed 44 complaint responses. The majority received a good or very good rating for how the complaint investigation was handled and the quality of the response.

Performance Indicator	2012/13	2013/14	2014/15
Number of formal complaints received	434	389	377
Number of complaints closed in period	505	382	391
% Resolved within agreed timescale	75%	99%	98%
Complaints upheld/partially upheld	286	226	248
Number of complaints withdrawn	18	7	12
Open complaints at year end	56	56	49

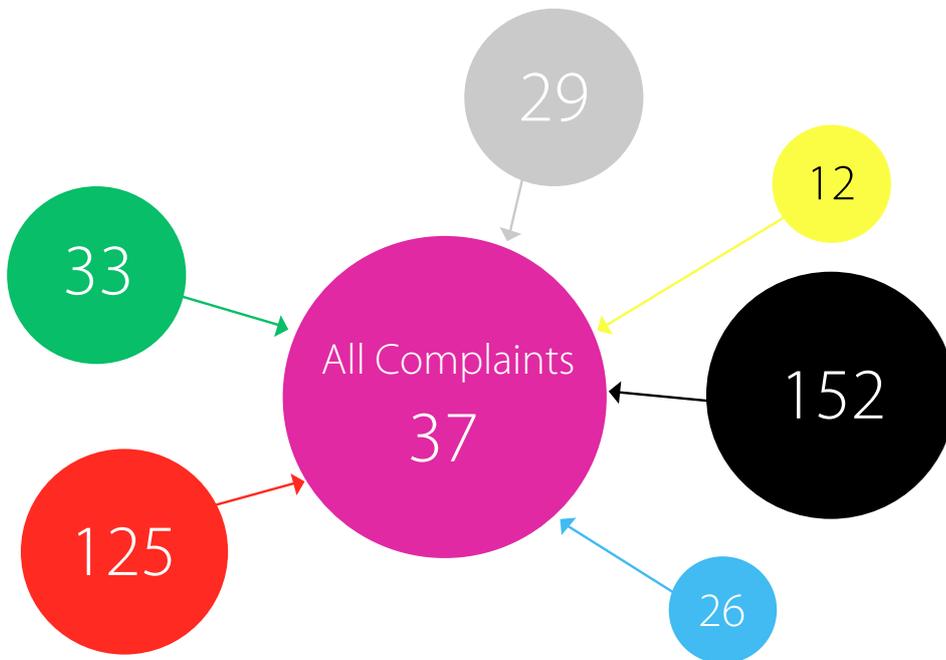
**Please note:** The figures stated above (and those reported in the Trust's Annual Complaints Report) do not correspond with the figures submitted by the Trust to the Health and Social Care Information Centre on our national return (K041A). This is because the Trust's internal reporting (and thus the Quality Report / Account and Annual Complaints Report) is based on the complaints closed within the period whereas the figures reported to the Health and Social Care Information Centre for national reporting purposes have to be based on the complaints received within the period.

The number of complaints received by the Trust has steadily decreased year on year, by 12 from last year and by 57 from 2012/13. The number of open complaints at year end has also decreased from last year; all are on target to close within the agreed timescale.

## Complaints Received by Locality and Service

### Key

- SEPT TOTAL   ● Essex Mental Health   ● South East Essex Community Health   ● West Essex Community Health
- Beds & Luton Mental Health   ● Bedfordshire Community Health   ● Suffolk Community Health



This diagram represents the number of complaints received by the Trust. The complaints have been split by the locality and service that received the complaint.

The top three themes for complaints for both mental health and community during 2014/2015 were again; dissatisfaction with treatment, staff attitude and communication. The top three themes for the Trust also apply nationally across the spectrum of health services. The figures in brackets are last year's totals for comparison. The complaints that were not "upheld" or "partially upheld" were either: "not upheld", "resolved locally", "withdrawn" or are currently "active".

Top Three Complaint Themes	Total Number of Complaints Received (2014 / 2015)	Upheld	Partially Upheld	Total
Dissatisfaction with treatment	45 (65)	2 (6)	17 (26)	19 (32)
Staff Attitude	60 (57)	7 (15)	25 (15)	32 (30)
Communication	43 (43)	8 (12)	16 (15)	24 (27)

### The above complaint themes are collective headings, and can consist of:

- Dissatisfaction with treatment can include many aspects of care and treatment; for example, medication, dressings, diagnosis, discharge arrangements, treatment on a ward.
- Staff attitude can often be the complainant's perception of the way they were addressed or treated by staff, either face to face or via the telephone.
- Communication concerns can relate to a breakdown in communication between professionals; or between clinicians and service users. With the latter it is sometimes a misunderstanding of the terminology used to describe what is going to happen next with the complainant's treatment or care plan.

# PART 3

## PATIENT EXPERIENCE

### Compliments

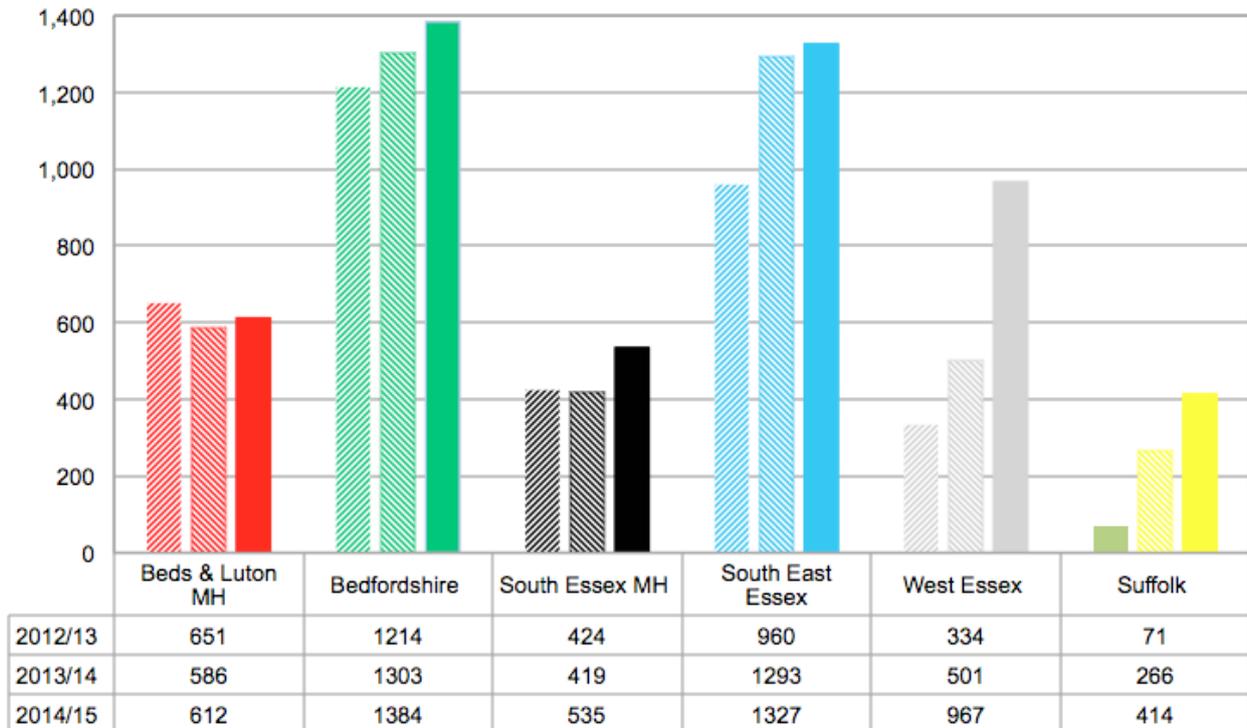
**Data source:** Datix

**National Definition applied:** N/A

Positive feedback is important to the Trust and is shared with staff and services across the Trust. All staff are encouraged to send the compliments they or their service receive to be logged and reported on. Compliments are published in the Trust publications and reported to the relevant Clinical Commissioning Groups. This year the Trust has received 5239 compliments.

“All the Nurses took such good care of my husband for the last three years. Nothing was too much trouble, no one could have asked for more.”

Compliments Received	2012/13	2013/14	2014/15
Beds & Luton MH	651	586	612
Bedfordshire	1214	1303	1384
South Essex MH	424	419	535
South East Essex	960	1293	1327
West Essex	334	501	967
Suffolk	71	266	414
SEPT	3654	4368	5239



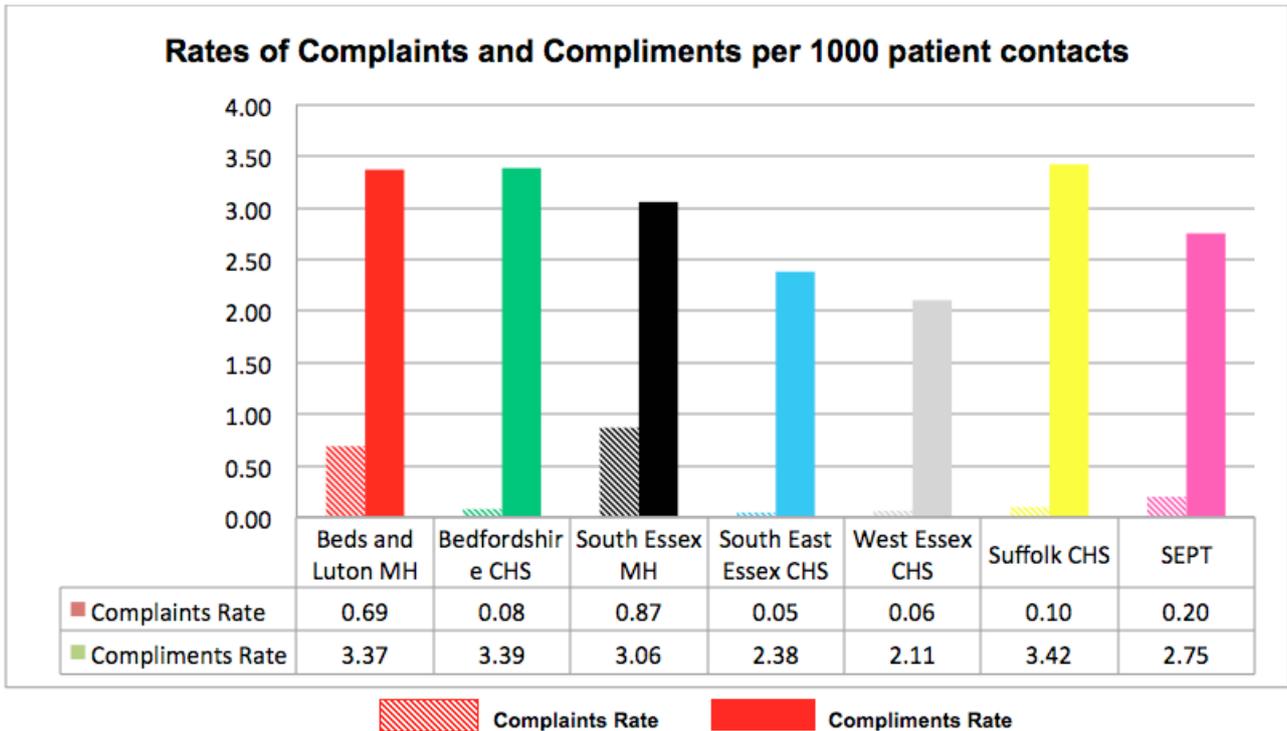
2012/13
  2013/14
  2014/15

## Rate of Complaints and Compliments

**Data source:** SEPT systems (Datix, SystemOne and Daily Diary Sheets)

**National Definition applied:** N/A

A comparison of complaints and compliments as a rate per 1,000 patient contacts demonstrates that the rate of compliments in each locality was greater than the rate of complaints received during 2014/15.



Cherry Tree Garden receives Highly Commended from Building Better Healthcare Awards

## Unified Friends and Family Test

**Data source:** Unified Patient Survey

**National Definition applied:** N/A

This survey draws together the NHS Friends and Family Test and a further series of questions around key areas we identified together with people who use our services.

In 2013/14, the Trust implemented a new, unified patient survey. This draws together the NHS Friends and Family Test (FFT) and a further series of questions around key areas we identified together with people who use our services. Surveys are coded so that feedback can be provided at team-level; teams now receive scores and comments via the Friends and Family Test as well as additional scores against the areas that matter to our patients.

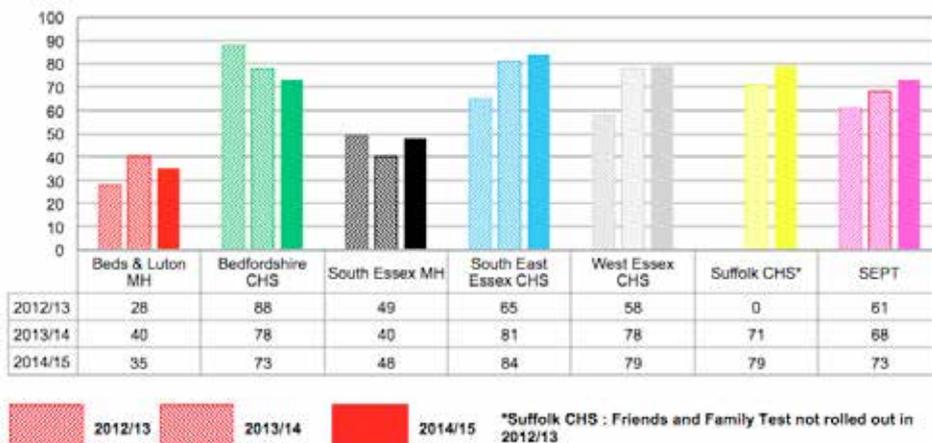
The Friends and Family Test for patients comprises one question as follows: "Please rate on a scale of 1 to 10 how likely is it that you would recommend this service to friends and family" (with 10 being most likely and 1 being least likely). This question is asked of all patients who have recently been discharged, either from inpatient services or community caseloads. Scores from 0 to 6 are classed as "detractors", scores of 7 and 8 are classed as "passives" and scores of 9 and 10 are classed as "promoters".

The "score" is then calculated as follows:

$$\text{Friends and Family Test Score} = \begin{matrix} \text{\% of promoters} \\ \text{(ie scores of 9 and 10)} \end{matrix} \text{ minus } \begin{matrix} \text{\% of detractors} \\ \text{(ie scores of 0 – 6)} \end{matrix}$$

Therefore, if 60% of respondents in the period scored 9 or 10 and 20% of respondents in the period scored 0 to 6, the Friends and Family Test Score would be 40 (ie 60 minus 20).

**"How likely is it that you would recommend the service you provide to a friend or family member who needed similar care or treatment"**



It is positive to note that the overall score for SEPT and for the majority of services has increased in 2014/15 in comparison to 2013/14 and actions are being taken to ensure that this positive progress is continued. However, we recognise that the score has decreased in two of our service areas and specific focused actions are being taken to ensure that feedback is acted upon and to improve performance in those areas. Further details in terms of seeking and acting on service user feedback are included in Section 3.5 of this Quality Report.

## Community Services – Local Quality Indicators

In this section of the report a selection of Key Quality Indicators are presented to show performance for the localities of Bedfordshire, South East Essex, Suffolk and West Essex over the past 12 months and where possible up to the past 36 months. In previous years the Trust has collected and presented Key Quality Indicators for Smoking Cessation. During 2014/15 SEPT was not responsible for providing smoking cessation services and thus these indicators are not reportable in this Quality Report.

### 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. Please note, in 2014/15 commissioners have focussed on the absolute rate of breastfeeding (ie babies being breastfed or partially breastfed as a % of all babies) and this is reported in the graphs to the right. In 2013/14, the indicator was based on the prevalence of breastfeeding at 6-8 weeks of those babies that were breastfeeding at 10 days (ie the “continuation rate”). As a result, the graphs in the 2013/14 Quality Report/Account and in this Quality Report are not comparable.

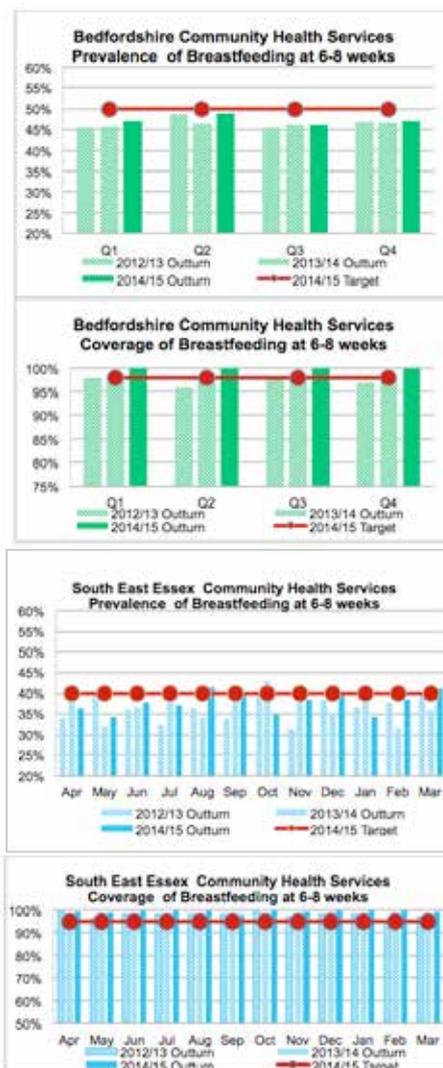
In Bedfordshire Community Health Services the coverage target has been achieved each quarter. Although the prevalence target has not been met, 2014/15 performance has exceeded that in 2013/14. It was recognised by commissioners that the target for Bedfordshire would take some time to achieve. Whilst breast feeding prevalence rates are known to be seasonal they have continued on an upward trajectory. Work is continuing with partners in the Local Authorities and Maternity Services and Bedfordshire has been identified by UNICEF as an area showcasing innovative practice that others can learn from. One example being our work with environmental health to accredit food outlets with our “Breast Feeding Welcome Award”.

In South East Essex Community Health Services the coverage target was achieved in each month during 2014/15. Although the prevalence target was achieved in only 3 months of 2014/15, it exceeded 2013/14 performance in 9 out of 12 months. Work is on- going to improve prevalence rates. An Infant feeding group has been set up and Breast feeding champions identified within health visiting teams to support parents. South East Essex teams are

currently working in partnership with Southend Hospital towards the level 3 UNICEF Baby friendly accreditation and this includes additional training for staff, auditing outcomes for parents and identification of actions to support the increase of breastfeeding rates.

**Data source:** SystmOne

**National definition applied:** Yes



# PART 3

## 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 the start of treatment. This is an important measure as it describes the length of time patients have had to wait for treatment.

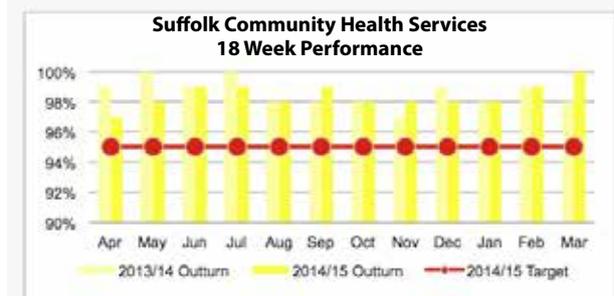
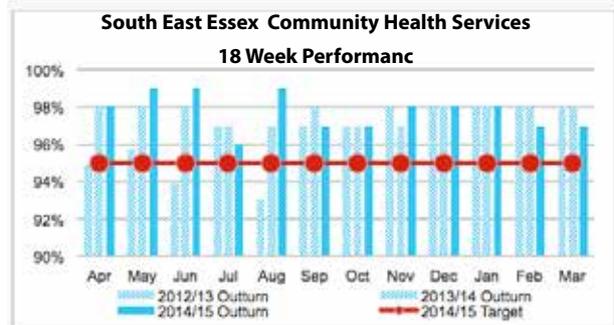
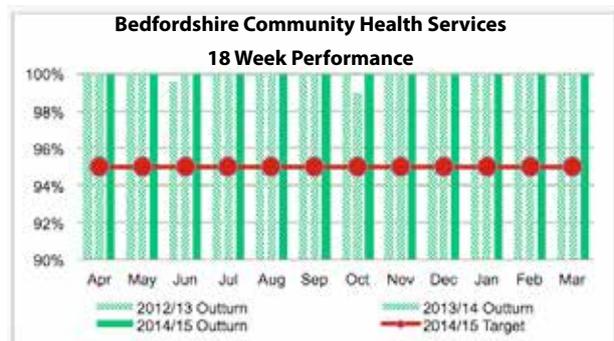
Bedfordshire Community Health Services achieved consistently high performance throughout 2014/15, maintaining the strong performance achieved in previous years.

During 2014/15 South East Essex demonstrated a minor decline in performance in June, however in the other months were able to maintain at least 97% compliance.

In West Essex, the target has been achieved in each month except June. More significantly, waiting times have been reduced from the 18 week standard to 8 weeks across most services and excellent progress has been made to achieve these challenging targets.

Community Health Services delivered by SEPT in Suffolk have consistently met the waiting times target throughout the year.

**Data source:** SystmOne  
**National definition applied:** Yes



## Serious Incidents PATIENT SAFETY

Monitoring of the number and nature of Serious Incidents, identification of learning and embedding learning back into clinical practice, is a key part of the Trust's patient safety.

The Trust reported 34 serious incidents in Community Health Services in 2014/15 compared to 27 during 2013/14.

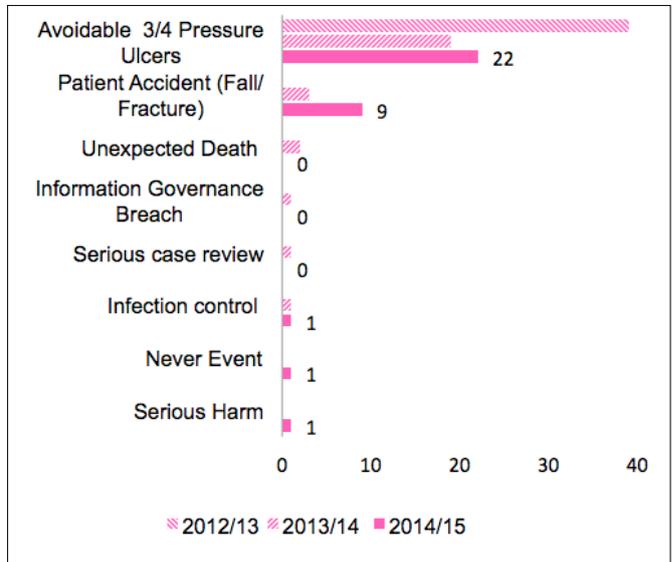
There were 9 falls leading to fractures, an increase on last year. The Trust is implementing a number of measures to help further mitigate the risk of falls on ward areas including the use of low-rise beds and further roll out of falls equipment and training.

There was one case of serious harm requiring surgical intervention and one infection control incident in West Essex Community Health Services.

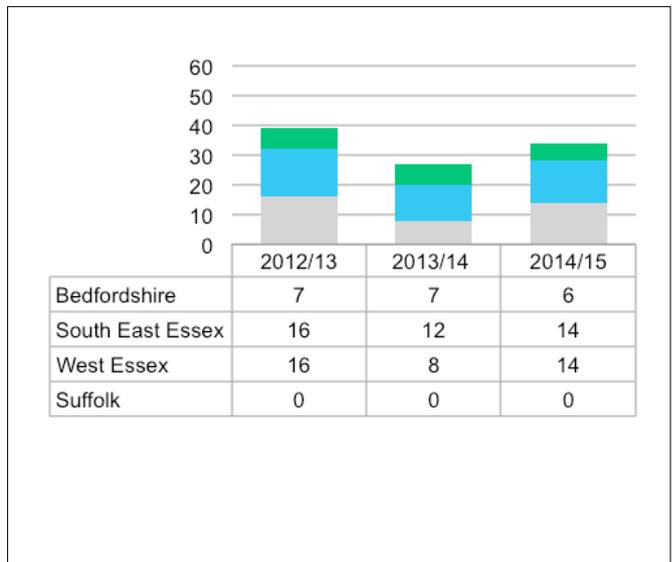
The Trust reported one case that met Never Event classification under the category of Wrong Site Surgery. An action plan has been completed to address and take forward the learning identified through the root cause analysis investigation into the incident. Learning being taken forward as a result of this incident includes the reiteration and regular monitoring of the requirement for adherence to policy and procedures; review of the booking process and timeliness of pre-admission process; and definition and maintenance of safe staffing levels to reduce clinical risk.

