Chelsea and Westminster Hospital NHS
NHS Foundation Trust

19 April 2013

Dear Colleagues,

Board of Directors Meeting (PUBLIC)
Thursday, 25 April 2013

Dear Colleagues,

Please find enclosed the Agenda and Papers for the next week's meeting which will be held at 4pm in the Hospital Restaurant.

Please note that the following papers have been 'starred' and will not be discussed unless an advance request is made to the Chairman:

- 3.7 Register of Seals Report Q4*
- 3.9 Third Party Stakeholder Schedule*

The general Board business papers are split into two sets. The first set of papers presents the main Board papers for the general business and the second set of papers presents any supporting papers e.g. full reports, appendices, etc.

Please note that light refreshments will be provided from 3.45pm.

Yours sincerely,

Vida Djelic
Foundation Trust Secretary

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Board of Directors Meeting (PUBLIC)

Location: Hospital Restaurant, Lower Ground Floor, Lift Bank C
Chair: Professor Sir Christopher Edwards
Date: 25 April 2013 Time: 4.00pm

Agenda

Ref	Item	Lead	Time
1	**GENERAL BUSINESS**		**4.00pm**
1.1	Welcome and Apologies for Absence	CE	
1.2	Chairman's Introduction	CE	
1.3	Declaration of Interests	CE	
1.4	Chairman's Report (oral)	CE	
1.5	Chief Executive's Report	APB	
1.6	Council of Governors Report	CE	
2	**PERFORMANCE**		
2.1	Finance Report Commentary – March 2013	LB	
2.2	Performance Report Commentary – March 2013	DR	
2.2.1	Patient and Staff Experience Focus Report	TD	
2.2.2	Patient and staff stories (video)	TD	
3	**ITEMS FOR DECISION/APPROVAL**		
	QUALITY		
3.1	Assurance Committee Report – March 2013	KN	
	STRATEGY		
3.2	Update on strategy (oral)	APB	
3.3	Trust Budget Commissioning Update 2013/14 (oral)	LB	
	GOVERNANCE		
3.4	Health and Social Care Act 2012 – next steps	CM	
3.5	Monitor In-Year Reporting & Monitoring Report Q4	LB	
3.6	Register of Seals Report Q4*	CM	
3.7	Monitor Code of Governance – compliance	CM	
3.8	Third Party Stakeholder Schedule*	CM	
3.9	Monitor Provider Licensing requirements	CM	
4	**ITEMS FOR INFORMATION**		
4.1	Audit Committee Minutes – March minutes will be provided in May	JB	
5	**ANY OTHER BUSINESS**		
6	**QUESTIONS FROM THE PUBLIC**		
7	**DATE OF NEXT MEETING – 28 May 2013**		

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Board of Directors Meeting, 25 April 2013 (PUBLIC)

AGENDA ITEM NO.	1.5/Apr/13
PAPER	Chief Executive's Report
AUTHOR	Tony Bell, Chief Executive
LEAD	Tony Bell, Chief Executive
PURPOSE	This paper is intended to provide an update to the Board on key issues.
LINK TO OBJECTIVES	Strategy and finance is the main corporate objective to which the paper relates.
RISK ISSUES	No
FINANCIAL ISSUES	No
OTHER ISSUES	No
LEGAL REVIEW REQUIRED?	No
EXECUTIVE SUMMARY	This report updates the Board on a number of key developments and news items that have occurred over the last month.
DECISION/ ACTION	For information

CHIEF EXECUTIVE'S REPORT
APRIL 2013

1.0 West Middlesex Update

1.1 It was confirmed on the 5th April that Chelsea and Westminster have been appointed the preferred bidder by West Middlesex University Hospital NHS Trust (WMUHT) to explore a potential partnership to allow WMUHT to achieve foundation trust status.

1.2 We are already in initial discussions with WMUHT as to the project plan with the first key milestone being to submit the Strategic Outline Case to the respective Boards and regulators during the summer.

2.0 Shaping a Healthier Future

2.1 In February, it was decided that we will remain a major and local hospital under the *Shaping a Healthier Future* reconfiguration plans in North West London. The Trust will retain its 24/7 A&E department with emergency surgery which is fantastic news for the Trust.

2.2 Ealing Council, which opposes the plans, has referred the decision to the Secretary of State for Health Jeremy Hunt for review. This is now likely to go to the Independent Reconfiguration Panel (IRP), which provides advice to the Health Secretary on contested proposals to changes to NHS services in England.

2.3 In the meantime, Chelsea and Westminster's planning for the proposed changes is continuing which will mean an expansion of our A&E department, inpatient beds and intensive care facilities. The reconfiguration plans will be developed over the next three to five years.

3.0 Estates Update

3.1 The new Diagnostics Centre opened on the 25th March on the second floor adjacent to lift bank B. The new centre brings together a number of diagnostics services in one purpose built space and includes endoscopy, cardiology (including ECG and echo), neurophysiology and lung function testing.

3.2 As you will see at the Board meeting, the restaurant has been refurbished to provide a bright, modern and friendly dining experience. This has included the addition of a deli bar offering made-to-order sandwiches and all new servery and seating area.

3.3 The lower ground floor outpatients has also recently been extended into the 'acrobat' atrium to help facilitate the relocation of further outpatient services from the 1st floor later this year to continue with the construction of the Chelsea Children's Hospital.

4.0 Star Awards

4.1 The 2013 Star Awards were held on Thursday 18th April with 220 staff in attendance. The special guest was Katie Piper who presented the awards to the 19 winners from the over 1,000 nominations that were received. It felt very good for me as a new CEO to be part of such an important and inspiring event to recognise the outstanding contributions of staff nominated by their peers who go more than the extra mile and epitomise what is exceptional and to be celebrated about the NHS and particularly Chelsea and Westminster. I would like to thank Mark Gammage and the communications team for organising such a fantastic event.

5.0 Open Day

5.1 The hospital's Open Day will be held on Saturday 11th May from 11am to 3pm and I would encourage all of you to attend. This year is the Trust's 20th anniversary and this milestone will be a focus for the Open Day with a dedicated area looking back over the past 20 years as well as looking forward to the next 20 years. We will be asking Board members to take part in some of the patient interviews that will be broadcast as well as spending time describing the strategic objectives for the Trust in the future.

6.0 Imperial College Health Partners / AHSN

6.1 Imperial College Health Partners is expected to receive confirmation of its approval as an AHSN within the next week or so. Dr Adrian Bull, formerly Chief Executive at Queen Victoria Hospital NHS Foundation Trust is now in post as Managing Director of ICHP and executive team appointments are underway. We offered the space HIEC space at Harbour Yard to ICHP and the team will be based there in the interim.

7.0 Chairman and CEO Diary

7.1 As part of the move to open board meetings I will be including a summary of our diaries from the next meeting onwards. This summary will provide an update on the external meetings we have attended over the past month and should provide staff, patients and the public with an insight into the roles of the chairman and CEO.

Tony Bell
Chief Executive

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Board of Directors Meeting, 25 April 2013 (PUBLIC)

AGENDA ITEM NO.	1.6/Apr/13
PAPER	Council of Governors Report
AUTHOR	Vida Djelic, Foundation Trust Secretary
LEAD	Prof. Sir Christopher Edwards, Chairman
PURPOSE	To provide highlights of the Council of Governors meeting held on 14 February 2013.
LINK TO OBJECTIVES	
RISK ISSUES	None
FINANCIAL ISSUES	None
OTHER ISSUES	None
LEGAL REVIEW REQUIRED?	No
EXECUTIVE SUMMARY	This paper highlights the most important issues discussed at the Council of Governors held on 14 February 2013.
DECISION/ ACTION	The Board is asked to note the report.

Council of Governors Report

The Trust held the Council of Governors meeting on 14 February 2013.

1.0 Lead Governor announcement

The Council of Governors noted that Prof. Brian Gazzard, staff governor was elected Lead Governor.

2.0 Chairman's Report

The Council of Governors was informed that the Trust had had discussions with the Royal Brompton Hospital re the possibility of paediatric cardiac surgery and respiratory surgery being transferred to the Chelsea and Westminster.

3.0 High Quality Planning 2013/14 – update

The background of the High Quality Planning was noted and the actions to date and upcoming actions highlighted. The importance of governors' involvement was noted.

4.0 Notes from 13 December 2012 Away Day and next steps

The paper provided was noted.

A facilitated workshop which will involve governors and Board members will be set up to take forward significant transactions and the composition of the Council of Governors.

5.0 Terms of Reference of the Nominations Committee of the Council of Governors for the Appointment of Non-executive Directors

The Council of Governors agreed the proposed changes to the Terms of Reference of the Nominations Committee of the Council of Governors for the Appointment of Non-executive Directors.

6.0 Nominations Committee of the Council of Governors for the Appointment of NEDs – expression of interest

A plan for refreshing the membership of the Nominations Committee in preparation for the appointment of new Non-executive directors was outlined.

Governors were invited to send expressions of interests for the membership of the Nominations Committee to Vida Djelic.

7.0 Open Day 2013

The proposal for the Trust Open Day 2013 to be held on 11 May 2013 was noted.

8.0 Chelsea and Westminster Star Awards 2013

The star awards process was described. Governors noted that the ceremony will be held on 18 April at the Chelsea Football Club.

Governors were invited to volunteer to join the judging panel and to give ideas for categories.

9.0 A Framework for Senior Team Members, Non-Executives and Governors to undertake visits to clinical areas

A paper detailing a formal structure for governors and Non-executive Directors to undertake visits to clinical areas was presented.

It was noted that TP would contact individual governors to establish dates for visits to clinical areas.

10 Francis Inquiry Report

The publication of the Francis Report was noted and a copy of the summary provided.

The importance of considering all recommendations once the Department of Health have published their response was highlighted.

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Board of Directors Meeting, 25 April 2013 (PUBLIC)

AGENDA ITEM NO.	2.1/Apr/13
PAPER	Finance Report Month 12 – March 2013 (DRAFT subject to Audit)
AUTHOR	Carol McLaughlin, Acting Deputy Director of Finance
LEAD	Lorraine Bewes, Executive Director of Finance
PURPOSE	To report the financial performance for the 12 months to March 2013.
LINK TO OBJECTIVES	Ensure Financial and Environmental Sustainability Deliver 'Fit for the Future' programme
RISK ISSUES	Risk of Trust not delivering financial plan. Risk Rating: Impact 1 – Insignificant/Local management tolerance level Likelihood 1 – Rare Total Rating **Green**
FINANCIAL ISSUES	The Trust has achieved its financial targets for 2012/13. The final year-end (pre-audit) position is a surplus of £13.0m (EBITDA of 9.8%), which is a positive variance of £0.4m against plan. The Trust has achieved an overall FRR of 5 for the financial year 12/13 against a plan of 4. The Trust had a surplus of £0.1m in March, which is an adverse variance against plan of £0.7m, with an EBITDA of 5.6% vs EBITDA plan of 9.4%. This is broadly in line with the forecast deterioration at Month 11. The key variances in the Month 12 position reflect an improvement in NHS Clinical income due to a further benefit in Non-GP referral metrics (£0.3m), and a reclassification of the estimated impact of Planned Procedures with a Threshold to provisions (£0.2m); there was however underlying clinical income under-performance in March. Within expenditure, additional pay costs above trend, increase in bad debt provisions, year-end legal fee provisions (£0.3m) and benefits from stock-taking (£0.4m) have all affected the expenditure position, contributing to the adverse EBITDA % against plan. CIPs are fully achieved for 12/13, with 100% achievement reported last month. CIPs of 85% have been achieved recurrently which leaves a gap of £2.4m to deliver. Schemes totalling £12.0m have been

	identified for 2013/14 to date, towards the 2013/14 target of £16.9m. The cash position as at 31st March 2013 is £42m, which is £11.5m higher than the Monitor plan of £30.5m The cash improvement above plan is due to @£9m of cash slippage against the capital plan (after taking out the impact of Doughty House) together with an improvement in the working capital position over the year.
OTHER ISSUES	No
LEGAL REVIEW REQUIRED?	No

Summary

The Trust had a surplus of £0.1m in March, which is an adverse variance against plan of £0.7m, with an EBITDA of 5.6% vs EBITDA plan of 9.4%. The key variances in the Month 12 position reflect an improvement in NHS Clinical income due to a further benefit in Non-GP referral metrics (£0.3m), and a reclassification of the estimated impact of Planned Procedures with a Threshold to provisions (£0.2m); there was however underlying clinical income under-performance in March. Within expenditure, additional pay costs above trend, increase in bad debt provisions, year-end legal fee provisions (£0.3m) and benefits from stock-taking (£0.4m) have all affected the expenditure position, contributing to the adverse EBITDA % against plan. To normalise the position by taking account of non-recurrent benefits including provision release, non-recurrent costs such as utilities and prior year R&D benefits, would result in an underlying position of circa 8.9% (£30.5m) EBITDA and a £9.9m surplus at year end.

NHS Clinical contract income was £0.2m ahead of plan in March, which has improved the full year position to £0.6m behind plan. The positive variance in Month 12 is due to a further benefit due to agreement of the non-GP referrals metric for 2012/13 with North West London Commissioners (£0.3m) and a reclassification of the estimated impact of Planned Procedures with a Threshold to provisions (£0.2m). The under-lying position excluding these benefits represents an under-performance in non-elective income in March of £0.4m, which is primarily driven by a low number of maternity deliveries in the month, reflecting lower bookings for March following a continued trend from Month 11 and a reduction in work in progress at the end of the financial year of £0.1m.

The key activity and income variances are set out in the table below.

NHS Clinical Contract Income Variances £000								
Point of Delivery	**Specialty**	**Annual Plan**	**In Month Variance**	**YTD Variance**	**In month % Income Variance**	**In month % Activity Variance**	**YTD % Income Variance**	**YTD % Activity Variance**
Elective	T&O	7,246	-190	56	-26%	-24%	1%	1%
	HIV	3,905	-104	-1,445	-32%	-15%	-37%	-23%
	Paediatric Surgery	3,366	-61	-816	-22%	-4%	-24%	-15%
	Bariatric Surgery	1,880	-1	-288	-1%	-18%	-15%	-23%
	General Surgery	3,961	2	-582	0%	18%	-15%	-7%
	Paediatric Medicine	999	25	293	30%	20%	29%	17%
	Endoscopy	3,720	33	481	11%	14%	13%	19%
	General Medicine/ Care of the Elderly	1,114	77	-451	83%	-47%	-41%	-41%
	Paediatric Dentistry	1,806	90	338	59%	46%	19%	8%
	Plastics & Hand Surgery	3,153	135	-20	52%	59%	-1%	2%
	Elective other	15,464	122	-12	9%	21%	0%	10%
Elective Total		**46,614**	**128**	**-2,446**	**3%**	**16%**	**-5%**	**6%**
Non Elective	Obstetrics	20,984	-403	-715	-23%	-18%	-3%	-5%
	Plastics & Hand Surgery	4,509	-283	-410	-73%	-72%	-9%	-11%
	General Surgery	4,254	-102	-117	-28%	-19%	-3%	1%
	Paediatric Gastroenterology	1,308	-87	-823	-78%	23%	-63%	13%
	Paediatric Surgery	2,137	-36	316	-20%	46%	15%	27%
	General Medicine/ Care of the Elderly	18,885	-24	1,360	-1%	-7%	7%	-2%
	T&O	3,100	-15	-231	-5%	12%	-7%	0%
	HIV	1,821	8	381	5%	3%	21%	16%
	Burns Care	2,314	55	487	28%	7%	21%	4%
	Paediatric Medicine	3,081	118	687	45%	36%	22%	15%
	Non-Elective Threshold 30% marginal rate	-1,536	249	-648	195%	N/A	-42%	N/A
	Non Elective Other	5,742	154	355	-7%	8%	6%	6%
Non Elective Total		**66,599**	**-365**	**642**	**-14%**	**-10%**	**2%**	**-1%**
Outpatients - firsts	GUM	15,330	-82	-90	-6%	-6%	-1%	-1%
	Paediatric Medicine	1,759	-65	-351	-42%	-15%	-20%	-7%
	Dermatology	952	-24	-278	-30%	-31%	-29%	-30%
	Paediatric Orthopaedics	836	-17	-114	-24%	-24%	-14%	-14%
	Paediatric Ophthalmology	197	-17	-129	-101%	-101%	-66%	-66%
	Therapies	701	25	191	43%	43%	27%	27%
	Thoracic Medicine	580	27	240	55%	55%	41%	42%
	Outpatients other	14,294	54	-205	4%	10%	-1%	-1%
Outpatients - first attendances Total		**34,648**	**-99**	**-736**	**-3%**	**1%**	**-2%**	**-1%**
Outpatients - follow ups (incl virtual clinics & procedures)	Obstetrics	4,663	-138	-33	-37%	-26%	-1%	1%
	Rheumatology	961	-12	-230	-15%	-9%	-24%	-9%
	GUM	3,803	-3	190	-1%	11%	5%	10%
	Paediatric Ophthalmology	346	4	157	15%	126%	46%	132%
	Paediatric Medicine	563	64	165	135%	25%	29%	24%
	HIV	46,473	91	489	2%	149%	1%	21%
	Outpatients other	23,468	45	22	2%	8%	0%	3%
Outpatients follow up attendances Total		**80,276**	**51**	**760**	**1%**	**4%**	**1%**	**4%**
Other	Accident & Emergency	6,186	23	228	4%	1%	4%	0%
	Urgent Care Centre	5,113	26	108	6%	0%	2%	5%
	ACU	992	6	-118	7%	N/A	-12%	N/A
	Burns Critical Care	2,304	36	-7	18%	35%	0%	-4%
	Adult Critical Care	4,783	-164	-644	-41%	23%	-13%	-1%
	NICU & SCBU	10,682	3	-716	0%	-3%	-7%	-11%
	Paediatric HDU	2,104	130	759	73%	-11%	36%	36%
	Chemotherapy	985	-11	-137	-13%	N/A	-14%	N/A
	Excluded Devices	1,264	104	155	98%	N/A	12%	N/A
	Excluded Drugs	8,384	56	754	8%	N/A	9%	N/A
	CQUIN	5,526	38	326	8%	N/A	6%	N/A
	Non-GP Referrals	-1,345	300	1,000	201%	N/A	74%	N/A
	PPwT	-450	231	231	616%	N/A	51%	N/A
	Other	6,911	-10	298	12%	N/A	-2%	N/A
Other Total		**59,164**	**769**	**2,238**	**24%**	**-1%**	**3%**	**1%**
Sub Total		**287,301**	**483**	**457**	**3%**	**-1%**	**0%**	**2%**
	Prior Year Income	0	13	151				
	Change in WIP	0	-113	201				
	Directorate Savings Target	1,127	-146	-1,204				
	Cross Border Activity - to non NHS income	-213	-18	-160				
Grand Total		**288,215**	**220**	**-554**				

There was an improvement in the elective inpatient position for March, with an over-performance of £0.1m in the month, however, elective inpatients overall has

	significant under-performed in 2012/13, particularly in HIV and Paediatric Surgery. Trauma and Orthopaedics elective income continued to under-perform in March by £0.2m due to a delay in the start date of the foot and ankle consultant appointment, therefore has resulted in a delay in the increase in activity. There was a continued improvement in Plastics and Hand Surgery elective income of £0.1m due to a correction in recording of non-elective activity to day case; however this has resulted in an offsetting reduction in non-elective income of £0.3m. Elective Paediatric Surgery continues to under-perform, despite the recovery plan under way to increase elective capacity in paediatrics to deliver the elective plan. However, this is partly offset by over recovery in other paediatric elective specialties, such as Paediatric Dental where additional lists have been undertaken to address waiting list pressures. There was a significant under-performance in inpatient Obstetrics in March of £0.4m, which relates to a drop in the number of deliveries in the month. This is following the trend from February and is also reflecting a similar trend in the activity at other providers. Other non-elective activity was also off trend in March, with General and Elderly Medicine on plan in month 12, despite a significant favourable variance for the full year of £1.4m. This has been offset by a reduction in the impact of the emergency 30% marginal rate in March, which has resulted in a £0.6m adverse variance for the year reflecting the high level of emergency activity above plan in 2012/13. Outpatient new and follow-up attendances were slightly behind plan in March, with the year-end position on plan, but with an under-performance in new attendances of £0.7m offset by a similar over-performance in follow up attendances. Dermatology new attendances have seen an under-performance of £0.3m in the year due to activity transferring to community services at a lower tariff. The under-performance on new outpatient activity is offset by HIV outpatients which has significantly over-performed by £0.5m due to high levels of growth above plan, particularly due to the Dean Street at home service which has diagnosed almost 50 patients. Other NHS clinical income was £0.8m ahead of plan in March and £2.2m for the full year. This is primarily due to the benefit of the non-GP referrals audit of £1.0m and CQUIN achievement at 95% against a plan of 90% for 2012/13 (£0.3m). Excluded drugs and devices were also significantly ahead of plan for the year (£0.9m), but these are offset by a related spend on non-pay. Paediatric HDU activity continued to significantly over-perform by £0.1m in March and Adult Critical Care continue to under-perform by £0.2m in Month 12 and £0.6m for the year to date, partly reflecting lower case-mix than planned. The Trust now has one further outstanding contractual issue with NHS North West London for 2012/13 relating to Planned Procedures with a Threshold (PPwT), which is subject to audit. The audit was undertaken in March 2013 and the Trust expects to receive the results in Quarter 1. Private patient income was behind plan in month, with under-performance in PMU due to delivery numbers below plan (52 against plan of 70). Within R&D Income there was some prior year deferred income (£0.2m) funding released into the Trust's position. Whilst Miscellaneous other operating income was ahead of plan and off-trend in month, due in part to income from unplanned donated income (£0.3m). Pay is overspent in month 12 by £0.5m with a year-end underspend of £1.5m. The in month position was driven by the following: overspends in medical staff groups, reflecting accruals for additional sessions worked and a detailed review of final year-end supplier invoices/statements; a small overspend in nursing, reflecting the

increased costs of Easter weekend; with a reduced underspend in other pay groups.

The non-pay position shows an overspend of £1.0m in month 12 and a year-end overspend of £1.2m. The main contributions to the in-month position were bad debt provisions of £0.7m; a stock benefit of (£0.4m); additional Homecare drugs of £0.3m, dispensed but not within the Pharmacy stock system; year-end legal fee provisions of £0.3m; and additional consultancy charges (£0.2m), including Fulham Road collaboration works. The final non-pay year-end overspend is the result of consultancy (£0.8m) largely within corporate areas (although these are filling and offsetting pay vacancies and underspends) and Energy & Water (£0.5m). These cost pressures are offset by provision releases in year.

CIPs are fully achieved for 12/13, with 100% achievement reported in Month 11. CIPs of 85% have been achieved recurrently which leaves a gap of £2.4m to deliver. Schemes totalling £12.0m have been identified for 2013/14 to date, towards the 2013/14 target of £16.9m.

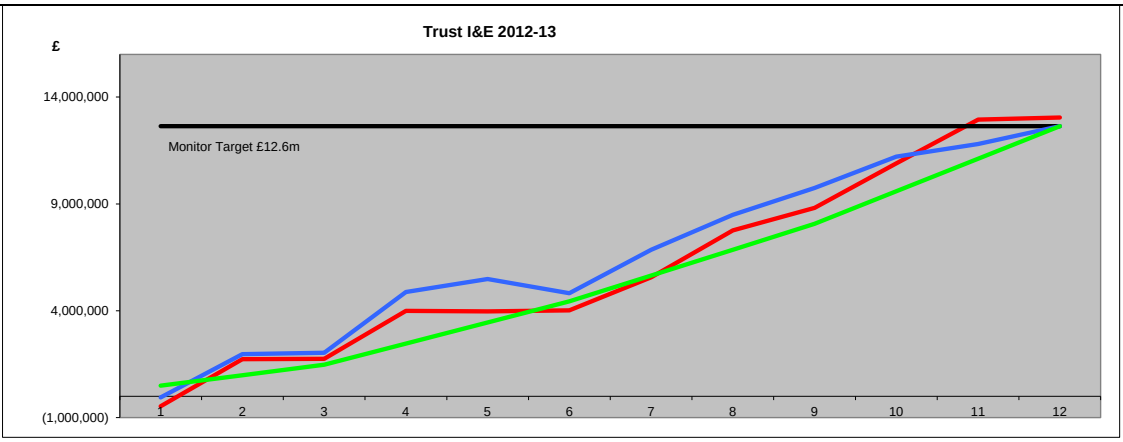
The cash position as at 31st March 2013 is £42m, which is £11.5m higher than the Monitor plan of £30.5m The cash improvement above plan is due to @£9m of cash slippage against the capital plan (after taking out the impact of Doughty House) together with an improvement in the working capital position over the year. The working capital improvement relates mainly to higher rates of cash collection against debt than anticipated in the plan.

Key Issues for Divisions

The three front line clinical divisions have a positive variance in the month of £0.1m, with a final year-end adverse variance across the frontline divisions of £1.7m. The key areas to note within this are underperformance across Paeds, NICU, HIV inpatients, Adult Critical Care and Obstetrics; with Medicine and Surgery finishing the year with a positive income position. Pay pressures in Maternity, NICU, Diagnostics and Anaesthetics, due to high usage of agency staff have adversely affected the pay position all year, but are being reviewed as part of the 2013/14 budget setting process. In non-pay, high clinical supplies expenditure across the Medicine and Surgery division in particular have adversely impacted the position, although they have been offset by HIV drug underspends.

Monthly Trend

The table below outlines the monthly trend of actual surplus (red) against budget (blue), in relation to the original Monitor plan surplus (green).



Overall Financial Risk Rating (FRR)

The Trust has achieved a Financial Risk Rating (FRR) of 5 at month 12 against a planned FRR of 4 – see the table below. The table shows that performance against four out of the five metrics was very close to plan and the month 11 forecast – the key difference from plan is in the liquidity metric where the plan was for liquidity days to be 25 but the actual metric is 38. The reason for the improvement against plan is due to the fact that the year-end cash position is approx. £11.5m higher than plan, the reasons for which are explained in the section on cash flow below.

Financial Metric	M12 YTD				
	Plan	Actual	Actual FRR	Forecast as at M11	Weighting
EBITDA margin %	9.8%	9.8%	4	9.9%	25%
EBITDA , % plan achieved	111.5%	100.1%	5	101.6%	10%
Net Return after Financing	3.0%	3.1%	5	3.2%	20%
I&E surplus margin net of div.	3.7%	3.8%	5	3.8%	20%
Liquidity days	25	38	4	37	25%
Financial Risk Rating	**4**	**5**	**5**	**5**	**100%**

Working Capital Ratios

The table below shows the key working capital ratios for March compared to the year-end and planned month 12 position. The position on both NHS and non-NHS trade receivables is significantly better than plan.

Working Capital Ratios	**Mar-12**	**Mar-13**	
	Full Year Actual	**YTD Plan**	**YTD Actual**
Inventory Days	26	25	25
NHS Trade Receivable Days	9	16	9
Non NHS Trade Receivable Days	61	62	39

Trade Payable Days	27	28	27
Liquid Ratio (days)	32	25	38

Prudential Borrowing Limit (PBL)/Loans

The Trust has achieved its Prudential Borrowing Code ratios and stayed within its Prudential Borrowing Limits.

Capital

The capital outturn for 2012-13 is £18.6m against the original Monitor capital plan of £41.7m, which represents slippage of £23.1m, of which £14m was loan funded for Doughty House therefore the cash underspend is £9.1m.

As previously reported, the original plan was re-forecast in November 2012 and Doughty House was subsequently removed from this forecast to give a revised budget of £23.1m. The outturn of £18.6m is therefore £4.5m behind budget. The above spend includes the acquisition of the Paediatric Robot at a capital cost of £1m, funded from donated funds.

Building expenditure is £11.3m against a reforecast budget of £11.8m. The three main projects completed in this financial year are Diagnostic Centre, First Floor Paediatrics – Burns and Surgical Schemes.

Medical equipment expenditure is £2.7m against a reforecast plan of £3.0m. However within this position there is capital for the paediatric robot however this is funded from donated funds. This is offsetting slippage in the installation of the Diagnostics Centre equipment, largely the Fluoroscopy machine and scopes.

The largest underspend against reforecast budget is within IT where expenditure is £3.8m against a reforecast budget of £6.8m. The largest areas of slippage include EDM (0.8m), Fulham Road Telephony project (£0.3m), repository (£0.5m) and other projects.

