

2016 - 2017 ANNUAL REPORT



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PART 1 : Welcome

Welcome to our Annual Report for 2016/17. Writing this introduction provides a welcome opportunity to reflect upon the many successes of the year. As an organisation we recognise how important celebrating success is, particularly in the context of the challenges that are affecting both this Trust and the NHS as a whole.

During 2016/17 we have continued to experience ever increasing demand on our services and the pressures that this has brought to bear has meant that we have not always been able to treat our patients in as timely a manner as we would like. We have to pay testimony to our staff as they have maintained a strong focus upon delivering services of the highest quality for patients in the face of this challenge. We are very proud that 96% of people that responded to our patient satisfaction questionnaire indicated that their impression of the Trust was mainly good.

The financial climate continues to present unprecedented challenges and we are very pleased to report that we have achieved our financial plan and met our Cost Improvement Plan target for the year. We know however, that the financial constraints in the NHS are likely to continue in 2017/18 and this will continue to be a strong area of focus for us moving into the next financial year and beyond.

Although meeting financial targets will be challenging, we have continued to work with our partners in health and social care across the Coventry & Warwickshire area to develop and plan services that meet the needs of our population within the budget that is available. Continuation of this system wide approach into 2017/18 and beyond will maintain a focus on ensuring that our patients and communities receive the high quality of care that they deserve, in the right setting and at the right time.

The Care Quality Commission (CQC) have visited the Trust during the year in follow up to the comprehensive visit that was undertaken in 2015. As a result of the progress that we have made in our Imaging and Outpatients Departments we have moved from our previous rating of inadequate to requires improvement against the 'Safe' domain and from requires improvement to good in the 'Caring' domain in those departments. We are proud of the work that we have undertaken to improve those ratings and we will continue to focus on getting to a rating of good and beyond, for the whole organisation over the coming year.

This will be achieved through a dedicated work-programme which will run in tandem with our Together Towards World Class (TTWC) Organisational Development Programme and with our UHCW Improvement System (UHCWi), which is our Trust approach to developing and improving our services that we have developed as part of our partnership with the Virginia Mason Institute in the USA.

We have made reference to our staff at the start of this introduction but as our most valuable resource, we have continued to focus upon supporting and recognising the important work that they carry out through our World Class Colleague Awards, our Outstanding Care and Service Awards (OSCA's) and through the continued roll out of our Leading Together Programme, which is a key tenet of our TTWC programme.

We would like to thank all of our staff for their dedication in delivering care to our patients 24 hours a day, 7 days per week and our volunteers who give their time freely to support our work.

A summary of our key achievements during 2016/17 are set out in the next section below:





Professor Andrew Hardy

A handwritten signature in black ink, appearing to read 'A Hardy'.



Andrew Meehan

A handwritten signature in black ink, appearing to read 'A Meehan'.



The Year in Pictures



April 2016

Tommy's @ UHCW was officially opened at University Hospital by the Chief Executive Officer and forms part of the Tommy's National Centre for Miscarriage Research. To celebrate opening the centre, we invited back new mums, and their little ones, who had been helped by Professor Quenby and her team.



May 2016

Former World Boxing Federation Intercontinental Middleweight Champion, Andy Halder, underwent surgery using our Da Vinci robot after having been diagnosed with prostate cancer. Andy worked with us to raise awareness of prostate cancer, and later held a boxing event to raise money for University Hospitals Coventry and Warwickshire Charity.



June 2016

During Volunteers Week we paid tribute to over 800 dedicated individuals who regularly give up their time to help our patients across University Hospital in Coventry and the Hospital of St Cross in Rugby.



July 2016

A heart patient gave a decade of thanks to the Cardiac Critical Care Unit. In 2006, David was one of the first patients to be moved to the brand new unit at the then newly built University Hospital, having undergone major heart surgery in the city's old Walsgrave Hospital just two weeks earlier. David visited the team who cared for him a decade ago as part of University Hospital's tenth anniversary celebrations.



August 2016

University Hospitals Coventry and Warwickshire NHS Trust (The Trust) achieved recognition from an international body for the ICT Department's Quality Management System. Following a year of hard work, the department achieved the ISO 9001 accreditation, an international standard for quality and one of the most widely recognised standards in the world.



September 2016

Consultant Orthopaedic Surgeon Tim Spalding and his theatre team celebrated at the Hospital of St Cross in Rugby after he carried out the Trust's 200th meniscal transplant. Meniscal transplants are innovative, specialist treatments, which are suitable for younger patients under 50 who've had some form of cartilage surgery before, either for a genetic condition or an injury.



October 2016

A four-legged friend to patients at the Hospital of St Cross was named in the running to be Pets as Therapy Dog of the Year at Crufts 2017. Rocco, a ten-year-old chocolate Labrador, works as a Pets As Therapy (PAT) dog, visiting patients in Mulberry and Hoskyn Wards once a week with his owners Hilary and Steve Farndon. His sterling work providing comfort to patients undergoing rehabilitation, led to him being shortlisted amongst five other canines to be named PAT Dog of the Year.



November 2016

10 year old Noah, who was born 16 weeks early, opened our new picture wall outside the Neonatal Unit at University Hospital. The picture wall is the first of its kind providing a celebration of premature babies in a UK hospital.



December 2016

Women in Coventry will benefit from the city's new breast screening unit after University Hospitals Coventry and Warwickshire Charity raised more than £400,000 to fund the new unit.

Breast cancer survivor turned appeal ambassador Jayne Rice officially opened the unit alongside Free Radio present Roisin McCourt. The new facility will enable 10,000 more women to have their breasts screened in Coventry and Warwickshire.



January 2017

There was an air of success in Trust's Respiratory Department as Trish Matharu, Respiratory Physiologist and Gemma Cramp, Assistant Physiologist, won awards at the Association of Respiratory Technology and Physiology (ARTP) annual conference in Belfast.

Trish and Gemma were both recognised for their achievements in their professional exams, and Gemma was also presented with a second award, Best ARTP Associate Practitioner 2016, for getting the best mark in the Associate Practitioner exam.



February 2017

Critical care patient Gemma visited the General Critical Care Unit at University Hospital to thank the team who saved her life five years ago. A bleed on Gemma's brain led to her remaining in Critical Care for a month and having to learn to read and write again. Since her recovery Gemma has completed the Three Peaks Challenge to raise money for the Trust.



March 2017

We held a number of events to celebrate Healthcare Science Week (March 10-19) and encourage people to think about careers in healthcare science. The events included interactive demonstrations at University Hospital and talks to students at Coventry University. Healthcare Science staff provide an indispensable role in diagnosis and in the management of our patients.



Awards

2017

The Trust was [shortlisted for Clinical Research Site of the Year](#) in the [PharmaTimes Awards](#) for the fifth year running

Jonathan Young's Team in Trauma & Orthopaedics was [shortlisted for the Surgical Team category of the BMJ Awards for open fracture management](#)

The Trust Dietician and MRes student at Coventry University, Bev Beynon-Cobb, was a [runner-up in the Cochrane UK Students 4 Best Evidence competition](#)

The Communications Team [won Best Issues Management category at the Association for Healthcare Communications & Marketing \(AHCM\) Awards in 2017](#). The Team was also commended in the Best Internal Communications category and Tom Phelan was shortlisted for the Rising Star award

The Coventry Integrated Motor Neurone Disease MDT (The Trust, Myton Hospice and Coventry and Warwickshire Partnership NHS Trust) [received the Motor Neurone Disease Association's "Extra Mile Award"](#) from Jim Cunningham MP on 17 March 2017

Suresh Munyal [won the Association of Optometrists' Contact Lens Practitioner of the Year](#) on 5 February 2017

Lesley Jones was [shortlisted for Renal Home Therapies Nurse of the Year at the British Journal of Nursing Awards](#)

The Coventry and Warwickshire Parkinson's Service led by Dr Andrea Lindahl and Dr Lucy Strens was [highly commended at the Parkinsons UK Excellence Network Awards 2017](#)

Cath Watson and the Trust's Heart Failure Team [won second prize in the Cardiovascular category in a poster competition at the British Geriatrics Society conference](#) on January 27, 2017, for their poster about the DIVERT project

Coventry Hospital Radio presenters Dan Sambell and Marta Amado were [shortlisted for presenting awards at the 2017 Hospital Broadcasting Association Awards](#)

2016

The [Tommys@UHCW team](#) was [shortlisted for the Lansinoh Team of the Year Award](#) at the Royal College of Midwives Annual Midwifery Awards

The Communications Team was [shortlisted for two Comms2Point0 Unawards – Team of the Year and Social Media Account of the Year for the Trust's Instagram account](#)

Communications Officer Tom Phelan was [shortlisted for the Mark Hanson Award in the UK Social Media Communications Awards 2016](#), which recognises the brightest and most promising social communicators under 30 years old

Professor Chris Imray was co-author of the Oxford Handbook of Expedition and Wilderness Medicine (2nd Edition) which [won first prize in the Primary Care section of the BMA Medical Book Awards 2016](#)

The ICT System Development team was [shortlisted for the HSJ Awards 2016](#) in the category Using Technology to Improve Efficiency for the Care Contact App

The Trust was [shortlisted for a 2016 Personnel Today Award](#) in the Employee Engagement category

The Learning Disability Alert was [shortlisted in the Nursing Times Awards 2016](#) in the Learning Disability category

The Developing Nursing, Midwifery and AHP Research - CARE (Clinical, Academic, Research & Innovation, Environment) Model was [shortlisted in the Clinical Research Nursing in the Nursing Times](#)

[Awards 2016](#)

The Trust was [highly commended as an Innovative Organisation of the Year](#) by the WM AHSN's [Celebration in Innovation Awards 2016](#)

The flu campaign was [shortlisted for a Public Sector Communications Award 2016](#) in the internal communications campaign of the year category

The Research, Development and Innovation Team received a [silver and bronze in the 2016 PharmaTimes awards](#)

Mr Miguel Fernandez was the [joint winner for the Trauma and Audit Research Network \(TARN\) annual award](#) for his poster on open lower-limb fracture performance



Charity Report

University Hospitals Coventry and Warwickshire Charity

The year ending 31 March 2017 was the first year in which the charity operated as a fully independent organisation with a new board of trustees, most of whom were previously unconnected with the NHS. We intend that the new status will enable us to benefit from a re-energising of our fundraising strategies and to raise awareness of our work in the local community. The charity, of course, continues to be fully regulated by the Charity Commission.

Although the charity is legally a new organisation, it continues the previous work of supporting the work of University Hospital, Coventry, the Hospital of St Cross at Rugby and the learning disability, mental health and community services provided by the Coventry and Warwickshire Partnership Trust.

Our aim remains to support the strategies of our partner NHS Trusts to provide world class care and treatment for patients and their families. We do this by paying for equipment and facilities, which are over and above that envisaged by the regular NHS budgets. This can range from decorating waiting rooms to buying extra wheelchairs to financing state of the art surgical equipment. We also fund innovative research programmes. The intention is to contribute to providing the best possible experience for the people of Coventry and Warwickshire whenever they need medical attention.

In order to do this, we raise funds in a variety of ways. Much of it comes from personal donations and legacies and we are also fortunate to have the support of local companies through sponsored events and donations in kind. We also organise appeals to fund larger projects. This year we finished the appeal to raise money to open a brand-new Breast Cancer Screening Unit in central Coventry.

The Unit was officially launched on 7 December 2016 and has provided an invaluable service to the women of Coventry by making screening services available to approximately 2,000 women every month. The launch was attended by a number of the major donors to the Appeal and the Lord Mayor of Coventry, Councillor Lindsley Harvard who is seen pictured here with Jayne Rice (a Radiography helper). The feedback received so far has been extremely positive and we are very grateful to everybody who contributed to the £400,000 plus appeal.



We have also surpassed our fundraising target for the Children's Emergency Department Appeal. As the artwork shows this project is intended to make the area as welcoming as possible for the young patients and their families. We hope the work will be completed later in 2017.

Significant sums have also been spent out of general funds on many projects including equipment and facilities across several surgical disciplines, equipment for Dementia Reminiscence Therapy, production of information films and hospital Arts and Crafts programme.

We are very grateful to everybody who has supported the charity this year in whatever capacity. We believe the work of the charity really does make a difference. For more information please visit the website: <http://www.uhcw.nhs.uk/about-us/uhcw-charity>.

The Friends of the Hospital of St Cross



The Friends of the Hospital of St Cross
 Brookfield House, Hospital of St Cross
 Barby Road, Rugby.
 CV22 5PX



The support that the Charity has given to the Hospital of St Cross over the previous sixty years was recognised in May and September 2016 with nominations and awards at the Pride of Rugby and the Trust's OSCAs celebrations.

At the Pride of Rugby Awards, the Charity was selected as the Team of the Year, as well as being shortlisted for the overall Pride of Rugby Award.

At the OSCAs, the Charity was declared Volunteer of the Year. Doris Froggatt, a long serving Trustee, was shortlisted for the same award and twelve volunteers, who rallied round when one of the machines used to pack test kits for the Bowel Cancer Screening Programme hub broke down, were also nominated for this award.

These awards concluded two years of celebrations, which started in 2014 with a Special Award at the Pride of Rugby ceremony and of course the Queen's Award of Voluntary Service. This continued with the celebration of our Diamond Jubilee and the success of both the Diamond Jubilee Appeal and the delivery of the re-located and re-equipped Blood Taking Unit at St Cross.

Volunteers are the mainstay of the Charity. Their dedication to the hospital and its patients reflect the passion that the people of Rugby have for the hospital and enhances the reputation of the hospital and the Charity. With over 200 volunteers undertaking a wide variety of activities, the Charity is constantly working with Trust to extend this range and seek new ways of working together to make a real difference for the community.

The Charity continued its support for the Friends Blood Taking Unit with the donation of a vein viewer, which helps the phlebotomists detect difficult to locate veins in patients who have small veins for a variety of clinical reasons. The viewer uses Infrared light, which illuminates the blood in the veins as shown in the photograph.



This enables the phlebotomists to take samples from patients more quickly and with less stress for all concerned. Previously, a number of patients required referral to University Hospital in Coventry. The Unit at the Hospital of St Cross, is the first in the Coventry and Warwickshire Pathology Network to use this equipment and other units are hoping to follow in due course.

In November 2016, the Charity committed £80,000 to support a project for 2017, which will bring a NEW service to St Cross for the West Midlands. The project will deliver a 'gold standard', comprehensive neurological sleep medicine service close to where patients live, further reinforcing the importance of the Hospital of St Cross within the local health economy.

This service is particularly important for people in the transport industry who require regular medicals and can lose income until their sleep disorders are treated.

The new service builds on the current outpatient service at the Hospital of St Cross, which the Charity supported through the provision of equipment to help diagnose Sleep Apnoea, and will be equipped with two observation rooms in a quiet area of the hospital.

Currently patients are observed in a busy ward where the noise levels are not conducive to the range of studies needed for a full service. The new unit will perform both daytime and overnight sleep latency tests.

Overall, in 2016/17, the Charity has provided equipment and committed to projects with a total value of over £200,000 making this another highly successful year.

Further details of all the activities of the Friends can be found on our website www.Friendsofstcross.org.uk which includes links to our donation website and Facebook page.



The Trust at a Glance

Services provided at University Hospital

General Acute Services:

Acute Medicine
 Accident and Emergency
 Age Related Medicine and Rehabilitation
 Anaesthetics
 Assisted Conception
 Audiology
 Breast Surgery
 Cardiology Critical Care
 Colorectal Surgery
 Dermatology
 Diabetes and Endocrinology
 Ear, Nose and Throat
 Gastroenterology
 General Medicine
 General Surgery
 Gynaecology
 Haematology
 Hepatobiliary and Pancreatic Surgery
 Upper Gastrointestinal Surgery
 Maxillo Facial Surgery
 Neurology and Neurophysiology
 Obstetrics
 Ophthalmology
 Optometry
 Orthodontics
 Orthopaedics Trauma
 Orthoptics
 Paediatrics
 Pain Management
 Plastic Surgery
 Renal Medicine
 Reproductive Medicine
 Respiratory Medicine
 Rheumatology
 Urology
 Vascular Surgery

Specialised Services:

Bone Marrow Transplantation
 Cardiothoracic Surgery
 Clinical Physics
 Haemophilia
 Invasive Cardiology
 Neonatal Intensive Care and Special Care
 Neuro Imaging
 Neurosurgery
 Oncology and Radiotherapy
 Plastic Surgery
 Renal Dialysis and Transplantation

Diagnostic and Clinical Support Services:

Biochemistry
 Dietetics
 Echo Cardiography
 Endoscopy
 Haematology
 Histopathology
 Medical Physics/Nuclear Medicine
 Microbiology
 Occupational Therapy
 Pharmacy
 Physiotherapy
 Respiratory Function Testing
 Ultrasound
 Vascular Investigation

Other services based on University Hospital site but provided by other organisations:

BMI Meriden
 Caludon Centre
 Myton Hospice



Services provided at Hospital of St Cross

Acute Medicine:

Acute Medicine
 Acute Surgery
 Ambulatory Care
 Breast Screening
 Colorectal Cancer Screening Centre
 Day Surgery, Overnight Stay / 23 hour Surgery
 Endoscopy
 Laboratory Services
 Macular Unit
 Magnetic Resonance Imaging (MRI) Scanning
 Outpatients Services
 Retinal Screening Centre
 Satellite Renal Dialysis Unit
 Scanning, Bone Density
 Urgent Care Centre
 X-ray including Ultrasound
 Inpatient Medical Services
 Inpatient Elective Surgery
 Inpatient Rehabilitation Service
 Intermediate Care
 Screening

Other services based on the Hospital of St Cross site, but provided by other organisations:

Myton Hospice
 Mental Health Unit
 Social Services
 Recompression Chamber
 GP (Out of Hours service)
 Walk-in-Centre



PART 2 : Performance Report

1. AN OVERVIEW

We approached 2016/17 with a set of annual objectives that were aimed at furthering our journey towards achieving our vision to be a national and international leader in healthcare and we have made good progress in several areas, as is detailed throughout this report.

The national context has however resulted in continuing challenges from both an operational and financial perspective and we know that these challenges are set to continue into 2017/18. The financial climate within which we operate is unprecedented and this is against a backdrop of rising demand for services; we therefore need to work differently to ensure that we can continue to provide the services that our population needs.

Operational pressures have meant that some of our patients have waited longer than both they, and we would want them to for treatment. We do not underestimate the impact that this has on our patients and staff and we have worked hard during 2016/17 to systematically review our systems and processes to ensure that we have a strong platform from which to build upon and improve our performance in 2017/18. The work that we are doing with our partners in health and social care will support this work and will play an important part in ensuring the sustainability of services across the health economy.

We are very proud to be able to report that we met our statutory obligation as an NHS Trust to break-even and achieved our Cost Improvement Plan (CIP) and we will maintain a strong focus on financial performance during the coming year.

We have also performed well against many quality and safety metrics and we will continue a relentless pursuit on ensuring that we deliver the safe and high quality services that our population deserves.

1.1 About us

The Trust (formally Walsgrave Hospitals NHS Trust) was established in 1992 under the National Health Service & Community Care Act 1990 and expanded to include the Hospital of St Cross in Rugby in 1998.

The Trust operates from two sites; University Hospital Coventry and the Hospital of St Cross in Rugby and maintains a strong focus on the provision of high quality, safe and effective patient care. We provide both emergency and elective care and specialise in cardiology, neurosurgery, stroke, joint replacements, in vitro fertilisation (IVF) and maternal health, diabetes and kidney transplants. We are also a designated Major Trauma and Cancer Centre.

We employ over 8,000 staff and deliver acute healthcare to the population of Coventry and Rugby, as well as more specialist services to that population and regionally. Clinical care is delivered by our 12 Clinical Groups that are each led by a triumvirate comprising a Clinical Director, Modern Matron/Midwife and a Group Manager support to the Groups is provided by a number of corporate services.

Our University Hospital site is one of the most modern healthcare facilities in Europe with 1,100 beds and 26 operating theatres. We are equally proud of our facility in Rugby which has 130 beds and 6 operating theatres, including one mobile theatre.

We are also very proud to be one of five NHS Trusts that are working in partnership with the Virginia Mason Institute in the USA to become one of the safest hospitals in the country and more detail on how we are transforming our services using lean methodology can be found later in this report.



1.2 Vital Statistics for 2016/17

	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
Number of people attending an outpatient appointment	656,191	628,452	608,288	574,242	534,718	531,774
Number of outpatient appointments	712,837	681,609	657,870	619,438	577,548	577,802
The number of people attending Accident & Emergency (A&E) including those in specialist Children's A&E	187,792	184,979	183,440	176,485	175,349	173,177
The number of inpatients and day cases (based on admissions)	163,834	158,189	149,949	142,389	138,588	135,633
Babies delivered	6,126	6,254	6,078	5,995	6,031	6,046
Patients operated in theatres	42,709	42,786	41,095	41,157	40,564	42,343
Number of staff working in our hospitals (based on whole time equivalent)	Circa 6,756	Circa 6,679	Circa 6,313	Circa 6,262	Circa 6,121	Circa 6,090

1.3 Our Strategy

Our vision is to become a national and international leader in healthcare and we have continued to work towards achieving this during 2016/17. Our vision is underpinned by our mission 'Care Achieve Innovate' and our five-year strategic objectives, which are:

- To deliver excellent patient care and experience
- To be an employer of choice
- To deliver value for money
- To be a research based healthcare organisation
- To be a leading training and education centre

Each year we develop a series of annual objectives that are aimed at furthering our journey towards achieving our longer term strategic objectives, which we continually measure our progress against through the development of a number of related key performance indicators.

We pride ourselves on being clinically led and understand that truly world class services are driven by the clinical frontline, supported by management and corporate functions. During 2016/17 we have continued to embed our values, which were developed through extensive consultation with our staff and therefore represent what is important to those that are delivering care to our patients. We have reviewed our values during the year and through consultation with our staff, we have included a seventh value of 'Respect'. Our values are:

- Compassion
- Openness
- Learn
- Improve
- Pride
- Partnership
- Respect

We made good progress in delivering against our annual and longer term objectives in 2016/17.

Whilst our performance against national standards and internal targets are set out later in this report, the section below provides detail on some of our achievements against our five-year objectives:

To deliver excellent patient care and experience	Our scores against the Family and Friends Test have remained high indicating that many of our patients would recommend our hospital.
To be an employer of choice	We have rolled out our bespoke Leadership Programme to our service and team leaders to ensure that we have the capacity and skills to develop our services. We have also rolled out values based recruitment and appraisals.
To deliver value for money	We exceeded our Cost Improvement Programme target for the year and achieved our financial plan.
To be a research based healthcare organisation	We have been awarded Clinical Research Facility Status with £750k of funding over the next five-years to support translational and experimental research. We have improved the number of patients that are recruited to National Institute of Health Research trials.
To be a leading training and education centre	We have continued to work closely with the University of Warwick and Coventry University and have developed strategies for closer alignment between our organisations.

1.3.1 Together Towards World Class

Our Together Towards World Class (TTWC) programme is our overarching Trust-wide organisational development programme, which is designed to support and realise our vision to be a national and international leader in healthcare.

We are very proud of the continuing progress that we have made with this programme, which celebrated its third birthday in March 2017. The Programme is led by our Chief Executive Officer and focuses on the following five workstreams, each of which is led by a Chief Officer:

- World Class Experience
- World Class Services
- World Class Leadership
- World Class Conversations; and
- World Class People

In 2016/2017, key achievements across the programme include:

(a) World Class Experience - The piloting of the Brilliant Basics customer care programme. As part of our commitment to improving patient experience, the programme is designed to support staff to develop the skills and knowledge to deliver excellent customer care to our patients and visitors and internally to other colleagues. Six hundred and sixty patient facing staff have attended the programme to date, with further roll-out planned for March 2017 onwards.

(b) World Class Services –The roll-out of 150 Workstations on Wheels (WOW's) which ensures that access to our clinical systems is brought as close to the patient bedside as possible. This has been further supported by the roll-out of collaboration tools technology, enabling teleconferencing for multidisciplinary team meetings. Further work continues to explore the use of this new technology to support the delivery of virtual patient clinics.



(c) World Class Leadership - The continuation of Leading Together, our flagship leadership development programme, aimed at improving leadership capacity and capability across the Trust. The programme has seen 247 individuals commence since April 2016, with a further 300 individuals at Service and Team Leader level set to commence between April 2017 and March 2018. A research study into the programme is currently underway in partnership with Warwick Business School.

(d) World Class Conversations – The launch of a new staff intranet system – Trust Nav, The latter has supported our movement to improving internal communications and engagement with staff by maximising technology, and combined with existing communications channels ensuring we are engaged in two-way dialogue with staff at every opportunity.

(e) World Class People – the launch of values based appraisal for all staff. This project ensures that appraisal discussions, a key opportunity to discuss performance, are focused on both what individuals are delivering and how they are delivering through the demonstration of Trust values and behaviours. Combined with our values based recruitment, induction and employee recognition, this approach ensures we are continuing to embed our values in everyday practice. From April 2017, all appraisals will also incorporate a talent conversation helping to support the identification and deployment of talent across the Trust.

1.3.2 UHCW Improvement System in partnership with the Virginia Mason Institute

As part of our five year partnership working with Virginia Mason Institute we now have our own management system, which we have named the UHCW Improvement System (UHCWi). This system uses lean methodology as part of a management system of cultural change. We have developed our strategy triangle that integrates our TTWC programme and our vision and values, all with the patient as the 'true north', as part of our commitment to put patients first and to view our services from the patient perspective.



Learning from Virginia Mason, we have started our journey of culture change, creating a learning environment that empowers the staff that do the work to make incremental improvements to our systems and processes.

Our Chief Officers have led 3 Value Streams (areas of work) in the following areas:

- Ophthalmology Outpatients
- Patient Safety Incidents
- Theatres

We have recently added another Value Stream focusing on Discharge.

Linked to these areas, we have undertaken five Rapid Process Improvement Workshops. These are five-day workshops focused on a particular process in which people who do the work are empowered to eliminate waste and reduce the burden of work to provide an improved patient experience.

We have held eight 'Stand Up' meetings: as part of living our value of openness these take place in the central ground floor area. Stand Ups allow those working on the improvements, to update Chief Officers directly who can then commend success and help remove barriers to the progress of the improvement work.

We were the first Trust to host a National Sharing and Learning event, which brought together the five NHS Trust's who are working with the Virginia Mason Institute. This event was well received and had contribution from national speakers, international visitors and local industry.

We have trained 34 senior leaders in the UHCWi, so that the method can start to spread as it becomes the way we run and improve our Trust.

We have commenced the 'baby steps' on our cultural improvement journey and will build on this as we move towards our vision to be a world class organisation, learning from internationally recognised healthcare providers.



2 Performance Analysis

We strive towards the provision of high quality care, whilst embracing innovation to ensure that we deliver applicable local and national targets and standards and enhance productivity. To do this, we have a Performance Management Framework embedded within the Trust, which measures and monitors our progress against these targets.

2.1 Performance Management Framework

Our performance management systems have developed and evolved over time and since 2016 the framework has incorporated monthly accountability meetings, alongside formal quarterly performance reviews. An Intensive Support Framework (ISF) has been introduced to help and support Groups that have performance challenges which we identify through the KPI's and a set of decision matrices. Both the reviews and the ISF are regularly considered in terms of effectiveness with ISF reported and discussed at the Trust Board and relevant Board Committees.

To support the Performance Management Framework, a balanced scorecard approach is used which includes Key Performance Indicators (KPIs) that reflect the five domains in the NHSI oversight principles;

- Quality of care
- Finance and use of resources
- Operational performance
- Leadership capability and staff engagement
- Strategic/transformational change

These KPIs are included in our balanced scorecard which underpins the Integrated Quality & Performance and Finance Report (IQPFR) that is submitted to the Trust Board each month and provides a rounded view of performance across the organisation. Performance monitoring of a range of defined local internal and external indicators are also included within scorecards at service level, which form a key part of our Performance Management Framework.

Figures 1 and 2 on page 24 show the scorecard as at March 2017. Each year, the KPI's are reviewed and the scorecards aligned to reflect changes to national standards and local targets, thereby ensuring that we are monitoring performance effectively throughout the year.

Local contract targets and standards, including progress against the 2016/17 Commissioning for Quality and Innovation (CQUIN) schemes that are determined by our commissioners have also continued to be monitored throughout the year.

We also consider our performance against peer Trusts and have introduced greater rigour around this during 2016/17 through the introduction of benchmarking reports using nationally published datasets. These reports outline our position against a suite of KPIs using national averages and individual peer Trusts, which allows us to identify areas where improvements can be made, and to highlight where we are performing well.



2.2 Performance against 2016/17 Acute Contract Targets

Our 2016/17 Acute Contract with Clinical Commissioning Groups required delivery against 71 standards that are agreed as part of the contract. In addition to these, we are also required to deliver against the indicators agreed in the 2016-17 CQUIN Schemes. Performance challenges, particularly relating to flow through the hospital have continued throughout 2016-17 as detailed later in this report, but despite this, we continue to deliver against the demanding Clostridium-Difficile (Trust acquired) target, which is very important to patients in terms of their safety when coming into one of our hospitals and in relation to the patient safety thermometer.

2.3 Performance Exceptions and Risks

The operational pressures that we are facing have meant that inter-related key performance indicator targets have not been met and these are described below.

2.4 A&E 4-hour Wait

Our performance at year end 2016/17 against this standard was 82.37%, which equates to 33,109 patients out of a total of 187,792 attendances at A&E being seen outside of the four hour standard. This is 12.63% below the national 95% target.

Due to continuing significant pressures that are being experienced in our A&E Department, the target has not been achieved in any month this financial year, with the best reported performance being 90.1% in September 2016. This is in keeping with the pressures that are being experienced in A&E Departments across the country.

There has been a continued increase in attendances to our services with an additional 2,782 patients being seen during the year; a 1.50% increase on the previous year. Our performance was compounded by a continuingly high number of patients that are medically fit for discharge but awaiting transfer elsewhere or for a package of care to be established (known as Delayed Transfers of Care or DTOC). Performance against the national DTOC target of 3.5% was 6.95% for the year. We are continuing to work with our health and social care partners to try and ensure that patients can be discharged as soon as they are medically fit, as we know that it is better for our patients to not be in an acute hospital setting when they do not need to be.

We have taken a number of actions during the year to improve our A&E performance, both internally and with partners, including improved ambulance triage and handover and adoption of Red to Green Days, which is a simple tool that is aimed at helping to ensure that every day spent in hospital is necessary and that discharge occurs as soon as possible. We have also focussed on improving ambulatory pathways which provide an alternative to hospital admission and on delivering the **SAFER** principles which are:

- **S:** Senior Review. All patients will have a senior review before midday by a clinician able to make management and discharge decisions.
- **A:** All patients will have an Expected Discharge Date and Clinical Criteria for Discharge.
- **F:** Flow of patients will commence at the earliest opportunity from assessment units to inpatient wards.
- **E:** Early discharge. 33% of patients will be discharged from base inpatient wards before midday.
- **R:** Review. A systematic MDT review of patients with extended lengths of stay (>7 days – 'stranded patients'), trying to get patients back home as soon as possible.

We believe that these principles provide for a better patient experience in addition to helping us to work together across the Trust to increase capacity and improve performance. They are underpinned by a set of safety standards to ensure we provide the safest care possible.



In the latter part of the year, we opened our Acute Frailty Unit (AFU). This unit is supported by the Integrated Frailty Service (IFS), which is a multi-disciplinary team comprised of hospital and community services and has been introduced to provide a comprehensive assessment service for our frail older adults attending the hospital as an emergency.

Members of the IFS Team assess patients in emergency admitting areas and identify those suitable for further assessment in the AFU and arrange their transfer. This area is designed specifically for frail elderly patients who, with specialist intervention, could be discharged without the need to be admitted to a Gerontology ward.

Patients who would not benefit from hospital admission are provided with alternative support including: home with rapid response support, transfer to a community bed or social respite care or with voluntary sector support.

The service will improve the quality of care we provide to frail older adults by better identification and awareness of people living with frailty, as well as early proactive assessment and management.

2.5 Referral to Treatment (RTT)

We are required to meet a 92% standard for the RTT measurement for incomplete pathways. This means that 92% of patients on our total waiting list should be treated within 18 weeks.

Unfortunately, due to our performance challenges, the Trust achieved 86.5% against the 92% standard, which has meant that a number of our patients have waited longer than 18 weeks for their treatment. Throughout the year, actions have been taken to try to reduce this, including weekly patient level tracking and setting clear targets for each of our Clinical Groups and monitoring performance against these. However, the pressure on the emergency pathway, coupled with difficulties with flow through the hospital has increased the number of medical patients that are not in medical wards and the consequent need to cancel elective patients, all of which contributes towards us having made no significant improvement in performance against this target.

2.6 Cancer 62 Day Standard

The standard states that 85% of patients will wait a maximum of 62 days for their first cancer treatment from the point of GP referral for suspected cancer.

We have generally seen an improved position against the 85% target throughout 2016-17, although there were areas of challenge during the early part of the year and again during October and November 2016 where the standard was not met, largely due to operational pressures. Late referrals from other Trusts after 62 days are categorised as shared breaches but are also a contributory factor to underachievement. Our year-end performance of 83.7% does not therefore, achieve the standard as a result. This year-end figure is different to that reported in the performance scorecard on page 24 as this target is reported one month in arrears because of the need for a robust data validation process.

A number of actions have been taken to improve our performance during the year including revisions to relevant pathways, additional support for tracking patients on an urgent suspected cancer pathway and reviews of all patients with no comprehensive plan in place. We are continuing to work with partners to ensure that late referrals are eradicated.



2.7 Delayed Transfers of Care (DTOC)

As indicated earlier, this indicator remains challenging to deliver due to the complexity of discharges and the number of partner organisations that are involved in discharge processes. The indicator is measured at a snapshot in time within the reporting month, and the number of acute patients (aged 18 and over) whose transfer of care was delayed, over the number of occupied beds at the month end is recorded.

We have consistently maintained close scrutiny of our DTOC position because of the impact that this has on our patients and flow through the Trust. As a consequence, we have continually engaged with community partners to ensure that patients are transferred to more appropriate settings in a timely fashion. However, there is limitation within the community in terms of both capacity and staffing and this has resulted in the level of DTOCs remaining high and exceeding the national standard.

As an illustrative example, during March 2017, there were 66 patients that were awaiting transfer to another setting out of 1,098 occupied bed days, which equates to 6.01% against a target of less than or equal to 3.5%. At the year end the figure was 6.95%, which is deterioration from the 2015/16 position.

2.8 Breaches of the 28 day treatment guarantee following elective cancellation

This indicator measures the number of patients that are not treated within 28 days following last minute cancellation of their surgery. Failure of this indicator is a consequence of pressure in the emergency care pathway, which has an impact on the availability of our beds and consequently on our ability to admit patients for elective surgery. Regrettably, in 2016/17 there have been a number of reported breaches of the 28 day treatment guarantee following an elective cancellation, particularly in the second half of the year.

We continue to scrutinise and challenge the re-scheduling of any patient that has had a cancelled procedure, through processes which are overseen by the Patient Access Team. Twice daily reviews of the planned operating lists are also undertaken with each specialty in order to provide a high degree of rigour and ensure that no patient is cancelled for a second time. It should be noted that no urgent operations were cancelled for a second time during the year.

2.8 Never Events

Unfortunately, we reported three never-events during 2016/17 against a target of zero. Two of the events were categorised as retained foreign object post procedure and the third a wrong route administration of medication. Following each event, a full root cause analysis investigation has been conducted with the findings being reported directly to the Chief Executive Officer and reviewed at the Serious Incident Group. Action plans have been developed to address the recommendations arising and these are being carefully monitored to ensure that all necessary action to prevent recurrence is being taken. We have also instigated a programme of Human Factors training to help us understand how mistakes are made and what action we can take to guard against this.

2.9 Pressure Ulcer

Grade 4 hospital acquired avoidable pressure ulcers are a rare occurrence at in the Trust and are usually complex. Unfortunately this year a patient developed a grade 4 avoidable hospital acquired pressure ulcer, the first since August 2014. A root cause analysis investigation has been conducted and an action plan aimed at addressing the identified root cause has been developed.

Our goal is to build on the existing strategy for pressure ulcer prevention and reduction that has been achieved and to further deliver a reduction in the numbers and severity of harm of avoidable hospital-acquired pressure ulcers.

Figure 1 Trust Performance Scorecard (March position below)

Trust Board Scorecard								
Measure	Previous Position	Latest Position	DoT	YTD Plan	Annual Target	Annual FOT	Executive Lead	Trend
Excellence in patient care and experience								
Patient Outcomes								
Clostridium Difficile - Trust Acquired - Cumulative	29	29	⇒	42	42	29	CNO	■■■■■
MRSA Bacteremia - Trust Acquired - Cumulative	1	1	⇒	0	0	1	CNO	■■■■■
Serious Incidents - Number	6	9	↓	15	15	9	CMO	■■■■■
Never Events - Cumulative	3.0	3.0	⇒	0	0	3.0	CMO	■■■■■
Same Sex Accommodation Breaches	0	0	⇒	0	0	0	CNO	■■■■■
HSMR - Basket of 56 Diagnosis Groups	91.0	92.9	↓	RR	RR	RR	CMO	■■■■■
Harm Free Care	97.1%	96.3%	↓	95%	95%	96.3%	CNO	■■■■■
Patient Experience								
Friends & Family Test Inpatient Recommenders	88.1%	85.7%	↓	95%	95%	85.7%	CMO	■■■■■
Friends & Family Test A&E Recommenders	82.8%	79.3%	↓	87%	87%	79.3%	CMO	■■■■■
Complaints per 1000 Occupied Bed Days	1.77	1.54	↓	0.99	0.99	1.54	CMO	■■■■■
Complaints Turnaround <= 25 Days (1 month in arrears)	92%	79%	↓	90%	90%	79%	CMO	■■■■■
Theatres								
Theatre Lists Started within 15 mins of Start Time	40.6%	34.9%	↓	75%	75%	34.9%	CMO	■■■■■
Surgical Safety Checklist - WHO	100.00%	100.00%	⇒	100%	100%	100.00%	CMO	■■■■■
Emergency Care and Patient Flow								
A&E 4 Hour Wait	79.6%	79.9%	⇒	95%	95%	82.4%	COO	■■■■■
12 Hour Trolley Waits in A&E	0	0	⇒	0	0	0	COO	■■■■■
Ambulance Turnaround within 30 minutes	84.0%	81.4%	↓	100%	100%	81.4%	COO	■■■■■
Delayed Transfers as a Percentage of Admissions	7.8%	6.0%	↓	3.5%	3.5%	6.0%	COO	■■■■■
30 Day Emergency Readmissions (1 month in arrears)	8.1%	8.0%	⇒	8.68%	8.68%	8.0%	COO	■■■■■
Number of Medical Outliers - Average per Day	68.6	66.3	↓	50	50	66.3	COO	■■■■■
Length of Stay - Average	7.0	7.4	↓	5.96	5.96	7.4	COO	■■■■■
Bed Occupancy Rate - KH03 (3 months in arrears)	97.5%	97.5%	⇒	93%	93%	97.5%	COO	■■■■■
Elective Care								
Last Minute Non-clinical Cancelled Operations - Elective	1.4%	1.7%	↓	0.8%	0.8%	1.7%	COO	■■■■■
Breaches of the 28 Day Readmission Guarantee	3	13	↓	0	0	142	COO	■■■■■
18 Weeks Referral to Treatment Time - Incomplete (1 month in arrears)	86.6%	87.0%	⇒	92%	92%	92%	COO	■■■■■
RTT 52 Week Waits Incomplete (1 month in arrears)	6	12	↓	0	0	0	COO	■■■■■
Referral to Treatment Incomplete - Backlog Size (1 month in arrears)	3670	3592	↓	2094	2094	2094	COO	■■■■■
Diagnostic Waiters - 6 Weeks and Over	0.64%	0.60%	⇒	1%	1%	0.60%	COO	■■■■■
Cancer Standards								
Cancer 2 Week Wait GP Referral to OP Appointment (1 month in arrears)	97.32%	95.40%	↓	93%	93%	93%	COO	■■■■■
Cancer 2 Week Wait Breast Symptom (1 month in arrears)	100.00%	86.21%	↓	93%	93%	93%	COO	■■■■■
Cancer 31 Day Diagnosis to Treatment (1 month in arrears)	100.00%	99.51%	↓	96%	96%	96%	COO	■■■■■
Cancer 31 Day Subsequent Surgery Standard (1 month in arrears)	97.56%	96.00%	↓	94%	94%	94%	COO	■■■■■
Cancer 31 Day Subsequent Drug Standard (1 month in arrears)	100.00%	100.00%	⇒	98%	98%	98%	COO	■■■■■
Cancer 31 Day Subsequent Radiotherapy Standard (1 month in arrears)	95.39%	98.72%	↓	94%	94%	94%	COO	■■■■■
Cancer 62 Day Urgent Referral to Treatment (1 month in arrears)	85.07%	85.64%	⇒	85%	85%	85%	COO	■■■■■
Cancer 62 Day Screening Standard (1 month in arrears)	92.31%	96.43%	↓	90%	90%	90%	COO	■■■■■
Cancer 104 Day Waits - TDA Measure (1 month in arrears)	1.5	2.0	↓	0	0	0	COO	■■■■■

Figure 2 Trust Performance Scorecard (March position below)

Trust Board Scorecard								
Measure	Previous Position	Latest Position	DoT	YTD Plan	Annual Target	Annual FOT	Executive Lead	Trend
Deliver value for money								
Liquidity Days	-29.4			-23.8	-23.8	-30	CFSO	■■■■■
Capital Services Capacity	2.0			1.6	1.6	2	CFSO	■■■■■
Income & Expenditure Margin	2			1.3	1.3	2	CFSO	■■■■■
Forecast Income & Expenditure Compared to Plan - £'000	-1193			1100	1100	-1193	CFSO	■■■■■
CIP Delivery - £'000	23831			25512	25512	25757	CFSO	■■■■■
Agency Expenditure as a % of Pay Bill	7.98%			TBC	TBC	TBC	CWIO	■■■■■
Employer of choice								
Personal Development Review - Non-Medical	84.31%	82.67%	↓	90%	90%	82.67%	CWIO	■■■■■
Personal Development Review - Medical	75.88%	81.15%	↑	90%	90%	81.15%	CWIO	■■■■■
Mandatory Training Compliance	86.43%	86.51%	↑	95%	95%	86.51%	CWIO	■■■■■
Sickness Rate	3.98%	3.87%	↑	4%	4%	3.87%	CWIO	■■■■■
Staff Turnover Rate	8.38%	8.28%	↑	10%	10%	8.28%	CWIO	■■■■■
Vacancy Rate Compared to Funded Establishment	13.07%	12.67%	↑	10%	10%	12.67%	CWIO	■■■■■
Staff Survey - Recommending as a Place of Work (Quarterly)	62.54%	65.07%	↑	50.17%	50.17%	50.17%	CWIO	■■■■■
Leading research based health care organisation								
Patients Recruited into NIHR Portfolio - Cumulative (2 months in arrears)	3428	3749	↑	3338	4006	3749	CMO	■■■■■
Commercial Income Invoiced £000s - Cumulative (1 month in arrears)	766	800	↑	1100	1200	800	CMO	■■■■■
Peer Reviewed Publications - Calendar Year Cumulative (3 months in arrears)	205	266	↑	197	197	266	CMO	■■■■■
Leading training and education centre								
No of Specialties at HEWM Level 3 and 4	0	0	⇒	0	0	0	CMO	■■■■■
Job Evaluation Survey Tool Score - JEST (1 month in arrears)	3.8	3.8	⇒	3.5	3.5	3.8	CMO	■■■■■

2.10 Forward Look - main trends and factors likely to affect our future performance

2.10.1 Overview

Although we continually strive towards realising our vision and providing the safe, high quality care that our patients deserve, we do so in an increasingly difficult environment. The NHS is under significant financial pressure; demand for the services that we provide continues to grow and we must ensure that we continually strive to improve the quality of care that we provide.

Our NHS partners and partners in health and social care are facing similar challenges and we have worked collaboratively as the leaders of the health and care system in Coventry & Warwickshire to produce our Sustainability & Transformation Plan (STP). Our Chief Executive Officer is the Coventry & Warwickshire STP footprint lead and working together we have produced a plan that will address the requirements of the five-Year Forward View. Our plan is aimed at reducing rising levels of demand to prevent the costs of health and social care rising year on year, through a combination of focusing on preventing illness and on providing the right care, in the right place at the right time. Although the STP covers a five-year period, we expect that the new collaborative approach that we are developing will have a positive impact on our performance in terms of finance, quality and delivery against national standards and local priorities. Our plans will be subject to full public engagement as the views of our patients and service users are fundamental to shaping the health and care system of the future in Coventry and Warwickshire.

We have continued our relentless focus on recruitment and retention during 2016/17 to ensure that we have the skilled workforce that we need to take the organisation forward and reduce our requirement to use agency staff. We have seen a £10m reduction in our spend on agency staff compared to 2015/16 and have been particularly successful in reducing nurse agency usage. We know that recruitment to certain posts is a nationwide issue and we will continue to explore alternative roles and ways of working to manage areas where recruitment is challenged and to work with our partners through the STP.

Based on our performance at year-end, we will face similar challenges during 2017/18 to those that we faced in 2016/17, which are as follows:

2.10.2 Managing capacity

We have underperformed against a number of standards set out in the Single Oversight Framework. We recognize that not meeting the A&E 4-hour standard or the RTT delivery of elective patients being treated in 18 weeks falls short of the experience that we would want to offer our patients and we strive to make improvements in the forthcoming year. The year on year growth in emergency admission continued in 2016/7 as was predicted and is expected to carry on into 2017/18. The adoption and expansion of UHCWi methodology across different clinical areas is delivering good indications of improvements in both our productivity and efficiency, as we continue to move forward in challenging areas of theatre capacity and bed occupancy.

Our work with partners continues to be developed and substantiated across the local STP footprint. We continue to make progress to address the challenges across the emergency pathway externally through prevention of admissions and greater provision of ambulatory care for patients. Internally we will also continue to utilize and embed the SAFER and Red to Green initiatives.

2.10.3 Financial Performance

We are pleased to have reported a surplus position of £703k and therefore have met our break even duty. However, we did not meet our plan of a £1.1m surplus due to under recovery of the element of sustainability and transformation monies associated with the non achievement of the operational targets. We exceeded our cost improvement target of £25.5m by £0.3m; however the level of non-recurrent savings within this was higher than planned. The financial position masks a difficult position both financially and operationally, with capacity pressures impacting on our ability to deliver elective

care and consequently upon our income and ability to meet national standards.

The 2017/18 position is challenging; however, we have elected to be part of the NHS Improvement (NHSI) Financial Improvement Programme Wave 2, and partnered with PricewaterhouseCoopers there are a range of efficiency opportunities that will aid delivery of the 2017/18 plan and should set us on a sustainable path to financial stability on a sustainable basis.

2.10.4 Meeting required targets and standards

As we have described above our ability to meet key national targets such as the A&E 4-hour standard and the RTT target continue to be challenged by operational pressures. All aspects of our performance will continue to be closely monitored internally through our Performance Management Framework and externally by our commissioners through Contract Performance Meetings.

2.11 Clinical Quality and Quality Account

Details are provided within Part 5: Quality Account

2.12 Patient Experience and Engagement

Details are provided within Part 5: Quality Account

2.13 Research, Development and Innovation

Research is an integral component of providing world class services, which is a key work stream in our TTWC programme. It enables us to lead innovation and development, which in turn enables us to provide the highest quality and most effective patient management. It ensures that we are a leader rather than a follower within healthcare provision and enables us to attract and maintain highly skilled and motivated staff.



2016/17 was an excellent year for Research and Development, rising up through the national research rankings for patient recruitment into research, securing a Tommy's Centre and achieving National Institute of Health Research (NIHR) Clinical Research Facility status. During 2017/18 we will consolidate this work, revise our Research and Development Strategy and deliver on the requirements of our funders.

2.13.1 Supporting Our Staff

The Research, Development and Innovation Team has two key roles. The first is to develop a portfolio of leading-edge research focused on the needs of our patients that is conducted to the highest standards. The second is to support our staff in discovering and developing innovations to benefit our patients. All our staff have access to the support provided by the team, which includes identifying funding, helping with grant applications, providing training, statistics and project design and innovation idea identification and development.

We are committed to supporting nurses, midwives, allied health professionals (NMAHPs) and health care scientists to develop as the research leaders of the future. In 2015, we launched a bespoke training programme, developed with Coventry University, to develop and support the researchers of the future amongst these staff groups. The 'INCA' (Internships for Non-Medical Academics) programme ranges from monthly informal sessions to a formalised support programme (Bronze, Silver and Gold) whereby staff can be released from their clinical duties to develop their own research. Two cohorts of Trust staff have successfully completed the programme, with four of the seven students in Bronze Cohort 1 securing places on the Health Education England/National Institute for Health Research (NIHR) funded Masters by Research (MRes) programme at Coventry University in September 2016. Other staff from the programme are undertaking masters' level modules or developing their own research proposals. Two staff are due to complete their NIHR MRes in July 2017. Three post-doctorate fellows are currently developing publications and collaborative research funding bids as part of the INCA Gold programme. The Trust's model to develop NMAHP-led research was highlighted by the Association of UK University Hospitals (AUKUH) as an exemplar this year.