Please note, the figure of eight Serious Incidents in West Essex for 2013/14 differs from that published in the 2013/14 Quality Report for that period (six). This is due to the fact that an additional two pressure ulcers were found to be "avoidable" (and thus classed as Serious Incidents) following completion of the root cause analyses after finalisation of the Quality Report 2013/14.

## Serious Incidents Occurring in Community Health Services



## Serious Incidents by Locality



**Mental Health- Local Quality Indicators**

**Serious Incidents**  
**PATIENT SAFETY**

Monitoring of the number and nature of Serious Incidents, identification of learning and embedding learning back into clinical practice, is a key part of the Trust's patient safety.

The Trust reported 67 serious incidents (SIs) including avoidable pressure ulcers, in Mental Health Services in 2014/15 compared to 54 during the previous year.

There were no homicide cases during 2014/15 and there was a fall in the number of avoidable pressure ulcers reported this year in comparison to previous figures.

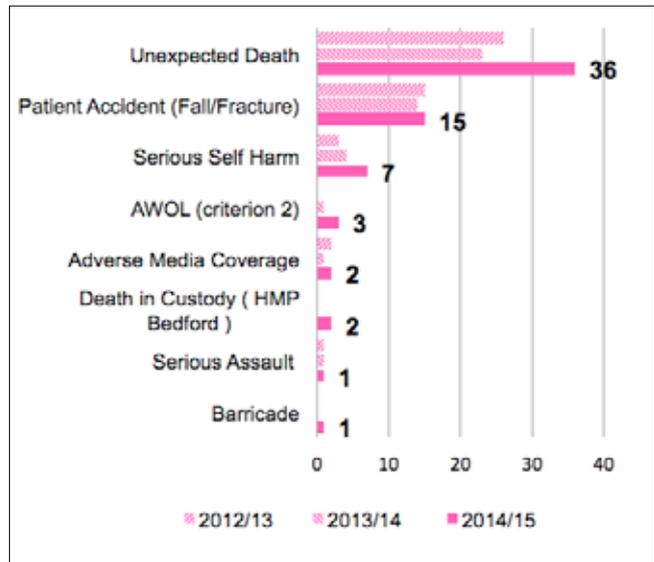
There was an increase in the number of unexpected deaths reported. The Trust is participating in the Sign up to Safety campaign and taking forward targeted work around suicide prevention.

Following SEPT's decision to report Patient Accident (Fall/ Fracture) incidents from February 2012 under the NPSA definition of long term harm, the figures remain similar to previous years. Learning from falls identified as avoidable is discussed at the Trust wide Falls Group and is used to inform the Trust's falls prevention strategy.

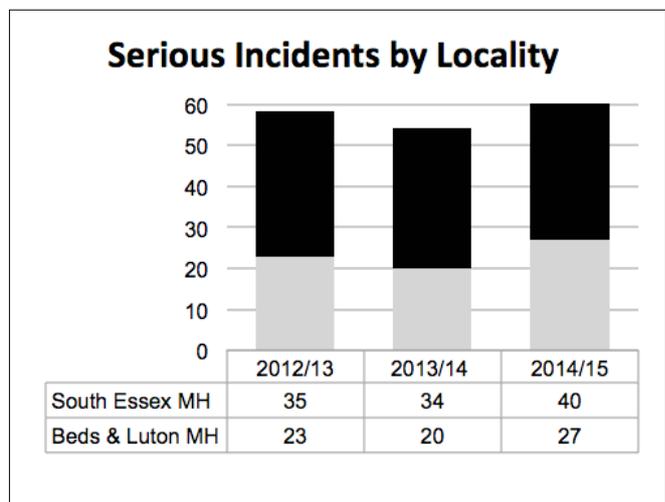
Three independent reviews of serious incidents were commissioned during 2014/15 the results of which have not been received at the time of writing this report. Learning from these reviews will be used to improve practice and organisational processes as necessary.

Please note, the figure of 20 Serious Incidents in Beds & Luton MH for 2013/14 differs from that published in the 2013/14 Quality Report for that period (22). This is due to the fact that two Serious Incidents reported in the Quality Report 2013/14 were downgraded after finalisation of the Quality Report 2013/14.

**Serious Incidents Occurring in Mental Health Services**



**Serious Incidents by Locality**



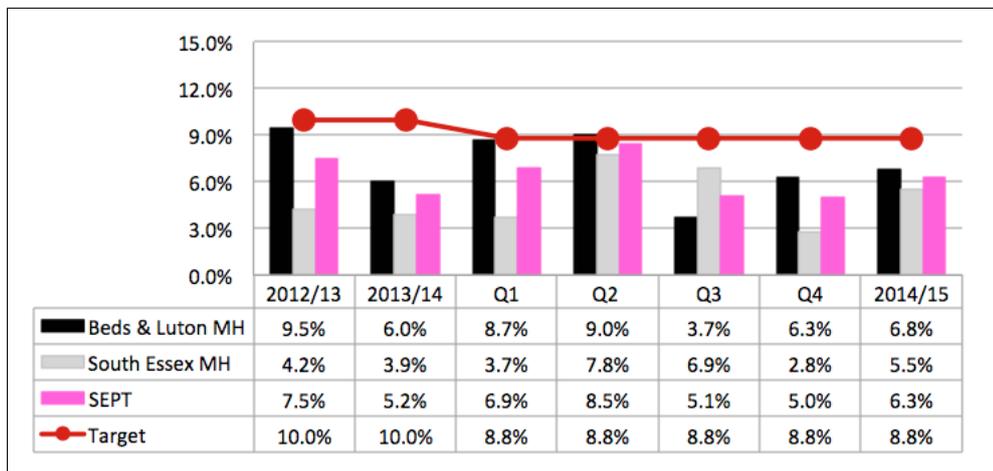
**Data source:** Serious Incident Database  
**National definition applied:** EoE and Midlands definition applied

## Readmissions CLINICAL EFFECTIVENESS

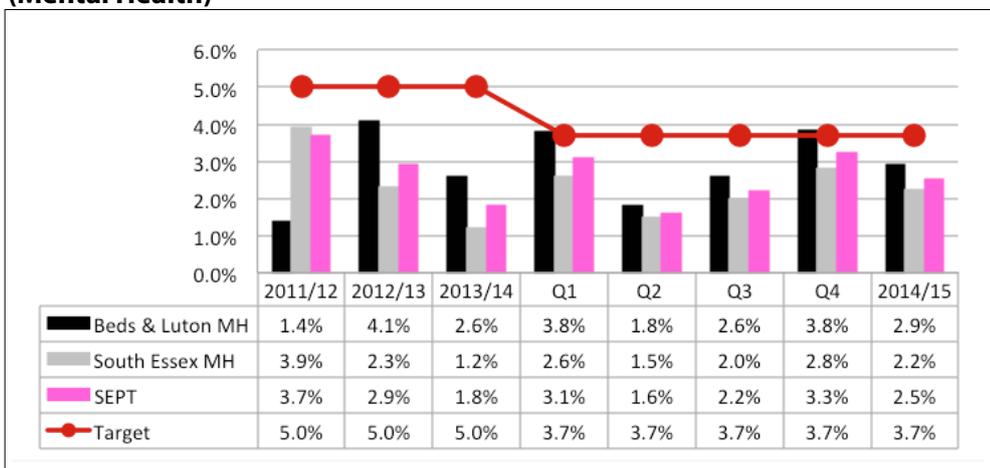
Readmission rates have been used extensively to conduct national reviews into the effective delivery of health services as well as CQC cross-checking arrangements. The number of re-admissions, as well as the % re-admission rate are monitored regularly throughout the organisation. Performance is monitored at ward, speciality and locality level to ensure that any deviation from expected numbers can be quickly located and investigated. The targets for adult and older people re-admission rates are derived from the 2013/14 NHS Benchmarking Club (further information can be found at [www.nhsbenchmarking.nhs.uk](http://www.nhsbenchmarking.nhs.uk)).

Throughout 2014/15 there has been good performance reported across SEPT and as the graphs shows the rates for readmission have not been breached at year end for either Adult Re-Admitted within 28 days or Elderly Patients Re-admitted within 28 days. Elderly patients readmitted within 28 days for the Bedfordshire and Luton locality fell just outside target requirements in quarter 4 which was due to only two readmissions of 52 elderly patients discharged. The Trust significantly achieved the target across all localities at year end.

### Adult Patients Re-Admitted Within 28 Days (Mental Health)



### Elderly Patients Re-Admitted Within 28 Days (Mental Health)



Data source: SEPT System (IPM)

National definition applied: Yes

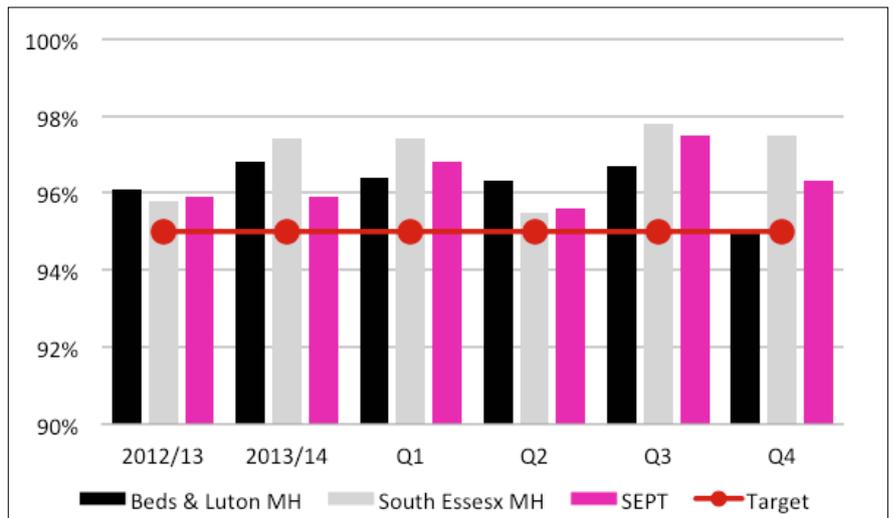
**Section 3.4: Performance against key national priorities**

In this section we have provided an overview of performance in 2014/15 against the key national targets and indicators relevant to SEPT's services contained in Monitor's Risk Assessment Framework. Data for two indicators, Patients on Care Programme Approach (CPA) followed up within 7 days of discharge from psychiatric inpatient stay and Admissions to acute wards gatekept by Crisis Resolution Home Treatment Team, have previously been reported under the mandatory indicator section (2.6) of this report. SEPT is pleased to report that compliance has been achieved across all indicators throughout 2014/15.

**People having a formal review within 12 months**

This indicator applies to adults who have been on the Care Programme Approach for at least 12 months. The target set by MONITOR of 95% provides tolerance for factors outside the control of the Trust which may prevent a review being completed for all patients every 12 months. Compliance has continually been achieved in both South Essex and Bedfordshire and Luton.

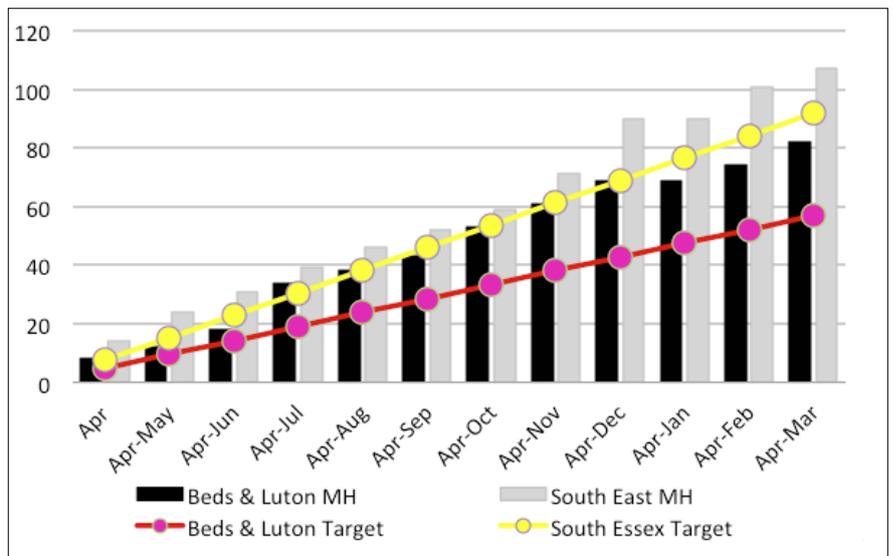
**Patients on CPA having a formal review within 12 months**



**Early Intervention Services: New Psychosis Cases**

The MONITOR compliance threshold is to achieve 95% of contracted new cases of psychosis. In total SEPT has to achieve 149 new cases of psychosis per year, and this was significantly over achieved in 2014/15 with a total of 189 new cases being identified.

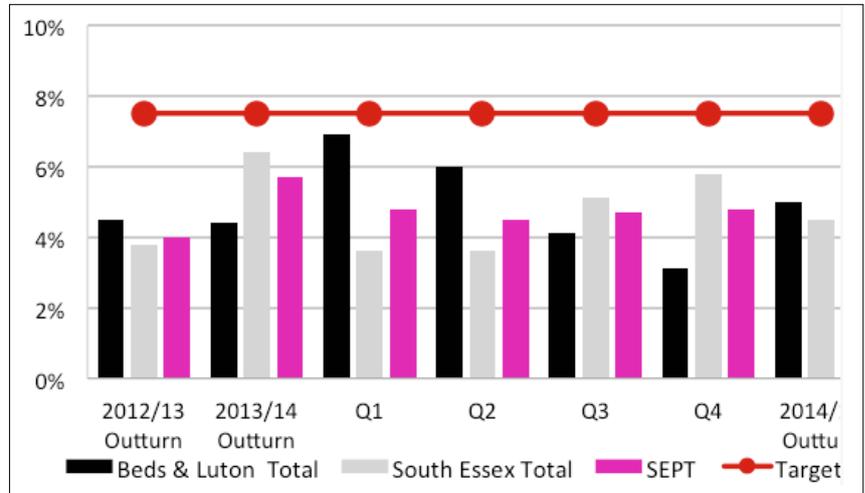
**New Cases of Psychosis : Early Intervention Services**



## Delayed Transfers of Care (DTOCs)

This indicator is calculated as the % of inpatient beddays lost to DTOCs due to either NHS or Social Care related issues for both mental health and learning disability services. The target established by MONITOR is less than 7.5% of patient beddays should be Delayed Transfers of Care.

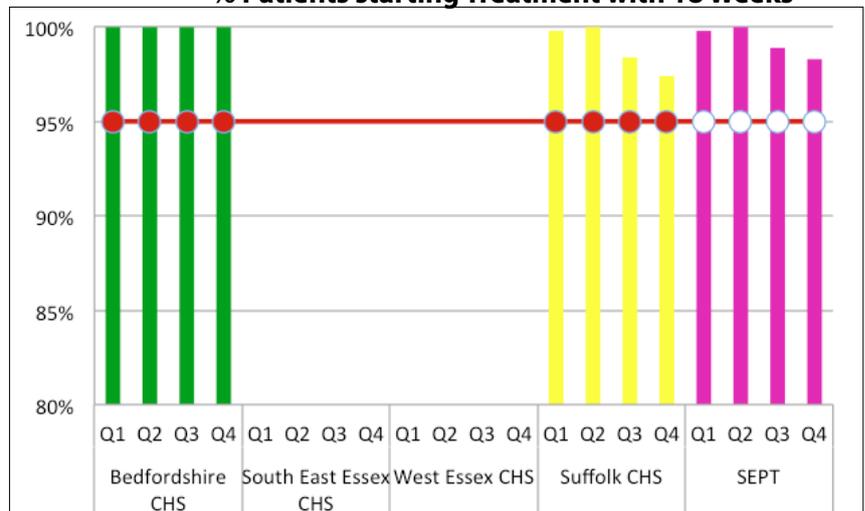
### Delayed Transfers of Care (DTOCs)



## Referral to Treatment Waiting Times

These indicators measure the waiting times for patients who have commenced treatment and for those still waiting for treatment on non-admitted consultant-led pathways. The maximum waiting time is 18 weeks and the target for those who have commenced treatment is 95% and for those still waiting is 92%. Both targets have been consistently achieved throughout 2014/15.

### % Patients starting Treatment with 18 Weeks



Neither South East Essex nor West Essex have consultant-led services and accordingly these MONITOR indicators do not apply to those localities.

### % Patients waiting for Treatment less than 18 Weeks

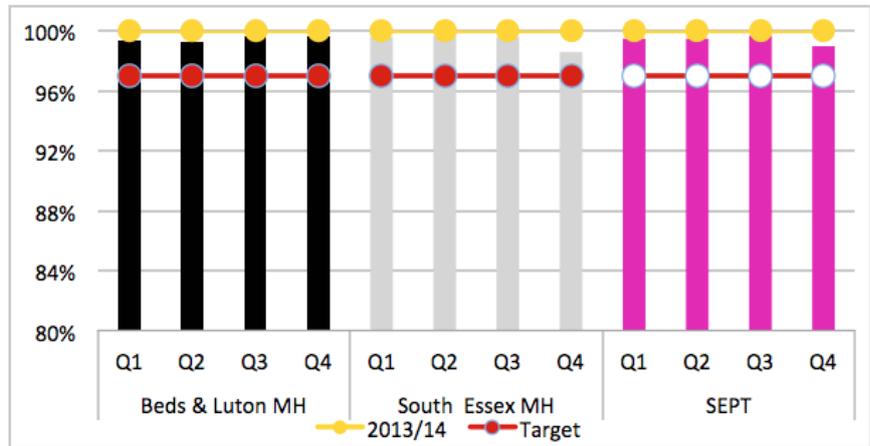


# PART 3

## Data Completeness: Patient Identifiers

This indicator measures the % completeness of the Mental Health Minimum Dataset for patient identifier data items. The target for 2014/15 is 97% of data items to be completed. This has been achieved consistently.

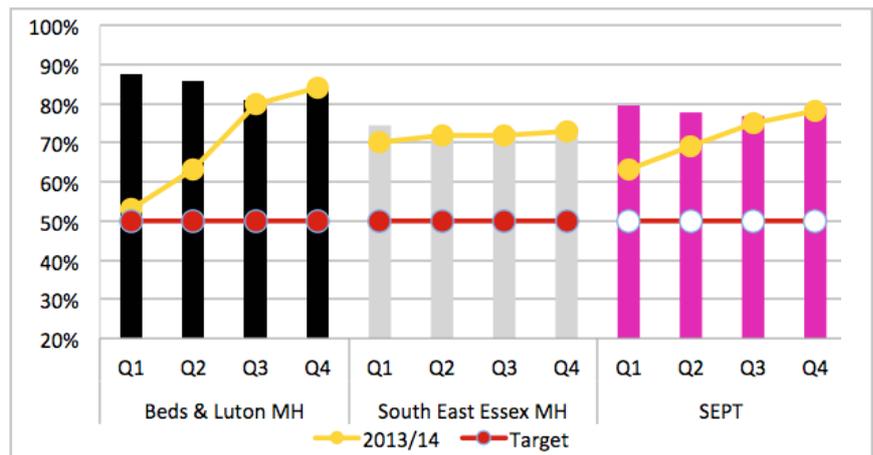
## Data Completeness - Patient Identifiers (Mental Health)



## Data Completeness: Patient outcomes

Compliance against the target of 50% has been achieved for each of the data fields that contribute to this indicator. Performance has improved throughout the year in Bedfordshire and Luton.

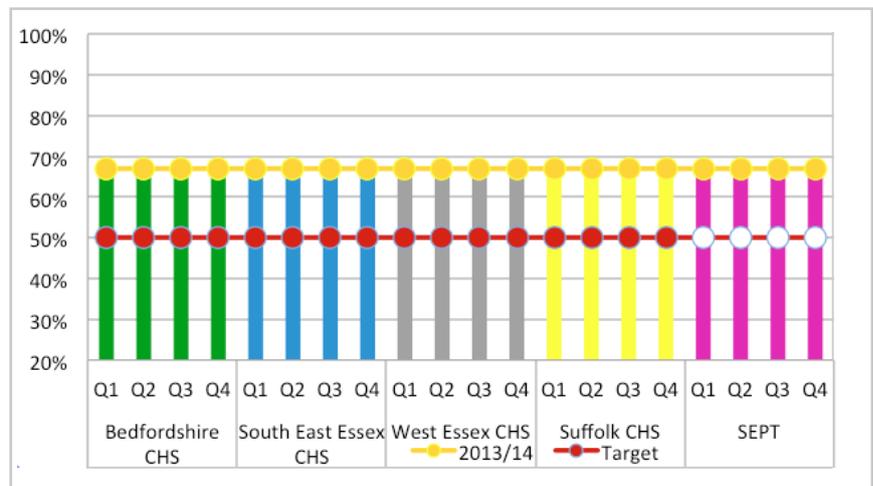
## Data Completeness - Patient Outcomes (Mental Health)



## Data Completeness - Community Care Referral to Treatment information

Throughout 2014/15 compliance has been maintained above the 50% target in all community health service areas.

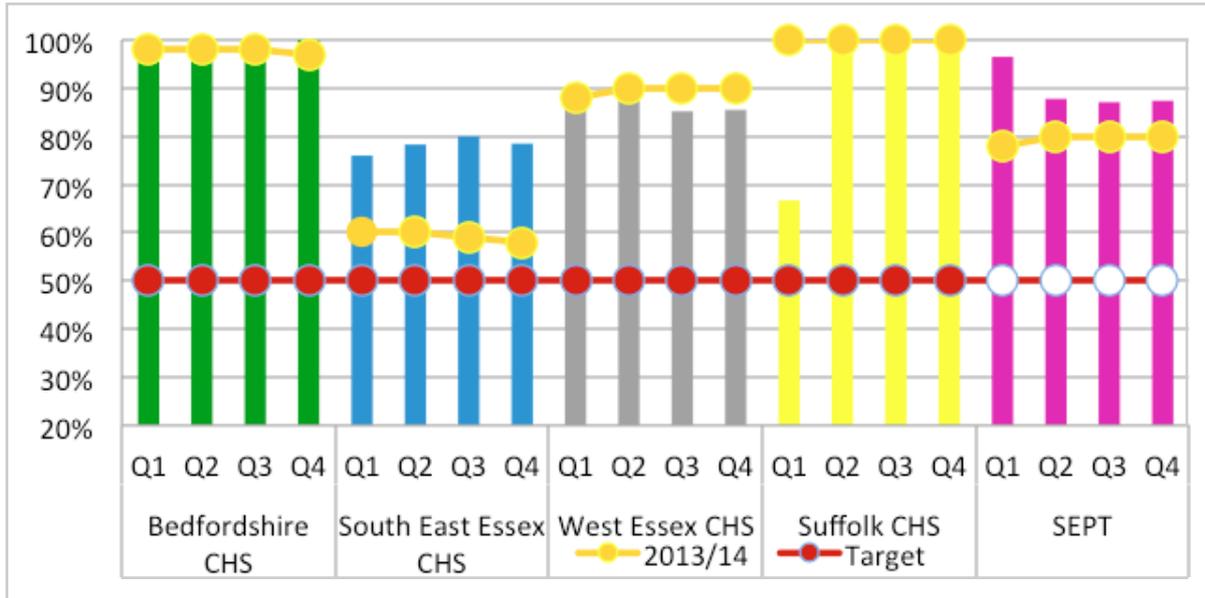
## Data Completeness - Referral to Treatment (Community Health)



### Data Completeness - Community Care Referral Information

Compliance has been maintained above the 50% target throughout 2014/15.