Capital Programme by Asset Category at Month 12

ASSET CATEGORY	Revised Reforecast Full Year Budget 2012/13 (£'m) Note 1	Out-turn 2012/13 (£'m)	Out-turn Var (£'m)	Out-turn Var %	Commitments (£'m)
Buildings	11.8	11.3	0.5	4%	1.193
Plant	0.7	0.4	0.3	38%	
IT	6.8	3.8	3.0	44%	0.392
Medical Equipment	3.0	2.7	0.4	13%	1.646
Non Medical Equipment	0.7	0.5	0.2	25%	0.082
Contingency	0.2	0.0	0.2	100%	
Grand Total	**23.1**	**18.6**	**4.5**	**19%**	**3.314**

Note 1: Excludes purchase of Doughty House, which at the time of the reforecast submitted to Monitor assumed £12.5m costs from concluding the purchase in 2012/13

	Cash Flow The cash balance at the end of March is £42m, which is £11.5m higher than the planned cash figure of £30.5m. The key reasons for the cash position being above plan as at 31st March are as follows: • Slippage in capital spend against the original capital plan – the final capital outturn is approx. £9m below the plan, after adjusting for Doughty House not proceeding in year. • A significant improvement in the NHS debtors position compared to plan, due to high rates of cash collection particularly during March, mainly due to PCTs paying overperformance invoices early. **Investments** The Trust had no funds on deposit as at 31st March 2013 in line with the requirement to maximise the amount of cash held with the Government Banking Service on the final day of the financial year in order to reduce the amount of PDC dividend payable. (The dividend is calculated as 3.5% of average net relevant assets, which are defined as excluding all cash held in GBS accounts). At the time of writing (15th April 2013) the Trust had not placed any funds on investment since the start of the new financial year. This is due to the fact that the DH have indicated that they are considering revising the PDC dividend calculation to exclude the average daily cash balance held with GBS throughout the financial year, rather than the average of the opening and closing balance. If this revision takes effect then this is a disincentive for the Trust to place any funds on investment as these would not then be taken into account within the average GBS balance calculation, thus increasing PDC dividend payable for the financial year. A further update will be given to the FIC once the DH has published its final decision on this issue.
DECISION/ ACTION	The Board is asked to note the financial position for the twelve months to March 2013.

APPENDIX B

Financial Overview as at 31st March 2013 (Month 12)

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Financial Performance

Financial Position (£000's)

	Full Year Plan	Plan to Date	Actual to Date	Mth 12 YTD Var	Mth 11 YTD Var	Forecast
Income	(345,806)	(345,806)	(345,911)	105	(587)	
Expenditure	310,556	310,556	310,337	219	1,674	
EBITDA for FRR excl Donations/Grants for Assets	33,600	33,600	33,645	45	1,157	
EBITDA % for FRR excl Donations/Grants for Assets	9.8%	9.8%	9.8%	0.0%	0.4%	
Surplus/(Deficit) from Operations before Depreciation	**35,250**	**35,250**	**35,574**	**324**	**1,087**	
Interest	777	777	775	2	13	
Depreciation	12,065	12,065	11,689	376	310	
Other Finance costs	2	2	121	(118)	2	
PDC Dividends	9,765	9,765	9,947	(182)	(268)	
Retained Surplus/(Deficit) excl impairments	**12,641**	**12,641**	**13,043**	**403**	**1,144**	
Impairments	0	0	0	0	0	
Retained Surplus/(Deficit) incl impairments	**12,641**	**12,641**	**13,043**	**403**	**1,144**	

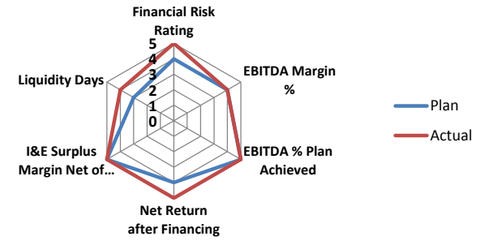
Comments

Risk Assessment
Impact 1 Insignificant (Local management tolerance level), Likelihood 1 (Rare); Internal> **Green**

The year-end position is a surplus of £13.0m (EBITDA of 9.8%), which is a positive variance of £0.4m against plan.

I&E Forecast Surplus (£13.0m); included the following material changes not forecast in the month 11 position;
- Benefit in month 12 metrics for Non GP-Referrals £0.3m a
- Benefit of £0.4m Stock Counts
- Provisions of £0.7m in month 12
- A further £0.1m underspend in reserves in month 12

Risk Rating (year to date)



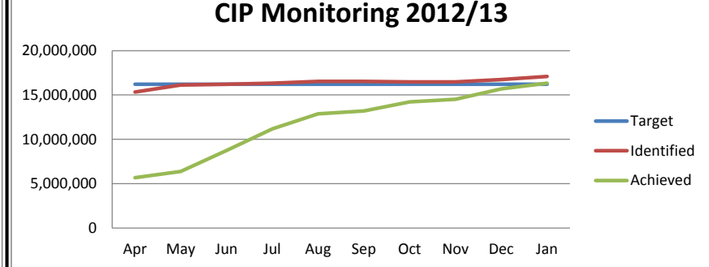
Comments

The Trust has achieved a Financial Risk Rating (FRR) of 5 at month 12, against a plan for an overall 4.

The key difference from plan is in the liquidity metric where the plan was for liquidity days to be 25 but the actual metric is 38.

The reason for the improvement against plan is due to the fact that the year-end cash position is approx. £11.5m higher than plan.

Cost Improvement Programme



Comments

CIPs 12/13
CIPs were 100% identified in 12/13 and reached 100% achieved as at Feb 2013 (£16.2m).
CIPs of 85% have been achieved recurrently which leaves a gap of £2.4m to deliver.

CIPs 13/14
The CIP target for 13/14 is £16.9m.
Schemes totalling £12.0m have been identified towards the 2013/14 target.
This £12m represents 71% identification and includes 8% achievement.

Service Line Reporting (Referenced to EBITDA) - *NB; this is month 11*

Directorate Split (incl. some specific specialties)	Activity	Income (£000s)	Cost (£000s)	EBITDA (£000s)	EBITDA %	Surplus/Deficit (£000s)
Surgery Total	**104,314**	**53,091**	**49,386**	**3,705**	**7.0%**	**(1,774)**
Accident & Emergency - Adult	29,268	6,918	6,603	315	4.6%	(240)
Medicine Other sub-total	88,762	47,548	46,935	613	1.3%	(3,238)
Medicine Total	**118,030**	**54,466**	**53,538**	**928**	**1.7%**	**(3,478)**
A&E Child & Paediatric Community sub-total	2,761	507	512	(5)	-1.0%	(57)
Paediatric Medicine sub-total	23,127	14,782	13,248	1,533	10.4%	416
Paediatric Surgery sub-total	33,340	16,455	14,214	2,240	13.6%	831
NICU & SCBU	12,181	10,680	11,140	(460)	-4.3%	(1,091)
Paediatric HDU	1,861	2,587	1,544	1,042	40.3%	973
Neonatal, Children's & Young People Total	**83,871**	**47,801**	**44,083**	**3,718**	**7.8%**	**319**
Women's Total	**105,122**	**45,200**	**38,325**	**6,875**	**15.2%**	**3,729**
GUM	110,746	19,056	13,707	5,350	28.1%	4,784
HIV	41,184	57,352	49,407	7,946	13.9%	6,908
Dermatology	25,319	4,457	5,128	(671)	-15.0%	(1,168)
HIV, Sexual Health & Dermatology Total	**177,249**	**80,866**	**68,241**	**12,625**	**15.6%**	**10,523**
Clinical Support Total	**67,010**	**15,985**	**12,986**	**2,999**	**18.8%**	**1,931**
Private Patients & Other Total	**14,557**	**5,241**	**2,800**	**2,441**	**46.6%**	**2,123**
Total Trust	**670,153**	**302,650**	**269,359**	**33,291**	**11.0%**	**13,373**
POD Split						
Elective		20,428	21,781	(1,353)	**-6.6%**	(3,629)
Daycase		29,493	23,859	5,634	**19.1%**	3,436
Non-Elective		73,559	76,457	(2,897)	**-3.9%**	(10,223)
Other		37,433	36,301	1,131	**3.0%**	(1,175)
Outpatients		140,336	109,482	30,853	**22.0%**	25,098
Outpatient Procedures		530	538	(8)	**-1.5%**	(17)
Community		872	941	(68)	**-7.8%**	(119)
Total Trust		**302,650**	**269,359**	**33,291**	**11.0%**	**13,373**

Comments

The table above summarises the SLR position for Directorates/Divisions to the end of month 11 of 2012-13.

Key Financial Issues

Key Issues
- Outstanding Income Metrics (incl PPwT & CQUIN)
- Outstanding queries with LSCG re HIV Cancer drugs

CQUIN Update
- The Trust reported 96% achievement of CQUIN schemes (total £5.9m) full year in 12-13. (Subject to sign off of Q4 targets)

The CQUIN schemes reported <100% achieved;
- Real time GP information
- Diagnosis of Dementia
- HIV schemes

Future Developments
- 13/14 Contract Negotiations
- 13/14 QIPP Schemes & productivity metrics
- Strategic developments e.g. West Midd, SaHF
- GUM Public Health commissioning
- Specialised Services transfer to NHS England in 13/14
- Monitor has consulted on a new Risk Assessment Framework to replace the Financial Risk Rating with a Continuity of Services risk rating; the FRR will continue in shadow form for first six months of 13/14

Other Issues
- Completion of HQP planning process
- Changes to Monitor Risk Assessment Framework
- CIP 13/14 identification
- Impact of Francis Report

Cash Flow

Summary Cash Flow	YTD Plan	YTD Actual	YTD Variance
Cash inflow / (outflow) from:	£m	£m	£m
-operating activities	23.1	26.8	3.7
-Investment activities	(38.8)	(16.7)	22.0
-Financing activities	5.2	(9.1)	(14.3)
Total Net Cash Flows	**(10.5)**	**1.0**	**11.4**
Cash & Cash equivalents	**30.5**	**42.0**	**11.4**

Comments

The cash balance at the end of March is £42m, which is £11.5m higher than the planned figure of £30.5m.
The key reasons for this were;
• Slippage in capital spend against the original capital plan (£9m).
• A significant improvement in the NHS debtors position, due to high rates of cash collection.

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Board of Directors Meeting, 25 April 2013 (PUBLIC)

AGENDA ITEM NO.	2.2/Apr/13
PAPER	Performance Report – March 2013
AUTHOR	Jen Allan, Head of Performance Improvement
LEAD	David Radbourne, Chief Operating Officer
PURPOSE	The purpose of this report is to the summarise high level Trust performance, highlight risk issues and identify key actions going forward for March 2013.
OBJECTIVES	This paper reports progress on a number of key performance areas which support delivery of the Trust's overarching aims.
RISK ISSUES	The Board is asked to note that this is a draft refreshed report, having looked at good practice and sought Exec feedback. The report will be finalised for the April Board meeting, taking into account that this will be a public board meeting. The Trust has signed Heads of Terms with NWL CCGs for the 2013/14 contract with a baseline of £121m (excluding C&W planned growth). Further detail will be added throughout April. Negotiations continued with NHS England (formerly the National Commissioning Board) regarding specialised services, with offer details being worked through. Paediatric Dental services will be transferred to the direct commissioning arm of NHS England under a steady state arrangement, allowing for PbR growth. The transfer of Sexual Health commissioning to Local Authorities was officially enacted from 1st April but there remains a lack of coordination between Local Authorities as to their commissioning intentions. The Trust continued to pursue a plan for achieving a reasonable settlement for this key service. Each Local Authority will be billed separately for April. Further scrutiny on this area is planned for the Finance and Investment Committee.
FINANCIAL ISSUES /OTHER ISSUES	None.
LEGAL REVIEW REQUIRED?	No

EXECUTIVE SUMMARY	The Trust performed well in the financial year 2012/13. The Trust performed well in the financial year 2012/13. Full year achievement of all Monitor compliance standards was achieved. The Emergency Access performance was excellent and the Trust is the top performer nationally for waiting times less than 4 hours against all units that take major cases. The Trust also achieved 95% of CQUIN schemes and improved overall waiting times for access into hospital services. The yearend financial position was a surplus of £13m £0.4m above plan. In 2013/14 the Trust will focus on improvements in process efficiency and patient experience. This includes a continued focus on reducing waiting times to benefit patients. 2013/14 will also see transformation work in outpatients to increase productivity and improve on patient experience. Various schemes are also planned to improve surgical pathways such as optimising the Fracture Neck of Femur pathway, increasing theatre productivity and driving down operation cancellations. A more detailed focus report on Patient and Staff Experience is provided this month including feedback on the Friends and Family Test and NHS Staff Survey.
DECISION/ ACTION	The Trust Board is asked to note this report.

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Corporate Performance Report

Performance to 31st Mar 2013

At a Glance Performance – March 2013

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Green indicates all KPIs achieved, amber indicates >=50% of the domain indicators have been achieved and red indicates < 50% of the domain indicators have been achieved Grey indicates a target has not been set.

Patient Safety

- Incident reporting rate per 100 admissions
- Safety Thermometer – Harm free score
- MRSA Bacteraemia
- Mortality - SHMI

Clinical Effectiveness & Maternity

- A&E Total Time (< 4 Hours)
- Emergency readmissions within 30 Days
- VTE Assessment
- Dementia Screening
- 12 Hour Consultant Assessment (AAU)
- Caesarean Section rate

Patient Experience & Access

- Total Complaints
- Hospital Initiated Cancellation rate
- Friends and Family Net Promoter score
- RTT Incomplete pathways <18wks
- Cancer Two week wait

Process Efficiency

- DNA Rate
- Theatre Efficiency score
- Delayed transfers of care
- OP Letter Turnaround
- Discharge summaries

Workforce

- Sickness rate
- Turnover rate
- Appraisal completion rate
- Vacancy rate
- Average time to recruitment

Finance

- Financial Performance
- Service Line Reporting
- Risk Rating
- Cost Improvement Programme 2012/13
- Cost Improvement Programme 2013/14
- Cash Flow

Contents

About this report

The Board Performance Report has been refreshed to provide a clearer view of our performance across four domains of high quality care: Patient Safety, Clinical Effectiveness & Maternity, Patient Experience & Access and Efficiency. Two organisational domains of Workforce and Finance are also addressed.

Each month, an overall view of the Trust's performance is presented on page 2 based on key indicators for each domain. Within the report, relevant KPIs for each domain are reported in a dashboard format, and areas of concern or improvement highlighted. Finally, one domain each month will have a more in depth focus report.

Commissioning Update

The Trust has signed Heads of Terms with NWL CCGs for the 2013/14 contract with a baseline of £121m (excluding C&W planned growth). Further detail will be added throughout April.

Negotiations continued with NHS England (formerly the National Commissioning Board) regarding specialised services, with offer details being worked through. Paediatric Dental services will be transferred to the direct commissioning arm of NHS England under a steady state arrangement, allowing for PbR growth.

The transfer of Sexual Health commissioning to Local Authorities was officially enacted from 1st April but there remains a lack of coordination between Local Authorities as to their commissioning intentions. The Trust continued to pursue a plan for achieving a reasonable settlement for this key service. Each Local Authority will be billed separately for April. Further scrutiny on this area is planned for the Finance and Investment Committee.

The Trust, in discussion with commissioners, have agreed to focus attention on reducing levels of avoidable admissions. Achieving a reduction in preventable admissions will release financial savings to the health community, ensure more appropriate care for patients and release hospital capacity.

To facilitate the reduction of admissions a joint incentive scheme involving Central London Community Hospitals has been established to manage emergency pathways using community capacity where clinically appropriate

Also, there will be cost reduction opportunities for the Trust by optimising discharge processes such that length of stay is significantly reduced, without compromising care.

NWL CCGs Contract Terms 2013/14	Final Agreement
Baseline at 13/14 tariffs	137,355,656
Transfer of Specialised services, Dental and Sexual Health	-12,349,812
QIPP reduction & Demographic growth	-5,502,688
Counting & Coding Changes	563,291
12/13 metrics reversal	5,469,157
13/14 Elective Metrics	
Day case to OP Ratios	-172,298
First to Follow Up Ratios	-870,268
Internally Generated Demand	-499,866
Elective Stretch	-800,000
13/14 Non-elective Metrics	
Emergency Re-admissions	-906,491
Emergency Threshold Adjustment	-2,200,000
Emergency care pathway: 5% reduction in admissions	-1,397,063
Emergency care pathway: Excess bed days	-925,000
Subtotal 13/14 impact of metrics	-7,770,986
2013/14 total excl CQUIN	117,764,617
CQUIN at 2.5%	2,944,115
Total	120,708,733

Positives and Negatives

Positives:

The Trust performed well in the financial year 2012/13. Full year achievement of all Monitor compliance standards was achieved.

The Emergency Access performance was excellent and the Trust is the top performer nationally for waiting times less than 4 hours against all units that take major cases.

The Trust also achieved 95% of CQUIN schemes and improved overall waiting times for access into hospital services.

The yearend financial position was a surplus of £13m £0.4m above plan.

Areas for focus:

In 2013/14 the Trust will focus on improvements in process efficiency and patient experience. This includes a continued focus on reducing waiting times to benefit patients.

2013/14 will also see transformation work in outpatients to increase productivity and improve on patient experience. Various schemes are also planned to improve surgical pathways such as optimising the Fracture Neck of Femur pathway, increasing theatre productivity and driving down operation cancellations.

Monitor Compliance

The Trust is compliant against all Monitor targets for March 2013 and has achieved full achievement against the Monitor performance framework for 2012/13

KPI Name	Target	YTD	Mar 2013
Clostridium difficile cases	<31	15	1
MRSA objective	<3	1	0
All cancers: 31-day wait from diagnosis to treatment	> 96%	100.00%	100.00%
All cancers: 31-day wait for second or subsequent treatment Surgery	> 94%	98.44%	N/A
All cancers: 31-day wait for second or subsequent treatment anti cancer drug treatments	> 98%	100.00%	100.00%
All cancers:62-day wait for first treatment from urgent GP referral to treatment	> 85%	94.77%	100.00%
All cancers:62-day wait for first treatment from consultant screening referral	> 90%	100.00%	N/A
Cancer: Two Week Wait from referral to date first seen comprising all cancers	> 93%	96.73%	97.87%
Referral to treatment waiting times < 18 Weeks - Admitted	> 90%	92.25%	90.89%
Referral to treatment waiting times < 18 Weeks - Non-Admitted	> 95%	99.31%	99.42%
Referral to treatment waiting times < 18 Weeks - Incomplete Pathways	> 92%	92.66%	93.24%
A&E: Total time in A&E < 4hrs	> 98%	98.50%	98.60%
Self-certification against compliance with requirements regarding access to healthcare for people with a learning disability		Compliant	Compliant

Patient Safety

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Sub Domain	MonthYear	Mar-13	Feb-13	Jan-13	YTD
Harm	Hospital Associated VTE (Confirmed preventable cases) (Target: = 0)	TBC	TBC	0	9
	Incidence of newly acquired category 3 and 4 pressure ulcers (Target: < 4)	2	3	3	32
	Inpatient falls per 1000 Inpatient bed-days (Target: < 3.00)	2.54	2.62	2.54	2.62
	Safety Thermometer – Harm free care (Target: > 90%)	92.30%	91.90%	90.30%	91.80%
HCAI	Clostridium difficile infections (Target: < 2.6)	1	1	2	15
	MRSA Bacteraemia (Target: < 0.25)	0	0	0	1
	Hand Hygiene Compliance (trajectory) (Target: > 95%)	95.54%	96.06%	96.80%	94.54%
	Screening all elective in-patients for MRSA (Target: > 95%)	91.20%	91.70%	90.80%	90.90%
	Screening Emergency patients for MRSA (Target: > 95%)	97.50%	97.20%	97.60%	97.60%
Incidents	Incident reporting rate per 100 admissions (Target: > 8.00)	9.98	7.9	10.86	7.78
	Rate of patient safety incidents per 100 admissions (Target: N/A)	82.8	60.82	96.51	68.43
	Never Events (Target: = 0)	0	0	0	3
Pathways	Stroke: Time spent on a stroke unit (Target: > 80%)	100.0%	100.0%	100.0%	97.7%
	Proportion of people with higher risk TIA who are scanned and treated within 24 hours. (Target: > 75%)	100%	80.0%	87.5%	91.1%
	Fractured Neck of Femur - Time to Theatre < 36 hrs for Medically Fit Patients (Target: = 100%)	88.20%	81.80%	87.50%	85.10%
Mortality	Mortality (HSMR) (2 months in arrears) (trajectory) (Target: < 71)			68.49	81.39
	Mortality SHMI (Target: < 87)	76 - Latest data Oct 2011 - Sep 2012			76

Hospital associated VTE – There was in 1 case in February and 1 case in March which are subject to root cause analysis to confirm whether the VTE occurrence was preventable or not.

Screening patients for MRSA- Performance is largely driven by the high volume specialties of T&O and Gynaecology. The Infection Control team are undertaking focussed work with these teams in order to address issues and improve performance. The infection control team are now sending MRSA screening packs to Orthopaedic patients and the Surgery team are actively targeting an improvement to this indicator.

Fractured Neck of Femur (NOFs) – The reasons for patients who were operated on after 36 hours after admission due to non medical reasons were as follows:

- Mar- No operating time available due to lack of capacity
- Mar - Patient not deemed appropriate for out of hours surgery
- Cancellation owing to emergency Burns case taking priority
- Administrative issues associated with list management

FNOF cases are generally seen as urgent under NCEPOD classification which often doesn't warrant operating after 22:00 hours.

In order to improve performance against the FNOF target Clinical Support division have submitted a business case to secure funding to open an additional trauma theatre on Sundays. Currently one emergency Main theatre is in use on a Sunday catering for all specialties. The second theatre will focus primarily on trauma cases. A working group will be setup to look at the proposed commissioner CQUIN which will be aiming for all NOFs to be operated on within 24 hours of admission.

Clinical Effectiveness

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Sub Domain	KPI Name	Mar-13	Feb-13	Jan-13	YTD
A&E	A&E Time to Treatment (Target: < 60)	01:07	01:09	00:59	01:04
	A&E: Total Time (Target: > 98%)	98.60%	98.00%	98.50%	98.50%
	A&E: Unplanned Re-attendances (Target: < 5%)	6.43%	6.00%	4.64%	5.33%
	LAS arrival to handover more than 60mins (KPI 3) (Target: = 0)	0	1	0	4
Admitted Care	Day case rate Relative risk (Target: < 100)	101.7	102.4	104.4	103.8
	Elective length of stay relative risk (Target: < 100)	122.4	164.1	141.4	117.6
	Emergency Re-Admissions within 30 days (adult and paed) (Target: < 2.78%)	1.30%	3.00%	3.80%	3.40%
	Non-Elective length of stay (Target: < 100)	81.7	100.2	107.7	78
Best Practice	Time to theatre for urgent surgery (NCEPOD recommendations) (Target: > 95%)		96.90%	98.40%	97.40%
	Central line continuing care—compliance with Care bundles (Target: > 90%)	79.00%	89.00%	100.00%	93.50%
	Peripheral line continuing care—compliance with Care bundles (Target: > 90%)	67.00%	85.00%	90.00%	79.17%
	Urinary catheters continuing care—compliance with Care bundles (Target: > 90%)	88.60%	87.30%	98.20%	91.10%
	% Nutritional screening (Target: > 90%)	87.86%	n/a	59.02%	84.86%
	% Patients in longer than a week who are nutritionally re-screened (Target: > 90%)	73.83%	n/a	65.59%	71.26%
	Access to healthcare for people with a learning disability (Target: = 100%)	100%	100%	100%	100%
Best Practice CQUIN	VTE Assessment (Target: > 90%)	93.80%	93.60%	93.60%	92.70%
	Dementia Screening risk assessment (Target: > 90%)	80.65% Q4			
	12 Hour consultant assessment – Acute Admissions (Target: > 70%)	80.0% Q4			
	End of Life Care – Patients identified (Target: > 6%)	9.65% Q4			

Total time – The Trust was the top performer nationally in 2012/13 for type 1 units.

Time to Treatment - The time to treatment indicator or time to start of clinical decision making was challenging over the last 12 months. High levels of activity and peak periods in attendances have affected the Trust's ability to meet this indicator. Time to Treatment reporting relies heavily on timely data capture which has been identified as an area of weakness. To address this the following actions have been taken

- Continual communication to department staff on the need for timely data capture.
- Incorporation of data capture training as part of junior doctor induction o
- Developing reports by clinician to promote increased engagement.

Unplanned re-attendances – The unplanned re-attendances within 7 days quality indicator has proved challenging for the Emergency Department since the standards were introduced. A number of initiatives have been introduced since April 2011 which have reduced this from an average of 8-9% to 5.33% for 2012/13. During the winter months the department saw an increase in patients attending with chronic conditions which are more prevalent at this time. Further analysis of the cohorts of patients represented in this indicator is being conducted to understand what further measures can be taken to reduce the overall percentage. Work on the acute medical model including access to services such as rapid access clinics will impact on this target.

Care bundles – Reasons for low compliance against the 3 standards in best practice are doctors not documenting the insertion of the devices in the medical notes (PVC, CVC,UC) , or at site of insertion (PVC). A proportion of the wards are only auditing x1 PVC per month, resulting in skewed data.

To achieve improvements an action plan will be implemented to explore why doctors do not document insertion of invasive devices despite training, organisation of further refresher training for doctors on use of the cannula insertion packs, introduction cannula insertion packs to Paediatrics and setting a minimum of x5 PVCs to be audited per relevant clinical area per month.

8	12 Hour Consultant Assessment	Target	Quarter 4
8.1	In accordance with AES standards, Year 1 (75%), Year 2 (90%) Emergency adult admissions to be seen and assessed by a relevant consultant within 12 hours of the decision to admit or within 14 hours of the time of arrival at the hospital in medicine and general surgery.	75%	80%
8.2	75% (Yr 1), 90% (YR2)of paediatric patients assessed by a consultant within 12 hours of being admitted as an emergency by the ED or directly from the community (excluding non paediatric consultant visits within the ED) Monday – Friday.	75%	76%
8.3	50% of paediatric patients assessed by a consultant within 12 hours of being admitted as an emergency by the ED or directly from the community (excluding non paediatric consultant visits within the ED) during weekends.	50%	67%
9	End of Life Care Planning	Target	Quarter 4
9.1	1- Increase the number of patients who are identified as being in the last year of life on the Acute Assessment Unit	Delivery against agreed improvement - 6% of AAU admissions	9.65% (213 patients out of 2207 admissions)
9.2	2- increase the number of Advanced Care Planning discussions that are being undertaken with this group	Delivery against agreed improvement - 3% of AAU admissions	3.99% (88 patients out of 2207 admissions) Alternatively 88/213 patients identified = 41.31%
9.3	3- Increase the number of patients uploaded onto the End of Life register by C&W	Delivery against agreed improvement >20	22
9.4	4- Number of staff trained in the use of the end of life care register for INWL	Delivery against agreed improvement >10	16

Dementia screening, risk assessment and referral performance has improved throughout 2012/13. The Trust failed to meet the challenging target of 90% in Q4 for screening. However, 100% of patients screened were risk assessed. An audit is being carried out to calculate the percentage of relevant patients being referred for onward support.

The Trust is reviewing the internal processes to increase performance in line with the proposed 13/14 CQUIN target. The Trust will be recruiting 2 dementia care specialist nurses who will add additional support to this important care quality initiative in 2013/14.

The Trust met all standards for Consultant Assessment in Q4 of 2012/13. Clinical teams are supportive of the emergency care standards, with all clinicians aware of the importance of meeting this target. The Trust continued to develop its electronic data collection system in preparation for the new targets in 2013/14.

The Trust has achieved all of the End of Life Care objectives in 2012/13. Clinicians worked hard to meet the challenging targets for Q4, which included using a new care coordination system. The palliative care team worked closely with colleagues to identify EOL patients on AAU, coordinate discussions about Advanced Care Planning, and raise awareness of EOLC.

	Goal	Apr12	May12	Jun12	Jul12	Aug12	Sep12	Oct12	Nov12	Dec12	Jan12	Feb12	Mar12
Total C/S rate overall	<29%	32.3%	27.6%	30.4%	28.1%	27.4%	29.3%	31.5%	35.4%	31.0%	32.7%	27.9%	28.2%
Emergency C Sections		19.3%	15.9%	18.5%	14.8%	13.1%	13.1%	17.0%	18.2%	14.9%	16.1%	12.6%	15.7%
Elective C Sections		13.1%	11.7%	11.9%	13.3%	14.3%	16.2%	14.5%	17.2%	16.1%	16.6%	15.3%	12.5%
Number of PP haemorrhages >2L	>10	10	7	9	10	10	6	3	13	4	7	8	9
Blood loss >4000mls	0	1	0	1	1	2	1	0	1	1	1	0	1
No of Patients with 3rd/4th degree tear	0	6	12	10	10	13	4	10	11	11	7	6	11
Maternal Death	0	0	0	1	0	0	0	0	0	0	0	0	0
ITU Admissions in Obstetrics	<6 in 2 months	2	2	3	1	3	2	2	0	3	2	2	3
Number of Serious Incidents (Orange Incidents)	0	0	2	2	0	6	1	3	2	4	1	2	
Maternity Unit Closures	0	0	0	0	0	0	1	0	0	1	0	0	0
Breastfeeding initiation rate	90%	92.6%	92.3%	91.1%	92.1%	92.1%	92.7%	92.6%	95.2%	92.7%	92.3%	92.2%	92.6%

Maternity dashboard

The Trust has been scrutinising levels of massive obstetric haemorrhage (MOH) in order to determine how we compare with national benchmark.