NMAHP-led research has attracted funding for a number of projects this year, ranging from small amounts of funding to run patient focus groups and undertake pilot work towards large grant applications, such as Rebecca Kearney (Clinical Academic Physiotherapist and Associate Professor in Trauma and Orthopaedic Rehabilitation) who was awarded a £943,520 NIHR Clinical Development Fellowship for a project looking at different methods for ankle fracture rehabilitation.

Research led by our medical staff, has attracted significant external funding this year, in areas as diverse as the comparison of microbiomes in patients with recurrent *clostridium difficile* infection, developing novel diagnostics for colorectal cancer, exploring appetite, metabolic effects and weight-loss in patients with type 2 diabetes, researching the metabolism of those crossing the Antarctic, maternal depression during pregnancy, novel biomarkers and cardiovascular risk and evaluating urine and breath testing as novel means to diagnose disease.

Nationally, the support for Medical Academic careers is more established and we have a number of staff pursuing higher degrees. We also launched Research & Development Fellowships for Consultant Medical Staff to enable them to be released from clinical activities to develop their own research projects, with three members of staff starting their fellowships in 2016.

2.13.2 National Centre for Miscarriage Research Established

Our Biomedical Research Unit started on 1st April 2012 with the explicit aim of becoming the National Centre for Research in Implantation in Pregnancy and to improve the management and outcome of prevalent pregnancy-associated disorders, particularly recurrent miscarriage. A team of doctors, midwives, practitioners and administrators conduct clinical studies that are underpinned by innovative, basic and translational research. The Unit integrates the clinical strengths of our Department of Obstetrics and Gynaecology with the scientific expertise available within Warwick Medical School and the University of Warwick. There is also a developing midwifery-led research portfolio which focuses on patient experience.

This year, in partnership with the University of Birmingham, the University of Warwick and Imperial College London, we were awarded 'National Centre for Miscarriage Research' status by Tommy's Charity. This is Europe's largest miscarriage research centre and will bring doctors, scientists and patients together to research early miscarriage, to understand why miscarriage happens, if it is likely to happen again, how to prevent it, and how to provide appropriate aftercare. The centre opened in April 2016 and is a clear demonstration of the world class care that we offer.

2.13.3 Participation in Research Trials

Recruitment to NIHR portfolio adopted trials remains a key priority for us. During 2016/17, over 4,000 patients entered research studies at the Trust. The Trust is now 25th for research activity across all acute NHS Trusts in the latest NIHR Research League Tables, up from 30th position last year. We have

a developing portfolio of complex interventional studies which are funded by the National Institute of Health Research, Association of Medical Research Charities and the pharmaceutical industry.

2.13.4 Publications

Our staff published widely in 2016, recording 253 publications, books and abstracts including presentations at national and international meetings and publications in high impact factor journals such as the Lancet and the British Medical Journal.

2.13.5 Funding

The NIHR funds patient focussed research and so is a key research funder for the NHS. For every £1 of National Institute of Health Research income secured, each Trust receives additional 'Research Capability Funding'. We have prioritised this funding stream, with the result that Research Capability Funding has grown from £80k to over £1m in four years. We received £1,142,331 during 2016/17, ranking us 22nd in the country; compared to £938K in 2015/16 (ranking 26th).

2.13.6 Facilities

We submitted a bid for the NIHR Clinical Research Facilities for Experimental Medicine call in June, which we were confident was a competitive and credible proposal. This was successful and we have secured £750k over the next five years to support early translational research. This will provide our researchers will additional support to develop more experimental medicine / translations studies for the benefit of our patients.

Human tissue in research plays a vital role in developing a deeper understanding of human disease processes and their underlying mechanisms. Our Arden Tissue Bank aims to provide researchers with access to a diverse range of high quality human tissue, whilst complying with national legislation. Last year, we expanded our facilities to provide additional storage space and a bespoke centrifuge area for our research staff. We now house three national tissue collections and provide collection, processing and storage services to other local NHS Trusts, Trials Units, commercial companies and a number of Universities.

This year, we have developed our service to provide wider access to our Trials Treatment Centre, so that we can treat research patients from other local NHS Trusts to enable them to offer more complex treatments to their patients.

2.13.7 Awards

We are establishing our reputation as a leading institution for Research and Innovation. We are both delighted and proud that our Research and Development Team were awarded Bronze & Silver in the 'NHS Clinical Research Site of the year' award at the PharmaTimes International Clinical Researcher of the Year 2016. The award is sponsored by the Department of Health and the Association of the British Pharmaceutical Industry.

Our CARE model to develop NMAHP research was a Finalist in the Nursing Times 'Research' category and we were 'Highly Commended' in Academic Health Sciences Network (AHSN) regional awards for 'Innovative Organisation' category.

Professor Damian Griffin and Rachel Hobson with Clinical Research Network 'Innovation in Recruitment' for the FASHION trial and the Biomedical Research Unit Research Midwives have been shortlisted for RCM 'Team of the Year' award.

We are extremely proud of our achievements during the year and aim to build upon our successes in 2017/18.

2.13.8 Development of Enterprising Staff Ideas

The Innovation Team support individual staff with innovative and/or enterprising ideas, helping to develop these and protect arising Intellectual Property, where appropriate.

During 2016 a new embedded service was introduced to further support Intellectual Property management in the organisation. Delivered by Midtech (one of the regional NHS Intellectual Property Hubs), this service was negotiated as part of the Trust's enhanced membership to the West Midlands Academic Health Science Network (WMAHSN). Access to timely support from a Midtech representative directly within the Trust is now available two days per week, enabling this service to be more visible and accessible than ever before.

The impact of this embedded service can be seen in Midtech's most recently published KPIs (published January 2017), which show that we had significantly higher rates of non-disclosure and license agreements compared to other Trusts within the West Midlands region.

Noteworthy projects initiated by our staff include the development of the Personal and Protective Equipment (PPE) wheel. Carly Baker, an Infection, Prevention and Control Nurse had devised a paper prototype of the PPE wheel when she got in touch with the Innovation Team.

The wipe-clean wheel is a handy pocket-tool for clinical staff to find at a glance what PPE they need to wear when caring for patients with different infections, e.g. flu, C.diff, TB, or MRSA.

The Innovation Team supported the development of this prototype by creating digital artwork and liaising with print suppliers, as well as ensuring necessary collaboration agreements and principles were in place with industry partners. The PPE wheel was launched in February 2017 and will potentially be used in other healthcare settings across the country.

Another noteworthy project is the Enhanced Visual Representation (EVR) tool, which has materialised as a result of a collaboration between our staff and The Institute of Digital Health at the University of Warwick. As trainee surgeons progress through their training, vast amounts of information is generated about their performance; however, it is notoriously hard to manage and view. The EVR sets out to make this Big Data more valuable by bringing clarity through graphical representation. Keen to spread the idea, the team presented it to the Royal College of Surgeons under the protection of a Non-Disclosure Agreement and are now working to create it into a marketable and robust solution.

2.13.9 Innovation in the Trust

The majority of our staff ideas disclosed and then supported by the Innovation Team are related to a physical product or an App. In parallel to these are countless examples of Innovation in action across the organisation, which more fully represent the breadth of Innovation types that exist.

Our mission statement is to 'Care, Achieve, Innovate' and we were highly commended in the Innovative Organisation of the Year category in the 2016 WMAHSN Innovation Awards.

To catalyse a more inclusive and effective dialogue with our staff about the role and associated activities of 'Innovation' as a discipline, we continue to scope how even more staff can be engaged, involved and inspired by innovation-related activities. A first step towards this was the transfer of the Innovation Team function to the Chief Workforce and Information Officer Portfolio in February 2017. We look forward to reaping the benefits of working more closely with IT, UHCWi and Organisational Development colleagues over the coming year.

2.13.10 Conceptual development of the Trust Innovation Hub

The conceptual development of an Innovation Hub which would be situated within the ground of University Hospital has also been delivered this year. The Innovation Hub would be positioned within a large and currently under-utilised space within the Clinical Sciences Building.

Innovation Hub facilities across the country differ in respect of their physical manifestation, service offer and provision. Recognising this, the development journey has involved frequent dialogue with colleagues at the Trust as well as external associates from industry and academia. Initial staff engagement at the Trust surfaced a desire for a safe, welcoming and visually inspiring place in which to meet, to feel more connected to the Trust's activities/long-term plans, to share challenges, generate ideas and collaborate to make these real. Essentially, the Innovation Hub would be a platform to help us create and experience the future of wellbeing, health and care in line with our mission.

Innovation will be the difference between the way wellbeing, health and care is delivered today and in the future, and attempting to innovate in isolation from the outside cannot be an option. Instead the Trust needs to work in partnership with external organisations within a vibrant 'open' innovation ecosystem. This already happens in isolated pockets, and the Innovation Hub seeks to provide an easily recognisable and accessible point of contact to do this in a more effective way.

In addition to providing a completely different environment for people to use to take part in innovation-related activities, the Innovation Hub will have a strong focus on showcasing the application of digital technology and related devices. Technology-lovers and technophobes alike will have the opportunity to explore and understand the impact of digital technology in a 'safe' way.

The Innovation Hub concept has been purposely designed to provide a series of highly flexible interrelated zones and facilities to accommodate the anticipated variety of events, activities and size of groups that have surfaced during ongoing staff and user engagement. Design elements will also encourage social interaction and provide an inspiring change of scenery for people to work together in. Current plans include specific provision for quiet, reflective thinking, for informal meetings, for video-conferencing and for working as a large group.

Colleagues, patients and collaborative partners alike would be invited to use/hire the facility to work in or deliver their own innovation-related seminars, study-days, showcases, hosted events, participation groups and workshops. Two broad areas of operational focus would be:

Internal-focus:

- making the concept of 'innovation' accessible to the mass of staff. Demonstrating Trust-led innovation in action via engagement activities and patient-centred impact stories, and mapping these to the 'bigger picture' population health agenda;
- supporting staff to develop their high-impact ideas into reality: assessing real market opportunity, design realisation, developing proof of concept, financing, commercialisation/ intellectual property strategy, regulatory overview (if required) to see an increased rate of high impact innovation (commercialised products, devices, services, technologies); and
- facilitating the re-imagination of how we involve patients in our work by demonstrating exciting participatory methods to enable and connect new patterns of thought.

External-focus:

- acting as the point of convergence for innovation activity to seek and connect strategically aligned collaborations which explore emerging opportunities to leverage data, digital technology and devices;
- accelerating change by facilitating an effective collaborative network between the local community, local government, commissioners, industry, SMEs, the third sector and academia to minimise the chasm between real need and offered solution; and
- providing an interface for external partners to showcase the art of the possible whilst gathering real clinical and patient insight during new product/service development.



A multidisciplinary team of architects and construction specialists will continue to develop the finer details of the scheme until the summer of 2017.

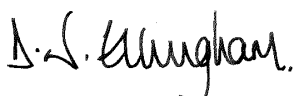
2.14 Sustainability Report

This has been a landmark year for the Trust's sustainability agenda; through the continued progress of the Sustainable Development Management Plan which aligns with core values of the business. The sustainability focus this year has been on energy, waste and travel; three areas that are essential, but where we are able to provide better value.

Energy is always a costly resource, which is why we are working with the Carbon and Energy Fund to provide energy saving solutions across both sites; putting significant savings into patient care. The goal for waste is compliance and reduction following the waste hierarchy, this year having achieved reduced landfill waste down to 7%.

We have always been at the forefront of active travel and this year saw gold awards for walking and cycling, giving us the status of Platinum Active Travel Site, the first non-council organisation in the West Midlands to achieve this.

The Trust also received congratulations in March 2017 from Dr David Pencheon, Director for the Sustainable Development Unit at NHS England in recognition of the excellent sustainability reporting that we have in place.



David Eltringham, Chief Operating Officer

2.14.1 Overall Strategy for Sustainability

This has been another year of progress for us; there is greater awareness of the sustainability agenda, alongside targeted works to reduce our carbon footprint. The Trust Sustainable Development Management Plan (SDMP) provides challenging targets for the next five years whilst defining the sustainability strategy towards 2050. We are aware that this is a long term challenge and we are committed to reach the targets set for carbon reduction against a 2006/2007 baseline:

- 2020 - 34%
- 2025 - 50%
- 2050 - 80%

The SDMP is administered by the Sustainable Development Management Group; who receive reports from:

- The Carbon Management Group
- The Sustainable Procurement Group
- The Waste Management Group
- The Sustainable Travel Group
- The Climate Adaptation and Mitigation Group

2.14.2 Staff Engagement in Sustainability Agenda

We engage with our staff on the Health and Well Being Agenda through the Health and Wellbeing Group and further details of the work of this group are provided at section 2.11 of this report.

The Active Travel Programme engages with staff through events in staff areas, cycling classes, Dr Bike and cycle maintenance classes for staff, alongside promotion via the staff magazine and intranet.

2.14.3 Partnerships

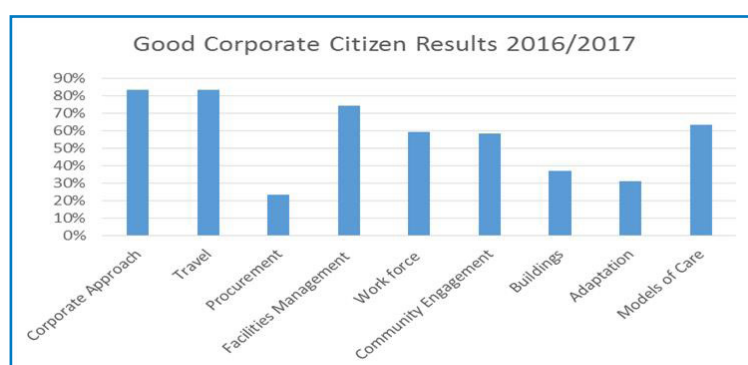
The Trust's sustainability agenda is delivered with the support of several key partners and we are grateful for their support:-

- ISS
- Vinci Facilities
- Coventry City Council
- Transport for West Midlands
- Warwickshire County Council
- National Express Coventry
- Warwick and Leamington Beekeepers

2.14.4 Good Corporate Citizen Assessment Tool

The Good Corporate Citizen (GCC) Assessment Model is a tool used to assess organisational sustainability progress. We have used this tool since its inception and have continued to improve year on year. It has focussed our attention on procurement, buildings and adaptation in the coming year.

The GCC Results table below demonstrates the results of the latest GCC assessment by category.



2.14.5 Greenhouse Gas Emissions

We continue to work towards the 2020 target of 34%. An area of focus is scope 1 and 2 energy usage; there are several schemes that have been installed in this reporting period whilst work continues with the Carbon and Energy Fund for low energy solutions across both sites, hopefully, continuing to reduce usage year on year against a backdrop of increased activity.

2.14.6 CO2 Emissions

The table below demonstrates the total CO2e emissions by scope across the organisation with an overview of current reduction performance and future plans.

CO ₂ Emissions *(tCO ₂ e)		2012/13	2013/14	2014/15	2015/16	2016/17
HM Treasury	Total	126,451	125,034	121,020	119,592	0
	Scope 1	14,408	12,500	12,290	12,690	0
	Scope 2	18,793	16,284	18,385	16,162	0
	Scope 3	93,249	96,250	90,345	90,740	0
Performance Commentary (including targets)						
We have set a target of 34% CO ₂ reduction by 2020 in line with national targets.						
Controllable Impacts Commentary						
Work has been carried out in many areas especially scope 3 emissions.						
Overview of Influenced Impacts						
The work around business mileage and procurement is beginning to demonstrate reductions.						

*tCO₂e tonnes of Carbon

Dioxide equivalent is the standard measurement for carbon foot printing; it expresses the impact of each greenhouse gas in terms of the CO₂ that each gas would create.

2.14.7 Waste Volumes and Disposal Routes

The table below demonstrates the volume of waste produced by disposal route and its cost, it also includes an overview of the current performance and future plans for waste reduction.

Waste		2013/14	2014/15	2015/16	2016/17
Recycling	(tonnes)	1400.00	1623.00	1832.00	0.00
	tCO ₂ e	29.40	34.08	36.64	0.00
Other Recovery	(tonnes)	0.00	0.00	0.00	0.00
	tCO ₂ e	0.00	0.00	0.00	0.00
High Temp Disposal	(tonnes)	1262.00	1301.00	1287.00	0.00
	tCO ₂ e	277.64	286.22	281.85	0.00
Landfill	(tonnes)	814.00	1087.00	1105.00	0.00
	tCO ₂ e	198.96	265.68	270.08	0.00
Total Waste (tonnes)		3476.00	4011.00	4224.00	0.00
% Recycled or Re-used		40%	40%	43%	
Total Waste tCO ₂ e		506.00	585.99	588.57	0.00
Performance Commentary (including targets)					
This year's figures are showing a steady flow in the right direction, recycling is improving.					
Controllable Impacts Commentary					
Changes to waste contracts have improved the volume of waste to landfill.					
Overview of Influenced Impacts					
Improved segregation has seen a significant shift in recyclable content and more robust hazardous waste segregation.					

2.14.8 Finite Resource Consumption

Ensuring that we get best value for our utilities is essential. 2016 saw the re-evaluation of how we make sure our utilities usage is accurate and within expected limits, whilst ensuring the cost of those utilities is best value. We have therefore moved to more active monitoring to provide greater, more focused reporting.

The water deregulation market opens in April 2017 and this is another opportunity to improve resource management whilst improving best value in a competitive market; we have been developing strategies to make the most of this new opportunity.

Several areas at the Hospital of St Cross have been refurbished with LED lighting and all new refurbishment work must include energy saving initiatives.

2.14.9 Water Volumes

The table below demonstrates our water consumption and the CO2 produced from that use - including the cost of water supply, disposal and an overview of action taken and to be taken to reduce water consumption.

Water		2013/14	2014/15	2015/16	2016/17
Mains	m ³	302856	288876	281530	0
	tCO ₂ e	276	263	256	0
Water & Sewage Spend		£ 535,417	£ 550,618	£ 575,943	£ -
Performance Commentary (including targets)					
We set a target of 7% water reduction over three years which has been achieved, the new target is a further 3% reduction by 2020.					
Controllable Impacts Commentary					
The Trust has signed up to the ADSM water bench marking scheme providing assurance that the Trust receives best value for its water usage, whilst evaluating the market in advance of water deregulation.					
Overview of Influenced Impacts					
The work in 2016/17 has shown a reduction, with the year on year trend is downward.					

2.14.10 Energy Usage by Fuel Type

The table below demonstrates the energy that we have consumed and the CO2 produced from that use - including the cost of those utilities and overview of action taken and to be taken to reduce energy consumption.

Resource		2013/14	2014/15	2015/16	2016/17
Gas	Use (kWh)	45,540,174	43,699,952	43,603,752	0
	tCO ₂ e	9,661	9,168	9,125	0
Oil	Use (kWh)	248,238	614,130	488,876	0
	tCO ₂ e	79	197	156	0
Coal	Use (kWh)	0	0	0	0
	tCO ₂ e	0	0	0	0
Electricity	Use (kWh)	36,856,886	37,486,308	35,250,830	0
	tCO ₂ e	20,637	23,216	20,266	0
Green Electricity	Use (kWh)	0	0	0	0
	tCO ₂ e	0	0	0	0
Total Energy CO ₂ e		30,377	32,581	29,548	0
Total Energy Spend		£ 4,543,857	£ 4,360,859	£ 4,809,065	£ -
Performance Commentary (including targets)					
Electricity and Gas relatively static against an increase in patient activity.					
Controllable Impacts Commentary					
Improved energy criteria for refurbishment is having an impact on electricity usage.					
Overview of Influenced Impacts					
The Trust has implemented a number of LED lighting schemes across both sites, with more energy saving schemes to be implemented during the next financial year.					

2.14.11 Staff Travel Plans

This year has seen an evaluation of staff travel requirements across Coventry and Warwickshire as part of the Sustainable Transformation Plan. Links provided opportunity for improvement between NHS sites in Coventry and Towns in Warwickshire and this has led to some radical proposals to be developed in partnership with travel authorities in Warwickshire and the West Midlands. The entire area has been reviewed, concentrating on the connectivity between healthcare sites and key populations to give a clear gap analysis of sustainable transport routes for patients, visitors and staff.

We have opened a new bus interchange at University Hospital, which has more than doubled in size, ensuring that expansion of bus services to the hospital can be supported. The new interchange provides travellers with a safer environment with real time information and protection from the weather, improving travel for patients, visitors and staff. The year also saw improvements to the bus stops at the Hospital of St Cross, with two bus services to site and six services within a two minute walk.

We have also taken the bold step to renew our staff car parking allocation system, upgrading the technology infrastructure and changing the car park application criteria to ensure that it is more equitable and more sustainable in line with Department of Health guidelines.

We were awarded Gold Top Cycling site status at the start of 2016; which came with a cash award that we used to buy five loan/pool bikes, which are available to staff to borrow free for a month. This promotion has seen an 80% return on those borrowing bikes then moving to cycling full time. With partners Cycle Coventry and Bikeright staff have access to adult cycle training and cycle maintenance classes; there are also regular visits from Dr Bike offering onsite maintenance and support.

We also achieved Gold Top Walking site and achieved another financial award that we have used to buy promotional items to support walkers and cyclists. Having Gold for both Cycling and Walking, we were awarded Platinum Active Travel Site status, the first non-local Government organisation to achieve this. Cycling and walking also align perfectly with our STP which aims to bring about improvements in health and wellbeing across the population that we serve.

Our partners ISS launched a discount refreshment card for staff who travel via a sustainable active mode, providing a 15% discount of hot drinks in the retail outlets.

Working with partners Vinci Facilities one of our busiest changing areas has had new seating, more lockers and a drying area; this improvement is hoped to continue through the rest of the site.

2.14.12 Travel Type/Mileage

The table below demonstrates the mileage from business related activity and the CO₂ produced from those journeys.

Category	Mode	2013/14	2014/15	2015/16	2016/17
Patient and Visitor Travel	miles	53,655,347	56,571,095	58,120,488	0
	tCO ₂ e	20,118	21,053	21,228	0
Business Travel and Fleet	miles	173,497	1,116,533	1,149,141	0
	tCO ₂ e	54	398	362	
Staff Commute	miles	5,621,694	6,065,339	6,427,492	0

2.14.13 Biodiversity Action Planning

We consider the biodiversity of our sites when developing new areas or improving existing sites. Biodiversity shows the health of a biological system and we strive to improve biodiversity in any planned works, recognising that a strong natural environment is good for the health and wellbeing of those who use it.

2.14.14 Natural Environment

We have long been an advocate of the health benefits of natural space for physical and mental wellbeing and we are nationally known for our work to develop the Jubilee Nature Reserve as a tranquil space for staff, patients and visitors, whilst providing improved habitats for animals and plants. It has long been an ambition to help the plight of the bees that have been declining year on year by developing a community apiary on the University Hospital site, in an area surrounded by wild flowers and agricultural crops. In partnership with Warwick and Leamington Beekeepers, we are very proud to have started work on this project which will be managed and those new to beekeeping mentored by Warwick and Leamington Beekeepers.

Warwick and Leamington Beekeepers are providing taster days which provides delegates with the opportunity to handle bees, should they wish to do so and decide whether beekeeping is for them. Others attend just for general knowledge and personal satisfaction. Alongside this beekeeping updates will be available to staff throughout the year.



2.14.15 Sustainable Procurement

We are committed to sustainable procurement, a process whereby we meet our needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but to society and the economy, whilst minimising damage to the environment.

Our procurement process encompasses several key stakeholders including Pharmacy, Pathology GE Healthcare and Estates. Each stakeholder has nominated a lead to attend the quarterly Sustainable Development Management Group to discuss how improvements can be made in each area.

Our Procurement Department has been working with Pharmacy to rationalise orders with the aim of reducing our carbon footprint with some success and this is a project that we will continue with.

We have also developed a Sustainable Procurement Policy which is in the final stages of approval and will be rolled out during 2017/18.

2.14.16 Adaptation and Transformation

We have a group in place to develop and oversee the Adaptation Plan; the focus is currently on aligning other internal strategies such as Estates Strategy to ensure that the impacts of works across both sites on the local environment are assessed, together with considering how future proof they are.

2.15 Financial Performance Overview 2016/17

2.15.1 Statement from David Moon Chief Finance and Strategy Officer



We began our year with a control total of a £1.1m surplus, backed with £17.2m of Sustainability and Transformation Funding (STF). The underlying control total for the Trust was therefore a £16.1m deficit. Finances for the year remained challenged for whole NHS, and operational pressures resulted in an under delivery against our Trust activity plans.

Despite these challenges we hit the underlying financial control total and secured £16.8m of STF, achieving a £0.703m surplus. Within this we delivered £25.8m cost improvement schemes.

This section sets out the key features of the Trust's financial performance in 2016/17.

A full set of accounts is attached including:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Taxpayers' Equity
- Statement of Cash Flows

The delivery of the cost improvement target is a significant achievement that could not have been achieved without the efforts of all staff groups throughout the organisation and on behalf of the Trust Board, I should like to place on record our thanks and appreciation for their hard work for this. This focus needs to be maintained into the new financial year.

2.15.2 Key Financial Targets





It is important to understand how performance against the breakeven duty is calculated to assess performance against key targets. In its Statement of Comprehensive Income, the Trust recorded a deficit for the year of £12.1 million which the Department of Health requires to be adjusted for the following:

- The impact of the impairment (or reversals of impairments) of non-current assets is excluded from the breakeven duty calculation;
- With the introduction of International Financial Reporting Standards (IFRS) in 2009/10, the majority of NHS PFI schemes needed to be accounted for within the Statement of Financial Position. However, in order to comply with HM Treasury Consolidated Budgeting Guidance, the incremental revenue impact of the accounting changes should be excluded from the financial performance of NHS Trusts; and
- HM Treasury guidance on the interpretation of IFRS concerning accounting for donated assets required the removal of the donated assets reserve in 2011/12, however in order to comply with HM Treasury Consolidated Budgeting Guidance, the impact of this accounting change should also be excluded from the financial performance of NHS Trusts. This can result in either a positive or negative adjustment.

The table below reconciles the position reported in the Trust's Statement of Comprehensive Income to its performance against its breakeven duty:

Retained surplus/(deficit) for the year	-£12,110k
IFRIC 12 adjustment (including IFRIC 12 impairments)	£12,789k
Impairments (excluding IFRIC 12 impairments)	£0k
Adjustments in respect of donated gov't grant asset reserve elimination	£24k
Adjusted retained surplus/(deficit)	£703k

The table below shows the Trust's performance against each of its key financial duties:

Duty	Target	Performance	Target Met
Break-even on its Statement of Comprehensive Income (this requires the Trust to ensure that total expenditure does not exceed the total income it receives)	Break-even	£0.703m surplus (after allowable adjustments)	
Remain within its approved External Financing Limit (EFL) (this requires the Trust to remain within the borrowing limits set by the Department of Health)	£20.077 million (this required the Trust to ensure that net borrowing plus decreases in cash balances did not exceed this sum)	£19.293 million £0.784 million undershoot Target achieved (the Trust is permitted to undershoot its EFL)	
Achieve a capital cost absorption rate of 3.5% (this requires the Trust to pay a dividend to the Department of Health equal to 3.5% of the average value of its net relevant assets)	3.5%	3.5% Target achieved	
Remain within its approved Capital Resource Limit (CRL) (this requires the Trust to keep its net capital expenditure within the limits set by the Department of Health)	£26.739 million (this required the Trust to spend no more than this sum after adjusting for asset disposals and the receipt of donated assets)	£26.718 million £0.021m under spend Target achieved (the Trust is permitted to under spend against its CRL)	



2.15.3 Key Financial Challenges

The Trust commenced 2016/17 with the following major financial challenges:

- To identify and deliver £25.5 million of savings to achieve the underlying control total;
- To secure external financing to support the Trust's capital expenditure programme;
- To ensure that we delivered the activity outlined in the plan.

2.15.4 NHS Financial Framework – Savings Requirement

All NHS organisations are expected to identify and deliver cash releasing efficiency savings each year which given the economic climate and the overall need to reduce public sector expenditure, required the delivery of savings programmes of at least 2% in this financial year. In reality however, the level of savings required in any one organisation will vary from the national target dependent upon a number of factors including the differential impact of changes to the national tariff, organisation specific costs pressures (including inflation) and other changes to income resulting from contract negotiations with commissioners.

After taking into account the Trust's specific circumstances, our savings requirement was calculated to be £25.5 million which equates to approximately 4% our turnover. The Trust over-delivered against this target achieving £25.8m. This achievement included over £9.8m of non-recurrent savings.

2.15.5 Capital Programme – External Financing Requirement

Whilst a significant proportion of the Trust's annual capital investment requirement is covered by the lifecycle replacement programme for equipment provided under the PFI contract, there remains a significant proportion of medical equipment, ICT hardware and software and the reconfiguration or upgrading of hospital buildings that fall outside of the PFI contract. For 2016/17, the Trust's non-PFI capital investment programme exceeded the amount of internally generated funds available and therefore the Trust was reliant upon the receipt of external financing to fund the programme; drawing down £3.331m of an approved capital loan approved by the Independent Trust Financing Facility.

2.15.6 Revenue Financing

To cover a shortfall in revenue financing the Trust had £14.728m of revenue loans. This represented a shortfall against the non-revenue PFI cost and the timing of Sustainability and Transformation Funding payment.

2.15.7 Financial Recovery Plan

The plan required the Trust to achieve the last year of the financial recovery plan. This represented savings of £12.1m before the annual efficiency target was added. We achieved nearly £9m of this target, with the shortfall due to the underachievement against the agency target.

The Trust has now volunteered to be part of the second wave of the national Financial Improvement Programme, and moving forward into 2017/18 there will be one overall efficiency and recovery programme.

2.15.8 Improvement of the Trust's Liquidity Position

Under the Single Oversight Framework for 2016/17 the Trusts liquidity metric stood at approximately -26.43. Despite this, improved treasury management performance (and the receipt of revenue financing support) meant that the Trust was able to maintain good performance against the better payments practice code (93% of invoices by value were paid with 30 days of receipt of a valid invoice) and maintain the agreed minimum cash balance of £1 million.

There is no immediate solution for the Trusts poor liquidity position. The long term solution will be reviewed in line with Sustainability and Transformation Programme.

2.15.9 Financial Highlights

The year saw a continued growth in income, operating expenditure (excluding impairments) and capital investment (on the Trust's estate, medical equipment and IT infrastructure). The summary headline financial information for 2016/17 (compared with 2015/16) is shown in the table below:

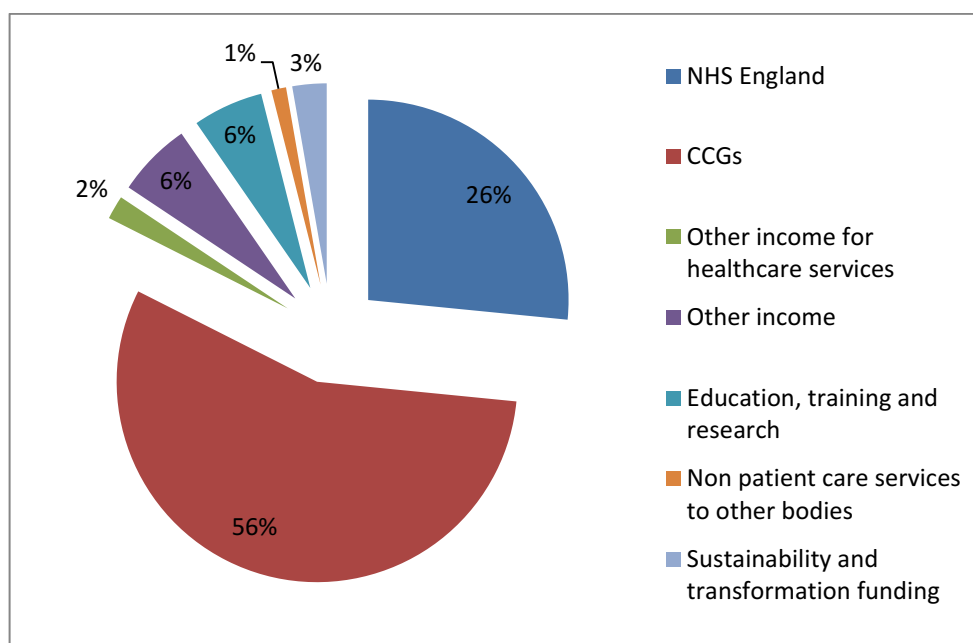
Key figures	2016/17	2015/16
	£'000	£'000
Revenue accounts		
Operating income (turnover)	608,790	585,157
Retained surplus / (deficit) for the year	-12,110	-27,895
Breakeven performance (after technical adjustments for impairments, PFI and donated assets)	703	-9,129
Efficiencies achieved	25,800	34,700
Assets		
Total assets	433,145	438,884
Cash and cash equivalents	1,007	2,760
Capital Investment	26,961	23,990
Borrowing		
Long term borrowing – PFI liabilities	258,727	264,172
Long term borrowing – other	27,168	24,705
Short term borrowing – PFI liabilities	5,445	-287
Short term borrowing - other	15,746	2,904

2.15.10 Where Does the Trust's Income Come From?

During 2016/17 the Trust recorded total revenue of £608.8 million. This represents an increase of 4% when compared with total revenue of £585 million in 2015/16. This increase was driven by an inflationary uplift of 1.1% in tariff and increased activity levels from the previous year outturn.

The chart below shows the key sources of income for the Trust in 2016/17. The combined proportion of income from Clinical Commissioning Groups and NHS England for the provision of care and treatment to patients is 85%.

The previous year included a capital to revenue transfer of £12.850 million. The 2016/17 position includes sustainability and transformation funding of £16.8 million.



2.15.11 How Does the Trust Spend the Money it Earns?

The Trust's operating expenditure for 2016/17 totalled £597.1 million and represents a 1% increase over total operating expenses of £588.4 million in 2015/16. If impairments (and impairment reversals) are excluded, operating expenses for 2016/17 would be £584.4 million compared with £569.8 million in the prior year – an increase of 3%.

The largest cost element continues to relate to salaries and wages with the average number of people employed during the year being 7,522 whole time equivalents at a total cost of £358.2 million, which equates to 60% of total operating expenditure. This compares with 7,267 whole time equivalents at a cost of £346.9 million in 2015/16. The overall increase masks a significant shift between bank and agency usage. There has been a circa. £10 million reduction in agency usage over the year.

Clinical supplies and services (including drugs and other medical/surgical consumables) are also a significant cost element and amounted to £117.6 million which equates to approximately 20% of day-to-day operating expenses. This compares with expenditure of £110.7 million in 2015/16 and represents an increase of 6% which can be directly attributed to the increases in both in-patient and out-patient activity seen during the last year, and high cost drugs.

The total charged in year to operating expenditure in respect of the service element of the private finance initiative hospital was £36.1 million and continues to represent around 6% of total operating expenditure.

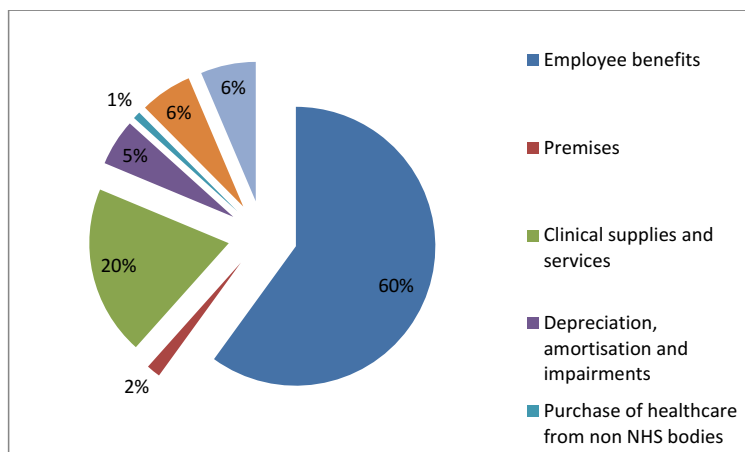
Charges relating to the depreciation, amortisation and impairment of property, plant and equipment and intangible assets totalled £33.0 million compared with £38.1 million in the previous year. As explained in the section on key financial targets, impairments are excluded from the assessment of the Trust's financial performance.

Other operating expenditure totalled £52.3 million in 2016/17 and included the following key items of expenditure:

- General supplies and services £3.7 million
- Establishment expenses £9.5 million
- Clinical negligence costs £9.8 million

- Research and development £5.4 million
- Healthcare purchased from non-NHS organisations £5.1 million
- Premises £9.6 million

The chart below compares expenditure by category – the breakdown of costs remains broadly similar to that in the previous year; however, there has been a reduction in the amount purchased from non NHS healthcare bodies.



2.15.12 Other Costs

Due to continuing low interest rates, the Trust continued to earn only very modest levels of interest on its cash balances during the past year (£0.1 million).

The Trust also incurs significant financing costs which totalled £22.7 million in 2016/17 – this represents a decrease of approximately £2.9 million from the previous year. The most significant element of the Trust's finance costs is the interest paid in relation to the PFI contract which amounted to £22.2 million in 2016/17, a decrease of around £3.0 million compared to the previous year. The Trust also paid interest on its loans from the Department of Health – this amounted to £0.5 million during the year.

In addition to the above costs, the Trust is also required to pay a dividend to the Department of Health equivalent to 3.5% of the average of its opening and closing net relevant assets for the year. The dividend payable for 2016/17 is £1.4 million.

2.15.13 Capital Expenditure

The Trust is required to contain capital expenditure within its annual Capital Resource Limit (CRL) which is agreed with NHS Improvement. This limit is informed by the Trust's long-term capital plan which must ensure that sufficient resources are generated from its operating activities and borrowing to finance the Trust's future capital investment programme. Surpluses of income over expenditure can also be used to finance the Trust's strategic capital investment needs.

The Trust's CRL for 2016/17 was £26.7 million against which there was a small underspend of £0.02 million. In addition, the Trust also benefitted from £0.2 million of donated capital assets.

Key capital investments during the year included the following:

- Replacement/new assets provided through the PFI lifecycle fund - £12.5 million;
- Linear accelerator replacement/upgrade - £2.0 million;
- Coventry city centre dialysis unit £1.5 million;
- MRI scanner and associated works at the Hospital of St Cross £1.2 million;

- Fourth catheter laboratory at the University Hospital £0.8 million;
- IT hardware/software £5.0 million; and
- Other equipment and building works £3.7 million.

2.15.14 Cash and Working Capital

The Trust's cash balance at the year-end was £1.0 million as at 31st March 2017 which compares with £2.8 million at the end of the previous year. The Trust agreed the minimum cash requirement was £1.0 million.

In order to address a cash shortfall arising from the delay in sustainability and transformation funding and shortfall in non-revenue PFI cost, the Department of Health provided the Trust with a revenue loan (in addition to the capital loan detailed previously) of £14.7 million which is repayable in 2017/18.

The Trust's management of its cash balances, loans and PDC during the year ensured that the statutory duty to remain within its External Financing Limit (EFL), which had been set at £20.1 million was met. The Trust's outturn against its EFL was £19.3 million which meant that the Trust recorded an underspend of £0.8 million.

2.15.15 Paying Suppliers on Time

In addition to its key financial duties, the Trust is also required to comply with the better payment practice code. This requires the Trust to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. The Trust's performance against this target is summarised below:

Better payment practice code	2016/17		2015/16	
	Number	£'000	Number	£'000
Total non-NHS trade invoices paid in year	129,811	381,930	128,705	381,765
Total non-NHS trade invoices paid within target	121,849	357,060	120,241	356,602
% of non-NHS trade invoices paid within target	94%	93%	93%	93%
Total NHS trade invoices paid in year	3,902	89,530	2,993	77,095
Total NHS trade invoices paid within target	2,072	81,658	1,537	72,174
% of NHS trade invoices paid within target	53%	91%	51%	93%
% of all invoices paid within target	93%	93%	92%	93%

The Trust's performance shows a marginal overall improvement from the previous financial year both in volume and value terms. The volume of invoices processed has increased by 2% compared with 2015/16.



2.15.16 Financial Outlook

The financial pressures on the NHS are set to continue with significant levels of efficiency savings being required for the foreseeable future. The negotiation of healthcare contracts for 2017/18 has been completed and the associated income and activity agreed. These agreements have though been very challenging and there is increasing financial pressure in the system. The Trust has agreed with each of its Clinical Groups the operational delivery plans that underpin these activity agreements.

The Trust has volunteered to participate in the national Financial Improvement Plan wave 2. Partnered with PwC a number of opportunities have been identified to achieve efficiencies. The Trust will work in partnership to ensure these are delivered.

However I think 2017/18 will be the most challenging financial year for a long time.

The Trust is a very active participant in the Coventry and Warwickshire Sustainability and Transformation Plan (STP). Without a number of pathway changes coupled with some service rationalisation it is difficult to see how the local health economy will be able to deliver the required level of provision within the resources available to it over the current planning period.

2.15.17 Conclusion

The 2016/17 position outturn surplus masks the financial and operational challenge experienced during the year. The delivery of the planned efficiencies was very positive, but the challenge of finding recurrent savings remains.

The Trust has engaged in the Financial Improvement process and STP and although the future look remains challenging, it is clear that there are efficiency opportunities to ensure financial sustainability.

2.15.18 Financial Accounts

The full set of Accounts is included within this report.

The accounts have been prepared on a going concern basis and in accordance with International Financial Reporting Standards (IFRS) and the Trust's accounting policies. Their preparation has been guided by the 2016/17 NHS Trust Manual for Accounts.

2.15.19 Accounting Policies

The Trust's accounting policies are in accordance with directions provided by the Secretary of State for Health and follow International Financial Reporting Standards and HM Treasury's Government Financial Reporting Manual to the extent that they are meaningful and appropriate to the NHS.

2.15.20 Statement of the Chief Executive's Responsibility as the Accountable Officer

The Statement of the Chief Executive's responsibility as the Accountable Officer of the Trust is printed in full in the 2016/17 Annual Accounts.

2.15.21 Statement of Accounting Officers' Responsibility

The Statement of the Accounting Officers' responsibility is printed in full in the 2016/17 Annual Accounts.

2.15.22 Annual Governance Statement

The Annual Governance Statement is printed in full in the 2016/17 Annual Accounts



2.15.23 Disclosure of Information to Auditors

The directors confirm that as far as they are aware there is no relevant audit information of which the NHS body's auditors are unaware and they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the NHS body's auditors are aware of that information.

2.15.24 External Auditor

Prior to its dissolution at the end of March 2015, the Audit Commission appointed KPMG LLP as the external auditor to the Trust for two years from 2015/16.

KPMG LLP are the appointed external auditor for the Trust. The auditors perform their work in accordance with the National Audit Office Code of Audit Practice and their work comprises two key elements:

- Providing an opinion on the Trust's financial statements. This considers whether the financial statements give a true and fair view of the financial position of the audited body and its expenditure and income for the period in question; and whether the financial statements have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction; and
- To satisfy themselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The total external audit fees/remuneration recorded in the accounts for 2016/17 is £123,195 excluding VAT. This includes £93,195 for the statutory audit and £30,000 for other services.

2.15.25 Auditors' Opinion

Audit opinion is supplied by KPMG LLP and is included within Part 4 'Financial Statements'.



PART 3: Accountability Report 2016-17

1. Corporate Governance Report

1.1 Overview

It is the responsibility of the Directors of the Trust to prepare the Annual Report and Accounts. The Trust Board considers that the Annual Report and Accounts, taken as a whole are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

1.2 Directors Report

1.2.1 Disclosure of Information to Auditors

The directors confirm that as far as they are aware there is no relevant audit information of which the NHS body's auditors are unaware and they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the NHS body's auditors are aware of that information.

1.2.2 Members of the Trust Board

In accordance with our NHS Trust establishment order our Trust Board comprises:

- A Non-Executive Chairman
- Six Non-Executive Directors
- Five Executive Directors

The members of our Trust Board during 2016/17 were as follows:

Chairman:	Andrew Meehan
Chief Executive Officer:	Andrew Hardy
Chief Medical Officer/Deputy CEO:	Meghana Pandit
Chief Finance & Strategy Officer:	David Moon
Chief Operating Officer:	David Eltringham
Chief Nursing Officer:	Mark Radford (left the Trust in October 2016)
Chief Nursing Officer:	Nina Fraser (joined the Trust November 2016)
Chief Workforce & Information Officer ¹ :	Karen Martin ¹

Non-Executive Directors

Barbara Beal
 Ian Buckley
 Sudesh Kumar (joined the Trust in July 2016)
 Ed Macalister-Smith
 David Poynton
 Brenda Sheils
 Peter Winstanley (left the Trust in June 2016)

¹Non-voting board member

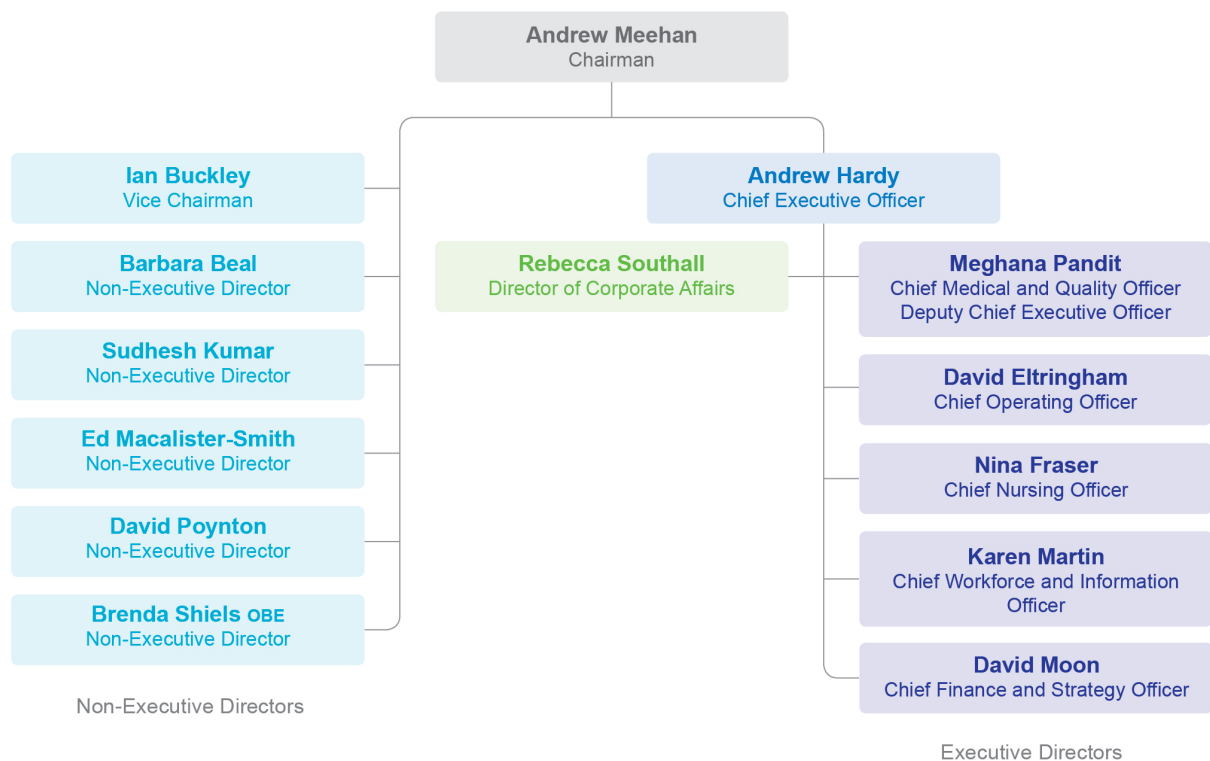


1.2.3 Members of the Audit Committee

The Audit Committee comprises the following Non-Executive Directors:

David Poynton	<i>Chair</i>
Barbara Beal	<i>Vice Chair</i>
Ian Buckley	
Ed Macalister-Smith	

1.2.4 Trust Board Structure as at 31st March 2017



1.2.5 Meet Our Board



Andy Meehan – Chairman

Date of appointment as Board Member:
February 2014

Professional qualifications: MAACA

Experience: Andy is a graduate of Oxford University, a Chartered Accountant and for 30 years enjoyed an executive career mainly in the retail sector, having had roles as Finance Director and Chief Executive of several companies including Selfridges, Mothercare and Co-operative Retail Services.

For the last 10 years, he has had a portfolio of Chairmanships and Non-Executive Directorships across commercial, public and charity sectors. These include GHD, Fortnum and Mason and Myton Hospice.

In addition he is currently Chairman of Ramsdens Holdings PLC, Direct Healthcare Services Ltd and Mayday Trust, a charity working with people experiencing homelessness. He is also a member of the Board of Governors at Coventry University.

Prior to taking up his appointment at the Trust, he was a Non-Executive Director at the Royal Orthopaedic Hospital NHS Foundation Trust in Birmingham.