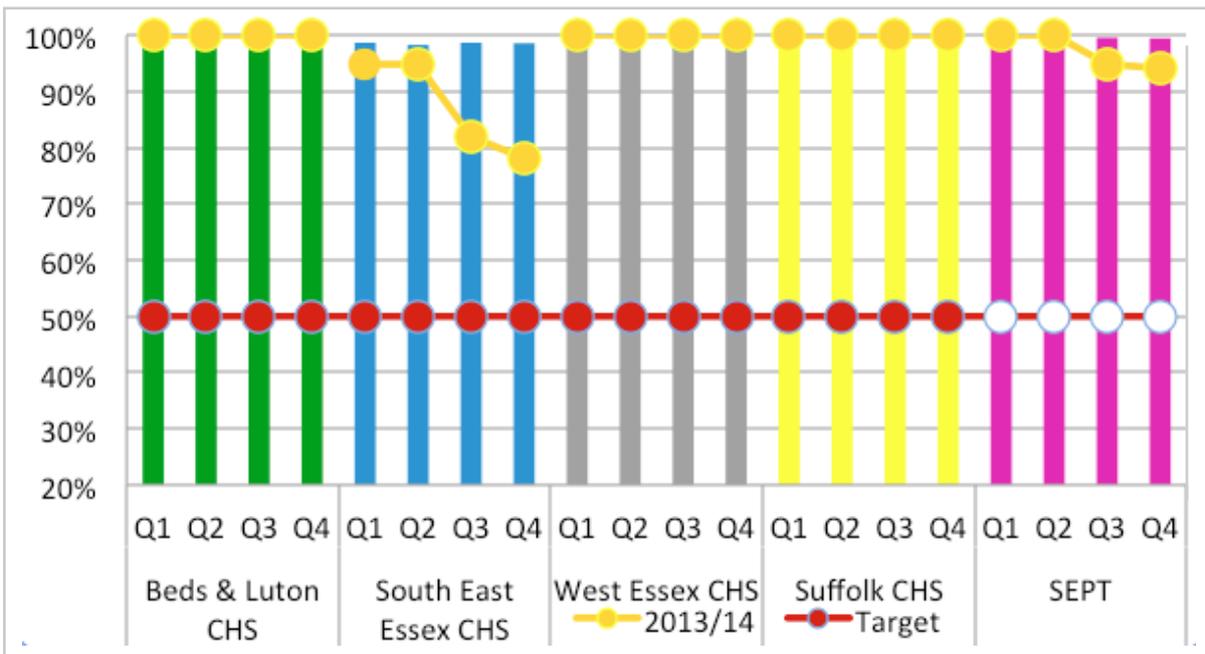
### Data Completeness - Referral Information (Community Health)



### Data Completeness - Community Treatment Activity information

All community health service areas have maintained compliance with this indicator throughout 2014/15.

### Data Completeness - Treatment Activity Information (Community Health)



## PART 3

This indicator seeks to respond to the recommendations made in MENCAP's 'Death by Indifference' report. Trusts will be assessed on their responses to six questions on a scale of 1 to 4:

1. Protocols / mechanisms are not in place
2. Protocols / mechanisms are in place but have not yet been implemented
3. Protocols / mechanisms are in place and partially implemented
4. Protocols / mechanisms are in place and fully implemented

### Access to Healthcare for People with a Learning Disability

Compliance against all six criteria was achieved in 2013/14 and has been maintained throughout 2014/15.

Key Requirements:		SEPT Ratings
1	Identifies and flags patients with learning disabilities to ensure that pathways of care are reasonably adjusted to meet the health needs of patients?	4
2	Readily available and comprehensible information to patients with learning disabilities about the following criteria: Treatment options (including health promotion)  Complaints, procedures, and Appointments	4
3	Provides support for family carers, including the provision of information regarding learning disabilities, relevant legislation and carers' rights?	4
4	Includes training on learning disability awareness, relevant legislation, human rights, communication technique in their staff development and/or induction programmes for all staff?	4
5	Encourages representatives of people with learning disabilities into relevant forums, which seek to incorporate their views and interest in planning and development of health services?	4
6	Regularly audits its practices for patients with learning disabilities and to demonstrate the findings in routine public reports?	4

### **Section 3.5: Listening to our patients and service users**

Ensuring that we receive and act on feedback from our service users is crucial to maintain the high quality standards we have set ourselves and over the past year the work has continued to increase the feedback received. This has included embedding the 'Friends and Family' test across the organisation seeking feedback from our service users and on whether they would recommend the service they have received to friends or family.

This section of our Quality Report outlines in detail the results of the Friends and Family Test for our services, some of the ways in which we capture feedback from people who use our services and some examples of things we have changed in direct response to that feedback. Some elements of the Friends and Family Test are also included in the performance indicators sections of this report.

#### **Friends and Family Test (FFT) / Patient Survey Feedback**

The Friends and Family Test for patients comprises one question as follows: "Please rate on a scale of 1 to 10 how likely is it that you would recommend this service to friends and family" (with 10 being most likely and 1 being least likely).

This question is asked of all patients who have recently been discharged, either from inpatient services or community caseloads. The Patient Experience Team has been ensuring that team managers have been receiving bi-monthly reports with their FFT scores, comments, and performance against the other key indicators (as identified by our service users) included.

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

Teams are asked to look for improvements based on comments received (both positive and negative) and a number of improvements have been made in direct response to the feedback received. This ensures that

improvements are specifically tailored in response to patients' experiences; a small number of examples of improvements made in response to feedback are included in this section of the Quality Report. The Patient Experience Team supports clinical staff across the organisation to get as much feedback from patients as possible. This helps to provide assurance that we are consistently aware of how people using SEPT feel about the service they are receiving and enables us to act on the comments made.

The following section provides details of the Friends and Family Test Scores for SEPT as a whole and for locality areas for 2014/15 (together with comparator information for 2013/2014 where it is available). It also details the number of responses received in 2014/15 and the proportion of responses for each score from 0 to 10.

## PART 3

### Patient Friends and Family Test Overall Score and Average Score

	Friends and Family Test Score 2013/14 (maximum = 100)	Friends and Family Test Score 2014/15 (maximum = 100)	Increase / Decrease from 2013/14	Average score given by respondents 2014/15 (maximum = 10)
SEPT (whole Trust)	68	73	↑	9.1
Bedfordshire CHS	78	73	↓	9.2
Bedfordshire & Luton MH & LDS	40	35	↓	8.1
South East Essex CHS	81	84	↑	9.5
South Essex MH & LDS	40	48	↑	8.3
West Essex CHS	78	79	↑	9.3
Suffolk Community Health Services	71	79	↑	9.3

### Number of responses and proportion for each score (10 - 0) for 2014/15

Locality / Service	Number of responses 2014/15	Percentage of respondents selecting each score 2014/15 (10 = most likely to recommend service; 1 = least likely to recommend service)										
		10	9	8	7	6	5	4	3	2	1	0
Score	N/A	10	9	8	7	6	5	4	3	2	1	0
SEPT (whole Trust)	12,396	61%	16%	13%	5%	1%	1%	0%	0%	0%	1%	2%
Bedfordshire CHS	4,120	61%	15%	15%	5%	1%	1%	0%	0%	0%	0%	2%
Bedfordshire & Luton MH & LDS	1,187	45%	15%	19%	10%	2%	3%	1%	1%	1%	1%	2%
South East Essex CHS	2,631	69%	15%	11%	2%	1%	0%	0%	0%	0%	0%	2%
South Essex MH & LDS	1,090	43%	18%	16%	8%	3%	3%	2%	2%	1%	3%	1%
West Essex CHS	2,134	65%	16%	10%	4%	1%	1%	0%	1%	0%	0%	2%
Suffolk Community Health Services	1,152	65%	16%	10%	5%	1%	1%	0%	0%	1%	0%	1%
Miscellaneous	82	48%	9%	17%	11%	1%	1%	0%	5%	1%	0%	7%

The Friends and Family Test is now followed by a series of patient satisfaction questions. From the total responses over the course of 2014/15, the results were as follows (figures denote average score out of 10):

Question	SEPT Overall Scores 2013/14	SEPT Overall Scores 2014/15	Increase / decrease between 2013/14 and 2014/15
To what extent did you feel you were listened to?	9.1	9.2	↑
To what extent did you feel you understood what was said?	9.1	9.3	↑
To what extent were staff kind and caring?	9.4	9.5	↑
To what extent did you have confidence in staff?	9.2	9.4	↑
To what extent were you treated with dignity and respect?	9.4	9.5	↑
To what extent did you feel you were given enough information?	9.1	9.2	↑
How happy were you with the timing of your appointments?	9.2	9.2	↔
How would you rate the food?	6.1	7	↑
To what extent would you say the ward/clinic was comfortable?	8.4	8.7	↑
To what extent would you say the ward/clinic was clean?	9.0	9.2	↑

It is pleasing to note that the average score out of 10 has increased in 2014/15, compared to 2013/14, with the exception of only one which has remained the same at 9.2 ("how happy were you with the timing of your appointments?").

It should be noted that although the average score for the rating of food is significantly lower than other scores, this has increased from a score of 6.1 last year. Over one million meals each year are served by the Trust and of these we receive very few complaints. Of the complaints we do receive, these typically relate to the quantity of supply or the repetition of the menu cycle, particularly in long stay wards. Our Facilities Team have regular dialogue with ward staff in particular the housekeepers and also the various patient forums and carers groups. The Facilities Officers regularly review and amend orders for the wards to ensure the dishes are changed to reflect the patients' needs. It often appears to be boredom with the repetition of the menu cycles which is an underlying problem and hence menus on wards are changed as frequently as possible. Following the feedback received the cook/chilled meal service was market tested and has resulted in a new service provider.

### Other Key Patient Experience Engagement Activities

**Mystery Shopper Programmes:** SEPT Mystery Shoppers are patients and carers who give anonymous feedback about their actual experiences of using SEPT services, naming the staff they have had contact with. The feedback is monitored by Directors and Team Managers. Individual staff receive feedback in supervision sessions with their manager on how their practice has been perceived by patients and carers. The feedback received has a direct impact on patient and carer experience and outcomes, systems and quality. Mystery Shoppers can opt to give feedback via completing questionnaires, email, and telephone or can meet with a Patient Experience team staff member face to face. Feedback specifically about issues they may have encountered in accessing or using SEPT services which relate to the Equality and Diversity protected characteristics is also captured. At the end of the year SEPT had a total of 619 Mystery shoppers, with 298 in the Bedford and Luton area and 321 across Essex and Suffolk. 406 are Service Users, 180 carers, 29 both Service Users and Carers and four who are Advocates.

#### Here are just some examples of results / outcomes from Mystery Shopper feedback during 2014/15:

- fewer appointments/ consultations being interrupted;
- improvements to waiting room environments;
- improvement in customer care experience from receptionists;
- staff feedback on how this feedback has helped their practice;
- more patients reported that they were offered apologies for delay in appointment times;
- increased number of compliments received for individual staff via mystery shopper feedback.

**Take it to the Top Events:** These are a series of meetings that take place across the Trust with the aim to give service users, carers and members of the public a chance to speak directly to representatives of SEPT Executive Team about the services provided by SEPT. These have been held across all localities, in order to get first hand feedback on local issues.

**'Let's Talk About' Events:** The 'Let's Talk About' events continue to be very popular and well attended by service users, carers, staff, SEPT members and local organisations. A specific topic is used for each one - last year these included:

- carers;
- vocational services;
- medication and dementia;
- podiatry.

The feedback from the attendees has been exceedingly positive.

**Stakeholder Forums:** Listening to our service users, carers and stakeholders is crucial to our aim to provide top quality care. We invite service users, carers and staff to discuss services in their area and share feedback with us. Forums are chaired by an associate locality director who is supported by SEPT operational staff. One to one sessions with staff can also be arranged at these forums.

#### Service User/Carer Involvement in Interviews:

One of the Trust's priorities has been to enable service users and carers to play a meaningful role in recruitment interviews. We have trained a number of service users/carers in interview skills and they now attend interviews wherever possible in order that they can influence the decision on which candidates meet the person specification for the role. Feedback is also received from them following the recruitment panel to ensure that they were fully involved in the process.

#### Patient Advice and Liaison Service (PALS)

The PALS service provides information, support and guidance to all patients, carers and their families about the health service. The total of PALS enquiries has increased during 2014/15 in comparison to 2013/14.

The following table shows the number of PALS enquiries we have received:

PALS enquiries received	2013/14	2014/15
B&L Mental Health	528	549
Beds Community Health	122	206
Essex Mental Health	498	659
Essex Community	216	184
SEPT TOTAL	1,364	1,598

Please note, the figure of 528 PALS enquiries for Beds and Luton Mental Health in the table above differs from that published in the 2013/14 Quality Report / Account for that period (522). This is due to the fact that six additional PALS enquiries were received within the year 2013/14 and input to the system after finalisation of the Quality Report / Account 2013/14.

The following are just a few examples of key outcomes/learning from enquiries to PALS relating to our services:

- changes made to handling of telephone calls in the Musculoskeletal (MSK) Physiotherapy Team;
- new structure put in place regarding allocation of staff and handovers;
- new system for allocation of dietetic appointments has been implemented;
- changes to the NHS Supply Chain contact centre;
- signage changed to be clearer for service users.

All the above are ways that we listen to our patients/users, their carers and the public which help us to understand their perception of the services we provide and to take actions to continuously improve the patient experience. We are constantly looking at different ways of getting feedback, taking action and "closing the loop".

## Closing Statement from Sally Morris, Chief Executive

I am proud to present SEPT's quality achievements for the past year. I am grateful to you for taking the time to read about them and I hope that they have been presented in a clear and useful way for you. Please do let me know how our report could be improved in future years.

Throughout the year, our Board of Directors receives monthly reports on the progress against our quality goals. These meetings, as well as other Trust meetings, are open to the public. I would like to encourage you to attend our monthly Board Meetings, as well as our public Foundation Trust Members' Meetings and the Let's Talk About and Take It to the Top series of public events. At every meeting there is an opportunity for you to ask any questions of the local staff and managers responsible for care in your area. Details of all these meetings are available on our website [www.sept.nhs.uk](http://www.sept.nhs.uk)

I can guarantee you a warm welcome and I look forward to seeing you at future meetings.



Sally Morris  
**Chief Executive**

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

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**Telephone:** 01268 739647



Trust receives welcome donations from local community groups

## ANNEX 1-Comments on our Quality Report / Account

We sent our Quality Report / Account to various external partners to seek their views on the content of the report. The responses received are outlined below for information – we thank them for taking the time to consider the information and for providing their comments.

### Bedfordshire Clinical Commissioning Group – received 22 May 2015

#### *Statement from Bedfordshire Clinical Commissioning Group to South East Essex Partnership Trust (SEPT) Quality Report 2014 – 2015*

Bedfordshire Clinical Commissioning Group (BCCG) has received the Quality Report 2014/15 from SEPT NHS Foundation Trust. The Quality Report was shared with BCCGs Lead patient safety Non-Executive, Executive Directors, Performance, and The Quality Team and reviewed at the Patient Safety and Quality Committee as part of developing our assurance statement.

We have reviewed the information provided within the Quality Report and checked the accuracy of data within the account which was submitted as part of the Trust's contractual obligation. All data provided corresponds with data used as part of the ongoing contract monitoring process.

SEPT is required to include Trust performance against national quality indicators. The Trust has included this data. BCCG welcomes SEPT's vision of a quality, high performing and responsive service. It is evident the level of engagement SEPT have conducted in discussion with stakeholders, council of governors and board of directors in developing the Trusts' ambitions, Quality Reports and setting corporate objectives.

BCCG notes that the priority areas for improvement are aligned to three key outcomes framework areas:

**Safety:** BCCG welcomes the significant improvements in areas around Pressure Ulcer care and falls in 2014/15 and looks forward to developing further quality improvement work through the 2015/16 for the prevention of all avoidable pressure ulcers. BCCG notes the reference in the Quality Report to the trend in higher prevalence of pressure ulcers, (which may be as identified attributable to better reporting) and would welcome the opportunity to work collaboratively with all partners in understanding and responding to this prevalence. We also acknowledge the work developed in the engagement with the National "sign up to safety" campaign.

**Experience:** It is acknowledged that SEPT has developed many ways of engaging with service users from specific events on particular client groups, mystery shopper sessions, to Friends & Family.

SEPT have clearly worked to reduce the number of negative responses in the Friends and family experience of care questions. BCCG looks forward to continued improvement and ongoing monitoring of patient experience with SEPT colleagues in 2015/16, particularly in relation to how patient feedback is used to improve services.

**Effectiveness:** BCCG recognises the improvements demonstrated by SEPT in restrictive practice. We acknowledge the organisation's need to develop a full year effect baseline and in doing that have been able to demonstrate a 25% reduction in restrictive practices. We understand the importance of continuing this as a quality priority in 2015/16.

BCCG also recognises the quality achievements in accreditation of memory services and fellowship accreditation for health visitors from the institute for health visitors. We also acknowledge the positive work undertaken in clinical audit, national audit (100% participation) and identifying improvements in practice e.g. End of life considerations in Parkinson's diseases.

We value the inclusion of detail regarding complaints themes and trends and will work with SEPT over the

coming year in unpicking these themes and action planning for improvement.

We will work with SEPT over the next year to support, monitor and review continued provision of SEPT community services in Bedfordshire. We are aware of the planned CQC visit to community services in June 2015 and will support and work with our colleagues to enable demonstration of safe services.

Whilst recognising SEPTs corporate aim of outcome focussed care we will be working with SEPT in our quality monitoring role to understand the role of clinical effectiveness, and testing the effectiveness priorities specifically in community services e.g. NICE guidance compliance. BCCG is currently working with SEPT to develop 2015/16 CQUINs. This will reflect the work of local CQUIN schemes developed with community nursing teams in association with our member GPs in 2014/15.

We acknowledge SEPTs compliance with audit, information governance and data compliance. We will look forward to interpreting some of the audit findings into developing quality care pathways for 2015/16. We also recognise and value the importance of robust human resources processes around staff management, recruitment and retention. We identify the level of involvement in the organisational approach to staff development and leadership which had been established in 2014/15.

Bedford Clinical Commissioning Group supports the Trust's rationale and indicators for quality priorities for 2014/15 and looks forward to working with them to achieve good quality outcomes for the people of Bedfordshire.

Nick Robinson  
**Accountable Officer**  
**Bedfordshire Clinical Commissioning Group**  
May 22 2015

### **Ipswich and East Suffolk Clinical Commissioning Group and West Suffolk Clinical Commissioning Group – received 22nd May 2015**

I write on behalf of both Ipswich and East and West Suffolk CCG's to confirm that as our relationship with SEPT is through the services that are sub-contracted to you by Suffolk Community Healthcare (SERCO) that we do not intend to provide comment on the Quality Report for 2014/15.

### **Luton Clinical Commissioning Group – received 22 May 2015**

#### ***Statement from Luton Clinical Commissioning Group to South Essex Partnership NHS Trust Quality Report 2014/15***

Luton Clinical Commissioning Group (LCCG) acknowledges that this Quality Report covers both community and mental health services across Luton, Bedfordshire, South Essex, South East Essex and West Essex. The services commissioned from South Essex Partnership Trust (SEPT) by LCCG during 2014/15 were adult mental health services and child and adolescent mental health services (CAMHS). This statement from LCCG therefore only relates to these services.

In line with the NHS (Quality Reports) Regulations 2011, LCCG has reviewed the information contained within SEPT Quality Report and checked this against data sources, where this is available to us as part of existing contract/performance monitoring processes, and can confirm that this is accurate in relation to the services provided in Luton. However, it has been difficult for LCCG to gain the necessary level of assurance of quality and value throughout the year due to the frequent lack of data specific to Luton.

During 2014/15 LCCG worked closely with Bedfordshire Clinical Commissioning Group and the Care Quality Commission (CQC) to ensure that all required standards were being met, or, where non-compliance was identified, that the prompt and appropriate action was taken.

In July 2014 the CQC carried out the 'Review of Health Services for Children Looked After and Safeguarding in Luton'. This review identified good service user involvement in CAMHS; however, it also highlighted a gap in service provision of suitable mental health placements for children and young people requiring 'Tier 4' specialist hospital admission so that placement on general paediatric wards was kept to a minimum.

Access to specialist 'Tier 4' beds was reviewed nationally as part of the NHS England 'Child and Adolescent Mental Health Services Tier 4 Report' which was published on 10 July 2014.

During 2014/15 work undertaken by CAMHS on a preventative basis was limited due to historic commissioning arrangements. LCCG sought to address this through a reprocurement process for 2015/16 onwards. Nonetheless, local CAMHS teams in Luton demonstrated commitment to the delivery of high quality care whilst working within the constraints of the contract.

The purpose of the formal procurement process was to ensure the necessary provision of mental healthcare services focussed on the specific needs of the people of Luton. The outcome of the procurement was that a new service provider would take over from 1 April 2015, therefore LCCG will not seek to make comment on the SEPT quality priorities for 2015/16 as set out in this Quality Report.

During 2013/14 LCCG raised concerns with SEPT regarding the quality of some serious incident investigations and reports. We would like to take this opportunity to commend SEPT for the improvements we have seen in the investigation and report writing for Serious Incidents during 2014/15.

Service user experience for SEPT services in Luton has caused LCCG to raise concerns during 2014/15. The Friends and Family Test scores reported by SPET for Luton and Bedfordshire were poor and showed a significant difference compared to other areas. There was also a lack of robust evidence regarding patient involvement in service redesign, improvements and quality initiatives throughout the year. Furthermore, LCCG was disappointed to see that 'staff attitude' and 'communication between professionals and patients' were key elements in complaints, particularly as these had been themes previously and we had expected to see an improvement in these areas in this year.

At the time of writing this commentary we are unable to validate the final figures for the CQUIN

(Commissioning for Quality and Innovation) scheme as we are awaiting final confirmation, but it is anticipated that SEPT have achieved 92.5% of their 2014/15 CQUIN.

Carol Hill  
*Chief Officer*  
*Luton Clinical Commissioning Group*

**South Essex Clinical Commissioning Groups (Basildon & Brentwood, Castle Point & Rochford, Southend-on-Sea and Thurrock) – received 21 May 2015**

**SEPT Quality Report 2014/15 Commentary**  
**Castle Point & Rochford CCG**

NHS Castle Point & Rochford (CPR) Clinical Commissioning Group (CCG) welcomes the opportunity to comment on the annual Quality Report of South Essex Partnership University NHS Foundation Trust (SEPT), as a primary commissioner of Mental Health Services across South Essex and Community Services in South East

Essex. It is to be noted that this response is made on behalf of the four South Essex CCGs.

To the best of NHS CPR CCG's knowledge, the information contained in the Account is accurate and reflects a true and balanced description on the quality of service provision.

### **The CCG supports the Trust's six quality priorities for 2015/16 which are as follows:**

- **Priority 1** – Effectiveness - to include restrictive practices following the response to the Winterbourne review Transforming Care; a national response to Winterbourne View hospital and mental health crisis care; physical restraint in crisis published in June 2013 by MIND.
- **Priority 2** – Safety – reduction of avoidable pressure ulcer incidents. The CCG notes the work that SEPT has in place to monitor and learn from these events. This is supported by the CCG through CQUIN development within South Essex community services via a CQUIN for 2015/2016.
- The development of a secondment opportunity funded by Castle Point and Rochford CCG for a dedicated resource to work in care homes to facilitate training and awareness to care home staff will hopefully support a reduction in avoidable cases being reported by the Trust.
- **Priority 3** – Safety – reduction of falls- the CCG would welcome the approach to use technology to reduce the incidence of falls and collaborative work across boundaries to support the cross sharing of positive initiatives.
- **Priority 4** – Experience – early detection of the deteriorating patient
- **Priority 5** – Experience – reduction in unexpected deaths, the CCG would actively support this key priority and cross linked to working with partners in healthcare.
- **Priority 6** – reduction in medication omissions. The CCG welcomes regular reporting via the CQRG as a mechanism to monitor improvements in this area of care.