An investigation using the MOH proforma tool was carried out on 14 notes for patients who had MOH greater than 2 litres.

The main contributory factors to our levels were prolonged labour, previous PPH, born outside UK, retained placenta, induction of labour, previous miscarriage/TOP, assisted conception, emergency section at full dilatation and previous section with difficult abdominal entry.

The investigation surfaced the need to identify risk factors when patient attends in labour, particularly previous PPH and history recurrent losses in early pregnancy identify women who were not born in UK, or had transferred their care in the antenatal period as a risk factor at handover on labour ward. Also that there is a need to ensure there is a senior Surgeon available to operate on women with more than two previous caesarean sections.

Maternity dashboard continued

Improved Caesarean section rates – Caesarean cases are continuously audited and reflected upon. The Trust lead midwife will be working with commissioners in 2013/14 to discuss this patient pathway with a view to making sustained improvement.

Maternity Access - in 2013/14 the Trust will be required to provide access to first antenatal appointments within 12 weeks and 6 days for 95% of mothers. This represents a significant stretch on the current standard. In order to mitigate the risk the maternity department has recruited additional staff to improve referral turnaround processes and avoid un-necessary delays.

Patient Experience

Sub Domain	MonthYear	Mar-13	Feb-13	Jan-13	YTD
Complaints	Complaints (type 1 and type 2) - communication (Target: < 15)	6	15	9	145
	Complaints (type 1 and type 2) - discharge (Target: < 4)	7	2	6	32
	Complaints (type 1 and type 2) - older people (Target: < 7)	10	8	11	81
	Complaints Re-opened (Target: < 5%)		6.30%	3.80%	3.60%
	Complaints upheld by the Ombudsman (Target: = 0)	0	0	0	0
	Formal complaints responded in 25 working days (Target: > 90%)	N/A	78.79%	79.41%	80.43%
	Total Formal Complaints (Target: < 35pm)	12	23	19	214
	Hospital cancellations \ reschedules of outpatient appointments % of total attendances (Target: < 17%)	13.80%	16.20%	15.60%	
Friends and Family	FFT - Local +ve score (Trust) (Target: > 90%)	94%	95%	94%	95.50%
	FFT - Net promoter score (IP, A&E and Maternity) (Target: > 13)	20	20	13	53
	FFT - response rate (Target: > 15%)	30%	29%	20%	21.30%
Mat	Hospedia results - maternity (Target: NA)	Under development			N/A
Other	Breach of Same Sex Accommodation (Target: = 0)	0	0	0	0

Further detail on Patient Experience indicators is contained within this month's Focus Report, page 15

Number of complaints – The number of complaints has risen since January, potentially relating to increased activity and winter pressures.

Complaints reopened – If a complaint is properly investigated and the complainant is kept informed about the type of investigation and feedback they receive it is more likely that a successful local resolution is achieved for the complainant. In February five complaints were re-opened. These were complaints received during the financial year 12-13. As part of the quarterly governance report the complaints team will provide analysis of the reasons why complaints are reopened, identify any themes and take appropriate actions to address them.

Formal Complaints response rate – Year to date 80.73% of Type 2 complaints were responded to and resolved by the Directorates within 25 days, this falls below the Trust target to respond to 90% of Type 2 complaints within 25 days. In order to try and address this issue, the complaints team update and send a log of current and reopened complaints to all the divisions once a week. The complaints team also send a weekly report for Trust Execs to highlight the complaints due and overdue each week.

Sub Domain	KPI Name	Mar-13	Feb-13	Jan-13	YTD
RTT	18 week referral to treatment times Admitted Patients (Target: > 90%)	90.89%	90.38%	90.89%	92.25%
	18 week referral to treatment times Non Admitted Patients (Target: > 95%)	99.42%	99.36%	97.57%	99.31%
	18 week RTT incomplete pathways (Target: > 92%)	93.24%	92.75%	92.29%	92.66%
	RTT 52 week patients (Target: = 0)	1	0	0	3
OP	Slot Issues per DBS booking (trajectory) (Target: < 3%)	2.30%	1.70%	1.00%	3.60%
Cancer	Cancer urgent referral Consultant to treatment waiting times (62 Days) (Target: > 90%)	No treatments	100.00%	100.00%	100.00%
	Cancer urgent referral GP to treatment waiting times (62 Days) (Target: > 85%)	100.00%	90.00%	100.00%	94.77%
	Cancer diagnosis to treatment waiting times - Subsequent Surgery (31 Days) (Target: > 94%)	No treatments	100.00%	100.00%	98.44%
	Cancer diagnosis to treatment waiting times - Subsequent Medicine (31 Days) (Target: > 98%)	100.00%	100.00%	100.00%	100.00%
	Cancer diagnosis to treatment waiting times (31 Days) (Target: > 96%)	100.00%	100.00%	100.00%	100.00%
	Cancer urgent referral to first outpatient appointment waiting times (2WW) (Target: > 93%)	97.87%	97.30%	97.70%	96.73%

52 Week patients – Any patient waiting over 52 weeks will be reported and a £5,000 fine incurred from April 2013. Divisional teams have reviewed their processes for long wait patients to make improvements and provide assurance that this target will be achieved in 2013/14. Validation of patients on incomplete pathways resulted in the identification of one breaching patient in March. This validation process will continue with the to minimise the risk that further long waiting patients will become 52 week breaches.

Long waiting patients occur due to long periods of suspension for clinical or social reasons. The Trust updated its access improvement policy in 2012 to improve the management of patient journeys. As the application of this policy takes effect numbers of 52 week breaches will reduce.

Slot Issues per DBS booking – The Trust achieved a reduction from 9.1% (156 issues) in Aug 2012 to 2.3% (49) in March. The reduction of 68.6% has been acknowledge as good performance by the Trust's commissioners.

The Trust did not achieve the target for the percentage of slot issues for the financial year 2012/13 3.6% against a target of less than 3%.

Access – Improving Waiting Times

Reducing Waiting Times

The Trust maintained an overall excellent position on Access, meeting all RTT and Cancer waiting time requirements in 2012/13. There is a desire to improve access for patients and ensure a competitive position for our services in key specialties. Through HQP we have developed plans to undertake additional activity and achieve improved waiting times for new appointments and treatment in a number of areas. The key areas are paediatric surgery, paediatrics, T&O, and gastroenterology. These plans are being taken forward through the implementation of our annual plan for 2013/14.

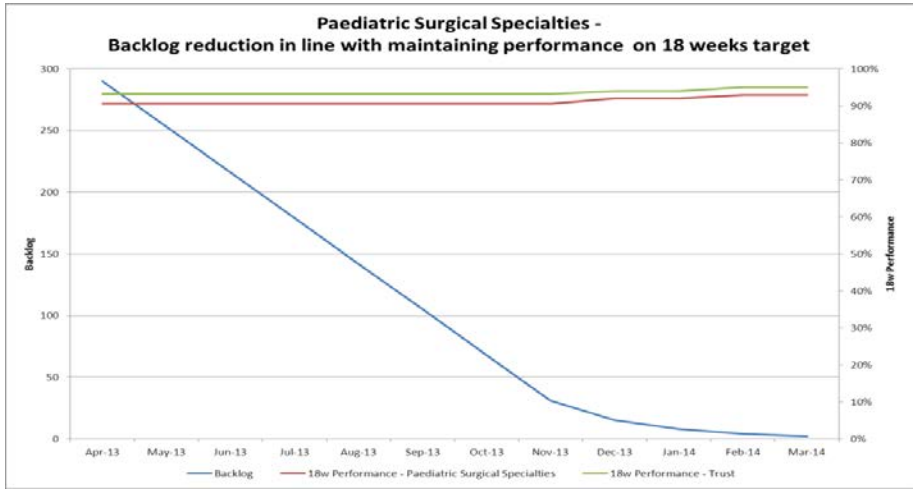
Maximum vs. Average Waiting Times

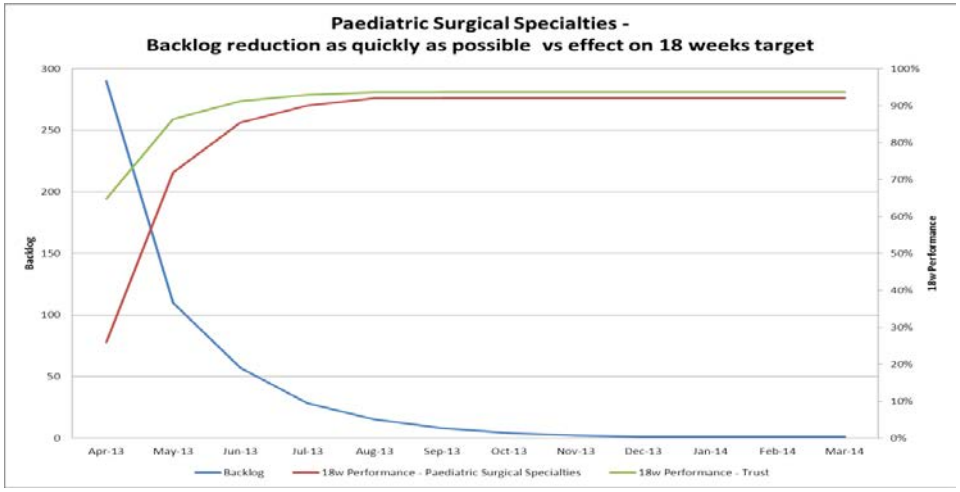
Within an access target such as 18 weeks there is a distribution of patient waiting times up to the maximum target. The bulk of patients wait a much shorter time than the maximum so reducing the maximum would not usually affect the majority of patients. Therefore our access initiatives are focussed on reducing average waits as a more effective method of improving patient experience and overall competitiveness.

Considerations for Waiting Time Improvement

When undertaking waiting time initiatives, consideration needs to be given to the effect on access targets of addressing backlogs. A balance between longer and shorter waiting patients is often appropriate to ensure compliance and pay due regard to urgent patients. These factors have recently been considered in paediatrics, as illustrated by the graphs below.

There are specific factors that determine how quickly the Trust can reduce waiting times such as available capacity, referral demand, urgency mix and the national requirement to hit a percentage target. The Trust has developed models to enable it to discern the best courses of action to take into account of these various factors. Following a successful pilot in paediatrics on capacity and demand we will be rolling out an improved methodology for prospectively managing capacity, demand and waiting list targets.





Process Efficiency

Sub Domain	MonthYear	Mar-13	Feb-13	Jan-13	YTD
Admitted	Delayed transfers - Patients affected (Target: < 4%)	2.30%	3.10%	4.10%	2.30%
	No urgent op cancelled twice (Target: <)				
	On the day cancellations not rebooked within 28 days (Target: = 0)	0	1	2	5
	Theatre booking conversion rate (Target: > 80%)	89	88.4	87.4	87.6
	Theatre efficiency score (Target: > 80)	72.3	74.9	73.2	73.1
DQ	Coding Levels complete - 7 days from month end (Target: >95%)	~90.0%	97.2%	90.6%	
GP Realtime	% Letters Sent < 5 Working Days (Target: > 90%)	87.14%	84.71%	83.19%	69.08%
	Discharge Summaries Sent (Target: > 80%)	80.20%	71.30%	72.10%	68.69%
	GP notification of discharge planning within 48 hours (Target: > 80%)	99% Q4			
	GP notification of an A&E-UCC attendance in real-time (within 24 hours) (Target: > 90%)	85% Q4			
OP	DNA Rate (Target: < 100)	115.6	109.8	117.8	119.6

On the day cancellations – The Trust did not achieve the 28 day rebooking target for the following reasons:

- Cancellation owing to equipment failure
- Cancellation owing to lack of theatre time
- Cancellation owing to admin error and notes being unavailable.

GP Real Time Information

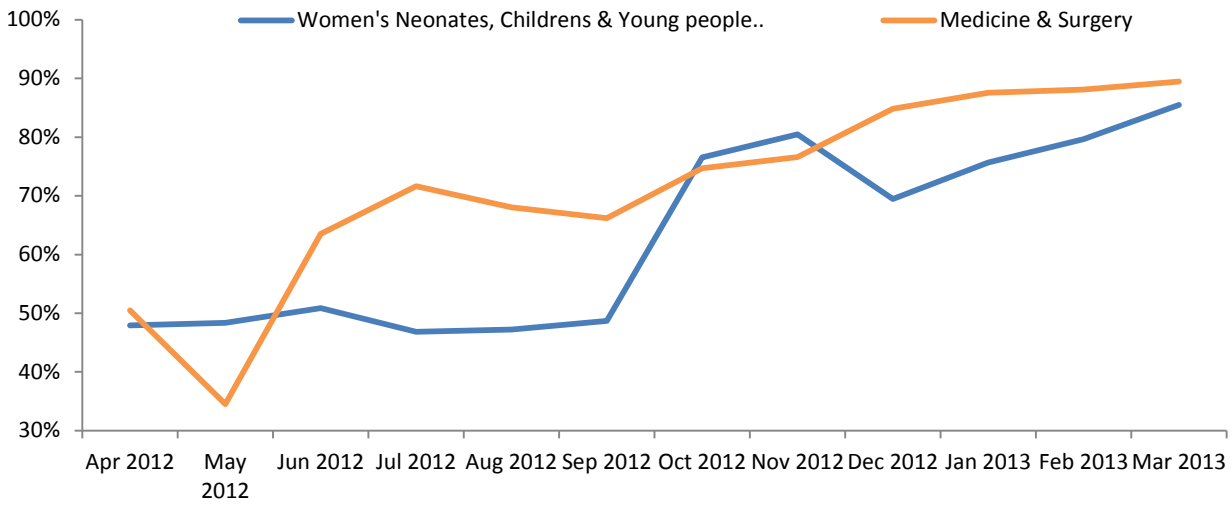
The Trust continued its focus on providing GPs with real time information in Q4 and delivered an increase on Q3 performance against extremely testing targets. The provision of discharge summaries to GPs within 24hours was achieved in 80% of cases. 87% of outpatient letters were completed within 5 days, demonstrating a significant improvement in information sharing since 2011/12.

It should be noted that achieving the GP Real Time information targets has been resource intensive for the Trust and will be going forward into 2013/14. To ensure that resources are directed where there is most benefit for GP colleagues and patient care the Trust will work collaboratively with GP IT leads and other stakeholders to develop enhanced discharge planning information building on the achievements of 2012/13 in terms of discharge notifications and discharge summaries, particularly for at risk patients. The Trust will focus on new methods of delivering electronic communications to GPs to best support streamlined clinical process and easy access to key information. The Trust will maintain good performance against existing outpatient communication targets as business as usual, but propose that discharge planning and care coordination is the focus for 2013/14, in support of the emergency care pathway.

Process Efficiency – Focus on Real time & Theatres

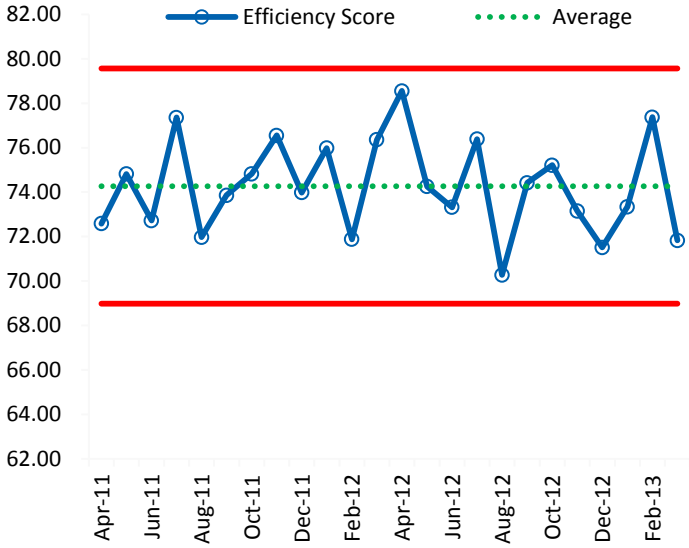
Chelsea and Westminster Hospital NHS
NHS Foundation Trust

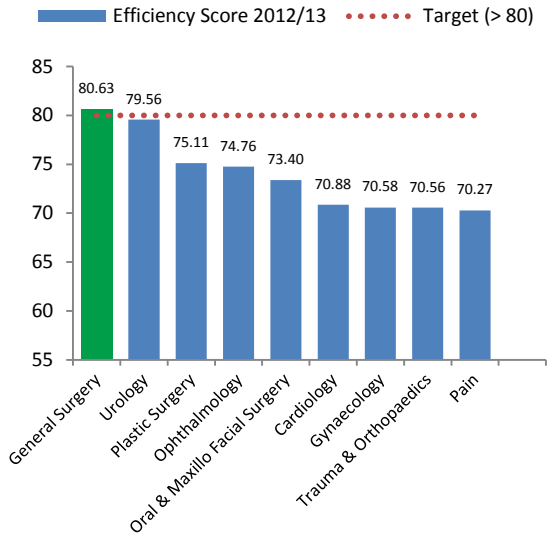
GP Real-time: Letters Sent within five working days



GP Real-time: Letter turnaround – Performance improved throughout 2012/13 as the divisional teams focussed on this key quality measure. However this has been resource intensive and going forward into 2013/14 we will be reviewing process and introducing new systems such as Speech Recognition to ensure that performance can be sustainably maintained

Theatre Efficiency Score





Theatre Efficiency Score – The theatre efficiency score combines two indicators. The percentage of theatre time used and the percentage of patients booked who went on to have surgery (conversion rate). These indicators combined give an overview on how well the theatre resource is being used. MDT teams are focus on the following work streams

- Pathway redesign - redesigning the admission pathway from outpatients through to the day of the surgical procedure. Two workshops were set up, with one already undertaken and the next scheduled for 26th April 2013.
- Treatment centre improvement – Improved utilisation of space, more pre-op rooms and increased privacy for patients
- Surgical admission lounge – expansion of the SAL to address bottle neck.
- Optimising cases per list – Pilot of improvement tool to forecast utilisation prior to list sign-off.
- A predictor tool has been piloted within the Urology firm identifying opportunities for additional cases to be managed through every list. Initial findings have shown improvements in Q4, so it has been agreed to roll this out more widely in 2013/14.

Sub Domain	Month Year	Mar-13	Feb13	Jan-13	YTD
HR	Appraisal completion rate (Target: 87%)	80%	80%	81.00%	82.00%
	Sickness Rate (Target: < 3.83%)	3.31%	3.08%	4.20%	3.72%
	Turnover Rate (Target: < 13.5% YTD; <1.1% in month)	1.22%	1.20%	1.20%	13.59%
	NHS Staff Survey (Target: N/A)	Yearly audit – 3.68			3.68
	Staff Satisfaction Index (Target: > 60%)	60.00%	40.00%	60.00%	60.00%
	Vacancy Rate (Target: < 8.38%)	7.64%	8.37%	8.70%	8.34%
	Average Recruitment Time (Target: <70)	63.39	68.21	63.53	74.5
	Agency Staff % (Target: < 3.15%)	5.20%	4.50%	4.90%	4.4%

Staff Satisfaction index – The staff satisfaction index combines Turnover, stability, sickness, vacancies and appraisal rates to create an overarching score.

Despite increased turnover, staff satisfaction remains on target, with vacancies, sickness and stability rates all achieving their target. The Staff Satisfaction measure will be replaced for 2013/4, using the internal staff surveys which will include measures on staff satisfaction. This will enable the trust to tie in Staff satisfaction with Patient experience in a more robust manner.

Sickness Rate – The Trust's sickness absence rate in March was 3.31% which is lower than March 2012 (4.31%). Sickness rates for the year are below target at 3.72%. Sickness in all Divisions, with the exception of Medicine and Surgery was lower than the same month last year. HR is currently reviewing the issue of non-reporting and will be implementing changes to improve compliance.

Vacancy rate – The Trust's vacancy rates are calculated using the budgeted WTE (based on reconciliations with the Finance department), and the WTE of staff inpost at the end of the month. This represents the 'total vacancy' position. The full Trust vacancy rate for March 2013 was 7.64%, an increase of 0.5% on the previous year. The average vacancy rate for 2012/13 was 8.34%, which was below target for 2012/13.A truer measure of vacancies is those posts being actively recruited to, based on the WTE of posts being advertised through NHS jobs throughout March 2013. The active vacancy rate is currently 2.79%. The active vacancy rate ended the year below target.

Agency staff % of WTE - The Trust showed an increase in Bank and Agency usage for March, up by 52.78 WTE on March 2012, with both bank and Agency registering an increase on the previous year. The increase in the use of Agency was driven by increased usage in both the corporate and Medicine and Surgery Divisions. Nursing, Administrative and Healthcare Assistants registered increases on the previous month. Agency usage is being reviewed actively by Human resources and Senior managers to identify actions needed to reduce the use of Agency staff. Staffbank recruitment campaigns are planned for the remainder of the year to increase our pool of available temporary workers.

Turnover Rate – In March the Trust staff in post position stood at 2949.02 WTE (whole time equivalents) with the substantively employed workforce increasing by 1.76 WTE (0.1%) since March 2012. Unplanned turnover (i.e. resignations) stood at 14.60% for the month, with all Divisions registering an increase against last year. Due to the increased turnover seen in Quarter 4, the Trust has narrowly missed its annual target ending the year at 13.56%. Human Resources is refreshing it's exit interview process to help us understand the reasons for this increased turnover better.

Finance – Balanced Scorecard

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Financial Performance

Financial Position (£000's)

	Full Year Plan	Plan to Date	Actual to Date	Mth 12 YTD Var	Mth 11 YTD Var	Forecast
Income	(345,806)	(345,806)	(345,911)	105	(587)	
Expenditure	310,556	310,556	310,337	219	1,674	
EBITDA for FRR excl Donations/Grants for Assets	33,600	33,600	33,645	45	1,157	
EBITDA % for FRR excl Donations/Grants for Assets	9.8%	9.8%	9.8%	0.0%	0.4%	
Surplus/(Deficit) from Operations before Depreciation	**35,250**	**35,250**	**35,574**	**324**	**1,087**	
Interest	777	777	775	2	13	
Depreciation	12,065	12,065	11,689	376	310	
Other Finance costs	2	2	121	(118)	2	
PDC Dividends	9,765	9,765	9,947	(182)	(268)	
Retained Surplus/(Deficit) excl impairments	**12,641**	**12,641**	**13,043**	**403**	**1,144**	
Impairments	0	0	0	0	0	
Retained Surplus/(Deficit) incl impairments	**12,641**	**12,641**	**13,043**	**403**	**1,144**	

Comments

Risk Assessment

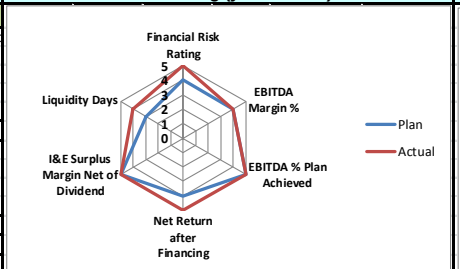
Impact 1 Insignificant (Local management tolerance level), Likelihood 1 (Rare); Internal> **Green**

The year-end position is a surplus of £13.0m (EBITDA of 9.8%), which is a positive variance of £0.4m against plan.

I&E Forecast Surplus (£13.0m); included the following material changes not forecast in the month 11 position;

- Benefit in month 12 metrics for Non GP-Referrals £0.3m
- Benefit of £0.4m Stock Counts
- Provisions of £0.7m in month 12
- A further £0.1m underspend in reserves in month 12

Risk Rating (year to date)



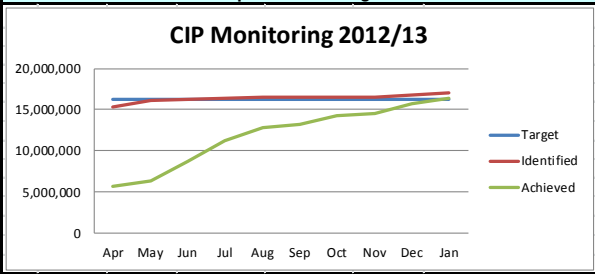
Comments

The Trust has achieved a Financial Risk Rating (FRR) of 5 at month 12, against a plan for an overall 4.

The key difference from plan is in the liquidity metric where the plan was for liquidity days to be 25 but the actual metric is 38.

The reason for the improvement against plan is due to the fact that the year-end cash position is approx. £11.5m higher than plan.

Cost Improvement Programme



Comments

CIPs 12/13

CIPs were 100% identified in 12/13 and reached 100% achieved as at Feb 2013 (£16.2m).
CIPs of 85% have been achieved recurrently which leaves a gap of £2.4m to deliver.

CIPs 13/14

The CIP target for 13/14 is £16.9m.
Schemes totalling £12.0m have been identified towards the 2013/14 target.
This £12m represents 71% identification and includes 8% achievement.

Service Line Reporting (Referenced to EBITDA) - *NB; this is month 11*

	Activity	Income (£000s)	Cost (£000s)	EBITDA (£000s)	EBITDA %	Surplus/Deficit (£000s)
Directorate Split (incl. some specific specialties)						
Surgery Total	**104,314**	**53,091**	**49,386**	**3,705**	**7.0%**	**(1,774)**
Accident & Emergency - Adult	29,268	6,918	6,603	315	4.6%	(240)
Medicine Other sub-total	88,762	47,548	46,935	613	1.3%	(3,238)
Medicine Total	**118,030**	**54,466**	**53,538**	**928**	**1.7%**	**(3,478)**
A&E Child & Paediatric Community sub-total	2,761	507	512	(5)	-1.0%	(57)
Paediatric Medicine sub-total	23,127	14,782	13,248	1,533	10.4%	416
Paediatric Surgery sub-total	33,340	16,455	14,214	2,240	13.6%	831
NICU & SCBU	12,181	10,680	11,140	(460)	-4.3%	(1,091)
Paediatric HDU	1,861	2,587	1,544	1,042	40.3%	973
Neonatal, Children's & Young People Total	**83,871**	**47,801**	**44,083**	**3,718**	**7.8%**	**319**
Women's Total	**105,122**	**45,200**	**38,325**	**6,875**	**15.2%**	**3,729**
GUM	110,746	19,056	13,707	5,350	28.1%	4,784
HIV	41,184	57,352	49,407	7,946	13.9%	6,908
Dermatology	25,319	4,457	5,128	(671)	-15.0%	(1,168)
HIV, Sexual Health & Dermatology Total	**177,249**	**80,866**	**68,241**	**12,625**	**15.6%**	**10,523**
Clinical Support Total	**67,010**	**15,985**	**12,986**	**2,999**	**18.8%**	**1,931**
Private Patients & Other Total	**14,557**	**5,241**	**2,800**	**2,441**	**46.6%**	**2,123**
Total Trust	**670,153**	**302,650**	**269,359**	**33,291**	**11.0%**	**13,373**
POD Split						
Elective		20,428	21,781	(1,353)	**-6.6%**	(3,629)
Daycase		29,493	23,859	5,634	**19.1%**	3,436
Non-Elective		73,559	76,457	(2,897)	**-3.9%**	(10,223)
Other		37,433	36,301	1,131	**3.0%**	(1,175)
Outpatients		140,336	109,482	30,853	**22.0%**	25,098
Outpatient Procedures		530	538	(8)	**-1.5%**	(17)
Community		872	941	(68)	**-7.8%**	(119)
Total Trust		**302,650**	**269,359**	**33,291**	**11.0%**	**13,373**

Comments

The table above summarises the SLR position for Directorates/Divisions to the end of month 11 of 2012-13.

Key Financial Issues

Key Issues

- Outstanding Income Metrics (incl PPwT & CQUIN)
- Outstanding queries with LSCG re HIV Cancer drugs

CQUIN Update

- The Trust reported 96% achievement of CQUIN schemes (total £5.9m) full year in 12-13. (Subject to sign off of Q4 targets)

The CQUIN schemes reported <100% achieved;

- Real time GP information
- Diagnosis of Dementia
- HIV schemes

Future Developments

- 13/14 Contract Negotiations
- 13/14 QIPP Schemes & productivity metrics
- Strategic developments e.g. West Midd, SaHF
- GUM Public Health commissioning
- Specialised Services transfer to NHS England in 13/14
- Monitor has consulted on a new Risk Assessment Framework to replace the Financial Risk Rating with a Continuity of Services risk rating; the FRR will continue in shadow form for first six months of 13/14

Other Issues

- Completion of HQP planning process
- Changes to Monitor Risk Assessment Framework
- CIP 13/14 identification
- Impact of Francis Report

Cash Flow

Summary Cash Flow	YTD		
	Plan	Actual	Variance
Cash inflow / (outflow) from:	£m	£m	£m
-operating activities	23.1	26.8	3.7
-Investment activities	(38.8)	(16.7)	22.0
-Financing activities	5.2	(9.1)	(14.3)
Total Net Cash Flows	**(10.5)**	**1.0**	**11.4**
Cash & Cash equivalents	**30.5**	**42.0**	**11.4**

Comments

The cash balance at the end of March is £42m, which is £11.5m higher than the planned figure of £30.5m.
The key reasons for this were;

- Slippage in capital spend against the original capital plan (£9m).
- A significant improvement in the NHS debtors position, due to high rates of cash collection.