Professor Andrew Hardy – Chief Executive Officer

Date of Appointment as a Board Member:
Chief Finance Officer - June 2004, Deputy Chief Executive – July 2008, CEO - June 2010

Professional Qualifications: BA(Hons) Economics, Chartered Institute of Public Finance & Accountancy, MBA

Experience: Andy is a past President and a National Board Member of the Healthcare Financial Management Association and chair of Arden Local Education Training Council (Member West Midlands Local Education Training Board). He chaired the West Midlands AHSN Development Board and now chairs the West Midlands AHSN Southern Spoke.

Andy is also Chair of Central Newborn Network, a Council Member of the Chartered Institute of Public Finance and Accountancy, past Chair of the Finance Director's Group of the Association of United Kingdom University Hospitals. A Director of Right Step, a careers advisory service, and Board Director of Albany Theatre, Coventry.

1.2.5 Meet Our Board



Professor Meghana Pandit – Chief Medical Officer/Deputy CEO

Date of Appointment as a Board Member:

May 2012 as Chief Medical Officer; December 2014 as Deputy Chief Executive Officer

Professional Qualifications: FRCOG, MBA

Experience: Meghana trained in Obstetrics & Gynaecology in the Oxford Deanery and was Visiting Lecturer in Urogynaecology at University of Michigan, Ann Arbor, USA. Meghana was Consultant Obstetrician and Gynaecologist, Clinical Director and then Divisional Director at Milton Keynes before joining University Hospitals Coventry and Warwickshire. Meghana is Course Director for MSc in Healthcare Operational Management at Warwick University. Meghana has also completed an MBA from Oxford Brookes University, Innovating Health for Tomorrow Programme at INSEAD, Fontainebleau and been appointed Professor of Practice, Warwick University. Meghana was awarded the Founding Senior Fellowship of the Faculty of Medical Management and Leadership.

As Chief Medical Officer Meghana has led the development of clinical strategy and has responsibility for Clinical Quality, Risk, Education & Training, Research, Development and Innovation, and Legal Services. She is also Responsible Officer for over 500 doctors and continues to undertake clinical office based Gynaecology.



David Moon – Chief Finance and Strategy Officer

Date of Appointment as a Board Member:

August 2013 as Chief Strategy Officer; December 2014 as Chief Finance and Strategy Officer

Professional Qualifications: Chartered Institute of Public Finance & Accountancy, MBA

Experience: David has a wealth of experience in the NHS including Director posts at South Worcestershire PCT, Solihull PCT, Worcestershire Acute Hospitals NHS Trust and Director of Finance and Deputy Chief Executive at South Warwickshire NHS Foundation Trust. Most recently he has been a Director at the National Audit Office.

1.2.5 Meet Our Board



David Eltringham – Chief Operating Officer

Date of Appointment as a Board Member:
September 2012

Professional Qualifications: MBA - Open University, BAEd (Hons) - University College, Worcester; Registered Nurse (Adult); Diploma in Nursing Science, DNSc – Sunderland School of Nursing/Newcastle Upon Tyne Polytechnic

Experience: From 1991 onwards David worked in a number of nursing roles at University Hospitals Birmingham. David spent two years working in the private healthcare sector and joined West Midlands Ambulance Service in 2001 as Education and Professional Development Manager then Clinical Lead for NHS Direct (Birmingham the Black Country and Solihull). He joined Birmingham Children's Hospital in 2004, becoming Chief Operating Officer in November 2009, then joined the Trust as Chief Operating Officer in September 2012.



Karen Martin – Chief Workforce and Information Officer

Date of Appointment as a Board Member:
May 2015

Professional Qualifications: MSc Public Sector Management Aston Business School, Fellow Chartered Institute of Personnel & Development, Institute of Leadership & Management qualified Executive Coach

Experience: Karen has worked in the NHS for over 34 years. She has extensive experience as an Executive Board Director in different NHS organisations, including Deputy Chief Executive Officer, and a wealth of experience in human resources, organisational development, leadership, communications, corporate affairs and change management. Her career has spanned a range of health organisations including health authority and both acute and mental health services.



1.2.5 Meet Our Board



Nina Fraser – Chief Nursing Officer

Date of Appointment as a Board Member:
November 2016

Experience: Nina has been a Registered Nurse for thirty years, having trained at Addenbrooke's Hospital in Cambridge. Nina specialised in Oncology Nursing and then in palliative care and has worked in the NHS and voluntary sector settings. Nina has held senior leadership positions for Marie Curie Cancer Care, where she completed her MSc in Nursing Research and Practice Development. Nina held her first Director of Nursing position in NHS Shetland and before joining University Hospitals Coventry and Warwickshire she was Director of Nursing at Bedford Hospital NHS Trust for four years. Nina is committed to delivering excellent standards of care; she is the Board lead for Nursing, Midwifery, Allied Health Professionals and Healthcare Scientists. She is also the Board's Director for Infection Prevention and Control and for Adults and Children's Safeguarding.



Ian Buckley – Vice Chair

Date of appointment as a Board Member:
Non-Executive Director - October 2013,
Vice Chair - September 2014

Experience: Ian has worked as Chief executive for a number of UK and US businesses and served on both PLC and private company boards. Trained as an engineer in Birmingham, moved into finance and leasing and became the UK chief executive of the US leasing giant GELCO (Now a division of GE).

He was part of the management buyout and the subsequent public flotation at Evans Halshaw PLC serving as a main board director.

In 1999 he joined Advanced Communication and Information Systems as CEO, a venture capital backed, telematics business specialising in providing real time passenger information for, airports, buses and trams.

He was Deputy Chair and Non-Executive director of Birmingham Community Healthcare NHS Trust.

Currently he is a Business Angel investor, business coach and facilitator for Leadership Trust and guest lectures at Bristol Business School.

1.2.5 Meet Our Board



David Poynton – Non-Executive Director

Date of Appointment as a Board Member:
June 2015

Professional Qualifications: MA, DMS, IPFA, FHFMA.

Experience: Born in Coventry, David has a wealth of experience in both the public and private sectors, starting his career with Coventry City Council.

David has worked as a Finance Director and Chief Executive for a number of NHS Trusts and health authorities.

He has also previously held the position of national Chair of the Healthcare Financial Management Association (HFMA).

More recently he has been Chairman at Public Sector Consultants Ltd and Summit Healthcare (Dudley) Ltd., and currently is part-time Chair of In-Form Solutions Ltd.

David also works as an independent coach to individual executives as well as boards.



Ed Macalister-Smith – Non-Executive Director

Date of Appointment as a Board Member:
October 2013

Professional Qualifications: MBA Bath University, MSc Oxford University, BSc London University.

Experience: Ed has 25 years of NHS experience including CEO at NHS Wiltshire and Bath PCT Cluster, CEO at NHS Buckinghamshire, CEO at Isle of Wight NHS PCT, CEO of Nuffield Orthopaedic Centre Oxford. He retired from the NHS in November 2012 and offers a portfolio of coaching, strategy and Board governance in the NHS. He is also a Board Member of the Cotswolds AONB, and Chair for the National Institute of Health Research HSDR Priorities Panel.

1.2.5 Meet Our Board



Brenda Sheils OBE – Non-Executive Director

Date of Appointment as a Board Member:
July 2014

Professional qualifications: B.Ed (Hons) Reading University, Post Graduate Certificate in Executive Coaching , Chartered Fellow of the Chartered Institute of Personnel and Development, Fellow of the Royal Society of Arts

Experience: Appointed in 2003 as Principal and Chief Executive of Solihull College , providing education and training to over 12,000 students , Brenda played a pivotal role in improving the skills of the local and regional workforce through the development of partnerships with major employers including Birmingham Airport, National Exhibition Centre and Jaguar Landrover and with key universities including with Warwick, Coventry and Oxford Brookes. She also has significant experience of community engagement, local regeneration and multi-agency work.

During her 39 years in education, Brenda has worked in schools, community and adult education and colleges in Cambridgeshire, Devon, Cheshire, Coventry and Gloucestershire. She was recently awarded the OBE for services to further education and, following her retirement in March 2014, is currently an executive coach/mentor for the sector and a Trustee and member of the National Council of NACRO (National Association for the Care and Resettlement of Offenders).



Barbara Beal – Non-Executive Director

Date of Appointment as a Board Member:
July 2014

Experience: Barbara is married with two children and two grandchildren, and lives locally residing in a village near Rugby.

She qualified and practised as a nurse and midwife at the Trust and continues to maintain her registration. She subsequently became a former Head of Midwifery, Executive Director of Nursing, Quality, Patient Safety, Patient Experience Infection Prevention and Control, Governance and Risk, Interim Operations Director, Turnaround Director, Human Resource Director and Acting Deputy Chief Executive in the Acute Healthcare Sector.

Since her early retirement in 2008 she has had significant experience as a clinical advisor, healthcare consultant, and executive coach mentor in the NHS (Acute, primary care, commissioning, mental health and learning disability care sectors), Independent Health Care Sector, GP, Clinical Commissioning Groups, Clusters, Area Teams and Clinical Commissioning Support Units.

Barbara is absolutely committed to contributing to the provision of leadership and support to all of our front line staff, senior leaders and all members of the multi-disciplinary team to improve the quality, safety, delivery and assurance of standards of clinical care, and continue to improve and enhance the patient experience, clinical and service outcomes experienced by patients, carers and their families.

1.2.5 Meet Our Board



Sudhesh Kumar – Non-Executive Director

Date of Appointment as a Board Member:
July 2016

Professional qualifications: MRCP (UK), M.D, FRCP (London), FRCPath

Experience: In addition to his role as Non-executive Director at the Trust, Sudesh is Dean of the Warwick Medical School and Director of the Institute of Digital Healthcare at University of Warwick. He is also a member of the Coventry & Rugby Health and Wellbeing Board, and the Medical Schools Council, as well as being a Non-executive Director at NHS Digital. He is a clinical endocrinologist by background with 22 years experience as a Consultant Physician in the NHS.

His research interest is obesity and its complications, particularly Type 2 diabetes.

His interests include developing novel approaches, including medical technology to managing obesity and diabetes that has helped to transform and improve patient care and treatment.

His expertise includes adipocyte biology, whole body metabolism including indirect calorimetry, clinical trials and development and testing of novel technology based solutions. He has published over 240 papers and six books on these subjects.



1.2.6 Register of Interests

As a public body, we are committed to being open and transparent in our dealings. All board members are required to disclose any interests that they have that might conflict with their role within the Trust upon appointment and on an on-going basis thereafter. Any such interests that are declared are recorded in a Register of Interests and reported in public. The register for 2016/17 is as follows:-



Name	Job Title	Directorships	Ownership	Shareholdings	Charity or Voluntary Organisations	NHS Service Contracts	Research Funding	Pooled Funds	Paid employment, office, profession:
Barbara Beal	Non-Executive Director	Interim Associate Director of Newark Hospital Site (until 31/03/17)	Griffiths Beal Healthcare Consultancy Ltd	None	None	Associate of The Finegreen Group	None	None	Engaged as an Associate within the Executive Development Division of Finegreen Associates, which is a consultancy operating in both public and private sector Undertook an assignment as an Independent Clinical Healthcare Consultant on the Nursing and Midwifery CIP for Nottingham University NHS Trust Upon completion of the above - commenced a fixed term assignment as Interim Chief Nurse at Sherwood Hospital NHS FT (Commencing November 2016 to 6 February 2017) Associate Director for Newark Hospital as part of Sherwood Forrest Hospitals NHS Trust from 7th February 2017 until 31st March 2017 Shropshire Clinical Commissioning Group - four days as interim Board Nurse during March 2017 (unpaid).
Ian Buckley	Non-Executive Director	Director at Whitehall Manor Maintenance Ltd	None	None	Trustee of UHCW Charity	Consultant, Leadership Trust, Ross on Wye and Bristol Business School Advisor Chelsea Group	None	None	None
David Eltringham	Chief Operating Officer	Director/Trustee of the Coventry and Warwickshire Hospitals Charity	None	None	Director/Trustee of the Coventry and Warwickshire Hospitals Charity	None	None	None	Married to Diane Eltringham, Associate Director of Nursing for Patient Experience and Professional Standards
Nina Fraser	Chief Nursing Officer	None	None	None	None	None	None	None	None
Andrew Hardy	Chief Executive Officer	None	None	None	Director/Trustee Albany Theatre Trust Director/Trustee HFMA until December 2016	None	None	None	None
Sudesh Kumar	Non-Executive Director	Non-Executive Director on the Board of NHS Digital, Institute of Digital Health, Dean Warwick Medical School	None	None	None	C3Cloud – eSM (for a Digital tools for self-management of complex co-morbidities inc diabetes -2016. Horizon 2020 (PI Arvanitis and Sudhesh is co-investigator) Miscellaneous service contracts in my capacity as an academic	None	None	Honorary Consultant Physician - at the Heart of England NHS Foundation Trust and George Eliot Hospital NHS Trust - supports the continuation of GMC registration.
Ed Macalister-Smith	Non-Executive Director	None	None	None	None	None	None	None	Chair, NIHR HS&DR Priorities Panel and a Board Member; CQC, occasional daily work as Independent Reviewer of Ratings (NHS Trusts)
Karen Martin	Chief Workforce and Information Officer	Director of GGOV Consultancy Ltd	None	None	None	None	None	None	None
Andy Meehan	Chairman	Lanhome Ltd Ramsdens Holdings PLC Direct Healthcare Services Group Board of Governors, Coventry University from 27th February 2017	Lanhome Ltd	Minority Shareholder - Ramsdens Holdings PLC and Direct Healthcare Services Group	CVQO - Trustee of charity providing vocational education Chairman of UHCW Charity Chairman of Mayday Trust	None	None	None	Chairman of Direct Healthcare Services Group, which sells various types of equipment into the health and social care sectors to prevent, amongst other things, pressure sores and related tissue viability problems.
David Moon	Chief Finance and Strategy Officer	Associate Governor Trinity Catholic School Leamington Spa (Until Dec 16th 2016)	None	None	None	None	None	None	None
Meghana Pandit	Chief Medical and Quality Officer/Deputy CEO	Nominal director of JJ and M J Pandit Ltd - a company registered to receive private practice income	None	None	None	None	None	None	Course Director and Professor of MSc at Warwick Manufacturing Group (paid to UHCW, not Professor Pandit) UHCW has entered into a collaborative project with the University of Oxford on analysing theatre efficiency and operations management. The lead for this project, at the Oxford side, is Professor Jaideep J Pandit, of the Nuffield Department of Clinical Neurosciences (Husband)
David Poynton	Non-Executive Director	In-form Solutions Ltd - Chairman Poynt One Enterprises Ltd- Director	Both Management Consultancies and Interim Suppliers	Minority Shareholder- In-Form Majority Share Holder- Poynt One (Wife and Children Other Shareholders)	None	None	None	None	Peta Poynton (wife) carries out HRD interim roles and investigations for NHS organisations
Mark Radford	Chief Nursing Officer	Holly Medical Services Ltd (GP Surgery) Parent Governor - Sutton Coldfield Girls Grammar School	None	None	Trustee of UHCW Charity until 31st October 2016	None	None	None	None
Trevor Robinson	Associate Non-Executive Director	None	None	None	Unpaid Independent Member of the Audit and Risk Committee of Ofqual (the examinations regulator)	None	None	None	None
Brenda Shells	Non-Executive Director	Shells Associates Ltd - Education Consultancy	Shells Associates LTD	None	Trustee and member of National Council of NACRO (National Association for the Care and Resettlement of Offenders) From 1st March 2017 (unpaid)	None	None	None	None

1.2.7 Trust Board

The role of our Trust Board is to govern the organisation and ensure that it is well managed. Its primary functions are:

- Setting the overall strategic direction of the organisation within the context of NHS priorities and policy
- Regularly monitoring performance against objectives
- Providing financial stewardship through value for money, financial control and financial planning
- Ensuring high quality, safe and effective services and patient focused service provision through clinical and quality governance
- Ensuring high standards of corporate governance, personal conduct and compliance with statutory duties; and
- Promoting effective dialogue with the local communities we serve

We aspire to the highest standards in corporate governance and our corporate governance framework is set out in our Standing Orders, Standing Financial Instructions and Scheme of Reservation and Delegation, which we review on a biennial basis. A Code of Conduct and Statement of Responsibility has also been in place for the year and was reviewed by the Trust Board at its March meeting. To demonstrate our on-going commitment to abiding by its provisions, members of the Trust Board re-confirm their commitment on an individual and collective basis each year.

1.2.8 Board Committees

The work of our Trust Board is supported by our Board Committees, all of which are chaired by a Non-Executive Director. The Trust Board delegates a number of functions to the Committees that it formally establishes and their purpose is to provide an additional level scrutiny and assurance around the most important aspects of our business.

Each committee operates to clear terms of reference that are defined and approved by our Trust Board. In addition to receiving the approved minutes of Committee meetings, a summary report from the Committee Chair that covers the main agenda items is submitted to the meeting of the Trust Board that follows the Committee meeting, to ensure that there is a mechanism in place for issues to be escalated to the Trust Board in a timely way where necessary.

We are required by statute to establish an Audit Committee and a Remuneration Committee but we have also established two additional Committees to support the Trust Board in carrying out its duties.

Our Committee structure is as follows:

1.2.9 Audit Committee

The Audit Committee comprises four Non-Executive Directors and is responsible for:

- Reviewing systems of integrated governance, risk management and internal control;
- Approving the annual work plans for the Trust's internal and external auditors and monitoring progress against these;
- Monitoring the performance of the Trust's management in responding to agreed actions;
- Reviewing the draft Annual Report, draft Quality Account and financial statements before submission to the Trust Board; and
- Ensuring adequate arrangements in place for counter fraud and security that meet the standards set by NHS Protect;
- Reviewing and monitoring the external auditors' independence and objectivity and the effectiveness of the audit process;
- Monitoring the integrity of the financial statements of the Trust and any formal announcements relating to its financial performance;



- Reviewing the effectiveness of the arrangements in place for allowing staff to raise (in confidence) concerns and ensure that any such concerns are investigated proportionately and independently; and
- Ensuring that policies, procedures, systems and processes are in place to ensure effective clinical and corporate governance.

1.2.10 Remuneration Committee

The Remuneration Committee is responsible for determining the remuneration and terms of service of the Executive Directors and a small number of senior managers. It comprises all the Non-Executive Directors of the Trust Board and its principle areas of responsibility are:

- To determine Trust policy on all aspects of salary, including any performance related elements and bonuses;
- To review the provision of other benefits including pensions and lease cars; and
- To determine contractual arrangements including severance packages for directors in the event of termination of their employment.

1.2.11 Quality Governance Committee

The Quality Governance Committee provides a principal source of additional assurance to the Board that the Trust is delivering high quality, safe services to patients. The Committee oversees and monitors the corporate delivery of patient safety, clinical effectiveness, patient experience, risk management, education and training, information governance and regulatory standards to ensure that the Trust has the appropriate strategies, processes, systems, policies, and procedures in place to deliver the necessary standards of care by:

- Providing a forum for scrutiny of any of the Trust's quality indicators or priorities at the request of the Board;
- Providing assurance to the Board that arrangements are in place for identifying, prioritising and managing risk and that risks are escalated to the Board as appropriate;
- Promoting safety, quality and excellence in patient care;
- Ensuring the effective and efficient use of resources through the evidence-based clinical practice;
- Protecting the safety of employees and all others to whom the Trust owes a duty of care;
- Ensuring that effective systems and processes are in place to support high quality care through an effectual training and education and ICT infrastructure; and
- Ensuring that the Health and Safety Committee has an overarching view of health and safety and provide assurance that non-clinical risks are effectively managed on behalf of the Trust.

The Committee receives reports from its sub-committees as detailed below on a regular basis:

- Patient Safety Committee
- Risk Committee
- Patient Experience and Engagement Committee
- Workforce and Engagement Committee
- Training, Education and Research Committee
- Information Governance Committee
- Health and Safety Committee



1.2.12 Finance and Performance Committee

The Finance and Performance Committee plays a key role in supporting the Board in their responsibilities for effective financial management by:

- Monitoring monthly income and expenditure variance to provide assurance to the Board and escalate any emerging issues of concern;
- Monitoring delivery of key access targets and operational delivery plans to provide assurance to the Board and escalate any emerging issues of concern;
- Providing a forum for scrutiny of any of the Trust's performance indicators at the request of the Board, referring any potential impact on quality to the Quality Governance Committee;
- Reviewing the performance management arrangements for each Group, scrutinising the arrangements in place to meet financial and operational targets;
- Reviewing the performance of Service Providers within the PFI contract;
- Providing effective oversight of all major capital and development projects including associated risks with the projects; and
- Ensuring adequacy of the Trust's Strategic Financial Planning.

The Committee receives reports from its sub-committees as detailed below on a regular basis:

- Private Finance Initiative (PFI) Liaison Committee
- Sustainability Development Management Group
- Procurement Steering Committee

1.2.13 Attendance at Meetings

In accordance with our Code of Conduct, attendance at Board and Committee meetings is monitored and forms part of the appraisal process for members of the Trust Board. Further detail on the attendance of individual board members can be found in our Annual Governance Statement, which forms part of this Annual Report.

1.3 External Auditor Remuneration

KPMG LLP is the Trust's appointed external auditor.

The auditors carry out their work in accordance with the National Audit Office Code of Audit Practice and their work comprises two key elements:

- Providing an opinion on the Trust's financial statements. This considers whether the financial statements give a true and fair view of the financial position of the audited body and its expenditure and income for the period in question; and whether the financial statements have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction; and
- To satisfy themselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The total external audit fees/remuneration recorded in the accounts for 2016/17 is £123,195 excluding VAT. This includes £93,195 for the statutory audit and £30,000 for other services.

1.4 Disclosures

1.4.1 Equality and Diversity

Relevant disclosures regarding disabled employees and equal opportunities and also in relation to how we inform and engage with our staff are included within the Staff Report section.



1.4.2 Employee Consultation

We have provided commentary on how we consult with our staff within the Staff Report.

1.4.3 Sickness Absence Data

We have included this information within the Staff Report.

1.5 Cost of Information

We comply with HM Treasury Guidance on setting charges for information. We do not generally make any charge for information requested under the Freedom of Information Act and will generally provide information in hard copy or media e.g. a CD without cost. There is however, provision within the legislation for us to refuse a request if the cost of providing the information is in excess of £450 or the equivalent in staff time that would be needed to retrieve and collate it. For further information please see our website:

<http://www.uhcw.nhs.uk/about-us/freedom-of-information-act>

1.5.1 Information Governance (including Serious Untoward Incidents relating to data loss or confidentiality breaches)

We submitted version 14 of the Information Governance Toolkit to NHS Digital on 31st March 2017, having achieved level 2 or above in 45 requirements. Our performance improved from 81% last year to 90% this year, which gives us an overall rating of 'Satisfactory'.

The Chief Operating Officer is the Senior Information Risk Owner (SIRO) at the Trust supported by the Director of Corporate Affairs who is the Deputy SIRO. The Chief Medical and Quality Officer and Director of Quality are joint Caldicott Guardians.

There have been three Information Governance breaches in 2016/17 that have required reporting to the Information Commissioner. These are as below:

Number of Incidents	Breach Type	Summary of Incident
One	Disclosed in error	Incorrect spreadsheet of staff leavers sent to two partner organisations.
Two	Lost or stolen paperwork	<ul style="list-style-type: none"> • Patient handover sheet found by member of public in a residential bin. • Patient handover sheet found by member of public outside on the ground adjacent to the hospital.

1.6 Better Practice Payments Code

We are required to comply with the code and achieved a compliance rate of 92.7% by value and 93.1% by number during 2016/17. We have commented further on our performance in this regard within the finance section of this annual report.



1.7 Emergency Preparedness Resilience and Response

The Civil Contingencies Act 2004 and associated statutory regulations and guidance requires us (as a Category 1 Responder) to produce and maintain a comprehensive Plans that will enable us to continue providing its Critical Functions as far as reasonably practical, to a predetermined level, during an 'Emergency' under the Civil Contingencies Act (2004).

We must be able to demonstrate that we can effectively respond to emergencies and business continuity incidents while maintaining services to patients". This work is referred to in the NHS as; "Emergency Preparedness, Resilience and Response" (EPRR).

For the NHS, incidents/emergencies are classed as either:

- Business Continuity Incident
- Critical Incident
- Major Incident

We are required to respond to critical and major incidents, as one of our core capabilities and responsibilities. These incidents may be from either an external or internal stimuli, the end result being the same, essential services must continue. This can be achieved through an effective Major Incident Plan, and Business Continuity Plan. Training and exercising is crucial to ensure staff are made aware of their role during such an incident.

1.7.1 Emergency Preparedness

We have developed a formal training programme in conjunction with the local Arden Emergency Planning Advisory Group, based on a number of EPRR modules for on call staff being linked to National Occupation Standards.

This will be the first standardised training programme offered to all On-Call Executives and Managers across the three Acute Trusts in the Arden cluster, along with Coventry and Warwickshire Partnership Trust, and Warwickshire and North Clinical Commissioning Group and will enable participants to learn in partnership together. The launch date is April 2017 and in the interim, the Trust will continue to run training opportunities for members of the incident team. Local training will continue to be delivered to ensure the incident team has the knowledge, and confidence to deal with the specific response required.

Training continues by external consultants for increasing the number of Loggists within the Trust. Other internal training is provided in-house and is supplemented by regular major incident table top exercises, to ensure that the Business Continuity Plans and procedures that are in place, deliver services effectively when required under emergency conditions.

We continue to work in collaboration with local and regional partners to ensure robust plans are in place to deal with emerging threats, and Major Incident/Mass Casualty events.

1.7.2 Resilience

We continue to participate in a variety of multiagency exercises in order to test our response procedures, such as Mass Casualty, Chemical Biological Radiological and Nuclear (CBRN), flooding and power interruptions.



1.7.3 Response

During 2016/17, there were no activations of the Major Incident Plan. We responded to a strong smell of ammonia outside the main entrance of the Emergency Department on 24th January 2017, and whilst we were not required to activate the Chemical Biological Radiological and Nuclear Plan, the principles of the plan were adhered to.

There have been a number of Business Continuity incidents requiring implementation of local Business Continuity Plans (BCP) at group levels. Elements of BCP are invoked frequently to ensure critical services operate with minimal impact. The following BCP incidents are recorded to have occurred within the past 12 months:

- Network Failure – 21st April 2016
- Sewerage Leak – 05th August & 22nd December 2016
- Bleep System Failure – 04th December 2016 & 08th February 2017
- Fire – 04th January 2017 (at Rugby St Cross)
- Internal Alert to manage capacity challenge in A&E - 04th January 2017

Comprehensive plans are in place to ensure that we are able to respond to a range of incidents and emergencies. Working both internally and externally with partner organisations, we have tested these plans in exercises and have delivered training to staff involved in the management of incidents.

As a Major Trauma Centre we are heavily involved with local and regional planning and exercising aimed at testing the resilience and preparedness of not only our organisation but our partner organisations.

The work undertaken in 2016/17 has ensured that we have robust, tested plans and that we have trained and enabled our staff to respond to incidents.

1.8 CQC Registration

We are registered with the CQC to provide nine regulated activities on our two sites and we have maintained registration throughout 2016/17 without any compliance conditions being imposed.

The Chief Nursing Officer is the CQC nominated named responsible person for the services.

In order to maintain registration we are required to demonstrate compliance with the CQC's Fundamental Standards of Quality and Safety. CQC assesses compliance with the standards through various types of inspections.

The CQC continues to make unannounced responsive inspections where they have concerns about quality or safety and thematic reviews to evaluate the quality of a care pathway or a specific area of service provision.

The CQC has inspected Trust services three times during 2016-17, an Ionising Radiation (Medical Exposure) Regulations IR(ME)R review was undertaken at University Hospital, Coventry on 24 August 2016 and a subsequent repeat inspection in March 2017. The CQC also undertook an unannounced follow up inspection of University Hospital, Coventry's outpatients and diagnostic imaging services. This inspection was due to the outpatient and diagnostic imaging service being rated 'inadequate' for 'Safe' in the CQC's March 2015 Comprehensive Inspection. As a result of this review the rating for the 'Safe' domain in Outpatients and Diagnostic Imaging Services at University Hospital changed from inadequate to requires improvement, and 'Caring' from requires improvement to good. There was no change in the overall rating for the Trust.

Further detailed information is available at section 2.4 of the Quality Account.

1.9 NHS Litigation Authority

The NHS Litigation Authority (NHSLA) is a Special Health Authority that was set up to handle negligence claims made against its member organisations. We are a member of the following NHSLA schemes:

- Clinical Negligence Scheme for Trusts (CNST)
- Liabilities to Third Parties Scheme (LTPS)
- Property Expenses Scheme (PES)

All NHS organisations can apply to become scheme members and pay an annual contribution that is based upon a number of criteria. All of our Specialty Groups receive regular reports detailing the claims that have been made against them alongside complaints information which allows them to triangulate and identify areas for improvement. A claims report is also submitted to our Trust Board.

In 2015/16 we successfully bid for a project grant from the NHS Litigation Authority; one of the 67 successful organisations out of a total of 243. This project has continued throughout 2016/17, supporting Human Factors training across the organisation and the implementation of safety processes for interventional procedures.

In 2016/17 we were selected to be one of four organisations to take part in an NHSLA pilot project on triangulation of data from incidents, complaints and claims. The pilot is being undertaken in partnership with our incident reporting software provider, Datix, and our Legal Panel firm, Bevan Brittan, with a focus on maternity and orthopaedic claims. The aim of the project is to explore the relationship between our incidents, complaints and claims to learn from them and improve future patient care. The project is supported by a Deputy Chief Medical Officer, Legal Manager and Trust Risk Manager with clinical leads from Maternity and Orthopaedics.

1.10 Principles for Remedy

Patients are at the heart of everything we do and we view complaints as an opportunity to learn and improve treatment, care and service we provide. We have a dedicated Patient Advice and Liaison Service (PALS) and Complaints Team to support patients wishing to make a complaint and our complaints and PALS policies ensure that any concerns are thoroughly investigated in accordance with the NHS Complaint Handling Regulations.

Each complaint we receive is shared with the individuals concerned and with those responsible for the service or department, to ensure that our staff are aware of the issues raised and to enable learning and improvements to take place. In addition, to aid organisation wide learning, complaints data is regularly analysed and the results shared at every level of the organisation, from ward notice boards to the Trust Board.

In the period April 2016 to March 2017, we received 606 formal complaints against 574 in the previous year. In the same period, we responded to 603 formal complaints. Of these, 110 were upheld, 326 were partially upheld and 167 not upheld.

While the NHS Complaint Handling Regulations 2009 allow organisations six months to respond to complaints, we recognise the importance of responding in a timely way and operate an internal 25 working day response standard. In 2016/17, of the 606 formal complaints received, 69% were responded to within 25 working days. Of those complaints that were not responded to within 25 working days, 21% were responded to within 50 working days and 9% within 100 working days and 1% over 100 working days. Three cases received within 2016/17 remain open as at 17th May 2017, of which the oldest is 64 working days.

During the same period, the Parliamentary and Health Service Ombudsman (PHSO), which is the second stage in the complaints process, accepted 30 complaints for investigation. They also decided 25 complaints, two of which were upheld, four partially upheld and 19 not upheld.

For more information on the complaints received in 2016/17 and our handling of these, please see the Complaints and PALS Annual Report, which is available at <http://www.uhcw.nhs.uk/about-us/quality>



Signed.....

Professor Andrew Hardy, Chief Executive Officer



Statement of the Chief Executive's Responsibility as the Accountable Officer of the Trust

2016-17 Annual Accounts of University Hospitals Coventry and Warwickshire NHS Trust

STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTABLE OFFICER OF THE TRUST

The Chief Executive of the NHS Trust Development Authority has designated that the Chief Executive should be the Accountable Officer to the trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officers Memorandum issued by the Chief Executive of the NHS Trust Development Authority. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the trust;
- the expenditure and income of the trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State with the approval of the Treasury to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.

I confirm that, as far as I am aware, there is no relevant audit information of which the trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the trust's auditors are aware of that information.

I confirm that the annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

NB: sign and date in any colour ink except black

Signed..........Chief Executive

Date.....31-05-17.....

Statement of the Accounting Officers' Responsibilities in Respect of the Accounts

2016-17 Annual Accounts of University Hospitals Coventry and Warwickshire NHS Trust

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, recognised gains and losses and cash flows for the year. In preparing those accounts, directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

By order of the Board

NB: sign and date in any colour ink except black

31-05-17 Date  Chief Executive

31/5/2017 Date  Director of Finance

Annual Governance Statement 2016/17

1. Scope of Responsibility

As Accountable Officer of University Hospitals Coventry & Warwickshire NHS Trust, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Trust's policies, aims and objectives, whilst safeguarding quality standards and the public funds and departmental assets for which I am personally responsible.

I am also responsible for ensuring that the Trust is administered prudently and economically, that resources are applied efficiently and effectively and for ensuring the highest standards of regularity and probity. I acknowledge my responsibilities as assigned to me in the NHS Accountable Officer Memorandum.

2. The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can only therefore provide reasonable and not absolute assurance of effectiveness.

The system of internal control is an on-going process designed to identify and prioritise risks to the achievement of the Trust's objectives, evaluating how likely these risks are to materialise, assessing their impact and managing them efficiently, economically and proportionately.

The system of internal control has been in place in University Hospitals Coventry & Warwickshire NHS Trust for the year ended 31st March 2017 and up to the date of approval of the annual accounts and annual report.

3. Trust Governance Framework

3.1 Corporate Governance

As part of the Trust's drive to become a national and international leader in healthcare, the Board of Directors ("the Board") aspires to world-class governance. Members of the Board have continued to be signatories to a formalised Code of Conduct and Statement of Responsibilities. This document incorporates the requirements of the NHS Code of Accountability and the Nolan principles and describes the Trust's Corporate Governance Framework in terms of the role and function of the Board and the individual members thereof. It also sets out the structures that are in place to ensure that the responsibilities of the Board as a corporate body are effectively executed and that the Board conducts its business with the level of openness and transparency commensurate with a public sector body.

Coupled with this, the document also describes expectations in terms of conducting business in accordance with the Trust's values and within an expected set of behaviours. Finally, the document acknowledges the Trust's responsibilities under the Bribery Act and describes the approach taken to meet the requirements of the Fit and Proper Persons Test, Duty of Candour and the Offence of False and Misleading Information.

A register of interests and of Hospitality and Gifts for the Trust has been in place and maintained for the year and has been reported publicly in line with requirements. Board members are also invited to declare any real or potential relevant interests that they may have at each Board and Board committee meeting in order to ensure that the Board conducts its business with optimal transparency.

The Standing Orders, Standing Financial Instructions and Scheme of Delegation were subject to a comprehensive review in 2015/16 and have been updated during 2016/17 to reflect minor internal changes. I confirm that these overarching documents have been in place for the 2016/17 year.



The structure of the Board and its supporting committees has been subject to the following changes during 2016/17:

- Establishment of an Auditor Panel to appoint the Trust's External Auditor
- The disestablishment of the Trust's Corporate Trustee Board following the establishment of the former UHCW charity as an independent charity.

The terms of reference for each of the Board Committees have been reviewed by the Board during the year.

Membership of the Board Committees has changed during 2016/17 to reflect changes in Trust Board membership as detailed below.

3.2 Board Effectiveness

The Board has seen some changes during the year following the resignation of the Chief Nursing Officer and the Non-Executive Director from Warwick University. Interim arrangements were put into place in respect of the Chief Nursing Officer role whilst the post was out to advertisement and a new Non-Executive Director from Warwick University was appointed by NHS Improvement on 1st July 2016.

The Board has continued to hold Board Seminars on a regular basis throughout the year to allow dedicated time to focus on issues of key strategic import, such as planning for the next financial year and beyond, and developing the Board Assurance Framework. The Board also commissioned an external review of its impact and effectiveness during the year and an action plan was developed and implemented to address the findings.

In terms of Organisational Development, the Together Towards World-Class programme has continued into its third year, which is underpinned by the work being undertaken through the Trust's partnership with the Virginia Mason Institute (VMI). The UHCW Improvement System uses the tools and techniques deployed by VMI in order to support organisational and cultural development and have brought about demonstrable improvements to patient experience and safety.

Board members have also participated in the Insights programme which is aimed at facilitating effective team working

4 Trust Board and Supporting Committee Structure

The Board operates under the principle of a unitary board where all members carry equal responsibility and corporate accountability for decisions made. It is responsible for:

- **Leadership**; defining the vision and values and setting the strategic direction for the Trust.
- **Oversight**; setting and agreeing targets and receiving regular reports on finance, quality and performance and requiring action where deviation occurs.
- **Accountability**; holding management to account for the delivery of agreed plans.
- **Sustainability**; ensuring that the Trust is fit for purpose for the future by appointing suitable executives to manage the Trust and by approving plans in furtherance of the vision.

The Board has met in public each month with the exception of August and December. Due to the nature of some items of business, the Board has resolved to exclude members of the public and the press from meetings and has continued the meeting in private.

An additional extraordinary meeting was held in June to consider the Annual Accounts 2015/16 and these were presented, together with the Annual Report for the period at an Annual General Meeting in July 2016.



4.1 Committee Structure

The work of the Board is supported by the following formal statutory committees that it has established. These are subject to clear terms of reference which have been approved by the Board and are chaired by a Non-Executive Director.

Committee	Chair
Remuneration Committee	Andrew Meehan
Audit Committee	David Poynton
Auditor Panel	David Poynton

The following non-statutory committees are also in place and chaired by a Non-Executive Director:

Committee	Chair
Finance and Performance Committee	Ian Buckley
Quality Governance Committee	Ed Macalister-Smith

The Chair of each Committee reports to the Board and outlines the most important aspects of the agenda and any issues that properly need bringing to the attention of the Board as a whole. Formal minutes of the meetings are also received by the Board following approval.

A formal record of attendance at meetings is maintained and attendance at meetings is an expectation that is laid out within the Code of Conduct and Statement of Responsibilities. The following section sets out key details of the main duties of the Board Committees and attendance at meetings thereof during 2016/17.



Trust Board Attendance

Name	Position	Possible Meetings	Meetings Attended	Attendance Rate %
Non-Executive Directors				
Mr I Buckley	Vice Chair	11	10	91%
Mr E Macalister-Smith	Non-Executive Director	11	11	100%
Mr D Poynton	Non-Executive Director	11	11	100%
Prof P Winstanley ²	Non-Executive Director	2	1	50%
Mr A Meehan	Chairman	11	11	100%
Mrs B Beal	Non-Executive Director	11	10	91%
Mrs B Sheils	Non-Executive Director	11	11	100%
Prof S Kumar ³	Non-Executive Director	7	7	100%
Executive Directors				
Mr A Hardy	Chief Executive Officer	11	10	91%
Mrs M Pandit	Chief Medical Officer	11	10	91%
Mr D Moon	Chief Finance & Strategy Officer	11	11	100%
Mr D Eltringham	Chief Operating Officer	11	10	91%
Prof M Radford ⁴	Chief Nursing Officer	7	5	71%
Mrs N Fraser ⁵	Interim Chief Nursing Officer	4	4	100%
Mrs K Martin ⁶	Chief Workforce and Information Officer*	11	11	100%
In Attendance				
Mrs R Southall	Director Corporate Affairs	11	8	73%

²Peter Winstanley left the Trust in June 2016

³Sudhesh Kumar joined the Trust in July 2016

⁴Mark Radford left the Trust in October 2016

⁵Nina Fraser joined the Trust in November 2016

⁶Karen Martin is a non-voting Executive Director

4.1.1 Audit Committee

The Audit Committee comprises exclusive Non-Executive Director membership and is chaired by a Non-Executive Director with a formal accountancy qualification. The Committee meets 6 times per year and considers the financial statements at an extraordinary meeting in June of each year. Membership of the committee changed during 2016/17 owing to changes in the Board composition.

Name	Position	Possible Meetings	Meetings Attended	Attendance Rate %
Non-Executive Directors				
Mr D Poynton	CHAIR	6	5	83%
Mr E Macalister-Smith	Non-Executive Director	6	5	83%
Mr I Buckley	Non-Executive Director	6	6	100%
Prof P Winstanley	Non-Executive Director	1	0	0%
Mrs B Beal ⁷	Non-Executive Director	3	3	100%
Executive Directors				
Mr D Moon	Chief Finance & Strategy Officer	6	4	67%
In Attendance				
Mr Alan Jones	Associate Director of Finance	6	5	83%
Mrs R Southall ⁸	Director Corporate Affairs	2	2	100%
Mrs P Young	Head of Corporate Affairs	4	4	100%

⁷Barbara Beal joined the Audit Committee in September 2016

⁸Either Rebecca Southall or Paula Young attend the Committee

The Committee is responsible via its terms of reference for focussing upon establishing and ensuring the effectiveness of over-arching systems of integrated governance, risk management and internal control and to provide assurance to the Board thereon. It executes this duty through:

- Reviewing systems of integrated governance, risk management and internal control;
- Approving the annual work plans of the internal and external auditors and monitoring performance against those plans;
- Approving the work plan for the Local Counter Fraud Specialist and receiving update reports;
- Monitoring the performance of Trust management in responding to issues raised by auditors;
- Reviewing the draft annual report, draft Quality Account, Annual Report and financial statements before submission to the Board;
- Ensuring that policies, procedures, systems and processes are in place to ensure effective clinical and corporate governance; and
- Ensuring that a robust Board Assurance Framework (BAF) is in place

During the course of the year the Audit Committee has:

- Received a number of reports from Internal Audit arising out of the Annual Internal Audit Plan for the year.
- Received a number of follow up audit reports in respect of previous assignments with a limited assurance conclusion

- Received updates from External Audit
- Overseen improvement in the number of outstanding actions arising out of internal audit recommendations.
- Approved proposals for the write-off of debt following scrutiny and challenge.
- Reviewed and monitored progress against the Annual Clinical Audit Plan
- Monitored the effectiveness of the Board Assurance Framework.
- Reviewed the Trust's arrangements for Raising Concerns (Whistleblowing)
- Sitting as the Auditor Panel, appointed the Trust's External Auditor

Review	Level of Assurance
Budget Setting including CIP	Significant
Financial Delivery including CIP	Significant
Financial Systems	Significant
Data Quality: 18 Week Wait Times	Significant
Data Quality: Cancer Waiting Times	Significant
Data Quality: Safer Staffing System	Significant
Risk Management	Significant
Pharmacy Stock	Moderate
Data Quality: Activity Recording – Surgical Assessment Unit	Moderate
SafeCare Module – Pilot on HealthRoster	Moderate
Recruitment Processes	Moderate
World Health Organisation Checklist Completeness	Moderate
Consultant Activity in Radiology	Limited
WLI Payments	Limited
Board Assurance Framework – interim review and year-end review	Result: Level A
IG Toolkit Compliance – interim review	Result: Action Required
IG Toolkit Compliance – year-end review	Result: Positive Direction of Travel
Waiting List Management Follow-up	Result: Positive Direction of Travel

Actions for improvement are agreed by management following each internal audit exercise and progress against these actions is monitored by the Committee through the Tracker Report, which is received at each ordinary meeting.



4.1.2 The Remuneration Committee

The Remuneration Committee is chaired by the Chairman of the Trust and comprises all of the Non-Executive Directors. Membership has changed commensurate with the changes to the aforementioned changes to the Board and attendance is below.

Name	Position	Possible Meetings	Meetings Attended	Attendance Rate %
Non-Executive Directors				
Mr D Poynton	Non-Executive Director	4	4	100%
Mr I Buckley	Non-Executive Director	4	3	75%
Mr E Macalister-Smith	Non-Executive Director	4	4	100%
Mrs B Beal	Non-Executive Director	4	3	75%
Mrs B Sheils	Non-Executive Director	4	4	100%
Prof P Winstanley ⁹	Non-Executive Director	N/A	N/A	N/A
Prof S Kumar ¹⁰	Non-Executive Director	3	1	33%
Mr A Meehan	Chairman	4	4	100%
In Attendance				
Mr A Hardy	Chief Executive Officer	3	3	100%
Ms K Martin	Chief Workforce and Information Officer	4	4	100%
Mrs R Southall	Director Corporate Affairs	4	3	75%

⁹Left the Trust in June 2016

¹⁰Joined the Committee in July 2016

The Committee is responsible for determining the remuneration and terms of service of the Trust's executive directors. The principle areas of responsibility include:

- All aspects of salary, including any performance related elements and bonuses
- Provisions of other benefits including pensions and lease cars
- Contractual arrangements, including severance packages for directors in the event of termination of employment.

During the course of the year the Remuneration Committee has:

- Considered proposals for an uplift in Chief Officer Remuneration and received details of the talent rating for Chief Officers
- Approved the proposed rating for the Chief Executive Officer for 2015/16 and the objectives for 2016/17.
- Received a proposal for the substantive appointment to the Chief Nursing Officer post and interim arrangements.

4.1.3 The Finance and Performance Committee

The Finance and Performance Committee comprises executive and non-executive director membership and is chaired by a Non-Executive Director with recent and relevant financial and commercial expertise.

Attendance at meetings is as follows:

Name	Position	Possible Meetings	Meetings Attended	Attendance Rate %
Non-Executive Directors				
Mr I Buckley	Non-Executive Director / CHAIR	9	9	100%
Mrs Barbara Beal ¹¹	Non-Executive Director	2	1	50%
Mrs Brenda Sheils	Non-Executive Director	9	9	100%
Mr David Poynton ¹²	Non-Executive Director	7	6	86%
Chief Officers				
Mr D Eltringham	Chief Operating Officer	9	7	78%
Ms Karen Martin	Chief Information and Workforce Officer	9	5	56%
Mr D Moon	Chief Finance & Strategy Officer	9	9	100%
In Attendance				
Mrs S Rollason	Director of Finance	9	7	78%
Mrs R Southall ¹³	Director Corporate Affairs	5	5	100%
Mrs P Young	Head of Corporate Affairs	4	4	100%

¹¹Ceased being a member of the Committee in June 2016

¹²Joined the Committee in June 2016

¹³Either Rebecca Southall or Paula Young attend the Committee

The Committee is responsible for reviewing the Trust's performance against key financial and operational targets and for reviewing the key financial strategies and policies.

During the course of the year, the Finance and Performance Committee has:

- Received regular reports from the Trust's executive directors on key aspects of financial and operational performance within an integrated reporting framework;
- Received briefings on the Trust's financial planning and contracting arrangements;
- Evaluated a number of projects and business cases;
- Commissioned and received a number of reports and 'deep dive' analysis reports into areas of concern arising out of financial and operational performance including: activity and income, elective and emergency capacity, cash and liquidity, capital and PFI and a mid-year CIP review.

Key areas of concern for the Committee during 2016/17 included:

- Financial performance;
- Spend on agency and temporary staffing
- Meeting operational performance targets.

4.1.4 The Quality Governance Committee

The Quality Governance Committee (QGC) comprises executive and Non-Executive membership with a NED chair. Membership of the committee has changed during 2016/17 as a result of the aforementioned change in Non-Executive Directors and there has been a focus during 2016/17 on refining the sub-committee structure that reports to QGC.

The purpose of the Committee is to support the Board in assuring that the Trust delivers high quality, safe services to patients through:

- (a) Promoting safety, quality and excellence in patient care
- (b) Ensuring the effective and efficient use of resources through the evidence-based clinical practice.
- (c) Protecting the safety of employees and all others to whom the Trust owes a duty of care
- (d) Ensuring that effective systems and processes are in place to support high quality care through an effectual training and education and ICT infrastructure
- (e) Ensuring appropriate arrangements across the Trust are in place for identifying, prioritising and managing risk

The Committee oversees and monitors the corporate delivery of patient safety, patient experience, risk management, education and training, information and information technology and regulatory standards to ensure that the Trust has the appropriate strategies, processes, systems, policies, and procedures in place to deliver the necessary standards of care.

It acts as the principal source of advice and assurance to the Board on patient safety and quality governance.

The Committee is responsible for receiving reports from its following sub-committees on a scheduled and regular basis:

- Patient Safety Committee
- Risk Management Committee
- Patient Experience and Engagement Committee
- Workforce & Engagement Committee
- Training, Education and Research Committee.
- Health & Safety Committee¹⁴
- Information Governance Committee

Attendance for the year is on the following page:

During the course of the year the Quality Governance Committee has received reports relating to the following:

- The Risk Register and details of the actions that are being undertaken to strengthen risk management arrangements across the Trust
- Serious Incidents and Never Events
- Mortality Data
- Infection Control
- Patient Safety Thermometer performance
- Intelligent Monitoring Reports issued by the CQC
- Action Plan arising out of Chief Inspector of Hospitals inspection.
- Safeguarding Adults & Children
- Reports and action plans following Deanery visits
- Emergency Planning

¹⁴Newly created reporting line as of January 2017



Name	Position	Possible Meetings	Meetings Attended	Attendance Rate %
Mr E Macalister-Smith	Non-Executive Director / CHAIR	12	12	100%
Prof P Winstanley ¹⁵	Non-Executive Director	2	1	50%
Prof S Kumar ¹⁶	Non-Executive Director	9	7	78%
Barbara Beal	Non-Executive Director	12	8	67%
Brenda Sheils	Non-Executive Director	12	12	100%
Executive Directors				
Mrs M Pandit	Chief Medical Officer	12	10	83%
Mr D Eltringham	Chief Operating Officer	12	8	67%
Mrs N Fraser ¹⁷	Interim Chief Nursing Officer	4	2	50%
Prof M Radford ¹⁸	Chief Nursing Officer	7	5	71%
Ms Karen Martin	Chief Information and Workforce Officer	12	7	58%
In Attendance				
Mrs Rita Stewart	Trust Board Advisor	12	8	75%
Mrs Jenny Gardiner	Director of Quality	12	7	58%
Mrs R Southall ¹⁹	Director Corporate Affairs	8	7	88%
Mrs P Young	Corporate Affairs Manager	4	4	100%
Richard De Boer	Deputy Chief Medical Officer	12	11	92%

¹⁵Left the Trust in June 2016

¹⁶Joined the Committee in July 2016

¹⁷Joined the Committee in November 2016

¹⁸Left the Trust in October 2016

¹⁹Either Rebecca Southall or Paula Young attend the Committee

5 Quality Governance

The Trust Board is accountable for the quality of the services that are provided. Executive responsibility for quality rests with the Chief Medical Officer and Chief Nursing Officer. The Trust's Quality Strategy has been reviewed and refreshed and details the principles that drive quality improvement.