The CCG notes that these six priorities will be monitored on a monthly basis, by the Trust's Executive Directors to identify any non-compliance against agreed trajectories. The CCG will also be reviewing this data at the Clinical Quality Reference Group (CQRG) on a monthly basis.

The CCG has reviewed the information on the CQUIN programme for 2015-16, in particular the development of the super CQUIN relating to the payment by results and frameworks relating to the clinical clusters, with a defined programme to optimise data quality.

The CCG acknowledges the following progress against the corporate aims listed in the previous Quality Report (to be achieved over 2 years).

#### **Safe Care**

SEPT reported 312 prone restraints during 2014/15 which was a significant reduction on the full baseline of 406 incidents for 2013/14. The CCG would welcome updates relating to other types of restraint used by the Trust to optimise patient safety and notes the active review and changes in practice as a result of the Trust's focus on this area.

It is recognised that the reduction in avoidable pressure ulcers will continue to be a challenge; there were 22 across all services for 2014/15.

#### **A Positive Experience of Care**

Further work will need to be undertaken to continue to reduce the negative responses for Friends & Family as the Trust has reported an increase in negative responses during February and March 2015. We note that there is a robust patient engagement strategy and areas which there is active consultation to improve patients experience, including review of menus to improve food provision and this is also endorsed through the mystery shopper model.

### **Roll out of 'Sign up to Safety' campaign.**

The CCG is pleased to note that the Trust has commissioned an independent investigation into the trends and themes of the deaths reported as suicides in 2014/15. The Sign up To Safety Suicide Prevention Group will develop an action plan based on the outcome of the report. The CCG notes and the welcomes the inclusion of the Chief Nurse from the CCG on this group.

### **Take it to the Top Events:**

The CCG notes that these are a series of meetings which take place across the Trust aiming to provide service users, carers and members of the public an opportunity to speak directly to representatives of SEPT Executive Team about service provision. These sessions are held across all localities, to obtain first hand feedback on local issues.

### **Effective Outcomes Focused Care**

The report details a comprehensive audit programme which has been supported by SEPT through 2014/15.

The CCG notes the achievement of other audits at 100%. However, the re-audit of people with personality disorder reviewed only 86% of relevant cases. The CCG would welcome more collaborative working across the SEPT boundaries particularly in relation to end of life care, the Parkinson's Service and care for those with Learning Disabilities.

The CCG have noted that Secure Services did not take part in the national audit during 2014/15. The CCG will be interested in reviewing the outcomes of the local audit which SEPT is proposing to undertake during 2015/16 in order to benchmark their practice against the relevant treatment standards.

The introduction of templates to remind doctors (and junior doctors at induction) of the importance of discussing 'PCT' (Pregnancy, Contraception and Teratogenicity) with female bi-polar patients, as well as revision of the GP letter template to reflect 'PCT' to ensure that GPs are advised appropriately to support on-going care (South Essex MHS) is welcomed. The CCG will be having discussions with SEPT to determine how this positive work could be rolled out to women with other mental health conditions.

The CCG are pleased to note the significant progress that the Trust has made in working to embrace the recommendations from the Francis report and the use of care certificates to improve the quality of care and services.

### **Well Organised Care**

The CCG notes the expansion of the programme for the Family Nurse Partnership (FNP) across Essex and Thurrock, together with the continued delivery of the service in Southend-on-Sea and Castle Point and Rochford.

The CCG will be active in its support for the promotion of independent living for patients with mental health conditions.

It is a positive development for SEPT that the South Essex Learning Disability Services Inpatient Services has achieved AIMS accreditation on the first submission for assessment.

The development of a Maintaining Adherence Programme (MAP) has reduced "revolving door" admissions and achieved effective use of resources. This service has won numerous awards including the Royal College of Psychiatrists Team of the Year, the Patient Experience Network National Award for Access to Information, the Geoff Brook Award for Innovation and the Inventive Health Communications Award for Excellence in Healthcare Collaboration and Partnerships; as well as a finalist for the Nursing Times (Nursing in Mental Health) awards. The CCG is pleased to note that due to the success of this innovation, it is now planned to roll out key components of the model into mainstream community mental health services as part of the transformation of services.

The implementation of a Street Triage Scheme in conjunction with Essex Police, has supported police officers to make appropriate decisions based on a clear understanding of the background to these situations which has ensured that individuals receive appropriate care in a more timely manner. This programme has already resulted in a reduction of the number of individuals detained in police custody under Section 136. The CCG would like to acknowledge the support of SEPT in reviewing and implementing a new pathway between SEPT, SUHFT and the police which is of great benefit to individuals and the health system.

The 'Therapy for You' service engaged with a social marketing company to improve the understanding of what local communities wanted from this therapy service. The award winning campaign involved a variety of exercises, including street marketing, patient focus groups and local media advertising. As a result several changes have been implemented that improve the service to clients. Additionally a service re-design was implemented to simplify the referral process enabling clients to now self-refer via telephone and website and to be offered an initial telephone assessment appointment within 3-4 days, significantly improving access times.

Whilst there has been good performance against the 15% trajectory across the services, with the exception of the Thurrock locality.

Under the terms of the NHS Outcomes Framework 2013/14, CCGs are required to ensure that 15% of adults with anxiety and depression in their respective populations commenced treatment in the IAPT service by the end of 2014/15. This was not achieved in Thurrock as delivery against the target was 13.49%. There are also 421 people waiting to for a second appointment of these 230 have been waiting over 28 days and 129 over 57 days which is disappointing for patients within this locality.

This has the potential to impact on decreasing referrals into the service if the public feel they have to wait for weeks to be actively supported and have their needs met. The CCG will be working closely with SEPT to proactively manage the waiting lists and innovatively address the model of delivery to meet the diverse requirements of people in this all South Essex localities. This will ensure that people presenting with depression, anxiety and other common mental health problems are supported to access the right level of support and treatment when needed.

The CCG fully supports the establishment of a Physical Health Steering Group, which is an alliance of senior clinicians and managers who will be responsible for ensuring that the physical health needs of people are addressed under the Parity of Esteem agenda. This Group will develop and implement actions required to ensure greater Trust compliance with the standards, including those relating to medication management.

### **Right Staff, Right Skills, Right Place**

This essential programme promotes reviews of staffing establishments for inpatient areas resulting in approval to increase registered staff in relevant ward areas.

### **A Culture of Transparency Honesty and Openness**

The CCG note that SEPT has delivered Board development sessions relating to the Duty of Candour. As part of this work, Family Liaison Officers are being appointed and are making contact with families within 10 days of the Trust identifying the death of a patient. This enables the Serious Incident Investigation Team to make contact with the family to hear their concerns and thus produce richer reports.

### **Workforce**

The CCG notes SEPT's commitment to recruiting, valuing and sustaining a workforce fit for the needs of the patients receiving care in their organisation. In a challenging environment of a National lack of skilled mental health practitioners the CCG notes the initiatives underpinning the Workforce strategy and the commitments of the organisation to invest in Safer Staffing levels.

NHS CPR CCG is fully supportive of all the priorities identified by SEPT in taking forward the patient safety, effectiveness, experience and involvement agenda and looks forward to working in partnership with the Trust in the forthcoming year.

## **West Essex Clinical Commissioning Group – received 22 May 2015**

### **Statement of Endorsement**

West Essex Clinical Commissioning Group, as one of the commissioning organisations for SEPT, and has been involved in reviewing the content of this Quality Report, ensuring that it reflects accurately the quality, safety and effectiveness of services provided. SEPT has also consulted with patient and public groups, staff and statutory bodies, taking into account their opinions.

The report provides the requested breakdown of Safety, patient experience and performance data by localities and against the patient safety and experience sections, I can confirm that the information provided is an accurate reflection of performance across 2014/15.

The priorities and performance illustrated within the account for this year and last year accurately reflect and support both national and local priorities. West Essex Clinical Commissioning Group is pleased to endorse and support the publication of this account

Jane Kinniburgh  
*Director of Nursing & Quality*  
*West Essex Clinical Commissioning Group*

## **Bedford Borough Council Adult Services and Health Overview and Scrutiny Committee – received 15 May 2015**

The committee met on 3 March 2015 and considered how it would address any draft Quality Reports for 14/15. It was noted that, due to the committee timetable this year, the committee will not be able to comment on any Quality Reports from providers within the time scale required.

## **Essex County Council Health Overview and Scrutiny Committee – received 21 May 2015**

The HOSC has sought to provide critical friend challenge whilst being supportive to the Trust. Trust representatives have appeared before the HOSC once in the last year as the Committee has sought assurances on continued quality of services, patient safety, leadership and culture, as part of reviewing performance and assessing any proposed changes to service delivery.

Whilst reviewing the overall impression and messages given in the Quality Reports, I am mindful of the collaborative and supportive partnership work that has been in place, particularly in relation to early interventions such as falls prevention, the specialist community health services and support around encouraging independent living. Significant partnership work has also been undertaken around the Child and Adolescent Mental Health Service. As part of presenting your review I think it would be helpful in future to include commentary on some of the significant partnership working undertaken, how you think it has benefitted performance and assess its effectiveness and where it has most value and outline any plans for further joint working in future.

CLlr Jillian Reeves  
*Health Overview and Scrutiny Committee (HOSC) Chairman*

## Southend Borough Council Health Overview and Scrutiny Committee – received 19 May 2015

In view of the timescales for submitting comments on Quality Reports the Scrutiny Committee will unfortunately not be able to submit a formal response.

## Healthwatch Essex – received 21 May 2015

### *Response to SEPT Quality Report 2014-15 from Healthwatch Essex*

Healthwatch Essex is an independent organisation with a vision to be a voice for the people of Essex, helping to shape and improve local health and social care services. We believe that people who use health and social care services and their lived experience should be at the heart of the NHS and social care services.

We recognise that Quality Report reports are an important way for local NHS services to report on what services are working well, as well as where there may be scope for improvements. The quality of the services is measured by looking at patient safety, the effectiveness of treatments that patients receive and patient experience of care. We welcome the opportunity to provide a critical, but constructive, perspective on the Quality Reports for SEPT, and we will comment where we believe we have evidence – grounded in people's voice and lived experience – that is relevant to the quality of services delivered by SEPT.

Healthwatch Essex recognises the ever changing landscape of health and social care in Essex around mental health and community services. We also recognise the continued efforts by SEPT to engage with and involve its service users, carers and staff. For example, the Trust continues to use the Mystery Shopper initiative, and in its account provides examples of how the feedback has been used to improve its services. The Trust holds a series of activities to invite service users and carers to feedback their experience of care including – take it to the top, 'let's talk about' topic events and stakeholder forums. One of SEPT's priorities has been to involve service users and carers during recruitment interviews, to help choose the candidates which meet the person specification for the role.

SEPT is performing well on measures of patient experience, and uses a number of initiatives to help gather information on patient experience of care. SEPT has rolled out the Friends and Family test across the organisation, and the overall score for the Trust and the majority of services, has increased from last year. In the supplementary patient satisfaction questions, the average score for SEPT has increased in 2014/15, compared to 2013/14, with the exception of satisfaction around the timing of appointments. The number of complaints received by the Trust has also decreased year on year, by 12 from last year and by 57 from 2012/13.

That said, Healthwatch Essex's '555' report on people's lived experience of mental health services in Essex has highlighted areas across health and social care where there is need of improvement. Our report showed that people report both good and bad experiences, with themes emerging around continuity of care, trust, person-centred services, choice and control, and communication. Services for post-natal depression were identified as needing improvement. We recognise, however, that SEPT responded quickly and pro-actively to the publication of the report, and we are impressed by the level of dialogue that exists between Healthwatch Essex and the Trust about the importance of voice and lived experience.

Healthwatch Essex therefore endorses the continued efforts of SEPT to capture the lived experience of service users and its commitment to working with other agencies to promote this. We recognise that SEPT has a clear programme of activities through which they engage the public, and are also working on a new engagement strategy – which we have been supporting.

Healthwatch Essex believes that lived experience should be at the heart of services, and believes that listening to the voice and lived experience of patients, service users, carers, and the wider community, is a vital component of providing good quality care. We will continue to support the work of SEPT in this regard.

## Healthwatch Southend – received 22 May 2015

### *Healthwatch Southend response to SEPT Quality Report 2014/2015*

We would like to thank South Essex Partnership University NHS Foundation Trust (SEPT) for inviting us to comment on its Quality Report 2014/2015.

Healthwatch Southend continues to enjoy positive and productive relationships with individual Trust Staff that have willingly contributed to and engaged with us around the issues we have raised over the last year. Relationships with individuals have strengthened and SEPT staff attended and contributed to several of our key events. Notably we welcomed speakers at our Health Checks for people with Learning Disabilities (July 2014) and Community Dentistry (October 2014) events while SEPT staff also attended our Access to GPs (August 2014) event.

Having also made a significant contribution to our CAMHS event in March 2014, we look forward to having the opportunity of collaborating further in this particular area throughout 2015/2016. Healthwatch Southend now has a newly appointed Engagement Officer who will be dedicated to gathering information and evidence relating to the health issues and concerns of Children and Young People (CYP). While in the early stages of developing our CYP strategy, we are already highlighting key areas of focus which include indicators of gaps in mental health service provision for CYP health service user groups. In developing this particular focus of our work, we feel confident that we can rely upon further collaborations with SEPT staff.

In this respect, we believe that we enjoy an open relationship with key Trust staff and look forward to continuing work around shared concerns and issues with an ongoing spirit of collaboration, cooperation and proactivity throughout 2015/2016. It is also important for Healthwatch to remain responsive to concerns and issues which may be raised by the public individually or informed by our advocacy and advisory service provision.

It is our view that where responsiveness is the appropriate reaction, we will be appropriately supported by Trust staff who in our experience consistently demonstrate professionalism, caring and commitment to patient centred provision.

We can confirm that all of our FOI requests have received prompt responses from the Trust and there have been no refusals. This information provided us with answers that broadened our insight into issues affecting the hospital. In turn, we were able to pass this information on to the public via our e-bulletin and social media accounts.

Our comments on the Quality Report are as follows:

- As an organisation committed to capturing and reporting on patient experience and feedback we again commend Sally Morris and her team for continuing the implementation of personal, unannounced visits to services and ensuring that the views of patients, families and staff are listened to and efforts are made to act thereupon. In addition to the Chief Executive's personal involvement, the Public Governor visit programme and the unplanned and planned Commissioner visits, the mystery shopper and intranet button initiatives demonstrate an impressive level of commitment to being continually responsive to stakeholder views and assessment of levels of service provision across the Trust.

It is a legislated obligation of Healthwatch to "enable local people to monitor the standard of provision of local care services and whether and how local care services could and ought to be improved". For this reason, a priority for Healthwatch Southend 2015/2016 is to exercise its power to 'enter and view' and this may include observing and reporting on services SEPT provide. These visits will be informed by our consumer feedback on issues, concerns and compliments highlighted and conducted by fully trained volunteer representatives. The reason for the visits will be transparent and communicated to the Trust prior to arranging the visit.

The respective outcomes will be reported and published with the ultimate aim being to contribute to affecting any requisite change and improvement together with highlighting good practice and negative/positive patient experience.

- While we appreciate that funding pressures prevail, it is disappointing that the trust once more predicts a need to 'redefine some of its standards.' Transparency around this intention would be welcomed along with a commitment to ensuring that any redefining will not compromise performance against national and legislative requirements, while also aiming to protect those standards whereupon the Trust currently exceeds the respective legislated specification. We look forward to more clarification around the anticipated redefinition for 2015/2016.
- We commend the Trust for embedding all improvements made following the unannounced CQC visits during 2012/2013 and 2013/2014 and it is significant that no CQC reviews of SEPT services were undertaken during 2014/2015. It is noted that SEPT are welcoming the planned full CQC inspection scheduled in June 2015 and we look forward to the respective report.
- We commend the Trust for its continued focus on and commitment to patient safety, experience and clinical effectiveness and for the priorities, actions and targets it has set. However, we would like to see defined numerical/percentage reductions rather than expressed intentions to reduce or lessen cases or incidents.
- The statistical reporting and analysis on performance during 2014/2015 was comprehensive and we look forward to the published final version of the Quality Report in which the data for 2014/2015 for some sections will then be included for further evaluation.
- As a consumer champion of health care services, Healthwatch Southend fully supports the Trust's engagement activities relating to patient experience and it is encouraging to see the number of compliments for the Trust record a year on year rise. We look forward to collaborating with the Trust relating to patient and public involvement in service review, design and improvement throughout 2015/2016 and beyond.

## **SEPT Council of Governors' Statement on the Quality Report 2014/15 – received 22 May 2015**

### ***SEPT Council of Governors' Statement on the Quality Report 2014/15***

We have been invited to review the draft Quality Report for 2014/15. This has been managed by the Lead Governor co-ordinating thoughts and ideas from the Council of Governors, providing Governors with an opportunity to assure members of our Trust, via the Governors' Annual Report to Members, that quality is at the heart of what SEPT does and will not be compromised. We have to ensure that the priorities which were set for 2014/15, and which we highlighted in last year's report, have been met and are continuing to be taken forward.

We reported last year that the Trust Board robustly oversees the processes relating to quality in the Trust, and we continue to hold the view that the Board treats quality as a top priority. We have attended the Trust stakeholder events, alongside service users and their carers, members of staff and senior staff from Local Authorities and Clinical Commissioning Groups, when time was spent considering the priorities for the coming year. Governors were also involved in meetings with the public and members across the Trust's constituencies in Bedfordshire and Essex where sessions focused on identifying what activities the Trust should start, carry on and stop doing to understand what a quality service looks like.

We note that, with the disaggregation of the mental health services in Luton and Bedfordshire to another provider from 1 April 2015, there is no evidence that quality was compromised in any way during this difficult period for service users, carers and staff. In most cases, service users would not be aware that there was a different provider, as the front line staff (in the main) remained the same at the point of handover and immediately after. This is important and we have been robust in expecting our Trust to treat this as a high priority.

Turning now to what we expect in the coming year, we shall be taking a keen interest on the effect of disaggregation on the carefully built link between community and mental health services in Bedfordshire.

We are pleased to see the Trust has signed up to the Sign Up To Safety Campaign and that the safety improvement plan covering the six priorities including an aim to reduce the use of restraint during the next year, with the long term aim of having none, and in improving the physical health of service users with mental ill health, and will be closely watching how these are achieved.

We also note that there is a small reduction in the number of complaints this past year and recognise that this can be either because of a genuine improvement in service, or because of an increasing reluctance on the part of service users/ carers to complain. We would emphasise that, in any large organisation, things will go wrong sometimes and there is nothing wrong with complaining. What would be more worrying is a reluctance to complain for fear of jeopardising care. We do not believe this is happening but will be keeping an eye on the position by expecting a more detailed breakdown of types of complaint to see if there is a trend which needs to be addressed.

We note that the annual Staff Survey show the Trust is performing better in most areas than the national average for Trusts of our type and that the Board is striving to improve the figures in all the areas surveyed.

We appreciate the good working relationship which exists between the Board (both Executive and Non-Executive Directors) and the Council. We value the regular attendance and input to Council of Governor meetings, by Directors, whose reporting continues to be useful and informative. We also are pleased that Chief Executive, Sally Morris, holds informal briefing sessions with the Council of Governors on issues of interest. Her close involvement with the Council is much appreciated.

We feel it is important to report to members on the continuing outstanding leadership provided by the Chair, Lorraine Cabel, whose commitment and dedication to the role is so closely associated with the willingness of the Directors and the Chief Executive to address problems as these are raised with any of the Governors, or by service users/carers direct. We are indeed fortunate to have such an outstanding individual leading our Trust.

A basic tenet for any Foundation Trust is that a service user's physical or psychological condition should not be worsened by being in its care. We can give an assurance that the Quality Report is an honest commentary on the last year which shows a Trust which continues to be high performing. The Directors have agreed a set of priorities which will continue to support the essential requirement that, at SEPT, patient safety, patient experience and clinical quality come first.

John Jones  
**Lead Governor**

Brian Arney  
**Governor Coordinator**

## **ANNEX 2 - Statement of Director's Responsibilities in respect of the Quality Report**

The directors are required under the Health Act 2009 and the National Health Service (Quality Reports) Regulations to prepare Quality Reports for each financial year.

Monitor has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

### **In preparing the Quality 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 2014/15 and supporting guidance;
- 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 2014 to May 2015
  - papers relating to Quality reported to the board over the period April 2014 to May 2015
  - feedback from commissioners received 21/05/2015 and 22/05/2015
  - feedback from Governors received 22/05/2015
  - feedback from local Healthwatch organisations received 21/05/2015
  - feedback from Overview and Scrutiny Committees received 15/05/2015, 19/05/2015 and 21/05/2015
- the Trust's Complaints Report appertaining to 2014/15 published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 dated May 2015 and presented to the Board of Directors on 27 May 2015
- the 2014 national patient survey published in September 2014 and presented to the Board of Directors on 26 November 2014
- the 2014 national staff survey presented to the Board of Directors on 25th March 2015
- the Head of Internal Audit's annual opinion over the Trust's control environment dated May 2015
- CQC Intelligent Monitoring Report dated November 2014
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered;
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and
- the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Reports regulations) (published at [www.monitor.gov.uk/annualreportingmanual](http://www.monitor.gov.uk/annualreportingmanual)) as well as the standards to support data quality for the preparation of the Quality Report (available at [www.monitor.gov.uk/annualreportingmanual](http://www.monitor.gov.uk/annualreportingmanual)).

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

By order of the board

**NB:** sign and date in any colour ink except black

**Date:** 27 May 2015 \_\_\_\_\_

**(Chairman)** Lorraine Cabot

**Date:** 27 May 2015 \_\_\_\_\_

**(Chief Executive)** Sally Hill

## **ANNEX 3 - Independent Auditor's Report to the Council of Governors of South Essex Partnership University NHS Foundation Trust on the Annual Quality Report**

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

We have been engaged by the Council of Governors of South Essex Partnership University NHS Foundation Trust to perform an independent assurance engagement in respect of South Essex Partnership University NHS Foundation Trust's Quality Report for the year ended 31 March 2015 (the "Quality Report") and certain performance indicators contained therein.

### **Scope and subject matter**

The indicators for the year ended 31 March 2015 subject to limited assurance consist of the national priority indicators as mandated by Monitor:

- 100% enhanced Care Programme Approach patients receiving follow-up contact within seven days of discharge from hospital
- Admissions to inpatient services had access to crisis resolution home treatment teams

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

## Respective responsibilities of the directors and auditor

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

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

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

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

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

- board minutes for the period April 2014 to the date of signing of the limited assurance opinion;
- papers relating to Quality reported to the Board over the period April 2014 to the date of signing of the limited assurance opinion;
- feedback from the Commissioners dated 22 May 2015;
- feedback from governors, dated 22 May 2015;
- feedback from local Healthwatch organisations dated 21 May 2015 and 22 May 2015;
- feedback from Overview and Scrutiny Committee dated 15 May 2015, 19 May 2015 and 21 May 2015;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, for period April 2014 to March 2015, dated 27 May 2015;
- the latest national patient survey published on 18 September 2014;
- the latest national staff survey presented to the Board of Directors on 25 March 2015;
- care Quality Commission Intelligent Monitoring Report dated November 2014;
- the Head of Internal Audit's annual opinion over the trust's control environment dated 26 May 2015; and
- any other information included in our review .

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

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

This report, including the conclusion, has been prepared solely for the Council of Governors of South Essex Partnership University NHS Foundation Trust as a body, to assist the Council of Governors in reporting South Essex Partnership University NHS Foundation Trust’s quality agenda, performance and activities.