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Board of Directors Meeting, 25 April 2013 (PUBLIC)

AGENDA ITEM NO.	2.2.1/Apr/13
PAPER	Patient and Staff Experience Focus Report April 2013
AUTHOR	Carol Dale, Patient and Staff Experience Facilitator
LEAD	Thérèse Davis, Chief Nurse
PURPOSE	To give an overview of Patient and Staff Feedback and actions undertaken to improve their experience.
OBJECTIVES	Improving Patient Experience.
RISK ISSUES	Nil.
FINANCIAL ISSUES	Nil.
OTHER ISSUES	Nil.
LEGAL REVIEW REQUIRED?	No.
EXECUTIVE SUMMARY	This is a new report. The purpose of this report is to bring together patient and staff experience data so that an overview of key themes and actions to address them can be provided. This report includes information from December 2012 up to February / March 2013, however it provides commentary on themes and trends from the whole of the last financial year to give perspective. Future reports will be provided quarterly and include 3 months of data with reference to last year where appropriate and possible. We are keen to understand if this report gives the information required and in a format that is useful. The report will be revised in the light of feedback and forms part of a programme to provide a more in depth focus on different domains of Quality on a quarterly basis.
DECISION/ ACTION	For Information

Patient and Staff Experience Focus Report April 2013
Trust Board

Section 1 Introduction and Executive Summary

About This Report

The purpose of this report is to bring together patient and staff experience data so that an overview of key themes and actions to address them can be provided. This report includes information from December 2012 up to February / March 2013, however it provides commentary on themes and trends from the whole of the last financial year to give perspective. Future reports will be provided quarterly and include 3 months of data with reference to last year where appropriate and possible. The principal sources of information are: Complaints and concerns, Patient Surveys, the Friends and Family test, and our Staff Survey. The report aims to provide a narrative to explain the data and to update on patient and staff experience objectives. It is a way of bringing together all the feedback we have to ensure we are listening to patients and staff, particularly in light of the Francis Report 2013. We are keen to understand if this report gives the information you need and in a format that is useful. The report will be revised in the light of feedback and forms part of a programme to provide a more in depth focus on different domains of Quality on a quarterly basis.

Key Areas To Highlight From This Report

Learning from Complaints
The Complaints and PALS teams continue to work closely with Divisions to facilitate learning from complaints and changes in practice to support improvement of patient experience in future. Once a formal complaint has been made, it is important that the process and outcomes are monitored so that lessons can be learned, changes to practice can be made and shared and staff can be appropriately supported.

Friends and Family Test
Our response rate has increased from 11% to 30% between December 2012 and March 2013 and we are starting to use the Net Promoter Score in all our communications.

Picker Patient Survey Results
The themes are being picked up from each survey by the Divisions. Themes from our surveys continue to highlight that patients sometimes lack confidence and Trust, in the advice they are being given and that answers to question are sometimes not clear.

Staff Experience
In the recent national staff survey of NHS staff the Trust was in the top 20% of acute trusts nationally for 14 of the 28 Key Findings, and in the bottom 20% for 2.

Trust Values
In the last few months we have communicated and discussed our values in teams, with teams developing their own priorities. The next step will be to strengthen individual commitment and sign up to the values.

Other Major Initiatives

The patient and staff experience work is overseen by the Patient and Staff Experience Committee and led by the Chief Nurse and Director of HR. Our patient surveys are showing improvements particularly in our Accident and Emergency department, and in questions related to medication information. In the coming months the feedback we receive from patients will be built into ward/department based 'You said, We did' boards. Ward leaders will review the patient feedback and publish both positive and critical feedback, and write a monthly plan to address the areas for improvement. We have introduced 'Comfort Rounds' in ward areas and are establishing senior Directors rounds to build links with patient areas and listen to patient and staff feedback.

External Audit

Our KPMG internal audit In January 2013 made 4 minor recommendations that we will give our attention to;

- Listening to patient feedback using social media.
- Reporting the improvements in first time resolution of complaints.
- Mapping the patient feedback across the Trust.
- Having consistent and clear divisional action plans.

Conclusion

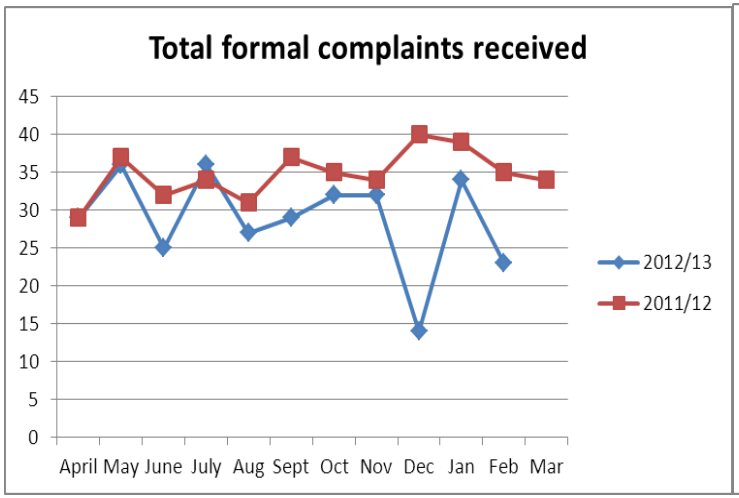
The Trust is performing well in some areas of patient and staff experience and has a programme of work to listen and respond to the feedback we receive. Priorities will be identified in our Quality Account and our Patient and Staff experience action plans, monitored by the Patient and Staff Experience Committee. Divisions and Heads of Service are using the feedback to drive improvements.

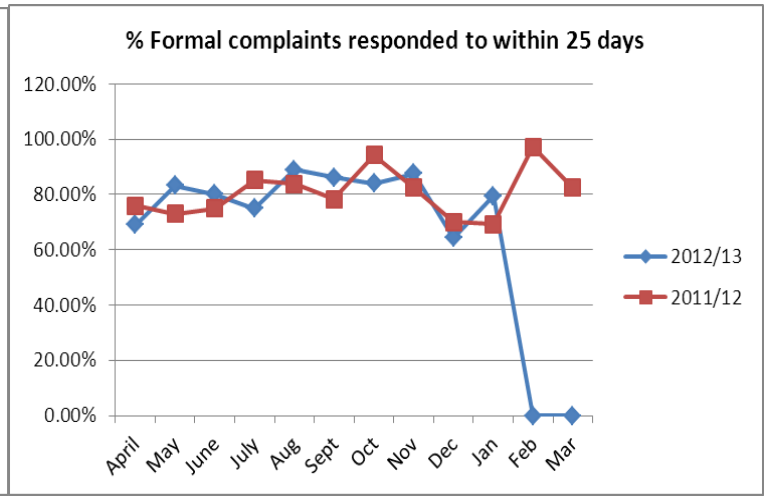
Section 2 Learning from Complaints

Type 1 complaints are informal complaints, dealt with by the M-PALS office. Type 2 complaints are formal complaints of a more serious nature, which need to be escalated.

Total Complaints Trends

The graphs below illustrate that formal complaints received have reduced. Teams continue to work to achieve the required turnaround time for complaints responses. Our focus on the quality and depth of responses has led to a very low rate of complaints re-opened. Divisional teams liaise closely with patients to understand their concerns and the resolution they want so that complaint responses get things right first time.





Complaints Themes

If a complaint is properly investigated and the complainant is kept informed about the type of investigation and feedback they receive it is more likely that a successful local resolution is achieved for the complainant. During the year 2012-2013, the Trust has received 373 formal complaints in total, this includes type 2 and type 3 complaints. For the year to date 25 [6%] of the complaints were reopened; 4 % of these complaints have been resolved through further local resolution, either by writing again to the complainants, or by meeting with them.

The Trust is focusing on a number of themes that our patients and their families have told us are important to them and formed part of our Quality Account: Communication, discharge and older people. There has been targetted work in all of these areas and overall there has been an encouraging reduction in complaints around these themes since last year.

All complainants whose complaint relates to NHS funded care have the right to have their complaint reviewed by the Ombudsman. The Ombudsman will carefully consider the issues that each complaint raises, examine how the NHS trust responded, take clinical advice if needed, and then reach a decision. The total number to date this year of complaints that have been referred to the Ombudsman is seven. The Trust has taken reassurance that the complaints referred to the Ombudsman have not been accepted for investigation or upheld

Complaint Theme	Complaint Type	2011/12 Q1 – Q4	2012/13 Q1 – Q4	Variance
Communication	Type 1	**102**	**100**	**-1.96 %**
	Type 2	**96**	**54**	**-41.66%**
Discharge	Type 1	**29**	**16**	**-44.83%**
	Type 2	**19**	**15**	**-21.06%**
Concern Age 75 and Over	Type 1	**64**	**37**	**-39.06%**
	Type 2	**46**	**41**	**-10.87%**

The feedback from patients through PALs complaints shows a theme related to our Outpatient booking particularly hospital initiated cancellations of OPD appointments. We have developed a new indicator to track the level of hospital initiated cancellation of patients' outpatient appointments which stands at 15.8% of all appointments year to date. Transformation work has begun in our outpatients department to improve our booking and management processes. This work should result in less disruption for patients. We will provide more detail on what patients are saying and how we are responding in future reports.

What Else Are We Doing to Improve Areas of Concern ?

Some examples:

- Rolling out Dementia training for staff.
- Running Sage and Thyme training to help staff dealing with patients or carers that are anvious or distressed.
- Set up a carers forum to discuss improvements and support for carers.
- Discharge transformation team – programme of work to include 'board rounds' daily to ensure momentum in the discharge process, an electronic discharge checklist, working with the multi-disciplinary team and our community and social services partners. We have also appointed an end of life care discharge co-ordinator.

Patient Story / Staff Story

In future reports we would like to provide more patient stories, positive and negative, to give a true flavour of the patient experience at Chelsea and Westminster. We would also like to explain what actions have been taken in response to the stories and how these have been communicated to patients. For this meeting we have a report from one of our senior managers, Osian Powell, talking about his experience on senior rounds on the ward. Senior rounds were initiated in January 2013.

As patient story is from the Maternity department:

Good afternoon,
I am writing to you as head of midwifery at Chelsea and Westminster. I recently spent a considerable amount of time at both the ante natal clinic and on the labour and Ann Stewart wards in the run up and follow up to the birth of our son, Archie on 5 March.
During this time there was an almost unrelenting negative campaign in the media regarding the standards of care in the NHS. This couldn't be further from the truth with regards my care while I was in hospital.
It was a Long stay including day and overnight stays, diagnosis or at least consideration of pre-eclampsia and later obstetric cholestasis, and a combination of being induced, ECV options and eventually a c-section. Without exception, your staff was supportive, professional, good humoured and reassuring. I knew I could trust their professional abilities and would do again. I didn't find out all their names but Sarah, Dimitra, Camilla and Hannah were four who stood out.
I don't know how to pass my thanks on to the consultancy and surgical teams but I would be grateful if you could pass on my appreciation to them, particularly Miss Penn and (I think) Julie who was the surgeon who delivered Archie.

Received 13.3.13 from patient BL-W

Section 3 Friends and Family Test FFT results

Introduction and Programme

The Friends and Family Test (FFT) is being introduced across the NHS from April 2013 and Chelsea and Westminster is an early adopter, having already rolled out the process to A&E and a number of adult inpatient wards. The FFT will be rolled out to Maternity services in October 2013. One of our National CQUINs will be related to the further roll out of the FFT and increasing response rates from the initial target of 15% and net promoter scores (the number of patients extremely likely to recommend the Trust, minus those who are indifferent, or would not recommend us). An action plan is in place to undertake the roll out and monitor and improve results.

Results to date – Response rate

	Dec-12			Jan-13			Feb-13			Mar-13		
Dept	**Actual response**	**Eligible response**	**Response rate**	**Actual response**	**Eligible response**	**Response rate**	**Actual response**	**Eligible response**	**Response rate**	**Actual response**	**Eligible response**	**Response rate**
A&E	**40**	**509**	**8%**	**106**	**487**	**22%**	**115**	**516**	**22%**	**125**	**549**	**23%**
Inpatient	**140**	**1138**	**12%**	**222**	**1175**	**19%**	**360**	**1121**	**32%**	**401**	**1202**	**33%**
A&E + Inpatient	**180**	**1647**	**11%**	**328**	**1662**	**20%**	**475**	**1637**	**29%**	**526**	**1751**	**30%**

Results to Date – Internal Trust Positive Score (% of patients responding they would be likely or extremely likely to recommend us.

December 2012

December 2012 Inpatient Data							
Ward Name	Main 2 Specialties on each ward		Responses				
	S1	S2	Eligible response	Actual response	Response rate	Positive responses total	%positive responses to Actual response
ACUTE ASSESS UNIT	General Medicine	Elderly Medicine	322	31	10%	30	97%
ANNIE ZUNZ	Gynaecology	General Surgery	149	27	18%	26	96%
BURNS UNIT	Burns		22	6	27%	6	100%
CHELSEA WING	Gynaecology	Elderly Medicine	52	5	10%	5	100%
DAVID ERSKINE	Respiratory Medicine	Elderly Medicine	56	17	30%	16	94%
DAVID EVANS	Trauma and Orthopaedics	General Surgery	165	7	4%	6	86%
EDGAR HORNE	Elderly Medicine	General Medicine	52	6	12%	5	83%
LORD WIGRAM	Trauma and Orthopaedics	Plastic Surgery	94	5	5%	5	100%
NELL GWYNNE	Elderly Medicine	Stroke	49	3	6%	1	33%
RAINSFORD MOWLEM	General Surgery	Elderly Medicine	118	11	9%	11	100%
RON JOHNSON	Gastroenterology HIV	Medical Oncology	59	22	37%	22	100%
			1138	140	12%	133	95%

December 2012 A&E Data					
Ward Name	Responses				
	Eligible response	Actual response	Response rate	Positive responses total	%positive responses to Actual response
A&E	509	40	8%	39	98%

January 2013

January 2013 Inpatient Data							
Ward Name	Main 2 Specialties on each ward		Responses				
	S1	S2	Eligible response	Actual response	Response rate	Positive responses total	%positive responses to Actual response
ACUTE ASSESS UNIT	General Medicine	Elderly Medicine	347	51	15%	49	96%
ANNIE ZUNZ	Gynaecology	General Surgery	150	29	19%	28	97%
BURNS UNIT	Burns		24	2	8%	2	100%
CHELSEA WING	General Surgery	Elderly Medicine	69	14	20%	14	100%
DAVID ERSKINE	Elderly Medicine	Respiratory Medicine	57	20	35%	18	90%
DAVID EVANS	Trauma and Orthopaedics	General Surgery	178	23	13%	22	96%
EDGAR HORNE	Elderly Medicine	General Medicine	40	6	15%	5	83%
LORD WIGRAM	Trauma and Orthopaedics	General Surgery	92	12	13%	11	92%
NELL GWYNNE	Elderly Medicine	Stroke	38	6	16%	6	100%
RAINSFORD MOWLEM	General Surgery	Trauma and Orthopaedics	125	37	30%	35	95%
RON JOHNSON	Gastroenterology HIV	Medical Oncology	55	22	40%	22	100%
			1175	222	19%	212	95%

January 2013 A&E Data					
Ward Name	Responses				
	Eligible response	Actual response	Response rate	Positive responses total	%positive responses to Actual response
A&E	487	106	22%	97	92%

February 2013

February 2013 Inpatient Data							
Ward Name	Main 2 Specialties on each ward		Responses				
	S1	S2	Eligible response	Actual response	Response rate	Positive responses total	%positive responses to Actual response
ACUTE ASSESS UNIT	General Medicine	Elderly Medicine	308	20	6%	20	100%
ANNIE ZUNZ	Gynaecology	General Surgery	149	37	25%	35	95%
BURNS UNIT	Burns		21	3	14%	3	100%
CHELSEA WING	General Surgery	Gynaecology	64	16	25%	15	94%
DAVID ERSKINE	Respiratory Medicine	Elderly Medicine	52	46	88%	45	98%
DAVID EVANS	Trauma and Orthopaedics	General Surgery	195	89	46%	87	98%
EDGAR HORNE	Elderly Medicine	General Medicine	48	13	27%	11	85%
LORD WIGRAM	Trauma and Orthopaedics	General Surgery	79	14	18%	14	100%
NELL GWYNNE	Elderly Medicine	Stroke	45	23	51%	21	91%
RAINSFORD MOWLEM	General Surgery	Elderly Medicine	117	69	59%	61	88%
RON JOHNSON	Gastroenterology HIV	Medical Oncology	43	30	70%	29	97%
			1121	360	32%	341	95%

February 2013 A&E Data					
Ward Name	Responses				
	Eligible response	Actual response	Response rate	Positive responses total	%positive responses to Actual response
A&E	516	115	22%	111	97%

March 2013

March 2013 Inpatient Data							
Ward Name	Main 2 Specialties on each ward		Responses				
	S1	S2	Eligible response	Actual response	Response Rate	Positive responses total	Positive responses to Actual response
ACUTE ASSESS UNIT	General Medicine	Elderly Medicine	314	106	33.76%	101	95.28%
ANNIE ZUNZ	Gynaecology	General Surgery	151	34	22.52%	34	100.00%
BURNS UNIT	Burns		26	2	7.69%	2	100.00%
CHELSEA WING	Trauma and Orthopaedics	Gynaecology	77	32	41.56%	31	96.88%
DAVID ERSKINE	Elderly Medicine	Respiratory Medicine	67	67	100.00%	61	91.04%
DAVID EVANS	Trauma and Orthopaedics	General Surgery	220	52	23.64%	48	92.31%
EDGAR HORNE	Elderly Medicine	General Medicine	63	6	9.52%	3	50.00%
LORD WIGRAM	Trauma and Orthopaedics	General Surgery	82	15	18.29%	14	93.33%
NELL GWYNNE	Elderly Medicine	Stroke	37	23	62.16%	21	91.30%
RAINSFORD MOWLEM	General Surgery	Gastroenterology	117	36	30.77%	31	86.11%
RON JOHNSON	Gastroenterology HIV	Plastic Surgery	48	28	58.33%	28	100.00%
			1202	401	33.36%	374	93.27%

A&E March 2013					
Ward Name	Responses				
	Eligible response	Actual response	Response rate	Positive responses total	Positive responses to Actual response
A&E	549	125	23%	121	97%

Comments

The following comments give a flavour of the experiences of patients from our free text boxes in the Friends and Family Test cards in January 2013.

Comment from Patient
Good, attentive nursing care. At night some patients were allowed to be too noisy. Better than some wards I have been in.

Comment from patient
Walked in of the street with chest concerns. Triaged quickly + efficiently. Friendly + reassuring doctors + nurses. Evidently good team spirit. A+E Jan 2013

Comment from Patient
Was looked after really well, staff are v. friendly & caring. Surgical team were fantastic. Perhaps more night staff though as alarm bells to a while to respond to. Rainsford Mowlem Jan 2013

Section 4 Staff Experience

NHS Staff Survey 2012

Friends and Family Question by Ward / Department

If a Friend or relative needed treatment, I would be happy with the standard of care provided by this Trust.

Department	2012 (%)	2011 (%)	+/-
THP - Dietetics	100	n/a	-
HGD - Ron Johnson	100	90	↑
DIA - SSD	96	96	-
CNN - Paediatric Wards	95	80	↑
DIA - Phlebotomy/ECG/Endoscopy	95	80	↑
CNN - Paeds Spec/OP Nurses	94	78	↑
WNS - Maternity Mgt & Admin	93	82	↑
HGD - Dermatology	92	76	↑
MED - AAU	92	83	↑
SUR - Wards	91	87	↑
HGD - West London Centre for Sexual Health	91	78	↑
WNS - Obs & Gynae Medical	90	94	↓
ITU - ITU	89	71	↑
MED - A&E	89	88	↑
MED - Medical Staff	88	86	↑
R&D (CLAHRC/HIEC/R&D)	88	77	↑
MED - Med Mgt	88	92	↓
PHA - Pharmacy	87	88	↓
CNN-CNN Medical	87	78	↑
HUM - Human Resources	86	92	↓
HGD - 56 Dean St	86	82	↑
HGD - SSC Mgt/A&C	86	86	-
THP - Therapy Services	85	84	↑
CEO/Strategy & Marketing	85	93	↓
WNS - ACU	85	90	↓
HGD - John Hunter	84	89	↓
PER - Anaesthetics	84	81	↑
NUR - Nursing & Patient Affairs	84	84	-
DIA - Radiology	82	80	↑
PER - Treatment Centre	82	67	↑
WNS - Private Maternity	82	73	↑
CNN - Cheyne Centre	80	93	↓
WNS - Gynaecology	80	78	↑
IMT - IMT/Information	80	95	↓
SUR - Medical Staff	77	88	↓
FIN - Finance	77	82	↓
NUR - Outpatients Areas A - C)	77	69	↑
CNN - NICU Nursing & Mgt/A&C	76	55	↑
SUR - Burns Unit	76	85	↓
PRP - Private Patients	75	86	↓
PER - Theatres	73	70	↑
CNN - Paeds Mgt/A&C	71	68	↑
MSP - Specialist Nurses	70	n/a	-
WNS - Hospital Midw ifery	69	70	↓
WNS - Community Midw ifery	69	83	↓
MED - MDO/Inpatient Wards	68	70	↓
SUR - Mgt/Admisssions	64	63	↑
NUR - Outpatients (Call centre/Medical records)	63	46	↑
HGD - Research/Labs	60	71	↓
RPH - Regional Pharmacy	59	68	↓
HGD - Kobler	54	91	↓

↑/↓ Negative change

↑/↓ Positive change

- No change/no comparison available

In 2013/14 the Friends and Family test question will be included into the national Friends and Family CQUIN targets as follows:

30 per cent of the funding for either a) increasing the score of the Friends and Family Test question within the 2013/14 staff survey compared with 2012/13 survey results or b) remaining in the top quartile of trusts.

NHS Staff Survey Key findings 2012

Notes: Based on Sample of 508 staff (66.10% response rate)
This data is gathered from the full CQC report. Responses have been weighted to match the profile of an average Acute Trust and therefore may vary from initial unweighted analysis. A higher score is better except on Key Findings marked with an asterisk and shown in italics.
Due to changes in the questions for the 2012 survey not all KFs are directly comparable with the previous year. These KFs are indicated with a #, and the 2011 score is hightlighted in grey.

Key :	↑	Improvement	↓	Deterioration	=	No change

Overall Staff Engagement (KF22, KF24 and KF25)	2012	2011	Nat Avg	C&W 2012 vs C&W 2011	C&W 2012 vs National Acute Trusts
Overall Staff Engagement Indicator	3.87	3.81	3.69	↑	Highest (best) 20%
Staff Pledge 1 : Provide staff with clear roles, resp. & rewarding jobs	**2012**	**2011**	**Nat Avg**	**C&W 2012 vs C&W 2011**	**C&W 2012 vs National Acute Trusts**
KF1: % of staff feeling satisfied with quality of work & patient care they are able to deliver	86%	83%	78%	↑	Highest (best) 20%
KF2: % of staff agreeing that their role makes a difference to patients	93%	92%	89%	↑	Highest (best) 20%
***# KF3:** Work pressure felt by staff*	2.85	2.93	3.08	↑	Lowest (best) 20%
KF4: Effective team working	3.79	3.79	3.72	=	Highest (best) 20%
***KF5:** % working extra hours*	68%	72%	70%	↑	Below (better than) average
Staff Pledge 2 : Provide all staff with personal dev, training and line mgt support	**2012**	**2011**	**Nat Avg**	**C&W 2012 vs C&W 2011**	**C&W 2012 vs National Acute Trusts**
#KF6: % of staff receiving job-relevant training, learning or development in last 12 mths	85%	83%	81%	↑	Highest (best) 20%
KF7: % of staff appraised in last 12 months	82%	81%	84%	↑	Below (worse than) average
KF8: % of staff having well structured appraisals in last 12 months	45%	48%	36%	↓	Highest (best) 20%
KF9: Support from immediate managers	3.72	3.81	3.61	↓	Highest (best) 20%
Staff Pledge 3 : Provide support & opportunities for staff health, well-being & safety	**2012**	**2011**	**Nat Avg**	**C&W 2012 vs C&W 2011**	**C&W 2012 vs National Acute Trusts**
KF10: Percentage of staff receiving health and safety training in last 12 mths	66%	64%	74%	↑	Lowest (worst) 20%
***KF11:** Percentage of staff suffering work-related stress in last 12 months*	36%	28%	38%	↓	Below (better than) average
KF12: % of staff saying hand washing materials are always available	55%	61%	60%	↓	Below (worse than) average
***KF13:** % of staff witnessing potentially harmful errors, near misses or incidents in last mth*	31%	36%	33%	↑	Below (better than) average
KF14: % of staff reporting errors, near misses or incidents witnessed in the last mth	94%	97%	90%	↓	Highest (best) 20%
KF15: Fairness and effectiveness of procedures for reporting errors, near misses or incidents	3.59	3.54	3.50	↑	Highest (best) 20%
***# KF16:** % of staff experiencing physical violence from patients/relatives or public in last 12 mths*	14%	4%	15%	↓	Average
***#KF17:** % of staff experiencing physical violence from staff in last 12 mths*	3%	1%	3%	↓	Above (worse than) average
***# KF18:** % of staff exp harassment, bullying or abuse from patients/relatives or public in last 12 mths*	29%	15%	30%	↓	Below (better than) average
***#KF19:** % of staff exp harassment, bullying or abuse from staff in last 12 months*	24%	13%	24%	↓	Average
***KF20:** % of staff feeling pressure in last 3 mths to attend work when feeling unwell*	26%	22%	29%	↓	Lowest (best) 20%
Staff Pledge 4 : Engage staff in decisions to deliver better and safer services	**2012**	**2011**	**Nat Avg**	**C&W 2012 vs C&W 2011**	**C&W 2012 vs National Acute Trusts**
#KF21: % of staff reporting good communication between senior management and staff	44%	42%	27%	↑	Highest nationally
KF22: % of staff able to contribute towards improvements at work	71%	68%	68%	↑	Highest (best) 20%
Additional Theme: Staff satisfaction	**2012**	**2011**	**Nat Avg**	**C&W 2012 vs C&W 2011**	**C&W 2012 vs National Acute Trusts**
KF23: Staff job satisfaction	3.68	3.61	3.56	↑	Highest (best) 20%
KF24: Staff recommendation of the trust as a place to work or receive treatment	4.02	3.89	3.57	↑	Highest (best) 20%
KF25: % Staff motivation at work	3.84	3.84	3.84	↑	Average
Additional Theme - Equality and Diversity	**2012**	**2011**	**Nat Avg**	**C&W 2012 vs C&W 2011**	**C&W 2012 vs National Acute Trusts**
KF26: % of staff having equality and diversity training in last 12 mths	49%	41%	54%	↑	Below (worse than) average
KF27: % of staff believing trust provides equal opps for career progression or promotion	86%	85%	88%	↑	Below (worse than) average
***KF28:** % of staff experiencing discrimination at work in last 12 mths*	19%	17%	11%	↓	Highest (worst) 20%

The results of the 2012 Staff Survey were published in February. The Trust achieved a response rate of 66%, the highest of any London acute trust. Overall the Trust was in the top 20% of acute trusts nationally for 14 of the 28 Key Findings, and in the bottom 20% for 2. A separate paper has been written by the Director of HR on the results and action plans are being drafted currently to address areas of concern.

Staff Experience Metrics

		March -13	Feb-13	Jan-13	Dec-12	YTD
Staff Satisfaction	**Appraisal completion rate (Target: N/A)**	80.00%	80.00%	81.00%	82.00%	**82.00%**
	Sickness Rate (Target: < 3.83%)	3.31%	3.08%	4.20%	3.80%	**3.72%**
	Staff satisfaction – annual survey (Target: N/A)		Yearly audit - 3.68			**3.68**
	Staff Satisfaction Index (Target: > 60%)	60.00%	40%	60.00%	60.00%	**60.00%**
	Turnover Rate (Target: < 13.5%)	1.22%	1.20%	1.20%	1.10%	**13.59%**

Sickness Rate – The Trust's sickness absence rate in February was 3.08% which is lower than January 2013 (4.20%). Sickness rates for the year are below target at 3.76%. Sickness in all Divisions was lower than the same month last year however AHP sickness was significantly higher at 4.05%. HR is currently reviewing the issue of non-reporting and will be implementing changes to improve compliance. HR Business Partners continue to work actively with managers to address sickness.