A combination of structures and processes are in place to ensure effective quality governance. These arrangements allow the Board to discharge its duties in relation to quality and underpin the production of the Quality Account in terms of providing the requisite assurance.

The following section provides a high level summary of these structures and processes under the three quality domains. Further information can be found in the Quality Account that the Board is required to produce each year under the Health Act 2009.

5.1 Clinical Effectiveness

Clinical Audit

The Trust has a comprehensive plan of clinical audit in place, which is presented to the Audit Committee for assurance; progress against the plan is also monitored at the Quality Governance Committee. The plan comprises nationally mandated audits and audits that are determined by the Trust, and a summary Clinical Audit and Effectiveness report is produced each year as a supplement to the Quality Account. This details the benefits derived from participation in audits and a summary of the key actions arising out of clinical audit exercises.

5.2 Safety

Patient safety is a fundamental responsibility of the Board and a Patient Safety Committee that reports to the Quality Governance Committee is in place. In addition to receiving a regular committee report, the Quality Governance Committee also receives patient safety related reports and data as set out in section (4.1.5). The Board receives a report from the Quality Governance Committee Chair at each meeting and the approved minutes from the Committee.

A Patient Safety Walk-Round programme is in place to engender a 'ward to board' culture and provides the opportunity for front line staff to raise safety and quality issues with members of the Board. Actions arising are reported through the quarterly patient experience report that is received by the Board. The Board also hears a story from a patient or member of staff at each Board meeting. These sources of softer intelligence add richness to the quality related data and reports that the Board receives and allows for better triangulation.

A Raising Concerns Policy has been in place for the year, which clearly sets out how concerns can be raised. The Policy is based on the model policy produced by NHS England and gives guidance on how and where to raise concerns, from incident reporting through to raising concerns directly with members of the Board where necessary.

The Board is committed to enhancing a culture whereby staff are aware of their responsibilities to raise concerns and have varied and appropriate means to do so. In addition to the appointment of a Freedom to Speak Up Guardian, the Trust also has in place a network of Confidential Contacts, who are points of reference for staff to go to when they have concerns. The role of the contacts is to signpost staff to the most appropriate route and to provide support and guidance. Confidential Contacts have received formal training and meet with the Chief Executive Officer and the Chief Workforce and Information Officer on a quarterly basis.

5.2.1 Never Events

The Trust has reported 3 never events during 2016/17 comprising:

- 1 wrong route administration of medication
- 2 retained packs following surgery

Never Events are a high priority for the Board and form part of the Performance Framework, with monitoring taking place each month via the balanced scorecard. A thorough root cause analysis (RCA) has taken place each following each Never Event. The report and associated action plans are presented to the Chief Executive Officer and action plans are followed up to ensure that all actions are completed. During the year the Trust has put into place a programme of Human Factors training in areas where never events have occurred to reduce the likelihood of recurrence

In line with the Trust's commitment to ensure that learning is derived, the following mechanisms have been put into place to ensure that Trust wide learning takes place:

- Presentations at the Grand Round
- Speciality Group Newsletters
- Innovation workshops
- Weekly Chief Medical Officer safety message to all staff

Specific actions that have followed Never Events include

- Updated guidelines and review of ward arrangements for preparing oral/enteral medications, including use of purple trays. Compliance is being monitored via Getting the Basics Right process



- Theatre Count policies reviewed and updated, and process implemented for communicating planned retention of vaginal packs post-operatively. Staff accessing human factors training and have been made aware of importance of raising omissions
- Swab safe trays being trialled.
- Perinatal Institute notified of shortcomings in perinatal documentation

5.2.2 Serious Incidents

Serious Incidents form part of the Trust's Performance Framework and incidents are a key performance indicator on the balanced scorecard that is reported to the Board. A more detailed report is received by the Board on a quarterly basis, which contains trend analysis and the Quality Governance Committee receives a more detailed report each month detailing all serious incidents that have taken place, together with a summary of the actions that have been taken in response.

All serious incidents are subject to a root cause analysis and the associated investigation report and actions plans are presented to the Significant Incident Group (SIG) that meets weekly. Incidents that are classified as Serious Incidents Requiring Investigation (SIRI) are reported to commissioners in line with requirements. A total of 139 SIRIs were reported during 2016/17.

Incident reporting is openly encouraged across the Trust as part of a patient safety culture and where an incident has affected a patient, he or she and their family members where appropriate are kept informed in line with the Duty of Candour and assurance is provided that lessons have been learned.

The Trust has also implemented a Patient Safety Response Team in Critical Care to provide immediate support following an incident as an output of the work around incident reporting undertaken as part of the UCHW Improvement System, with the intention of rolling this out across the Trust in 2017/18.

5.3 Experience

The Trust utilises a bespoke patient, carer, and relative satisfaction questionnaire which can be accessed via the Trust's website, as hard copy questionnaires, via a QR Code and via hand held devices used by volunteers on the wards in real time. The questionnaire allows respondents to give feedback in their own words and includes the Friends and Family question. Verbatim comments are emailed to wards and departments and to Chief Officers on a daily basis in order that timely action can be taken where required; this includes contacting patients or relatives where necessary. Responses for 2016/17 demonstrate 96% (11,677 respondents) had a 'mainly good impression' of the Trust which the same percentage as the previous year.

In 2016/17, 89% (66,871 respondents) of those who answered the FFT said that they would recommend the Trust to a friend or family member if they needed similar care or treatment. The Trust also participates in the national survey programme.

Patient experience is a keen area of focus for the Board and the FFT is part of the performance framework that is reported each month. Complaints are also featured in the performance framework in terms of numbers and a more detailed quarterly report that draws patient experience information from a number of sources provides a more in-depth assessment of complaints.



5.4 Care Quality Commission (CQC) registration

The Trust has been registered with the Care Quality Commission to provide nine *Regulated Activities* at two locations (University Hospital, Coventry and Hospital of St Cross, Rugby) since 1 April 2010.

The Trust underwent a formal inspection by the Chief Inspector of Hospitals in March 2015 and was given an overall rating of 'requires improvement'. A Chief Inspector of Hospitals Programme Board was established and an action plan developed in response to the issues identified. All of the 'must do' actions were completed during the year and both the Quality Governance Committee and the Trust Board have been kept apprised of progress.

A further unannounced follow-up inspection of the Trust's Imaging and Outpatient Department was undertaken in September 2016. The Trust has moved from inadequate to requires improvement in the Imaging and Outpatient Department for the 'safe' domain and has moved from requires improvement to good in the Imaging and Outpatient Department for the 'caring' domain. Resulting in the Trust achieving good in every service for the 'caring' domain.

The Trust also received an improvement notice relating to IR(ME)R Regulations following a related inspection in August 2016 and this was lifted following re-inspection in March 2017.

6 Performance Management Framework

The Trust's performance is assessed through a suite of Key Performance Indicators (KPIs) at a Trust, Group and Specialty level. These KPIs support the delivery of safe, high quality and evidenced patient care and helps the Trust to determine whether its key strategies are being realised. Performance is reported to the Trust Board each month via a balanced scorecard, which comprises national and locally set KPIs, each of which are allocated to an executive director.

The Trust has put into place measures to ensure the accuracy and quality of the data that it reports including mapping the data flow for all indicators contained within the balanced scorecard. All information is processed and reported via a single source; the Trust's Performance and Programme Management Office (PPMO) and data relating to each national target is signed off by an appropriate officer of the Trust prior to submission.

6.1 Performance Against the NHS Improvement Single Outcome Framework 2016/17

A&E 4 Hour Standard

The Trust's outturn performance against the 95% A&E four hour standard for 2016/17 was 82.37% and the target was not therefore achieved.

The Trust's Emergency Department has continued to face significant pressure during the year in line with the national position. There has been continuous focus on the 'Getting Emergency Care Right' initiative, which is aimed at embedding safety standards and more latterly has adopted the 'Red to Green' initiative to aide flow across the hospital. The Board has also approved significant investment in terms of staffing in the Emergency Department to ensure that staffing meets increasing demand.

It is disappointing that the target has not been met but work continues to improve the position and the Board has been kept apprised of the situation and the contributing factors throughout the year.



Referral to Treatment (RTT) for admitted patients

Increasing pressure on the 18 week referral to treatment pathways over the past year has continued as a consequence of both pressure on the emergency care pathway and growth in demand in certain specialities.

The Trust agreed trajectories for RTT standards with the Clinical Commissioning Group (CCG) and NHSI, which were aimed at achieving the best performance possible against the standard, at the same time as reducing the backlog. The Trust has not met the national standard, achieving 86.5% but the backlog has continued to steadily decrease, and this will remain an area of targeted focus during 2017/18.

Cancer – 62 day wait for first treatment from GP referral for suspected cancer

The 85% target was breached in April, May, October and November. This was contributed to by an increase in late referrals (after 62 days) from other Trusts, which are categorised as shared breaches.

A number of actions were taken to improve performance for this indicator including closer tracking and scrutiny by the Chief Officers' Group. The Trust performance against the target for the year was 83.7%. It should be noted that, in line with common practice, the Trust undertakes a validation process prior to the submission of cancer performance data due to the volume of referrals and complexity of patient pathways. As a result, there is a possibility that the number of breaches may have been overstated until such validation has taken place.

Clostridium difficile

The Trust had a challenging Clostridium-Difficile (Trust acquired) target of 42 cases for the year but performed well against this with 29 cases being recorded against the target.

MRSA

The Trust had a challenging target of zero incidences of MRSA in 2016/17 and unfortunately one case was reported.

Diagnostics

The Trust has achieved the diagnostics access target for the year.

6.2 Data Quality

A rolling programme of Data Quality audits is carried out as part of the Internal Audit Programme each year and the reports are submitted to the Chief Officers' Group and to the Trust's Audit Committee. The following audits were undertaken in 2016/17 and an opinion of significant assurance was given against each:

- 18 Week Wait Times
- Cancer Waiting Times
- Safer Staffing System



6.3 Information Governance

The Chief Operating Officer is the Trust's Senior Information Risk Owner (SIRO) supported by the Director of Corporate Affairs (Deputy SIRO) and the Caldicott Guardian post is jointly held by the Director of Quality and the Chief Medical Officer.

The Trust submitted version 14 of the Information Governance Toolkit to the Health and Social Care Information Centre at the end of March 2017, having achieved level 2 or above in all 44 requirements. There has been an increase in the Trust's performance from 81% last year to 90% this year giving the Trust an overall 'Satisfactory' level on the Toolkit.

The Information Commissioner has not taken any regulatory action against the Trust during 2016/17 but there have been 3 Information Governance breaches that have required reporting as detailed below.

Number of Incidents	Breach Type	Summary of Incident
One	Disclosed in error	Incorrect spreadsheet of staff leavers sent to two partner organisations.
Two	Lost or stolen paperwork	<ul style="list-style-type: none"> • Patient handover sheet found by member of public in a residential bin. • Patient handover sheet found by member of public outside on the ground adjacent to the hospital.

To ensure that necessary learning takes place, root cause analysis is carried out in respect of each incident and a report and action plan is developed and monitored. IG incidents are discussed at the Information Governance Committee, which reports to the Quality Governance Committee.

7 Risk Management

I am accountable for risk management across all activities within the Trust and have delegated this responsibility to the Chief Medical Officer, who has overall responsibility at Board level.

A Risk Management Strategy has been in place for the year ended 31st March 2017, which is aimed at providing a clear framework for managing risk across the organisation. It sets out a systematic approach to the identification and management of risks in order to ensure that risk assessment is an integral part of clinical, managerial and financial decision making. It also sets out the role of the Board and its standing committees, together with individual responsibilities.

The Trust's Risk Management Policy has been revised during the year and this provides guidance on the implementation of the Risk Management Strategy and on operational risk management.

7.1 The Risk and Control Framework

Effective risk management requires the involvement of all staff, and all staff have a role in the identification and management of risk. The risk management team is responsible for providing risk management training and a programme of training has been rolled out across the organisation during the year to help managers assess and evaluate risk. Staff are also provided with training in incident investigation and in undertaking root cause analyses.

The risk management process starts with risk assessments that are carried out at all levels of the organisation using a 5x5 matrix; these risks are then documented on the risk register. A single risk register is in place and is utilised across the organisation to capture risks at Specialty Group and Corporate Service level. The single risk register is split into the risk register, the corporate risk register and the Board Assurance Framework for reporting and monitoring purposes. Low scoring risks are managed within the area in which they arise, whilst higher scoring risks are managed at either Specialty Group level or through the corporate meeting structure commensurate with their score.

The Risk Management Committee which is chaired by the Chief Executive Officer considers whether any individual risk has the potential to affect delivery of the strategic objectives and should therefore be considered by the Board for inclusion on the BAF. The Quality Governance Committee receives a regular report from the Risk Management Committee

Specialty Groups attend meetings of the Risk Management Committee on a rotational basis to provide details of the risks in their areas, together with assurance in relation to their management and mitigation. Chief Officers also present the risks relating to their portfolios at the Committee in order that the same assurances can be given.

Risks are also discussed at Specialty Group level as part of the Quality Improvement and Patient Safety (QIPS) meetings that take place each month and are also an area of focus in the Trust's performance framework. Information obtained from the QIPS meetings is collated centrally by the Quality Department.

The Board is responsible for the identification and management of risks to the achievement of the objectives that it has agreed and produces a Board Assurance Framework (BAF) each year that is then monitored on a quarterly basis. This includes:

- Definition of the risk
- Assessment of potential likelihood and impact
- Key controls by which the risk is managed
- Gaps in controls and assurance
- Action plans to ensure improvement in controls and assurances

The Audit Committee also has oversight of the BAF in line with its responsibility for assessing the overall system of internal control. The Internal Audit Annual Plan is driven by the Board Assurance Framework and provides an independent source of assurance around the effectiveness of the key controls that are in place. The Plan is reviewed in light of any changes to the BAF, to assess whether additional audit activity is required. A number of contingency days are held each year to accommodate changes to the risk profile.

The BAF is a dynamic document that is monitored by the Board on a quarterly basis; the Board has approved proposed changes in scores as mitigating actions take effect through the year, and the addition of a new risk that arose in year.

Independent assurance in relation to the rigour of the BAF is provided by Internal Audit, who undertake both an interim and full review of the BAF each year and the overall conclusion is that the 2016/17 BAF meets requirements (level A*) and provides reasonable assurance that there is an effective system of internal control to manage the risks identified by the Trust.

The Local Counter Fraud Specialist undertakes a programme of work for the Trust which includes awareness/deterrence training; fraud detection and prevention; and investigations. The Audit Committee receives regular reports relating to the Counter Fraud Annual plan and the Trust actively seeks redress and legal sanctions where appropriate.

7.2 Risk Profile

The major risks that the Trust has faced in 2016/17 were as follows:

1. Poor patient experience, reputational and financial impact of failing key national performance indicators and inspections
2. Patient Flow; inability to create the required flow of patients across the Trust to enable the achievement of elective and emergency standards
3. Staffing Levels; continued high levels of bank and agency staff in areas across the Trust
4. Financial position; failing to meet the statutory duty to break-even as a result of increasing operational pressures.
5. Never Events; the Trust reported 3 Never Events in 2016/17

8 Review of Effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of internal auditors, clinical audit and the executive managers within the organisation who have responsibility for the development and maintenance of the system of internal control. It is also informed by reports from external auditors, Trust committees and the overall performance management framework. The opinion of the Head of Internal Audit for 2016/17 in relation to the system of internal control is one of significant assurance.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Audit Committee, the Finance and Performance Committee, the Quality Governance Committee and the Chief Officer's Group. Plans to address weaknesses and ensure continuous improvement are in place.

The BAF itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. Internal Audit provides me with an opinion about the effectiveness of the BAF and the internal controls reviewed as part of the internal audit plan. Work undertaken by internal audit is reviewed by the Chief Officers Group and by the Audit Committee. The BAF is reviewed by the Trust Board four times a year and it provides me with and the Trust Board with evidence of the effectiveness of the controls in place to manage risks.

My review is also informed by external audit opinion, inspections carried out by the Care Quality Commission and other external inspections, accreditations and review.

Based upon these inspections, reviews and the opinions issued by internal and external audit on the effectiveness of the system of internal control, I confirm that the arrangements that the Trust has in place for the discharge of statutory functions are legally compliant.

The processes outlined below are well established and ensure the effectiveness of the systems of internal control through:

- Board review of the BAF
- Audit Committee scrutiny of controls in place
- Review of serious incidents, learning, risk management and clinical effectiveness by the Committees of the Trust Board
- Internal audits of the effectiveness of the systems of internal control.



9 Conclusion


My review confirms that the Trust has a generally sound system of internal control that supports the achievement of its policies, aims and objectives.

The Trust has however identified the following issues that require declaration for 2016/17:

- The Trust did not meet the following performance targets for 2016/17:
 - The A&E four hour standard
 - The 18 week referral to treatment target (admitted)
 - The Cancer 62 day wait for first treatment from GP referral for suspected cancer
- The Trust reported 3 never events during 2016/17

Detailed actions are in place aimed at addressing these issues.

Professor Andrew Hardy, Chief Executive Officer



Signature:.....

Date: 31st May 2017



2. Remuneration and Staff Report 2016/17

Remuneration Report

2.1 Senior Managers' Remuneration and Pensions

The Chief Executive Officer (as the Trust's accountable officer) has confirmed that those officers and non-executive directors who regularly attend Trust Board meetings should be regarded as the Trust's senior managers for the purpose of disclosing remuneration and pensions in the annual report.

The senior managers' remuneration disclosures for 2016/17 (and 2015/16) and pensions disclosures are included on the next few pages of this section of the report.

2.2 Remuneration Policy

The Remuneration Committee, whose membership comprises exclusively of Non-Executive Directors, has reviewed the Remuneration Policy for the Executive Directors and has determined that national benchmarking will be used as a determinant for Executive Pay and that remuneration will, as a principle, be set in the upper quartile to reflect the aspirations of the organisation.

2.3 Fair Pay (Pay Multiples)

NHS organisations are required to disclose the relationship between the annualised remuneration of the highest-paid director in their organisation and the median annualised remuneration of the organisation's workforce as at the end of the financial year. The table below compares these figures as at the end of March 2017 and March 2016.

The banded remuneration of the highest paid director/Member in the Trust in the financial year 2016-17 was £207,500 (2015-16, £202,500). This was 7.3 times (2015-16, 7.0) the median remuneration of the workforce, which was £28,553 (£2015-16, £28,956).

In 2016-17, 8 (2015-16, 4) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £6,157 to £303,302 (2015-16, £5,240 to £248,014).

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

	31/3/17	31/3/16
Mid-point of the banded annualised remuneration of the highest paid director	£207,500	£202,500
Median annualised remuneration of the workforce	£28,553	£28,956
Pay multiples (ratio of highest paid director to median salary)	7.3	7.0

The pay multiples ratio for 2016/17 has increased from 7.0 to 7.3 and is due to the combined effect of:

- An increase of £5,000 in the mid-point of the banded annualised remuneration of the highest paid director
- A decrease of £403 in the median annualised remuneration of the workforce. Whilst all staff received a 1% pay award in 2016/17, the median annualised remuneration reduced due to an increase in the number of staff employed at band 5 or below at the end of March 2017 compared to the previous year and a reduction in the estimated annualised additional payments (including enhancements and overtime).

The following table compares the range of annualised remuneration for the Trust's workforce for the past two years:

	31/3/17	31/3/16
Lowest annualised remuneration	£6,157	£5,240
Highest annualised remuneration	£303,302	£248,014
Number of employees with annualised remuneration in excess of the highest paid director	8	4

Total remuneration for the Trust's workforce is based upon the annualised cost of salaries and wages paid on the Trust's payroll during March 2017 for staff who remained employed at the end of the financial year (31st March). It excludes agency staff for whom annualised costs are not readily available. It also excludes employer pension contributions and the cash equivalent transfer value of pensions.



Senior Managers' Remuneration 2016/17

Name	Title	2016/17					
		Salary Bands of £5,000 £'000	Benefits in Kind (to nearest £100) £'000	Performance Pay and Bonuses Bands of £5,000 £'000	Long Term Performance Pay and Bonuses Bands of £5,000 £'000	All pension-related benefits (bands of £2,500) £'000	TOTAL (bands of £5,000) £'000
Andrew Hardy	Chief Executive Officer	200 - 205	3.8	0	0	55.0 - 57.5	260 - 265
Meghana Pandit	Chief Medical Officer/Deputy Chief Executive Officer	205 - 210	0	0	0	0	205 - 210
David Eltringham	Chief Operating Officer	120 - 125	0	0	0	35.0 - 37.5	155 - 160
Mark Radford	Chief Nursing Officer (to 31/10/16)	70 - 75	0	0	0	7.5 - 10.0	80 - 85
David Moon	Chief Finance and Strategy Officer	155 - 160	0.3	0	0	12.5 - 15.0	170 - 175
Karen Martin	Chief Workforce and Information Officer	145 - 150	0.1	0	0	160.0 - 162.5	305 - 310
Nina Fraser	Chief Nursing Officer (from 01/11/16)	55 - 60	0	0	0	0	55 - 60
Andrew Meehan	Chairman	35 - 40	1.7	0	0	0	40 - 45
Ian Buckley	Non Executive Director	5 - 10	1.9	0	0	0	5 - 10
Edward Macalister-Smith	Non Executive Director	5 - 10	2.5	0	0	0	5 - 10
Brenda Sheils	Non-Executive Director	5 - 10	2.3	0	0	0	5 - 10
Barbara Beal	Non-Executive Director	5 - 10	0	0	0	0	5 - 10
David Poynton	Non-Executive Director	5 - 10	0.4	0	0	0	5 - 10
Sudhesh Kumar	Non-Executive Director	5 - 10	0	0	0	0	5 - 10

1. The Trust is recharged by Warwick University for the services of Sudhesh Kumar (the amounts shown are the recharged sums)
2. Nina Fraser was engaged on secondment, and the Trust is recharged by Bedford Hospital NHS Trust (the amounts shown are the recharged sums)
3. Meghana Pandit's salary includes sums payable in respect of clinical duties in addition to her duties as a director of the Trust
4. In certain circumstances pension related benefits may be negative in which case they are recorded above as nil.

Senior Managers' Remuneration 2015/16

Name	Title	2015/16					
		Salary Bands of £5,000 £'000	Benefits in Kind (to nearest £100) £'000	Performance Pay and Bonuses Bands of £5,000 £'000	Long Term Performance Pay and Bonuses Bands of £5,000 £'000	All pension-related benefits (bands of £2,500) £'000	TOTAL (bands of £5,000) £'000
Andrew Hardy	Chief Executive Officer	200 - 205	1.8	0	0	47.5 - 50.0	250 - 255
Meghana Pandit	Chief Medical Officer/Deputy Chief Executive Officer	200 - 205	0.1	0	0	77.5 - 80.0	280 - 285
David Eltringham	Chief Operating Officer	120 - 125	0	0	0	17.5 - 20.0	135 - 140
Mark Radford	Chief Nursing Officer	125 - 130	0	0	0	15.0 - 17.5	140 - 145
David Moon	Chief Finance and Strategy Officer	150 - 155	0.2	0	0	0	150 - 155
Karen Martin	Chief Workforce and Information Officer (from 05/05/15)	130 - 135	0.1	0	0	0	130 - 135
Andrew Meehan	Chairman	35 - 40	1.6	0	0	0	40 - 45
Trevor Robinson	Non Executive Director (to 03/06/15)	0 - 5	0	0	0	0	0 - 5
Ian Buckley	Non Executive Director	5 - 10	2.1	0	0	0	5 - 10
Edward Macalister-Smith	Non Executive Director	5 - 10	3	0	0	0	5 - 10
Peter Winstanley	Non Executive Director	5 - 10	0	0	0	0	5 - 10
Brenda Sheils	Non-Executive Director	5 - 10	1.6	0	0	0	5 - 10
Barbara Beal	Non-Executive Director	5 - 10	0	0	0	0	5 - 10
David Poynton	Non-Executive Director (from 03/06/15)	5 - 10	0.7	0	0	0	5 - 10
Ken Hutchinson	Interim Chief Human Resources Officer (to 06/05/15)	15 - 20	0	0	0	0	15 - 20

1. The Trust is recharged by Warwick University for the services of Peter Winstanley (the amounts shown are the recharged sums)
2. Ken Hutchinson was engaged off-payroll (an arrangement approved by the Chief Executive Officer) - costs shown above include agency commission but exclude irrecoverable VAT
3. Meghana Pandit's salary includes sums payable in respect of clinical duties in addition to her duties as a director of the Trust
4. In certain circumstances pension related benefits may be negative in which case they are recorded above as nil.

Senior Managers' Pensions 2016/17

Name	Title	2016/17							
		Real Increase in pension at pension age (bands of £2,500) £'000	Real Increase in pension lump sum at pension age (band of £2,500) £'000	Total accrued pension at pension age at 31 March 2017 (bands of £5,000) £'000	Lump sum at pension age related to accrued pension at 31 March 2017 (bands of £5,000) £'000	Cash Equivalent Transfer Value at 1 April 2016 £'000	Real Increase in Cash Equivalent Transfer Value £'000	Cash Equivalent Transfer Value at 31 March 2017 £'000	Employers Contribution to Stakeholder Pension £'000
Andrew Hardy	Chief Executive Officer	2.5 - 5.0	0.0 - 2.5	55 - 60	150 - 155	818	86	904	29
David Eltringham	Chief Operating Officer	2.5 - 5.0	0.0 - 2.5	35 - 40	105 - 110	587	46	633	18
David Moon	Chief Finance and Strategy Officer	0.0 - 2.5	0	45 - 50	130 - 135	722	13	735	9
Karen Martin	Chief Workforce and Information Officer	7.5 - 10.0	22.5 - 25.0	60 - 65	190 - 195	1,062	189	1,252	21
Mark Radford	Chief Nursing Officer (to 31/10/16)	0.0 - 2.5	0.0 - 2.5	35 - 40	95 - 100	477	24	518	11

Non-Pensionable Directors

Non-executive directors are not in pensionable employment and therefore are excluded from the above disclosure. Similarly, executive directors not in pensionable employment are also excluded as are directors on secondment to the Trust from other organisations). Nina Fraser, Acting Chief Nursing Officer is a member of the pension scheme and her pension benefits are reported in the remuneration report of her employer, Bedford Hospital NHS Trust.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated in accordance with the Occupational Pension Schemes (Transfer Values) Regulations 2008.

On 16 March 2016, the Chancellor of the Exchequer announced a change in the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate from 3.0% to 2.8%. This rate affects the calculation of CETV figures in this report. Due to the lead time required to perform calculations and prepare annual reports, the CETV figures quoted in this report for members of the NHS Pension scheme are based on the previous discount rate and have not been recalculated.

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Staff Report

2.4 Our Staff

Our staff are our most valuable resource and are at the heart of the excellence that we provide in our services. We employ a wide range of clinical and non-clinical staff that are committed and dedicated to working together for the benefit of our patients.

We invested in more staff in 2016/17 and our focus for 2017/2018 is to create an appropriate substantive and flexible staffing model and minimising our reliance upon agency staff. This will support the service developments that are designed to enhance patient experience.

2.5 Exit Packages

The table below summarises exit packages agreed in 2016/17 (and 2015/16):

Exit package cost band	2016/17 Number	2015/16 Number
Less than £10,000	0	1
£10,000 - £25,000	1	0
> £200,000	0	1
	1	2
Cost	£11,541	£2,291,663

* Note the table excludes ill-health retirements and payments in lieu of notice for ill health terminations

The exit package in 2016/17 related to a contractual payment in lieu of notice, whilst in 2015/16, one related to contractual payments following a remedy hearing and one involved a special payment requiring HM Treasury approval.

None of the exit packages related to senior managers covered by the remuneration report disclosures.

2.6 Off Payroll Engagements

In common with most other NHS bodies the Trust engages staff on an “off-payroll” basis. The main reasons for this are as follows:

- Recharges from other bodies (mainly other NHS organisations or universities) for staff who hold joint appointments; and
- Temporary workers to cover vacant positions or staff absences.

The Trust is required to disclose certain information in connection with such arrangements as set out in the three tables below. The information provided in these tables is not subject to audit and specifically excludes those staff recharged from other NHS bodies*.

* Other NHS bodies are also responsible for seeking assurances around workers engaged on an “off-payroll” basis. The exclusion of workers recharged from other NHS bodies avoids “double counting” of the information provided.

For all off-payroll engagements as of 31 March 2017, for more than £220 per day and that last longer than six months:

	Number
Number of existing engagements as of 31 March 2017	99
Of which, the number that have existed:	
for less than one year at the time of reporting	23
for between one and two years at the time of reporting	35
for between 2 and 3 years at the time of reporting	23
for between 3 and 4 years at the time of reporting	4
for 4 or more years at the time of reporting	14

Of the 99 off-payroll engagements existing as of 31st March 2016, 17 were joint appointments with the University of Warwick, with staff being paid on the University payroll and recharged to the Trust.

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017, for more than £220 per day and that last longer than six months:

	Number
Number of new engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017	68
Number of new engagements which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations	52
Number for whom assurance has been requested	50
Of which:	
assurance has been received	3
assurance has not been received	65
engagements terminated as a result of assurance not being received	0

The Trust seeks assurance from all of its off-payroll workers (earning more than £220 per day and engaged for over six months) around their tax and national insurance arrangements. This work has involved liaising with the individual workers, their accountants, recruitment agencies, HM Revenue and Customs (HMRC) and the Department of Health and examining tax returns and other documentation.

Evidence obtained by the Trust indicates that in the majority of cases, such workers are not strictly complying with the rules. However, rather than terminate such contracts (and in all likelihood replace them with a worker operating in the same manner), the Trust requests workers to voluntarily seek a contract review by HMRC under the "Intermediaries Regulations" (IR35).

Whilst the Trust has not terminated contracts directly as a result of the above checks, a number of workers have either voluntarily terminated their engagements or their contract has ended. In all cases where evidence has been sought and not provided, workers are reported to HM Revenue and Customs and blacklisted so that they are not re-engaged unless evidence is provided to ensure that tax and national insurance obligations are being fully met or engaged on the Trust's payroll.

In applying these controls, the Trust has been cognisant of new guidance issued by HM Revenue and Customs in February 2017 "Off-payroll working in the public sector: reform of intermediaries legislation" which came into effect from 6th April 2017. This places an obligation on all public sector engagers to determine the employment status of all off-payroll workers and where workers are captured under the intermediaries regulations (IR35), to ensure that tax and national insurance contributions are deducted at source (by either the Trust or the employment agency) with workers being paid on a "net" basis.

The table below provides information on board members who have been engaged under an off-payroll arrangement:

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2016 and 31 March 2017:

	Number
Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the year	2
Number of individuals that have been deemed "board members, and/or senior officers with significant financial responsibility" during the year. This figure includes both off-payroll and on-payroll engagements	14

The two "off-payroll" engagements of board members and/or senior officers with significant financial responsibility during the year related to the following:

- One of the Trust's non-executive directors - assurance has been received that the individual concerned is employed on the payroll of Warwick University and is subject to PAYE. The arrangement has been reviewed and approved by the Trust's Chief Executive Officer.

- An interim executive director was seconded from another NHS body to cover a board level position pending the appointment of a permanent postholder. This officer was employed on the payroll of another NHS body and subject to PAYE

2.7 Consultancy Services

NHS Improvement operates strict controls over expenditure on consultancy services by NHS bodies including the requirement to seek approval before signing contracts for consultancy projects over £50,000.

The Trust complied with these new controls and during 2016/17 spent £283,000 on consultancy services compared with £62,000 in 2015/16.

Please note that this is not subject to audit and this also applies to sections 2.10 Staff Sickness, 2.13 Staff Engagement and Consultation and 2.14 Equality and Diversity.

2.8 Staff Costs

Our pay bill represents the highest proportion of our expenditure and equated to £358.2m in 2016/17. Staffing costs are therefore, a key consideration for the Trust Board and each Specialty Group management team. Our workforce is categorised into those that we substantively employ, those that work flexibly through our internal Temporary Staffing Service (TSS) and those engaged through external staffing agencies.

Average Staff Numbers 2016/17	Permanently Employed		Other
	WTE		WTE
Medical and dental	889		119
Ambulance staff	2		0
Administration and estates	1241		50
Healthcare assistants and other support staff	1477		87
Nursing, midwifery and health visiting staff	2131		455
Scientific, therapeutic and technical staff	677		34
Healthcare Science Staff	338		20
Other	1		
Total	6756		765

Average Staff Numbers 2016/17	Permanently Employed		Other
	£'000		£'000
Medical and dental	94,927		23,754
Ambulance staff	108		0
Administration and estates	41,394		1,808
Healthcare assistants and other support staff	24,611		5,372
Nursing, midwifery and health visiting staff	87,985		22,876
Scientific, therapeutic and technical staff	34,929		2,482
Healthcare Science Staff	16,452		1,504
Other	44		0
Total	300,450		57,796



2.9 Staff Policies applied for Disabled Persons

We ensure that disabled people are given full and fair consideration in their application for employment and that all disabled employees are provided with appropriate training, career development and promotion. Our policies are equally applied to those members of staff that become disabled whilst in our employment.

Our policies of Managing Attendance, Recruitment and Selection, Equality, Diversity and Human Rights and Dignity at Work all set out our commitments in this regard. Our Head of Equality provides a comprehensive range of training, support, advice and initiatives to support disabled people including our Supported Internship programme.

2.10 Staff Sickness

The 2016/17 financial year began well in terms of attendance management with levels of sickness absence at 3.80% in April 2016. We maintained below 4% until November 2016, when this peaked at 4.44%. However; we are pleased to report that there has been a steady decline in the sickness absence rate over the last quarter of the year, reaching 3.87% in March.

Robust management of sickness absence has been an area of continual focus and we have put into place a number of supporting actions that are aimed at meeting the target, with a view to further reducing it in the longer term.

Furthermore, NHS bodies are required to report upon sickness absence figures using measures specified by the Cabinet Office on a calendar year basis. The relevant sickness absence data for Trust for 2016 calendar year with comparatives for 2015 is provided below:

	2016	2015
Total days lost (adjusted to the Cabinet Office measure)	61,623	62,662
Total full time equivalent staff years	6,740	6,436
Average days lost per staff year	9.1	9.7

2.11 Staff Wellbeing

We recognise the importance of employee well-being and have a Health & Well-Being Group in place. During 2016/17 we supported a number of successful health and well-being events for our staff with an emphasis on a healthy lifestyle and we offered a number of health checks.

We have a fast track physiotherapy service, counselling service and a psychologist employed to offer bespoke support to teams and/or individuals where this is required.

We continue to review the support on offer to our staff to improve their emotional, physical and financial well-being, and we are actively exploring new initiatives that will support our staff in future.

2.12 Celebrating success

We celebrate our achievements and successes through our annual OSCAs, which are held to recognise the hard work, dedication and commitment of our staff, along with our monthly World Class Colleagues nominations. We have also launched Staff Appreciation Cards for staff, patients and visitors to use.

We also hold several events throughout the year in celebration of learning achievements, and Long Service Awards in recognition of the loyalty and dedication of our staff, both to the Trust and the wider NHS.

2.13 Staff Engagement and Consultation

2.13.1 Working with Trade Unions

We value our staff and take a partnership approach to working with them through our Partnership and Engagement Forum (PEF), Joint Consultative and Negotiating Committee (JNCC) and Medical Negotiation Committee (MNC). These forums are attended by members of our Executive Team and include representatives from our staff side colleagues and trade union representatives. These meetings focus upon consulting with staff in a constructive manner in relation to key service changes across the organisation, as well as discussing and seeking approval of policies and procedures.

2.13.2 National Staff Survey

We utilise the National Staff Survey (NSS) to measure levels of staff engagement.

Each year, NHS staff are invited to take part in the NHS Staff Survey, the largest survey of staff opinion in the UK. It gathers views on staff experience at work around key areas including Appraisals and Development, Health and Wellbeing, Raising Concerns and Staff Engagement and Involvement.

The 2016 survey ran 27th September 2016 – 2nd December 2016.

In previous years a random sample of 850 staff were invited to participate in the NHS Staff Survey. However, a decision was made to invite all staff (8178, including ISS/Retention of Employment (RoE) staff) to participate during 2016. Conducting a full staff census ensured data was gathered across all staff groups, departments and demographic groups, but also led to greater staff engagement and, increased trust in the results, because everyone had the opportunity to participate. Publicity for the survey was also simplified as everyone had received it.

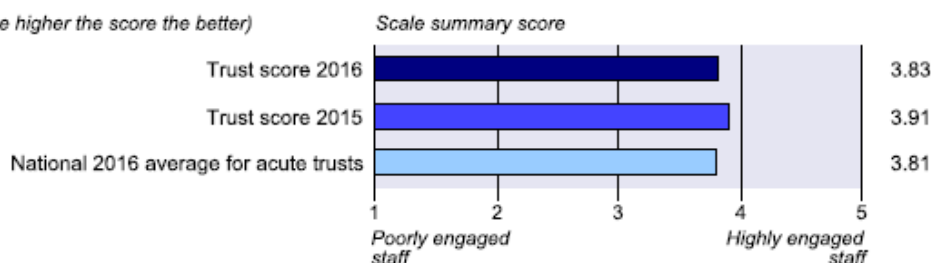
A mixed mode method was undertaken with some staff receiving an online link to the survey via email, and others (all staff Band 6 and below from clinical areas and all ISS/RoE staff) receiving a hard copy survey.

2.13.3 Engagement Score

Overall our engagement score, measured on a scale of 1 (poorly engaged) to 5 (highly engaged) calculated using the response to several of the survey questions, stands at 3.83. Although we have seen a decrease from 3.91 in 2015, we remain slightly above the national average for Acute Trusts which stands at 3.81.

OVERALL STAFF ENGAGEMENT

(the higher the score the better)



2.13.4 Key Findings

The survey has 32 Key Findings covering areas including patient care and experience, appraisals and support for development, health and wellbeing, and violence, harassment and bullying.

We have seen both improvements and deteriorations in comparison to our 2015 results in these Key Finding areas. There are four Key Finding areas where the movement from 2015 – 2016 is classified as statistically significant.

Improvements	Deteriorations
1 Percentage of staff reported most recent experience of violence	1 Staff motivation at work 2 Staff satisfaction with resourcing and support 3 Recognition and value of staff by managers in the organisation

In comparison to Acute Trusts, we rank better than average in 10 areas and in the top 20% in four areas. We rank below average in eight key finding areas and in the bottom 20% in three areas.

2.13.5 Friends and Family Test

Undertaken every three months, the Staff Friends and Family Test (SFFT) asks staff to give their feedback on how likely they are to recommend us to friends and family for care or treatment and how likely they are to recommend us as a place to work.

We are obliged to ask all staff the SFFT questions on an annual basis, with the opportunity to undertake identified samples in the remaining periods. Since the start of SFFT in 2014 we have provided all staff with the opportunity to complete the questions on a quarterly basis, with the exception of Quarter 3 (September – November 2016) where results are gathered through the National Staff Survey (NSS). However, in Quarter 1 2016 a decision was made to take a different approach with more targeted surveying of staff and providing Specialty Groups time to action changes based on staff feedback. This means that in each of the three quarters we invite; 50% of Specialty Groups to participate in Quarter 1, the remainder being targeted in Quarter 2, and ISS/Roe, Vinci and Volunteers in Quarter 4.

2.13.6 Results

Our latest results, taken from the NSS 2016, shows that 73% of staff would recommend us as a place for their friends and family to be treated, which is a decrease on the previous quarter's results (84%). However, we remain slightly above the national average of 70% recommending their organisation. Meanwhile, 62% of staff would recommend us as a place for their friends and family to work, which again is a decrease from Quarter 2 (70%). Again we remain slightly above the national average of 61% recommending their organisation.

2.13.7 Staff Impressions

Alongside the National Staff Survey and Staff Friends and Family Test, we have continued to utilise our bespoke Staff Impressions survey. This is our own local staff survey which allows us to gain feedback from staff on a range of areas.

Our latest results (from March 2016) were reported in 2016. The next Staff Impressions survey will take place throughout June 2017.

2.13.8 First and Last Impressions

First Impressions is sent to all new starters, to help us as an organisation to understand their recruitment and induction experience. Meanwhile, Last Impressions is sent to all staff who leave the organisation.

Results from First and Last Impressions are shared with Speciality Groups each quarter, so that they can identify any areas for improvement and ensure that all new staff are supported appropriately, whilst leaver feedback is used to make improvements where possible and improve our retention levels.

We also utilise the results that we receive from the NSS, SFFT and Staff Impressions collectively to determine and shape the areas of focus under our TTWC programme.

2.13.9 Recruitment Monitoring

Monitoring of job applications shows that 46% of applications received in 2016/17 were from black and minority ethnic (BME) applicants. Of those short-listed, 42.70% were BME applicants and of those successfully appointed 36.8% were BME applicants.

Of the total job applicants 73.9% were female and 25.7 % were male.

Of those short listed 77.8% were female and 21.8% were male; of those candidates successfully appointed, 87.7% were female and 12.3% were male.

Of the total job applications, 3.7% were from those declaring that they had a disability and 95.31% were from those declaring that they did not have a disability; 1.2% chose not to declare either way.

Of those short-listed, 3.8% declared that they had a disability against 95.4% who declared they did not; 0.8% did not declare.

Of those successfully appointed 4.6% had declared that they had a disability against 95.4% who declared that they did not and 0% did not declare.

2.13.10 Internal Communications

We use a number of communication channels to ensure we are sharing information with our staff in an easily accessible way.

This includes 'Your Week' the weekly email communication for staff. This contains the latest news and messages from across the organisation together with key successes and achievements. We also have a monthly e-magazine 'In Touch', which features a collection of our most notable news of the month.

The biggest internal communications development in 2016/17 was the introduction of our new intranet, TrustNav. This is much more user-friendly than its predecessor and has increased our opportunities to engage staff in creating their own content, and finding out more about the work of other departments. Over 100 individual members of staff have been trained in how to create and update sections on TrustNav. In particular, we have observed a significant increase in engagement with posts on the rolling news section, as staff can now easily see stories that are important to them at a glance.

Following suggestions from our staff, we have continued to increase the opportunities for them to meet face to face with members of the Executive Team. At 'Chief Executive Officer Direct', all members of staff have the opportunity to meet with the Chief Executive Officer and ask him any questions they may have. This is held in departments and ward areas to ensure that clinical staff have every opportunity to attend.

We have also continued to produce our video round up, 'Delivery Matters', which features one of our Chief Officers explaining our Trust-wide performance for the month and any highlights or successes. This made available to the staff through the intranet and there is a link to the video in our 'In Touch' newsletter.

Our Chief Officers continue to work alongside our staff through our 'Day in the Life of' programme, which involves them working a shift in different areas of the organisation and allows them to engage

with staff and experience first-hand what it is like to work at the Trust. Chief Officers are then encouraged to write a blog about their experiences, which is shared on the intranet and in our monthly newsletter, In Touch.

Our 'Top Leaders', which include Clinical Directors, Modern Matrons and Group Managers also have a monthly face-to-face briefings with the Chief Officers, during which they receive key information updates and have the opportunity to ask questions.

Our 'World Class Colleagues' scheme to recognise staff who are performing well or who have gone above and beyond has now been running for over a year. An award is presented quarterly at the Trust Board. We're also continuing to recognise our staff and volunteers at our annual OSCAs, which will celebrate its 10th anniversary later this year.

We will continue to review and monitor the success of these methods during 2017/18, and to investigate other channels through which we can engage with our staff.

2.14 Equality & Diversity

2.14.1 Equality, Diversity and Human Rights

We are committed to ensuring that our patients receive the most appropriate care and treatment to match their needs. We are dedicated to developing a workforce which reflects the diversity of the communities that we serve and who are able to provide relevant and up to date services.

In accordance with the Equality Act 2010, all relevant equality data is published annually on our website; additionally all policies, business cases and significant changes in the organisation are assessed for impact on protected characteristic groups.

We continue to develop activities and new initiatives which not only progress the Equality, Diversity and Human Rights agenda but also demonstrate our ability to be exemplars of best practice.

2.14.2 Independent Advisory Group

The Independent Advisory Group (IAG) continues to monitor the progress against the equality agenda for the Trust. The group receives updates from projects relating to Equality, Diversity and Human Rights. The IAG has further strengthened its influence in developing practice and policies that promote Equality, Diversity and Human Rights issues for both patients and staff. The group has been instrumental in the development of new initiatives, responding to local and national issues and widening the scope of our partnership working.

2.14.3 Workforce Race Equality Standard

In April 2015 the NHS Equality and Diversity Council (EDC) introduced the Workforce Race Equality Standard (WRES) to ensure employees from Black Minority Ethnic (BME) backgrounds have equal access to career opportunities and receive fair treatment in the work place. Our WRES 2016 report identified a number of areas of actions required to ensure issues impacting on BME staff are recognised and addressed. The progress against these actions will be reported to Trust Board.

We endeavor to ensure that our recruitment practices do not unwittingly discriminate against any of the protected characteristics groups for example anonymous shortlisting of applicants. The tables below give an indication of the composition of the organisation at a senior level in terms of ethnicity and gender.

BME				
	Board Members	Band Clinical Directors 8+, & Medical Directors	All Others	Total
Not BME *	11	344	7222	7577
BME	2	45	1999	2046
Totals	13	389	9221	9623

BME Percentage				
	Board Members	Band Clinical Directors 8+, & Medical Directors	All Others	Total
Not BME *	84.62%	88.43%	78.32%	78.74%
BME	15.38%	11.57%	21.68%	21.26%
Totals	100%	100%	100%	100%

GENDER				
	Board Members	Band Clinical Directors 8+, & Medical Directors	All Others	Total
Female	5	257	7300	7562
Male	8	133	1920	2061
Totals	13	390	9220	9623

GENDER PERCENTAGE				
	Board Members	Band Clinical Directors 8+, & Medical Directors	All Others	Total
Female	38.46%	65.90%	79.18%	78.58%
Male	61.54%	34.10%	20.82%	21.42%
Totals	100%	100%	100%	100%



2.14.4 Changing Futures Together

Changing Futures Together is our Supported Internship programme for young people with learning disabilities. The aim of the programme is to enable these young people to gain skills and experience in the workplace to increase their employability. The programme was extremely successful in that four out of seven of the initial cohort of interns have been able to secure paid employment.

In September 2016, in partnership with Coventry City Council, ISS and Vinci, we welcomed the second cohort of Supported Interns to join the organisation. We were able to identify more specialties/areas across the organisation who were willing to offer work experience placements for the Supported Interns in a variety of roles. This year an intern has been offered a permanent position after only completing half of the programme.

Through the Changing Futures Together programme, we have been able to identify a number of areas where we have been able to make our recruitment and selection process more accessible to people with specific complex needs. The Supported Internship has enabled us to recognise and nurture the skills and abilities that the young people can contribute to our organisation. Two interns clearly met the criteria required for vacancies available in their placement areas and are now permanent members of our staff.

2.14.5 Equality Impact Assessments

We have legal duties under the Equality Act 2010 to eliminate unlawful discrimination, advance equality of opportunity and foster good relations on the basis of Protected Characteristics (race/ethnicity/nationality, age, disability, religion/belief, gender, gender re-assignment/transgender, marriage/civil partnership, sexual orientation and pregnancy/maternity).

Our Equality Impact Assessment (EIA) form has been revised and updated to encourage meaningful consideration of the needs of the diverse communities and workforce we serve and work with. EIAs help to identify any potential to negatively impact on the Protected Characteristics groups, allow adaptations as necessary and will also alert to whether any groups may have particular needs.

The EIA process will help to avoid claims of unlawful discrimination as it provides a framework that ensures we meet our legislative duties. The process helps us to anticipate problems and make informed and open decisions.

2.14.6 Embrace Equality – Enhance the Experience

In support of the annual NHS Equality, Diversity and Human Rights week, the Equality and Diversity Team organised our first Embrace Equality – Enhance the Experience open day in May 2016.

The event enabled partners, both internal and external, to showcase how partnership working can enhance the experience for both our patients and staff whilst ensuring we respond to the needs of our diverse communities appropriately and effectively.

The 28 exhibitors attracted a footfall of over 200 people on the day and fostered further partnerships. This year we will not only be holding the open day but there will also be a series of events for staff to enable them to share concerns and identify support to deal with issues that may impact on their ability to carry out their roles.