We permit the disclosure of this report within the Annual Report for the year ended 31 March 2015, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and South Essex Partnership University NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.

### **Assurance work performed**

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

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report;
- reading the documents.

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

## Limitations

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

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

The scope of our assurance work has not included governance over quality or non-mandated indicators which have been determined locally by South Essex Partnership University NHS Foundation Trust.

## Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2015:

- the quality report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the quality report is not consistent in all material respects with the sources specified in the quality report; and
- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual.

**Ernst & Young LLP**  
**Cambridge**

**Date:** 25 May 2015

## GLOSSARY

<b>BLPT</b>	Bedfordshire and Luton Mental Health and Social Care Partnership NHS Trust
<b>BNF</b>	British National Formulary
<b>CAMHS</b>	Child and Adolescent Mental Health Service
<b>CIPs</b>	Cost Improvement and Income Generation Plan
<b>CCG</b>	Clinical Commissioning Group
<b>CHS</b>	Community Health Services
<b>CPA</b>	Care Programme Approach
<b>CQC</b>	Care Quality Commission
<b>CPN</b>	Community Psychiatric Nurse
<b>CQUIN</b>	Commission for Quality and Innovation. This is shorthand for quality improvements agreed during the annual contracting negotiations between SEPT and its health commissioners.
<b>DoH</b>	Department of Health
<b>DTOC</b>	Delayed Transfer of Care
<b>FT</b>	Foundation Trust
<b>GCS</b>	Glasgow Coma Scale
<b>HOSC</b>	Health Overview and Scrutiny Committee
<b>IAPT</b>	Improved Access to Psychological Therapies
<b>IT</b>	Information Technology
<b>KPI</b>	Key Performance Indicators
<b>Lean Working</b>	A process developed to help services evaluate their effectiveness and improve quality, care pathways and cost effectiveness.
<b>LTC</b>	Long Term Condition
<b>MDT</b>	Multi-Disciplinary Team
<b>MEWS</b>	Modified Early Warning System
<b>MHS</b>	Mental Health Services
<b>MRSA</b>	Type of bacterial infection that is resistant to a number of widely used antibiotics
<b>NCB</b>	National NHS Commissioning Board
<b>NHS</b>	National Health Service
<b>NICE</b>	National Institute for Clinical Excellence
<b>NPSA</b>	National Patient Safety Agency
<b>NRLS</b>	National Reporting and Learning System
<b>NRES</b>	National Research Ethics Service
<b>NSF</b>	National Service Framework
<b>OLM</b>	Oracle Learning Management – the Trust’s on-line training programme
<b>PASCOM</b>	Podiatric Audit surgery and Clinical Outcome Measurement
<b>PHP</b>	Personal Health Plan
<b>PICU</b>	Psychiatric Intensive Care Unit
<b>POMH</b>	Prescribing Observatory for Mental Health
<b>PRN</b>	A shortened form of the Latin phrase pro re nata, which translates roughly as ‘as the thing is needed – means a medication that should be taken only as needed

<b>Quality Reports</b>	All NHS provider organisations are required to produce a report on progress against quality targets in the preceding year and the indicators it wishes to use for the coming year.
<b>QIPP</b>	Quality Innovation Productivity and Prevention
<b>RCA</b>	Root Cause Analysis
<b>SPC</b>	Summary of Product Characteristics (relating to BNF/pharmaceutical products)
<b>SEPT</b>	South Essex Partnership University NHS Foundation Trust
<b>SI</b>	Serious Incident
<b>SIGN</b>	Scottish Intercollegiate Guidelines Network
<b>UTI</b>	Urinary Tract Infection
<b>VTE</b>	Venous Thromboembolism – blood clots



# Annual Accounts

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**South Essex Partnership University NHS Foundation Trust**  
**ANNUAL ACCOUNTS 2014/2015**  
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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").

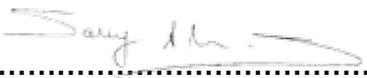
Under the NHS Act 2006, Monitor has directed South Essex Partnership University NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair 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;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and
- prepare the financial statements on a going concern basis.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in Monitor's NHS Foundation Trust Accounting Officer Memorandum.

Signed:.....  


**Sally Morris**  
**Chief Executive**

**Date: 27 May 2015**

## **ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 MARCH 2015**

### **Annual Governance Statement**

#### **Scope of responsibility**

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

#### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of South Essex Partnership University NHS Foundation Trust, 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 2015 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 Sub Committee, which is a sub-committee of the Finance and Performance Committee (a standing committee of the Board of Directors). This committee and the Quality Committee (previously known as the Quality and Governance Committee) are responsible for developing, maintaining and monitoring the risk management and assurance systems within the Trust.

The Trust trains all staff in various aspects of risk management and ensures that where staff require specialist advice and training, that this is provided through attendance on specific courses and attendance at conferences. The Trust has in place an approved mandatory and core training matrix in line with best practice requirements. Training and guidance is provided in various media formats to staff including e-learning, classroom environment, information bulletins and seminars to ensure learning from good practice and experience is disseminated quickly and effectively.

#### **The risk and control framework**

The Risk Management Framework and Assurance Framework details SEPT's risk management arrangements. It was reviewed and approved by the Finance and Performance Committee on behalf of the Trust's Board of Directors in February 2015. It

confirms accountability arrangements for individuals including executive directors, risk specialists, managers and all staff. Risk registers at Board, Corporate and Directorate level are in place and there is an effective risk identification and assessment process to support these. Potential risks are identified and fed from a wide variety of sources including; complaints, incidents/accidents, claim trend reports, internal and external reviews, risk assessment, performance information and staffing trends. The framework outlines how risks are prioritised in a consistent manner throughout the organisation, including the potential impact should the risk materialise and an assessment of the likelihood that the risk will materialise. The framework details the ways in which controls are identified, and how assurance is provided and evaluated. Risk appetite of the Trust is defined by the identification of a target risk score. The Trust manages its most significant current and future potential risks through a Board Assurance Framework. During 2014-15 this has included potential risks associated with personalisation, learning from serious incidents, Bedfordshire and Luton mental health services contract disaggregation, integrated electronic care records, quality of records, achievement of the financial plan, delivery of the cost improvement programme and the delivery, and implementation of new initiatives including the duty of candour and safer staffing.

Future significant potential risks are identified as part of the strategic planning process that supports development of the Trust's forward plans. For 2015-16 the most significant future risks identified by the Board relate to delivery of the Trust's financial plan (and cost improvement plan), maintaining the quality of records and care planning, ensuring safe staffing levels and reducing the use of bank and agency staff. Each potential risk identified is owned by an Executive Director. Mitigation strategies will vary, but enhanced action planning/ project management and monitoring arrangements will be expected as the norm.

The Board of Directors has continued to develop SEPTs systems and processes for monitoring and improving quality in line with Monitor's Quality Governance Framework. The Quality Committee has responsibility for overseeing action that continually enhances the quality governance arrangements in place. Developments in 2014-15 included implementation of the Quality Strategy, approval of a strategy for Patient and Carer Experience, the expansion of the Information Assurance Framework and increased internal audit of data quality including waiting times.

The Board of Directors has put in place a process to assure itself of the validity of its Corporate Governance Statement as required under NHS foundation trust condition 4(8)(b). From April 14 to December 14 the Quality and Governance Committee had the responsibility for undertaking an annual self-assessment process of compliance with the requirements of the statement and for making a recommendation to the Board of Directors. From January 2015 this transferred to the Finance and Performance Committee in line with the organisations' new governance arrangements. As at the end of March 2015 no significant gaps in compliance or risks were identified. Internal audit completed an independent review of evidence available to support compliance with the statement and a "full assurance" opinion was provided to support the recommendation from the Quality and Governance Committee.

In 2014-15, following comprehensive review of the existing arrangements, the Trust implemented a new governance structure.

Risks relating to data security are managed by the Director of IT in accordance with the Risk Management and Assurance Framework, Adverse Incident Policy and Procedure and the Information Governance & Security (D) - Information Security Incident Management Procedure. The Information Governance Steering Committee monitors progress against identified actions and controls in place and provides assurance reports to the Quality Committee. The Director of Information has confirmed no information governance incidents classified as Level 2 in the Information Governance Incident Reporting Tool have occurred.

The Board of Directors and I fully support the continued development of a safety culture throughout the Trust. The safety and health of all service users, staff, carers and visitors is paramount. The Trust has provided clear procedures and resources for reporting and managing incidents and insists on a philosophy that promotes open and honest reporting. Trust staff have a duty to report all incidents to prevent harm in the future. Incident reporting is monitored via the Health Safety and Security Committee. Issues are escalated as necessary to the Board or its standing committees.

The Trust has in place policies, procedures and monitoring arrangements to support its duty to eliminate discrimination. Quality Impact Assessments and Equality Impact Assessment processes ensure that decisions made are fair and representative. Where an impact assessment identifies a potential risk to a protected characteristic group further analysis would be carried out and reported to the Equality and Diversity Steering Group and Joint Staff Forum for action.

Public stakeholders such as the Local Authority partners of the Trust are involved in managing key shared risks through an established committee structure that oversees the operations and potential threats to services delivered in partnership. These committees are responsible for identifying shared risks and for agreeing appropriate remedial action, including referral and escalation of the risks, where appropriate. In addition, the Board of Governors is advised of key risks which may have arisen or are likely to materialise through regular meetings.

The foundation trust is fully compliant with the registration requirements of the Care Quality Commission. The Trust maintains an overarching assurance database that maps internal and external intelligence on quality to understand where action may be required and to prevent lapses in compliance with the CQC standards. Assurance on compliance with the standards is obtained through service reviews undertaken by an internal Compliance Team and commissioners. Regular quality visits by Non-Executive, Executive Directors and Governors also take place. Actions from reviews and visits are monitored until completed.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

The foundation trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

### **Review of economy, efficiency and effectiveness of the use of resources**

The Executive Operational Sub Committee has responsibility for overseeing the day-to-day operations of the Trust and for ensuring that resources are being used economically, efficiently and effectively. The Finance and Performance Committee scrutinises quality, clinical (including workforce) and financial performance each month and provides the Board with assurance that performance is acceptable or that risks are being managed.

### **Annual Quality Report**

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

As Chief Executive Officer I have a personal commitment to quality in everything that we do, this is shared by our chair and all members of our Board of Directors. The Trust has taken steps to assure the Board that the Quality Account presents a balanced view of quality and that there are appropriate controls in place to ensure the accuracy of data that it contains. These include:

The Executive Director of Clinical Governance and Quality has led the continual development of the Quality Report and has supported the Board in determining the quality priorities that it contains. Robust systems are in place to monitor performance against the quality indicators, metrics and priorities set out in the Quality Report in year and for ensuring that the Quality Report is consistent with reports received in year.

The Quality Report is circulated to our key stakeholders (commissioners, health overview and scrutiny committees and Healthwatch) as well as our Council of Governors and their comments on content are included in the final published version.

The Trust has a wide range of policies and procedures in place to ensure that the quality of care provided meets the standard expected by the Board of Directors and that services are compliant with legal, regulatory, contractual and best practice requirements.

There are plans, strategies and frameworks in place in the Trust to continually improve the quality of services. Examples include our Nursing Strategy; our Quality Strategy and our Patient and Carer Experience Strategy.

The Trust has systems and processes in place for the collection, recording, analysis and reporting of data. Information systems have built in controls to minimise scope for human error or manipulation. There are corporate security and recovery arrangements in place.

Roles and responsibilities in relation to service and data quality are clearly defined and where appropriate incorporated into job descriptions.

Internal and external reporting requirements have been assessed and data provision is reviewed to ensure it is aligned to these needs. Data used for reporting is used for day to day management of the Trust's business. Data is used to support decision making and management action is taken to address service delivery issues identified by reporting. Data used for external reporting is subject to verification prior to submission. Data returns are prepared and submitted on a timely basis and are supported by an audit trail.

The Trusts' Information Assurance Framework has continued to be developed and will be further expanded during 2015/16. The Internal Audit Plan has included significant resources for data quality testing in 2014/15 and whilst this will reduce in 2015/16 it will continue to enhance the assurance provided.

External independent assurance has been sought on the content of the Quality Report and of the quality of data that supported reporting of performance against three of the KPIs contained within it.

### **Review of effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and Quality Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The following processes have been applied in maintaining and reviewing the effectiveness of the system of internal control:

- There is a comprehensive programme of Internal Audit in place aligned to key areas of potential financial and operational risk.
- The Audit Committee has met regularly and carried out its responsibilities effectively in line with its terms of reference and the Audit Committee Handbook.
- A Clinical Audit programme is in place to drive up quality standards. An annual report of results is produced and re-audit is undertaken if results require it.
- An efficacy review was undertaken and implemented of the sub-committees of the Board of Directors to ensure that they were meeting their terms of reference.
- Internal Audit conducted a review of the Trust's Board Assurance Framework in February 2015. The auditors provided a "full assurance" opinion and confirmed that "There is a sound system of internal control designed to achieve the Trust's objectives and the control processes tested are being consistently applied." No recommendations for action were identified.

The Head of Internal Audit Opinion (26 May 2015) for 1 April 2014 to 31 March 2015 confirms: " Significant assurance can be given that there is a generally sound system of

internal control, designed to meet the Trust's objectives, and that controls are generally being applied consistently. However, some weakness in the design and/or inconsistent application of controls, put the achievement of particular objectives at risk."



Signed:.....

**Sally Morris**  
**Chief Executive**

**Date: 27 May 2015**

## INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF SOUTH ESSEX PARTNERSHIP UNIVERSITY NHS FOUNDATION TRUST

We certify that we have completed the audit of the accounts of South Essex Partnership University NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of South Essex Partnership University NHS Foundation Trust's affairs as at 31 March 2015 and of its income and expenditure and cash flows for the year then ended; and
- have been prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2014/15.

The financial statements comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes 1 to 34.

### Our assessment of risk of material misstatement

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and the direction of the efforts of the engagement team. This is not a complete list of all the risks identified in our audit. The Audit Committee's consideration of these risks is set out on page 61.

#### Principal risk area

#### Audit response

Principal risk area	Audit response
<p><b>Property, Plant and Equipment Valuation</b></p> <p>The value of Property, Plant and Equipment (PPE) is valued in the Statement of Financial Position at £18.8 million. This valuation is sensitive to the assumptions and judgements used by the District Valuer (DV).</p> <p>The demerger of Bedfordshire and Luton mental health services has removed a number of assets from the Statement of Financial Position on 1 April 2015 and valuations of PPE at the year-end could be impacted by their possible derecognition after the year-end.</p>	<p>We used our own estates expert to help assess and challenge the assumptions and judgements used by the District Valuer in valuing PPE as at 31 March 2015.</p> <p>We considered if PPE is valued appropriately and reasonably, including the choice of valuation technique and the presentation of gains and impairments in the Statement of Comprehensive Income.</p> <p>We considered whether the impact of the demerger on the Trust's Statement of Financial Position had been appropriately accounted for, including in relation to assets transferring to other bodies, both in terms of their valuation and in relation to their correct derecognition point.</p>

## Principal risk area

## Audit response

<p><b>Local Government Pension Scheme Accounting</b></p> <p>The Trust has an obligation to pay an estimated £2.7 million for future pension payments for staff who are members of the Local Government Pension Scheme (LGPS). As the assessment of the amount of this obligation is judgemental, the Trust has relied on an actuary to calculate this figure.</p> <p>The demerger of Bedfordshire and Luton mental health services and transfer of staff at 1 April 2015 resulted in the Trust ceasing to be a member of the LGPS scheme after the year end.</p>	<p>We used our own actuarial expert to help assess and challenge the assumptions and judgements used by the actuary in valuing pension assets and liabilities.</p> <p>Our audit procedures included critically reviewing the Trust's own internal review of the accounting for the ending of the Trust's LGPS liabilities in 2014/15 resulting from the transfer of staff from the Trust after the year-end because of the demerger.</p> <p>We also reviewed all the other disclosures in the financial statements required by accounting standards relevant to the accounting for pension obligations.</p>
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## Our application of materiality

When establishing our overall audit strategy, we determined a magnitude of uncorrected misstatements that we judged would be material for the financial statements as a whole. We determined materiality to be £4.8 million (2014: £4.8 million), which is 1.5% of operating expenses for the year ended 31 March 2015. We consider operating expenses to be one of the principal considerations for stakeholders in assessing the financial performance of the Trust.

We set our tolerable error for the audit at £3.5 million (2014: £2.4 million), based on 75% (2014: 50%) of our materiality level. Tolerable error is the application of planning materiality at the individual account or balance level. It is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds planning materiality.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £0.2 million (2014: £0.2 million),

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations.

## An overview of the scope of our audit

Our audit involved obtaining evidence about the amounts and disclosures in the financial statements sufficient to give us reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

We adopt a risk based approach in determining our audit strategy. This approach focuses audit effort towards higher risk areas, such as management's judgements and estimates, and balances that are considered significant based on value and complexity. In taking this approach we identify a number a significant accounts where our audit work is focused. For each of these, we ensure that our audit provides adequate assurance on the significant accounts identified.

We have obtained an understanding of the entity-level controls of the Trust and the Trust's systems, including documenting and walking through key financial systems which assisted us in identifying and assessing risks of material misstatement due to fraud or error, as well as assisting us in determining the most appropriate audit strategy.

The most efficient way of delivering our audit is through a fully substantive audit together with mandatory procedures required by auditing standards.

Additionally, we assessed:

- whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the accounting officer; and
- the overall presentation of the financial statements.

We also read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and any information that is apparently materially incorrect or inconsistent with our knowledge acquired during the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

We were provided with sufficient access to the Trust to ensure appropriate audit procedures could be completed.

### **Respective responsibilities of accounting officer and auditor**

As explained more fully in the Statement of Accounting Officer's Responsibilities, set out on page ii, the accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with the NHS Act 2006, the Audit Code for NHS Foundation Trusts issued by Monitor and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Opinion on other matters prescribed by the Audit Code for NHS Foundation Trusts**

In our opinion:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual.

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following.

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect or inconsistent with our knowledge of the Trust during the course of performing our audit; or
- is otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the Strategic Report and Directors' Report. We are also required to review whether the annual report is fair, balanced and understandable and appropriately discloses those matters that we communicated to the Audit Committee.

This report is made solely to the Council of Governors of South Essex Partnership University NHS Foundation Trust in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006 (the Act) and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors, for our audit work, for this report, or for the opinions we have formed.

Rob Murray  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Cambridge  
27 May 2015

## FOREWORD TO THE ACCOUNTS

### South Essex Partnership University NHS Foundation Trust

South Essex Partnership University NHS Foundation Trust ('the Trust') is required to prepare annual accounts in such form as Monitor, the independent regulator of Foundation Trusts, may with the approval of HM Treasury, direct. These requirements are set out in paragraphs 24 and 25 of schedule 7 to the National Health Service Act 2006.

In preparing the accounts the Trust has complied with any directions given by Monitor, with the approval of HM Treasury, as to the methods and principles according to which the accounts are to be prepared and the information to be given in the accounts. The accounts are designed to present a true and fair view of the Trust's activities (paragraph 25(3), schedule 7 to the 2006 Act).

If you require any further information on these accounts please contact:

The Executive Chief Financial Officer  
South Essex Partnership University NHS Foundation Trust  
Head Office – The Lodge  
Runwell Hospital  
Runwell Chase  
Wickford  
Essex SS11 7XX

Telephone: 01268 366000

Signed:.....

**Sally Morris**  
**Chief Executive**

**Date: 27 May 2015**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED  
31 MARCH 2015**

	NOTE	2014/15 £000	2013/14 £000
<b>INCOME FROM ACTIVITIES</b>			
Operating income from continuing operations	2	311,066	311,628
Other operating income from continuing operations	3	13,752	12,783
Operating expenses of continuing operations	4	(317,028)	(318,649)
<b>Operating surplus (deficit) for the year</b>		<b>7,790</b>	<b>5,762</b>
<b>FINANCE COST</b>			
Finance income	8	593	498
Finance expense - financial liabilities	8	(3,082)	(3,002)
Finance expense - unwinding of discount on provisions	8	(60)	(85)
PDC dividends		(4,466)	(4,165)
<b>Net finance cost</b>		<b>(7,015)</b>	<b>(6,754)</b>
Movement in fair value of investment property		541	535
<b>Surplus/(Deficit) from continuing operations for the year</b>		<b>1,316</b>	<b>(457)</b>
<b>OTHER COMPREHENSIVE INCOME (LOSSES)</b>			
Gain/(loss) from transfer by absorption from demising bodies		0	153
Impairments		(367)	0
Revaluations		18,955	0
Remeasurements of net defined benefit pension scheme		(1,357)	(446)
Other reserve movements		0	(144)
<b>TOTAL COMPREHENSIVE INCOME (EXPENSES) FOR THE YEAR</b>		<b>18,547</b>	<b>(894)</b>

The notes on pages 6 to 65 form part of these accounts. All income and expenditure is derived from continuing operations.

**STATEMENT OF FINANCIAL POSITION AS AT  
31 MARCH 2015**

	NOTE	2014/15 £000	2013/14 £000
<b>NON CURRENT ASSETS</b>			
Intangible assets	9	2,509	3,148
Property, plant and equipments	10	175,606	156,558
Investment property	11	10,400	10,325
<b>Total non-current assets</b>		<b>188,515</b>	<b>170,031</b>
<b>CURRENT ASSETS</b>			
Inventories	14	453	436
Trade and other receivables	13	11,492	12,352
Assets for held sale	15	740	4,350
Cash and cash equivalents	16	50,911	38,622
<b>Total current assets</b>		<b>63,596</b>	<b>55,760</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	18	(30,995)	(23,964)
Borrowings	20	(827)	(852)
Provisions	21	(3,015)	(2,061)
Other current liabilities	19	(2,118)	(2,132)
<b>Total current liabilities</b>		<b>(36,955)</b>	<b>(29,009)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>215,156</b>	<b>196,782</b>
<b>NON CURRENT LIABILITIES</b>			
Borrowings	20	(30,339)	(31,168)
Provisions	21	(4,320)	(4,450)
Other non current liabilities	19	(4,296)	(3,710)
<b>Total non-current liabilities</b>		<b>(38,955)</b>	<b>(39,328)</b>
<b>TOTAL ASSETS EMPLOYED</b>		<b>176,201</b>	<b>157,454</b>
<b>FINANCED BY: TAX PAYERS EQUITY</b>			
Public dividend capital	23	98,737	98,537
Revaluation reserve	24	60,981	42,787
Income and expenditure reserve	24	16,483	16,130
<b>TOTAL TAX PAYERS EQUITY</b>		<b>176,201</b>	<b>157,454</b>

The Financial statements on pages 6 to 65 were approved by the Board on 27 May 2015 and signed on its behalf by,

Signed:.....  
  