Staff Satisfaction – This is taken from the section in the annual staff survey related to satisfaction in work. Our intention is to include the staff 'Friends and family question' into in-year pulse surveys so that we will have a measure throughout the year.

Staff Satisfaction index – The staff satisfaction index combines turnover, stability, sickness, vacancies and appraisal rates to create an overarching score. Increased turnover, a lower appraisal rate and vacancies tracking slightly above target meant that the index dropped to amber. HR has begun work on the exit interview process to help our understanding of why turnover is increasing. Our appraisal process is being reviewed currently in light of changes to the Agenda for Change terms and conditions and we anticipate our appraisal rate will rise to above target in 2013/14. It should also be noted however that both turnover and vacancies are low when compared to the historical average for the Trust and we remain on target to year to date. The Staff Satisfaction Index will be reviewed for 2013 following the 2012 staff survey results and the introduction of local staff surveys.

Section 5 Picker Patient Survey Results

Throughout 2012/13 we have commissioned Picker UK to undertake a range of annual and condensed surveys on our behalf. These have the benefit of showing historical comparisons and comparisons to other Trusts who undertake the same survey.

Analysis of the Themes

Each Division uses the patient experience surveys to develop a detailed action plan but the following give the themes from the surveys for this year.

Our outpatient surveys	Key priorities relate to waiting times, cancellations of appointments and keeping people informed, courtesy of reception staff, and information for patients and their families.
Our inpatient surveys	Concerns relate to information for patients on admission, confidence and knowledge of conditions, noise at night from other patients and discharge arrangements.
Our maternity survey	Shows that the continuity of Midwife highlighted as an area to prioritise.
Our young people inpatients survey	Shows that parents would like to be able to stay with their child and have better access to refreshments.
Our young people outpatient survey	Shows good improvements and has identified privacy as something to improve.
Our Cancer services survey	Key priorities are identification of people with a diagnosis of Cancer, assessment of needs, and communications.
Our day case survey	Shows that we can improve on the information about treatments and surgery both pre and post-surgery, waiting times, and confidence in nursing staff.
Our accident and emergency survey	Shows a very good experience for patients both over time and compared to other Trusts.

Section 6 Real-time Patient Feedback (Hospedia) Results

Introduction and Programme

Patients are able to complete a short survey from their hospital bed using the Hospedia Televisions screens. They can complete this at any time and every day to provide anonymous feedback to the ward manager and their teams. These surveys are designed to be simple and easy to complete, contain the key questions related to our full survey results, and results can be seen and printed at any time for the ward to display and use in team meetings and handover.

The surveys were drawn up and available for our Inpatients and Maternity patients from December 2013, and Paediatrics from March 2013. We will promote completion of these and report finding in future.

We will encourage completion by:

- Meal tray covers on patient trays at each lunchtime to encourage patients to complete the questionnaire
- A ‘Pop up’ question on the TV screens to ask patients how they slept and to encourage them to fill in the whole questionnaire
- A regular advert on the TV screens to navigate people to the questionnaires
- Monthly review of the results by ward managers and teams
- Publishing of patient feedback on ‘You said, We did’ boards in each area
- Improvement plans linked to specific patient feedback questions

Section 7 Embedding the Trust Values

Trust Wide
During 2012-13 divisions have been developing our local plans to make the values work in their Job role and service. This work is overseen and driven by the Patient and Staff Experience Committee and the Senior Operations Group.

Human Resources
Values have been embedded into:

- Recruitment interviews and assessments
- Job Descriptions and person specifications
- Corporate Induction
- Appraisals
- HR Policies
- The Star Awards
- Governors Quality Awards

Examples of Improvement programmes
In January the Stroke service Co-ordinator has set up a patient focus group to discuss the Trust values and how we can improve the Stroke service. Practical measures will be put in place by the ward team such as a stroke information video and less noise at night.

The outpatient department have run a joint patient and staff workshop to map out the patient 'communication' journey to help us improve the information we provide.

Teams are developing their own 'Values in Action' pledges – some of which are found here.

Respecting one's privacy when curtains are closed, ask before coming in.
Asking patients instead of choosing for them – give respect and they still have the choice
Respect for religions, cultures and beliefs
Respect in end of life care
Protected mealtimes respected – Including doctors
Respect for dignity – if assisting with washing get patient to do as much for themselves and cover with towels, close curtains etc
Be respectful of sensitive situations i.e. family want privacy – don't discuss issues loudly and publicly
HCA induction session Jan 2013

Priorities
Team work, with more understanding each other. Being Helpful
Good listening with customers otherwise you cannot deal with problems
Training – Customer service and communications skills
TSSU team 2012

We will ask for feedback from recruiting managers and candidates and strive to always act on it
We will ensure that we are knowledgeable and keep ourselves up to date on any changes that may affect recruitment
We will ensure that the information we provide is clear and concise and understood by the recipient
Recruitment team Human Resources 2012

*We will develop a Patients Charter, be clear with patients about what to do with gowns and how to wear them and find ways of making patients **feel** safe in our department.* ***Radiology Team December 201***

Priorities for 2013/14

We are using the feedback we receive to build our priorities for the Quality Account for 2013/14. Two of our four priorities directly relate to patient and staff experience and we are planning a Patient Experience Summit on 12th June 2013. The Summit will bring together multi-professional staff to create a compelling vision for patient experience, and develop understanding and insight to build improvement projects around the following intended priorities.

- Last year we initiated a range of measures to improve communication as described on pages 6-7 and we will continue to build on this work to ensure that our communication is kind and respectful.

- We will develop a number of different ways to listen to the experience of patients, to learn from this and make changes. Through Senior Team visits, Managers, Non Executives and Governors will link directly with patients and families to understand their experience of care and treatment. This will build on our existing feedback from concerns and complaints whilst continuing to use a range of patient surveys.

- To communicate our learning about the patients experience and the related improvements that we make, wards will have a 'You said – we did' board which will be updated each month.

- We will improve the co-ordination, continuity and communication of care. To do this we will ensure that there is a clearly identifiable nurse in charge of each ward on every shift and develop specific expectations of this role. We will develop bed side plans of care within our wards to engage patients in their plan of care and enable continuity and communication between staff members. We will measure improvement through an evaluation of bed-side care planning and through specific questions in our periodic patient surveys.

- We will deliver training to appropriate groups of staff to ensure they have the communication skills to support patients who are anxious or distressed. We will also provide customer care training for staff to ensure that they communicate with kindness and respect.

- We know that there is a continuing need to revise and improve the discharge process for patients to ensure that we focus on achieving safe, timely and effective discharge. In repose to this, we have established a project team with representatives from hospital and community services who will continue to focus a plan of improvements in our discharge process.

- We know that patients don't always know who to contact if they are worried following discharge. We will provide patients who are being discharged with a card and contact details so that they know who to get in touch with. We will monitor this through our periodic patient surveys.

- Having piloted post discharge telephone follow up, we will identify ways to increase the number of patients that we contact in this way following their discharge and the patients that his is most useful for.

- We will develop our environment and the support we provide for people with Dementia, and their carers. To do this, the refurbishment of Edgar Horne ward will focus on ensuring it is conducive for those with dementia. .We will take forward further training for staff in meeting the needs of those with dementia and will develop access to information and support for informal carers of those with dementia.

- We will maintain the ‘comfort rounds’ that were implemented last year. We will also evaluate the effectiveness of these with patients families and staff.

- We will establish a ‘Preventing Harm’ group with representatives from relevant professions and community agencies. .This will build on last years’ work in reducing the incidence of falls, and this year, it will also focus on reducing the occurrence of pressure ulcers.

- We will continue to ensure that we meet patient’s nutrition and hydration needs through nutritional screening and protected mealtimes. We will work with our volunteer service to further develop our support to patients during meal-times.

- We will build on our values work to develop individual commitment in appraisals explaining how each individual will ensure they live the values of the Trust.

- The feedback staff have given us through the annual staff survey has been used to develop a Trust-wide action plan, and local action plans, linked to the Trust values and these will be used as the main basis for taking action to improve our engagement with staff.

- We will remain in the top 20% of Trusts for staff engagement as shown in our annual staff survey.

- We will run four campaigns for staff throughout the year to focus on each value in turn: Safe, Kind, Excellent and Respectful Each campaign will highlight aspects of patient experience related to the values.

- We will build on our existing work to develop recruitment methods to assess values and behaviours so that we check whether staff are likely to meet our values when we recruit

- We will increase appraisal rates to at least 90% in order to be in the top 20% of Trusts.

- Staff will use examples of feedback from patients and other sources within their appraisal.

- We will include the Trust values and patient experience themes and stories into our training programmes.

Carol Dale
Patient and Staff Facilitator
April 2013

Board of Directors Meeting, April 2013 (PUBLIC)

AGENDA ITEM NO.	3.1/Apr/13
PAPER	Assurance Committee Report to the Board – March 2013
AUTHOR	Catherine Mooney, Director of Governance and Corporate Affairs.
LEAD	Karin Norman, Non-executive Director
PURPOSE	The Assurance Committee is responsible for assuring on a wide range of issues on behalf of the Board, including quality. This report informs the Board on the issues that have been discussed and the Assurance Committee's views on the level of assurance for each issue, where this is possible. The Assurance Committee will also escalate to the Board where appropriate. The paper is for information but also to allow any directors to raise any issues or queries about the matters in the paper.
LINK TO OBJECTIVES	The Assurance Committee assures on quality. The items discussed at the meetings are relevant to the quality objectives.
RISK ISSUES	None
FINANCIAL ISSUES	None
OTHER ISSUES	None
LEGAL REVIEW REQUIRED?	No
EXECUTIVE SUMMARY	A summary of the issues discussed at the meeting in March 2013 is attached.
DECISION/ ACTION	For information.

ASSURANCE COMMITTEE REPORT FROM MEETING MARCH 2013

1. Introduction

The Assurance Committee is responsible for assuring on a wide range of issues on behalf of the Board, including quality. This report informs the Board on the issues that have been discussed at the March meeting. This paper includes the Assurance Committee's views on the level of assurance for each issue, where this is appropriate.

2. Background

The Assurance Committee receives matters to discuss or for information, from the Quality Committee, Facilities Committee, Health and Safety Committee and Risk Management Committee.

3. Items discussed at the Assurance Committee in March 2013

3.1 Health & Safety Monthly Report - this is attached as appendix 1

Despite some good progress in H&S in the last 12 months in terms of quality and ownership, the staff death in St Stephen's should have prompted a radical step change of H&S performance and awareness. A culture change is required. This needs to be taken firmly in hand. There was a discussion about ways this could be addressed and it was agreed that the Executive would respond and present proposals to the Board

Setters have completed the report on the St. Stephens action plan and found that the Trust complied with recommendations but it has done so in a reactive way. The report will be presented to the Health and Safety Committee, the Assurance Committee and the Board.

Other issues discussed included stress, where further information will be provided and bullying and harassment.

The Committee noted the improvements and the work of the H&S Committee but is not assured on H&S matters at this time and welcomes the reports to the Board.

3.2 Never events - assurance

The controls and assurances around Never Events are being reviewed by the executive. Following this review the overall assessment is RAG rated. Of the 25 never events, one, correct site surgery is rated red (due to a further event occurring) 11 are rated orange 11 are green and 3 are still to be reviewed. The orange rating is either due to there being no assurance and or where assurance reports indicate that the controls are not effective.

The assurance committee has asked to see timescales for all to be green.

The Assurance Committee is not assured at this time as all controls and assurances have not been reviewed and will continue to monitor monthly until all assurance reports are green.

3.3 Monthly Report on Local Quality Indicators (February 2013)

More information on deaths in low risk diagnoses and deaths after surgery was requested. As suggested last month, the indicators are being prioritised with input

from the Council of Governors Quality sub-committee and the Trust Executive Quality Committee.
The three Never Events were described. Concern was expressed that there was no data for the CEWSS (Chelsea Early Warning System Score) indicator. This was due to resources being directed to implementation of the National Early Warning System.

The Assurance Committee noted the report and was concerned that there was no data on the effectiveness of the early warning system.

3.4 Safeguarding Children 6 monthly Report
The CQC integrated inspection rated all aspects as 'Good'. (The next bar is 'Excellent')

The audit of the quality of discharge summaries was completed recently. A key finding was that there is inadequate information in terms of communication with GPs.

Reviewing the access policy and the process for following up children who do not attend appointments has not yet been completed. A letter is sent to the GP if children fail to attend appointments.

The main focus is on training. 71% have done Level 2 training and 62% have done level 3 training. It was noted that intakes of new doctors & nurses cause training figures to deteriorate, so 100% may not be realistic. The focus is on getting evidence of level 3 training carried out elsewhere which can then be added to staff records.

There was a discussion about cross referencing across three software systems LastWord, Adastra and Lilie and how this is achieved and the involvement of all four boroughs, Hammersmith & Fulham, Westminster, Kensington & Chelsea and Wandsworth with these systems. This is done manually but the Committee was given assurance that this process is effective and fit for purpose.

The Assurance Committee was assured that robust systems re in place and particularly around ensuring patients are not missed between the three systems (LastWord, Adastra and Lillie)

3.5 Emergency Preparedness Report
Great progress has been made on Emergency Preparedness and Business Continuity. Two gaps were identified:
1) the Trust does not have a current Pandemic Influenza Plan. The most recent was written in 2009, and an updated plan will be available by August 2013.

2) Essential items of CBRNE/HAZMAT equipment stored in Core 8 fire lift go missing which could result in the inability to decontaminate. A risk assessment has been completed and an alternative secure storage area is being sought.

The Assurance Committee noted the report and agreed an urgent action to follow up on storage and regular checks on equipment.

3.8 Report from Trust Executive Quality Committee February 2013
There were no concerns raised or any outstanding actions as a result of the Controlled Drugs Accountable Officer Occurrence Report Q3 and Controlled Drug Report Q2.

It was noted that the National Early Warning Scoring System had been discussed and the concerns identified during the pilot - more patients are triggering a response than with the current system. A group is being set to look at and resolve the issues.

The Assurance Committee noted the report.

3.6 Top Concerns Chief Nurse and Medical Director
These were noted as Health and Safety, incidence of pressure ulcers, and Nell Gwynne – there is an action group in place and no more concerns have been raised.

An alert regarding infection in maternity was received from the CQC relating to incidents of peuperal sepsis, which is an infection acquired during delivery or immediately afterwards. Between July 2011 to the present, 211 patients have been coded as having this. 6/7 ICD codes trigger it. Comparing nationally, half would be expected to be due to readmission and half after delivery. Our data showed about 35% occurred during delivery with 65% occurring as readmission after delivery. Notes have been requested for audit.

The infection control process around catheters, peripheral lines, wounds (abdominal and perineal) are being reviewed to check that we are compliant with best practice.

Concerns about escalation were also noted – work is underway such as early warning systems and using a communication tool (SBAR) and consultant hours have been extended.

The Committee noted that the top 3 – 5 concerns of members and the Chief Nurse and Medical Director. These are being addressed in a variety of ways.

3.7 Learning Disabilities 6 Monthly Report
The report provides an update; there are no concerns in any areas and significant progress has been made. The Trust works closely with a Learning Disabilities group in the community.

The Trust was assured on the work relating to learning disabilities.

3.8 Mandatory Training Quarterly Report Q3
It was noted that the data presented may not be correct due to a breakdown in the Trust systems for recording data which may have resulted in an underperformance of approximately 4%.There was a full discussion of how to make rapid, substantial and sustainable change in Mandatory Training which has not reached acceptable levels despite efforts over the last 5 years. The Executive will seek a step-change in performance going forward.

The Assurance Committee remains concerned about the slow progress with mandatory training. It was agreed that issues were to be taken forward by the executive and the Committee would continue to receive a report quarterly.

3.9 Audit Committee Minutes of meeting held 31st January 2013
Key relevant issues raised at the meeting were highlighted:

These included coding especially for mortality, and the overarching arrangements for clinical audit including how the Trust determines what the priorities are and how they are reported.

Appendix 1 Health and Safety Report to the Assurance Committee March 2013

***What are the main issues covered by the paper**

This paper summarises the key Health & Safety actions reported by Divisional and Departmental representatives to the Health, Safety & Fire Committee meeting held on 5th March 2013.

What are the controls in place?

The Trust has developed a range of health and safety policies which have been approved by the Health, Safety & Fire Committee. Policies are reviewed at least every two years to reflect current/best practice. These policies set out the minimum standards required to safeguard patients and staff, both within Trust premises and when working in the community. Each policy establishes the need for risk assessment to identify key operational and organisational risks, as well as the monitoring and review processes anticipated.

Divisions and Departments are expected to be represented at every Health, Safety & Fire Committee meeting as a means of providing assurance against Trust Policy, to share pertinent information and as a means of learning.

What are the gaps in controls

It has been difficult seeking assurance from each Division that robust health and safety systems are in place. The quality of Divisional reporting is now improving. Divisional reporting must continue to improve and must be comprehensive.

What are the actions to address the gaps in control?

All Directors and Heads of Departments have received a personal letter from the Chair of the Committee reminding them of their obligations within the Trust's Health & Safety Policy and to ensure appropriate representation at Health, Safety & Fire Committee meetings.

The reporting template has been refreshed to capture all relevant information and to prompt Divisions and Departments to report fully. Divisional Boards are now required to receive and review their reports prior to submission to the Committee in order to ensure that the reports are reflective of the actions and to raise any shortfalls within the Division to a senior level.

What assurance is there?

Divisional attendance to Committee meetings is good, with senior manager level attendance throughout.

The Committee calendar allows for thorough discussion of topics of concern and enables sharing of trends analysis and safety related items.

What are the gaps in assurance?

Attendance at mandatory Health & Safety training is below Trust expectations across the Trust, with attendance to Fire training being a particular concern.

Risk assessments have not been undertaken across all policy requirements by every Division.

What we are doing to address gaps in assurance?

Mandatory training attendance data is reviewed on a monthly basis, with areas of

concern highlighted to Divisional/Departmental leads. Additional fire training sessions have been added to ensure that the Trust is able to provide enough sessions to accommodate **all** Trust staff. Sessions have been added at times agreed with Divisions as best placed to capture key staff groups (ie early morning and late evening sessions, as well as various slots throughout the day). Managers receive monthly training reports to identify individual compliance against mandatory compliance.

Where we have assurance what does it tell us?

The Estates & Facilities Directorate and Clinical Support Division reported on progress with action plans to HSFC in March.

***Overall summary – consider are you happy with the situation you are describing and why? Or if not, why not?**

The response to the required improvement in mandatory training, has reduced slightly during the month of January.

***When will an update on this report come back to the committee?**

Monthly reports will be provided from the Health, Safety & Fire Committee.

Health, Safety & Fire Report – March 2013

1. INTRODUCTION

1.1 This paper summarises the key health and safety activities completed and/or reported during February 2013 - March 2013 and highlights to the Assurance Committee aspects from the Trust Health, Safety & Fire Committee (HSFC) meeting held on 5th March 2013.

2. DOCUMENT REVIEWS

2.1 None

3. SECURITY REPORT

3.1 The January security report identified 2 incidents of physical assault in month (against 3 reported in December). One was serious and criminal proceedings are being pursued. 4 thefts had been reported in the month (1 Trust, 3 Personal property). The Committee noted that 2 Red Card sanctions and 1 Yellow Card sanction were currently in force.

4. REPORTS

4.1 Mandatory Training Update: A slight reduction in overall compliance was noted in January. This was disappointing as there had been a continuous monthly increase for some while. Trustwide compliance with fire safety training at 31st January was 54%(-2%), Health & Safety 59% (+2%), Manual Handling 55%(-3%). Divisions were reminded that action plan should be in place to achieve 95% compliance in all health & safety mandatory training by the end of March 2013. It is unlikely this target will be achieved.

The following training sessions were to be delivered during March

▪ Fire Training	14
▪ Health, Safety & Fire Update programme	10
▪ Induction including Health Safety & Fire	2
▪ Fire Marshal	1
▪ Fire Response Team	2
▪ COSHH Assessor	1
▪ Managing Safely	2
Total	**32**(+6)

4.2 The Committee received a report from the Clinical Support Division and Estates & Facilities Directorate and noted good progress against their action plans.

4.3 The Committee received the half yearly review of the Trustwide Moving and Handling Risk Assessment. The areas of concern were:

- low compliance of Moving and Handling training. Although training compliance had improved by 14% during the last year, current levels were rated at amber. The action plan was noted including: development of media delivered training to low risk staff; escalation process for those not attending and targeting non compliance staff groups and areas.
- low compliance in the completion of patient risk assessments. There was an 18% increase in the number of risk assessments completed compared to 2011 years total. The action plan was noted including: quarterly audits of compliance to identify areas for targeting. Areas targeted include Maternity and Paediatric service.

4.4 The Committee received a progress report on the 18 Health & Safety Inspections that have been completed since October 2012. It was noted a report of each inspection was sent to the manager of the area, Division's Safety Representative and Divisional Director of Operations. The report identifies good practice and shortfalls and includes a prioritised action plan. Key issues identified include:

- poor quality or lack of documentation
- risk assessments not always regularly reviewed
- COSHH assessments not always in place
- Local safety inspections not carried out or recorded
- Bathrooms misused for storage with no regime for flushing water systems leading to potential Legionella risk
- Regime of checking the restricted opening of windows not always up to date. This is an action under a "Never Event". Norlands Managed Service are introducing a new bar coded system of recording the checking of all window openings that will be complete by the end of March.
- Fire doors wedged open. Particular concern with kitchen/pantries
- Fire exit routes not always clear.

Divisions have been asked to include actions from Safety Inspections in their action plans to provide assurance of completion.

4.5 A summary of the results of the Staff Opinion Survey were received by the Committee. Despite efforts during the last year to increase compliance with mandatory health & safety training. The percentage of staff indicating they have received health and safety training in the last 12 months was in the lowest 20% of acute trusts. The committee were also concerned to note a significant increase in the percentage of staff experiencing violence, bullying, harassment and abuse. It was noted that Human Resources intended to set up a range of focus groups to particularly address the five areas of concern where the Trust had results below the national averages or had marked deterioration on the 2011 Survey results.

4.6 A summary of the Person Injury Claims were received by the Committee. It was noted that 4 new claims had been received since this was last reviewed. The importance of immediate reporting and thorough investigation was reiterated.

4.7 Incidents graded yellow and above: The in-month reports were noted. An amber incident was noted that was an alleged patient assault, subject to a safeguarding panel review and likely to be reclassified as a clinical risk. Two

RIDDOR reports were made during the month. Both were staff slip, trip & fall incidents resulting in more than 7 day absence.

4.8 The Committee received a copy of a draft Health & Safety Memorandum of Understanding (MOU) that has been prepared between Chelsea and Westminster Hospital Foundation Trust and Imperial College London (IC) for consultation. The MOU will be supported by a series of 23 written arrangements. The draft was approved by the Committee. Consultation will also be through IC Health & Safety Committee. The preparation of the MOU is an action from the St Stephen's incident to clarify arrangements between those organisations occupying Trust premises.

4.9 The Committee received an updated register of identified fire marshals. Divisional representatives have been asked to ensure this is current and that there are sufficient identified and trained.

4.10 The Committee approved the Terms of Reference for a Trust Fire Action Group. The newly formed group will review all fire safety matters in the Trust and report to the Trust HSFC.

6. CONCLUSION

The Health & Safety Committee continues to steer Divisions through the management of health and safety requirements and monitoring of areas of risk. Progressive improvement is being made towards a more robust health and safety management system.

Kevin Ray
Health & Safety Consultant

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Board of Directors Meeting, 25 April 2013 (PUBLIC)

AGENDA ITEM NO.	3.4/Apr/13
PAPER	Health and Social Care Act 2012 next steps
AUTHOR	Cathy Mooney, Director of Governance and Corporate Affairs
LEAD	Cathy Mooney, Director of Governance and Corporate Affairs
PURPOSE	To keep the Board informed on progress with reviewing the constitution and considering other implications of the Health and Social Care Act.
LINK TO OBJECTIVES	Relates to good governance.
RISK ISSUES	None identified so far.
FINANCIAL ISSUES	To be confirmed.
OTHER ISSUES	No.
LEGAL REVIEW REQUIRED?	Legal review will be required for any further changes to the constitution as Monitor no longer has a role in checking constitutions.
EXECUTIVE SUMMARY	An update on progress on revision of the constitution and next steps are outlined in the paper.
DECISION/ ACTION	For information.

Health and Social Care Act 2012 and next steps

1.0 Introduction

This paper outlines the progress with implementing the Health and Social Care Act 2012 (the Act) and next steps.

2.0 Background

Implementation orders for changes to the constitution were issued in March and as a result the constitution was amended, approved by the Board at the meeting in March 2013 and subsequently by the members at a special meeting on 28th March 2013. There will be a formal ratification by the Council of Governors at their meeting in May 2013. A further significant change was also agreed that future amendments of the constitution would be agreed by the Board of Directors and Council of Governors (with some exceptions, relating to roles and powers of governors, where the membership must approve) in accordance with the Act.

A governor constitution review group has previously been working on areas within the constitution that require amending or further discussion with reference to the Monitor Model Core Constitution – this process has highlighted areas for further discussion and agreement.

3.0 Next Steps

3.1 There are two further key areas where it has been agreed by the Chairman and the Chief Executive that facilitated workshops would be undertaken. These are regarding significant transaction and the composition of the Council of Governors. These will be arranged in May.

3.2 A further meeting of the Constitution Task Force will be arranged to take forward agreement, for approval by the Board and Council, on other changes.

4.0 Action/Decision

For information.

Board of Directors Meeting, 25 April 2013 (PUBLIC)

AGENDA ITEM NO.	3.5/Apr/13
PAPER	Monitor In-Year Financial and Governance Combined Return for 2012/13
AUTHOR	Carol McLaughlin, Acting Deputy Director of Finance
LEAD	Lorraine Bewes, Executive Director of Finance
PURPOSE	Compliance with Monitor's Compliance Framework 2012-13
LINK TO OBJECTIVES	Ensure Financial and Environmental Sustainability Deliver 'Fit for the Future' programme
RISK ISSUES	The Trust is submitting a 'Green' Governance Risk Rating having achieved all its clinical targets. The Trust has triggered 2 financial risk indicators per the Monitor template, as follows: • Debtors > 90 days old are greater than 5% of total debtors. • Capital expenditure is <75% of the reforecast plan for the full year. However the reforecast plan included the purchase of adjacent accommodation which has now slipped into 2013/4, therefore the revised plan if this is excluded is £23.1m. Actual outturn is £18.6m against this revised plan therefore on this basis capital expenditure is 81% of the plan.
FINANCIAL ISSUES	The Trust has achieved a year-end Financial Risk Rating of 5 for Q4 of 2012/13 compared to a planned rating of 4.
OTHER ISSUES	
LEGAL REVIEW REQUIRED?	No.

EXECUTIVE SUMMARY

Governance Declaration

The Board is asked to authorise a 'GREEN' declaration with respect to its governance risk rating having achieved all relevant targets for Quarter 4 2012/13. The Trust has achieved all of its clinical targets during this period.

In the fourth quarter of 2012/13, there were no elections to fill vacant posts on the Council of Governors. There were however two stakeholder resignations within the Council of Governors.

There were changes in the composition of the Board of Directors, with the appointment of a new Medical Director. (See Appendix 1 for a full breakdown of all these changes).

Finance

The Trust recorded a Financial Risk Rating of 5 YTD at Quarter 4 compared to a plan of 4. Three indicators were in line with plan YTD at Quarter 4 with the Net Return after Financing at 5 (plan 4) and Liquidity Days at 4 (plan 3). The overall weighting of the five indicators resulted in an overall FRR YTD of 4.5 which rounded to a 5.

The YTD financial performance for the Trust at Quarter 4 is summarised in the table below:

	Plan YTD	Act YTD	Var YTD
	£m	£m	£m
Operating Revenue	342.9	345.9	3.0
Employee Expenses	(171.8)	(176.8)	(5.0)
Other Operating Expenses	(147.9)	(145.2)	2.7
Non-Operating Income	0.2	0.1	(0.1)
Non-Operating Expenses	(10.7)	(10.9)	(0.1)
Surplus/(Deficit)	12.6	13.0	0.4
Net Surplus %	3.7%	3.8%	0.1%
Net Surplus rating	5	5	0
Total Operating Revenue for EBITDA	341.2	344.0	2.7
Total Operating Expenses for EBITDA	(307.6)	(310.3)	(2.7)
EBITDA	33.6	33.6	0.0
EBITDA Margin %	9.8%	9.8%	-0.1%
EBITDA Margin rating	4	4	0
Capex (Cash Spend)	(41.7)	(18.6)	(23.1)
Net Cash Inflow / (outflow)	(10.5)	0.8	11.3
Period end cash	30.5	41.8	11.4
CIP	16.2	17.1	0.9
Financial Risk Rating	4	5	1

NB: There are a number of items excluded from both revenue and expenses that are not

included in the EBITDA calculation.