2.14.7 Supporting Individuals and Teams

The Equality and Diversity Team continues to provide advice, guidance and training as a core part of their business including:-

- Valuing Diversity Masterclass as part of the Trust's Leadership Programme
- Contributing to the Deprivation of Liberties and Mental Capacity
- Volunteers Mandatory Induction
- Trust Employee Mandatory Induction
- Bespoke training for teams and departments
- Supporting a number of task and finish groups looking at significant change to services, policies and/or processes.

2.14.8 Partnership Working

In order to address some of the cross cutting issues which impact on our staff and patients, the Equality and Diversity Team have expanded their partnerships. Partners now include local colleges, a number of Coventry City Council Departments, the Royal College of Nursing, Coventry & Warwickshire Association for the Deaf as well as a number of internal departments and partner organisations.

In partnership the team will be working on conferences and workshops for staff, developing strategies to address issues that negatively impact on employees and responding to the various staff surveys.



PART 4 : Financial Accounts

Section 1: Signed Certificates

- Statement of Directors Responsibilities in Respect of the Accounts
- Statement of the Chief Executive Office's Responsibilities as Accountable Officer of the Trust
- Auditors Report



2016-17 Annual Accounts of University Hospitals Coventry and Warwickshire NHS Trust

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, recognised gains and losses and cash flows for the year. In preparing those accounts, directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

By order of the Board

NB: sign and date in any colour ink except black

31-05-17 Date  Chief Executive

31/5/2017 Date  Director of Finance



2016-17 Annual Accounts of University Hospitals Coventry and Warwickshire NHS Trust

STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTABLE OFFICER OF THE TRUST

The Chief Executive of the NHS Trust Development Authority has designated that the Chief Executive should be the Accountable Officer to the trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officers Memorandum issued by the Chief Executive of the NHS Trust Development Authority. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the trust;
- the expenditure and income of the trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State with the approval of the Treasury to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.

I confirm that, as far as I am aware, there is no relevant audit information of which the trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the trust's auditors are aware of that information.

I confirm that the annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

NB: sign and date in any colour ink except black

Signed..........Chief Executive

Date..........



INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF UNIVERSITY HOSPITALS COVENTRY AND WARWICKSHIRE NHS TRUST

We have audited the financial statements of University Hospitals Coventry and Warwickshire NHS Trust for the year ended 31 March 2017 on pages FS1 to FS41 under the Local Audit and Accountability Act 2014. These financial statements have been prepared under applicable law and the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to NHS Trusts in England. We have also audited the information in the Remuneration and Staff Report that is subject to audit.

This report is made solely to the Board of Directors of University Hospitals Coventry and Warwickshire NHS Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Board of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of Directors, the Accountable Officer and auditor

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

As explained in the statement of the Chief Executive's responsibilities, as the Accountable Officer of the Trust, the Accountable Officer is responsible for the arrangements to secure economy, efficiency and effectiveness in the use of the Trust's resources. We are required under section 21(3)(c), as amended by schedule 13 paragraph 10(a), of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. Section 21(5)(b) of the Local Audit and Accountability Act 2014 requires that our report must not contain our opinion if we are satisfied that proper arrangements are in place.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements.

In addition we read all the financial and non-financial information in the annual report and accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in November 2016, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as



that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2017 and of the Trust's expenditure and income for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to NHS Trusts in England.

Opinion on other matters

In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to NHS Trusts in England; and
- the other information published together with the audited financial statements in the Annual Report and Accounts is consistent with the financial statements.

Matters on which we are required to report by exception

We are required to report to you if:

- in our opinion the governance statement does not comply with the Department of Health Group Accounting Manual 2016/17; or
- we refer a matter to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or
- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014; or
- we make a written recommendation to the Trust under section 24 of the Local Audit and Accountability Act 2014.

We have nothing to report in respect of the above responsibilities.

Other matters on which we report by exception – adequacy of arrangements to secure value for money

We are required to report by exception if we conclude that we are not satisfied that the Trust has made proper arrangements to secure economy, efficiency and effectiveness in the use of resources for the year ended 31 March 2017.

In considering the Trust's arrangements for securing sustainable resource deployment, we identified the following matters:

- The Trust reported a surplus of £0.7 million in 2016/17 against a planned surplus of £1.1 million. However, this reflects an underlying deficit of £27.2 million as at 31 March 2017 as the Trust's reported performance is underpinned by a number of non recurrent measures

including the receipt of £16.8 million of Sustainability and Transformation Funding (STF) and £9.7 million of non-recurrent Cost Improvement Programme (CIP) schemes.

- The Trust set a Financial Recovery Programme (FRP) of £12.1 million in addition to its CIP of £25.5 million in 2016/17. The Trust only delivered £7.1 million (63%) of its FRP and non recurrent CIP schemes made up 37% of its CIP delivery.
- The Trust incurred agency expenditure of £29.8 million in 2016/17 against planned expenditure of £26.6 million. This exceeded the agency ceiling set by NHS Improvement.
- The Trust's plan, submitted to NHS Improvement, shows a deficit for 2017/18 of £0.3 million indicating a potential breach of the Trust's statutory 'break-even' duty.
- The Trust has not achieved core operational targets including achievement of 82.4% against the national 95% A&E target and 86.5% against the national 92% referral to treatment target to treat patients within 18 weeks.

With the exception of the matters reported above, we are satisfied that, in all significant respects, University Hospitals Coventry and Warwickshire NHS Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2017.

Certificate

We certify that we have completed the audit of the accounts of University Hospitals Coventry and Warwickshire NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.



Andrew Bostock
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham B4 6GH

1 June 2017



Section 2: Financial Statements

University Hospitals Coventry and Warwickshire NHS Trust - Annual Accounts 2016-17

Statement of Comprehensive Income for year ended 31 March 2017

	NOTE	2016-17 £000s	2015-16 £000s
Gross employee benefits	10.1	(358,244)	(346,880)
Other operating costs	8	(238,933)	(241,536)
Revenue from patient care activities	5	513,529	509,025
Other operating revenue	6	95,261	76,132
Operating surplus/(deficit)		11,613	(3,259)
Investment revenue	12	71	119
Other gains and (losses)	13	298	3,235
Finance costs	14	(22,713)	(25,628)
Surplus/(deficit) for the financial year		(10,731)	(25,533)
Public dividend capital dividends payable		(1,379)	(2,362)
Retained surplus/(deficit) for the year		(12,110)	(27,895)

Other Comprehensive Income

	2016-17 £000s	2015-16 £000s
Impairments and reversals taken to the revaluation reserve	(11,181)	(10,004)
Net gain/(loss) on revaluation of property, plant & equipment	0	2,117
Total comprehensive income for the year	(23,291)	(35,782)

Financial performance for the year

Retained surplus/(deficit) for the year	(12,110)	(27,895)
IFRIC 12 adjustment (including IFRIC 12 impairments) ^a	12,789	18,720
Impairments (excluding IFRIC 12 impairments) ^b	0	(23)
Adjustments in respect of donated gov't grant asset reserve elimination ^c	24	69
Adjusted retained surplus/(deficit)	703	(9,129)

a) The introduction of International Financial Reporting Standards (IFRS) in 2009/10 has resulted in PFI contracts being recorded in the Statement of Financial Position. However, the measurement of NHS trusts' financial performance needs to be aligned with the guidance issued by HM Treasury measuring Departmental expenditure and therefore, the incremental revenue expenditure resulting from the application of IFRS to PFI is not chargeable for overall budgeting purposes. Therefore any incremental costs recognised in the Statement of Comprehensive Income are reversed.

b) Impairment charges relating to property, plant and equipment is not considered part of the organisation's financial performance and therefore any impairment charges (or reversals of impairments) recognised in the Statement of Comprehensive Income are removed.

c) The financial impact associated with the acquisition and subsequent depreciation of donated assets (see also note 1.13) is not considered part of the organisation's financial performance. Therefore any income (related to the acquisition of donated assets) and depreciation of donated assets recognised in the Statement of Comprehensive Income is reversed.

The notes on pages FS6 to FS41 form part of this account.

University Hospitals Coventry and Warwickshire NHS Trust - Annual Accounts 2016-17

**Statement of Financial Position as at
31 March 2017**

		31 March 2017	31 March 2016
	NOTE	£000s	£000s
Non-current assets:			
Property, plant and equipment	16	331,393	350,326
Intangible assets	17	6,796	5,087
Investment property	19	8,230	8,230
Trade and other receivables	22.1	35,834	29,160
Total non-current assets		382,253	392,803
Current assets:			
Inventories	21	14,304	13,274
Trade and other receivables	22.1	35,581	30,047
Cash and cash equivalents	26	1,007	2,760
Sub-total current assets		50,892	46,081
Total current assets		50,892	46,081
Total assets		433,145	438,884
Current liabilities			
Trade and other payables	28	(56,373)	(55,301)
Provisions	35	(1,450)	(2,659)
Borrowings	30	(5,853)	(128)
DH revenue support loan	30	(12,479)	0
DH capital loan	30	(2,859)	(2,489)
Total current liabilities		(79,014)	(60,577)
Net current assets/(liabilities)		(28,122)	(14,496)
Total assets less current liabilities		354,131	378,307
Non-current liabilities			
Provisions	35	(2,504)	(2,355)
Borrowings	30	(258,936)	(264,639)
DH revenue support loan	30	(14,728)	(12,479)
DH capital loan	30	(12,231)	(11,759)
Total non-current liabilities		(288,399)	(291,232)
Total assets employed:		65,732	87,075
FINANCED BY:			
Public Dividend Capital		61,278	59,330
Retained earnings		(27,154)	(15,596)
Revaluation reserve		31,608	43,341
Total Taxpayers' Equity:		65,732	87,075

The notes on pages FS6 to FS41 form part of this account.

The financial statements on pages FS1 to FS41 were approved by the Board on 31st May 2017 and signed on its behalf by

Chief Executive:



Date: 31st May 2017

University Hospitals Coventry and Warwickshire NHS Trust - Annual Accounts 2016-17

Statement of Changes in Taxpayers' Equity
For the year ending 31 March 2017

	Public Dividend capital £000s	Retained earnings £000s	Revaluation reserve £000s	Total reserves £000s
Balance at 1 April 2016	59,330	(15,596)	43,341	87,075
Changes in taxpayers' equity for 2016-17				
Retained surplus/(deficit) for the year		(12,110)		(12,110)
Impairments and reversals			(11,181)	(11,181)
Transfers between reserves		552	(552)	0
Reclassification Adjustments				
Temporary and permanent PDC received - cash	1,948			1,948
Net recognised revenue/(expense) for the year	1,948	(11,558)	(11,733)	(21,343)
Balance at 31 March 2017	61,278	(27,154)	31,608	65,732
 Balance at 1 April 2015	 55,080	 12,181	 51,346	 118,607
Changes in taxpayers' equity for the year ended 31 March 2016				
Retained surplus/(deficit) for the year		(27,895)		(27,895)
Net gain / (loss) on revaluation of property, plant, equipment			2,117	2,117
Impairments and reversals			(10,004)	(10,004)
Transfers between reserves		118	(118)	0
Reclassification Adjustments				
New PDC received - cash	4,250			4,250
Net recognised revenue/(expense) for the year	4,250	(27,777)	(8,005)	(31,532)
Balance at 31 March 2016	59,330	(15,596)	43,341	87,075

University Hospitals Coventry and Warwickshire NHS Trust - Annual Accounts 2016-17

Information on reserves**1 Public dividend capital**

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities. Additional PDC may also be issued to NHS trusts by the Department of Health. A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable to the Department of Health as the public dividend capital dividend.

2 Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the NHS trust.

3 Revaluation Reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

University Hospitals Coventry and Warwickshire NHS Trust - Annual Accounts 2016-17

Statement of Cash Flows for the Year ended 31 March 2017

	NOTE	2016-17 £000s	2015-16 £000s
Cash Flows from Operating Activities			
Operating surplus/(deficit)		11,613	(3,259)
Depreciation and amortisation	8	20,215	19,497
Impairments and reversals	18	12,789	18,647
(Increase)/Decrease in Inventories		(1,030)	(1,716)
(Increase)/Decrease in Trade and Other Receivables		(12,483)	2,200
Increase/(Decrease) in Trade and Other Payables		(3,113)	13,573
Provisions utilised		(1,474)	(2,009)
Increase/(Decrease) in movement in non cash provisions		379	1,505
Net Cash Inflow/(Outflow) from Operating Activities		26,896	48,438
Cash Flows from Investing Activities			
Interest Received		71	119
(Payments) for Property, Plant and Equipment		(20,168)	(25,048)
(Payments) for Intangible Assets		(2,494)	(1,769)
Proceeds of disposal of assets held for sale (PPE)		298	12
Net Cash Inflow/(Outflow) from Investing Activities		(22,293)	(26,686)
Net Cash Inform / (outflow) before Financing		4,603	21,752
Cash Flows from Financing Activities			
Gross Temporary and Permanent PDC Received		1,948	4,250
Loans received from DH - New Capital Investment Loans		3,331	988
Loans received from DH - New Revenue Support Loans		14,728	12,479
Loans repaid to DH - Capital Investment Loans Repayment of Principal		(2,489)	(2,390)
Capital Element of Payments in Respect of Finance Leases and On-SoFP			
PFI and LIFT		(143)	(6,362)
Interest paid		(22,627)	(25,576)
PDC Dividend (paid)/refunded		(1,104)	(2,997)
Net Cash Inflow/(Outflow) from Financing Activities		(6,356)	(19,608)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(1,753)	2,144
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period		2,757	613
Cash and Cash Equivalents (and Bank Overdraft) at year end	26	1,004	2,757

NOTES TO THE ACCOUNTS**1. Accounting Policies**

The Secretary of State for Health has directed that the financial statements of NHS trusts shall meet the accounting requirements of the Department of Health Group Manual for Accounts, which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the DH Group Manual for Accounts 2016-17 issued by the Department of Health. The accounting policies contained in that manual follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the trust for the purpose of giving a true and fair view has been selected. The particular policies adopted by the trust are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

Going Concern

These accounts have been prepared on a going concern basis in accordance with guidance in the Government Financial Reporting Manual which advises that the anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient evidence of going concern.

1.2 Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3 Movement of assets within the DH Group

"Transfers as part of reorganisation fall to be accounted for by use of absorption accounting in line with the Treasury FReM. The FReM does not require retrospective adoption, so prior year transactions (which have been accounted for under merger accounting) have not been restated. Absorption accounting requires that entities account for their transactions in the period in which they took place, with no restatement of performance required when functions transfer within the public sector. Where assets and liabilities transfer, the gain or loss resulting is recognised in the SOCI, and is disclosed separately from operating costs.

Other transfers of assets and liabilities within the Group are accounted for in line with IAS 20 and similarly give rise to income and expenditure entries."

1.4 Charitable Funds

The Trust has considered the requirement to consolidate the Charitable Funds under its control (University Hospitals Coventry and Warwickshire NHS Trust Charity) into its financial statements (in accordance with the requirements of IFRS 10 Consolidated Financial Statements) but has determined that they are not material and therefore has not applied this policy (see also note 1.32). The Trust has however, recorded information about the Charitable Funds in note 42 - Related Party Transactions.

However, it should be noted that In March 2014, the Department of Health published a paper entitled "Review of the regulation and governance of NHS charities" which is the Government response to the consultation. This provided NHS charities with the option to transfer their assets to new wholly independent charities regulated solely by the Charity Commission – in effect removing the requirement for dual regulation. The University Hospitals Coventry and Warwickshire NHS Trust in its capacity as corporate trustee of the University Hospitals Coventry and Warwickshire NHS Trust Charity has agreed to convert it's the charity to independent status by the creation of an entirely new organisation; the University Hospitals Coventry and Warwickshire Charity.

This new charity received all of the assets of the NHS charity on 1st April 2016 and in effect took on the NHS charity's roles and responsibilities. University Hospitals Coventry and Warwickshire NHS Trust retains the right to appoint four out of the nine trustees of the new charity. Transactions with this new charity are recorded in note 42 - Related Party Transactions.

1.5 Pooled Budgets

The Trust has not entered into any pooled budget arrangements.

1.6 Critical accounting judgements and key sources of estimation uncertainty

In the application of the NHS trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1.6.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the NHS trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

The most significant judgement around accounting policies has been the decision to account for the Trust's PFI hospital in the Statement of Financial Position. The key accounting standards used in assessing this were IFRIC 12, IFRIC 4, IAS 16 and IAS 17.

NOTES TO THE ACCOUNTS

Notes to the Accounts - 1. Accounting Policies (Continued)

1.6.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

- Valuation of property, plant and equipment (see note 1.10) is based upon an assessment undertaken by professional property valuers which by its nature includes an element of subjectivity;
- Accrued income for partially completed spells at the end of the financial year (see note 1.7) is based upon an estimate of income receivable at the completion of an episode of care apportioned between activity completed and activity to be completed in the next financial year;
- Provision for the impairment of receivables (see note 22.3) is estimated on a risk based assessment of the likelihood of non payment which by its nature includes an element of subjectivity; and
- The calculation of provisions (see notes 1.20 and 35) which by their nature have an inherent nature of uncertainty.

1.7 Revenue

Revenue in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable. The main source of revenue for the trust is from commissioners for healthcare services. Revenue relating to patient care spells that are part-completed at the year end are apportioned across the financial years on the basis of length of stay at the end of the reporting period compared to expected total length of stay.

Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

The NHS trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid e.g. by an insurer. The NHS trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

1.8 Employee Benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period (to the extent that employees are permitted to carry forward leave into the following period) is not accrued on the grounds of materiality.

Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. The schemes are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the schemes are accounted for as though they were defined contribution schemes: the cost to the NHS body of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS trust commits itself to the retirement, regardless of the method of payment.

Some employees not entitled to join the NHS Pension Scheme are auto-enrolled in the National Employment Savings Trust (NEST) pension scheme. This is a defined contribution scheme.

1.9 Other expenses

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable.

University Hospitals Coventry and Warwickshire NHS Trust - Annual Accounts 2016-17

NOTES TO THE ACCOUNTS

1.10 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to the NHS trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and either
- the item cost at least £5,000; or
- Collectively, a number of items have a total cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use.
- Specialised buildings – depreciated replacement cost, modern equivalent asset basis.

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

At the end of 2016/17 the Trust engaged a professional property adviser to undertake a complete revaluation of the estate at 31st March 2017. The impact of these revaluations is recorded in notes 16 and 18.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowing costs. Assets are revalued and depreciation commences when they are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful economic lives or low values or both, as this is not considered to be materially different from current value in existing use.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

NOTES TO THE ACCOUNTS**1.11 Intangible assets****Recognition**

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the trust; where the cost of the asset can be measured reliably, and where the cost is at least £5000.

Intangible assets acquired separately are initially recognised at cost. Software that is integral to the operation of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use;
- the intention to complete the intangible asset and use it;
- the ability to sell or use the intangible asset;
- how the intangible asset will generate probable future economic benefits or service potential;
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at current value in existing use by reference to an active market, or, where no active market exists, at the lower of amortised replacement cost (modern equivalent assets basis) and value in use where the asset is income generating. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.12 Depreciation, amortisation and impairments

Freehold land, assets under construction or development, and assets held for sale are not depreciated/amortised.

Otherwise, depreciation or amortisation is charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, on a straight line basis over their estimated useful lives. The estimated useful life of an asset is the period over which the NHS trust expects to obtain economic benefits or service potential from the asset. This is specific to the NHS trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and the estimated useful lives.

At each financial year-end, the NHS trust checks whether there is any indication that its property, plant and equipment or intangible non-current assets have suffered an impairment loss. If there is indication of such an impairment, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually at the financial year end.

A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit are taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

1.13 Donated assets

Donated non-current assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at value on receipt, with a matching credit to income. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations, impairments and sales are treated in the same way as for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

1.14 Government grants

Government grant funded assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

1.15 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

NOTES TO THE ACCOUNTS**1.16 Leases**

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in calculating the trust's surplus/deficit.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

The NHS trust as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the NHS trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.17 Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The NHS trust therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a) Payment for the fair value of services received;
- b) Payment for the PFI asset, including finance costs; and
- c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'

PFI Asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value or, if lower, at the present value of the minimum lease payments, in accordance with the principles of IAS 17. Subsequently, the assets are measured at current value in existing use.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the initial value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

NOTES TO THE ACCOUNTS**Lifecycle replacement**

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the NHS trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term accrual or prepayment is recognised respectively.

The Trust will review any prepayment balance annually and compare the total of the prepayment balance and remaining lifecycle contributions, to the latest agreed plan of future spend. An impairment will be recognised when the total of the prepayment balance and remaining contributions exceeds by more than 5% of the latest agreed plan of future spend.

Assets contributed by the NHS trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the NHS trust's Statement of Financial Position.

Other assets contributed by the NHS trust to the operator

Assets contributed (e.g. cash payments, surplus property) by the NHS trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the NHS trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.18 Inventories

Inventories are valued at the lower of cost and net realisable value using the first-in first-out cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of inventories.

1.19 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the NHS trust's cash management.

1.20 Provisions

Provisions are recognised when the NHS trust has a present legal or constructive obligation as a result of a past event, it is probable that the NHS trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rates.

Early retirement provisions are discounted using HM Treasury's pension discount rate of positive 0.24% (2015-16: positive 1.37%) in real terms. All other provisions are subject to three separate discount rates according to the expected timing of cashflows from the Statement of Financial Position date:

- A short term rate of negative 2.70% (2015-16: negative 1.55%) for expected cash flows up to and including 5 years
- A medium term rate of negative 1.95% (2015-16: negative 1.00%) for expected cash flows over 5 years up to and including 10 years
- A long term rate of negative 0.80% (2015-16: negative 0.80%) for expected cash flows over 10 years.

All percentages are in real terms.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A restructuring provision is recognised when the NHS trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.21 Clinical negligence costs

The NHS Litigation Authority (NHS LA) operates a risk pooling scheme under which the trust pays an annual contribution to the NHS LA, which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although the NHS LA is administratively responsible for all clinical negligence cases the legal liability remains with the NHS trust. The total value of clinical negligence provisions carried by the NHS LA on behalf of the trust is disclosed at Note 35.

NOTES TO THE ACCOUNTS**1.22 Non-clinical risk pooling**

The NHS trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the NHS trust pays an annual contribution to the NHS Litigation Authority and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

As the provisions for clinical negligence claims are included in the financial statements of the NHSLA, they are not included in the Trust's financial statements.

1.23 Carbon Reduction Commitment Scheme (CRC)

CRC and similar allowances are accounted for as government grant funded intangible assets if they are not expected to be realised within twelve months, and otherwise as other current assets. They are valued at open market value. As the NHS trust makes emissions, a provision is recognised with an offsetting transfer from deferred income. The provision is settled on surrender of the allowances. The asset, provision and deferred income amounts are valued at fair value at the end of the reporting period.

1.24 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

1.25 Financial assets

Financial assets are recognised when the NHS trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are classified into the following categories: financial assets at fair value through profit and loss; held to maturity investments; available for sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. However the Trust only has loans receivables.

NOTES TO THE ACCOUNTS**Notes to the Accounts - 1. Accounting Policies (Continued)****Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the initial fair value of the financial asset.

At the end of the reporting period, the NHS trust assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that have an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in expenditure and the carrying amount of the asset is reduced through a provision for impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.26 Financial liabilities

Financial liabilities are recognised on the statement of financial position when the NHS trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Loans from the Department of Health are recognised at historic cost. Otherwise, financial liabilities are initially recognised at fair value.

Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.27 Value Added Tax

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.28 Foreign currencies

The NHS trust's functional and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the trust's surplus/deficit in the period in which they arise.

1.29 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the trust has no beneficial interest in them. Details of third party assets are given in Note 44 to the accounts.

1.30 Public Dividend Capital (PDC) and PDC dividend

Public dividend capital represents taxpayers' equity in the NHS trust. At any time the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received. As PDC is issued under legislation rather than under contract, it is not treated as an equity financial instrument.

An annual charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as public dividend capital dividend. The charge is calculated at the real rate set by HM Treasury (currently 3.5%) on the average carrying amount of all assets less liabilities (except for donated assets and cash balances with the Government Banking Service). The average carrying amount of assets is calculated as a simple average of opening and closing relevant net assets.

In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

1.31 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the NHS trust not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

NOTES TO THE ACCOUNTS**1.32 Subsidiaries**

Material entities over which the NHS trust has the power to exercise control are classified as subsidiaries and are consolidated. The NHS trust has control when it is exposed to or has rights to variable returns through its power over another entity. The income and expenses; gains and losses; assets, liabilities and reserves; and cash flows of the subsidiary are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the NHS trust or where the subsidiary's accounting date is not co-terminus.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

The Trust has considered the requirement to consolidate the Charitable Funds under its control (University Hospitals Coventry and Warwickshire NHS Trust Charity) into its financial statements (in accordance with IFRS 10 requirements), but has determined that they are not material and therefore has not applied this policy.

On 1st April 2016 the charity's assets were transferred to a new independent charity; University Hospitals Coventry and Warwickshire Charity (see also note 1.4).

1.33 Associates

There are no material entities over which the Trust has the power to exercise significant influence so as to obtain economic or other benefits.

Associates that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

1.34 Joint arrangements

Material entities over which the NHS trust has joint control with one or more other entities are classified as joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement. A joint arrangement is either a joint operation or a joint venture.

A joint operation exists where the parties that have joint control have rights to the assets and obligations for the liabilities relating to the arrangement. Where the NHS trust is a joint operator it recognises its share of, assets, liabilities, income and expenses in its own accounts.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint ventures are recognised as an investment and accounted for using the equity method.

The Trust does not have any arrangements with other organisations which meet the definitions detailed above. Where the Trust hosts services provided to other organisations, it records the gross value of revenue, expenditure, assets and liabilities.

1.35 Research and Development

Research and development expenditure is charged against income in the year in which it is incurred, except insofar as development expenditure relates to a clearly defined project and the benefits of it can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SOCI on a systematic basis over the period expected to benefit from the project. It should be revalued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

1.36 Accounting Standards that have been issued but have not yet been adopted

The HM Treasury FReM does not require the following Standards and Interpretations to be applied in 2016-17. These standards are still subject to HM Treasury FReM interpretation, with IFRS 9 and IFRS 15 being for implementation in 2018-19, and the government implementation date for IFRS 16 still subject to HM Treasury consideration.

- IFRS 9 Financial Instruments – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS 15 Revenue from Contracts with Customers – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.

1.37 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

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2. Pooled budgets

Not relevant for trust

3. Operating segments

The Trust Board is considered to be the chief operating decision maker of the organisation. The Trust Board is of the view that whilst it receives limited financial information broken down by division, the information received does not show the full trading position of that division. Furthermore the activities undertaken by these divisions have a high degree of interdependence and therefore the Trust Board has determined that is appropriate to aggregate these divisions for segmental reporting purposes.

The rationale for determining the chief operating decision maker and for aggregating segments is as follows:

Chief operating decision maker:

International Financial Reporting Standard 8: Operating Segments; states that the chief operating decision maker will have responsibility for allocating resources and assessing the performance of the entity's operating segments.

For the University Hospitals Coventry and Warwickshire NHS Trust, responsibility for these functions is set out in the Trust's Scheme of Reservation and Delegation. This document includes (amongst others) the following key decisions which are reserved to the Trust Board:

- The approval of strategies, plans and budgets;
- The agreement of the organisational structures, processes and procedures to facilitate the discharge of business by the Trust;
- The monitoring and review of financial performance;

Consequently it has been determined that the Trust Board is the chief operating decision maker.

Operating segments:

IFRS 8 sets out the criteria for identifying operating segments and for reporting individual or aggregated segmental data. The Trust Board has considered the requirements of IFRS 8 and whilst it does receive budgetary performance information at a specialty group level based upon groups of services (including for example medical specialties, surgical specialties etc.), this information is limited in that:

- Income is not currently regularly reported by specialty;
- Costs associated with any one specialty or service provided by the Trust are split across several specialty groups;
- Cross charging for services between specialty groups is not widely undertaken; and
- Many services provided by the Trust are not operationally independent.

In addition to the above key factors, consideration has also been given to the principles around aggregation of operating segments set out in IFRS 8 which concludes that segments may be aggregated if the segments have similar economic characteristics, and the segments are similar in each of the following respects:

(a) the nature of the products and services:

The services provided are very similar in that they represent the provision of healthcare to ill/vulnerable people. Furthermore many of the services are interconnected with care for an individual being shared across different specialties and departments.

(b) the nature of the production processes:

Services are provided in very similar ways (albeit to differing extents) to the majority of patients including outpatient consultations, inpatient care, diagnostic tests, medical and surgical interventions.

(c) the type or class of customer for their products and services:

The Trust's customers are similar across all services in that they are ill/vulnerable people – whilst certain patient groups may be more susceptible to different healthcare needs, most services are provided to customers of all ages, gender etc.

(d) the methods used to distribute their products or provide their services:

The majority of services are delivered to customers through attendance at hospital as outpatients, day cases or inpatients.

(e) if applicable, the nature of the regulatory environment:

The regulatory environment in which the Trust's services are provided is NHS healthcare.

The Trust Board has therefore concluded that further segmental analysis is not appropriate and that the specialty financial information should be aggregated for the purpose of segmental reporting.

Financial Performance Reporting

The Trust Board receives reports on the Trust's financial performance based upon the Statement of Comprehensive Income (or Net Expenditure) which is adjusted in accordance with HM Treasury rules on measuring financial performance. These adjustments are set out below the Statement of Comprehensive Income (or Net Expenditure) and in note 44.1 relating to breakeven performance.

Income Sources

Key information on the Trust's sources of income is as follows:

- Clinical Commissioning Groups (CCGs) from which £340.7 million (£331.9 million in 2015-16) was received; and
- NHS England from which £161.7 million (£153.1 million in 2015-16) was received.

There are no other sources of income which exceed 10% of the Trust's total revenue.

All income derives from services provided in England, although the source of a small part of this income will come from NHS bodies in other parts of the United Kingdom, the Isle of Man or from overseas visitors who are treated in the Trust's hospitals. However, income from such sources is not material.

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4. Income generation activities

The Trust undertakes some minor income generation activities with an aim of achieving profit, which is then used in patient care. However, none of these activities incurred costs or income in excess of £1 million or was otherwise material.

5. Revenue from patient care activities

	2016-17 £000s	2015-16 £000s
NHS Trusts	2,509	2,558
NHS England	161,737	153,080
Clinical Commissioning Groups	340,739	331,854
Foundation Trusts	245	414
Department of Health	69	87
Additional income for delivery of healthcare services	0	12,850
Non-NHS:		
Local Authorities	0	106
Private patients	1,093	1,197
Overseas patients (non-reciprocal)	1,241	585
Injury costs recovery	3,991	3,824
Other Non-NHS patient care income	1,905	2,470
Total Revenue from patient care activities	513,529	509,025

6. Other operating revenue

	2016-17 £000s	2015-16 £000s
Recoveries in respect of employee benefits	3,763	4,221
Education, training and research	34,499	31,065
Charitable and other contributions to revenue expenditure -non- NHS	297	0
Receipt of charitable donations for capital acquisitions	243	207
Non-patient care services to other bodies	30,442	30,682
Sustainability & Transformation Fund Income	16,803	0
Income generation (Other fees and charges)	2,506	2,205
Rental revenue from operating leases	1,161	1,143
Other revenue ^{*1}	5,547	6,609
Total Other Operating Revenue	95,261	76,132
Total operating revenue	608,790	585,157

^{*1} Other revenue includes miscellaneous non-patient care income, the largest of which is car parking totalling £1.2m

7. Overseas Visitors Disclosure

	2016-17 £000s	2015-16 £000s
Income recognised during 2016-17 (invoiced amounts and accruals)	1,241	585
Cash payments received in-year (re receivables at 31 March 2016)	63	27
Cash payments received in-year (iro invoices issued 2016-17)	141	91
Amounts added to provision for impairment of receivables (re receivables at 31 March 2016)	159	41
Amounts added to provision for impairment of receivables (iro invoices issued 2016-17)	759	379
Amounts written off in-year (irrespective of year of recognition)	44	77

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8. Operating expenses

	2016-17 £000s	2015-16 £000s
Services from other NHS Trusts	52	43
Services from CCGs/NHS England	0	9
Services from other NHS bodies	0	25
Services from NHS Foundation Trusts	192	193
Total Services from NHS bodies*¹	244	270
Purchase of healthcare from non-NHS bodies	5,160	7,147
Trust Chair and Non-executive Directors	80	80
Supplies and services - clinical	117,551	110,707
Supplies and services - general	3,673	3,805
Consultancy services	283	62
Establishment	9,545	8,947
Transport	779	1,253
Service charges - ON-SOFP PFIs and other service concession arrangements	36,115	36,725
Business rates paid to local authorities	3,130	3,188
Premises	9,641	8,874
Hospitality	317	281
Insurance	416	411
Legal Fees	241	770
Impairments and Reversals of Receivables	1,374	2,027
Depreciation	19,430	18,929
Amortisation	785	568
Impairments and reversals of property, plant and equipment	12,789	18,647
Internal Audit Fees	107	107
Audit fees * ²	112	112
Other auditor's remuneration* ³	32	36
Clinical negligence	9,826	8,399
Research and development (excluding staff costs)	5,379	5,823
Education and Training	1,497	1,558
Change in Discount Rate	243	6
Other	184	2,804
Total Operating expenses (excluding employee benefits)	238,933	241,536
Employee Benefits		
Employee benefits excluding Board members	357,075	345,693
Board members	1,169	1,187
Total Employee Benefits	358,244	346,880
Total Operating Expenses	597,177	588,416

*¹ Services from NHS bodies does not include expenditure which falls into a category below

*² Auditor remuneration for 2016-17 was £93k excluding VAT (£93k in 2015-16). The figures in the table above include irrecoverable VAT.

*³ Other auditor's remuneration comprises of £20k excluding VAT (£24k in 2015-16) for taxation services and £10k excluding VAT (£10k in 2015-16) for Quality Accounts. The figures in the table above include irrecoverable VAT.

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9. Operating Leases

The majority of the Trust's operating leases are short term fixed price leases and include:

- Lease Cars
- Equipment (including medical and office equipment)
- Premises

9.1. University Hospitals Coventry and Warwickshire NHS Trust as lessee

	Land £000s	Buildings £000s	Other £000s	2016-17 Total £000s	2015-16 £000s
Payments recognised as an expense					
Minimum lease payments				408	411
Total				408	411
Payable:					
No later than one year		159	248	407	415
Between one and five years	0	636	193	829	941
After five years	0	658	0	658	817
Total	0	1,453	441	1,894	2,173
Total future sublease payments expected to be received:				0	0

9.2. University Hospitals Coventry and Warwickshire NHS Trust as lessor

The Trust's operating leases as lessor relate to the leasing of buildings and land on its hospital sites.

	2016-17 £000s	2015-16 £000s
Recognised as revenue		
Rental revenue	1,161	1,143
Total	1,161	1,143
Receivable:		
No later than one year	1,161	1,143
Between one and five years	2,156	2,126
After five years	36,447	36,312
Total	39,764	39,581

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10. Employee benefits**10.1. Employee benefits**

	2016-17	2015-16
	Total	Total
	£000s	£000s
Employee Benefits - Gross Expenditure		
Salaries and wages	301,997	298,191
Social security costs	25,927	19,906
Employer Contributions to NHS BSA - Pensions Division	31,024	29,030
Termination benefits	0	481
Total employee benefits	358,948	347,608
Employee costs capitalised	704	728
Gross Employee Benefits excluding capitalised costs	358,244	346,880

10.2. Retirements due to ill-health

	2016-17	2015-16
	Number	Number
Number of persons retired early on ill health grounds	5	5
	£000s	£000s
Total additional pensions liabilities accrued in the year	176	256

10.3. Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2017, is based on valuation data as 31 March 2016, updated to 31 March 2017 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers. The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2016. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

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11. Better Payment Practice Code**11.1. Measure of compliance**

	2016-17 Number	2016-17 £000s	2015-16 Number	2015-16 £000s
Non-NHS Payables				
Total Non-NHS Trade Invoices Paid in the Year	129,811	381,930	128,705	381,765
Total Non-NHS Trade Invoices Paid Within Target	121,849	357,060	120,241	356,602
Percentage of NHS Trade Invoices Paid Within Target	93.87%	93.49%	93.42%	93.41%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	3,902	89,530	2,993	77,095
Total NHS Trade Invoices Paid Within Target	2,072	81,658	1,537	72,174
Percentage of NHS Trade Invoices Paid Within Target	53.10%	91.21%	51.35%	93.62%

The Better Payment Practice Code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.

11.2. The Late Payment of Commercial Debts (Interest) Act 1998

	2016-17 £000s	2015-16 £000s
Amounts included in finance costs from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0
Total	0	0

12. Investment Revenue

	2016-17 £000s	2015-16 £000s
Interest revenue		
Bank interest	71	119
Total investment revenue	71	119

13. Other Gains and Losses

	2016-17 £000s	2015-16 £000s
Gain/(Loss) on disposal of assets other than by sale (PPE)	298	12
Change in fair value of investment property	0	3,223
Total	298	3,235

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14. Finance Costs

	2016-17 £000s	2015-16 £000s
Interest		
Interest on loans and overdrafts	459	314
Interest on obligations under finance leases	37	42
Interest on obligations under PFI contracts:		
- main finance cost	14,922	15,170
- contingent finance cost	7,260	10,067
Total interest expense	22,678	25,593
Provisions - unwinding of discount	35	35
Total	22,713	25,628

15. Auditor Disclosures**15.1. Other auditor remuneration**

	2016-17 £000s	2015-16 £000s
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	0	0
2. Audit-related assurance services	12	12
3. Taxation compliance services	20	24
4. All taxation advisory services not falling within item 3 above	0	0
5. Internal audit services	0	0
6. All assurance services not falling within items 1 to 5	0	0
7. Corporate finance transaction services not falling within items 1 to 6 above	0	0
8. Other non-audit services not falling within items 2 to 7 above	0	0
Total	32	36

15.2. Limitation on auditor's liability

There is no limitation on auditor's liability for external audit work carried out for the financial years 2016/17 or 2015/16.

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16.1. Property, plant and equipment

Not relevant for trust

	Land	Buildings excluding dwellings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
2016-17	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Cost or valuation:									
At 1 April 2016	30,430	275,594	543	3,009	134,036	202	33,138	155	477,107
Additions of Assets Under Construction				6,106					6,106
Additions Purchased	0	971	0		13,128	0	2,201	0	16,300
Additions - Purchases from Cash Donations & Government Grants	0	11	0	0	232	0	0	0	243
Additions Leased (including PFI/LIFT)	0	1,653	0		165	0	0	0	1,818
Reclassifications	0	(4)	0	(156)	155	0	0	5	0
Disposals other than for sale	0	0	0	0	(5,558)	0	0	0	(5,558)
Revaluation	0	(25,041)	(108)	0	0	0	0	0	(25,149)
Impairments/reversals charged to operating expenses	0	(11,928)	0	0	(861)	0	0	0	(12,789)
Impairments/reversals charged to reserves	(9,547)	(1,976)	342	0	0	0	0	0	(11,181)
At 31 March 2017	20,883	239,280	777	8,959	141,297	202	35,339	160	446,897
Depreciation									
At 1 April 2016	0	17,498	88		82,399	202	26,454	140	126,781
Disposals other than for sale	0	0	0		(5,558)	0	0	0	(5,558)
Revaluation	0	(25,041)	(108)		0	0	0	0	(25,149)
Charged During the Year	0	7,543	20		9,794	0	2,073	0	19,430
At 31 March 2017	0	0	0	0	86,635	202	28,527	140	115,504
Net Book Value at 31 March 2017	20,883	239,280	777	8,959	54,662	0	6,812	20	331,393
Asset financing:									
Owned - Purchased	20,883	18,171	777	8,959	21,482	0	6,812	20	77,104
Owned - Donated	0	1,531	0	0	1,005	0	0	0	2,536
Held on finance lease	0	0	0	0	422	0	0	0	422
On-SOFP PFI contracts	0	219,578	0	0	31,753	0	0	0	251,331
Total at 31 March 2017	20,883	239,280	777	8,959	54,662	0	6,812	20	331,393

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Revaluation Reserve Balance for Property, Plant & Equipment

	Land	Buildings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
At 1 April 2016	20,033	17,974	106	0	5,219	9	0	0	43,341
Movements (specify)	(8,481)	(3,501)	338	0	(89)	0	0	0	(11,733)
At 31 March 2017	11,552	14,473	444	0	5,130	9	0	0	31,608

Additions to Assets Under Construction in 2016-17

Buildings excl Dwellings	5,665
Plant & Machinery	441
Balance as at YTD	6,106

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16.2. Property, plant and equipment prior-year

	Land	Buildings excluding dwellings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
2015-16									
Cost or valuation:									
At 1 April 2015	30,284	296,496	513	4,870	131,177	202	28,857	155	492,554
Additions of Assets Under Construction				1,021					1,021
Additions - Purchased	146	5,515	1		13,287	0	1,980	0	20,929
Additions - Purchases from Cash Donations & Government Grants	0	207	0	0	0	0	0	0	207
Additions Leased (including PFI/LIFT)	0	0	0		64	0	0	0	64
Reclassifications	0	338	1	(2,882)	242	0	2,301	0	0
Disposals other than for sale	0	(188)	0	0	(10,734)	0	0	0	(10,922)
Revaluation	0	2,220	28	0	0	0	0	0	2,248
Impairment/reversals charged to reserves	0	(18,756)	0	0	0	0	0	0	(18,756)
Impairments/reversals charged to operating expenses	0	(10,238)	0	0	0	0	0	0	(10,238)
At 31 March 2016	30,430	275,594	543	3,009	134,036	202	33,138	155	477,107
Depreciation									
At 1 April 2015	0	10,857	64		82,990	199	24,738	138	118,986
Disposals other than for sale	0	(188)	0		(10,734)	0	0	0	(10,922)
Revaluation	0	130	1		0	0	0	0	131
Impairment/reversals charged to reserves	0	(234)	0		0	0	0	0	(234)
Impairments/reversals charged to operating expenses	0	(312)	0		203	0	0	0	(109)
Charged During the Year	0	7,245	23		9,940	3	1,716	2	18,929
At 31 March 2016	0	17,498	88	0	82,399	202	26,454	140	126,781
Net Book Value at 31 March 2016	30,430	258,096	455	3,009	51,637	0	6,684	15	350,326
Asset financing:									
Owned - Purchased	30,430	25,448	455	3,009	19,955	0	6,684	15	85,996
Owned - Donated	0	1,593	0	0	1,038	0	0	0	2,631
Held on finance lease	0	0	0	0	482	0	0	0	482
On-SOFP PFI contracts	0	231,055	0	0	30,162	0	0	0	261,217
Total at 31 March 2016	30,430	258,096	455	3,009	51,637	0	6,684	15	350,326

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16.3. (cont). Property, plant and equipment

Donated Assets

The Trust benefitted from a total of £243,000 (2015/16 £207,000) of donated property, plant and equipment.

Assets held at revalued amounts

Land and building assets are all held at revalued amount, with specialised properties valued on a modern equivalent depreciated replacement cost (DRC) basis. A full revaluation exercise was under taken in March 2017 by the valuation consultancy department of GVA Grimley Ltd. During 2015/16 the Trust used indices provided by GVA Grimley to reflect the current value of the estate as at 31st March 2016.

In addition, following clarification of the treatment of VAT in PFI assets, the Trust removed VAT from its valuation of PFI assets during 2015/16 in line with valuation and accounting standards which require recoverable VAT to be excluded from valuations.

Asset lives

The following ranges of asset lives are applied:

	Minimum Life (Years)	Maximum Life (Years)
Property, Plant and Equipment		
Buildings (excluding dwellings)	5	69
Dwellings	7	40
Plant and Machinery	5	15
Transport Equipment	7	7
Information Technology	5	5
Furniture and Fittings	5	5

Market value of assets

Operational specialised assets such as hospitals are valued at existing use value as there is no market for such facilities and a market valuation cannot be obtained.

Other non-specialised assets such as houses are valued at market value.

Trust as lessor of assets

The Trust leases certain facilities on its sites to other NHS and non-NHS organisations. Many of these leases involve the use of rooms within the Trust's main hospital buildings and as such, their valuation cannot easily be separated from that of the main hospital building. These leases are not considered to be material.

However, there are three leases that involve the leasing of discrete areas of land on the University Hospital site and one on the Hospital of St Cross site. The value of land covered by these leases is £8.2 million (2015/16 £8.2 million) - these are however, disclosed as investment assets.

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17. Intangible non-current assets**17.1. Intangible non-current assets**

	IT - in-house & 3rd party software	Computer Licenses	Licenses and Trademarks	Patents	Developmen t Expenditure Internally Generated	Intangible Assets Under Constructio n	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
2016-17							
At 1 April 2016	0	6,503	0	0	0	0	6,503
Additions Purchased	0	2,494	0	0	0	0	2,494
At 31 March 2017	0	8,997	0	0	0	0	8,997
Amortisation							
At 1 April 2016	0	1,416	0	0	0		1,416
Charged During the Year	0	785	0	0	0		785
At 31 March 2017	0	2,201	0	0	0	0	2,201
Net Book Value at 31 March 2017	0	6,796	0	0	0	0	6,796
Asset Financing: Net book value at 31 March 2017 comprises:							
Purchased	0	6,477	0	0	0	0	6,477
Finance Leased	0	319	0	0	0	0	319
Total at 31 March 2017	0	6,796	0	0	0	0	6,796
Revaluation reserve balance for intangible non-current assets							
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
At 1 April 2016	0	0	0	0	0	0	0
Movements (specify)	0	0	0	0	0	0	0
At 31 March 2017	0	0	0	0	0	0	0

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17.2. Intangible non-current assets prior year

	IT - in-house & 3rd party software £000's	Computer Licenses £000's	Licenses and Trademarks £000's	Patents £000's	Development Expenditure - Internally Generated £000's	£000's	Total £000's
2015-16							
Cost or valuation:							
At 1 April 2015	0	4,734	0	0	0	0	4,734
Additions - purchased	0	1,769	0	0	0	0	1,769
At 31 March 2016	0	6,503	0	0	0	0	6,503
Amortisation							
At 1 April 2015	0	848	0	0	0	0	848
Charged during the year	0	568	0	0	0	0	568
At 31 March 2016	0	1,416	0	0	0	0	1,416
Net book value at 31 March 2016	0	5,087	0	0	0	0	5,087

17.3. Intangible non-current assets

The Trust's intangible assets relate to computer software which is carried at historic cost. The range of asset lives applied are as follows:

	Minimum Life (Years)	Maximum Life (Years)
Intangible assets		
Software Licences	4	5

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18. Analysis of impairments and reversals recognised in 2016-17

	2016-17 Total £000s
Property, Plant and Equipment impairments and reversals taken to SoCI	
Unforeseen obsolescence * ¹	861
Changes in market price * ²	11,928
Total charged to Annually Managed Expenditure	12,789
Total Impairments of Property, Plant and Equipment changed to SoCI	12,789
Total Impairments charged to SoCI - Departmental Expenditure Limit (DEL)	0
Total Impairments charged to SoCI - Annually Managed Expenditure (AME)	12,789
Overall Total Impairments	12,789

No donated and government granted assets included above

*¹ Impairments due to obsolescence relate to equipment replaced under the PFI contract prior to it being fully depreciated.*² Impairments due to changes in market price relate to the five yearly revaluation of the Trust's land and buildings as described in Note 1.10.**19. Investment property**

	31 March 2017 £000s	31 March 2016 £000s
At fair value		
Balance at 1 April 2016	8,230	5,007
Gain from Fair Value Adjustments	0	3,223
Balance at 31 March 2017	8,230	8,230

20. Commitments**20.1. Capital commitments**

Contracted capital commitments at 31 March not otherwise included in these financial statements:

	31 March 2017 £000s	31 March 2016 £000s
Property, plant and equipment	483	1,118
Total	483	1,118

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21. Inventories

	Drugs	Consumables	Work in Progress	Energy	Loan Equipment	Other	Total	Of which held at NRV
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 April 2016	3,760	9,514	0	0	0	0	13,274	0
Additions	34,346	62,469	0	0	0	0	96,815	0
Inventories recognised as an expense in the period	(34,261)	(61,524)	0	0	0	0	(95,785)	0
Balance at 31 March 2017	3,845	10,459	0	0	0	0	14,304	0

22.1. Trade and other receivables

	Current		Non-current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	£000s	£000s	£000s	£000s
NHS receivables - revenue	14,437	11,994	0	0
NHS prepayments and accrued income	11,378	11,565	0	0
Non-NHS receivables - revenue	3,823	3,589	0	0
Non-NHS prepayments and accrued income	6,331	2,894	0	0
PDC Dividend prepaid to DH	468	743	0	0
Provision for the impairment of receivables	(4,914)	(4,879)	0	0
VAT	887	876	0	0
Current/non-current part of PFI and other PPP arrangements prepayments and accrued income excluding PFI lifecycle	0	0	30,697	24,357
Other receivables	3,171	3,265	5,137	4,803
Total	35,581	30,047	35,834	29,160
Total current and non current	71,415	59,207		
Included in NHS receivables are prepaid pension contributions:	0			

The great majority of trade is with key NHS bodies including CCGs and NHS England. As NHS bodies are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

22.2. Receivables past their due date but not impaired

	31 March 2017	31 March 2016
	£000s	£000s
By up to three months	1,823	5,074
By three to six months	664	1,693
By more than six months	747	468
Total	3,234	7,235

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22.3. Provision for impairment of receivables

	2016-17	2015-16
	£000s	£000s
Balance at 1 April 2016	(4,879)	(4,006)
Amount written off during the year	1,339	1,154
Amount recovered during the year	1,965	2,184
(Increase)/decrease in receivables impaired	(3,339)	(4,211)
Balance at 31 March 2017	(4,914)	(4,879)

The Trust's policy for the impairment of receivables is as follows:

- Injury cost recovery income: subject to a provision for impairment of receivables of 22.94% (21.99% 2014/15) as per DH guidance.
- Non-NHS receivables that are over 6 months old: subject to a provision for impairment of receivables of 100%
- Non-NHS receivables less than 6 months old: individually assessed and an appropriate provision made
- Overseas visitors invoices from 1/4/15 are subject to a 50% provision
- NHS receivables: individually assessed and an appropriate provision made (taking account of the NHS agreement of balances exercise)

23. NHS LIFT investments

Not relevant for trust

24.1. Other Financial Assets - Current

Not relevant for trust

24.2. Other Financial Assets - Non Current

Not relevant for trust

25. Other current assets

Not relevant for trust

26. Cash and Cash Equivalents

	31 March	31 March
	2017	2016
	£000s	£000s
Opening balance	2,760	613
Net change in year	(1,753)	2,147
Closing balance	1,007	2,760
Made up of		
Cash with Government Banking Service	1,003	2,756
Cash in hand	4	4
Cash and cash equivalents as in statement of financial position	1,007	2,760
Bank overdraft - Commercial banks	(3)	(3)
Cash and cash equivalents as in statement of cash flows	1,004	2,757
Third Party Assets - Bank balance (not included above)	9	0

27. Non-current assets held for sale

Not relevant for trust

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28. Trade and other payables

	Current		Non-current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	£000s	£000s	£000s	£000s
NHS payables - revenue	5,220	4,146	0	0
NHS accruals and deferred income	484	167	0	0
Non-NHS payables - revenue	10,308	11,192	0	0
Non-NHS payables - capital	6,472	2,338	0	0
Non-NHS accruals and deferred income	22,781	26,470	0	0
Social security costs	3,897	3,204		
Accrued Interest on DH Loans	111	59		
VAT	68	110	0	0
Tax	2,302	3,285		
Payments received on account	0	0	0	0
Other	4,730	4,330	0	0
Total	56,373	55,301	0	0
Total payables (current and non-current)	56,373	55,301		
Included above:				
to Buy Out the Liability for Early Retirements Over 5 Years	0	0		
number of Cases Involved (number)	0	0		
outstanding Pension Contributions at the year end	4,374	4,139		

29. Other liabilities

Not relevant for trust

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30. Borrowings

	Current		Non-current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	£000s	£000s	£000s	£000s
Bank overdraft - commercial banks	3	3		
Loans from Department of Health	15,338	2,489	26,959	24,238
PFI liabilities - main liability*	5,445	(287)	258,727	264,172
Finance lease liabilities	405	412	209	467
Total	21,191	2,617	285,895	288,877
Total other liabilities (current and non-current)	307,086	291,494		

* The Trust's main hospital facility (and some equipment) is provided under a PFI contract and the asset and related liabilities are recorded in the Statement of Financial Position. The sums recorded above relate to the finance lease liability associated with this contract. Further analysis of the PFI contract is included at note 38 to these accounts.