**Sally Morris**  
**Chief Executive**

**Date: 27 May 2015**

## STATEMENT OF CHANGES IN TAXPAYERS' EQUITY AT 31 MARCH 2015

	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
<b>TAXPAYERS EQUITY AT 01 APRIL 2014</b>	<b>157,454</b>	<b>98,537</b>	<b>42,787</b>	<b>16,130</b>
Surplus/(deficit for the year)	1,316	0	0	1,316
Transfers by modified absorption: Gains/(losses) on April transfers from demising bodies.	0	0	0	0
Impairments	(367)	0	(367)	0
Transfers between reserves	0	0	(97)	97
Transfer to retained earnings on disposal of assets	0	0	(297)	297
Revaluations - property, plant and equipment	18,955	0	18,955	0
Remeasurements of defined net benefit pension scheme liability / asset	(1,357)	0	0	(1,357)
Public Dividend Capital received	200	200	0	0
Other recognised gains and losses	0	0	0	0
Other reserve movements	0	0	0	0
<b>TAXPAYERS EQUITY AT 31 MARCH 2015</b>	<b>176,201</b>	<b>98,737</b>	<b>60,981</b>	<b>16,483</b>

## STATEMENT OF CHANGES IN TAXPAYERS' EQUITY AT 31 MARCH 2014

	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
<b>TAXPAYERS EQUITY AT 01 APRIL 2013</b>	<b>158,075</b>	<b>98,264</b>	<b>44,563</b>	<b>15,248</b>
Surplus/(deficit for the year)	(457)	0	0	(457)
Transfers by MODIFIED absorption: gains/(losses) on April transfers from demising bodies	153	0	0	153
Impairments	0	0	0	0
Transfers between reserves	0	0	(1,159)	1,159
Revaluations - property, plant and equipment	0	0	0	0
Remeasurements of defined net benefit pension scheme liability / asset	(446)	0	0	(446)
Transfer to retained earnings on disposal of assets	0	0	(617)	617
Public Dividend Capital received	273	273	0	0
Other reserve movements	(144)	0	0	(144)
<b>TAXPAYERS EQUITY AT 31 MARCH 2014</b>	<b>157,454</b>	<b>98,537</b>	<b>42,787</b>	<b>16,130</b>

## STATEMENT OF CASH FLOWS AS AT 31 MARCH 2015

NOTE	2014/15 £000	2013/14 £000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating surplus from continuing operation	7,790	5,762
<b>Non-cash income &amp; expenses</b>		
Depreciation and amortisation	5,348	5,534
Impairments	0	1,508
Reversals of impairments	0	(20)
(Gain)/Loss on disposal	149	135
On SoFP Pension liability - employer contributions paid less net charge to the SOCI	(771)	232
(Increase)/Decrease in Trade and Other Receivables	580	1,317
(Increase)/Decrease in Inventories	(17)	(27)
Increase/(Decrease) in Trade and Other Payables	7,063	(2,565)
Increase/(Decrease) in Other Liabilities	(14)	260
Increase/(Decrease) in Provisions	764	361
Other movements in operating cash flows	(142)	(139)
<b>Net cash generated from/(used in) operations</b>	<b>20,750</b>	<b>12,358</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	160	88
Purchase of intangible assets	(569)	(1,234)
Purchase of property, plant and equipment	(1,618)	(493)
Cash from acquisitions of business units and subsidiaries	0	0
Sales of property, plant and equipment	709	923
<b>Net cash generated from (used in) investing activities</b>	<b>(1,318)</b>	<b>(716)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Public dividend capital received	200	273
Capital element of private finance Initiative obligations	(853)	(696)
Interest element of private finance Initiative obligations	(2,500)	(2,462)
PDC dividend paid	(3,990)	(4,437)
<b>Net cash generated from (used in) financing activities</b>	<b>(7,143)</b>	<b>(7,322)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>12,289</b>	<b>4,320</b>
<b>CASH AND CASH EQUIVALENTS AT 1 APRIL</b>	<b>38,622</b>	<b>34,302</b>
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>50,911</b>	<b>38,622</b>

## NOTES TO THE ACCOUNTS

### 1. Summary of Accounting Policies and Other Information

#### 1.1 General Information

Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the NHS Foundation Trust Financial Reporting Manual which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2014/15 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.

##### 1.2.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

#### 1.3 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 assets held for sale is recognised only when all material conditions of the sale have been met, and is measured as the sums due under the sale contract.

#### 1.4 Expenditure on Employee Benefits

##### Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

## **Pension costs**

### **NHS pension scheme**

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. It is not possible for the NHS Foundation Trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employers pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

### **1.5 Expenditure on Other Goods and Services**

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment

### **1.6 Property, Plant & Equipment**

#### **Recognition**

Property, plant and equipment is capitalised where:

- It is held for use in delivering services or for administrative services
- It is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- It is expected to be used for more than one financial year; and
- The cost of the item can be measured reliably
- Individually it has a cost of at least £5,000; or
- They form a group of assets which individually have a cost of more than £250, collectively have a cost of at least £5,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous, disposal dates and are under single managerial control; or
- They form part of the initial equipping and setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost.

#### **Tenant Improvements**

Property, plant and equipment are capitalised where they are tenant improvements made on leased properties, that costs at least £5,000 and add value to the leased property such that it is probable that future economic benefits will flow to the Trust for more than one year over the remaining lease term.

## Measurement

### Valuation

All property, plant and equipment assets are initially measured at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at fair value.

Land and buildings used for the Trusts services or for administrative purposes are stated in the balance at their revalued amounts, being fair value at the date of revaluation less any subsequent depreciation or impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the balance sheet date. Fair values are determined as follows,

Land and non specialised buildings	-	market value for existing use
Specialised buildings	-	depreciated replacement cost

In accordance with HM Treasury requirements, Land and Building assets are valued every 5 years, with an interim valuation at the end of the intervening 3rd year. The last full valuation was carried out as at 31 March 2010 and as such, the Trust appointed the District Valuer to undertake a full valuation as at 31 March 2015. The District Valuer is a professionally qualified valuer and works in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual'.

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.

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.

<b>Main Asset Category</b>	<b>Sub Category</b>	<b>Minimum Useful Life (in years)</b>	<b>Maximum Useful Life (in years)</b>
<b>Buildings - owned</b>	Structure	8	82
	Building finishes	8	68
	Engineering and installations	3	47
	Fixtures and fittings	8	68
	External works	5	82
<b>Buildings - PFI schemes</b>	Structure	59	60
	Building finishes	59	60
	Engineering and installations	26	28
	Fixtures and fittings	59	60
	External works	43	43
<b>Plant, machinery and equipment</b>	Medical and surgical equipment	1	9
	Office equipment	0	0
	IT Hardware	1	9
	Other engineering works	1	15
<b>Furniture and fitting</b>	Furniture	1	5
	Soft furnishings	0	0
<b>Motor vehicles</b>		0	0

## 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 Statement of Financial Position' by the Trust. In accordance with IAS17, the underlying assets are recognised as Property, Plant and Equipment at their fair value. An equivalent financial liability is recognised in accordance with IAS39.

The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charge for services. The finance cost is calculated using the effective interest rate for the scheme.

The service charge is recognised in operating expenses and the finance cost is charged to Finance Costs in the Statement of Comprehensive Income.

## **1.7 Intangible Assets**

### **Recognition**

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably. Where internally generated assets are held for service potential, this involves a direct contribution to the delivery of services to the public.

Intangible assets are capitalised when they are capable of being used in Trust activities for more than one year; they can be valued; and have a cost of at least £5,000.

### **Internally generated intangible assets**

Internally generated goodwill, mastheads, publishing titles, consumer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

The Trust does not have any internally-generated intangible assets.

## **Software**

Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

## **Measurement**

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at fair value. Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairment previously recognised in operating expenses, in which case they are recognised in operating income. Decreases in asset values and impairments are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses. Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), and indexed for relevant price increases, as a proxy for fair value.

Purchased computer software licences are capitalised as intangible fixed assets where expenditure of at least £5,000 is incurred and amortised over the shorter of the term of the licence and their useful economic lives.

## **Amortisation**

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

The Trust applies the following useful lives to amortise intangible assets to arrive at the assets residual value'

Main Asset Category	Sub Category	Useful Economic Life minimum (in years)	Useful Economic Life maximum (in years)
Intangible assets	Software	0	5

## 1.8 Investment Properties

On initial recognition Investment Properties are measured at cost including any costs directly attributable to bringing them into working condition. Investment property is recognised as an asset only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost of the investment property can be measured reliably.

The Trust currently has properties which were previously used for learning disability rehabilitation and community mental health services. Following the decommissioning of these services, the properties have subsequently been deemed surplus to requirements and are currently leased to housing associations, other organisations and private tenants.

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 Assets held for sale

Assets held for sale 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. 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 Clinical Commissioning Groups (CCGs) or NHS trusts for the provision of services. Grants from the Department of Health, including those for achieving three star status, are accounted for as Government grants as are grants from the Big Lottery Fund. Where the Government grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure the grant is held as

deferred income and released to operating income over the life of the asset in a manner consistent with the depreciation charge for that asset.

## 1.11 Leases

### Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the NHS Foundation Trust, the asset is recorded as Property, Plant and Equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the inception of the lease, and are de-recognised when the liability is discharged, cancelled or expires. The annual rental is split between the repayment of the liability and a finance cost. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and is charged to Finance Costs in the Statement of Comprehensive Income.

### Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

### Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately. Leased land is treated as an operating lease.

## 1.12 Inventories

Inventories are stated at lower of cost and net realisable value.

## 1.13 Financial Instruments and Financial Liabilities

### Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trusts normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

Regular way purchases or sales are recognised and de-recognised, as applicable, using the settlement date.

## **De-recognition**

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

The classification of financial assets depends on the nature and purpose of the assets and is determined at the time of initial recognition. The financial assets are classified on the balance sheet as follows;

### **Loans and receivables**

Loans and receivables are non derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise: current investments, cash at bank and in hand, NHS debtors, accrued income and 'other debtors'.

Loans and receivables are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest rate method, less any impairment. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

### **Financial liabilities**

Financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest rate method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the balance sheet date, which are classified as long term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest rate method and charged to the income and expenditure account.

### **Impairment of financial assets**

At the balance sheet date, the Trust assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced directly, or through a provision for impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Comprehensive Income to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### **Provision for debtor impairment**

A provision will be provided against the recovery of debts, where such a recovery is considered doubtful. Where the recovery of a debt is considered unlikely, the debt will either be written down directly to the Statement of Comprehensive Income, or charged against a provision to the extent that there is a balance available for the debt concerned, and thereafter charged to operating expenses.

## **1.14 Provisions**

The NHS Trust provides for legal or constructive obligations that are of uncertain timing or amount at the period end date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rate of 1.3% for early retirement provisions and for general provisions, the HM Treasury's discount rate used is dependent on the timing of future cashflows i.e. -1.9% for short term, -0.65% for medium term and 2.2% for long term.

### **Clinical negligence costs**

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS Trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 21.

### **Non clinical risk pooling**

The Foundation Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses' payable in respect of particular claims are charged to operating expenses as and when the liability arises.

### **1.15 Contingencies**

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 28 where an income of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 28, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

Possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or

Present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

### **1.16 Public dividend capital**

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the forecast cost of capital utilised by the NHS Foundation Trust, is paid over as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS Foundation Trust. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for donated assets and the average daily bank balances held with the Government Banking Service. Average relevant net assets are calculated as a simple mean of opening and closing relevant net assets.

### **1.17 Pension cost**

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

### a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2015, is based on valuation data as 31 March 2014, updated to 31 March 2015 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

### b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme Regulations allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

### c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a “final salary” scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as “pension commutation”.

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

### **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 2015.

Non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and

Non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the balance sheet date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

## 1.21 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Foundation Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of the HM Treasury's Financial Reporting Manual.

## 1.22 Capital commitments

For ongoing capital projects at the balance sheet date, the value of capital commitments will be based on the value of contracted work not yet completed at the balance sheet date. The value of the capital commitment is disclosed at note 26.

## 1.23 Investments

Investments in subsidiary undertakings, associates and joint ventures are treated as fixed asset investments and valued at market value. Fixed asset investments are reviewed annually for impairments.

Deposits and other investments that are readily convertible into known amounts of cash at or close to their carrying amounts are treated as liquid resources in the cash flow statement. These assets, and other current assets, are valued at cost less any amounts written off to represent any impairments in value, and are reviewed annually for impairments.

## **1.24 Cash, bank and overdrafts**

Cash, bank and overdraft balances are recorded at the current values of these balances in the NHS Foundation Trust's cash book. These balances exclude monies held in the NHS Foundation Trust's bank account belonging to patients (see 'third party assets' above). Account balances are only set off where a formal agreement has been made with the bank to do so. In all other cases overdrafts are disclosed within creditors. Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, 'interest receivable' and 'interest payable' in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

## **1.25 Losses and special payments**

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings, including losses which would have been made good through insurance cover had NHS Foundation Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

## **1.26 Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker of the Trust. The Chief Operating Decision Maker is the Trust Board. The operating segments reported to the Trust Board includes the Community Provider Services and Mental Health, but covers the income and expenditure account only, with the Statement of Financial Position being reported to the Trust Board at Trust total level only. The operating segments reported in the accounts at note 2.4, therefore includes the income and expenditure account only.

## **1.27 Key Sources of Judgment and Estimation Uncertainty**

Actuarial assumptions in respect of post-employment benefits

The Trusts post-employment benefits are rebased periodically subject to life expectancy assumptions as issued by Government Actuary Department.

The Trust also has a number of employees who are members of the Local Government Pension Scheme - the Bedford Borough Council Pension Funds. The liabilities of the scheme attributable to the Trust are included in the accounts on an actuarial basis using an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions including mortality rates, employee turnover rates and projections of earnings for current employees.

### Provisions

Provisions have been made in line with management's best estimates and in line with IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

Apart from the provisions relating to the above-mentioned post-employment benefits, the Trust has no other material provisions, or provisions which may change materially as a result of any underlying uncertainty.

### Assumptions regarding valuation of Property, Plant and Equipment and Investment Properties

The Trust's Land and Buildings and Investment Properties are valued at market value, as valued by the District Valuer at the end of each accounting period.

### Assumptions regarding depreciation of Property, Plant and Equipment

The depreciation of Buildings is based on the value and life of the assets as periodically determined by the District Valuer

### Consolidation of SEPT Charity Accounts with the Trust Accounts

IAS 27 Consolidation and Separate Financial Statements, requires consolidation of a group of entities under the control of a parent where there exists "the power to govern the financial and operational policies of an entity so as to obtain benefits from its activities". As the Trust is a corporate trustee of the South Essex Partnership NHS Foundation Trust General Charitable Fund, hence controls it, and the purpose of the Charity is to assist NHS patients, hence the Trust benefits from its activities; the IAS 27 is normally applicable in the preparation of the Trust Accounts.

However, In line with IAS 1, Presentation of Financial Statements, specific disclosure requirements set out in individual standards or interpretations need not be satisfied if the information is not material. The net assets of the Charity are 1% of the Trust's total assets employed, and are therefore not considered to be material in the context of the Trusts wider accounts. As such, the Board of Trustees have noted and approved that the Charity Accounts will not be consolidated into the main Trust Accounts for 2014/15. This will be subject to an annual materiality review each financial year.

## 2 Operating Income from continuing operations

### 2.1 Provision of Healthcare Services

	<b>2014/15</b>	<b>2013/14</b>
	<b>£ 000</b>	<b>£ 000</b>
Cost and volume contract income	22,634	22,319
Mental Health Block contract income	144,043	150,114
Clinical partnerships providing mandatory services	6,287	5,593
Other clinical income from mandatory services	6,054	9,269
Community Income from CCGs and NHS England	104,371	102,202
Income from other sources (e.g. local authorities)	4,891	5,988
Other clinical income	22,786	16,143
	<b>311,066</b>	<b>311,628</b>

### 2.2 Source of Income from Activities

	<b>2014/15</b>	<b>2013/14</b>
	<b>£ 000</b>	<b>£ 000</b>
NHS Foundation Trusts	2,486	1,766
NHS Trusts	366	293
CCGs and NHS England	278,534	278,430
Local authorities	15,106	18,936
Department of Health - other	6	26
NHS other	211	215
Non NHS: Other	14,357	11,962
	<b>311,066</b>	<b>311,628</b>

## 2.3 Income from Commissioner Requested Services

Under the Trust's Provider Licence, the Trust is required to provide commissioner requested services. The allocation of operating income between commissioner requested services and non-Commissioner Requested Services is detailed below,

	<b>2014/15</b>	<b>2013/14</b>
	<b>£ 000</b>	<b>£ 000</b>
Commissioner Requested Services	288,280	295,485
Non Commissioner Requested Services	22,786	16,143
	<b>311,066</b>	<b>311,628</b>

## 2.4 Segmental Report

<b>Operating Segments</b>	<b>2014/15</b>		
	<b>Income</b>	<b>Expenditure</b>	<b>Surplus/ (Deficit)</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Mental Health:			
Essex	117,631	(116,870)	761
Bedfordshire & Luton	73,550	(75,240)	(1,690)
<b>Total Mental Health</b>	<b>191,181</b>	<b>(192,110)</b>	<b>(929)</b>
Community Services:			
Bedfordshire	46,205	(45,543)	662
South East Essex	35,119	(34,431)	688
Suffolk	12,080	(10,988)	1,092
West Essex	41,367	(41,564)	(197)
<b>Total Community Services</b>	<b>134,771</b>	<b>(132,526)</b>	<b>2,245</b>
<b>Total</b>	<b>325,952</b>	<b>(324,636)</b>	<b>1,316</b>

## 2.4.1 Reconciliation to Statement of Comprehensive Income

	Income £000	Expenditure £000
Operating Income/(expenses) from continuing operations	311,066	(317,028)
Other Operating income from continuing operations	13,752	0
Finance income/(expense)	593	(3,142)
PDC dividend	0	(4,466)
Movement in fair value of investment property	541	0
<b>Per Statement of Comprehensive Income</b>	<b>325,952</b>	<b>(324,636)</b>
Netting within operating segments	0	0
<b>Per Operating Segments</b>	<b>325,952</b>	<b>(324,636)</b>

## Accounts

Operating Segments	2013/14		
	Income	Expenditure	Surplus/ (Deficit)
	£000	£000	£000
Mental Health:			
Essex	119,442	(118,589)	853
Bedfordshire & Luton	73,580	(76,336)	(2,755)
<b>Total Mental Health</b>	<b>193,022</b>	<b>(194,925)</b>	<b>(1,902)</b>
Community Services:			
Bedfordshire	46,199	(45,884)	315
South East Essex	35,029	(34,566)	462
Suffolk	11,167	(10,446)	721
West Essex	40,147	(40,200)	(53)
<b>Total Community Services</b>	<b>132,542</b>	<b>(131,096)</b>	<b>1,445</b>
<b>Total</b>	<b>325,564</b>	<b>(326,021)</b>	<b>(457)</b>

### Reconciliation to Statement of Comprehensive Income

	Income £000	Expenditure £000
Operating Income/(expenses) from continuing operations	311,628	(319,205)
Other Operating income from continuing operations	12,903	0
Finance income/(expense)	498	(2,651)
PDC dividend	0	(4,165)
Movement in fair value of investment property	535	0
<b>Per Statement of Comprehensive Income</b>	<b>325,564</b>	<b>(326,021)</b>
Netting within operating segments	0	0
<b>Per Operating Segments</b>	<b>325,564</b>	<b>(326,021)</b>

### 3 Other Operating Income from continuing operations

#### 3.1 Other Operating Income

	Note	2014/15 £ 000	2013/14 £ 000
Research and development		400	353
Education and training		4,920	4,470
Received from NHS charities: Other charitable and other contributions to expenditure		55	105
Received from other bodies:		-	120
Received from other bodies: Other charitable and other contributions to expenditure		61	37
Non-patient care services to other bodies		2,268	2,224
Other	3.3	4,258	3,493
Reversal of impairments of assets held for sale		-	20
Rental revenue from operating leases - minimum lease receipts	3.2	1,419	1,397
Income in respect of staff costs where accounted on gross basis		371	564
<b>Total</b>		<b>13,752</b>	<b>12,783</b>

#### 3.2 Operating leases Income

	2014/15 £000	2013/14 £000
Minimum lease receipts	1,419	1,397
<b>Total</b>	<b>1,419</b>	<b>1,397</b>

#### 3.2.1 Arrangements containing an operating lease other

	2014/15 £000	2013/14 £000
Future minimum lease payments due:		
- not later than one year;	561	779
- later than one year and not later than five years;	434	635
- later than five years.	0	0
<b>Total</b>	<b>995</b>	<b>1,414</b>

## 3.3 Other Income

Estate recharge
Staff accomodation rentals
IT recharges
Clinical excellence awards
Pharmacy sales
Catering
Property rentals
Car parking
Other
<b>Total</b>

2014/15 £ 000	2013/14 £ 000
2,295	2,221
80	113
982	926
45	45
2	5
167	181
5	1
3	1
679	
<b>4,258</b>	<b>3,493</b>

## 4 Operating expenses of continuing operations

### 4.1 Operating expenses

	2014/15 £ 000	2013/14 £ 000
Services from NHS Foundation Trusts	1,131	1,063
Services from NHS Trusts	1,419	1,477
Services from CCGs and NHS England	51	51
Purchase of healthcare from non NHS bodies	1,007	902
Employee expenses - executive directors	1,299	1,752
Employee expenses - non-executive directors	170	173
Employee expenses - staff	229,902	230,274
Supplies and services - clinical (excluding drug costs)	8,472	8,396
Supplies and services - general	7,218	7,344
Establishment	5,103	6,178
Research and development - (not included in employee expenses)	56	299
Research and development - (included in employee expenses)	228	224
Transport (business travel only)	4,057	4,360
Transport (other)	352	457
Premises - business rates payable to local authorities	968	658
Premises - other	18,535	18,951
Increase/(decrease) in provision for impairment of receivables	2,305	(106)
Change in provisions discount rate(s)	210	414
Drug costs (non inventory drugs only)	2,311	2,254
Drugs Inventories consumed	1,771	2,036
Rentals under operating leases - minimum lease payments	12,907	12,955
Depreciation on property, plant and equipment	4,157	4,514
Amortisation on intangible assets	1,191	1,020
Impairments of property, plant and equipment	0	68
Impairments of assets held for sale	0	1,440
Audit services- statutory audit	60	61
Clinical negligence - amounts payable to the NHSLA (premiums)	473	479
Loss on disposal of other property, plant and equipment	149	18
Loss on disposal of assets held for sale	0	117
Legal fees	680	544
Consultancy costs	982	940
Training, courses and conferences	1,395	1,306
Patient travel	344	383
Car parking & security	701	777
Redundancy - (not included in employee expenses)	395	1,378
Redundancy - (included in employee expenses)	1,705	1,419
Early retirements - (not included in employee expenses)	181	0
Hospitality	43	70
Insurance	1,432	349
Other services, eg external payroll	3,346	3,228
Losses, ex gratia & special payments- (not included in employee expenses)	14	126
Other	308	300
<b>TOTAL</b>	<b>317,028</b>	<b>318,649</b>

## 4.2 Operating leases

Minimum lease payments

**Total**

2014/15 £000
12,907
<b>12,907</b>

2013/14 £000
12,955
<b>12,955</b>

### 4.2.1 Arrangements containing an operating lease land & buildings

Future minimum lease payments due:

- not later than one year;
- later than one year and not later than five years;
- later than five years.

**Total**

2014/15 £000
8,775
6,978
34,855
<b>50,608</b>

2013/14 £000
9,292
6,952
36,062
<b>52,306</b>

### 4.2.2 Arrangements containing an operating lease other

Future minimum lease payments due:

- not later than one year;
- later than one year and not later than five years;
- later than five years.

**Total**

2014/15 £000
1,764
1,367
0
<b>3,131</b>

2013/14 £000
2,228
1,677
0
<b>3,905</b>

Non cancellable operating leases are operating leases with a total committed cost at outset of at least £5,000.