As at the end of Quarter 4 the Trust reported a year end surplus of £13.0m against a plan of £12.6m with an EBITDA of £33.6m (9.8%) against a plan of £33.6m (9.8%).

The fourth quarter performance of a £6.9m actual surplus (from operations) vs a £7.2m planned surplus (from operations) has been driven by increased marginal costs in employee (both contracting and temporary) and operating expenses to deliver NHS Clinical Income over-performance (Q4 actual income of £75.0m vs a £73.2m plan) and higher costs of facilities, legal costs and an increase in bad debt provision. The lower surplus than planned was also driven by the plan for £1.5m funding for the Paediatric burns development being in Q4, whilst this was actually received in Q3 (as noted in the Q3 narrative).

The achieved Q4 CIPs for C&W are in the table below, which shows a Q4 over-achievement of £0.9m (target of £4.1m, actual of £5.0m).

Monitor Return Category	**Q4 Actual**
Pay Expense savings CIP recurrent	1.642
Drugs expense savings CIP recurrent	0.270
Clinical Supplies expense savings CIP recurrent	0.600
Non-clinical Supplies expense savings CIP recurrent	0.807
Revenue Generation	1.663
	4.983

Statement of Comprehensive Income

NHS Clinical Revenue

NHS Clinical revenue was £0.7m ahead of plan YTD at the end of Quarter 4 and £1.8m ahead of plan in the quarter. Overall planned admitted patient care activity was on plan in the quarter, with an over-performance in Day Case income offset by an under-performance in Elective activity, due to the movement of activity from inpatient to day case settings. The main under-performing specialities were in adult surgical areas.

The Trust reported under-performance against plan for Non-Elective activity in the quarter of £1.6m with lower levels of emergency activity than seen in earlier quarters and a significant decrease in non-emergency activity particularly in maternity services. This was partly offset by improved performance in the emergency threshold marginal rate, reported under Other NHS Income.

Outpatient activity was £0.4m behind plan in the quarter, mainly due to a decrease in GUM attendances and ante-natal scans. A&E and UCC activity was ahead of plan by £0.1m in the quarter.

Other NHS income reported a favourable variance of £3.9m in Quarter 4, which was driven by a number of factors including; a benefit in non-GP referrals following agreement with commissioners (£1.0m), an increase in the estimate of CQUIN achievement to 95% (£0.3m), an improvement in the emergency threshold adjustment as a result of the decrease in emergency activity (£0.4m), increased usage of PbR excluded devices (£0.2m) and drugs (£0.3m) and an increase in new HIV patients (£0.2m).

The Trust reported an under-performance in Neonatal (£0.2m), offset by an over-performance in Paediatric HDU (£0.2m) which is driven by activity variance.

Activity Worksheet.

The new worksheet in the Q4 return has been populated for Elective, Non-Elective, Outpatient categories, A&E and Other NHS Activity as stated; for the category 'Other', as there are a number of different currencies making up the figure, the table below sub-categorises the total figure.

		Actual Q1	Actual Q2	Actual Q3	Actual Q4	Tot
Excluded devices	Device	596	605	611	586	2,39
Critical Adult & Burns	Bed Days	983	938	1,048	1,151	4,12
NICU	Cot Days	3,119	2,455	2,999	2,962	11,53
Paediatric HDU	Cot Days	556	621	816	660	2,65
Drugs Exclusions	Drug	2,604	2,765	3,089	2,082	10,54
Direct Acess	Attendances	19,884	20,296	23,497	24,014	87,69
		27,742	**27,680**	**32,060**	**31,455**	**118,93**

Non-Mandatory/Non protected revenue

Non-Mandatory/Non-Protected income over-performed by £0.3m mainly due to the retrospective re-classification of prior quarters RTA Income to NHS income (DoH).

Income from non-NHS sources (formally Private Patient Income Cap)

From October 1st 2012 the revised definition for the private patient cap obliges foundation trusts to ensure that the income received from providing goods and services for the NHS (their principal purpose) is greater than income from other sources. At Quarter 4 the Trust generated £11.9m of private patient income. The income received from NHS sources to Q4 year to date was £291m against £346m total income, thus there is no risk to breaching the revised cap definition.

Other Operating Income

Research and Development Income was ahead of plan with benefits in

	CLRN Grant income and Project Diamond Income (invoiced in Q4). Education & Training Income over-performed in Quarter 4, with the main contributors being an increase in funding for the number of both under-graduate and post-graduate medical students. There was a plan for £1.5m in income to be received from specialist Burns commissioners in Q4, but this income was recognised in Q3 rather than in Q4 as per the plan, resulting in under-performance in other operating income. This was however offset by other un-planned donated/grant income for further Paed Burns works, Paed Surgical Ward and a Simulator/Manikin. **Operating Expenditure** Operating Expenditure within EBITDA was £3.0m higher than plan during Quarter 4. The key variances are as follows: **Employee Benefits (£2.3m over-spent):** The majority of the over-spend is due to the Trust planning for a level of pay CIPs which have been delivered across different categories (as annotated in Q3). The Trust internal plan has adjusted for this but this is not reflected in the Monitor plan. Within the position, there are some high Medical Locum costs, reflecting increased activity in Q4, undertaken through additional lists paid at premium rates. The Trust continues to focus on control of staff costs via quotas for the use of temporary staff to ensure that costs are controlled as activity increases. **Drugs Costs (£0.2m under-spent):** HIV tariff drugs continue to make up the majority of the under-spend, following a quieter Christmas and New Year period; whilst this picked up in lead up to Easter the overall position remains within plan. **Clinical Supplies (£0.4m underspend):** The underspend position is mainly the result of clinical consumable stock-takes in Q4. **Other Raw Materials & Consumables (£0.7m over-spent):** The main drivers of this over-spend are due to increased costs for legal fees provided for at year-end and in increase in Facilities Management costs (mainly recharged out to other organisations), with some continued transport pressures. **Other Operating Expenditure (£0.5m over-spent):** This over-spend is due to the use of consultancy staff covering vacancies and an increase in bad debt provision for contractual disputes at year-end. **CIP (£0.9m above target):** The Trust set a CIP target for 2012/13 of £16.2m and has achieved £17.0m. The table below shows the Q4 and year-end position.

CIP as Per Monitor Template	Q4			YTD		
	Plan	Actual	Variance	Plan	Actual	Varian
Pay Cost savings CIP	1.983	1.642	(0.341)	7.932	5.393	(2.539
Drugs Cost savings CIP	0.150	0.270	0.120	0.600	0.745	0.145
Clinical Supplies CIP	0.682	0.600	(0.082)	2.728	1.895	(0.833
Non-Clinical Supplies CIP	1.235	0.807	(0.428)	4.940	3.822	(1.118
Sub Total as Per Monitor Template	**4.050**	**3.320**	**(0.730)**	**16.200**	**11.855**	**(4.345**
CIP Not In Monitor Template						
Income Generation	0.000	1.663	1.663	0.000	5.227	5.227
TOTAL TRUST CIP PERFORMANCE	**4.050**	**4.983**	**0.933**	**16.200**	**17.083**	**0.883**

Statement of Financial Position

Property, Plant and Equipment

Capital outturn for 12-13 is £18.6m against the original Monitor plan of £41.7m, representing slippage of £23.1m. However £14m of the original plan related to the purchase of an adjacent property (now slipped into 2013/14) which was loan funded, therefore the actual cash underspend is £9.1m.

Building expenditure is £11.3m against the Monitor reforecast budget of £11.8m. The three main projects completed in this financial year are Diagnostic Centre, First Floor Paediatrics – Burns and Surgical Schemes.

Medical equipment expenditure is £2.7m against a reforecast plan of £3.0m. However within this position there is capital for the paediatric robot however this is funded from donated funds. This is offsetting slippage in the installation of the Diagnostics Centre equipment, largely the Fluoroscopy machine and scopes.

The largest underspend against reforecast budget is within IT where expenditure is £3.8m against a reforecast budget of £6.8m. The largest areas of slippage include EDM (0.8m), Fulham Road Telephony project (£0.3m), repository (£0.5m) and other projects.

Receivables and Other Current Assets

Receivables and other current assets (£20m excluding cash) are £5.1m below plan as at 31st March 2013. This is mainly due to the significant reduction in NHS trade receivables during Q4 as a result of targeted cash collection from outgoing PCTs.

The Trust has triggered Monitor's financial risk indicator relating to debtors >90 days old being higher than 5% of total debtors, as it did in the first three quarters of the year. Of the balance >90 days old, £0.7m relates to Welsh Health Boards and is fully provided for and the remainder is mainly Overseas and other General Trading debt which is

	also between 80-100% provided for. **Trade and Other Payables – Current** The total of trade and other payables, accruals and other current liabilities is £34.7m at the end of Quarter 4, which is in line with plan overall. Other payables are slightly above plan but this is offset by Capital payables being slightly below plan due to slippage on capital expenditure as reported above. **Cash Flow** The cash balance at the end of Quarter 4 is £41.8m, which is £11.4m above plan. The main reason for cash being above plan at year-end is the improved rate of cash collection during the fourth quarter in relation to NHS debtors and the slippage against the original capital expenditure plan. **Finance Declaration** The Trust has achieved a Financial Risk Rating of 5 YTD at the end of Quarter 4 of 2012/13 compared to a plan of 4. The Trust has triggered two financial risk indicators in Quarter 4 as described above.
DECISION/ ACTION	The Board is asked to; • Delegate to the Director of Finance to approve on behalf of the Board, submission of the in-year financial reporting return Quarter 4 2012/13 to Monitor. • Approve the commentary for submission to Monitor. • Approve the In Year Governance Statement (attached).

Appendix 1

In the fourth quarter of 2012/13:

I. ELECTIONS

In the fourth quarter of 2012/13, there were no elections to fill posts on the Council of Governors.

There have been changes to the Council of Governors stakeholder appointments.

II. BOARD OF DIRECTORS

There have been changes in the composition of the Board of Directors.

Following departure of Dr Mike Anderson (01.03.2013) Zoe Penn was appointed as Medical Director (01.03.2013).

Role	Date of change	Full Name	Telephone	Email address	Job Title (if different to 'role')
Medical Director	01/03/2013	Zoe Penn	02033156717	zoe.penn@chelwest.nhs.uk	

III. COUNCIL OF GOVERNORS

a. Retirements and Resignations

i. Elected

There were no changes.

ii. Stakeholders

Fergus Cass of NHS Kensington & Chelsea (Primary Care Trust) resigned from the Council of Governors following the abolition of the PCTs under the Health and Social Care Act 2012 (31/03/2013).

Rose Glazebrook, NHS Hammersmith and Fulham (Primary Care Trust) resigned from the Council of Governors following the abolition of the PCTs under the Health and Social Care Act 2012 (31/03/2013).

b. Appointments (stakeholder)

There were no changes.

In Year Governance Statement from the Board of Chelsea and Westminster

The board are required to respond "Confirmed" or "Not confiirmed" to the following statements (see notes below)

		Board Response
	For finance, that:	
4	The board anticipates that the trust will continue to maintain a financial risk rating of at least 3 over the next 12 months.	Confirmed
	For governance, that:	
11	The board is satisfied that plans in place are sufficient to ensure: ongoing compliance with all existing targets (after the application of thresholds) as set out in **Appendix B** of the Compliance Framework; and a commitment to comply with all known targets going forwards.	Confirmed
	Otherwise	
	The board confirms that there are no matters arising in the quarter requiring an exception report to Monitor (per Compliance Framework page 17 Diagram 8 and page 63) which have not already been reported.	Confirmed

Signed on behalf of the board of directors

Signature	Sign Here.	Signature	Sign Here.
Name		**Name**	
Capacity	[job title here]	**Capacity**	[job title here]
Date		**Date**	

Notes: *The contents of this statement are specified in Monitor's Compliance Framework for 2012-13*

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Monitor will accept either 1) electronic signatures pasted into this worksheet or 2) hand written signatures on a paper printout of this declaration posted to Monitor to arrive by the submission deadline.

In the event than an NHS foundation trust is unable to confirm these statements it should NOT select 'Confirmed' in the relevant box. It must provide a response (using the section below) explaining the reasons for the absence of a full certification and the action it proposes to take to address it.

This may include include any significant prospective risks and concerns the foundation trust has in respect of delivering quality services and effective quality governance.

Monitor may adjust the relevant risk rating if there are significant issues arising and this may increase the frequency and intensity of monitoring for the NHS foundation trust.

The board is unable to make one of more of the confirmations in the section above on this page and accordingly responds:

A

B

C

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Board of Directors Meeting, 25 April 2013 (PUBLIC)

AGENDA ITEM NO.	3.6/Apr/13
PAPER	Register of Seals Report Q4*
AUTHOR	Vida Djelic, Foundation Trust Secretary
LEAD	Cathy Mooney, Director of Governance and Corporate Affairs
PURPOSE	To keep the Board informed of the use of seal.
LINK TO OBJECTIVES	NA
RISK ISSUES	None
FINANCIAL ISSUES	None
OTHER ISSUES	None
LEGAL REVIEW REQUIRED?	No
EXECUTIVE SUMMARY	This paper itemised the documents to which the seal was affixed in the period under review.
DECISION/ ACTION	The Board is asked to note the paper.

Register of Seals Report Q4

Section 12 of the Standing Orders provided below refers to the custody of the seal and the sealing of documents.

12.2 Sealing of Documents

12.2.1 Where it is necessary that a document shall be sealed, the seal shall be affixed in the presence of two senior managers duly authorised by the Chief Executive, and not also from the originating department, and shall be attested by them.

12.2.2 Before any building, engineering, property or capital document is sealed it must be approved and signed by the Director of Finance (or an employee nominated by him/her) and authorised and countersigned by the Chief Executive (or an employee nominated by him/her who shall not be within the originating directorate).

During the period 1 January 2013 through 31 March 2013, the seal was affixed to the following documents:

Seal Number	Description of the Document	Date of sealing	Affixed by	Attested
152	Lease relating to basement and ground floors 34/34 Dean Street, London W1D 4PR (2 copies)	26.02.13	Tony Bell, CEO	Lorraine Bewes Director of Finance
153	Deed of adherence and variation relating to Imperial College Health Partners Limited (2 copies)	27.02.13	Tony Bell, CEO	Lorraine Bewes Director of Finance

The Trust has followed the procedure when using the seal with regard to the above.

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Board of Directors Meeting, 25 April 2013 (PUBLIC)

AGENDA ITEM NO.	3.7/Apr/13
PAPER	Monitor Code of Governance – Compliance
AUTHOR	Vida Djelic, Foundation Trust Secretary
LEAD	Cathy Mooney, Director of Governance and Corporate Affairs
PURPOSE	To allow the completion of the annual report regarding disclosures.
LINK TO OBJECTIVES	Corporate objectives
RISK ISSUES	None
FINANCIAL ISSUES	None
OTHER ISSUES	None
LEGAL REVIEW REQUIRED?	No
EXECUTIVE SUMMARY	This paper outlines the Trust's position with compliance with the Monitor NHS Foundation Trust Code of Governance (the Code) 2010. Please see supplementary paper for detail of the Code and the Trust position.
DECISION/ ACTION	To approve the Declaration of Compliance at Appendix 1.

Monitor NHS Foundation Trust Code of Governance 2013

1. Introduction

The Board is asked to note the Trust's position with compliance with the Monitor *NHS Foundation Trust Code of Governance* (the Code) 2010 and to agree the disclosure statement. This will be inserted into the annual report.

An assessment of the position against the Code for each of the code provisions is outlined in the supporting paper.

2. Background

Under its Terms and Conditions of Authorisation, the Trust is required to ensure the existence of appropriate arrangements to provide representative and comprehensive governance in accordance with the Act and to maintain organisational capacity to deliver the mandatory goods and services.

The Code is issued by Monitor as best practice advice. It is not mandatory and accordingly, non-compliance with the provisions of the Code will not give rise to a breach of the duty to comply with principles of best practice on corporate governance (condition 5(2) of the terms of authorisation).

While it is expected that NHS Trusts will comply with the Code's provisions, it is recognised that departure from the provisions may be justified in particular circumstances. It is the responsibility of the Board of Directors to confirm that the Trust complies with the provisions of the Code or, where it does not, to provide an explanation which justifies the departure from the Code in the particular circumstances.

3. Review

The Board of Directors undertakes an annual review of the Trust's governance arrangements to assess compliance with the provisions of the Code. The Board received an update in May 2010 which outlined the new provisions of the code. The assessment was repeated for 2011 and also for 2012 and this is detailed in the supporting paper.

4. Outcome of review

The Board's attention is drawn to the following:

4.1 Partial Compliance

The following are partially complaint: D.1.5 and D.2.2.

D.1.5 Governors should canvass the opinion of their members, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors.

D.2.2 Led by the chairman, the Council of Governors should periodically assess their collective performance and they should regularly communicate to members details on how they have discharged their responsibilities, including their impact and effectiveness on:
■ contributing to the development of forward plans of the NHS foundation trust; and
■ communicating with their member constituencies and transmitting their views to the board of directors.

The Council of Governors should use this process to review its roles, structure, composition and procedures, taking into account emerging best practice.

It is proposed that areas that are partially compliant are not declared in the Annual Report.

4.2 Non-Compliance

Area of non-compliance: C.1.12.

4.2.1 Code provision C.1.12

An independent external adviser should not be a member of or have a vote on the nominations committee(s).

Trust position

The Constitution states the following

12.5. Non-executive Directors are to be appointed by the Council of Governors using the following procedure.

12.5.1. The Council of Governors will maintain a policy for the composition of the non-executive directors which takes account of relevant Trust strategies, and which they shall review from time to time and not less than every three years.

12.5.2. The Board of Directors will work with an external organisation recognised as expert at appointments to identify the skills and experience required for non-executive Directors.

12.5.3. Appropriate candidates (not more than five for each vacancy) will be identified by a Nominations Committee through a process of open competition, which take account of the policy maintained by the Council of Governors and the skills and experience required;

12.5.4. The Nominations Committee will comprise the Chairman of the Foundation Trust (or the Vice Chairman unless they are standing for appointment, in which case another non-executive director, when a Chairman is being appointed), two elected Governors and one Appointed Governor. Another person nominated by the Nominations Committee will be invited to act as an independent assessor to the Nominations Committee.

Appendix 1
Statement for the Annual Report
NHS Foundation Trust Code of Governance

Chelsea and Westminster Hospital NHS Foundation Trust is committed to effective, representative and comprehensive governance which secures organisational capacity and the ability to deliver mandatory goods and services. The Trust's governance arrangements are reviewed yearly against the provisions of Monitor's Code of Governance to ensure the application of the main and supporting principles of the Code as a criterion of good practice.

It is the responsibility of the Board of Directors to confirm that the Trust complies with the provisions of the Code or, where it does not, to provide an explanation which justifies departure from the Code in the particular circumstances.

For the year ending 31 March 2013 Chelsea and Westminster Hospital NHS Foundation Trust complied with all the provisions of the Code of Governance published by Monitor in March 2010 with the exception of 4.2.1 Code provision C.1.12 An independent external adviser should not be a member of or have a vote on the nominations committee(s) which is inconsistent with Chelsea and Westminster NHS Foundation Trust constitution which specifies that another person nominated by the Nominations Committee will be invited to act as an independent assessor to the Nominations Committee for the appointment of Non-executive Directors.

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Board of Directors Meeting, 25 April 2013 (PUBLIC)

AGENDA ITEM NO.	3.8/Apr/13
PAPER	Third Party Stakeholder Schedule*
AUTHOR	Vida Djelic, Foundation Trust Secretary
LEAD	Cathy Mooney, Director of Governance and Corporate Affairs
PURPOSE	To meet the requirements of Monitor's Code of Governance
LINK TO OBJECTIVES	None
RISK ISSUES	None
FINANCIAL ISSUES	None
OTHER ISSUES	None
LEGAL REVIEW REQUIRED?	No
EXECUTIVE SUMMARY	This paper outlines third parties with roles in relation to NHS Foundation Trusts and the provisions of the Code of Governance in relation to relationships and processes.
DECISION/ ACTION	The Board is asked to confirm that they are clear of the form and scope of the co-operation required with each of the third party bodies listed and that they are assured that effective mechanisms are in place for collaborative and productive relationships.

Third Party Stakeholder Schedule

1.0 Introduction

1.1 The Monitor Code of Governance (the Code) states that:

1.1.1 Schedule **G.2.1** The board of directors should maintain a schedule of the specific third party bodies in relation to which the NHS foundation trust has a duty to co-operate (refer to Monitor's *Compliance Framework* for a generic non-exhaustive list of third party bodies). The board of directors should be clear of the form and scope of the co-operation required with each of these third party bodies in order to discharge their statutory duties.

1.1.2 Schedule **G.2.2** The board of directors should ensure that effective mechanisms are in place to cooperate with relevant third party bodies and that collaborative and productive relationships are maintained with relevant stakeholders at appropriate levels of seniority in each. Periodically, the board of directors should review the effectiveness of these processes and relationships and, where necessary, take proactive steps to improve them.

2.0 Schedule

2.1 This is attached as appendix 1. It is based on the generic list in Monitor's Compliance Framework (this has been replaced with a Licence) referred to above in 1.2 with additions identified by the executive team. It was updated in March 2013.

3.0 Mechanisms and relationships

3.1 The lead directors have confirmed that there are effective relationships and processes in place with the key stakeholders. The weekly executive team meeting has a regular item – strategic partnership initiatives which updates the executive team re regular and topical areas such as Imperial College Healthcare Partnership ICHP) / Academic Health Science Network (AHSN) Health Education North West London, West Middlesex University Hospital, working with Royal Brompton Hospital, working with Imperial College NHS Healthcare Trust (ICHT) Shaping a Healthier Future ICP

4.0 Action from the Board

4.1 The Board is asked to confirm that they are clear of the form and scope of the co-operation required with each of the third party bodies listed and that they are assured that effective mechanisms are in place for collaborative and productive relationships.

Third Party Stakeholder Schedule – April 2013

Provision G.2 of Monitor's Code of Governance states that 'the board of directors is responsible for ensuring that the NHS trust co-operates with other NHS bodies, local authorities and other relevant organisations with an interest in the local health economy'. The code provisions state

G.2.1 The board of directors should maintain a schedule of the specific third party bodies in relation to which the NHS foundation trust has a duty to co-operate (refer to Monitor's *Compliance Framework* for a generic, non-exhaustive list of bodies). Directors should be clear of the form and scope of the co-operation required with each of these third party bodies in order to discharge their statutory duties.

G.2.2 The board of directors should ensure that effective mechanisms are in place to cooperate with relevant third party bodies and that collaborative and productive relationships are maintained with relevant stakeholders at appropriate levels of seniority in each.
Periodically, the board of directors should review the effectiveness of these processes and relationships and, where necessary, take proactive steps to improve them.

This list is based on the generic list of third party bodies in Monitor's *Compliance Framework (*now replaced with Monitor licence*)*. Where there are two directors, the lead director is in bold.

Changes are either in bold or made clear through a strikethrough

Third Parties with statutory enforcement powers over NHS Foundation Trusts

Organisation	**Director**	**Form and Scope of Co-operation**
Care Quality Commission	Director of Governance and Corporate Affairs	Data submission External reviews Response to consultations Ongoing compliance with essential standards of quality and safety
Care Quality Commission - alerts	*Medical Director*	*Oversees response to alert and sign off for CEO*
Charities Commission	Chief Executive	As required
Environment Agency	Chief Operating Officer	Response to national guidance and consultations Statutory environmental enforcement

Equality and Human Rights Commission	Director of HR	Response to guidance, consultations and guidance on interpretation of national policy
Fire Authorities	Chief Operating Officer	Response to requests to change buildings or operations. Statutory fire enforcement.
General Chiropractic, Dental, Medical, Optical, Osteopathic and Pharmaceutical Councils	Medical Director	Investigations on individual fitness to practice Accreditation of courses of education or training
General Pharmaceutical Council	Chief Pharmacist	Investigations on individual fitness to practice
Health and Safety Commissioner and Health and Safety Executive	Chief Operating Officer in interim/Chief Nurse substantively	Response to national guidance and consultations Reporting of statutory incidents Statutory health & safety enforcement
Health Professions Council	Director of HR	Response to national guidance and consultations
Home Office Disclosure and Barring Service	Director of HR	Re CRB check
Home Office UK Border Agency	Director of HR	Re immigration sponsorship applications
Human Fertilisation and Embryology Authority	Medical Director	Response to guidance, consultations and guidance on interpretation of national policy
Information Commissioner	**Chief Operating Officer**/Medical Director	Response to guidance, consultations and guidance on interpretation of national policy.
Nursing and Midwifery Council	Chief Nurse	Investigations on individual fitness to practice Accreditation of courses of education or training
Pharmaceutical Society of Northern Ireland and Pharmaceutical Society of Great Britain	Chief Pharmacist	Accreditation of courses of courses of education or training.
Public Accounts Committee	**Chief Executive**/Director of Finance/Chairman	PAC has authority to call any accounting officer of a public body before it
Secretary of State for Health	**Chief Executive**/Chairman	Head of Department of Health whose overall purpose is to ensure better health and well-being, better care and

		better value for all. The DoH is responsible for overall strategy, policy, legislation and regulation, allocating resources, the NHS operating framework, local Area Agreements.
NHS Commissioning Board	**Chief Executive**/Chairman/Chief Operating Officer	The NHS Commissioning Board allocates resources to GP commissioning consortia and hold them to account for managing public funds. It also promotes health equalities in cooperation with Public Health England.
Local London NHS Commissioning Boards	**Chief Executive,** Director of Finance, Chief Operating Officer, Director of Strategy	Will commission non-specialised services that are not commissioned by CCGs on behalf of the NHS Commissioning Board
Medicines & Healthcare Regulatory Authority	**Chief Pharmacist**/Research Director/Chief Nurse	Compliance
Monitor	**Chief Executive** Director of Finance Director of Governance and Corporate Affairs	Authorises and regulates NHS Foundation Trusts. Monitor is independent of central government. It determines whether NHS trusts are ready to become NHS Foundation Trusts; ensures that NHS foundation trusts comply with the conditions they signed up to and supports NHS foundation trust development. Now an economic regulator with responsibility for all providers of NHS care

Third Parties with a statutory role but no enforcement powers

Organisation	**Director**	**Form and Scope of Co-operation**
Cooperation and Competition Panel (CCP)	Director of Finance	Consult and seek guidance from the CCP on significant market changes and changes in ownership.
Clinical Commissioning Groups (CCG)	**Director of Finance**/Chief Operating Officer/Medical Director/Director of Strategy/Commissioning lead	Will be responsible for commissioning the vast majority of non-specialised services
Health Education North West London	Chief Nurse	Responsible for strategy and commissioning of education and training

National Audit Office	Director of Finance	Participation in audits of accounts
NHS Blood and Transplant Authority	**Medical Director**/Chief Nurse	Response to guidance, consultations and guidance on interpretation of national policy
Office for National Statistics	Director of HR	Re monthly vacancy statistics
OFSTED	Chief Nurse	School onsite
Overview and Scrutiny Committees (Royal Borough of Kensington and Chelsea, London borough of Hammersmith and Fulham, Westminster City Council)	**Chief Executive**, Chief Nurse (lead on engagement) (Director of Governance and Corporate Affairs)	Attend meetings Response to requests for information Consultation (Liaison re Quality Accounts)
Parliamentary and Health Service Ombudsmen	**Chief Executive**/Chief Nurse	Response to requests for information and investigations.
NHS Information Centre for Health and Social Care	Chief Operating Officer	Provision of information as required.
HM Inspectorate of Prisons	N/A	
Specialist London Commissioners	Executive Team - Mainly Director of Finance	Contract negotiation
Specialist commissioners	**Chief Executive** /Executive/Commissioning lead	Contracts - commission specialised services such as Burns or HIV

Third Parties with no statutory role but a legitimate interest

Organisation	Director	Form and Scope of Co-operation
Clinical Pathology Accreditation Ltd	Chief Operating Officer	ICHT Contract
Committees, working groups and forums advising the Dept of Health on topics across health and social care	Chief Executive	
Confidential Enquiries	Medical Director	Participation and action on recommendations Response to requests for information Response to guidance, consultations and guidance on interpretation of national policy
NHS Business Services Authority	Director of Finance	Local prevention of fraud services
NHS Litigation Authority	Director of Governance and Corporate Affairs	Notification of clinical claims, participation in claims investigations, participation in Risk Management Standards accreditation.
Royal Colleges (medical and surgical, radiology and pathology)	Nominated leads	These are specified in the Trust Procedure for external visits
Royal College of Midwives	Director of HR	Trade Union
Royal College of Nursing	Director of HR	Trade Union
Royal College of Speech and Language Therapists	Director of HR	Trade Union
Educational Institutions (Kings College London and South Bank Universities)	Chief Nurse	Provision of education
Foundation Trust Network	**CEO**/Chairman/Director of Finance/FT Secretary	Attend relevant meetings
Health & Innovation Education Clusters (HIEC)	**CEO**/Chairman	Chair Board and host Sector HIEC

Health Protection Agency	Chief Nurse	Reporting Notification of outbreaks and SUIs
HealthWatch England	Chief Nurse	Now established as a new independent consumer champion within CQC. Local HealthWatch bodies will provide an opportunity for patients to voice their views and influence health provision.
Health and Wellbeing Boards	Director of Strategy	Every Local Authority must establish a Health and Wellbeing Board consisting of: (a) at least one councillor of the local authority; (b) the director of adult social services for the local authority; (c) the director of children's services for the local authority; the director of public health for the local authority; (e) a representative of the Local HealthWatch organisation for the area of the local authority and (f) a representative of each relevant commissioning consortium.
Imperial College	**Chief Executive**/ Chairman/ Medical Director	Teaching medical students Joint Academic Chairs SIFT Group CEO Relationship
Imperial College Healthcare	**Chief Operating Officer**/Finance Director	Pathology Contract. Trust lead is Divisional Operational Director for Clinical Support Services
West Middlesex University Hospital	**Chief Operating Officer/**service leads	Have service agreements with the Trust in various areas
Local HealthWatch Organisations		These organisations will be providing advice and information about access to local care services to HealthWatch England. They will also make recommendations about special reviews or investigations to conduct.
Provider Development Authority	N/A	The Provider Development Authority will oversee the transition of NHS Trusts to FT. It will be established by April 2012 and be abolished in March 2014 by when all NHS Trusts need to be Foundation Trusts
Royal Brompton Hospital	**Chief Executive** (FD/Director of HR re Shared	CEO Relationship Joint working initiatives

	Services) Chief Operating Officer	Shared services
Royal Marsden Hospital	**Chief Executive** (FD/HR Director re Shared Services) /Chief Operating Officer	CEO Relationship Joint working initiatives Shared services
Unison	Director of HR	Trade Union
Other Trade Unions	Director of HR	Trade Union
Universities, postgraduate deaneries and the Postgraduate Medical Education and Training Board	Medical Director	Facilitate inspections and monitoring
Mental Health ICP	Medical Divisional Director	Nominated for clinical group
AUKUH Association of UK University Hospitals	**Chief Executive**/Chief Nurse/ Director of HR/Director of Finance/Medical Director	Member Nursing Group
NWL Delivery Unit	**Chief Operating Officer**/Chief Nurse/Director of Strategy and Business Development	Nominated for Community and Mental Health
NWL Reconfiguration Board	**Chief Executive** /Director of Strategy	Leading on NWL health reconfiguration
Integrated Care Pilot NHS NWL	**Divisional Medical Director**/Director of Strategy and Business Development	Participation in pilot
Imperial College London Health Partners	**Chief Executive**/Chairman	Company Limited by Guarantee with the aim to foster discovery, implementation of good practice, and education and training across NWL and beyond build around the Academic Health Science Centre
BMA	Director of HR	Trade Union/Staff side body
NHS Employers	Director of HR	Employer body representing employer interests

For information – future roles

Director of Public Health - Every Local Authority will have to appoint a Director of public health who will be responsible for ensuring sufficient local provision is available through the Joint Strategic Needs Assessment and working with the Health and Wellbeing Boards

Board of Directors Meeting, 25 April 2013 (PUBLIC)

AGENDA ITEM NO.	3.9/Apr/13
PAPER	Monitor Provider Licence requirements
AUTHOR	Vida Djelic, Foundation Trust Secretary
LEAD	Cathy Mooney, Director of Governance and Corporate Affairs
PURPOSE	To advise the Board on the new licence requirements which replaces the Compliance Framework.
LINK TO OBJECTIVES	Good governance
RISK ISSUES	None
FINANCIAL ISSUES	None
OTHER ISSUES	None
LEGAL REVIEW REQUIRED?	No
EXECUTIVE SUMMARY	The main provisions of the licence are outlined in the attached summary. Many of these are subject to further guidance, some of which is in draft for consultation currently.
DECISION/ ACTION	For information.