Borrowings / Loans - repayment of principal falling due in:

	DH	31 March 2017	
	£000s	Other	Total
		£000s	£000s
0-1 Years	15,338	5,853	21,191
1 - 2 Years	2,859	8,076	10,935
2 - 5 Years	19,555	20,450	40,005
Over 5 Years	4,545	230,410	234,955
TOTAL	42,297	264,789	307,086

31. Other financial liabilities

Not relevant for trust

32. Deferred income

	Current		Non-current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	£000s	£000s	£000s	£000s
Opening balance at 1 April 2016	6,341	3,443	0	0
Deferred revenue addition	9,087	6,341	0	0
Transfer of deferred revenue	(6,341)	(3,443)	0	0
Current deferred Income at 31 March 2017	9,087	6,341	0	0
Total deferred income (current and non-current)	9,087	6,341		

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33. Finance lease obligations as lessee

The Trust has a small number of equipment finance leases which are not considered to be significant.

Amounts payable under finance leases (Other)	Minimum lease payments		Present value of minimum	
	31 March 2017 £000s	31 March 2016 £000s	31 March 2017 £000s	31 March 2016 £000s
Within one year	425	441	405	412
Between one and five years	230	481	209	467
After five years	0	0	0	0
Less future finance charges	(41)	(43)		
Minimum Lease Payments/Present value of minimum lease payments	<u>614</u>	<u>879</u>	<u>614</u>	<u>879</u>
Included in:				
Current borrowings			405	412
Non-current borrowings			<u>209</u>	<u>467</u>
			<u>614</u>	<u>879</u>

34. Finance lease receivables as lessor

Not relevant for trust

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35. Provisions

	Comprising:						
	Early Departure Costs	Legal Claims	Restructuring	Continuing Care	Equal Pay (incl. Agenda for Change)	Other	Redundancy
Total	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 April 2016	5,014	1,316	197	0	0	3,020	481
Arising during the year	861	33	29	0	0	799	0
Utilised during the year	(1,474)	(135)	0	0	0	(1,339)	0
Reversed unused	(725)	0	(88)	0	0	(156)	(481)
Unwinding of discount	35	18	0	0	0	17	0
Change in discount rate	243	95	0	0	0	148	0
Balance at 31 March 2017	3,954	1,327	138	0	0	2,489	0
Expected Timing of Cash Flows:							
No Later than One Year	1,450	135	138	0	0	1,177	0
Later than One Year and not later than Five Years	773	539	0	0	0	234	0
Later than Five Years	1,731	653	0	0	0	1,078	0

Amount Included in the Provisions of the NHS Litigation Authority in Respect of Clinical Negligence Liabilities (£000s):

As at 31 March 2017 121,784

As at 31 March 2016 90,613

- Early departure costs are pensions relating to former staff are based upon actuarial estimates and are reviewed annually. Payments are made quarterly to the NHS Pensions Agency in respect of the Trust's liability.
- Legal claims relate to employers/third party liability claims. Cost estimates and timings are provided by the NHS Litigation Authority.
- Other provisions include: injury benefits payable by the NHS Pensions Agency and recharged to the Trust; other employee related claims; and fines/penalties

36. Contingencies

	31 March 2017 £000s	31 March 2016 £000s
Contingent liabilities		
NHS Litigation Authority legal claims	(73)	(97)
Net value of contingent liabilities	(73)	(97)
Contingent assets		
Contingent assets	0	0
Net value of contingent assets	0	0

37. Analysis of charitable fund reserves

Charitable funds are not consolidated on the grounds of materiality

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38. PFI and LIFT - additional information

The Trust has entered into a PFI contract for the construction, operation and maintenance of a major acute hospital along with the provision of a significant proportion of medical and other equipment required for use in the hospital. The PFI contractor is also responsible for the provision of a number of services including estate maintenance, certain equipment maintenance and the provision of hotel / soft services to a required Trust specification. These services include catering, domestic, laundry / linen, portering, transport, switchboard, help desk, car parking and security. In addition as part of the PFI contract these services are also provided to the existing Hospital of St Cross.

The PFI consortium includes:

1. Principal contract party with the Trust, is Coventry & Rugby Hospital Company (CRHC)
2. Coventry & Rugby Hospital Company have contracts with:
 - a. Hard FM – Vinci Facilities
 - b. Soft FM – ISS Mediclean whose current contract is market tested under the PFI contract every seven years
 - c. Equipment – GE Medical Systems

The PFI contract terminates on 31st December 2042 at which point ownership of the buildings and equipment provided under the contract passes to the Trust for no additional consideration.

The PFI contract is a tripartite contract involving the provision of a University Hospital for UHCW NHS Trust, and also incorporates a Mental Health facility for Coventry and Warwickshire Partnership NHS Trust, all of which are on the same NHS PFI site and jointly contracted with CRHC.

Inflation on the PFI Unitary Payment is twofold. All costs except Soft FM pay are based upon the movement in the Retail Prices Index (RPI) over the previous 12 months on a February to February basis. Soft FM pay uplift is based mainly on Agenda for Change as a result of the Retention of Employment model being used, where the majority of staff are in effect seconded by the Trust to the soft services provider but remain on NHS conditions of service.

The information below is required by the Department of Health for inclusion in national statutory accounts.

Charges to operating expenditure and future commitments in respect of ON and OFF SOFP PFI

	2016-17 £000s	2015-16 £000s
Service element of on SOFP PFI charged to operating expenses in year	36,115	36,725
Total	36,115	36,725
Payments committed to in respect of off SOFP PFI and the service element of on SOFP PFI		
No Later than One Year	38,543	37,972
Later than One Year, No Later than Five Years	154,170	151,890
Later than Five Years	800,525	826,584
Total	993,238	1,016,446

The estimated annual payments in future years are expected to be materially different from those which the Trust is committed to make during the next year. The likely financial effect of this is:

Estimated Capital Value of Project - off SOFP PFI	0	0
Value of Deferred Assets - off SOFP PFI	0	0
Value of Reversionary Interest - off SOFP PFI	0	0

Imputed "finance lease" obligations for on SOFP PFI contracts due

	2016-17 £000s	2015-16 £000s
No Later than One Year	20,303	14,635
Later than One Year, No Later than Five Years	84,063	84,275
Later than Five Years	401,800	421,892
Subtotal	506,166	520,802
Less: Interest Element	(241,994)	(256,917)
Total	264,172	263,885

Present Value Imputed "finance lease" obligations for on SOFP PFI contracts due

	2016-17 £000s	2015-16 £000s
Analysed by when PFI payments are due		
No Later than One Year	5,445	(287)
Later than One Year, No Later than Five Years	28,317	26,984
Later than Five Years	230,410	237,188
Total	264,172	263,885

Number of on SOFP PFI Contracts

Total Number of on PFI contracts	1
Number of on PFI contracts which individually have a total commitments value in excess of £500m	1

Number of off SOFP PFI Contracts

Total Number of off PFI contracts	0
Number of off PFI contracts which individually have a total commitments value in excess of £500m	0

University Hospitals Coventry and Warwickshire NHS Trust - Annual Accounts 2016-17

39. Impact of IFRS treatment - current year

Not relevant for trust

The information below is required by the Department of Health for budget reconciliation purposes

Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g PFI / LIFT)

Depreciation charges	12,878
Interest Expense	14,922
Impairment charge - AME	12,789
Other Expenditure	43,007
Revenue Receivable from subleasing	0
Impact on PDC dividend payable	(1,884)
Total IFRS Expenditure (IFRIC12)	81,712
Revenue consequences of PFI / LIFT schemes under UK GAAP / ESA95 (net of any sublease revenue)	72,604
Net IFRS change (IFRIC12)	9,108

2016-17		2015-16	
Income £000s	Expenditure £000s	Income £000s	Expenditure £000s
	12,878		12,840
	14,922		15,170
	12,789		18,670
	43,007		46,792
0		0	
	(1,884)		(1,488)
0	81,712	0	91,984
	72,604		73,264
	9,108		18,720

Capital Consequences of IFRS : LIFT/PFI and other items under IFRIC12

Capital expenditure 2015-16	12,512	11,973
UK GAAP capital expenditure 2015-16 (Reversionary Interest)	5,258	4,906

Revenue costs of IFRS12 compared with ESA10

Depreciation charges	12,878
Interest Expense	14,922
Impairment charge - AME	12,789
Other Expenditure	
Service Charge	35,747
Contingent Rent	7,260
Impact on PDC Dividend Payable	(1,884)
Total Revenue Cost under IFRIC12 vs ESA10	81,712
Revenue Receivable from subleasing	0
Net Revenue Cost/(Income) under IFRIC12 vs ESA10	81,712

2016-17 Income/ Expenditure IFRIC 12 YTD £000s	2016-17 Income/ Expenditure ESA 10 YTD £000s	2015-16 Income/ Expenditure IFRIC 12 YTD £000s	2015-16 Income/ Expenditure ESA 10 YTD £000s
12,878		12,840	
14,922		15,170	
12,789		18,670	
35,747	72,604	36,725	73,264
7,260		10,067	
(1,884)		(1,488)	
81,712	72,604	91,984	73,264
0	0	0	0
81,712	72,604	91,984	73,264

University Hospitals Coventry and Warwickshire NHS Trust - Annual Accounts 2016-17

40. Financial Instruments

40.1. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Trust has with commissioners and the way those commissioners are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust borrows from government for capital expenditure, subject to affordability as confirmed by the NHS Trust Development Authority. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

The Trust has also borrowed from government to cover an operating deficit in 2015/16 and for other working capital requirements in 2016/17. The borrowing is repayable in two years and interest is charged at the National Loans Fund rate, fixed for the life of the loan.

Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2017 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust's operating costs are incurred under contracts with clinical commissioning groups and NHS England, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

University Hospitals Coventry and Warwickshire NHS Trust - Annual Accounts 2016-17

40.2. Financial Assets

	At 'fair value through profit and loss'	Loans and receivables	Available for sale	Total
	£000s	£000s	£000s	£000s
Receivables - NHS		12,806		12,806
Receivables - non-NHS		5,605		5,605
Cash at bank and in hand		1,004		1,004
Total at 31 March 2017	0	19,415	0	19,415
Receivables - NHS		9,635		9,635
Receivables - non-NHS		3,350		3,350
Cash at bank and in hand		2,757		2,757
Total at 31 March 2016	0	15,742	0	15,742

40.3. Financial Liabilities

	At 'fair value through profit and loss'	Other	Total
	£000s	£000s	£000s
NHS payables		5,220	5,220
Non-NHS payables		35,204	35,204
Other borrowings		42,300	42,300
PFI & finance lease obligations		264,786	264,786
Other financial liabilities	0	1,256	1,256
Total at 31 March 2017	0	348,766	348,766
NHS payables		4,146	4,146
Non-NHS payables		37,989	37,989
Other borrowings		26,727	26,727
PFI & finance lease obligations		264,764	264,764
Other financial liabilities	0	2,465	2,465
Total at 31 March 2016	0	336,091	336,091

The Trust's main financial liabilities at 31 March 2017 are as follows:

The Trust has a large PFI contract with total future liabilities of £264 million which are due to be repaid over the next 25 years and 9 months. The repayment of this liability is factored into the Trust's financial plans and is planned to be repaid from a combination of internally generated funds not required for future investment (depreciation) and revenue surpluses. Note 38 provides further information on this liability.

The Trust has £42.3 million of outstanding loans from the Department of Health. The repayment of these loans is factored into the Trust's Long Term Financial Model. Note 30 provides further information on these loans.

41. Events after the end of the reporting period

The Trust has evaluated whether there are any events after the reporting period and concluded that there are none.

University Hospitals Coventry and Warwickshire NHS Trust - Annual Accounts 2016-17

42. Related party transactions

Professor Kumar, Non-Executive Director of the Trust holds the position of Dean of Warwick Medical School which is part of the University of Warwick and honorary appointments with Heart of England NHS Foundation Trust and George Eliot Hospital NHS Trust. The Trust has significant financial transactions with these organisations relating to the provision of services, education, training, research and staff recharges.

Four Directors of the Trust were also trustees of University Hospitals Coventry and Warwickshire Charity during 2016/17. The Charity received funds from a linked NHS charity, University Hospitals Coventry and Warwickshire NHS Trust Charity on 1st April 2016. The new charity is independent from the Trust but the Trust has the right to appoint four out of the nine trustees of the new charity.

None of the other members of the Trust Board, or parties related to them, have undertaken any material transactions with the Trust.

	Payments to Related Party 2016/17	Receipts from Related Party 2016/17	Amounts owed to Related Party 31 March 2017	Amounts due from Related Party 31 March 2017
	£000s	£000s	£000s	£000s
University of Warwick	6,559	2,239	346	171
University Hospitals Coventry and Warwickshire Charity*	0	719	87	0

* Receipts relate to grants received and amounts owed relate to grants not expended less recharges for services provided to the Charity

The Department of Health is regarded as a related party. During the year University Hospitals Coventry and Warwickshire NHS Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

	Revenue 2016/17 £000s	Expenditure 2016/17 £000s	Receivable 31 March 2017 £000s	Payable 31 March 2017 £000s
Coventry And Rugby CCG	270,694	0	2,166	484
West Midlands Specialised Commissioning Hub	140,579	0	6,439	0
Warwickshire North CCG	30,460	0	1,061	0
Health Education England	24,091	6	14	84
NHS England Core	16,803	0	5,954	25
South Warwickshire CCG	20,501	0	952	0
West Midlands Local Office	13,743	0	671	0
South Warwickshire NHS Foundation Trust	5,210	2,689	1,642	2,943
NHS Litigation Authority	0	9,826	0	0
West Leicestershire CCG	7,282	0	854	0
Nene CCG	7,347	0	765	0
George Eliot Hospital NHS Trust	5,679	1,393	563	289
Burton Hospitals NHS Foundation Trust	5,019	153	92	31
East Leicestershire And Rutland CCG	3,976	0	403	0
Coventry and Warwickshire Partnership NHS Trust	2,550	289	1,080	58
East Midlands Specialised Commissioning Hub	3,159	0	662	0
Department of Health	3,792	2	1	0
NHS Blood and Transplant	128	3,465	0	20
Solihull CCG	2,559	0	0	136
The Royal Wolverhampton NHS Trust	2,196	27	16	0

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local Government bodies including:

HM Revenue and Customs Trust Statement	0	25,927	0	6,267
National Health Service Pension Scheme	0	31,024	0	3
Coventry City Council	297	2,969	20	1

43. Losses and special payments

The total number of losses cases in 2016-17 and their total value was as follows:

	Total Value of Cases £s	Total Number of Cases
Losses	60,578	73
Special payments	23,487	42
Total losses and special payments and gifts	84,065	115

The total number of losses cases in 2015-16 and their total value was as follows:

	Total Value of Cases £s	Total Number of Cases
Losses	119,641	82
Special payments	2,684,620	62
Total losses and special payments	2,804,261	144

Details of cases individually over £300,000

No cases exceeded £300,000 in 2016/17 (one case in 2015/16 exceeded £300,000). The case in 2015/16 related to an employment tribunal case for which remedy was agreed in February 2016. The estimated cost of the case was £2.6m (including estimated sums for grossing up tax and national insurance contributions and employers' on costs). The figure quoted here will not be the same as that included in the exit packages disclosure in the annual report which excludes employers' on-costs.

University Hospitals Coventry and Warwickshire NHS Trust - Annual Account

44. Financial performance targets

The figures given for periods prior to 2009-10 are on a UK GAAP basis as that is the basis on which the targets were set for those years.

44.1. Breakeven performance

	2006-07 £000s	2007-08 £000s	2008-09 £000s	2009-10 £000s	2010-11 £000s	2011-12 £000s	2012-13 £000s	2013-14 £000s	2014-15 £000s	2015-16 £000s	2016-17 £000s
Turnover	408,461	378,867	426,673	465,211	472,923	484,816	509,163	528,881	550,196	585,157	608,790
Retained surplus/(deficit) for the year	54	201	4,825	158	(7,010)	(18,284)	(23,565)	10,863	(9,460)	(27,895)	(12,110)
Adjustment for:											
Timing/non-cash impacting distortions:											
Prior Period Adjustments	(340)	(1,906)	0	0	0	0	0	0	0	0	0
Adjustments for impairments	0	0	0	3,097	7,967	17,718	24,714	(9,717)	(8,405)	18,647	12,789
Adjustments for impact of policy change re donated/government grants assets						345	(508)	(932)	27	69	24
Consolidated Budgetary Guidance - adjustment for dual accounting under IFRIC12*				6,979	3,205	1,686	1,275	0	938	50	0
Break-even in-year position	(286)	(1,705)	4,825	10,234	4,162	1,465	1,916	214	(16,900)	(9,129)	703
Break-even cumulative position	(562)	(2,267)	2,558	12,792	16,954	18,419	20,335	20,549	3,649	(5,481)	(4,778)

* Due to the introduction of International Financial Reporting Standards (IFRS) accounting in 2009-10, NHS [organisation]'s financial performance measurement needs to be aligned with the guidance issued by HM Treasury measuring Departmental expenditure. Therefore, the incremental revenue expenditure resulting from the application of IFRS to IFRIC 12 schemes (which would include PFI schemes), which has no cash impact and is not chargeable for overall budgeting purposes, is excluded when measuring Breakeven performance. Other adjustments are made in respect of accounting policy changes (impairments and the removal of the donated asset and government grant reserves) to maintain comparability year to year.

	2006-07 %	2007-08 %	2008-09 %	2009-10 %	2010-11 %	2011-12 %	2012-13 %	2013-14 %	2014-15 %	2015-16 %	2016-17 %
Materiality test (i.e. is it equal to or less than 0.5%):											
Break-even in-year position as a percentage of turnover	-0.07	-0.45	1.13	2.20	0.88	0.30	0.38	0.04	-3.07	-1.56	0.12
Break-even cumulative position as a percentage of turnover	-0.14	-0.60	0.60	2.75	3.58	3.80	3.99	3.89	0.66	-0.94	-0.78

The amounts in the above tables in respect of financial years 2005/06 to 2008/09 inclusive have **not** been restated to IFRS and remain on a UK GAAP basis.

University Hospitals Coventry and Warwickshire NHS Trust - Annual Accounts 2016-17

44.2. Capital cost absorption rate

The dividend payable on public dividend capital is based on the actual (rather than forecast) average relevant net assets based on the pre audited accounts and therefore the actual capital cost absorption rate is automatically 3.5%.

44.3. External financing

The Trust is given an external financing limit which it is permitted to undershoot.

	2016-17	2015-16
	£000s	£000s
External financing limit (EFL)	20,077	10,396
Cash flow financing	19,128	6,821
Finance leases taken out in the year	165	64
External financing requirement	19,293	6,885
Under/(over) spend against EFL	784	3,511

44.4. Capital resource limit

The Trust is given a capital resource limit which it is not permitted to exceed.

	2016-17	2015-16
	£000s	£000s
Gross capital expenditure	26,961	23,990
Less: donations towards the acquisition of non-current assets	(243)	(207)
Charge against the capital resource limit	26,718	23,783
Capital resource limit	26,739	26,415
(Over)/underspend against the capital resource limit	21	2,632

45. Third party assets

The Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March	31 March
	2017	2016
	£000s	£000s
Third party assets held by the trust	9	27

2016 - 2017 QUALITY ACCOUNT



PART 5 : Quality Account

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1 : A Welcome from our Chief Executive Officer

Welcome to our Quality Account for 2016-17. This report provides you with an overview of the quality of the services we provided to our patients over the last year, and an outline of our priorities for 2017-18. University Hospitals Coventry and Warwickshire (UHCW) NHS Trust is one of the largest and busiest hospital Trusts in the country. As Chief Executive Officer, I am proud to celebrate the achievements of our fantastic and dedicated staff over the last year, as well as looking ahead to what we hope to achieve by March 2018.

In 2016-17, we have seen challenges in our performance with increasing pressures on our services. Nevertheless, our staff have shown their commitment to improving the quality of care patients receive.

At the Hospital of St Cross in Rugby, the nursing teams have worked to significantly reduce patient falls. This excellent work is now being shared across the Trust to improve safety for all our patients.

We are now in the second year of our journey in our UHCW Improvement System work with the prestigious Virginia Mason Institute in Seattle. As part of this Programme, we have been making improvements in our Eye Clinic and Surgery of Day of Admission (SODA) ward, as well as reporting and learning from patient safety incidents.

Last year, our top three priorities were Patient Safety; reducing and improving medication errors, Clinical Effectiveness; improving compliance with Care Bundles; packages of interventions to be followed for every patient to improve outcomes, and Patient Experience; implementing the Care Contact Time project across the Trust to increase the amount of time that staff spend with patients. Throughout this report you will find examples of our achievements in the above areas.

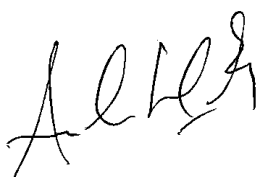
Looking forward to our year ahead, our priorities for 2017-18 focus on:

- Patient Safety: Reducing falls and pressure ulcers
- Clinical Effectiveness: Reducing the Trust's Hospital Standardised Mortality Ratio score
- Patient Experience: Delivering customer care training for staff

Over the next year, we will continue to listen to the views of patients and staff to make further improvements to patients' care and experience. This will include engagement with partner organisations across our area to develop the proposals in the Coventry and Warwickshire Sustainability and Transformation Plan, which was published late last year. We will also be expanding the UHCW Improvement System to other parts of the Trust.

The information and data contained within this report has been subject to internal review and, where appropriate, external verification. Therefore, to the best of my knowledge, the information contained within this document reflects a true and accurate picture of the performance of the Trust.

I would like to thank all our staff, volunteers and patient support groups for their input and support in helping us to progress against our objectives during the year.



Professor Andrew Hardy
Chief Executive Officer



2 : Introduction to Quality

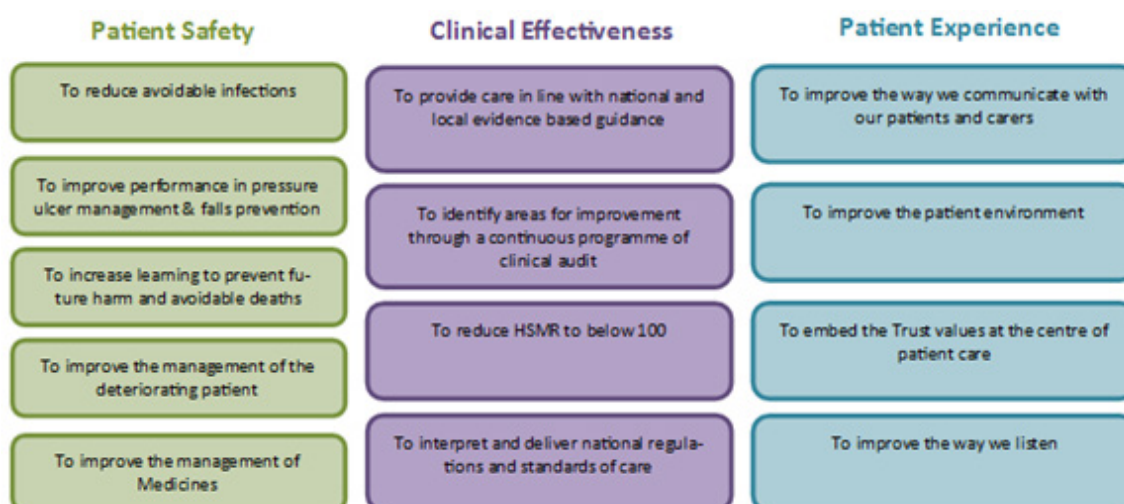
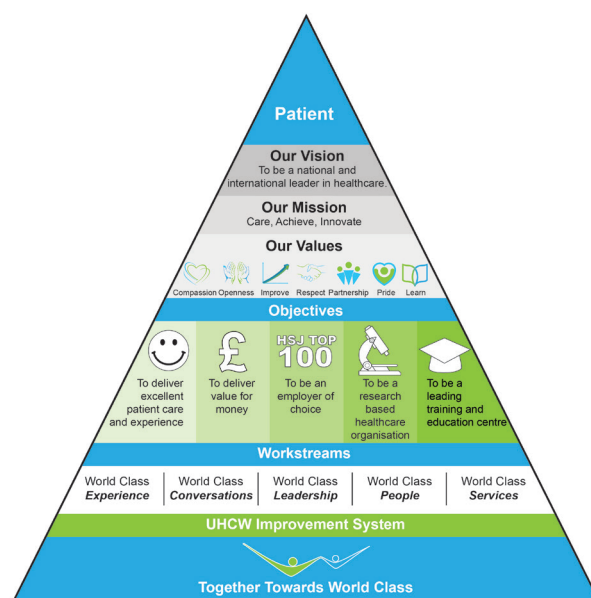
A Quality Account is a report about the quality of services by an NHS healthcare provider. The reports are published annually by each provider, including the independent sector, and are available to the public.

Quality Accounts are an important way for local NHS services to report on quality and show improvements in the services they deliver to local communities and stakeholders.

The quality of the services is measured by looking at patient safety, the effectiveness of treatments that patients receive, and patient feedback about the care provided.

2.1 Introduction to the Annual Quality Account

UHCW is on a journey to become a national and international leader in healthcare. There are a number of building blocks that support this ambition; these are articulated within the vision, mission, values, aims and objectives which are illustrated within the strategic framework for Quality below:



These building blocks which underpin achievement of our vision are directly relevant to the things that matter the most to our patients namely; safety, outcomes and experience. These three dimensions provide a framework in which we will drive and achieve quality improvement at UHCW.

Our annual Quality Account provides an opportunity for us to take stock of achievements and progress to date and to look forward to the year ahead.

2016-2017 Quality Highlights

Care Contact Time

This is an NHS England Safer Staffing Recommendation. Data is collected to demonstrate the percentage of time Registered Nurses and Health Care Support Workers spend delivering direct patient care. It's linked to work around safer staffing, and looks in depth at the actual care being delivered to our patients, and using this information to improve time spent at the patient bedside by removing indirect and non-patient activities.

The Care Contact Team and Information and Communications Technology (ICT) developed an application (App) to enable the collection and analysis of care contact time easier. The team behind the project has made the list of the 'Using Technology to Improve Efficiency' category at the Health Service Journal's (HSJ) Value in Healthcare Awards 2016.

Getting the Basics Right (GTBR)

GTBR is a supportive, learning Programme to ensure that staff and patients are part of a world class service. Lessons learnt during each review cycle enable the Programme to evolve, and enquiries will adapt to reflect such changes.



The GTBR Programme involves a review of the whole hospital, across the University Hospital, Coventry (UH) site, and the Hospital of St Cross, Rugby site.

The Programme runs twice per year, to ensure a true reflection of daily practice is captured, and all visits are unannounced.

An agreed set of questions - Key Lines of Enquiry (KLOEs) - are used to assess the standards that are being achieved. These KLOEs are all signed off by professional leads and Deputy Chief Medical Officers. Observations, checking of hospital notes, and asking questions of both staff and patients are used by reviewers.

KLOEs included questions such as:

- Were drug trolleys closed and locked?
- Were all oxygen tanks in date?
- Could staff provide examples of “learning lessons” arising from incidents / complaints / audits?
- Are staff aware of what is discussed at their local Quality Improvement Patient Safety (QIPS) meetings? How is it communicated?

During each round of GTBR, areas for improvement and areas of good practice are noted down by the reviewers. Several themes have emerged from each round, often repeated through the next cycle. Below are just some of the positive areas of good practice that have been highlighted.

- Mental Capacity Act guidance folder
- Waiting times displayed for patient to see
- Welcome leaflet for the department
- Use of team communication board
- Use of a daily checklist
- Patient comment book used
- Audit of DNA patients with interpreter booked
- ‘Meet and Greet’ poster on display

RIPPLE Project

RIPPLE (Respiratory Innovation: Promoting a Positive Life Experience) is an informal community-based clinic from UHCW NHS Trust for people living with Chronic Obstructive Pulmonary Disease (COPD) in the Coventry area.

RIPPLE is built on the ABCD (asset-based community development) model that builds better holistic services by marrying existing community assets and 3rd sector services to current NHS services. Our immediate goal is to improve the quality of life for COPD patients by improving mental wellbeing and reducing their social isolation. Over the past 2 years, as RIPPLE morphed into its current form, and we’ve witnessed an increase in wellbeing and narrative evidence of better self-management at home.

The community clinic is based at St. Peter’s Community Centre in Hillfields, which provides RIPPLE with a modern, community based facility, which allows patients to access a variety of services and users that attend the centre. As a service, we provide participants with nurse and consultant support, holistic services such as bereavement care, listening service and various other therapies, day trips, lunch and other various activities throughout the afternoon. We’ve found that the service provides a place for patients to re-engage in building social relationships, rediscover their confidence, improve their self-management skills and re-balance their life experience. The clinic is run each week by NHS & community staff, aided by our team of NHS volunteers and patient volunteers who give their time freely.

RIPPLE, while funded by the NHS, is proudly partnered with community organisations Age UK, Kate Hills (Mindfulness Practitioner/Life Coach) ConnectWELL, and the Myton Hospices on a weekly basis, and various other community resources on an ad hoc basis.



These organisations help patients re-engage with activities such as gentle exercise, community groups and activities, as well as information about and participation in day hospice services and health and wellbeing days, which can provide respite for family, friends and carers in their lives as well as rest and education for patients living with a long term condition (LTC).

Baseline evaluations (August 2016) indicate that 85% of those surveyed (18/21) reported no hospital admissions in the previous 3 months, 71% (15/21) reported only 1 attendance to their GP, with 28% (6/21) reporting no attendances to their GPs during this period. Evaluating the data collected in November 2016, we have seen an increase in all areas evaluated, with the greatest increases being in the areas of confidence in everyday life, confidence in self-management and in speaking with their healthcare professionals about their condition. Re-gaining confidence to talk with healthcare professionals about their condition has been reflected in the reduced number of reported hospital admissions and GP attendances amongst those surveyed.

NHS Litigation Authority (NHSLA) Local Incident Reporting Project

UHCW is one of four NHS Trusts to be selected by the NHS Litigation Authority (now NHS Resolution) to participate in a Local Incident Reporting Project, examining the links between patient safety incidents, complaints and legal claims investigations in Obstetrics and Orthopaedics.

The project team is analysing data in three parts:

- High level analysis of linked incident, complaint and claims records and current reporting capabilities in Datix
- Analysis of settled claims with an associated incident and complaint Datix record
- Analysis of settled claims without an associated Datix incident record

The project concluded on 31st March. UHCW is then required to submit a report to NHS Resolution of its findings. NHS Resolution will invite the other 3 organisations involved to a conference at UHCW on the 4th May 2017 to share findings.

2.2 Quality Account Improvement Priorities 2016-17: a progress update

Below are details of our progress and achievements against the Quality Improvement Priorities for 2016-17, as outlined in the 2015-16 Quality Account.

Priority 1 – Patient Safety: Increasing the reporting of medication errors and learning from reports.

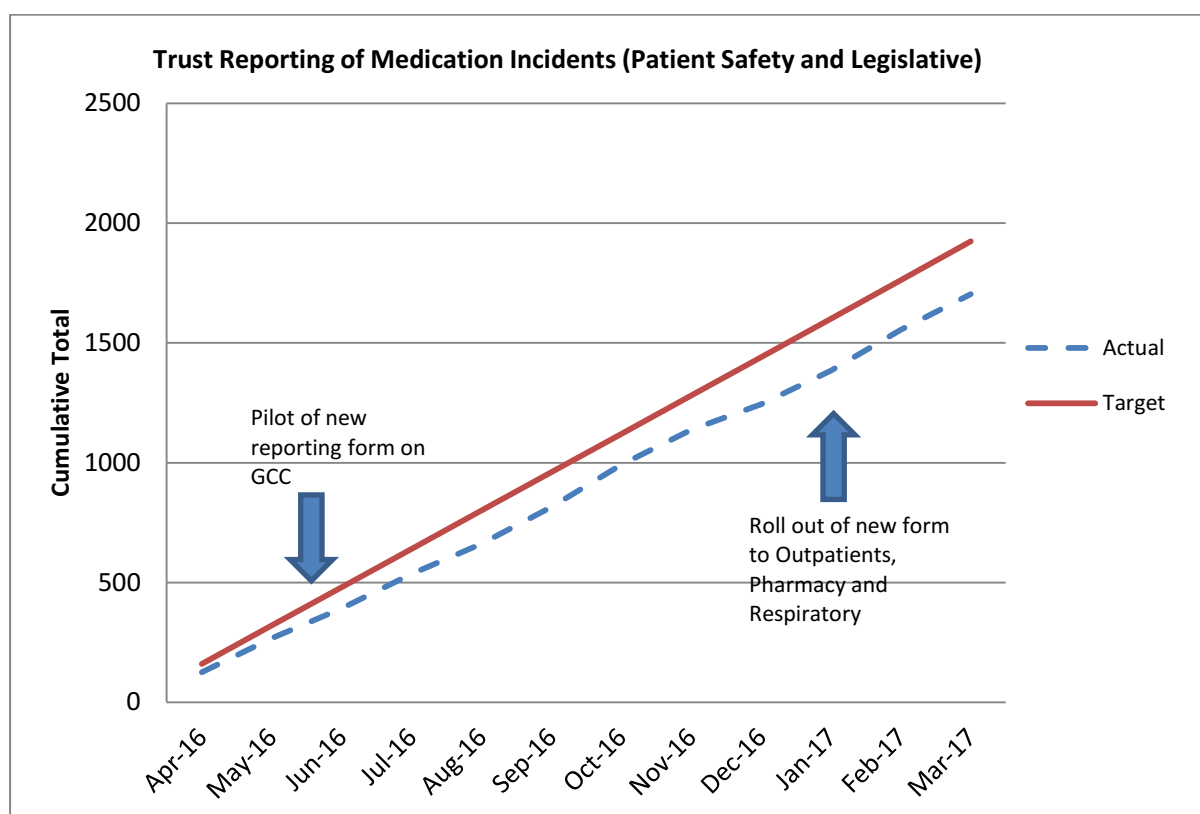
Rationale for Inclusion:

Increasing reporting of medication errors enables the organisation to analyse, learn and then reduce risk of patient harm. Research indicates that organisations with a high reporting rate have a good safety culture and better risk management strategies.

Achievements:

The DATIX reporting form has been re-designed as part of a Rapid Process Improvement Week (RPIW) using the UHCW improvement (UHCWi) tools; this makes it easier for staff to report patient safety incidents.

In the roll out of the new reporting form staff are given support to cascade train their team so that everyone is confident using the new form.



No harm and minor harm incidents continue to make up more than 98% of the incidents reported providing assurance that the increase in reporting is not a reflection of increasing harm.

During the roll out of the new form the manager of the area has a DATIX dashboard set up to monitor the types of error reported and discuss these at the safety huddle.

In 2016-17 the new incident form was implemented in five areas: Critical Care, Outpatients, Ophthalmology, Gerontology and Respiratory. It will be implemented trust-wide by July 2017.

A Dashboard has also been designed for the specialist pharmacists to review and present medication error trends at QIPS Meetings.

Medicines Safety Committee has re-launched with a greater focus on sharing learning from incidents, alongside Trust-wide review of trends in medication error reports.

Risks identified with Insulin have been communicated using the Weekly Safety Message.

Newsletters have been issued covering the 6 rights of safe prescribing and administration of medicines, standards for antimicrobial prescribing, safe use of potassium chloride, and adverse drug reactions.

Omitted doses have been identified as the most frequently occurring medication error. As a result of this the Trust has increased the frequency of the "No Omitted Doses (NOD)" Audit. The results of this are provided to ward managers, ward pharmacists, and specialist nurses working with critical medicines such as treatments for Parkinson's Disease.

Medicine not found had been identified as an important contributing factor for omitted doses. As a result, a new Standard Operating Procedure for how to review a Stock List has been developed and all ward stock lists are due to be reviewed.

Priority 2 – Clinical Effectiveness: Improving Care Bundle Compliance

Rationale for Inclusion:

Improved compliance with Clinical Care Bundles leads to more effective and safer patient care. A Care Bundle is a structured way of improving the processes of care and patient outcomes: a small, straightforward set of evidence-based practices — generally three to five — that, when performed collectively and reliably, have been proven to improve patient outcomes. The Institute of Health Improvement (IHI) developed the concept of “Bundles” to help healthcare providers deliver the best possible care for patients undergoing particular treatments with inherent risks.

The power of a Care Bundle comes from the body of science behind it and the method of execution: with complete consistency. It's not that the changes in a bundle are new; they're well established best practices, but they're often not performed uniformly, making treatment unreliable, at times unique to an individual.

A Clinical Care Bundle ties the changes together into a package of interventions that people know must be followed for every patient, every single time.

Achievements:

The Acutely Ill Patient Management Committee (AIPMC) has been established and meets monthly providing leadership and direction to bring together the clinical leads of the multiple work streams and facilitates the development of clinical Care Bundles as well as providing a forum to develop strategies to reduce episodes of “failure to rescue.” The committee also links together the CQUIN projects and work being done in conjunction with the Sign up to Safety Programme. The respective work streams report progress to the AIPMC on a monthly basis. This has included Grand Round presentations, multidisciplinary undergraduate and post graduate teaching and ward based training supporting the dissemination of the Care Bundles and promotion of the uptake and completion of the specific care bundle components.

The Pneumonia Care Bundle has been developed and has been uploaded onto the “Clinical Care Bundle” section of the Trust Intranet. The Care Bundle guides the diagnosing clinician to confirm the diagnosis by Chest X-ray, give oxygen when appropriate, assess the clinical risk using the CURB-65 score which is a severity assessment criteria dividing patients into 4 groups (mild, mild with co-morbidity or clinical concern, moderate and severe) as recommended by the British Thoracic Society and guides the clinician to commence appropriate antibiotics by the appropriate route within 4 hours of admission. This process is rolled out into the Emergency Department and the Medical Assessment Unit.

Development of an “Acute Heart Failure Care Bundle”. This has combined the three elements of the Heart Failure Pathway into a clinical Care Bundle that addresses the clinical steps of “Assess”, “Treat”, “Manage” and “Refer”. This bundle is at the developmental stage and is currently being presented to the acute care departments.

The Trust Practice Nurse Facilitators have developed an approach to the assessment of patient hydration and fluid balance. This was presented to the Grand Round in January 2017. The AIPMC has supported this development and assisted with the appropriate scales to measure urine output and improve the accuracy of fluid balance recording across UHCW.

The National Emergency Laparotomy Audit of the associated clinical Care Bundle has continued to improve the care of patients undergoing emergency abdominal surgery. Calculation and documentation of the P-POSSUM risk assessment is now completed in 100% of cases and helps surgeons more fully consent their patients by giving mortality and other surgical risk predictions based on relevant prognostic factors including age, disease severity and co-morbidity. This results in improved risk assessment, ensures that consultant surgeons and anaesthetists manage the high risk patients in theatre and all high risk emergency laparotomy patients benefit from admission to the general Critical Care Unit for postoperative management.

The decompensated cirrhosis Care Bundle has been developed to reinforce the clinical care pathway that is on the Trust intranet. Decompensated cirrhosis is a medical emergency with a high mortality. This clinical Care Bundle is specifically designed to address actions that should be completed within the first 6 hours of admission. It ensures that the effective early interventions are completed leading to increased patient survival and a reduction in length of hospital stay. This Care bundle has been introduced into all emergency admission areas. The timeliness and result of the base line ascetic tap is used as a benefit marker and a measure of the efficacy of this clinical care bundle.

The “Acute Kidney Injury” pathway has been developed and introduced to support the assessment and management of all patients that trigger the acute kidney injury alert parameters. The clinical results reporting system triggers an automatic alert for all patients who have evidence of an acute kidney injury. Clinical care bundle then provides guidance for the assessment and management of the individual patient with specific criteria for escalation to the renal registrar or Consultant.

Sepsis Nurse Practitioners have been appointed to help reinforce the “Sepsis 6” care bundle. The sepsis pathway is due to be reviewed and updated in April 2017. Work is underway to incorporate the updated West Midlands pathway with “Red flags” associated with particular risk factors. These will be supported by the development of sepsis alerts within the VitalPAC patient monitoring track and trigger system.

Priority 3 – Patient Experience: The measurement of direct care using a multi-professional team approach (Care Contact Time)

Rationale for Inclusion:

The aim of measuring the direct care time spent with patients by clinical teams is to achieve efficient and effective high quality care that adds value by being delivered at the patient bedside. Delivering care at the bedside plays a pivotal role in promoting person centred care focused on improving patient experience and outcomes. The Care Contact tool is a national initiative which is based on Lean principles and part of the Safer Nursing Care Tool. UHCW is the first acute Trust to have implemented an e-care contact app which provides instant reporting on the time each clinical and multi-professional group spends directly with patients and provides data that can be utilised to reduce and eliminate time and tasks that add little value to the provision of care.

Achievements:

Over the last year the team has worked to develop the functionality of the electronic App. In February 2016 and January 2017 two data collections were undertaken in the Trauma and Orthopaedic in-patient areas. The results have showed significant improvement in the time Registered Nursing staff are spending in direct care tasks at the patient bedside (a 28% improvement has been demonstrated since the initial paper collection in the summer of 2015).

In both pilots using the electronic App data was collected for the first time by the multi-professional team which included Junior Doctors, Registered Nurses, Health Care Support Workers, Advanced Nurse Practitioners and Allied Health Professionals. Overall multi-professional care contact time was found to be 69%.

In the summer of 2016 directed by the Chief Nurse the Trust utilised the electronic App to carry out a burden of work study in regard to medicine administration in ward areas over a 24 hour period. The study identified that a significant proportion of Registered Nursing time in administering medications was spent on “non-valued added” tasks:

- Overall 4 hours of Registered Nursing time was spent looking for drug cabinet keys
- In the Acute Medical Unit a total of 7 hours was spent queuing for dispensed medication at the electronic medication dispensing unit

The findings are being used to establish a series of actions looking at how we can remove 'non value' added tasks and to support the Trust-wide scheme to introduce electronic drug cabinets.

This year we are rolling out multi-professional care contact time for all adult inpatient areas across the Trust. The data collection phase will be completed by March 2017. The results and actions from findings for the ward areas will be published by May 2017. We anticipate preparing a paper for publication by August 2017.

2.3 Quality Improvement Priorities for 2017-18

Quality Priority 1 - Patient Safety

This priority is split into two parts, the first covers the elimination of avoidable hospital acquired pressure ulcers, and the second covers falls

a) Eliminating avoidable hospital acquired pressure ulcers

Why is it a priority?

Avoidable pressure ulcers are a key indicator of the quality and experience of patient care. Pressure ulcers are caused when an area of skin and the tissues below are damaged as a result of being placed under pressure sufficient to impair its blood supply. Typically they occur in a person confined to bed or a chair by an illness and as a result they are sometimes referred to as 'bedsores', or 'pressure sores'.

All patients are potentially at risk of developing a pressure ulcer. However, they are more likely to occur in people who are seriously ill, have a neurological condition, impaired mobility, impaired nutrition, or poor posture or a deformity. Also, the use of equipment such as seating or beds which are not specifically designed to provide pressure relief can cause pressure ulcers. As pressure ulcers can arise in a number of ways, interventions for prevention and treatment need to be applicable across a wide range of settings including community and secondary care. This may require organisational and individual change and a commitment to effective delivery (NICE 2016).

Pressure ulcers are often preventable and categorised as unavoidable (those that could not be prevented) and avoidable (those that could be prevented). A pressure ulcer is classified as avoidable when the person providing care did not:

- Evaluate the patient's clinical condition and identify pressure ulcer risk factors
- Plan and implement interventions consistent with patients' needs and goals and recognised standards of practice
- Monitor and evaluate the impact of the interventions and revise the interventions as appropriate
- Reasons for refusing care have not been explored and risks not adequately explained

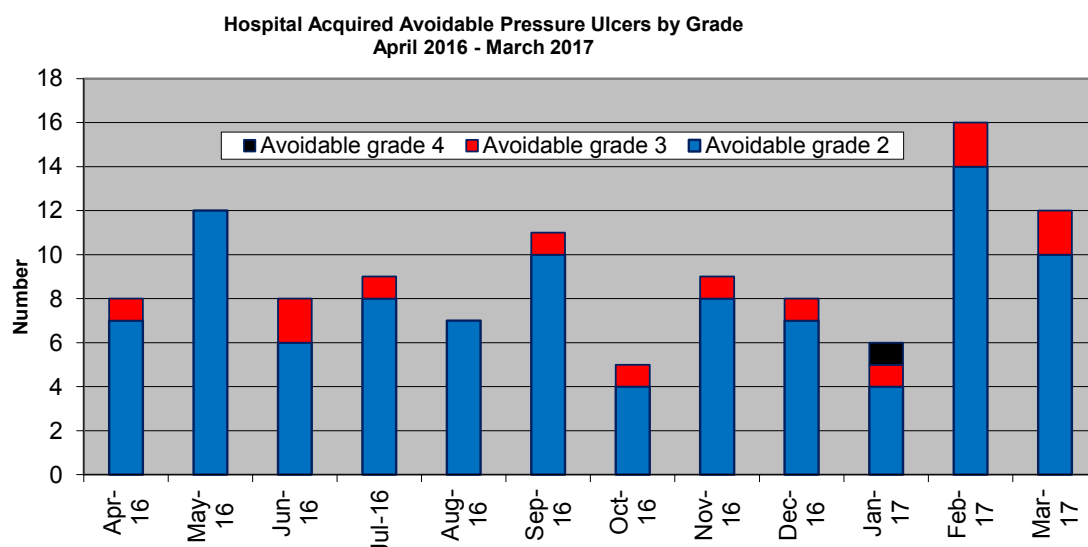
Our Goal

To build on the existing strategy for pressure ulcer prevention and reduction that have been achieved and to further deliver a reduction in the numbers and severity of harm of avoidable hospital acquired pressure ulcers.