## 5 Staff Costs

### 5.1 Analysis of staff costs

	2014/15	2013/14
	£ 000	£ 000
Salaries and wages	177,788	178,590
Social security costs	13,650	14,243
Pension cost - defined contribution plans employer's contributions to NHS pensions	19,924	19,904
Pension cost - other	259	264
Other post employment benefits	0	0
Other employment benefits	0	0
Termination benefits	1,705	1,419
Agency/contract staff	19,808	19,249
<b>Total</b>	<b>233,134</b>	<b>233,669</b>

## 5.2 Directors remuneration

		2014-15				
		Salary	Other Remuneration	Benefits in Kind	Employers Pension Contribution	Exit Package
		£000	£000	£000	£000	£000
Sally Morris	Chief Executive	180-185	0	0	20-25	
Andy Brogan	Executive Director Clinical Governance & Quality (Deputy Chief Executive & Executive Nurse)	130-135	0	0	N/A	
Mark Madden	Executive Chief Finance Officer (from 9 April 2014)	145-150	0	0	20-25	
David Griffiths	Acting Executive Chief Finance officer (until 8 April 2014)	0-5	0	0	0-5	
Nikki Richardson	Executive Director of Corporate Affairs (left 1 June 2014)	20-25	0	0	0-5	260-265
Malcolm McCann	Executive Director of Integrated Services (Essex & Suffolk)	130-135	0	0	15-20	
Richard Winter	Executive Director of Integrated Services (Bedfordshire & Luton)	130-135	0	0	15-20	
Dr Milind Karale	Executive Medical Director	170-175	5-10	0	10-15	
Nigel Leonard	Executive Director of Corporate Governance	130-135	0	0	15-20	
Lorraine Cabel	Chair	50-55	0	0	0	
Janet Wood	Non-Executive Director/Vice Chair	15-20	0	0	0	
Steve Currell	Non-Executive Director	15-20	0	0	0	
Dr Dawn Hillier	Non-Executive Director (left 31 December 2014)	10-15	0	0	0	
Randolph Charles	Non-Executive Director	15-20	0	0	0	
Stephen Cotter	Non-Executive Director	15-20	0	0	0	
Alison Davis	Non-Executive Director	15-20	0	0	0	
Mary-Ann Munford	Non-Executive Director (from 5 January 2015)	0-5	0	0	0	

<b>5.2.1</b>	<b>Band of Highest Paid Director</b>	<b>180-185K</b> (2013/14: 205-210k)
	<b>Median Total Remuneration</b>	<b>£25,783</b> (2013/14: £25,783)
	<b>Ratio</b>	<b>7.08</b> (2013/14: 8.1)

The median remuneration is the total remuneration of the staff member in the middle of the linear distribution of the total workforce, including the highest paid Director. The median remuneration has been calculated based on the full time equivalent of staff, as at 31 March 2015, 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.

		2013-14				
		Salary	Other Remuneration	Benefits in Kind	Employers Pension Contribution	Exit Package
		£000	£000	£000	£000	£000
Sally Morris	Deputy Chief Executive and Executive Director of Specialist Services and Contracts (till 31 August 2013)/Chief Executive (from 1 September 2013)	165-170	0	0	20-25	0
Dr Patrick Geoghegan OBE	Chief Executive and Executive Nurse (left 7 October 2013)	115-120	0	0	15-20	0
Ray Jennings	Executive Chief Finance Officer (left 30 March 2014)	205-210	0	0	20-25	0
David Griffiths	Acting Executive Chief Finance officer (31 March 2014)	0-5	0	0	0	0
Amanda Reynolds	Executive Director of Social Care & Partnerships (left 21 February 2014)	115-120	0	0	15-20	255-260
Nikki Richardson	Executive Director of Corporate Affairs	130-135	0	0	15-20	0
Peter Wadum-Buhl	Executive Director of Strategy & Business Development (left 28 October 2013)	80-85	0	0	10-15	465-470
Andy Brogan	Executive Director Clinical Governance & Quality (fixed term contract until 31 January 2013/substantive from 1 February 2014)	130-135	0	0	0-5	0
Malcolm McCann	Executive Director of Integrated Services (Essex & Suffolk)	130-135	0	0	15-20	0
Richard Winter	Executive Director of Integrated Services (Bedfordshire & Luton)	130-135	0	0	15-20	0
Dr Milind Karale	Medical Director (from 1 April 2013)	170-175	0	0	10-15	0
Pauline Roberts	Executive Medical Director (left 31 March 2013)	0-5	0	0	0	0
Nigel Leonard	Executive Director of Corporate Governance (from 1 February 2014)	20-25	0	0	0-5	0
Lorraine Cabel	Chair	50-55	0	0	0	0
Janet Wood	Non-Executive Director/Vice Chair	20-25	0	0	0	0
Steve Currell	Non-Executive Director	15-20	0	0	0	0
Dr Dawn Hillier	Non-Executive Director (left 31 December 2014)	15-20	0	0	0	0
Randolph Charles	Non-Executive Director	15-20	0	0	0	0
Stephen Cotter	Non-Executive Director	15-20	0	0	0	0
Alison Davis	Non-Executive Director	15-20	0	0	0	0

### 5.3 Directors Pension Benefits

		2014/15				
	Benefits In Kind	Real Increase/(Decrease) in Pension and related lump sum at age 60	Total Accrued pension and related lump sum at age 60 at 31 March 2015	Cash Equivalent value at 31 March 2015	Real Increase in cash equivalent Transfer Value	
		£000	£000	£000	£000	
Sally Morris	Chief Executive	Nil	10-12.5	150-155	704	70
Andy Brogan	Executive Director Clinical Governance & Quality (Deputy Chief Executive & Executive Nurse)	Nil	N/A	N/A	N/A	N/A
Mark Madden	Executive Chief Finance Officer (from 9 April 2014)	Nil	25-30	175-180	836	158
David Griffiths	Acting Executive Chief Finance officer (until 8 April 2014)	Nil	Nil	Nil	Nil	Nil
Nikki Richardson	Executive Director of Corporate Affairs (left 1 June 2014)	Nil	0	232.5-235	0	0
Malcolm McCann	Executive Director of Integrated Services (Essex & Suffolk)	Nil	0-5	170-175	767	31
Richard Winter	Executive Director of Integrated Services (Bedfordshire & Luton)	Nil	0-5	150-155	738	32
Dr Milind Karale	Executive Medical Director	Nil	0-5	70-75	310	21
Nigel Leonard	Executive Director of Corporate Governance	Nil	42.5-45	155-160	724	222

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		2013/14				
		Benefits In Kind	Real Increase/(Decrease) in Pension and related lump sum at age 60	Total Accrued pension and related lump sum at age 60 at 31 March 2014	Cash Equivalent value at 31 March 2014	Real Increase in cash equivalent Transfer Value
			£000	£000	£000	£000
Sally Morris	Deputy Chief Executive and Executive Director of Specialist Services and Contracts (till 31 August 2013)/Chief Executive (from 1 September 2013)	nil	12.5 - 15	135 - 137.5	618	26
Dr Patrick Geoghegan OBE	Chief Executive and Executive Nurse (left 7 October 2013)	nil	0 - (2.5)	422.5 - 445	0	(1,216)
Ray Jennings	Executive Chief Finance Officer (left 30 March 2014)	nil	35-37.5	320 - 322.5	1,819	249
Amanda Reynolds	Executive Director of Social Care & Partnerships (left 21 February 2014)	nil	2.5 - 5	135 - 137.5	0	(473)
Nikki Richardson	Executive Director of Corporate Affairs	nil	5 - 7.5	232.5 - 235	1,236	63
Peter Wadum-Buhl	Executive Director of Strategy & Business Development (left 28 October 2013)	nil	2.5 - 5	240 - 242.5	0	(644)
Malcolm McCann	Executive Director of Integrated Services (Essex & Suffolk)	nil	5 - 7.5	167.5 - 170	716	44
Richard Winter	Executive Director of Integrated Services (Bedfordshire & Luton)	nil	5 - 7.5	147.5 - 150	688	46
Andy Brogan	Executive Director Clinical Governance & Quality (fixed term contract until 31 January 2013 /substantive from 1 February 2014)	nil	n/a	n/a	n/a	n/a
Nigel Leonard	Executive Director of Corporate Governance (from 1 February 2014)	nil	17.5 - 20	107.5 - 110	489	79
Dr Milind Karale	Medical Director	nil	67.5 - 70	67.5 - 70	281	281

#### 5.4 Analysis of Average Staff Numbers

	2014/15 Total	2013/14 Total
Medical and dental	220	221
Ambulance staff	0	0
Administration and estates	1,109	1,187
Healthcare assistants and other support staff	923	908
Nursing, midwifery and health visiting staff	1,725	1,752
Nursing, midwifery and health visiting learners	0	0
Scientific, therapeutic and technical staff	842	823
Social care staff	103	103
Agency and contract staff	250	232
Bank staff	598	619
Other	51	42
<b>Total</b>	<b>5,821</b>	<b>5,887</b>

#### 5.5 Employee benefits

There are no non pay benefits which are not attributable to individual employees.

#### 5.6 Retirement due to Ill Health

During the year ended 31 March 2015, there were 16 (2013/14: 11) 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 £631,411 (2013/14: £654,507).

## 5.7 Termination Costs

Termination cost band	Compulsory Redundancies		2014/15 Other Departures Agreed		Total Termination Costs	
	Number	£000's	Number	£000's	Number	£000's
	<£10,000	6	23	6	44	12
£10,001 - £25,000	24	396	1	22	25	418
£25,001 - £50,000	14	518	3	139	17	657
£50,001 - £100,000	6	431	1	63	7	494
£100,001 - £150,000	2	266	2	264	4	530
£150,001 - £200,000	0	0	0	0	0	0
>£200,001	1	216	1	294	2	510
<b>Total</b>	<b>53</b>	<b>1,850</b>	<b>14</b>	<b>826</b>	<b>67</b>	<b>2,676</b>

Termination cost band	Compulsory Redundancies		2013/14 Other Departures Agreed		Total Termination Costs	
	Number	£000's	Number	£000's	Number	£000's
	<£10,000	9	35	6	22	15
£10,001 - £25,000	15	240	2	33	17	273
£25,001 - £50,000	14	489	1	37	15	526
£50,001 - £100,000	6	423	3	261	9	684
£100,001 - £150,000	3	381	2	213	5	594
£150,001 - £200,000	1	167	0	0	1	167
>£200,001	2	557	1	467	3	1,024
<b>Total</b>	<b>50</b>	<b>2,292</b>	<b>15</b>	<b>1,033</b>	<b>65</b>	<b>3,325</b>

### 5.7.1 Analysis Of Other Departures agreed

	2014/15	
	Number	£000's
Voluntary redundancies including early retirement contractual costs	8	783
Early retirements in the efficiency of the service contractual costs	0	0
Contractual payments in lieu of notice	6	43
Non-contractual payments requiring HMT approval	0	0
<b>Total</b>	<b>14</b>	<b>826</b>

	2013/14	
	Number	£000's
Voluntary redundancies including early retirement contractual costs	8	516
Early retirements in the efficiency of the service contractual costs	1	426
Contractual payments in lieu of notice	7	91
Non-contractual payments requiring HMT approval	0	0
<b>Total</b>	<b>16</b>	<b>1033</b>

## 5.8 Staff Sickness Absence

	2014/15	2013/14
<b>Staff Sickness Absence</b>		
	<b>Number</b>	<b>Number</b>
Total days lost	108,767	104,953
Total staff years	5,869	6,891
<b>Average working days lost (per WTE)</b>	<b>19</b>	<b>15</b>

## 6 Employee Retirement Benefit Obligations

### 6.1 Amounts recognised in the Statement of Comprehensive Income

	2014/15 £000	2013/14 £000
Current service cost	(342)	(361)
Interest on pension obligations	(582)	(540)
Expected return on plan assets	441	402
Past service cost	0	0
Losses/(gains) on Curtailments and Settlements	0	0
<b>Total pension cost recognised</b>	<b>(483)</b>	<b>(499)</b>

### 6.2 Fair value of employer assets

	31 March 2015				31 March 2014			
	Quoted prices in active markets £000	Quoted prices not in active markets £000	Total £000	Percentage of total assets	Quoted prices in active markets £000	Quoted prices not in active markets £000	Total £000	Percentage of total assets
<b>Equity Securities</b>								
Consumer	112.60	0.00	112.60	1%	111.30	0.00	111.30	1%
Manufacturing	99.90	0.00	99.90	1%	79.20	0.00	79.20	1%
Energy and Utilities	234.30	0.00	234.30	2%	162.00	0.00	162.00	2%
Financial Institutions	247.20	0.00	247.20	2%	206.00	0.00	206.00	2%
Health and Care	251.10	0.00	251.10	2%	163.20	0.00	163.20	2%
Information Technology	189.90	0.00	189.90	2%	126.40	0.00	126.40	1%
Other	149.80	0.00	149.80	1%	95.30	0.00	95.30	1%
<b>Debt Securities</b>								
UK Government	1273.00	0.00	1273.00	11%	0.00	0.00	0.00	0%
<b>Real Estate</b>								
UK Property	1192.10	0.00	1192.10	10%	569.00	196.20	765.20	8%
Overseas Property	0.70	0.00	0.70	0%	0.00	9.00	9.00	0%
<b>Investment Funds and Unit Trust</b>								
Equities	4891.40	0.00	4891.40	41%	154.30	3764.80	3919.10	40%
Bonds	998.30	0.00	998.30	8%	849.70	937.60	1787.30	18%
Hedge Funds	0.00	0.00	0.00	0%	0.00	0.00	0.00	0%
Commodities	0.00	0.00	0.00	0%	0.00	0.00	0.00	0%
Infrastructure	0.00	0.00	0.00	0%	0.00	0.00	0.00	0%
Other	1650.00	0.00	1650.00	14%	1731.60	0.00	1731.60	18%
<b>Cash and Cash Equivalents</b>								
All	749.70	0.00	749.70	6%	0.00	644.40	644.40	7%
<b>Total</b>	<b>12040</b>	<b>0</b>	<b>12040</b>	<b>100%</b>	<b>4248</b>	<b>5552</b>	<b>9800</b>	<b>100%</b>

**6.3 Principal actuarial assumptions at 31 March 2015**

	<b>2014/15</b>	<b>2013/14</b>
	%	%
Rate of inflation/pension increase rate	2.4	2.8
Rate of increase in salaries	3.3	3.6
Discount rate	3.2	4.3

**6.4 Amounts recognised in the Statement of Financial Position**

	<b>2014/15</b>	<b>2013/14</b>
	£000	£000
Present value of funded liabilities	(16,336)	(13,510)
Fair value of employer assets	12,040	9,800
<b>Net liability</b>	<b>(4,296)</b>	<b>(3,710)</b>

**6.5 Change in benefit obligation during period to 31 March 2015**

	<b>2014/15</b>	<b>2013/14</b>
	£ 000	£ 000
<b>Defined benefit obligation as at 1 April</b>	<b>13,510</b>	<b>11,942</b>
Current service cost	342	361
Past service cost	0	0
Interest on pension obligations	582	540
Member contributions	95	104
Remeasurements recognised in other comprehensive income	2,198	874
Benefits paid	(391)	(311)
<b>Defined benefit obligation as at 31 March</b>	<b>16,336</b>	<b>13,510</b>

**6.6 Change in fair value of plan assets during period to 31 March 2015**

	<b>2014/15</b>	<b>2013/14</b>
	£ 000	£ 000
<b>Fair value of plan assets as at 1 April</b>	<b>9,800</b>	<b>8,910</b>
Expected return on plan assets	441	402
Remeasurements recognised in other comprehensive income	841	428
Settlements		
Employer contributions	1,254	267
Member contributions	95	104
Benefits paid	(391)	(311)
<b>Fair value of plan assets as at 31 March</b>	<b>12,040</b>	<b>9,800</b>

## 6.7 Analysis of net liability as at 31 March 2015

	<b>2014/15</b>	<b>2013/14</b>
	<b>£000</b>	<b>£000</b>
Fair value of employer assets	12,040	9,800
Present value of funded liabilities	(16,336)	(13,510)
<b>Net liability</b>	<b>(4,296)</b>	<b>(3,710)</b>
<b>Represented by:</b>		
<b>Opening defined benefit obligation 1 April</b>	<b>(13,510)</b>	<b>(11,942)</b>
Current service costs	(342)	(361)
Contribution by members	(95)	(104)
Interest costs	(582)	(540)
Remeasurements recognised in other comprehensive income	(2,198)	(874)
Past service (costs)/gains	0	0
Estimated benefits paid	391	311
<b>Closing defined benefit obligation 31 March</b>	<b>(16,336)</b>	<b>(13,510)</b>
<b>Opening fair value of plan assets 1 April</b>	<b>9,800</b>	<b>8,910</b>
Expected return on plan assets	441	402
Remeasurements recognised in other comprehensive income	841	428
Employer contributions	1,254	267
Member contributions	95	104
Benefits paid	(391)	(311)
<b>Closing fair value of assets 31 March</b>	<b>12,040</b>	<b>9,800</b>
<b>Total</b>	<b>(4,296)</b>	<b>(3,710)</b>

## 6.8 Sensitivity Analysis

The sensitivity regarding the principle assumptions used to measure the scheme liabilities are set out below.

Change in assumptions at year ended March 2015	31	Approximate % increase to employer liability	Approximate monetary amount £000
0.5% decrease in Real Discount Rate		11	1,835
1 year increase in member life expectancy		3	490
0.5% increase in the Salary Increase Rate		3	527
0.5% increase in the Pension Increase Rate		8	1,278

## 7 The Late Payment of Commercial Debts (interest) Act 1998.

There is no interest payment related to the late payment of commercial debts in the year ended 31 March 2015 (2013/14: £nil)

## 8 Finance Cost and Finance Income

### 8.1 Finance income

Interest on held-to-maturity financial assets  
Expected return on pension scheme assets  
**Total finance income**

2014/15 £000	2013/14 £000
152	96
441	402
<b>593</b>	<b>498</b>

### 8.2 Finance Costs - interest expense

Finance cost on PFI obligation  
Contingent finance costs on PFI Obligation  
Finance costs on pension scheme liabilities  
**Total finance cost**

2014/15 £000	2013/14 £000
1,983	2,026
517	436
582	540
<b>3,082</b>	<b>3,002</b>

### 8.3 Finance costs - unwinding of discount

Unwinding of discount on pension provision

2014/15 £000	2013/14 £000
60	85
<b>60</b>	<b>85</b>

## 9 Intangible Assets

	2014/15			2013/14
	Total	Software licences purchased	Intangible Assets Under Construction	£000
	£000	£000	£000	
Cost at 1 April	7,696	7,696	0	6,593
Additions	569	569	0	1,103
Disposals / derecognition	(29)	(29)	0	0
<b>Cost at 31 March</b>	<b>8,236</b>	<b>8,236</b>	<b>0</b>	<b>7,696</b>
Amortisation at 1 April	4,548	4,548	0	3,528
Provided during the year	1,191	1,191	0	1,020
Disposals / derecognition	(12)	(12)	0	0
<b>Amortisation at 31 March</b>	<b>5,727</b>	<b>5,727</b>	<b>0</b>	<b>4,548</b>
Net book value at 1 April	3,148	3,148	0	3,065
<b>Net book value at 31 March</b>	<b>2,509</b>	<b>2,509</b>	<b>0</b>	<b>3,148</b>

## 10 Property, Plant and Equipment

	Total £000	Land £000	Buildings excluding dwellings £000	Dwellings £000	Plant & Machinery £000	Transport Equipment £000	Information Technology £000	Furniture & Fittings £000	Assets under Construction £000
<b>Cost or Valuation at 1 April 2014</b>	<b>177,482</b>	<b>53,929</b>	<b>101,458</b>	<b>671</b>	<b>4,813</b>	<b>299</b>	<b>12,623</b>	<b>3,648</b>	<b>41</b>
Additions - purchased	1,382	0	330	0	610	0	405	0	37
Impairments charged to the revaluation reserve	(367)	(246)	(43)	(78)	0	0	0	0	0
Reclassifications	463	153	341	(2)	9	0	0	2	(40)
Revaluations	13,060	4,019	9,041	0	0	0	0	0	0
Transfers to/from assets held for sale and assets in disposal groups	2,850	1,300	1,550	0	0	0	0	0	0
Disposals / derecognition	(245)	0	0	0	(11)	0	(220)	(14)	0
<b>Cost or valuation at 31 March 2015</b>	<b>194,625</b>	<b>59,155</b>	<b>112,677</b>	<b>591</b>	<b>5,421</b>	<b>299</b>	<b>12,808</b>	<b>3,636</b>	<b>38</b>
<b>Accumulated Depreciation at 1 April 2014</b>	<b>20,924</b>	<b>0</b>	<b>2,837</b>	<b>177</b>	<b>3,075</b>	<b>299</b>	<b>11,069</b>	<b>3,467</b>	<b>0</b>
Provided during the year	4,157	0	2,856	28	459	0	644	170	0
Reclassifications	(3)	0	(3)	0	0	0	0	0	0
Revaluations	(5,895)	0	(5,690)	(205)	0	0	0	0	0
Disposals / derecognition	(164)	0	0	0	(7)	0	(149)	(8)	0
<b>Accumulated depreciation at 31 March 2015</b>	<b>19,019</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,527</b>	<b>299</b>	<b>11,564</b>	<b>3,629</b>	<b>0</b>
<b>Net Book Value</b>									
NBV - Purchased at 1 April 2014	156,433	53,929	98,496	494	1,738	0	1,554	181	41
NBV - Donated at 1 April 2014	125	0	125	0	0	0	0	0	0
<b>NBV Total at 1 April 2014</b>	<b>156,558</b>	<b>53,929</b>	<b>98,621</b>	<b>494</b>	<b>1,738</b>	<b>0</b>	<b>1,554</b>	<b>181</b>	<b>41</b>
<b>Net Book Value</b>									
NBV - Purchased at 31 March 2015	175,475	59,155	112,546	591	1,894	0	1,244	7	38
NBV - Donated at 31 March 2015	131	0	131	0	0	0	0	0	0
<b>NBV Total at 31 March 2015</b>	<b>175,606</b>	<b>59,155</b>	<b>112,677</b>	<b>591</b>	<b>1,894</b>	<b>0</b>	<b>1,244</b>	<b>7</b>	<b>38</b>

### Property, Plant and Equipment financing

#### Net book value at 31 March 2015

Owned	143,929	59,155	81,000	591	1,894	0	1,244	7	38
On-balance-sheet PFI contracts and other service concession arrangements	31,546	0	31,546	0	0	0	0	0	0
Donated	131	0	131	0	0	0	0	0	0
<b>Total at 31 March 2015</b>	<b>175,606</b>	<b>59,155</b>	<b>112,677</b>	<b>591</b>	<b>1,894</b>	<b>0</b>	<b>1,244</b>	<b>7</b>	<b>38</b>

## 10.1 The analysis of revaluation of property plant and equipment

	2014/15					2013/14
	Revaluation Reserve Surplus	Revaluation Reserve Impairment	Operating Income (Reversal of Impairment)	Operating Expenses Impairment		£000
	£000	£000	£000	£000		
Land	3,695	4,019	(324)	0	0	(65)
Building	14,893	14,936	(43)	0	0	(1,423)
<b>Total</b>	<b>18,588</b>	<b>18,955</b>	<b>(367)</b>	<b>0</b>	<b>0</b>	<b>(1,488)</b>

In accordance with accounting guidelines, the Trust revalues its entire estate every 5 years, with an interim valuation at the end of the intervening 3<sup>rd</sup> year. The Trust therefore appointed the District Valuer to complete a full valuation of the estate as at 31<sup>st</sup> March 2015. This valuation recorded a net increase in the value of the Trust's land and buildings (excluding assets held for sale and investment properties) of £18,588k.

The District Value identified an impairment (decrease in value) totalling £367k in respect of 8 properties of which the most significant was Woodlea Clinic in Bedford at £169k. The total impairment of £367k was chargeable against the revaluation reserve balance held within the Statement of Financial Position for the individual assets, and had no impact on the Trusts reported surplus for the year.