Monitor Provider Licence requirements

1.0 Introduction

The Health and Social Care Act 2012 gives Monitor new powers and duties. Their main duty will be to protect and promote the interests of people who use health care services and they will do this by promoting provision of health care services which is effective, efficient and economic, and which maintains or improves the quality of services. The role of overseeing the governance of NHS foundation trusts will continue alongside new functions, including:
• setting prices for NHS-funded care in partnership with the NHS Commissioning Board;
• enabling integrated care;
• preventing anti-competitive behaviour which is against the interests of patients; and
• supporting commissioners in maintaining service continuity.

The Act requires us to introduce a licence for providers of NHS services. This licence sets out various obligations for providers of NHS services, including obligations relating to the four functions listed above and some specific obligations for NHS foundation trusts.

2.0 Who needs a Monitor provider licence and when do they need it?

From April 2013, all foundation trusts will automatically be issued with a licence, as the Health and Social Care Act 2012 specifies that they are to be treated as having met all the licence criteria.

3.0 Licence Overview

The provider licence is split into six sections, which apply to different types of providers as follows:

Section	Description	Applies to
1. General Condition	General requirements for providers	All licenced providers
2. Obligations about pricing	Oblige providers to record pricing information, check data for accuracy and where commissioners in line with tariff	Licence providers who provide services covered by national tariff
3. Obligations around choice and competition	Oblige providers to help patients make the right choice of provider where appropriate, and prohibits anticompetitive behaviour where against patients' interest	All licenced providers
4. Obligations to enable integrated care	Enable the provision of integrated services by obliging providers not to do anything detrimental to enabling integrated care	All licenced providers
5. Conditions to support continuity of service (CoS)	Applies to providers of commissioner requested services – which are services whose absence would have a significant negative impact	Providers of commissioner requested services only – services whose absence would have a significant impact on the local people

	on the local population. Allow Monitor to assess whether there is a risk to services, and set out how services will be protected if a provider get into financial difficulties	
6. Governance licence conditions for foundation trusts	Obligations for foundation trusts around appropriate standards of governance	Foundation trusts only

4.0 The Monitor provider licence: part of a system of health sector oversight

Monitor, with its new functions, sits within a system of health sector oversight made up of the Care Quality Commission (CQC), the NHS Commissioning Board (NHSCB), now NHS England, clinical commissioning groups (CCGs) and others.

Monitor will set out in guidance how the licence will work in practice, and which will be designed to explain obligations and not to impose them. Its purpose will be to help licence holders understand the obligations that apply to them and how they can best comply, as well as explaining how Monitor will exercise its powers to monitor and enforce compliance with the licence. The licence obliges licensees to have regard to Monitor guidance and Monitor will generally consult before any formal guidance is finalised.

Monitor say that all of the guidance for the licence will not be issued right away . For example, guidance on the Integrated Care Condition might be more useful later, once more evidence is available, rather than now.

Consultation on the proposed Risk Assessment Framework, which is relevant to the Continuity of Services and NHS Foundation Trust Conditions closed recently.

Another area where Monitor are issuing early guidance is on how Commissioner Requested Services and Location Specific Services may be designated. 'Location Specific Services' are those services which should continue when a licensee fails and enters special administration. This guidance is relevant to the Continuity of Services Conditions. The formal consultation on this guidance was held in summer 2012 and the final guidance is expected to be issued shortly.

5.0 Provider Licence Sections

The following is based on an extract from Monitor's document on the provider licence.

Section 1 General Condition

<u>General Condition 1: Provision of Information</u>
This condition contains an obligation for all licensees to provide Monitor with any information we require for our licensing functions.

When requesting under General Condition 1, we intent always to specify the:

- Information required;
- Timescale in which the information is to be provided; and
- Reasons for information request

General Condition 2: Publication of Information
This licence condition obliges licensees to publish such information as Monitor may require.

Like General Condition 1, this obligation is broadly framed. We could require licensees to publish existing information or new information, such as measurements of performance in certain areas and publish the results. We might do this, for example, in the context of our duty to protect and promote the rights of patients to make choices.

General Condition 3: Payment of Fees to Monitor
The Act gives Monitor the ability to charge fees and this condition obliges licence holders to pay fees to Monitor if requested.

It is not necessary the case that we will charge fees, and no decision about this has yet been taken. However, this condition creates the means by which Monitor could, in part, be funded from fees charged to licence holders.

General Condition 4: Fit and Proper Persons
The licence condition prevents licensees from allowing unfit persons to become or continue as governors or directors (or those performing similar or equivalent functions). At Monitor's discretion, this test may be relaxed in exceptional circumstances

'Unfit persons' are: undischarged bankrupts, individuals who have served a prison sentence of three months or longer during the previous five years, and disqualified directors. A company may also be an unfit person.

General Condition 5: Monitor Guidance
This requires licensees to have regard to any guidance that Monitor issues.

General Condition 6: Systems for Compliance with Licence with Licence Conditions and Related Obligations
This requires providers to take all reasonable precautions against the risk of failure to comply with the licence and other important information.

General Condition 7: Registration with the Care Quality Commission
This requires providers to be registered with the CQC (if required to do so by law) and to notify Monitor if registration is cancelled.

General Condition 8: Patient Eligibility and Selection Criteria
This condition requires licence holders to set transparent eligibility and selection criteria for patients and to apply these in a transparent manner.

This includes criteria for determining patient eligibility for particular services, for accepting or rejecting referrals, or determining the manner in which services are provided to that person.

General Condition 9: Application of Section 5 (Continuity of Services)
This applies to all licence holders. It sets out the conditions under which a service will be designated as a Commissioner Requested Services. If a licensee provides any Commissioner Requested Services, all the Continuity of Services Condition apply to the licence holder.

Section 2 Pricing Conditions

One of Monitor's new functions will be to set prices for health care services funded by the NHS. Accurate information is essential to ensure that providers are paid appropriately for services they provide to patients. Pricing can also be used to encourage providers to

improve the quality of services for patients and to increase the efficiency with which services are provided. If providers are not properly reimbursed, this can reduce the quality and efficiency of care they offer and may in some circumstance threaten the sustainability of their services. Pricing information also helps commissioners and providers to plan and budget for health care services to meet people's needs.

We are working closely with the NHS Commissioning Board on pricing. The NHS Commissioning Board will lead on defining the services to be priced ('currencies'), and we will set the prices for those services.

Setting prices is not, of course, new to the NHS. Monitor and the NHS Commissioning Board will be taking over responsibility for pricing from the Department of Health. The intention is for responsibility to transfer Monitor and the NHS Commissioning Board from and including the 2014/15 tariff.

A summary of the pricing conditions is as follows:

Pricing Condition 1: Recording of Information
Under this licence condition, Monitor may oblige licensees to record information, particularly information about their costs, in line with guidance to be published by Monitor. (Draft guidance is available)

Pricing Condition 2: Provision of Information
Having recorded the information on lice with Pricing condition 1 above, licensees can then be required to submit this information to Monitor.

Pricing Condition 3: Assurance Report on Submissions to Monitor
When collecting information for price setting, it will be important that the submitted information is accurate. This condition allows Monitor to oblige licensees to submit an assurance report confirming the information they have provide dis accurate.

Pricing Condition 4: Compliance with the National Tariff
The Health and Social Care Act 2012 requires commissioners to pay providers a price which complies with, or is determined in accordance with, the National Tariff for NHS health care services. This licence condition imposes a similar obligation on licensees, i.e. the obligation to charge for NHS health care services in line with the National Tariff. The National Tariff is defined as a document produced by Monitor so this will not apply until this is published (except to be 2014/15 National Tariff).

Pricing Condition 5: Constructive Engagement Concerning Local Tariff Modification
The Act allows for local modifications to prices. The licence condition requires licence holders to engage constructively with commissioners, and to try to reach agreement locally, before applying to Monitor for modification.

We will seek to make prices more reflective of the efficient cost of providing a service, but even so, in some circumstances it may be uneconomic for a provider to offer a particular service without additional funding over and above that allowed for in the National Tariff. For this purpose, the Act allows for local modifications, or adjustments, to prices.

Section 3 Choice and Competition Conditions

The Choice and Competition Conditions support patients' rights to make choices about their health care provider. In and of itself, being able to choose a provider can give direct benefits to patients. Effective patient choice can also be a key source of competitive pressure on

providers and can provide incentives for higher-quality and more efficient provision of care. For choice to be effective, however, patients need to be well informed about the choices that are available to them. They need to know when they have choices, what choices are available and how the different options compare.

Under the Health and Social Care Act 2012, we must exercise our functions with a view to preventing anti-competitive behaviour in the provision of health care services which is against the interests of people who use health care services. The Act allows us to apply the Competition Act 1998 concurrently with the Office of Fair Trading. But the provisions of the Competition Act only apply to the behaviour of organisations when they are acting as 'undertakings'. Organisations will fall within the definition of an 'undertaking' when they carry out an 'economic activity' and there are some organisations in the health sector that may not be behaving as 'undertakings' under the Competition Act when carrying out certain functions.

The introduction of a competition oversight licence condition serves to fill the potential enforcement gap under the Competition Act, as it will apply to all licensees.

The competition oversight condition will also provide an alternative procedural route which will allow us to adopt flexible, efficient and proportionate approaches to enforcement to the benefit of patients, licensees and Monitor.

The Choice and Competition Conditions sit within a broader set of regulatory arrangements that will affect patient choice, including, for example, the rules set for commissioners on procurement, choice and competition. The Department of Health consulted on these regulations last year.

The existing Principles and Rules for Cooperation and Competition already include provisions relating to patient choice and competition. The licence conditions are intended to put existing requirements on a more formal footing, where relevant.

A summary of these conditions is as follows:

<u>Choice and Competition Condition 1: Patient Choice</u>
This condition protects patients' rights to choose between providers by obliging providers to make information available and act in a fair way where patients have a choice of provider. This condition applies wherever patients have a choice of provider under the NHS Constitution, or where a choice has been conferred locally by commissioners.

This condition:

- Requires licensees to notify their patients when they have a choice of provider, and to tell them where they can find information about the choice they have. This must be done in a way that is not misleading;
- Required that information and advice that licensees provide to patients about their choice of provider does not unfairly favour one provider over another and is presented in a manner that helps other patients to make well-informed choices; and
- Prohibits licensees from offering gifts and benefits in kind for patient referrals or for the commissioning of services.

The condition set out some basic requirements relating to information and behaviours. Under the condition licensees are not required to provide advice to patients on making choices, but are not prevented from doing so. Where advice is provided, it should not unfairly favour one provider over another and should be presented in a way that helps patients to make well-informed choices.

We intend to develop guidance for this condition to explain the standards of information and advice that we would require. For example, we might require that any information or advice provided to patients should be accurate, assessable, appropriately representative and, as far as reasonably practicable, complete. Existing relevant standards are set out in parts of the Department of Health Code of Practice for the promotion of NHS-funded services, and we intended to take these standards as the starting point for our guidance. The guidance is likely to be available following consultation in 2013.

Choice and Competition Condition 2: Competition Oversight

This condition prevents providers from entering into or maintain agreements that have the object or effect of preventing, restricting or distorting competition to the extent that it is against the interests of health care users. It also prohibits licensees from engaging in other conduct that has the effect of preventing, restricting or distorting competition to the extent that is against the interests of health care users.

Monitor is developing guidance to explain how it will enforce the condition which gives stakeholders a better understanding of what will be prohibited or allowed by the condition. Monitor has stated it will take action against anticompetitive behaviour where it is the interest of patients to do so.

Section 4 Integrated Care Condition

The Health and Social Care Act 2012 gives Monitor a duty to enable integrated care where this improves quality or efficiency or reduces inequality. We commissioned research on integrated care from Frontier Economics, the Nuffield Trust, The King's Fund and Ernst & Young. We asked these organisations to help us define integrated care, identify the ways in which it might benefit users of health care services, and outline the enablers of and barriers to, the delivery of integrated care. The research report is available from Monitor.

Integrated Care Condition

The Integrated Care Condition is a broadly defined prohibition: the licensee shall not do anything that could reasonably be regarded as detrimental to enabling integrated care.

It also includes a patient interest test. The patient interest test means that the obligations only apply to the extent that they are in the interests of people who use health care services.

Section 5 Continuity of Services licence conditions

The Act requires us to establish a Continuity of Services framework. The purpose of this is to make sure that, in the event of the financial failure of a provider, services continue to be provided where necessary.

Designating services as Commissioner Requested Services

The starting point for the Continuity of Services framework is the identification of those services that would need to continue in the event that a provider encountered financial difficulties. The reason that we call these services Commissioner Requested Services is that it will be commissioners (and the Special Administrator) who decide which NHS services should continue to be provided at that location in the case of failure of a provider.
Each commissioner (e.g. local CCGs or the NHS Commissioning Board in the case of specialist services) will be expected to identify the services it needs to designate as Commissioner Requested Services. Commissioners are best placed to assess which services they wish to designate, because whether or not patients could access a particular

service from another provider within a reasonable distance depends on the local picture of health care provision.

The continuity of service (CoS) licence conditions are summarised below:

General Condition 9: Application of Section 5 (Continuity of Services)
This condition applies to all licensees. It sets out how services may be designated as Commissioner Requested Services. IT a licensee provides Commissioner Requested Services, the Continuity of Services Conditions apply.

Continuity of Services Condition 1: Continuing provision of Commissioner Requested Services
This condition prevents licensees from ceasing to provide Commissioner Requested Services, or from changing the way in which they provide Commissioner Requested Services, without the agreement of relevant commissioners.

When we issue licences to NHS foundation trusts in April 2013 all services that are currently classified as 'mandatory services' under an NHS foundation trust's terms of authorisation will be classified as Commissioner Requested Services. We refer to services which are treated in this way as "grandfathered".

This licence condition ensured that licensees keep an up to date register of relevant assets used in the provision of Commissioner Requested Services. It also creates a requirement for licensees to obtain Monitor's consent before disposing of these assets when Monitor is concerned about the ability of the licensee to carry on as a going concern.

Continuity of Services Condition 3: Monitor Risk Rating
This condition requires licensees to have due regard to adequate standards of corporate governance and financial management. To monitor compliance with this, the risk assessment framework will be used.

Continuity of Services Condition 4: Undertaking from the Ultimate Controller
This condition requires licensees to put in place a legally enforceable agreement with their 'ultimate controller' to stop ultimate controllers form taking any action that would cause licensees to breach the licence conditions. This condition specifies who is considered to be an ultimate controller.

An 'ultimate controller undertaking' is a regulatory instrument to prevent parent companies from taking action that would cause a licensee to breach its licence. Similar licence conditions operate in the regulated parts of the gas, electricity, rail and water sectors.
An 'ultimate controller' is any body that could instruct the licensee to carry out particular actions. In practice, the ultimate controller would usually be the parent company of a subsidiary company, where it is the subsidiary company that has been licensed by Monitor. The agreement between the licensee and the ultimate controller required by Continuity of Services Condition 4 would oblige the ultimate controller to refrain from taking any action that would cause the licensee to breach Monitor's licence conditions.

There is an explicit statement that trustees of charities and governors and directors of NHS foundation trusts are not regarded as ultimate controllers and will not need to provide undertakings.

Continuity of Services Condition 5: Risk Pool Levy
This licence condition obliges licensees to contribute, if required, towards the funding of the 'risk pool' – this is like an insurance mechanism to pay for vital services if a provider fails. This will not come into effect until April 2015.

Continuity of Services Condition 6: Cooperation in the event of financial stress
This licence condition applies when a licensee fails a test of sound finances, and obliges the licensee to cooperate with Monitor in these circumstances.

If this happens, licensees could be required to:

- provide information to commissioners;
- allow parties appointed by Monitor to enter their premises; and
- actively cooperate with such parties.

Continuity of Services Condition 7: Available Resources
This condition requires licensees to act in a way that secures access to the resources needed to operate Commissioner Requested Services.

Each year, licensees will be required to provide us with a certificate, signed by their board, stating that, over the course of the next 12 months, they either:

- reasonably expect to have the required resources to keep their Commissioner Requested Services running; or
- reasonably expect to have the required resources to keep their Commissioner Requested Services running, but they would like to draw our attention explicitly to specific risk factors; or
- will not have the required resources to keep their Commissioner Requested Services running, in their opinion.

Licensees will also have to send us a statement of the main factors that they have taken into account in preparing the certificate.

Section 6 Foundation Trust Licence Conditions

We will oversee NHS foundation trusts in two ways:

- through permanent additional licence conditions for NHS foundation trusts that reflect their substantively different governance arrangements, the importance of their position in the provision of NHS health care services, and Parliament's expectation that we should continue to oversee the governance of NHS foundation trusts; and

- by placing, where required, new governance-related conditions in NHS foundation trust licences to reduce the risk of failure to comply with licence conditions as a result of governance inadequacies. This would apply only to NHS foundation trusts that we determined were at risk of compliance failure due to governance inadequacies, and only for a transitional period (at least until April 2016).

The foundation trust licence conditions are summarised below:

NHS Foundation Trust Condition 1: Information to Update the Register of NHS Foundation Trusts

The licence condition ensures that NHS foundation trusts provide required documentation to Monitor.

NHS Foundation Trust Condition 2: Payment to Monitor in Respect of Registration and Related Party Costs

If Monitor moves to funding by collecting fees, we may need this licence condition to charge additional fees to NHS foundation trusts to recover the costs of registration. We would consult stakeholders before introducing such a fee.

NHS Foundation Trust Condition 3: Provision of Information to Advisory Panel

The Act gives Monitor ability to establish an advisory panel that will consider questions brought by governors. It is Monitor's current intention to establish this panel. This licence condition requires NHS foundation trusts to provide the information requested by an advisory panel.

Under provisions in the Act, a majority of governors of an NHS foundation trust is required in order to submit a query to the panel. This ensures that any queries are likely to be substantive and representing material issues for governors. An advisory panel will provide a source of independent advice to governors, which, at present, they receive informally from Monitor. We think that requiring licensees to provide information to the panel when requested will help ensure that the panel is effective.

NHS Foundation Trust Condition 4: NHS Foundation Trust Governance Arrangements

This condition will enable Monitor to continue oversight of governance of NHS foundation trusts.

The condition sets out our expectations regarding the governance of NHS foundation trusts. For example, it requires NHS foundation trusts to have effective board and committee structures, reporting lines and performance and risk management systems. Many of the requirements in this licence condition are similar to the statements that NHS foundation trust boards currently make as part of their annual or quarterly submissions, and are consistent with our current approach in assessing governance of NHS foundation trusts. To ensure that the governance 'threshold' remains comparable across our existing and future regimes, with no additional burden, we have based the licence condition on our previous experience of trusts' breaches of their terms of authorisation.

Foundation trusts will also be required to submit a Corporate Governance Statement on an annual basis. The statement will confirm: compliance with this licence condition on the date of the statement; anticipated compliance for the next year; any risks to compliance with this condition during the next year; and any actions it proposes to take to manage such risks. The Risk Assessment Framework will set out our approach to assessing compliance with this condition.

SUPPORTING PAPERS

CODE OF GOVERNANCE COMPLIANCE - STATUS April 2013

Monitor Reference	OK	Evidence/comment	Action	Lead
A Directors **A.1 The board of directors**				
A.1.1 The board of directors should meet sufficiently regularly to discharge its duties effectively.	√	Comprehensive Annual Cycle of Business Attendance Record of Directors		
There should be a formal schedule of matters specifically reserved for decision of the board of directors. The schedule of matters reserved for the board of directors should be complemented with a clear statement detailing the roles and responsibilities of the Council of Governors (as described in B.1.4). There should also be a statement explaining how any disagreements between the Council of Governors and the board of directors will be resolved.	√	Scheme of Delegation approved at the Audit Committee in May 2010 and this statement is included. For conflict resolution refer to roles paper 19.03.09; Council of Governors paper 2.8/March/09 p.4		
The annual report should include a statement of how the board of directors and the Council of Governors operate, including a high-level statement of which types of decisions are to be taken by each of the boards and which decisions are to be delegated to the executive management by the board of directors. The developmental nature of the Council of Governors role would suggest that any agreements should be kept under review as the role evolves.	√	Annual Report Will be included in 12/13 annual report.	To include in AR 12/13	
A.1.2 The annual report should identify the chairman, the deputy chairman (where there is one), the chief executive, the senior independent director (see A.3.3) and the chairmen and members of the nomination, audit and remuneration committees. A record should be kept of the number of meetings of the board of directors and the attendance of individual directors, and it should be supplied to the Council of Governors on request.	√ √	Annual Report Will be included in 12/13 annual report. Board Minutes include attendees. There is also a summary in the annual report.	To include in AR 12/13	
A.1.3 The chairman should hold meetings with the non-executive directors without the executives present.	√	This does occur informally.		