Our starting point - baseline

Our baseline is 2016-17 data when there were 111 patients who developed avoidable pressure ulcers. We will aim for a 15% reduction which equates to a reduction of 16 or total of 95 patients with avoidable hospital acquired pressure ulcers.





How will we achieve our goals?

- Monitor adult inpatient ward staff attendance at monthly tissue viability study days and report numbers to Nursing and Midwifery Committee and Patient Safety Committee
- Focused education and support to the clinical teams on wards that consistently have patients who are developing avoidable hospital acquired pressure ulcers by the March 2018
- Develop a rapid response approach by June 2017
- Develop a line of key questions regarding pressure ulcer management to be included in ward safety huddles by June 2017
- Development of a Multi-professional Pressure Ulcer Forum by June 2017 to increasing the learning and improvement

How will we monitor and report progress?

Progress against these measures will be monitored by Nursing Midwifery Quality Forum each quarter and reported to Patient Safety Committee.

Leads:

The work is being collaboratively led by:

- Gillian Arblaster (Associate Director of Nursing Education and Research)
- Amy Verdon (Tissue Viability Clinical Nurse Specialist)
- Viola Sidambe (Tissue Viability Clinical Nurse Specialist)
- Rachel Reece (Tissue Viability Nurse)

b) Falls

Falls and fall related injuries are the most common patient safety incident reported in Trusts throughout England, with an estimate of around 240,000 reported to the NHS England's patient safety division each year. This is also reflected at UHCW where the total number of falls of all harm levels for 2016-17 is 2531, which is the highest reported patient safety incident.

People aged 65 and older have the highest risk of falling, with 30% of people older than 65 and 50% of people older than 80 falling at least once a year.

All falls, even those that do not result in injury, can cause older patients and their family to feel anxious and distressed. For those who are frail, minor injuries from a fall can affect their physical function, resulting in reduced mobility, and undermining their confidence and independence.

Addressing the problem of inpatient falls is challenging. There are no single or easily defined interventions which, when done on their own, are shown to reduce falls. However, research has shown that multiple interventions performed by the multidisciplinary team and tailored to the individual patient can reduce falls (Royal College of Physicians Audit of Inpatient Falls 2015)

Our Goal

- To have a 20% reduction in all falls over a 2 year period (2017-18 & 2018-19)
- 50% reduction for falls with moderate harm or above over a 2 year period (2017-18 & 2018-19)
- 50% reduction in repeat fallers over a 2 year period (2017-18 & 2018-19)

Financial Year	Number of Falls (all types)	Occupied bed days	Rate of falls per 1000 occupied Bed days
2014-15	2608	381717	6.83
2015-16	2524	382843	6.59
2016-17	2531	388942	6.50

Rate of all falls per 1000 bed days (National average 6.63. Data from 2015 Royal College of Physicians)

Financial Year	Falls with moderate harm or above	Occupied bed days	Falls per 1000 occupied Bed days
2014-15	40	381717	0.10
2015-16	63	382843	0.16
2016-17	69	388942	0.17

Rate of falls with moderate harm or above per 1000 bed days (National average 0.19. Data from 2015 Royal College of Physicians)

Financial Year	Repeat fallers	Occupied bed days	Rate of falls per 1000 occupied Bed days
2014-15	448	381717	1.17
2015-16	429	382843	1.12
2016-17	431	388942	1.10

Rate of repeat fallers per 1000 bed days (No national average available)

Our starting point: baseline

Year-end data for 2016-17 as above.

How will we achieve our goal?

- A Strategic, Tactical and Operational approach to falls improvement will be undertaken
- Have dedicated named individuals across disciplines leading on falls improvement – monitor attendance at monthly falls forum meetings and provide an update quarterly to the Nursing and Midwifery Committee & Patient Safety Committee
- Rollout new falls risk assessment and multifactorial care pathway to all wards by April 2017
- Complete a business case to enhance the falls team by April 2017
- Source/review new technology for reducing falls – complete a twice yearly referral to CEBIS to review the latest technology used for falls management

- Increase communications regarding falls awareness utilising TRUSTNav. Publish a monthly falls newsletter
- Revise the current training & education on falls awareness by June 2017
- Increase profile and responsibilities of falls link staff – monitor attendance at bi-monthly meetings
- Complete a quarterly thematic review of falls so that the themes identified are disseminated to all wards and departments
- Plan annual falls summit at UHCW & participate in the national falls awareness week Sept 22nd – 28th 2017
- Complete annual audit on bed rail use by March 2018 and report outcomes to the Nursing and Midwifery Committee & Patient Safety Committee
- Introduce falls boxes/cases by July 2017 (these are boxes that will contain all post falls items including a slide sheet and paperwork for completion by doctors and the nursing team)

How will we monitor and report progress?

Falls data monitoring charts for all wards departments. These are produced monthly by the Performance and Programme Management Office (PPMO).

Progress will be monitored monthly at the falls forum with quarterly reports to the Nursing & Midwifery Committee and patient safety committee.

Leads

Elaine Clarke Associate Director of Nursing
Diane Sheppard Moving & Moving Falls lead

Quality Priority 2 - Clinical Effectiveness

Why is it our priority?

UHCW is committed to accurately monitoring and understanding its mortality outcomes. Reviewing patient outcomes such as mortality is important to Trusts as it helps provide assurance and evidence that the quality of care is of a high standard, and also highlights pathways where process and care can be improved to benefit quality of patient care. Reviewing mortality helps fulfil 2 of the 5 domains set in the NHS Outcomes Framework:

- Preventing people from dying prematurely
- Treating and caring for people in a safe environment and protecting them from avoidable harm

The Trust uses mortality indicators such as the Hospital Standardised Mortality Ratio (HSMR) to compare mortality data nationally. This helps the Trust to identify areas for potential improvement. Although HSMR is not a measure of poor care in hospitals, it does provide a 'warning' for potential problems and help identify areas for investigation.

The HSMR uses a benchmark of 100 to monitor performance. If the value is higher than 100, then there have been more deaths than expected. If the HSMR is below 100, it means that there are fewer deaths than expected. If there are significantly more deaths or fewer deaths than expected a mortality alert (either positive or negative) will be created.

Our Goal

To continue to maintain HSMR for UHCW at less than 100 over the next 12 months; with a longer term aim of achieving top quartile performance over the next 3-5 years.

Our starting point – baseline

The Trust's current baseline is an HSMR of 99.6 for the rolling 12 month period of December 2015 to November 2016.



How will we achieve our goal?

To achieve this goal the Trust will continue to:

- Increase from current performance its primary and secondary mortality review rate to optimise opportunities for learning
- Increase Trust learning from mortality reviews
- Increase the number of Care Bundles to support appropriate standardised care based on best practice
- Benchmark HSMR performance and practice against a range of peer groups
- Work to better understand the factors that define our mortality performance and work towards improving the significant factors identified
- Work with local commissioners to reduce Standardised Hospital Mortality Indicator performance

How will we monitor and report progress?

The Trust's HSMR performance will continue to be reported monthly to the Mortality Review Committee and quarterly directly to Trust Board. As well as monthly, performance is reported on a rolling 12 month basis. The data is reported 3 months retrospectively.

Leads:

Deputy Chief Medical Officer

Quality Priority 3 - Patient Experience

Why is it a Priority?

The Trust introduced a set of values into the Trust in 2015 and we recognise that these values may not be consistently demonstrated by all. As UHCW strives to become a world class organisation we need to ensure these values are consistently demonstrated by our employees' who will through their decisions, choices and actions shape the culture of the organisation.

Since April 2015 the Trust has received over 150 formal complaints which cited poor staff attitude as one of the reasons for making the complaint. In addition poor customer care has featured regularly in patient Impressions, patient Friends and Family Test feedback, patient stories as well as contact through our Patient Advice and Liaison Service (PALS).

Our Goals

To deliver an engaging, bespoke, world class customer care course for our staff which incorporates latest, best practice in the field ensuring our Trust's Values and Behaviours' Framework resonates into practice.

Our starting point – baseline

An audit carried out in 2016, as part of the Together Towards World Class (TTWC) Experience Work stream, identified that the following courses offer elements of customer care. All but one, What Did You Say, delivered by a Nurse Practitioner to Healthcare Assistants, deals solely with the subject.

- Distance learning with Hinckley College
- Conflict Resolution
- Accessibility for Deaf & Blind Patients
- UHCW Values and Behaviours Framework
- Improving the Patient Experience Workshops
- Complaints & PALS Awareness and training sessions



- Learning disabilities' awareness workshops
- Impressions Reporting System training

As a consequence of this audit, the Patient Involvement Team has overseen, in conjunction with clinical and workforce colleagues, the introduction of bespoke customer service training linked to the Trust's Values and Behaviours framework. Delivered by TMI, a reputation management company which has delivered customer care training globally to healthcare organisations and private companies alike, the course entitled Brilliant Basics – Delivering Exceptional Customer Service was run in September and October 2016 to an initial cohort made up from receptionists, switchboard staff, medical secretaries and other customer facing staff. The second cohort of training was delivered throughout February and March 2017 to all staff groups.

As at 31st March 2017 a total of 660 staff have attended the course which has evaluated extremely well across all staff groups.

How will we achieve our goals?

- Support and inspire staff to provide excellent customer care to its patients, their relatives and visitors and to each other
- Support our staff in acquiring the skills and knowledge to deliver world class customer care
- Support a culture where staff want to behave in accordance with the Trust's values and behaviours

How will we monitor and report progress?

Impressions: an annual increase in the number of respondents stating they had a mainly good experience at the Trust

Generic Local Survey: an increase from Q1 position in the number of respondents stating

- they had a mainly good experience at the Trust
- staff treated them with courtesy and compassion
- staff treated them with openness, honesty and integrity
- staff treated them with respect and dignity

Complaints and PALS contacts: a decrease in the number of formal complaints and PALS contacts which cite staff attitude and/or behaviour.

The above will be reported through to Patient Experience and Engagement Committee quarterly where appropriate.

Measure	Baseline Position 2016/2017
Impressions mainly good experience rate	96%
Local Survey: mainly good experience rate (New survey)	0
Local Survey: courtesy & compassion rate (New Survey)	0
Local Survey: openness, honesty & integrity rate (New Survey)	0
Local Survey: respect and dignity rate (New Survey)	0
No of times Values and Behaviours of staff is cited within complaints (Attitude, rudeness, failure to act professionally, verbal abuse)	132
No of time Values and Behaviours of staff is cited within PALS contacts (Attitude, rudeness, failure to act professionally, verbal abuse)	222

Leads

- Patient Involvement Team
- Associate Director of Workforce

2.4 Statements of Assurance from the Board

2.4.1. Review of Services

During 2016-17, UHCW was commissioned by Clinical Commissioning Groups (CCGs) to provide 66 General Acute Services, in addition to a range of Specialised Services commissioned by NHS England that fall within NHS England's four Programmes of Specialised Care. UHCW has reviewed the quality of care of these services in accordance with its contractual obligations.

The income generated by these services combined, represent 84% of the total value of income received by the Trust for providing Clinical Services.

2.4.2. Participation in Clinical Audits

During 2016-17, 43 national clinical audits and 5 national confidential enquiries covered relevant health services that UHCW provides.

During 2016-17 UHCW participated in 100% of national clinical audits and 100% of national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in. The national clinical audits and national confidential enquiries that UHCW was eligible to participate in during 2016-17 are listed in the table below. The national clinical audits and national confidential enquiries that UHCW participated in, and for which data collection was completed during 2016-17 are indicated with a green tick, alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

Eligible audits applicable to UHCW as published in the Department of Health's Quality Account List	Did UHCW participate in 2016-17?	Participation 2016-17
Acute Myocardial Infarction and other ACS (MINAP)	✓	100%
BTS Adult Asthma	✓	100%
Adult Cardiac Surgery Audit (CABG and Valvular Surgery)	✓	100%
RCEM Asthma (paediatric and adult) care in emergency departments	✓	100%
National Bowel Cancer Audit Programme (NBOCAP)	✓	100%.
Cardiac Arrhythmia (Cardiac Rhythm Management Audit)	✓	100%
Adult critical care (Case Mix Programme)	✓	100%
NCEPOD Child Health Clinical Outcome Review Programme: Chronic Neurodisability	✓	100%
NCEPOD Child Health Clinical Outcome Review Programme: Young People's Mental Health	✓	Data submission May 2017. Participation expected to be 100%.
Coronary Angioplasty (Adult Cardiac Interventions Audit)	✓	100%.
National Paediatric Diabetes Audit (NPDA)	✓	100%
Endocrine and Thyroid National Audit (BAETS)	✓	100%
Falls and Fragility Fractures Audit Programme: National Hip Fracture Database (NHFD)	✓	100%
Head and Neck Cancer Audit (HANA)	✓	100%.
Inflammatory Bowel Disease (IBD) Programme	✓	New national database implemented. Data submission May 2017.
Trauma Audit & Research Network (TARN) (Major Trauma Audit)	✓	Cases pending coding. Participation expected to be 100%.
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK) - <i>previously CEMACH</i>	✓	100%
NCEPOD Acute Pancreatitis Study	✓	100%
NCEPOD Physical and Mental Health Care of Mental Health Patients in Acute Hospitals	✓	100%
NCEPOD Non-invasive Ventilation Study	✓	100%
National Audit of Dementia	✓	100%
National Cardiac Arrest Audit (NCAA)	✓	Data validation ends 2 nd June 2017. Participation expected to be 100%.
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme – Secondary Care	✓	Data submission 21 st July 2017
National Comparative Audit of Blood Transfusion Programme: Use of Blood in Haematology	✓	100%

Eligible audits applicable to UHCW as published in the Department of Health's Quality Account List	Did UHCW participate in 2016-17?	Participation 2016-17
National Comparative Audit of Blood Transfusion Programme: Re-audit of Patient Blood Management in Scheduled Surgery	✓	100%
National Comparative Audit of Blood Transfusion Programme: Audit of the use of Blood in Lower GI Bleeding	✓	100%
National Diabetes Footcare Audit (NDFA)	✓	100%
National Inpatient Diabetes Audit	✓	100%
National Pregnancy in Diabetes Audit (NPID)	✓	96%.
National Diabetes Transition Audit	✓	100%
National Diabetes Core Audit (NDA)	✓	100%
National Emergency Laparotomy Audit (NELA)	✓	100%.
National Heart Failure Audit	✓	100%
National Joint Registry (NJR)	✓	100%
National Lung Cancer Audit (NLCA)	✓	100%.
Neurosurgical National Audit Programme	✓	100%.
National Ophthalmology Audit	✓	*21%
National Prostate Cancer Audit	✓	100%.
National Vascular Registry (NVR)	✓	100%
National Neonatal Audit Programme (NNAP)	✓	100%.
British Association of Urological Surgeons (BAUS) Nephrectomy Audit Percutaneous Nephrolithotomy (PCNL) Radical Prostatectomy Audit Urinary Incontinence Audit	✓	100%.
National Oesophago-gastric (NAOGC) Cancer Audit	✓	100%
BTS Paediatric Pneumonia	✓	100%
Renal Replacement Therapy (Renal Registry)	✓	100%
Sentinel Stroke National Audit Programme (SSNAP)	✓	96%.
RCEM Severe Sepsis and Septic Shock – care in emergency departments	✓	100%
Specialist rehabilitation for patients with complex needs following major surgery	✓	Currently collecting data, proposed submission July 2017. Participation expected to be 100%.
UK Cystic Fibrosis Registry (Paediatric only)	✓	100%.

* UHCW has investigated why the participation rate was lower than expected in the audits that have been identified with an asterisk. The reasons why this occurred have been provided in the next table.



Audit title	Participation Rate	Rationale for low participation rate
National Ophthalmology Audit	21%	In response to technical issues with Medisoftware, limited Medisoftware training and access to computers an action plan has been put in place for this audit to help resolve the issues and improve participation during 2017/18. Significant improvements in participation have already been noted.

The following national clinical audits are included on the Quality Account list for 2016-2017; however the Trust did not participate for the reasons outlined below:

Eligible audits applicable to UHCW as published in the Department of Health's Quality Account List	Rationale for Non-participation during 2016-2017
Falls and Fragility Fractures Audit Programme - Inpatient Falls	Audit did not take place during 2016-2017. Due to commence May 2017.
National Clinical Audit of Rheumatoid and Early Inflammatory Arthritis	Audit did not take place during 2016-2017. Due to be recommissioned by the Healthcare Quality Improvement Partnership (HQIP) in 2017.
Learning Disability Mortality Review Programme (LeDeR)	Audit still in pilot phase; UHCW is not a pilot site. Plan to commence audit within the West Midlands during 2017.

The following table details the ten clinical audits included in the Quality Account list published by the Department of Health in which UHCW did not participate due to eligibility.

Of these ten audits, in five UHCW does not provide the relevant service, in two the Trust does not perform the procedure and the other four are not applicable to Acute Trusts.

Audit Title	Rationale for Non-participation
Chronic Kidney Disease in Primary Care	Not eligible – not applicable to Acute Trusts
Congenital Heart Disease (CHD) (NICOR) (Adult & Paediatric)	Not eligible – procedure not performed
Elective Surgery (National PROMs Programme) (HSCIC)	Not eligible – service not provided at UHCW
Fracture Liaison Service Database (RCP London)	Not eligible – service not provided at UHCW
National Confidential Inquiry into Suicide and Homicide for People with Mental Health Illness (NCISH)	Not eligible – not applicable to Acute Trusts
National Audit of Pulmonary Hypertension (HSCIC)	Not eligible – service not provided at UHCW
National Chronic Obstructive Pulmonary Disease (COPD) – Rehabilitation Workstream	Not eligible – service not provided at UHCW
National Chronic Obstructive Pulmonary Disease (COPD) – Primary Care	Not eligible – not applicable to Acute Trusts
Paediatric Intensive Care (PICANet) (University of Leeds)	Not eligible – procedure not performed
Prescribing Observatory for Mental Health (POMH-UK)	Not eligible – not applicable to Acute Trusts

The following table outlines participation in the National Clinical Audit and Patient Outcomes Programme (NCAPOP)

Participation in the National Audit and Patient Outcomes Programme	
2010 - 2011	100%
2011 - 2012	95% (non-participation in 1 audit)
2012 - 2013	98% (non-participation in 1 audit)
2013 - 2014	97% (non-participation in 1 audit)
2014 - 2015	98% (non-participation in 1 audit)
2015 - 2016	100%
2016 - 2017	100%

National Clinical Audits – Key Actions Taken in 2016-17

The following are brief summaries of some of the key actions the Trust has taken to improve the quality of healthcare as a result of the review of national clinical audit reports:

Audit Title	Key Actions
National Audit of Blood Component use in Patients with Liver Cirrhosis	<p>A new clinical guideline has been implemented in the Trust specifically for the use of blood transfusion in patients with cirrhosis. Patients with liver disease require specific management due to co-morbidities therefore the guideline will ensure the appropriate treatment and management of patients with this condition.</p> <p>In addition a separate clinical guideline on the management of variceal bleeding has also been implemented increasing specificity of the treatment available to patients with liver cirrhosis.</p>
National Diabetes Inpatient Audit	<p>The Endocrinology Team has contributed to a regional group (George Eliot Hospital, South Warwickshire Foundation Trust, and University Hospital Coventry & Warwickshire) to develop a new Insulin Prescription and Blood Glucose Monitoring Chart, in conjunction with the Pharmacy and Patient Safety Team. This is currently being trialed within the Trust and if successful the Insulin Chart will be rolled out across the 3 sites.</p> <p>In addition to this, an Inpatient Diabetes Working Group has been set up which looks at insulin errors within the Trust as part of its remit.</p>
Chronic Obstructive Pulmonary Disease (COPD)	<p>An admissions bundle has been developed to mitigate issues around identifying patients on admission; overall improving the level of care of COPD patients.</p> <p>In order to continue to improve the level of palliative care services within the Trust and connections with the community COPD team on in-reach, a monthly breathlessness multidisciplinary team has been implemented.</p> <p>Education for junior doctors to improve the recording of patient involvement has been implemented based on the new ReSPECT forms rolled out within the Trust.</p>
British Thoracic Society (BTS) Paediatric Asthma	<p>An asthma discharge care bundle has been developed and incorporated into the Trust's asthma/wheeze nursing care plan. This will help to ensure patients are discharged smoothly with all the essential information they require.</p>
UK Parkinson's Audit (National Parkinson's Audit)	<p>An information leaflet on advanced care planning has recently been developed and rolled out across the Trust. This will help to ensure that sensitive written information covering aspects of advanced care planning (such as lasting power of attorney) is routinely available for review and discussion.</p> <p>A second Parkinson's Disease nurse has been employed to help alleviate pressure on follow-up appointments. This will help to improve outpatient capacity and inpatient care.</p> <p>A Local Patient Advisor from Parkinson's UK is now invited to attend the UHCW nurse-led new diagnosis clinics, which will help to improve signposting of new patients to Parkinson's UK.</p>
National Paediatric Diabetes Audit (NPDA) 2014/15	<p>Staff have been trained in foot examination, which will result in an improvement in the percentage of children having a foot examination conducted.</p> <p>There has been a review of the dietetic advice given to patients</p>

National Paediatric Diabetes Audit (NPDA) 2014/15	Staff have been trained in foot examination, which will result in an improvement in the percentage of children having a foot examination conducted. There has been a review of the dietetic advice given to patients and written policies regarding this have been amended. Posters highlighting the target HbA1c level have been developed and these are discussed at clinic consultations. This will result in an improvement in HbA1c outcomes, to increase the number of patients achieving the target of 48mmol/mol.
Sentinel Stroke National Audit Programme (SSNAP)	With the appointment of 2 new stroke consultants and transfer of a neurologist to the stroke team, there is now greater senior presence, which will allow earlier review of patients.

Local Clinical Audits – Key Actions Taken in 2016-17

The following are brief summaries of some of the key actions the Trust has taken to improve the quality of healthcare as a result of the review of local clinical audit reports:

Audit Title	Key Actions
Audit of the UHCW Bariatric Surgery Service	Group psychology sessions for patients have been implemented within the Trust to provide support and education to patients on post-operative expectations of weight loss. Seminar facilities were secured in the WISDEM centre which are tailored to the needs of patients to use in group sessions.
Audit to assess how effectively the Orthopaedic Therapy team assess and treat fractured Neck of Femur (NOF) patients in accordance with the 'Hip Fracture' NICE Guidelines	It was recommended that NOF patients should be included as a high priority on the weekend therapy list when the patient is within the first 10 days post-surgery. An action was put in place whereby patients, who are within the first 10 days post-surgery, following a fractured neck of femur, are now added onto the weekend therapy list as a priority. This ensures that patients receive the appropriate Orthopaedic Therapy following surgery. A sticker entry into the medical notes / NOF Pathway booklet, which requires signature by a clinician when a NOF pack is provided to a patient, has been implemented. This ensures the patient will receive the appropriate information surrounding their care pathway.
Audit to assess compliance with documentation and goal setting from NICE CG83 (critical illness rehabilitation)	All patients who have had a stay in Cardiothoracic Critical Care now have access to outpatients based exercise classes run by the Critical Illness Rehabilitation Team. The class is a 6 week circuit based exercise programme that helps to restore independence, cardiovascular fitness and ultimately improve patient's quality of life post Intensive Care Unit stay. Patients receive their first appointment approximately two weeks post discharge from hospital.
Recurrence rate following skin sparing & simple mastectomy Audit	For breast mastectomy patients, new forms have been implemented in the Trust to ensure discussions are held with patients on the suitability of skin sparing mastectomy and local treatment offered including surgical excision or radiotherapy. This will ensure that patients are aware of the options available to them and the suitability of their treatment is discussed.

Recurrence rate following skin sparing & simple mastectomy Audit	For breast mastectomy patients, new forms have been implemented in the Trust to ensure discussions are held with patients on the suitability of skin sparing mastectomy and local treatment offered including surgical excision or radiotherapy. This will ensure that patients are aware of the options available to them and the suitability of their treatment is discussed.
Audit of the appropriate investigation and treatment of vitamin D deficiency in geriatric patients	Teaching sessions in relation to Vitamin D testing and treatment have been implemented within Gerontology for all healthcare professionals. New Vitamin D local clinical guidelines have also been implemented to ensure patients receive the appropriate care and treatment.
Audit on the outcomes of patients receiving Phototherapy	Psoriasis Area and Severity Index (PASI) score for psoriasis is necessary to enable monitoring of effectiveness of therapy for patients, and aid clinical decision in continuing or stopping phototherapy. The PASI score is to be conducted by clinical staff prior, during and after completion of phototherapy. Medical and nursing staff have been trained to conduct PASI scoring and the information is recorded in medical records/phototherapy records.
NICE QS 44 – Audit of Atopic Eczema in Children	The amount of emollient per week prescribed to patients has been clearly identified on GP notes and prescriptions to ensure clearer instructions in the documentation. Clinical teams within Dermatology continue to assess severity of Eczema, Quality of Life and Psychosocial Wellbeing of patients using the Patient Oriented Eczema Measure (POEM) and the Nottingham Eczema Severity Score (NESS) scoring systems.
Audit of Patient Quality of Life in the Adult Squints	The Ophthalmology Team have replaced the UHCW Quality of Life Questionnaire with the AS20 Quality of Life Questionnaire. This is now used throughout the Department for patients undergoing strabismus surgery and is administered during their pre-operative and post-operative appointments.
Audit of time to definitive soft tissue coverage following open lower limb fractures	The use of a second combined weekly ortho-plastic operating list has been implemented which allows the clinical team to identify improvements of service delivered to patients, including increased compliance with national guidelines and trends towards a reduced length of inpatient stay.
Audit of Transient Loss of Consciousness (TLOC)	A Transient Loss of Consciousness (TLOC) clinic has been piloted for 1 year. This clinic has proven to be highly successful and has resulted in an improved diagnosis rate from 20% to 70% thus ensuring patients receive the appropriate care and treatment in a timely manner. It also earned the clinical team a finalist place in the BMJ Cardiology Team of the Year awards.

Audit of staff understanding of DRLs and other indicators of exposure	<p>Teaching sessions on Diagnostic Reference Levels (DRL) have been revised to ensure staff are clear about what they should do if DRLs are consistently exceeded.</p> <p>DRL teaching is now included the induction process for new starters. This training will ensure that clinical staff understand what they need to do if DRLs are exceeded, reducing the risk of unintended radiation exposure to patients.</p>
Audit of Emergency Nurse Practitioner (ENP) activity and progress against new scope of practice	<p>Training has been introduced for all Emergency Nurse Practitioners (ENPs) on specific areas of concern (e.g. fracture reduction), and a new system of 'meet and greet' and streaming has been implemented.</p> <p>This should reduce the need for ENPs to assist with triage and should also improve their activity numbers, which means that more patients can be seen quicker within the Emergency Department.</p>
Audit of Shoulder Dystocia	<p>Education around the documentation of shoulder dystocia has been put in place via induction training for new midwifery staff. Shoulder dystocia proformas are now completed for all cases and filed into the patient's notes.</p> <p>Printed copies of the shoulder dystocia proformas are available in all rooms on Labour ward and in the Lucina Birth Centre for ease of use. This will ensure that information around shoulder dystocia is recorded accurately to inform the care of patients.</p>
Re-audit of WHO Surgical Safety Checklist	<p>All staff have viewed a video on the Surgical Safety Checklist to increase their knowledge and understanding of stages two and three. This is now part of a competency package for new clinical staff.</p> <p>Introducing this programme has increased staff awareness which will prevent/minimise errors during surgery.</p>
Management of Suspected Non-Accidental Injury (NAI) 2015/16	A proforma has been developed to standardise child protection medical assessments. This will ensure that all the required information in any child protection case is documented and discussed.
Traumatic Brain Injury	A 'streaming' system in the Emergency Department has been implemented in order to reduce the time to triage for patients with a head injury. This will lead to improvements in the percentage of patients with head injuries assessed within 15 minutes of arrival at the Emergency Department.
Re-audit of Patient/Carer Perception of Stroke Services	A patient information leaflet about driving has been developed for patients who have had a Stroke, and this is now supplied to all applicable patients. This has led to an improvement in the quality of written patient information received and will ensure patients receive all the required information regarding driving after Stroke.
Audit of Duty of Candour	A Duty of Candour training package has been developed and implemented, which will ensure staff fully understand the need to be open and transparent with patients in relation to their care and treatment. Further actions are being pursued including information posters for staff and scenario based learning.

2.4.3. Participation in Clinical Research

The number of patients receiving relevant health services provided or sub-contracted by UHCW in 2016 that were recruited during that period to participate in research approved by a research ethics committee was 3,789. We aim to recruit in excess of 4,000 patients to National Institute for Health Research Portfolio trials in 2017-18.

Research is an integral component of providing world-leading excellence in clinical care. It enables UHCW NHS Trust to lead innovation and development which enables us to provide the highest quality patient care. It ensures that we are a leader rather than a follower in healthcare provision and allows us to attract and maintain highly skilled and motivated staff. We are committed to establishing our Trust as an internationally recognised centre of excellence through supporting our staff, working in world class facilities and conducting leading edge research focused on the needs of our patients.

We are one of the leading research centres within the West Midlands, with a proven track record of delivering high quality research. We have developed our research base in recent years, moving from a position of little research activity to becoming very research active. We have actively developed our external collaboration with academic and industry partners thereby attracting significant research income. In 2016, 140 research grant applications were submitted to external funders (up from 127 in 2015). Currently, 26 (19%) of these have been funded (total value £4.8 million) but this will rise as the outcome of applications becomes known. Our Research, Development and Innovation team were awarded Bronze and Silver awards in the Pharma times NHS Clinical Research Site of the Year 2016, judged by the NIHR and Association of British Pharmaceutical Industries.

With over 300 ongoing research projects led by staff across a wide range of specialties, our patients are given many opportunities to take part in research. Patient involvement and representation is demonstrated throughout our research infrastructure. Regular events such as open days, work experience opportunities, multi-media communications and social media enable us to engage with staff, patients and the public.

Research activity continues to increase. There are over 100 clinicians leading research, supported by 70 research nurses, midwives, allied health professionals and administrators and increasing numbers of staff are undertaking research, clinical academic internships, higher degrees and PhDs. The Trust provides free research training for all staff. This increasing level of participation in clinical research demonstrates UHCW NHS Trust's commitment to improving the quality of care we offer and to making our contribution to wider health improvement.

This year, in partnership with the University of Birmingham, the University of Warwick and Imperial College London, UHCW NHS Trust was awarded 'National Centre for Miscarriage Research' status by Tommy's Charity. This is Europe's largest miscarriage research Centre and will bring doctors, scientists and patients together to research early miscarriage, to understand why miscarriage happens, if it is likely to happen again, how to prevent it, and how to provide appropriate aftercare. The Centre is funded by Tommy's and aims to provide c. £180,000 per year for 5 years to UHCW and Warwick University. The Centre opened in April 2016 and is a clear demonstration of the world class care that we offer.

We submitted a bid for the National Institute for Health Research (NIHR) Clinical Research Facilities for Experimental Medicine call in June this year, which we were confident, was a competitive and credible proposal. This was successful and we have secured £750k over the next five years to support early translational research. From 1st April 2017 we will be one of 23 CRFs nationally, and the second in the West Midlands (the other being in Birmingham). There is a requirement to deliver additional experimental medicine / translations studies to enable us to maintain our CRF status and we look forward to developing more research in these areas.

In the last three years, over 914 publications have resulted from our involvement in research, helping to improve patient outcomes and experience across the NHS. The Trust's mission, Care - Achieve -

Innovate, is explicit in that we will deliver the best care for our patients, achieve excellence in education and teaching and innovate through research and learning. As such, we have a clear strategy to develop research and innovation. The key areas for delivery are to 'instill and embed a culture of research and innovation' and 'grow investment in, and revenue from, research and innovation'. By delivering on our research and innovation strategy, we also contribute to the delivery of the other Trust strategic priorities.

You can follow UHCW research on Twitter: https://twitter.com/UHCW_RDandI

2.4.5. Care Quality Commission

UHCW is required to register with the Care Quality Commission and its current registration status is Registered (without any compliance conditions) and licensed to provide services.

The Care Quality Commission has not taken enforcement action against UHCW during 2016-17.

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

UHCW has made the following progress by 31 March 2017 following 2 CQC inspection visits since April 2016:

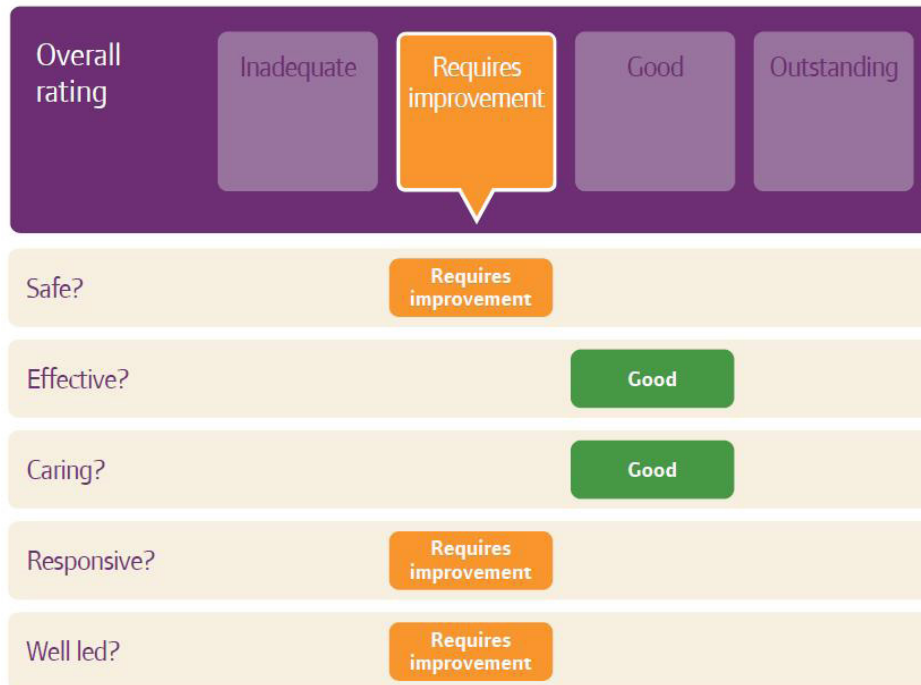
- On 24 August 2016, the CQC undertook an Ionising Radiation (Medical Exposure) Regulations (IR(ME)R) review at University Hospital, Coventry. Recommendations were made to the Trust from this visit including the placement of an Improvement notice that focused on, robust policy and procedures, practitioner justification, recording of clinical evaluation, clinical audit, as well as adequate and appropriate training. An action plan was put in place to address these recommendations. The CQC undertook a follow up IR(ME)R re-inspection on 8 March 2017 where the Radiology Service was praised for its response to the initial inspection findings and the Improvement Notice was subsequently lifted.
- On 28 September 2016, the CQC undertook an unannounced follow up inspection of University Hospital, Coventry's outpatients and diagnostic imaging services. This inspection was due to the outpatient and diagnostic imaging service being rated 'inadequate' for Safe in the March 2015 comprehensive inspection. As a result of this follow up inspection the CQC ratings for Outpatients and Diagnostic Services in the domain of Safety was changed to 'Requires Improvement' and the domain of Caring changed to 'Good'. An action plan has been put in place to respond to the Requirement Notice recommendations within the report, focusing on, for example, safe storage of medicines, infection control, handover of patient information between clinicians and management of risk.

There are no services provided by the Trust rated as 'Inadequate'.



CQC Ratings:

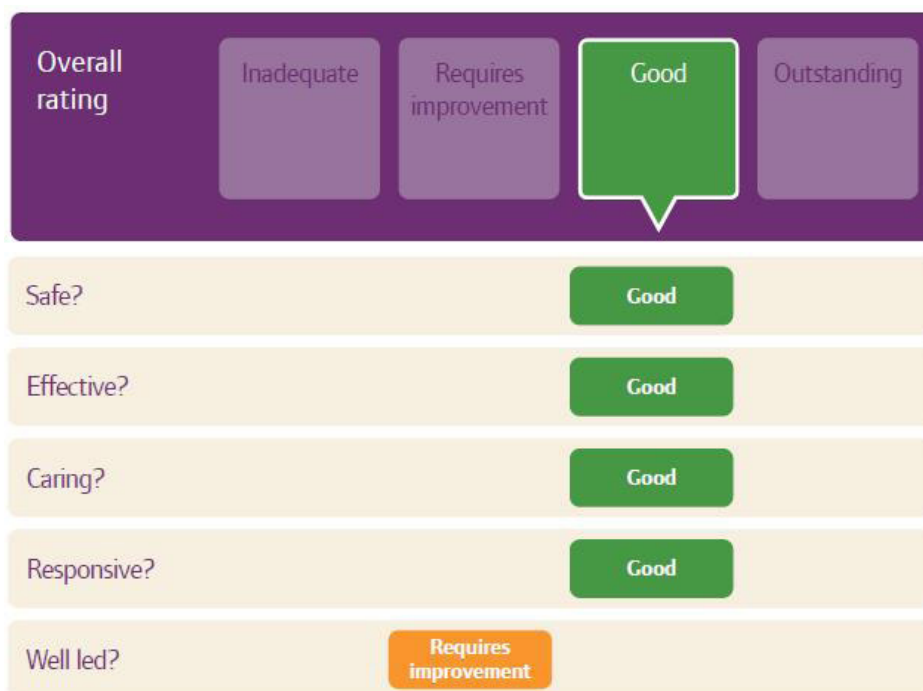
University Hospitals Coventry and Warwickshire NHS Trust



University Hospital, Coventry



Hospital of St Cross, Rugby



2.4.6. Data Quality

A number of the requirements of the Information Governance Toolkit encompass data quality. To ensure that we meet the required attainment levels, the data quality team provides training and advice to users of the Patient Administration System that is used to record patient information to support the provision of patient care and data submissions.

A suite of data quality reports for data reported both internally and externally are routinely produced. These are reviewed, areas of concern highlighted and appropriate actions taken to rectify any issues. UHCW submitted records from 2016-17 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data: which included the patient's valid NHS number was:

- 99.4% for admitted patient care
- 99.7% for outpatient care
- 97.7% for accident and emergency care

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

- 100% for admitted patient care
- 100% for outpatient care
- 100% for accident and emergency care

Data quality is high on the Trust's agenda to improve patient safety and experience.

To further support this agenda and improve data quality the following work streams are being implemented:

- Benchmarking and analysis to highlight areas of data quality
- Collation of errors through electronic form to identify areas of poor practice and inaccurate data

- Data quality performance dashboards are to be created targeting specific areas of poor data quality at group level
- Data quality leads are being identified at group level to action identified issues
- Data quality assurance tools are to be implemented to monitor and improve data quality and compliance against the information governance toolkit.

2.4.7. Information Governance Toolkit

The UHCW Information Governance Toolkit assessment overall score for 2016-17 was 90% and was graded 'satisfactory/green'.

We improved our performance from the previous year of 81% by 9% to 90% and achieved attainment level 2 or above in all requirements.

2.4.8. Clinical Coding Error Rate

UHCW was not subject to a Payment by Results clinical coding audit during the reporting period. The Trust commissioned an external audit of a random sample of diagnosis and treatment coding in line with Information Governance Toolkit requirements. This took place in November 2016 and the error rates were:

• Primary Diagnoses incorrect	4.00%
• Secondary Diagnosis incorrect	2.55%
• Primary Procedures incorrect	4.59%
• Secondary Procedures incorrect	5.20%

All figures exceed the recommended 95% accuracy for primary diagnoses and procedures and 90% accuracy for secondary diagnoses and procedures required to attain the highest level for information governance purposes.

2.5 Performance against NHS Outcomes Framework 2016-17

There are five domains within the national NHS outcomes framework. These are areas of performance for which there are agreed national indicators. The Trust provides information to the Health and Social Care Information Centre which, in turn, provides us with a comparison against other Trusts. By publishing these figures you can compare our performance with the best, the worst and the average performing trusts in the NHS.

The Five Domains are:

1. Preventing people from dying prematurely
2. Enhancing quality of life for people with long-term conditions
3. Helping people to recover from episodes of ill health or following injury
4. Ensuring that people have a positive experience of care
5. Treating and caring for people in a safe environment and protecting them from avoidable harm

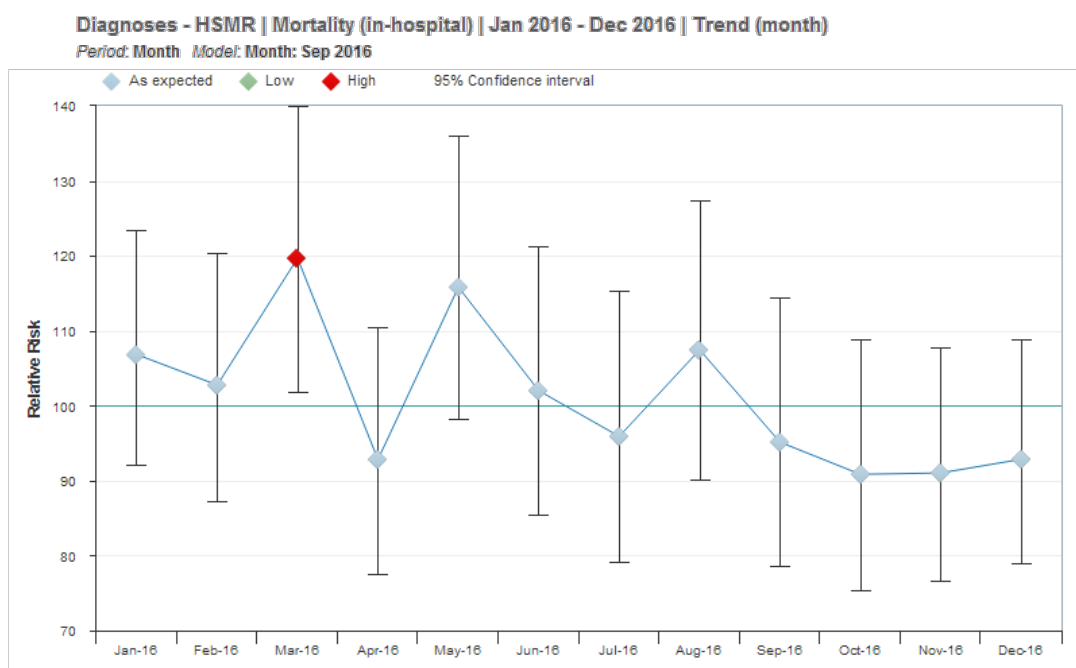


Related NHS Outcomes Domain 1						
Indicator: Mortality Rates [source: Dr Foster]	Jan 2015 – Dec 2015	Apr 2015 – Mar 2016	Jul 2015 – Jun 2016	Oct 2015 – Sep 2016	National Average	Lowest and Highest reported Trust Oct15- Sep16
a) The value and banding of the summary hospital-level mortality indicator ("SHMI") for the trust for the reporting period	1.063 (Band 2) Within expected	1.0778 (Band 2) Within expected	1.0921 (Band 2) Within expected	1.1079 (Band 2) Within expected	1.00	0.6897 (Band 3) 1.1638 (Band 1)
b) The percentage of patient deaths with palliative care coded at either diagnosis or specialty level for the trust for the reporting period.	23.1%	28.8%	35.1%	42.4%	27.3%	0% 93% (Peer acute providers)

At UHCW:

- The Trust monitors mortality rates using the national Hospital Standardised Mortality Ratio (HSMR: Provided by Dr Foster Intelligence) and Summary Level Hospital Indicator (SHMI: provided by NHS Digital), which measure mortality as to whether it is higher or lower than that which would be expected.
- Both SHMI and HSMR are not definitive measures of quality of care. They act as a warning system for deviance from the 'norm' and can provide indication for areas to investigate. They provide the Trust with 'alerts' when there has been significantly more deaths than expected. All alerts received from both monitoring reports are reviewed and discussed at the Trust's Mortality Review Committee.
- The SHMI uses a benchmark of 1 to monitor performance. If the value is higher than 1, then it implies that there have been more deaths than expected. If the value is below 1, then there have been fewer deaths than expected. An alert will only be generated if there have been significantly more or fewer deaths than expected. If there are significantly more deaths or fewer deaths than expected, a mortality alert (either negative or positive) will be created.
- The HSMR uses a benchmark of 100 to monitor performance. If the value is higher than 100, then there have been more deaths than expected. If the HSMR is below 100, it means that there are fewer deaths than expected. If there are significantly more deaths or fewer deaths than expected a mortality alert (either positive or negative) will be created.
- For January 2016 to December 2016, the HSMR is 101.0, which is within the 'expected' mortality range (this is the latest available data). The HSMR for December 2016 is 92.9, which is also within the expected range. The chart below shows the Trust's mortality performance trend over 12 months. It highlights an improvement (downward trend) from January 2016.





Graph: UHCW HSMR performance trend over 12 months

The Trust intends to take the following actions to improve this percentage, and so the quality of its services:

- The Trust has been working to improve its HSMR value over the past twelve months and it is pleasing to see the improvement in the chart above. Please also see 2017/18 Quality Improvement Priority 2 on page 12.
- Palliative care is important to the Trust as it focuses on providing patients with relief from the symptoms, pain and stress of a serious illness. In previous years the Trust has been one of the lowest Trusts for recording palliative care, but work has continued through 2016 to increase the numbers of patients receiving care by our Specialist Palliative Care Team by more accurately recording their activities. This has resulted in the palliative coding rate for deceased HSMR patients to increase from 10.2% for the time period Apr 2014- Mar 2015 to the most recent available 12 months Dec 2015- November 2016 which is 41.9%. The national average for palliative care coding during this time is 27.3%. This has had a positive impact on the Trust's HSMR performance.

Related NHS Outcomes Domain 3					
Indicator : Patient reported outcome measures scores (PROMS) [source: NHS Digital]	2014/2015	2015-16 provisional	2016-17 April/Sep provisional	National Average 2016-17 April/Sep provisional	Lowest and Highest Reported Trust Average 2016-17 April/Sep provisional
Groin Hernia surgery	0.077	0.033	*	0.089	0.016 – 0.162
Varicose Vein surgery	*	*	*	0.099	0.016 - .0152
Hip replacement surgery	0.454	0.449	0.473	0.449	0.330 – 0.525
Knee Replacement surgery	*	0.305	0.355	0.337	0.261 - .0430

*Indicates the information is not available on the NHS Digital portal

The PROMs table has been updated with the latest available data from the NHS Digital PROMS website.

Please note that the 2015-2016 and 2016-2017 data remains provisional on the website.

The Trust considers that this data is as described for the following reasons: Patients are asked to complete a feedback form post-operatively following a nationally agreed protocol.

The Trust intends to take the following actions to improve score and so the quality of its services by sharing feedback and liaising with the relevant clinical areas to ensure information about the questionnaire is given to patients and patients are encouraged to participate.

Related NHS Outcomes Domain 3					
Indicator: emergency readmissions to hospital [source: NHS Digital, UHCW]	Year	UHCW	NHS England Average	Lowest Reported Trust	Highest Reported Trust
The percentage of patients aged 0 to 15 readmitted to a hospital which forms part of the trust within 28 days of being discharged from a hospital which forms part of the trust during the reporting period	2015-16	7.55+	*	*	*
	2016-17 Apr-Dec	8.49+	*	*	*
the percentage of patients aged 16 or over readmitted to a hospital which forms part of the trust within 28 days of being discharged from a hospital which forms part of the trust during the reporting period	2015-16	8.09+	*	*	*
	2016-17 Apr-Dec	7.75+	*	*	*

**Indicates the information is not available on the NHS Digital portal*

Related NHS Outcomes Domain 4					
Indicator: A positive experience of care [source NHS Digital]	2014/15	2015-16	2016-17	National Average 2016-17	Lowest and Highest Reported Trust
The Trust's responsiveness to the personal needs of its patients during the reporting period.	75.5%	*	*	*	*
The percentage of staff employed by, or under contract to, the trust during the reporting period who would recommend the trust as a provider of care to their family or friends.	70%	76%	74%	70%	*

**Indicates the information is not available on the NHS Digital portal*

The Trust considers that this data is as described for the following reasons:

- The percentage of staff employed by, or under contract to, the Trust during the reporting period who would recommend the Trust as a provider of care to their family or friends: These figures are based on the results for UHCW from the National Staff Survey 2016. In the past, 850 randomly selected staff were invited to take part in the survey, however, a decision was made to invite all staff to participate in the 2016 survey. Conducting a full staff census allowed us to ensure we gathered data across all staff groups, departments and demographic groups, as well as; creating greater staff engagement so that all feel included rather than some feeling their

voice had not been captured, increasing staff trust in the results as everyone had the opportunity to participate, and easier publicity as everyone had been invited.

- The National Staff Friends and Family Test, launched in April 2014, sees staff being asked whether they would recommend the Trust as a place for their friends and family to work or a place for them to be treated. We are required to ask all staff each year the friends and family questions. The above results were captured during the National Staff Survey.