## 10.2 Remaining Economic lives of Property, Plant and Equipment

<b>Main Asset Category</b>	<b>Sub Category</b>	<b>Minimum Useful Life (in years)</b>	<b>Maximum Useful Life (in years)</b>
<b>Buildings - owned</b>	Structure	8	82
	Building finishes	8	68
	Engineering and installations	3	47
	Fixtures and fittings	8	68
	External works	5	82
<b>Buildings - PFI schemes</b>	Structure	59	60
	Building finishes	59	60
	Engineering and installations	26	28
	Fixtures and fittings	59	60
	External works	43	43
<b>Plant, machinery and equipment</b>	Medical and surgical equipment	1	9
	Office equipment	0	0
	IT Hardware	1	9
	Other engineering works	1	15
<b>Furniture and fitting</b>	Furniture	1	5
	Soft furnishings	0	0
<b>Motor vehicles</b>		0	0

# Accounts

## 10.3 Assets under PFI contract

	<b>2014/15</b> <b>£000</b>	<b>2013/14</b> <b>£000</b>
<b>Cost or valuation</b>		
Cost or valuation at 1 April	29,324	29,324
Additions during the year	0	0
Revaluation	2,759	0
<b>Cost of valuation at 31 March</b>	<b>32,083</b>	<b>29,324</b>
<b>Accumulated depreciation</b>		
Accumulated depreciation at 1 April	1,090	349
Provided during the year	715	741
Revaluation	(1,267)	0
Accumulated depreciation at 31 March	<b>538</b>	<b>1,090</b>
<b>Net Book Value at 1 April</b>	<b>28,234</b>	<b>28,974</b>
<b>Net Book Value at 31 March</b>	<b>31,545</b>	<b>28,234</b>

### EMI Homes – PFI

In 2004, two homes were opened for the provision of care for the Elderly Mentally ill. The construction has been financed by a private finance initiative, between South Essex Partnership University NHS Foundation Trust (the grantor) and Ryhurst (the operator), under a public private service concession arrangement.

The term of the arrangement is 30 years, over which the grantor will repay the financing received from the operator, ending in 2033. At the end of the financing period legal ownership will pass from Ryhurst to South Essex Partnership University NHS Foundation Trust.

During the period of the arrangement the grantor will have full and sole use of the properties to provide the health care services as described above.

The operator is contracted to provide maintenance services of a capital and revenue nature over the period of the contract. No material capital expenditure is included in the contract arrangement.

Maintenance costs payable to the operator are subject to annual increases based on the Consumer Price Index (CPI).

There are no changes in the arrangement over the contract period.

### Forensic Unit - PFI

In November 2009 a new forensic unit was opened to provide low and medium secure services. The construction of the new facility has been financed by a private finance initiative between South

Essex Partnership University NHS Foundation Trust (the grantor) and Grosvenor House (the operator), under a public private service concession arrangement.

The term of the arrangement, over which the grantor will repay financing received to the operator, is 29 years ending in 2037. At the end of the financing period legal ownership will pass from Grosvenor House to South Essex Partnership University NHS Foundation Trust.

During the period of the arrangement the grantor will have full and sole use of the unit to provide health care services as described above.

The operator is contracted to provide maintenance services of a capital and revenue nature over the period of the contract.

Maintenance costs payable to the operator are subject to annual increases based on the Consumer Price Index (CPI).

There are no changes in the arrangement over the contract period.

### Finance Leases

There were no assets held under finance leases and hire purchase contracts at the end of the reporting period and therefore there was no depreciation charged in the statement of comprehensive income.

## 11 Investment Property

	<b>2014/15</b>	<b>2013/14</b>
	<b>£000</b>	<b>£000</b>
Carrying value at 1 April	10,325	8,650
Reclassifications to/from PPE	(466)	1140
Transfers to/from assets held for sale	0	0
Movement in fair value (revaluation or impairment)	541	535
<b>Carrying value at 31 March</b>	<b>10,400</b>	<b>10,325</b>

The Trust annually revalues its investment properties in accordance with accounting guidance. The revaluation provided by the District Valuer showed an increase of £541,000 during 2014/15.

## 12 Other Non Current Assets

There were no non-current assets held by the Trust as at 31 March 2015 (2013/14: £nil).

## 13 Trade and Other Current Receivables

	<b>2014/15</b>	<b>2013/14</b>
	<b>£000</b>	<b>£000</b>
NHS receivables - revenue	8,874	6,050
Other receivables with related parties - revenue	564	1,803
Provision for impaired receivables	(3,292)	(1,043)
Prepayments (non-PFI)	2,614	2,362
Accrued income	1,142	1,435
Interest receivable	0	8
VAT receivable	604	1,219
PDC dividend receivable	0	272
Other receivables - revenue	986	246
Other receivables - capital	0	0
<b>Total</b>	<b>11,492</b>	<b>12,352</b>

### 13.1 Provision for impaired receivables

	<b>2014/15</b>	<b>2013/14</b>
	<b>£000</b>	<b>£000</b>
At 1 April	1,043	1,149
Increase in provision	2,305	974
Amount utilised	(56)	0
Unused amount reversed	0	(1,080)
<b>Total</b>	<b>3,292</b>	<b>1,043</b>

### 13.2 Analysis of Impaired Receivables

	<b>2014/15</b>	<b>2013/14</b>
	<b>£000</b>	<b>£000</b>
Up to 30 days	1,289	842
In 30 to 60 days	167	39
In 60 to 90 days	535	40
In 90 to 180 days	417	54
Over 180 days	884	68
<b>Total</b>	<b>3,292</b>	<b>1,043</b>

At 31 March 2015, the Trust had impaired debts totalling £3,292k against which full provision has been made, reflecting the age of the debt and likelihood of recovery. No collateral is held against recovery of debts.

### 13.3 Analysis of Non impaired receivables past their due dates

	<b>2014/15</b>	<b>2013/14</b>
	<b>£000</b>	<b>£000</b>
Up to 30 days	2,257	893
In 30 to 60 days	452	1,730
In 60 to 90 days	234	427
In 90 to 180 days	1,177	664
Over 180 days	530	321
<b>Total</b>	<b>4,650</b>	<b>4,035</b>

Debts are past their due date if payment is not received within the settlement terms. The standard settlement terms of the Trust is 30 days from the date on which the invoice is issued. At the balance sheet date none of these debts were considered doubtful, with full settlement therefore expected.

## 14 Inventories

	<b>2014/15</b>	<b>2013/14</b>
	<b>£000</b>	<b>£000</b>
Drugs	84	88
Wheelchairs	369	348
	<b>453</b>	<b>436</b>

## 15 Assets held for sale

	<b>2014/15</b>	<b>2013/14</b>
	<b>£ 000</b>	<b>£000</b>
Land	340	1,945
Building	190	2,195
Dwellings	0	0
Investment Properties	210	210
	<b>740</b>	<b>4,350</b>

As at 31 March 2015, £740,000 of land and buildings were classified as assets held for sale. These properties had previously been deemed surplus to requirements in accordance with Monitor guidelines, and approved for sale by the Board of Directors.

## 16 Cash and Cash Equivalents

	2014/15 £ 000	2013/14 £000
Cash and cash equivalents at 1 April	38,622	34,302
Net change during the year	12,289	4,320
<b>Cash and cash equivalents at 31 March</b>	<b>50,911</b>	<b>38,622</b>
Represented by;		
Cash at commercial bank and in hand	1,126	4,713
Cash at GBS (Government Banking System)	29,785	26,909
Other current investments	20,000	7,000
<b>Total</b>	<b>50,911</b>	<b>38,622</b>

## 17 Investments

There were no non-current investments held by the Trust as at 31 March 2015 (2013/14: £nil)

## 18 Trade and Other Current Payables

	2014/15 £ 000	2013/14 £000
NHS payables - revenue	1,322	2,551
Amounts due to other related parties - revenue	2,857	3,030
Other trade payables - capital	136	372
Other trade payables - revenue	4,759	3,793
Social security costs	2,169	2,256
VAT payable	-	-
Other taxes payable	2,099	2,110
Other payables	-	-
Accruals	17,449	9,852
PDC dividend payable	204	-
<b>Total</b>	<b>30,995</b>	<b>23,964</b>

The Trust's final payment of Public Dividend Capital dividends is dependent on the closing Statement of Financial 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.

## 19 Other Liabilities

### 19.1 Other current liabilities

	2014/15 £000	2013/14 £000
Deferred income	2,118	2,132
	<b>2,118</b>	<b>2,132</b>

### 19.2 Other non current liabilities

	2014/15 £000	2013/14 £000
Net Pension Scheme liability (Local Government Pension Scheme)	4,296	3,710
	<b>4,296</b>	<b>3,710</b>

## 20 Borrowings

### 20.1 Current liabilities

	2014/15 £000	2013/14 £000
Obligation under PFI contract due within one year	827	852
<b>Total</b>	<b>827</b>	<b>852</b>

### 20.2 Non current liabilities

	2014/15 £000	2013/14 £000
Long term Obligation under PFI contract after more than one year	30,339	31,168
<b>Total</b>	<b>30,339</b>	<b>31,168</b>

## 20.3 PFI obligations

	2014/15 £ 000	2013/14 £000
<b>Gross liabilities</b>	56,838	59,675
<b>Of which liabilities are due</b>		
- not later than one year;	2,757	2,836
- later than one year and not later than five years;	11,021	10,943
- later than five years.	43,060	45,896
Finance charges allocated to future periods	(25,672)	(27,655)
<b>Net liabilities</b>	<b>31,166</b>	<b>32,020</b>
- not later than one year;	827	852
- later than one year and not later than five years;	3,838	3,543
- later than five years.	26,501	27,625
	<b>31,166</b>	<b>32,020</b>

## 20.4 PFI commitments in respect of the service element

	2014/15			2013/14
	Total £000	EMI Homes £000	Forensic £000	£000
<b>Of which commitments are due</b>				
Within one year	995	536	459	1,018
2nd to 5th years (inclusive)	4,074	2,197	1,877	4,354
Later than five years	17,555	8,415	9,140	24,186
<b>Total</b>	<b>22,624</b>	<b>11,148</b>	<b>11,476</b>	<b>29,558</b>

## 21 Provisions for Liabilities and Charges

	2014/15					2013/14 £000	
	Pensions Former Directors £000	Pensions Other Staff £000	Other Legal Claim £000	Redundancy £000	Other* £000		Total £000
<b>At 1 April</b>	<b>108</b>	<b>3,631</b>	<b>204</b>	<b>1,480</b>	<b>1,088</b>	<b>6,511</b>	<b>6,065</b>
Change in the discount rate	5	139	0	0	66	210	414
Arising during the year	0	0	63	1,338	1,153	2,554	3,400
Utilised during the year - accruals	(2)	(79)	0	0	(21)	(102)	(2,925)
Utilised during the year - cash	(6)	(237)	(120)	(911)	(55)	(1,329)	(528)
Reversed unused	0	0	0	(569)	0	(569)	85
Unwinding of discount	1	45	0	0	14	60	
<b>At 31 March</b>	<b>106</b>	<b>3,499</b>	<b>147</b>	<b>1,338</b>	<b>2,245</b>	<b>7,335</b>	<b>6,511</b>
<b>Expected timing of cash flows:</b>							
- not later than one year;	8	311	147	1,338	1,211	3,015	2,061
- later than one year and not later than five years;	30	1,153	0	0	213	1,396	1,380
- later than five years.	68	2,035	0	0	821	2,924	3,070
<b>Total</b>	<b>106</b>	<b>3,499</b>	<b>147</b>	<b>1,338</b>	<b>2,245</b>	<b>7,335</b>	<b>6,511</b>

\* Other provisions consist mainly of provisions for Injury Benefit claims, annual leave and dilapidation costs of leased buildings.

The total value of clinical negligence provisions carried by the NHS Litigation Authority (NHSLA) on the Trust's behalf as at 31 March 2015 was £7,855,343 (2013/14: £6,490,286).

## 22 Movements in Taxpayers Equity

	2014/15 £ 000	2013/14 £000
<b>Tax payers equity at 1 April</b>	<b>157,454</b>	<b>158,075</b>
Surplus/(deficit) for the year	1,316	(457)
Revaluations - property, plant and equipment	18,955	0
Transfers by MODIFIED absorption: gains/(losses) on 1 April transfers from demising bodies	0	153
Transfers between reserves	0	0
Impairments	(367)	0
Remeasurements of defined net benefit pension scheme liability / asset	(1,357)	(446)
Public dividend capital received	200	273
Other recognised gains and losses*	0	0
Other reserve movements	0	(144)
<b>Tax payers equity at 31 March</b>	<b>176,201</b>	<b>157,454</b>

## 23 Public Dividend Capital

	2014/15 £ 000	2013/14 £000
Public dividend capital at 1 April	98,537	98,264
New public dividend capital received	200	273
<b>Public dividend capital at 31 March</b>	<b>98,737</b>	<b>98,537</b>

## 24 Movements on Reserves

	Revaluation Reserve £000	Income and Expenditure Reserve £000	Total £000
<b>At 1 April 2014</b>	<b>42,787</b>	<b>16,130</b>	<b>58,917</b>
Surplus/(deficit) for the year	0	1,316	1,316
Transfers between reserves	(97)	97	0
Impairments	(367)	0	(367)
Revaluations - property, plant and equipment	18,955	0	18,955
Revaluations - intangible assets	0	0	0
Transfer to retained earnings on disposal of assets	(297)	297	0
Remeasurements of defined net benefit pension scheme liability / asset	0	(1,357)	(1,357)
Public dividend capital received	0	0	0
Other reserve movements	0	0	0
<b>At 31 March 2015</b>	<b>60,981</b>	<b>16,483</b>	<b>77,464</b>

## 25 Notes to the Statement of Cash Flows

### 25.1 Reconciliation of net cash flow to movement in net cash

	2014/15 £ 000	2013/14 £000
Net increase/(decrease) in cash for the period	12,289	4,320
Net change in the year	<b>12,289</b>	<b>4,320</b>
Net cash at 1 April	38,622	34,302
<b>Net cash at 31 March</b>	<b>50,911</b>	<b>38,622</b>

### 25.2 Analysis of net cash

	At 1 April 2014	Cash Change in the year	At 31 March 2015
Commercial cash at bank and in hand	4,713	(3,587)	1,126
Cash with the Government Banking Service	26,909	2,876	29,785
Deposits with the National Loan Fund	7,000	13,000	20,000
<b>Cash and cash equivalents</b>	<b>38,622</b>	<b>12,289</b>	<b>50,911</b>

## 26. Capital Commitments

The value of the capital commitments under expenditure contracts at 31 March 2015 was £366,305 (2013/14: £nil).

## 27. Events after the Reporting Period

### 27.1 Non-Adjusting Events

During 2013/14, the Luton and Bedfordshire Clinical Commissioning Groups launched two separate procurement processes for the future provision of mental health, learning disabilities, CAMHS, intermediate and community health services across their respective geographical areas. Luton CCG launched their procurement process in advance of Bedford CCG, and rejected the Trusts bid to continue to provide an integrated service model across both Luton and Bedford. Following detailed discussions with Commissioners, the Board of Directors regrettably felt unable to submit a bid to provide stand-alone services to Bedfordshire CCG within the funding available.

Both Luton CCG and Bedfordshire CCG appointed the East London NHS Foundation Trust (ELFT) to provide the services that were previously contracted for with SEPT. The new contract between the CCG's and ELFT becomes effective on 1st April 2015. A supporting Business Transfer Agreement has been signed by both CCG's, ELFT and SEPT.

The Trusts income base has reduced by £56 million in respect of the two main contracts for the transferred services held with Bedford CCG and Luton CCG. The Trust has also agreed the

TUPE of 1,011 staff to ELFT which equates to an approximate annual pay cost of £48 million. The Trust will settle its current liabilities in respect of membership of those staff to the Local Government Pension Scheme during 2015/16 upon receipt of the final cessation valuation. All future liabilities in respect of the LGPS pension have transferred to ELFT.

In addition, the Trust and ELFT have agreed the transfer of land, buildings and equipment with a net book value of £36.6 million. This will include of transfer of Public Dividend Capital between the two organisations and will be reflected in the 2015/16 accounts.

The Trusts financial plans for 2015/16 also include the ceasing of two further contracts both with effect from October 2015. These relate to the contract with SERCO for the provision of Community Services in Suffolk which for the 2015/16 has a forecast contract value of £5.9 million, and the provision of CAMHS Tier 2 and 3 services for South Essex.

## **27.2 Authorising Accounts for Issue**

In accordance with IAS 10, the Trusts Annual Accounts were authorised for issue by the Chief Executive / Accounting Officer at a meeting of the Board of Directors held on 27th May 2015

## **28. Contingencies**

As at 31 March 2015, the Trust had contingent liabilities in respect of the liabilities to third parties scheme totaling £81,000 (2013/14: £102,000).

## **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 2015 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:

# Accounts

## Organisation

Health Education England
NHS Thurrock CCG
NHS Luton CCG
NHS Basildon And Brentwood CCG
NHS Castle Point And Rochford CCG
NHS West Essex CCG
NHS Southend CCG
NHS England
NHS Bedfordshire CCG

2014/15					
Income	Expenditure	Receivables	Payables	Provision for bad debt	
£000	£000	£000	£000	£000	
4,806	1	257	757	0	
18,358	7	227	0	4	
26,278	116	80	24	161	
29,875	233	603	81	19	
30,326	11	0	622	0	
32,375	245	512	3	380	
32,729	213	57	516	39	
42,071	909	781	1017	460	
64,835	744	1034	726	277	

## Organisation

Health Education England
NHS England
NHS Basildon & Brentwood CCG
NHS Bedfordshire CCG
NHS Castle Point & Rochford CCG
NHS Luton CCG
NHS Southend CCG
NHS Thurrock CCG
NHS West Essex CCG

2013/14					
Income	Expenditure	Receivables	Payables	Provision for bad debt	
£000	£000	£000	£000	£000	
3,765	9	118	871	0	
41,558	840	1,177	650	33	
29,703	212	(5)	71	11	
65,350	90	2,520	131	226	
31,762	10	(62)	10	1	
26,674	0	193	82	100	
33,520	130	109	104	3	
18,514	85	(88)	0	1	
31,267	5	(50)	5	138	

During the year and at the period end, Trust had the following material transactions with other public sector bodies:

	2014/15				Provision for bad debt
	Income £000	Expenditure £000	Receivables £000	Payables £000	£000
Central Bedfordshire Council	4,160	34	0	98	0
Essex County Council	3,142	192	403	0	0
Luton Borough Council	3,183	179	223	24	1

	2013/14				Provision for bad debt
	Income £000	Expenditure £000	Receivables £000	Payables £000	£000
Central Bedfordshire Council	3,959	37	(43)	184	4
Essex County Council	4,615	515	622	167	0
Luton Borough Council	3,802	219	261	66	6
Southend Borough Council	3,666	947	403	184	0

Other than those disclosed under note 29.1, during the year none of the Board Members, Governors or members of the key management staff or parties related to them has undertaken any material transactions with South Essex Partnership University NHS Foundation Trust.

The members appointed to the Council of Governors may also be members of Boards and Committees of local stakeholder organisations. Local stakeholder organisations have the right to nominate a Governor to the Board under the following arrangements:

Six Local Authority Governors, one each appointed by Essex County Council, Thurrock Council, Southend on Sea Borough Council, Bedford Borough Council, Central Bedfordshire Council and Luton Borough Council.

Five Partnership Governors appointed by partnership organisations. The Partnership organisations that may appoint a Partnership Governor are:

- Essex University and Anglia Ruskin University jointly – one Partnership Governor;
- University of Bedfordshire – one Partnership Governor;
- Service User & Carer Group (Essex) – one Partnership Governor;

- Service User & Carer Group (Bedfordshire & Luton) – one Partnership Governor;
- Service User & Carer Group (Community Health Services West Essex) – one Partnership Governor.

South Essex Partnership University NHS Foundation Trust is the Corporate Trustee of the South Essex Partnership NHS Foundation Trust General Charitable Fund. During the year ended 31 March 2015, 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 (2013/14: £27,240 for administrative services provided by the Trust on behalf of the Charity). The Trust did not receive any capital payments. All the members of the Corporate Trustee are also members of the South Essex Partnership University NHS Foundation Trust Board.

### 29.1 Director's Interests

Alison Davis was previously Chair of the advisory council for CHUMS, which is a social enterprise organisation. The Trust has not engaged CHUMS to undertake any training for Improving Access to Psychological Therapies during 2014/15 (2013/14; £25,780).

### 30. Financial Instruments

IAS 32, Financial Instruments: Disclosures, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Foundation Trust has with the local Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the NHS Foundation Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IAS 32 mainly applies. The NHS Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Foundation Trust in undertaking its activities.

As allowed by IAS32, comparatives of carrying amounts with fair values have not been disclosed for short term financial assets and liabilities where the carrying amount is a reasonable approximation of fair value.

#### Credit risk

Over 90% of the Trusts income is from contracted arrangements with commissioners. As such any material credit risk is limited to administrative and contractual disputes.

Where a dispute arises, provision will be made on the basis of the age of the debt and the likelihood of a resolution being achieved.

#### Liquidity risk

The Trust's net operating costs are incurred under annual service agreements with local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust also largely finances its capital expenditure from cash made available from prior year surpluses; and Public Dividend Capital funding that may be available from the Department of

Health to fund particular projects. The Trust has also funded two of its buildings through Private Finance Initiative scheme. South Essex Partnership University NHS Foundation Trust is not, therefore, exposed to significant liquidity risks.

At 31 March 2015 the Trust had no financial liabilities represented by provisions under contract.

### Interest-rate risk

100% of the Trust's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest. South Essex Partnership University NHS Foundation Trust is not, therefore, exposed to significant interest rate risk.

### Foreign currency risk

The Trust has negligible foreign currency income and expenditure.

## 31 Financial Assets and Financial Liabilities

### 31.1 Financial assets

	<b>Loans and Receivables 2014/15 £000</b>	<b>Loans and Receivables 2013/14 £000</b>
Trade and other receivables	8,274	8,771
Cash and cash equivalents (at bank and in hand)	50,911	38,622
	<b>59,185</b>	<b>47,393</b>

### 31.2 Financial liabilities

	<b>Other Financial Liabilities 2014/15 £000</b>	<b>Other Financial Liabilities 2013/14 £000</b>
Obligations under PFI contract	31,166	32,020
Trade and other payables	23,870	16,631
Provisions under contract	7,335	6,511
	<b>62,371</b>	<b>55,162</b>

## 32. Fair value

Set out below is a comparison, by category, of book values and fair values of the NHS Trust's non-current financial assets and liabilities.

	2014/15		2013/14		Basis of Fair Valuation
	Book Value £000	Fair Value £000	Book Value £000	Fair Value £000	
Financial Assets					
Other Non Current receivables	0	0	0	0	Note A
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Financial Liabilities					
Provisions	4,320	4,320	4,450	4,450	Note B
	<u>4,320</u>	<u>4,320</u>	<u>4,450</u>	<u>4,450</u>	

The Trust's financial liabilities as at 31 March 2015 comprise provision for early retirement, but do not include public dividend capital. As a foundation Trust's in accordance with guidelines issued by Monitor, public dividend capital previously shown as non-interest bearing debt is not classified as a financial liability.

### Notes

- A. There were no non-current receivables held by the Trust as at 31 March 2015 (2013/14: £nil)
- B. Fair value does not differ from book value since, in the calculation of the book value; the expected cash flows have been discounted by the Treasury discount rate of 1.3% in real terms.

## 33. Third Party Assets

The Trust held £390,684 cash at bank and in hand at 31 March 2015 (2013/14: £430,378) 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

#### Losses

Losses of cash due to:

Theft, fraud etc

Damage to buildings, property etc. (including stores losses) due to:

#### Total Losses

#### Special Payments

Compensation under legal obligation

Loss of personal effects

Personal injury with advice

#### Total special payments

#### Total losses and special payments

2014/15	
Number	£000
12	1
0	0
<b>12</b>	<b>1</b>
5	9
15	3
0	0
<b>20</b>	<b>12</b>
<b>32</b>	<b>13</b>

2013/14	
Number	£000
7	0
1	40
<b>8</b>	<b>40</b>
4	81
19	3
1	2
<b>24</b>	<b>86</b>
<b>32</b>	<b>126</b>