√ = compliant
P = partially compliant
NC = not compliant

Led by the senior independent director, the non-executive directors should meet without the chairman at least annually to evaluate the chairman's performance, as part of a process, which should be agreed with the Council of Governors, for appraising the chair and on such other occasions as are deemed appropriate.		Appraisal process undertaken in September 2012 Council of Governors item 2.6/Dec/12 – Report on Chair appraisal.		
A.1.4 The board of directors should make available a statement of the objectives of the NHS foundation trust showing how it intends to balance the interests of patients, the local community and other stakeholders, and use this as the basis for its decision making and forward planning.	√	Corporate objectives are available and used for decision making and forward planning. Included in the Annual Plan.		
A.1.5 The board of directors should ensure that adequate systems and processes are maintained to measure and monitor the NHS foundation trust's effectiveness, efficiency and economy as well as the quality of its healthcare delivery. The board should regularly review the performance of the NHS foundation trust in these areas against regulatory requirements and approved plans and objectives. The board of directors should ensure that relevant metrics, measures, milestones and accountabilities are developed and agreed so as to understand and assess progress and delivery of performance. Where appropriate, and in particular in high risk or complex areas, independent advice should be commissioned by the board of directors to provide an adequate and reliable level of assurance.	√	Monthly Performance Report Monthly Finance Report CQC Declaration Nat. Patient Survey Corp. objectives progress report for Trust Board. Audit committee and Assurance Committee Board signs off the Monitor quarterly report and signs off the financial plan and budgets External Audit provide Value for Money opinion as part of their audit opinion. Quality Accounts indicators agreed by Board Development of Board Dashboard Internal audit reported on performance management to the Audit committee in May 2010. Monitor requirement for external assurance on 3 indicators Internal audit review of local indicators (Audit Committee Mar 10) Internal audit review of data quality October 2012.		
A.1.6 The board of directors should report on its approach to clinical governance and its plan for the improvement of clinical quality in accordance with guidance set out by the Department of Health, the Healthcare Commission and Monitor.	√	Clinical Quality and Performance Report. Corporate objectives include quality and safety and are reported on quarterly. Trust Executive Quality Committee provides		

		reports to the Assurance Committee. Quality Account Compliance with Quality Governance Framework		
A.1.7 Where the board or individual directors have concerns which remain unresolved, about the running of the NHS foundation trust or a proposed action, they should ensure that their concerns are recorded in the board minutes.	√	Board Minutes Directors approve the minutes and have the opportunity to highlight if their concerns were not minuted.		
A.1.8 The chief executive, as the accounting officer, should follow the procedure set out by Monitor (NHS Foundation Trust Accounting Officer Memorandum, April 2005) for advising the board of directors and the Council of Governors, and for recording and submitting objections to decisions considered or taken by the boards in matters of propriety or regularity, and on issues relating to the wider responsibilities of the accounting officer for economy, efficiency and effectiveness.	√	Minutes of meetings.		
A.1.9 The board of directors should establish the values and standards of conduct for the NHS foundation trust and its staff in accordance with NHS values and accepted standards of behaviour in public life, which include the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership (The Nolan Principles).	√	Council of Governors and Board have Code of Conduct. Code of Conduct for staff included in starter pack. Induction presentation from CEO includes values. Feb 2009: NHS Constitution values adopted by the Board of Directors. Values discussed at the Board/Council Away Day 24 Nov 11 and approval by the Board in March 2012. Further work ongoing.		
A.1.10 The board of directors should operate a code of conduct that builds on the values of the NHS foundation trust and reflect high standards of probity and responsibility. The board of directors should follow a policy of openness and transparency in its proceedings and	√	Board Code of Conduct Extract of Minutes published Board of Directors Governance Arrangements		

decision making unless this conflicts with a need to protect the wider interests of the public or the NHS foundation trust (including commercial-in-confidence matters) and make clear how potential conflicts of interests are dealt with.				
A.1.11 The NHS foundation trust should arrange appropriate insurance to cover the risk of legal action against its directors.	√	Reviewed by Director of Finance. Paper to Board July 2006 Reviewed and reported at Board that no further insurance required – March 2013		
A.2 Chairman and chief executive	**OK**	**Evidence**	**Action**	**Lead**
A.2.1 The division of responsibilities between the chairman and chief executive should be clearly established, set out in writing and agreed by the board of directors.	√	Statement on division of responsibilities approved at Jan 08 Board.		
A.2.2 The chairman should on appointment meet the independence criteria set out in A.3.1 below. A chief executive should not go on to be chairman of the same NHS foundation trust.	√	Chairman meets criteria. Chief Executive meets criteria.		
A.3 Balance and independence of the board of directors	**OK**	**Evidence**	**Action**	**Lead**
A.3.1 The board of directors should identify in the annual report each non-executive director it considers to be independent. The board should determine whether the director is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the director's judgement. The board should state its reasons if it determines that a director is independent notwithstanding the existence of relationships or circumstances which may appear relevant to its determination, including if the director: ■ has been an employee of the NHS foundation trust within the last five years; ■ has, or has had within the last three years, a material business relationship with the NHS foundation trust either directly, or as a partner, shareholder, director or senior employee of a body that has such a relationship with the NHS foundation trust; ■ has received or receives additional remuneration from the NHS foundation trust apart from a director's fee, participates in the NHS	√	Register of interests regularly updated. Balance of Board Membership and Independence - Annual Report Will be included in 12/13 annual report	To include in AR 12/13	

foundation trust's performance-related pay scheme, or is a member of the NHS foundation trust's pension scheme; ■ has close family ties with any of the NHS foundation trust's advisers, directors or senior employees; ■ holds cross-directorships or has significant links with other directors through involvement in other companies or bodies; ■ has served on the board for more than nine years from the date of their first election; ■ is an appointed representative of the NHS foundation trust's university medical or dental school.				
A.3.2 At least half the board, excluding the chairman, should comprise non-executive directors determined by the board to be independent.	√	Comply. Determined through recruitment process		
A.3.3 The board of directors should appoint one of the independent non-executive directors to be the senior independent director, in consultation with the Council of Governors. The senior independent director should be available to members and governors if they have concerns which contact through the normal channels of chairman, chief executive or finance director has failed to resolve or for which such contact is inappropriate. The senior independent director could be the deputy chairman.	√	SID agreed Nov 06 SID agreed Dec 11		
A.3.4 The board of directors should include in its annual report a description of each director's expertise and experience. Alongside this in the annual report, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust. Both statements should also be available on the NHS foundation trust's website.	√	Annual Report 10/11 page 45 Website – section 'Board of Directors' Will be included in 12/13 annual report	To include in AR 12/13	
A.3.5 No individual should hold, at the same time, positions of director and governor of NHS foundation trusts.	√	No person holds both. See register of interest.		
A.3.6 Non-executive directors should receive the necessary information and feel able to raise appropriate challenge of recommendations or decisions of the board, in particular making full use of their skills and experience gained both as a director of the trust and also in other leadership roles. They should expect and apply	√	Board meetings		

similar standards of care and quality in their role as a non-executive director of an NHS foundation trust as they would in other similar roles.				
B. Governors **B.1 The Council of Governors**	**OK**	**Evidence**	**Action**	**Lead**
B.1.1 The Council of Governors should meet sufficiently regularly to discharge its duties. Typically the Council of Governors would be expected to meet as a full board at least four times per year. Governors should where practicable make every effort to attend the meetings of the Council of Governors. The NHS foundation trust should take appropriate steps to facilitate attendance.	√	Meet at least 4 times per year. See Constitution. Have misc. travel budget. Attendance records.		
B.1.2 The Council of Governors should not be so large as to be unwieldy. The Council of Governors should be of sufficient size for the requirements of its duties. The roles, structure, composition, and procedures of the Council of Governors should be reviewed regularly as described in provision D.2.2.	√	Structure and composition is not reviewed regularly but as the need arises e.g. the composition of the Council of Governors has been changed to accommodate changes to the main education provider for nursing.	See D 2.2 This will be substantially reviewed as part of the constitution review this year.	
B.1.3 The annual report should identify the members of the Council of Governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor. A record should be kept of the number of meetings of the board and the attendance of individual governors and it should be made available to members on request.	√	Annual report		
B.1.4 The roles and responsibilities of the Council of Governors should be set out in a written document. This statement should include a clear explanation of the responsibilities of the Council of Governors towards members and other stakeholders and how governors will seek their views and inform them.	√	Paper on roles and responsibilities included in welcome pack. Monitor guidance on the roles of governors circulated to all governors. For conflict resolution refer to roles paper 19.03.09; Council of Governors paper 2.8/March/09		
B.1.5 The Council of Governors should receive and consider other appropriate information required to enable it to discharge its duties, for example, clinical and operational data.	√	Council of Governors Agendas: Receive performance report, finance executive summary and other relevant service updates. Agenda Sub-Committee established to		

		oversee information to Council Aug 09		
B.1.6 The chairman is responsible for leadership of both boards (A.2) but the governors also have a responsibility to make the arrangements work and should take the lead in inviting the chief executive to their meetings and inviting attendance by other executives and non-executives as appropriate. In these meetings other Governors of the Council of Governors may raise questions of the chairman or his deputy or any other director present at the meeting about the affairs of the NHS foundation trust.	√	Minutes: All Board of Directors members attend Council of Governors meetings.		
B.1.7 The Council of Governors should establish a policy for engagement with the board of directors for those circumstances when they have concerns about the performance of the board of directors, compliance with the terms of authorisation or other matters related to the general wellbeing of the NHS foundation trust. The Council of Governors should consider the advantages of there being a senior independent director on the board of directors (see A.3.3).	√	Directors attend all Council meetings. Have a SID. See paper with role. 02.11. 06. Board paper 3.4/Nov/06 Senior Independent Director SID paper to the Council of Governors 2.2/Sep/11 For conflict resolution refer to roles paper 19.03.09; Council of Governors paper 2.8/March/09		
B.1.8 The Council of Governors should ensure its interaction and relationship with the board of directors is appropriate and effective, in particular, by agreeing the availability and timely communication of relevant information, discussion and the setting in advance of meeting agendas and use, where possible, of clear, unambiguous language.	√	Council of Governors Agenda Sub-Committee Board/Council Away Day 24 Nov 11 Board/Council Away Day 13 Dec 12		
B.1.9 Governors should acknowledge the overall responsibility of the Council of Governors for running the NHS foundation trust and should not use the powers of the Council of Governors to veto the decisions of the board of directors or otherwise obstruct the implementation of agreed actions and strategies. Through the nominated lead governor, the Council of Governors should communicate directly with Monitor if the NHS foundation trust is at risk of significantly breaching the terms of its authorisation and if these concerns cannot be satisfactorily resolved.	√	Constitution Lead Governor – paper to the Council of Governors 3.12.09. Lead Governor election – paper to the Council of Governors Dec 2012 Lead Governor election results – Council of Governors 14 February 2013		

B1.10 The Council of Governors should only exercise its power to remove the chairman or any non-executive directors after exhausting all other means of engagement with the board of directors.	√	Constitution		
C. Appointment, resignation and terms of office **C.1 Appointments to the board of directors**	**OK**	**Evidence**	**Action**	**Lead**
C.1.1 The nominations committee or committees, with external advice as appropriate, are responsible for the identification and nomination of executive and non-executive directors. The nominations committee should give full consideration to succession planning, taking into account the future challenges, risks and opportunities facing the NHS foundation trust and the skills and expertise required within the board of directors to meet them.	√	Nominations Committee for Executive Directors agreed at the Board meeting 25 June 09. Board minutes 25 June 09. Nominations Committee for Executive Directors agreed at the Board meeting 26 January 12 Board minutes 26 January 12		
C.1.2 There may be one or two nominations committees. If there are two committees, one will be responsible for considering nominations for executive directors and the other for non-executive directors (including the chairman). The nominations committee(s) should regularly review the structure, size and composition of the board of directors and make recommendations for changes where appropriate. In particular, the nominations committee(s) should evaluate the balance of skills, knowledge and experience on the board of directors and, in the light of this evaluation, prepare a description of the role and capabilities required for appointment of both executive and non-executive directors, including the chairman.	√	Nominations Committee TOR agreed at the Board meeting 25 June 09. Paper outlining Chair and NED appointment process. Complimentary arrangements for Nominations and the TOR of new Nominations Committee for Executive Directors agreed at the Board meeting 25 June 09. Nominations Committee TOR reviewed in January 2012 Nominations Committee TOR review – paper to the Council of Governors 2.4.1/Feb/13 Nominations Committee membership – expressions of interests 2.4.2/Feb/13		
C.1.3 The chairman or an independent non-executive director should chair the nominations committee(s).	√	ToRs - Chairman chairs Nominations Committee.		

C.1.4 The governors are responsible at a general meeting for the appointment, re-appointment and removal of the chair and the other non-executive directors. They should agree with the nominations committee a clear process for the nomination of a new chair and non-executive directors. Once suitable candidates have been identified the nominations committee should make recommendations to the Council of Governors.	√	Constitution Council of Governors paper 2.5/Sep/09 Policy for Board Composition of NEDs Nominations Committee ToR.		
C.1.5 Where an NHS foundation trust has two nominations committees, the nominations committee responsible for the appointment of non-executive directors should consist of a majority of governors. If only one nominations committee exists, when nominations for non-executives, including the appointment of a chairman or a deputy chairman, are being discussed, there should be a majority of governors on the committee and also a majority governor representation on the interview panel.	√	Nominations Committee ToR.		
C.1.6 When considering the appointment of non-executive directors, the Council of Governors should take into account the views of the board of directors on the qualifications, skills and experience required for each position.	√	The Board of Directors will identify skills etc required and pass this to the nominations committee which is a sub-committee of the Council of Governors.		
C.1.7 For the appointment of a chairman, the nominations committee should prepare a job specification defining the role and capabilities required including an assessment of the time commitment expected, recognising the need for availability in the event of emergencies. A chairman's other significant commitments should be disclosed to the Council of Governors before appointment and included in the annual report. Changes to such commitments should be reported to the Council of Governors as they arise, and included in the next annual report. No individual, simultaneously whilst being a chairman of an NHS foundation trust, should be the substantive chairman of another NHS foundation trust.	√	Process followed for appointment of chair. Significant commitments included in annual report.		

C.1.8 The terms and conditions of appointment of non-executive directors should be made available for inspection. The letter of appointment should set out the expected time commitment. Non-executive directors should undertake that they will have sufficient time to meet what is expected of them. Their other significant commitments should be disclosed to the Council of Governors before appointment, with a broad indication of the time involved and the Council of Governors should be informed of subsequent changes.	√	Terms and conditions contained in recruitment pack. Confirmed in the letter of appointment for NEDs Time commitment included in NED appraisal.		
C.1.9 The annual report should describe the process followed by the Council of Governors in relation to appointments of the chairman and non-executive directors.	√	Annual Report		
C.1.10 It is a requirement of the 2006 Act that the chairman, the other non-executive directors and – except in the case of the appointment of a chief executive –the chief executive, are responsible for deciding the appointment of executive directors. The nominations committee with responsibility for executive director nominations should identify suitable candidates to fill executive director vacancies as they arise and make recommendations to the chairman, the other non-executives directors and, except in the case of the appointment of a chief executive, the chief executive.	√	Standing Orders 'the Board shall appoint a committee whose members shall be the chair, the non-executive directors and the chief executive whose function will be to appoint the executive directors of the Trust other than the Chief Executive'. Complimentary arrangements for Nominations and the TOR of new Nominations Committee for Executive Directors agreed at the Board meeting 25.06.09. Nominations Committee TOR January 2012		
C.1.11 It is for the non-executive directors to appoint and remove the chief executive. The appointment of a chief executive requires the approval of the Council of Governors.	√	Constitution Nominations Committee TOR January 2012		
C.1.12 An independent external adviser should not be a member of or have a vote on the nominations committee(s).	NC	Nominations Committee TOR for appointment of Executive Directors allows for external representative on the Appointments Committee.		

C.1.13 The board of directors should not agree to a full-time executive director taking on more than one non-executive directorship of an NHS foundation trust or another organisation of comparable size and complexity, nor the chairmanship of such an organisation.	√	Constitution Register of interests		
C.1.14 A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to board appointments.	√	Annual Report		
C.2 Re-appointment of directors and re-election of governors	**OK**	**Evidence**	**Action**	**Lead**
C.2.1 Approval by the Council of Governors of the appointment of a chief executive should be a subject of the first general meeting after the appointment by a committee of the chairman and non-executive directors. All other executive directors should be appointed by a committee of the chief executive, the chairman and non-executive directors.	√	This will be arranged in May 2012. A paper to the Council of Governors 2.1/May/12		
C.2.2 Non-executive directors, including the chairman, should be appointed by the Council of Governors for specified terms subject to re-appointment thereafter at intervals of no more than three years and to the 2006 Act provisions relating to the removal of a director. The chairman should confirm to 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 serve longer than six years (e.g. two three-year terms), subject to annual re-election. Serving more than six years could be relevant to the determination of a non-executive director's independence (as set out in provision A.3.1).	√	NED Appraisal Process Constitution Updated paper on NED appraisal process went to Board in June 2009.		
C.2.3 Elected governors must be subject to re-election by the members of their constituency at regular intervals not exceeding three years. The names of governors submitted for election or re-election should be accompanied by sufficient biographical details and any other relevant information to enable members to take an informed	√	Ballot Papers Constitution Ballot papers include relevant information	Due June 2013 Due November 2013	CM

decision on their election. This should include prior performance information such as attendance record at governor meetings and other relevant events organised by the NHS foundation trust for governors.		supplied by the Foundation Trust Secretary to governors for inclusion should they wish. They are advised of the code requirements.		
C.3 Resignation of directors				
C.3.1 The board of directors should not agree to an executive member of the board leaving the employment of an NHS foundation trust, except in accordance with the terms of their contract of employment, including but not limited to service of their full notice period and/ or material reductions in their time commitment to the role, without the board first having completed and approved a full risk assessment.	√	The Chairman has considered the risks.		
D. Information, development and evaluation **D.1 Information and professional development**	**OK**	**Evidence**	**Action**	**Lead**
D.1.1 The chairman should ensure that new directors and governors receive a full, formal and appropriate induction on joining their respective boards.	√	Council of Governors induction programme and slides Induction evaluated NED induction programme		
D.1.2 The board should ensure that directors, especially non-executive directors, have access to independent professional advice, at the NHS foundation trust's expense, where they judge it necessary to discharge their responsibilities as directors. Directors should also have access, at the NHS foundation trust's expense, to training courses and/or materials that are consistent with their individual and collective development programme as described in provision D.2. Decisions to appoint an external adviser should be the collective decision of the majority of non-executive directors. The availability of independent external sources of advice should be made clear at the time of appointment. Committees should be provided with sufficient resources to undertake their duties. The board of directors should also ensure that the Council of Governors is provided with sufficient resources to undertake its duties, with such arrangements agreed in advance.	P	Individual development Joined Governors' Network. Governors informed about all training opportunities. Availability of external sources of advice. June 2009: As per Supplementary appointment letters. Record of trainings attended available.		

D.1.3 The board of directors and the Council of Governors should be provided with high quality information appropriate to the respective functions of the boards and relevant to the decisions they have to make. The board of directors and the Council of Governors should agree their respective information needs with the executive directors. The information for the boards should be concise, objective, accurate and timely, and it should be accompanied by clear explanations of complex issues. The board of directors should have complete access to any information about the NHS foundation trust that it deems necessary to discharge its duties, including access to senior management and other employees.	√	Board Papers Board of Directors Governance Arrangements Policy Performance Report Finance Report		
D.1.4 The board of directors, and in particular non-executive directors, may reasonably wish to challenge assurances received from the executive management. They need not seek to appoint a relevant adviser for each and every subject area that comes before the board of directors, although they should wherever possible ensure that they have sufficient information and understanding to take decisions on an informed basis. When complex or high risk issues arise the first course of action should normally be to encourage further and deeper analysis to be carried out, in a timely manner, within the NHS foundation trust. On occasion, non-executives may reasonably decide that external assurance is appropriate.	√	Noted		
D.1.5 Governors should canvass the opinion of their members, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors.	P	Currently the input is via individual governors and is not formalised. Membership Strategy includes plans for governors to canvass the opinion of their members.		
D.1.6 The board of directors should consider and take account of the views of the Council of Governors on the NHS foundation trust's forward plan. Where appropriate, the board of directors should communicate to the Council of Governors where their views have been incorporated in the NHS foundation trust's plans, and, if not, the reasons for this.	√	Away Day The governors confirmed that they their input had been recognised and was adequate at the Council meeting in Feb as part of the business planning paper. Business planning and strategy meetings organised in March 2012.	A paper will be brought to the Council of Governors in May 2013.	CM

D.2 Performance evaluation	OK	Evidence	Action	Lead
D.2.1 The chairman, with the assistance of the secretary of the boards if applicable, should use the performance evaluations as the basis for determining individual and collective professional development programmes for directors relevant to their duties as board members.	√	Annual NED appraisals Updated NED appraisal process – June 09	.	
D.2.2 Led by the chairman, the Council of Governors should periodically assess their collective performance and they should regularly communicate to members details on how they have discharged their responsibilities, including their impact and effectiveness on: ■ contributing to the development of forward plans of the NHS foundation trust; and ■ communicating with their member constituencies and transmitting their views to the board of directors. The Council of Governors should use this process to review its roles, structure, composition and procedures, taking into account emerging best practice.	P	Council of Governors Self Evaluation Questionnaire and Report (February 2012) Trust Newsletters Council of Governors minutes 19.03.09 re roles and responsibilities of the Council of Governors Task & Finish Group 29.07.09 Partial because we have action plans to implement. Council of Governors Self Evaluation Questionnaire and Report (May 2013)		
D.2.3 There should be a clear policy and a fair process for the removal from the Council of any Governor who consistently and unjustifiably fails to attend the meetings of the Council of Governors or has an actual or potential conflict of interest which prevents the proper exercise of their duties. In addition removal from the Council of Governors may be appropriate where behaviours or actions by a governor or group of governors may be incompatible with the values and behaviours of the NHS foundation trust. Where there is any disagreement as to whether the proposal for removal is justified, an independent assessor agreeable to both parties should be requested to consider the evidence and conclude whether the proposed removal is reasonable or otherwise.	√	Constitution Meeting attendance monitored by the Foundation Trust Secretary.		
E. Director remuneration **E.1 The level and make-up of remuneration**	**OK**	**Evidence**	**Action**	**Lead**

Remuneration policy **E.1.1** Any performance-related elements of the remuneration of executive directors should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels. In designing schemes of performance-related remuneration, the remuneration committee should follow the following provisions: (i) The remuneration committee should consider whether the directors should be eligible for annual bonuses. If so, performance conditions should be relevant, stretching and designed to match the long term interests of the public and patients. (ii) Payouts or grants under all incentive schemes should be subject to challenging performance criteria reflecting the objectives of the NHS foundation trust. Consideration should be given to criteria which reflect the performance of the NHS foundation trust relative to a group of comparator trusts in some key indicators, and the taking of independent and expert advice where appropriate. (iii) Performance criteria and any upper limits for annual bonuses and incentive schemes should be set and disclosed. (iv) The remuneration committee should consider the pension consequences and associated costs to the NHS foundation trust of basic salary increases and any other changes in pensionable remuneration, especially for directors close to retirement. In general, only basic salary should be pensionable.	√	Remuneration Committee TOR		
E.1.2 Levels of remuneration for the chairman and other non-executive directors should reflect the time commitment and responsibilities of their roles.	√	Minutes of Board re Updated Remuneration ToR and NED Remuneration levels		
E.1.3 Where an NHS foundation trust releases an executive director to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement on whether or not the director will retain such earnings.	NA	Ensure the remuneration disclosures of the annual report include a statement on whether or not the director will retain such earnings when moving to another trust, if applicable		
Service contracts and compensation **E.1.4** The remuneration committee should carefully consider what compensation commitments (including pension contributions and all other elements) their directors' terms of appointment would entail in	√	Ref. early termination in the Remuneration Committee TOR		

the event of early termination. The aim should be to avoid rewarding poor performance. They should take a robust line on reducing compensation to reflect departing directors' obligations to mitigate loss.				
E.2 Procedure	**OK**	**Evidence**	**Action**	**Lead**
E.2.1 The board of directors must establish a remuneration committee composed of non-executive directors which should include at least three independent non-executive directors. The remuneration committee should make available its terms of reference, explaining its role and the authority delegated to it by the board of directors. Where remuneration consultants are appointed, a statement should be made available of whether they have any other connection with the NHS foundation trust.	√	Remuneration Committee ToR. It is available to all affected directors through the Board papers.		
E.2.2 The remuneration committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments. The committee should also recommend and monitor the level and structure of remuneration for senior management. The definition of 'senior management' for this purpose should be determined by the board but should normally include the first layer of management below board level.	√	Remuneration Committee ToR		
E.2.3 The Council of Governors is responsible for setting the remuneration of non executive directors and the chairman. The Council of Governors should consult external professional advisers to market-test the remuneration levels of the chairman and other non-executives at least once every three years and when they intend to make a large change to the remuneration of a non-executive.	√	Nominations Committee Minutes Council of Governors Minutes Council of Governors Agenda 21.04.10 Remuneration for the Senior Independent Director and Chair of Audit Committee		
F. Accountability and audit **F.1 Financial, quality and operational reporting**	**OK**	**Evidence**	**Action**	**Lead**
F.1.1 The directors should explain in the annual report their responsibility for preparing the accounts and there should be a statement by the external auditors about their reporting	√	Annual Report	To ensure included in the annual report 12/13	LB

responsibilities.				
F.1.2 The directors should report that the NHS foundation trust is a going concern, with supporting assumptions or qualifications as necessary.	√			
F.1.3 (a) The board of directors must notify Monitor and the Council of Governors without delay, and should consider whether it is in the public interest to bring to the public attention, any major new developments in the NHS foundation trust's sphere of activity which are not public knowledge which may lead, by virtue of its effect on its assets and liabilities or financial position or on the general course of its business, to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the NHS foundation trust. (b) The board of directors must notify Monitor and the Council of Governors without delay and should consider whether it is in the public interest to bring to public attention all relevant information which is not public knowledge concerning a material change: ■ in the NHS foundation trust's financial condition; ■ in the performance of its business; and/or ■ in the NHS foundation trust's expectations as to its performance which, if made public, would be likely to lead to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the NHS foundation trust.	√	Quarterly reporting to Monitor. Ad hoc reporting of SUIs e.g. report to Information Commissioner on stolen laptops		
F.1.4 At least annually, the board of directors should set out clearly its financial, quality and operating objectives for the NHS foundation trust and disclose sufficient information, both quantitative and qualitative, of the NHS foundation trust's business and operations, including clinical outcome data, to allow members and governors to evaluate its performance	√	Annual Plan Quality Account		
F.2 Internal control	**OK**	**Evidence**	**Action**	**Lead**
F.2.1 The board should conduct, at least annually, a review of the effectiveness of the NHS foundation trust's system of internal control and should report to members that they have done so. The review	√	Statement on Internal Control /annual governance statement part of annual report.		

should cover all material controls, including financial, clinical, operational and compliance controls and risk management systems.		Audit Committee annual report to the Board.		
F.3 Audit committee and auditors	**OK**	**Evidence**	**Action**	**Lead**
F.3.1 The board must establish an audit committee composed of non-executive directors which should include at least three independent non-executive directors. The board should satisfy itself that at least one member of the audit committee has recent and relevant financial experience.	√	Audit Committee TOR		
F.3.2 The main role and responsibilities of the audit committee should be set out in written terms of reference and should include details of how it will: ■ monitor the integrity of the financial statements of the NHS foundation trust, and any formal announcements relating to the trust's financial performance, reviewing significant financial reporting judgements contained in them; ■ review the NHS foundation trust's internal financial controls and, unless expressly addressed by a separate board risk committee composed of independent directors, or by the board itself, review the trust's internal control and risk management systems; ■ monitor and review the effectiveness of the NHS foundation trust's internal audit function; ■ review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements; ■ develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm; and ■ report to the Council of Governors , identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.	√	Audit Committee TOR Audit Committee Papers		
F.3.3 The terms of reference of the audit committee, including its role and the authority delegated to it by the board of directors and by the Council of Governors, should be made publicly available. A separate	√	Audit Committee TOR Annual Report		

section of the annual report should describe the work of the committee in discharging those responsibilities.				
F.3.4 The Council of Governors should take the lead in agreeing with the audit committee the criteria for appointing, reappointing and removing external auditors.		Constitution Council of Governors agreed appointment of external auditors and a governor was on the tender evaluation group.		
F.3.5 The audit committee should make a report to the Council of Governors in relation to the performance of the external auditor, including detail such as the quality and value of the work, and the timeliness of reporting and fees, to enable the Council of Governors to consider whether or not to reappoint them. The audit committee should also make recommendations to the Council of Governors in relation to the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the external auditor. If the Council of Governors does not accept the audit committee's recommendation, the board of directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why Council of Governors has taken a different position.	√	Audit Committee TOR Council of Governors agreed appointment of external auditors and a governor was on the tender evaluation group 2010.		
F.3.6 The NHS foundation trust should appoint an external auditor for a period of time which allows the auditor to develop a strong understanding of the finances, operations and forward plans of the NHS foundation trust. The current best practice is for a three to five year period of appointment.	√	External audit provided by Deloitte's who won the external tender.		
F.3.7 When the Council of Governors ends an external auditor's appointment in disputed circumstances, the chairman should write to Monitor informing it of the reasons behind the decision.	N/A			
F.3.8 The annual report should explain to members how, if the external auditor provides non-audit services, auditor objectivity and independence is safeguarded.	√	Annual report		

F.3.9 The audit committee should review arrangements by which staff of the NHS foundation trust may raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters. The audit committee's objective should be to ensure that arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action.	√	Audit Committee reviewed this in May 2010		
G Relations with stakeholders **G.1 Dialogue with members, patients and the local community**	**OK**	**Evidence**	**Action**	**Lead**
G.1.1 The board of directors should make available a public document that sets out its policy on the involvement of members, patients, and the local community at large, including a description of the kind of issues it will consult on.	√	Membership development and communication strategy including a policy on engagement and reference to consultation		
G.1.2 The board of directors should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums already in place (e.g. Local Involvement Networks, the Overview and Scrutiny Committee, the local League of Friends, and staff groups).	√	Policy for a joint working between Kensington and Chelsea LINks and C&W was agreed at the Quality Committee in November 2010.		
G.1.3 The chairman should ensure that the views of governors and members are communicated to the board as a whole. The chairman should discuss the affairs of the NHS foundation trust with governors. Non-executive directors should be offered the opportunity to attend meetings with governors and should expect to attend them if requested by governors. The senior independent director should attend sufficient meetings with governors to listen to their views in order to help develop a balanced understanding of the issues and concerns of governors.	√	Good attendance at Council of Governors which is minuted. Away Day June 2010 Away Day November 2011 Council of Governors report to the Board. Away Day December 2012		
G.1.4 The board of directors should ensure that the NHS foundation trust provides effective mechanisms for communication between governors and members from its constituencies. Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS	√	Trust News April and Sept All Governors photos and bios on website and kiosks in the Trust and Governors handbook		

foundation trust's website and in the annual report.		Website section – 'Meet the Governors' and Contact the Governors' FT Secretary contact details in the Annual Report.		
G.1.5 The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the Council of Governors, direct face-to-face contact, surveys of member opinion and consultations.	√	Annual Report Council of Governors Minutes Away Day June 2010 Away Day November 2011 Away Day December 2012		
G.1.6 The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement. This information should be used to review the trust's membership strategy, taking into account any emerging best practice from the sector.	√	Regular membership report goes to both Council of Governors and Board. The Council of Governors Membership Sub-Committee reviews progress quarterly and reports via minutes to the Board. The Chair of the Membership Sub-Committee present update at each Council of Governors meeting where Board is present.		
G.2 Co-operation with third parties with roles in relation to NHS foundation trusts	**OK**	**Evidence**	**Action**	
G.2.1 The board of directors should maintain a schedule of the specific third party bodies in relation to which the NHS foundation trust has a duty to co-operate (refer to Monitor's *Compliance Framework* for a generic, non-exhaustive list of bodies). Directors should be clear of the form and scope of the co-operation required with each of these third party bodies in order to discharge their statutory duties.	√	Stakeholder schedule update and reviewed at the Board in March 2011. Stakeholder schedule update and reviewed at the Board in March 2012		
G.2.2 The board of directors should ensure that effective mechanisms are in place to cooperate with relevant third party bodies and that collaborative and productive relationships are maintained with relevant stakeholders at appropriate levels of seniority in each.	√	Stakeholder schedule update and reviewed at the Board in March 2011. Stakeholder schedule update and reviewed at the Board in March 2012		

Periodically, the board of directors should review the effectiveness of these processes and relationships and, where necessary, take proactive steps to improve them.				