The Trust intends to take the following actions to improve this percentage:

- Compared to other Acute Trusts, UHCW's result is above (better than) average for this question. There has been no significant change since 2015 results.
- A Task and Finish Group has been set up and will first meet on 15th March to respond to areas of concern.

Related NHS Outcomes Domain 5				
Indicator: avoiding harm [source NHS Digital]	Year by quarters	UHCW	National average	Trust with highest/lowest score
<p>The percentage of patients who were admitted to hospital and who were risk assessed for Venous Thromboembolism (VTE) during the reporting period</p> <p><i>The indicator is expressed as a percentage of all adult in-patients that have received a VTE risk assessment upon admission to the Trust using the clinical criteria of the national VTE tool</i></p>	2014/15			
	Q1	96.1%	96.1%	100%
				87.2%
	Q2	96.4%	96.1%	100%
				86.4%
	Q3	96.5%	95.9%	100%
				81.2%
	Q4	96.6%	96.0%	100%
				79.2%



Indicator: avoiding harm [source NHS Digital]	Year by quarters	UHCW	National average	Trust with highest/lowest score
	2015-16			
	Q1	96.6%	96.0%	100%
				86.1%
	Q2	95.8%	95.9%	100%
				75.0%
	Q3	96.2%	95.5%	100%
				61.5%
	Q4	96.4%	95.5%	100%
				78.1%
	2016-17			
	Q1	96.7%	95.7%	100%
				80.61%
	Q2	97.2%	95.5%	100%
				72.14%
	Q3	96.7%	95.6%	100%
				76.48%
	Q4	96.5%	95.5%	100%
				63.02%

The Trust considers that this data is as described for the following reasons: the consistency and accuracy of the data collection has been evaluated by internal audit and is routinely monitored by the Trust Performance Management Office.

The Trust intends to take the following actions to improve this percentage; continue to monitor compliance and identify gaps and put in corrective action where necessary.

Related NHS Outcomes Domain 5					
Indicator: Reducing Infection [source NHS Digital]	2014-15	2015-16	2016-17	National Average	Lowest to Highest Reported Trust
<p>The rate per 100,000 bed days of cases of C.difficile infection reported within the trust amongst patients aged 2 or over during the reporting period.</p> <p><i>The Trust is deemed responsible for a case where the sample was taken on the fourth day or later of an admission to that trust (where the day of admission is day one)</i></p>	10.7	9.9	7.5	13.3	0.0-82.9

The Trust considers that this data is as described for the following reasons: Reporting of data on C.difficile infection is mandatory; data quality is monitored through infection control and subject to audit and reporting to commissioners. UHCW has submitted its mandatory return, but this has not yet been published nationally.

The Trust intends to take the following actions to improve this percentage by continuing to implement its infection control and prevention strategy.

Indicator: Incident reporting [source NRLS]	Apr 15 – Sep 15	Oct 15 – Mar 16	Apr 16 – Sep 16	National Median (Acute non-specialist Trusts) Apr 16 - Sep 16	Lowest and Highest reported Trusts Apr 16 - Sep 16
The number of Patient Safety Incidents reported within the Trust in the reporting period	6,047	6,104	6,228	4,335	Lowest - 1,485 Highest - 13,485
Rate of Patient Safety Incidents reported within the Trust in the reporting period (per 1000 bed days)	32.18	31.48	32.06	40	Lowest – 21.15 Highest – 71.81
The number of such incidents that resulted in severe harm or death	37	27	17	14	Lowest - 0 Highest - 111
**Percentage of such Patient Safety Incidents that resulted in severe harm or death	0.6%	0.4%	0.3 %	0.4%	Lowest - 0.0% Highest - 2.0%

**The patient safety indicator is expressed as a percentage of patient safety incidents reported to the National Reporting and Learning Service (NRLS) that have resulted in severe harm or death.

A patient safety incident is defined as 'any unintended or unexpected incident(s) that could or did lead to harm for one or more person(s) receiving NHS funded healthcare'.

The 'degree of harm' for patient safety incidents is defined as follows:

- 'severe' – the patient has been permanently harmed as a result of the incident
- 'death' – the incident has directly resulted in the death of the patient

The Trust considers that this data is as described for the following reasons:

- UHCW assesses data quality before submission to NHS England's National Reporting and Learning System (NRLS). The NRLS monitors the data and informs UHCW of any anomalies or errors

3. Overview of Organisational Quality

3.1 Patient Safety

The aim of incident reporting is to capture themes and trends from the numerous low level incidents and resolve them, to avoid the potential for aggregated failures that can cause patients a higher degree of harm. Our online incident reporting system (Datix) allows any member of our staff to report an incident and enables early detection of trends and alerts the Patient Safety Team to any Serious Incidents, enabling escalation and swift investigation.

The basic process for incident reporting is taught at Trust induction, further Datix training is given at levels appropriate to individual staff members' roles and responsibilities

UHCW is one of five Acute NHS Trusts that has been partnered with the Virginia Mason Institute as part of NHS Improvement's (NHSi) ongoing continuous improvement project. This project seeks to embed a lean methodology and ethos of continuous improvement. UHCW chose Patient Safety as the second focus area for this work, also known as a 'Value Stream'. A Rapid Process Improvement Workshop (RPIW) was held to review the process for incident reporting. This focused on the online form used to report incidents and the process for feeding back the outcome of Patient Safety Incidents (PSI). A Daily Safety Huddle was implemented to ensure learning is shared with staff. These processes were tested in General Critical Care for a period of 90 days.

Following successful completion of the testing, a Trust wide roll out of the new process was agreed. This process has increased incident reporting and fostered a change in the way Patient Safety Incidents (PSI) are managed by the specialty. Similar results are expected across the Trust once it is implemented trust-wide.

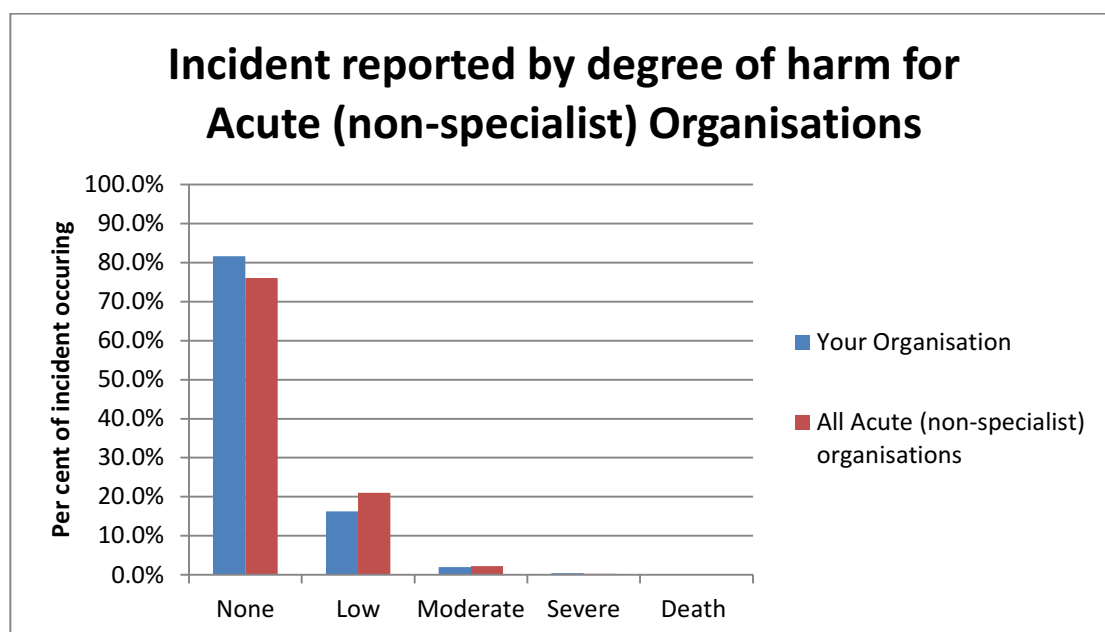
Alongside the process of roll out the team will continue to highlight the PSI reporting process with a view to increasing incident reporting by:

- Maintaining a presence on Trust induction and ad-hoc spot checks on wards and departments
- Provide immediate feedback to reporters outside of the Safety Huddle model
- Improve feedback to staff through a variety of media, e.g. email, posters, newsletters, Grand Round presentations, web pages
- Ensure that action plans to address incidents are realistic and achievable and hence completed within their deadlines

The last twelve months have seen an increase in the reporting of PSI of 2.7% on the last financial year. The reporting of all incidents which impact on a patient's care is something which is encouraged, however minor the outcome. All reported incidents are investigated according to the type of incident and their potential for harm. Serious incidents are investigated using root cause analysis methodology.

The majority of patients involved in a safety incident incur minor or no harm, which is an indication of an open, learning culture (refer to the graph below for how we compare with other Trusts). We share the outcomes of investigations and trend analysis across the organisation as well as with our commissioners, other local providers and with NHS England.





Degree of harm				
None	Low	Moderate	Severe	Death
5082	1018	111	16	1

Please also see priority 1 under Quality Account Improvement Priorities 2016-17: a progress update.

Serious Incidents (SI)

In March 2015 NHS England (NHSE) published the revised Serious Incident Framework. This document defines Serious incidents in broad terms as 'events in health care where the potential for learning is so great, or the consequences to patients, families and carers, staff or organisations are so significant, that they warrant using additional resources to mount a comprehensive response. Serious incidents can extend beyond incidents which affect patients directly and include incidents which may indirectly impact patient safety or an organisation's ability to deliver ongoing healthcare. We reported 139 SI incidents in 2016-2017.

Over 70% of these are made up of specific types of incident that are automatically reported as Serious Incidents, for example Infection Control incidents (e.g. MRSA bacteraemia, C Difficile-associated deaths and infection outbreaks such as Norovirus), pressure ulcers and all Never Events. See table below:

Chart illustrating serious incidents by type 2016-2017

	MRSA bacteraemia	Maternity	C Diff (death or outbreak)	Other Infections	Pressure Ulcers	Patient Falls	Other SIs	Never Events	TOTAL
April	0	1	0	0	4	3	1	0	9
May	0	0	0	0	2	8	2	1	13
June	0	0	0	0	4	6	1	0	11
July	0	0	1	0	6	3	3	0	13
August	1	0	0	0	5	3	3	0	12
September	0	0	1	0	2	1	1	1	6
October	0	2	0	0	3	8	6	0	19
November	0	0	0	0	1	5	4	1	11
December	1	0	0	0	5	8	4	0	18
January	0	0	1	0	6	0	1	0	8
February	1	0	0	0	1	5	0	0	7
March	0	0	0	0	6	4	2	0	12
TOTAL	3	3	3	0	45	54	28	3	139

Using the UHCW Improvement process, a second RPIW was held to review the process of Serious Incident investigation within the Trust. The RPIW team was empowered to make changes to the current process to expedite the initiation of investigation into serious or potentially serious incidents.

The changes made have led to the establishment of a Patient Safety Response (PSR). The PSR team consists of a senior doctor, senior nurse and patient safety officer who attend to the area where a serious incident has occurred. The team support staff and patients involved in the incident and remove any immediate barriers to commencing an investigation

The PSR's recommendations are then presented at the weekly meeting of the Serious Incident Group meeting (SIG), which is attended by senior clinical and non-clinical staff as well as a commissioning representative, who ensure that our process conforms to the national Serious Incident Framework 2015. The group oversees the investigations and resulting action plans, all of which are monitored until completion.

As a result of serious incidents we have introduced many safety improvements, examples of which include:

- Review of the Trust's clinical guideline for Use of Oxytocin and Management of pre-labour rupture of membranes at term
- The production of new guidance for the identification and management of maternal sepsis, the management of the acute scrotum and the management of patients receiving intrathecal opiates
- Removal of a particular make of oscillating saw from service after a defective blade was identified
- Review of compliance with training programmes for Cardiotocography Training and Practical Obstetric Multi-professional Training (PROMPT)
- Reinstatement in specific areas such as falls "expresso training" and formal training for nurses on the recognition and treatment of anaphylaxis

- Presentation and sharing of specific case outcomes at Specialty QIPS and Grand Round
- Introduction of an enhanced care team to provide one to one care for patients who require additional input during their hospital admission
- Weekly safety messages are circulated by the Chief Medical Officer

Never Events

Never Events are defined as “serious incidents that are wholly preventable as guidance or safety recommendations that provide strong systemic protective barriers are available at a national level and should have been implemented by all healthcare providers”.

A consultation was held by NHS England, who are reviewing the Never Event categories. UHCW responded to this consultation and the outcome is awaited.

During 2016-2017 regrettably UHCW reported three Never Events. We have responded to these incidents with robust investigations and scrutiny of our processes and procedures.

Of the three cases two were declared as ‘Retained foreign object post-procedure’ and one was a ‘wrong route administration of medication’

The two retained foreign object cases related to absorbent items (a swab or pack) being left in situ following a gynecological and an obstetric procedure. Both were resolved without the patients experiencing any lasting physical effects. Both occurred despite use of the World Health Organisation’s (WHO) Safer Surgery checklist. The Trust Human Factors Programme Manager has worked with the maternity department to establish an action learning team to review all of the current processes and procedures within the department and develop new ways of working to reduce the risk of a recurrence of this event

The wrong route medicine administration incident occurred when the patient was accidentally administered an oral pain medication intravenously. The patient did not experience any adverse effects as a result of this event. Numerous immediate actions were undertaken, including a safety notice across UHCW, and the Trust has improved the way oral (enteral) medication syringes are stored and used.

On each occasion we have discussed the error with the patient involved and/or their next of kin and offered to share the results of our investigations. The investigations were each led by a senior clinician using Root Cause Analysis (RCA) methodology. RCA reports are scrutinised by our Serious Incident Group to ensure that all aspects are considered and that the associated action plans are robust. All actions are monitored until completion.

Staff involved in a Never Event are required to discuss the incident and actions taken at a meeting with the Chief Executive Officer and the RCA reports are shared with the Trust Board. Details about Never Events are also published in the public Trust Board papers available on the Trust website at www.uhcw.nhs.uk/about-us/trust-board.

We continue to take active steps to try to eradicate the occurrence of Never Events in the organisation. Examples of actions we have taken are:

- Conducted a gap analysis against the 2015-16 Never Events list and supporting information
- Commenced Human Factors education with staff who work in operating theatres
- Set up a multi-disciplinary Theatre safety team



- Raised awareness of Never Events and shared the learning with our staff
- Taken action as required by safety alerts and recommendations from the National Reporting and Learning System (NRLS)
- Monitored the use of World Health Organisation (WHO) surgical safety checklists and 'addressed any shortcomings immediately
- Reviewed and revised clinical guidelines to improve patient safety, based on learning from the incidents

Duty of Candour

The Duty of Candour became part of a regulatory registration package which was implemented in October 2014. A Policy for Duty of Candour for keeping patients and their relatives informed of any investigation of incidents which have caused moderate harm and above has been implemented within the Trust.

The policy includes clear information for staff on what they should do when they are involved in a serious incident and the support available to them to deal with the consequences of what happened and how to communicate with the patients or service users, their families and carers.

Following an incident to which the Duty of Candour applies, the patient involved receives a verbal apology and a written information leaflet with a contact name and number and details of what will happen next. Following the investigation they are given an opportunity to discuss the findings with a member of the clinical team.

Since implementation this process has been subject to a formal clinical audit which found that all patients had been promptly made aware of the incident occurring. The audit found opportunities for improvement, for some categories of event such as venous thrombo-embolism and in the way we maintain communication with patients after the initial disclosure. That audit was presented to the Patient Safety Committee in November 2016 and an action plan was implemented.

Sign up to Safety

UHCW joined the national Sign up to Safety Campaign in 2014, which has the ambition of making the NHS the safest healthcare system in the world. The Sign up to Safety campaign's three year objective is to reduce avoidable harm by 50% and save 6,000 lives.

UHCW has signed up to the campaign's five pledges:

1. We will put 'Safety First' by committing to reduce avoidable harm by half
2. We will look to 'Continually Learn' through making our organisation more resilient to risks, and acting on feedback from our patients to monitor how safe our services are
3. We will ensure 'Honesty' and transparency with people on our progress in tackling patient safety issues
4. We will 'Collaborate' with our patient groups and other local partners on improving patient care
5. We will 'Support' people to understand why things go wrong and how to put them right

As part of the Trusts' ongoing commitment to the 5 'Sign Up to Safety' pledges we are Putting Safety First by improving the speed and reliability of our recognition and treatment of sepsis care for patients, utilising computerised monitoring systems for patient observations and ensuring safe staffing by having the right staff in the right place to deliver high quality care. We are continually learning from our patient and staff feedback systems to make our organisation more resilient to risks. We are Being Honest by training for our staff to help them communicate honestly and sensitively with patients and families when things go wrong, Supporting our staff with regular Executive Walkrounds, training in Human Factors



and Outstanding Service and Care Awards to celebrate their dedication, compassion and commitment. The implementation of these changes is monitored by the Trust's Patient Safety Committee.

As part of the campaign, in 2015 we submitted a successful bid to NHS Litigation Authority (now NHS Resolution) for the introduction of a Human Factors Programme and for the development and evaluation of an audio surgical safety checklist for our Theatres.

The Human Factors Programme commenced mid-2016 with a remit to help improve safety within the Trust:

- Human Factors training has been delivered to over 500 staff in the Trust, primarily focusing on the three target area of Theatres, Emergency Department (ED) and Trauma & Orthopaedics. This will widen into additional areas in year 2 of the programme.
- A series of safety improvement projects are being undertaken by Human Factors facilitators working in these target areas.
- The audio safety checklist has been piloted in theatres and the resulting findings published.
- The introduction of 'learning teams' – facilitated workshops where front line staff examine existing ways of working, in order to proactively identify potential safety issues and fix them before they lead to harm is being piloted.
- The existing Root Cause Analysis (RCA) investigator training is being revamped to include key Human Factors concepts and a systems-based approach to safety improvement. The new package includes e-learning structured around a video reconstruction of an incident, as well as an in-person simulated investigation.
- This package will be one component of a larger 'train the trainers' course aimed at giving key staff the knowledge and skills to embed Human Factors concepts, improve team working and facilitate safety improvement in their area. A key part of year 2 of the programme will be recruiting and training these Human Factors facilitators across the Trust.

3.2. Claims

The Trust in the financial year 2016-2017 reported 90 clinical negligence claims to the NHSLA (now NHS Resolution), a decrease of 11 claims on the last financial year. In 2016-17, NHSR, on behalf of the Trust, settled 45 claims. Further detail on the Trust's claims history can be obtained via the NHA (NHS Resolution) website: www.nhs.uk or www.resolution.nhs.uk.

We can confirm that the Trust's clinical negligence claims history is within the national average for Acute Trusts providing a maternity service.

The Trust is committed to minimising the opportunity for human error in medicine and with this aim has committed substantial resources in implementing its clinical governance framework. Clinical adverse events are actively reported and as appropriate investigated; with action plans implemented seeking to avoid similar incidents again.

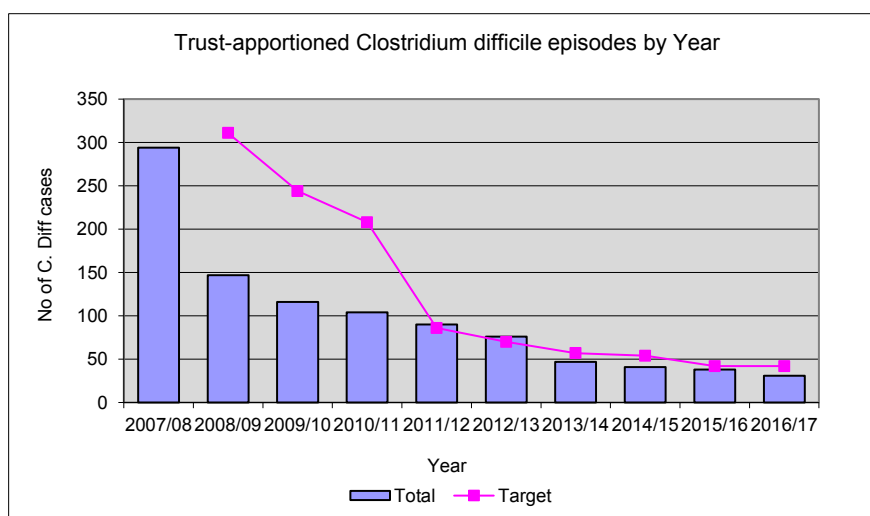
3.3. Infection Control

End of year performance against Department of Health (DH) Targets

UHCW Clostridium difficile (C diff)

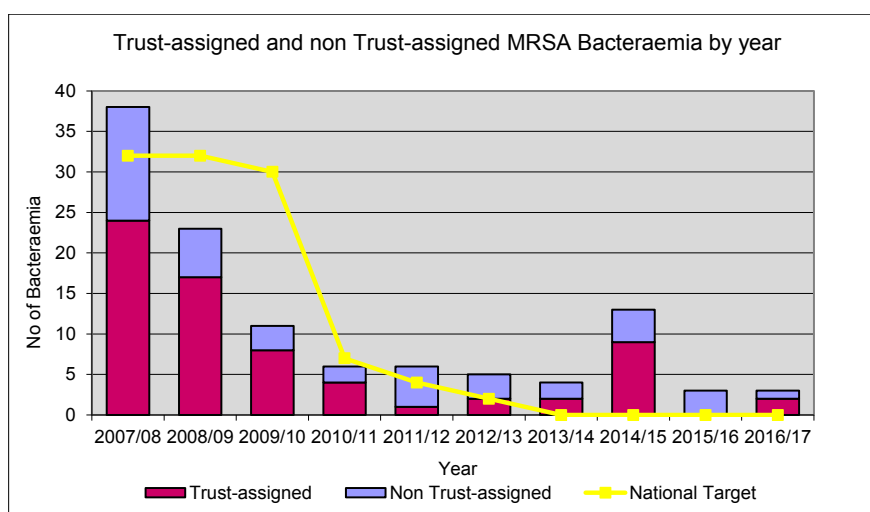
UHCW submitted 29 cases of C diff against a trajectory of 42. This was a particularly pleasing reduction and included a month in which there were no post 48 hour cases. Nationally the rate for C diff per 100,000 bed days is 15.8 UHCW had a rate of 7.5

DH Target	Internal Target	Total cases Trust apportioned
42	37	29



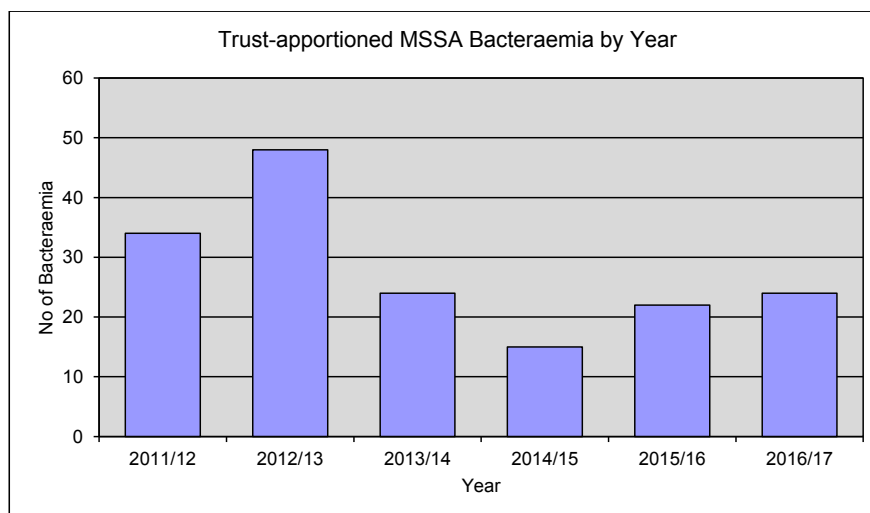
Methicillin Resistant Staphylococcus Aureus (MRSA)

UHCW NHS declared one case of MRSA bacteraemia for 2016-17. A post infection review with external stakeholders identified good practice with no lapses of care identified and the case was considered to be unavoidable. Nationally the average rate per 100,000 bed days is 1.03 the rate at UHCW is 0.26.



Methicillin Sensitive Staphylococcus Aureus (MSSA)

The Trust continues to perform well when compared nationally to other acute teaching Trusts. The national average for MSSA bacteraemia per 100 000 bed days is 10.7 UHCW rate is 8.0.



Influenza and Norovirus

National levels for both of these organisms were higher than the five year average that they are measured against. Despite this trend UHCW although reporting high levels of swabbing and positive detection of respiratory virus there was very little disruption to operational work and only two incidents where an organism appears to have spread. This reflects a good understanding of basic infection prevention and control practices across the Trust.

3.4. Safeguarding and Child Protection

The Safeguarding Team consists of a Lead Professional for Safeguarding, a Named Nurse for Safeguarding Vulnerable Adults, two Support Nurses for Safeguarding Vulnerable Adults, a Clinical Nurse Specialist for Safeguarding Children and Young People, a Safeguarding Children Practitioner, a Support Midwife and a Safeguarding Administrator. The team is co-located and this allows for seamless safeguarding advice and support to be available. There are also 2 child protection consultants and 1 safeguarding adult consultant.

Support, advice and guidance are required by staff on a daily basis and participation in professional development with students is also offered. Learning events are organised following serious case reviews and safeguarding incidents and this is shared with the relevant teams and departments. Lessons learnt are disseminated to all relevant staff and appropriate changes to practice are introduced. The Safeguarding team support both the Safeguarding Adults and Children's Board sub groups and remain committed to strengthening the work within the organisation.

Adult Safeguarding Training is accessed via an E-Learning package and staff are required to take a refresher course every three years. Updates are accessed online, or are available as bespoke face to face sessions upon request.

Since January 2015 the team has provided and continues to provide a full day of Safeguarding Training once a month which has evaluated very positively, and covers the following areas:

- Mental health awareness

- Mental capacity
- Deprivation of Liberty Safeguards (DoLS)
- The use of restraint
- The PREVENT Agenda
- Domestic violence

Training compliance for Safeguarding Vulnerable Adults at Level 1 is currently 93.91% and training compliance for Safeguarding Vulnerable Adults at Level 2 is 93.32% (substantive staff). This meets the 90% compliance target set for Safeguarding Vulnerable Adults at both Level 1 and 2 training which was set by the Coventry and Rugby Clinical Commissioning Group this year.

PREVENT Training

PREVENT training forms part of the Government's agenda to prevent vulnerable people being drawn into terrorism. The Government has outlined a duty that all health workers will receive PREVENT training. The NHS is one of the best placed sectors to identify individuals who may be groomed in terrorist activity, with 1.3 million people employed by the NHS and a further 700,000 private and charitable staff delivering services to NHS patients, we have 315,000 patient contacts per day in England alone. Staff must be able to recognise signs of radicalisation and be confident in referring individuals who can then receive support.

The Named Nurse for Safeguarding Vulnerable Adults has held a course for Train the Trainer in PREVENT. This has facilitated an increased number of staff able to deliver the training as previously it had only been the Named Nurse for Safeguarding Vulnerable Adults who was able to train.

At present 73% of staff have received PREVENT awareness training and the number is increasing steadily month by month. The CCG have set a target of 85% trained by the end of March 2017. The training is now also included in the trust induction package. Raising awareness of the health sector contribution to the PREVENT strategy amongst healthcare workers is crucial.

Child Protection

Level 2 Child Protection training is delivered face to face at Trust Induction. Updates are available online, or as bespoke sessions, upon request. Compliance with Level 2 Child Protection training is 93.78%.

Working Together to Safeguard Children (HM Government 2015) and the Intercollegiate Document (RCPCH 2014) have both been incorporated into relevant safeguarding children training. For those staff that require Level 3 training, they are encouraged and supported to attend training sessions provided by the Coventry Safeguarding Children Board. In addition, UHCW delivers Level 3 training events monthly to which both multi-agency and multi-disciplinary delegates are invited.

Regular multi-agency and single agency audits are undertaken to ensure that practice is in line with policy. The findings of these are reported through the safeguarding vulnerable adults and children committee.

References

Department for Education 2015, Working Together to Safeguard Children: a guide to inter-agency working to safeguard and promote the welfare of children. London: HM Government.
Royal College of Paediatrics and Child Health 2014. Safeguarding Children and young people: roles and competencies for healthcare staff: intercollegiate document, 3rd ed. London: RCPCH.

3.5. Medical Revalidation

Medical Revalidation is a statutory requirement by which licensed doctors must demonstrate they are up-to-date and fit to practise providing greater assurance to patients, the public, employers and other healthcare professionals.

It is based primarily on the outcome of annual appraisal through a doctor's formal link (prescribed connection) with an organisation, known as a designated body. Each designated body has a Responsible Officer (RO) who is responsible for ensuring processes are in place to support medical appraisal and revalidation along with submitting recommendations to the General Medical Council (GMC). For UHCW this is Chief Medical Officer, Professor Meghana Pandit. To date she has submitted 480 recommendations to revalidate.

In line with Framework for Quality Assurance (FQA) the Trust is obligated to provide Quarterly Appraisal Rates to NHS England. Percentages reported below for the appraisal year 1st April 2016 - 31st March 2017 reflects those who successfully completed an appraisal and those where the RO accepts that appraisal postponement was reasonable:

- Quarter 1 – 85.25%
- Quarter 2 – 87%
- Quarter 3 – 93.8%
- Quarter 4 - 84.79%

For the last quarter (1st January - 31st March 2017) 217 appraisals were due, with 132 of these completed and 85 doctors failing to hold their appraisal meeting in this period. 14 doctors have a valid reason for postponing their appraisal (e.g. sick leave, maternity, etc.) and 52 were still within the 15 month window for a valid appraisal to take place. Overall 528 appraisals, of the 613 doctors connected to the Trust for the purposes of revalidation, were completed this year meaning compliance was 86%. Achievements to strengthen and standardise the revalidation and appraisal process made during this year include:

- Delivery of two appraiser training sessions to maintain the Trusts appraiser to appraise ratio. There are currently 115 trained appraisers in the Trust.
- Implementation of feedback from NHSE's Independent Verification Visit. This included the review of the Trusts Medical Appraisal Policy to contain a scope of access statement and a scheme of delegation to the Revalidation Management System (RMS), Trusts online appraisal system, and GMC Connect.
- A clearer escalation process for missed appraisals has also been written in to the amended Medical Appraisal Policy
- The Trust ensured appraisers and appraisees were informed of the need to conduct and participate in Educational appraisals and were provided with guidance on how they could meet requirements. This led to the formal approval of over 200 Educational and Clinical Supervisors by the General Medical Council ensuring UHCW has medical staff competent to teach doctors on registered training programmes.
- Reconciliation of the Electronic Staff Record and RMS to ensure accurate recording of medical appraisal compliance, in partnership with the Workforce Information Team and by the sharing of monthly reports with group management.



To further continue to progress medical appraisal and revalidation at the Trust objectives for 2017-2018 are to:

- Continue to increase medical appraisal rates so they are in line with Key Performance Indicators. This will be supported by the work to align systems, as correct compliance data will allow for the timely capture of breached appraisals, along with more robust escalation process previously mentioned
- Further support medical appraisers with the re-establishment of Appraiser Support Groups, as well as by reviewing the first three appraisals any new appraiser undertakes in order to provide them with feedback
- Provide the medical staffing body with guidance on reflective practice to drive up the quality of the information provided to support medical appraisal
- Explore the recommendations of Sir Keith Pearson's review, 'Taking Revalidation Forward' published January 2017, and how these can be implemented

UHCW will continue to work to embed revalidation across the Trust to ensure it is viewed as a tool by which doctors can reflect on and develop their practice, and in turn deliver a higher quality of care to patients. Going forward, we will continue to assess ourselves against the FQA in order to strengthen our processes.

3.6. Innovation to Improve Patient Care

From April 2016 to January 2017 24 ideas were submitted by staff members to the Innovation team via an internal online system. Nine of these ideas had Intellectual Property which could potentially be protected and/or exploited. The management of this Intellectual Property (IP) protection is led by Midtech Ltd, the local NHS IP hub.

Midtech KPIs reported at the end of January 2017 show that UHCW are the highest users of the Midtech service. A significant contributing factor to this is the 'embedded service' negotiated as part of UHCW's enhanced membership to the West Midlands Academic Health Science Network.

Access to a Midtech representative directly within the Trust is now available 2 days per week, enabling this service to be more visible and accessible.

'Product' Innovation: how new or existing products, devices and equipment could function and perform better to fill a clinical need. Carly Baker, an Infection, Prevention and Control nurse had devised a paper prototype of her Personal Protective Equipment (PPE) wheel when she got in touch with the Innovation Team.

The wipe-clean wheel is a handy pocket-tool for clinical staff to find at a glance what PPE that they need to wear when caring for patients with different infections, e.g. flu, C.diff., TB, or MRSA. The PPE wheel was launched at UHCW in February 2017 and will potentially spread to other healthcare settings across the country

'Configuration' Innovation: how superior processes, systems or networks can be created by considering how they are best arranged or combined.

The Enhanced Visual Representation (EVR) tool has materialised as a result of a collaboration between colleagues at UHCW and The Institute of Digital Health at the University of Warwick.

As trainee surgeons progress through their training, vast amounts of information is generated about their performance, however it is notoriously hard to manage and view. The EVR sets out to make this Big Data more valuable by bringing clarity through graphical representation. Keen to spread the idea, the team presented it to the Royal College of Surgeons under the protection of a Non-Disclosure Agreement. They are now working to create it into a marketable and robust solution.

3.7. Library and Knowledge Services

“Every day more than a million decisions are made across the healthcare sector. These decisions have a profound effect on people’s lives and a significant impact on the quality and cost of healthcare. Under the Health and Social Care Act 2012, there is a responsibility for health services to use evidence obtained from research.” (Cumming, Professor Ian 2016)

“Evidence does not speak for itself but needs to be mobilised at the right time, and through the right people, to make a difference in decision making” (Health Education England 2016)

Library and Knowledge Services’ vision of *putting evidence-based practice at the heart of what we do; staff and patients can take effective action by having the right knowledge when and where they need it*, makes a difference in clinical and corporate decision making.

Our Clinical Evidence Based Information Specialists (CEBIS) work to locate the evidence for specific clinical questions, and with the specialities with which they are embedded, put it into practice using the evidence-based practice group (EPG) model: a clinical query; discussion and a search of the literature; appraisal, evaluation and presentation at EPG; the implications of the evidence are discussed; agreed changes are implemented; evaluation and revision.

Recent literature search case studies have shown the impact of the CEBIS team:

Is prophylactic treatment advocated for the treatment of progressive acquired retinoschisis?

A search found that prophylactic treatment was usually ineffective and can result in retinal detachment (RD). This resulted in no prophylactic laser or surgical treatment being performed for retinoschisis which in turn avoided surgery for RD.

The estimated saving was £5k/case, or £500k - £5m /100,000 population.

In the neonatal intensive care unit, should ET suctioning be done using the open versus closed suction technique?

Two studies in neonates suggested closed technique reduces infection. This led to the development of a unit protocol to improve infection prevention and control, which resulted in a reduction of hospital acquired infection and consequently length of stay.

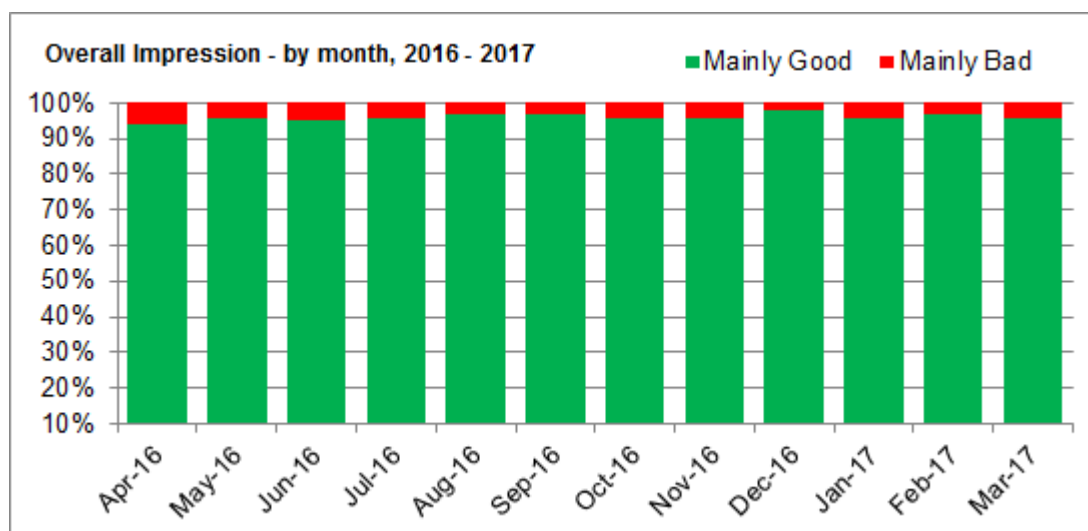
Library and Knowledge Services is quality assured under the NHS Library Quality Assurance Framework. For 2016-17 we achieved 94% compliance with the LQAF criteria. We continue to provide high quality services to UHCW staff and to be responsive to the needs of the Trust and to the vision set out in Health Education England’s Knowledge for Healthcare: a development framework for NHS Library and Knowledge Services in England, and also in our strategy.

Cumming, Professor Ian 2016, *A million decisions campaign*, Health Education England, viewed 26 January 2016, <https://hee.nhs.uk/our-work/research-learning-innovation/healthcare-library-knowledge-services/million-decisions-campaign>.

Health Education England 2016, *NHS Library and Knowledge Services in England Policy*, viewed 26 January 2016, <https://hee.nhs.uk/sites/default/files/documents/Knowledge%20for%20Healthcare%20Policy%20Statement%20Nov%202016.pdf>.

3.8. Patient Experience

The Trust's real time feedback system, Impressions, has continued to capture feedback about its service from patients, relatives, carers and visitors. Amongst the variety of questions, the survey asks respondents whether they had a mainly good or mainly bad impression of the Trust and its services. The results for this question for 2016-2017 are shown here:



The Trust is pleased to note that the scores were consistently in the 90%+ range. Impressions also asks respondents to feedback in their own words about their experiences and suggestions for improvements. These suggestions are sent to relevant members of staff on a daily basis and, where possible/appropriate, acted upon to develop services in line with what our patients want.

Friends and Family Test (FFT)

The Trust has implemented the Friends and Family Test (FFT) in line with national guidance and it is used throughout all its services.

Patients responding to the Friends and Family Test indicated the highest and lowest levels of satisfaction in the following elements of the Trust's services:

Highest:

- Kindness and compassion
- Privacy and dignity
- Feeling safe

Lowest:

- Parking
- The standard of food and drink
- Doing things on time

Inpatient and A&E National Comparison

The following tables show how the Trust has compared nationally with both its FFT recommender and response rates for both Inpatients and A&E.

FFT Inpatient Experience Response Rate % by Month

Month	UHCW Figures	National Figures	Comparison
Apr-16	25%	25%	0% ↔
May-16	25%	25%	0% ↔
Jun-16	24%	26%	2% ↓
Jul-16	25%	25%	0% ↔
Aug-16	23%	25%	2% ↓
Sep-16	23%	24%	1% ↓
Oct-16	27%	24%	3% ↑
Nov-16	23%	25%	2% ↓
Dec-16	19%	22%	3% ↓
Jan-17	27%	23%	4% ↑
Feb-17	28%	25%	3% ↑
Mar-17	29%	26%	3% ↓

FFT Inpatient Experience Recommender % by Month

Month	UHCW Figures	National Figures	Comparison
Apr-16	87%	96%	11% ↓
May-16	89%	96%	7% ↓
Jun-16	88%	95%	7% ↓
Jul-16	91%	95%	4% ↓
Aug-16	88%	95%	7% ↓
Sep-16	90%	95%	5% ↓
Oct-16	90%	95%	5% ↓
Nov-16	89%	95%	6% ↓
Dec-16	89%	95%	6% ↓
Jan-17	85%	96%	11% ↓
Feb-17	88%	96%	8% ↓
Mar-17	86%	96%	10% ↓

FFT A&E Experience Response Rate % by Month

Month	UHCW Figures	National Figures	Comparison
Apr-16	14%	13%	1% ↓
May-16	14%	13%	1% ↓
Jun-16	14%	13%	1% ↓
Jul-16	14%	13%	1% ↓
Aug-16	15%	14%	1% ↑
Sep-16	14%	13%	1% ↑
Oct-16	14%	13%	1% ↑
Nov-16	13%	13%	0% ↔
Dec-16	13%	11%	2% ↓
Jan-17	14%	12%	2% ↑
Feb-17	14%	12%	2% ↑
Mar-17	14%	13%	1% ↑

FFT A&E Experience Recommender % by Month:

Month	UHCW Figures	National Figures	Comparison
Apr-16	82%	86%	4% ↓
May-16	81%	85%	4% ↓
Jun-16	82%	86%	4% ↓
Jul-16	80%	85%	5% ↓
Aug-16	85%	87%	2% ↓
Sep-16	86%	86%	0% ↔
Oct-16	80%	86%	6% ↓
Nov-16	80%	86%	6% ↓
Dec-16	81%	86%	5% ↓
Jan-17	81%	87%	6% ↓
Feb-17	83%	87%	5% ↓
Mar-17	79%	87%	8% ↓

Maternity Friends and Family Test

Antenatal question: the Trust is pleased to note that for 10 months its recommender rate was higher than the national average, for 1 month it was the same and for 1 month it was lower.

Birth question: the Trust is pleased to note that for 8 months its recommender rate was higher than the national average. However, with the exception of May, its response rate was below the national average.

Postnatal in hospital question: the Trust notes that for 6 months its recommender rate was higher than the national average for 2 months it was the same and for 4 months lower.

Postnatal in community question: the Trust notes that for 5 months its recommender rate was higher than the national average, for 6 months it was the same and for 1 month it was lower.

Surveys undertaken as part of the national NHS Patient Survey Programme

During 2016-17, the results of one national patient survey were received as part of the Care Quality Commission's NHS Patient Survey Programme: the annual Inpatient Survey.

The results of the Survey represent a challenge to the Trust in that it scored amongst the lowest scoring trusts in the country in 2/11 sections. However, overall, analysis of all the surveys undertaken during 2015-2016 allows the Trust to conclude:

- Patient, relative and carer satisfaction levels remaining high particularly with staff displaying kindness and compassion as well as respecting patients' privacy and dignity and patients feeling safe in our care.
- There continues to be high levels of dissatisfaction with parking, timeliness and food and drink.

We Are Listening: You Said, We Did in 2016-2017

The Trust has continued to listen and act upon the views of its patients, relatives and carers. Based directly on this feedback, areas and departments have carried out the following in the past 12 months:

Brilliant Basics: Delivering Exceptional Customer Service: The Patient Experience Team has overseen the introduction of bespoke customer service training linked to the Trust's Values and Behaviours. Delivered by TMI, a reputation management company which has delivered customer care training globally to healthcare organisations and private companies alike, the course was run in September and October 2016 to an initial cohort made up from receptionists, switchboard staff, medical secretaries and other customer facing staff. The second cohort of training was delivered throughout February and March 2017 to all staff groups. As at 31st March 2017 a total of 660 staff have attended the course which has evaluated extremely well across all staff groups.

Compliment Booklets: To encourage staff to hand out the Friends and Family Test postcards, thus increasing patient feedback, the Patient Experience Team introduced quarterly, online Compliment Booklets which feature a selection of compliments given via Impressions and the Friends and Family Test about wards and departments across the Trust. As well as increasing feedback, it is hoped the booklets will promote staff morale.

World Class Café: A World Café was held aimed at addressing some of the information giving issues highlighted in the results of the national inpatient survey. A selection of inpatients, who had been in hospital during August 2016, identified that those admitted via an elective pathway remained better informed throughout their stay than those admitted via an emergency pathway. The Patient Experience Team is to research and establish ways to address this in the coming year.

Appreciation Cards: Appreciation Cards have been introduced for completion by patients and staff. Aimed at recognising when a member of staff has gone 'above and beyond' in delivering care/service, the appreciation card is completed and given to the member of staff concerned.

Patient Involvement Volunteers: The role of the Patient Involvement Volunteer, has been revamped and expanded to include additional patient involvement activities. Reporting to the Patient Experience Team, 14 are now 'working' throughout the Trust undertaking various tasks including surveying patients using the FFT postcards, sitting on committees, observational audits and food tasting.

3.9. Complaints

During 2016-2017 the Trust received 606 formal complaints. 69% of the 606 complaints were responded to within 25 Working days of receipt of the complaint.

In the same period, the Trust responded to 603 formal complaints. Of these, 110 were upheld, 326 were partially upheld and 167 not upheld.

Parliamentary and Health Service Ombudsman (PHSO)

- New requests received in 2016-2017: 30
- The PHSO decided 25 complaints in 2016-2017: two were upheld, four partially upheld and nineteen not upheld.

Total number of complaints 2016-17

Total Number of Complaints	2013-14	2014-15	2015-16	2016-17
University Hospital, Coventry	459	457	537	570
Hospital of St. Cross, Rugby	26	21	36	35
Other	5	0	1	1
Totals	490	479	574	606
Referred to the PHSO	16	14	25	30
Ratio of complaints to activity	0.05%	0.05%	0.06%	0.06%

The top 5 subjects of complaint

Communications	216
Clinical Treatment - Surgical Group	142
Clinical Treatment - General Medicine Group	114
Admissions, Discharges & Transfers (excl. delayed discharge due to absence of care package - see Integrated care)	106
Clinical Treatment - Accident & Emergency	84

For further information about complaints please access the Complaints and PALS Annual Report on the Trust's website: www.uchw.nhs.uk which will be available from July 2017.

3.10. Estates and Facilities

PLACE (Patient Led Assessment of the Care Environment)

Site	Year	Cleanliness	Food Overall	Food: Ward	Food: Organisation	Privacy, Dignity and Wellbeing	Condition, Appearance and Maintenance	Dementia
UH	2013	94.28%	85.04%	*	*	96.21%	93.27%	*
	2014	98.17%	88.13%	89.96%	77.37%	97.74%	93.07%	*
	2015	100.00%	95.24%	\$	\$	94.58%	97.45%	89.92%
	2016	99.00%	88.00%	89.00%	81.00%	89.00%	95.00%	76.00%
	Change	1.00%	7.24%	N/A	N/A	5.58%	2.45%	N/A
	%	1.00%	0.00%			5.00%	2.00%	
St Cross	2013	96.65%	74.81%	*	*	94.37%	93.10%	*
	2014	99.47%	86.19%	92.51%	76.53%	91.15%	96.12%	*
	2015	100.00%	88.97%	\$	\$	92.75%	96.15%	87.20%
	2016	99.00%	86.00%	88.00%	84.00%	88.00%	94.00%	74.00%
	Change	1.00%	2.97%	N/A	N/A	4.75%	2.15%	N/A
	%	1.00%	2.00%			4.00%	1.00%	

% - Above or Below the National Average

N/A The Dementia question and scoring and the Food question set were changed for 2016 thus do not allow for true year-on-year comparison.

* Category not assessed during this period.

\$ Food Ward/Food Organisation – was not scored in 2015

Actions Implemented/Further Work Planned 2016-17

- A working group was established to look at patient catering across both sites. Membership consisted of representatives from ISS, Project Co and the Trust Patient Experience, Dietetic and Estates Teams).
- A common theme emerging from the working group was in relation to the ability to choose from the menu. Work is now underway to provide each patient bedside booklet with a menu. Until this can be finalised, menus are being given out and collected on a daily basis.
- The Trust is currently considering the use of an electronic ordering system. This will not only improve accuracy and assist patients in making an appropriate choice, but will also reduce the ordering period significantly.
- Replacement of catering regeneration trolleys and beverage trolleys has now been completed.
- Healthwatch Coventry volunteers took part in a tasting session for the Christmas patient menu.

Cleanliness

ISS are contracted under the PFI Contract to achieve certain levels of cleaning dependent on risk rating. Currently ISS are achieving scores as follows:

Risk Category	NSC / PMS Target	Jan – Dec 2016 Average Score
Very High Risk	95%	97.07%
High Risk	90%	96%
Significant	85%	92.89%
Low	75%	92.23%

* NCS - National Cleaning Standards

PMS - Performance Measurement Standards (under the PFI Contract Schedule 18 payment mechanism – meaning that if they fail it could incur penalties or financial penalties)

General cleanliness from an in-patient survey perspective still remains high with over 98% of respondents rating it as mainly good.

Recommendations

Following discussions with Healthwatch Coventry after the 2015 auditing, a number of recommendations were made by the team to further enhance the inspection process for 2015/16, which were factored into the process. These included:

- A greater number of 'Patient' representatives as part of the inspection team.
- An increased number of inspection teams.
- Greater time allowed for the inspection.
- A brief to Healthwatch members explaining what is involved in the audits.

It was also recommended that further investment is undertaken at St Cross to ensure a robust on-going environmental maintenance program is in place going forward. This will address areas such as:

- An increase in the investment in public spaces/corridors at St Cross.
- A revised lighting scheme across the site.

We have also most recently, following a number of concerns raised in relation to the cleaning standards, developed a robust action plan with PFI providers (The Coventry and Rugby Hospital Company) and their soft service providers, ISS. This program covers a multitude of areas within the cleaning service and will be closely monitored going forward to ensure an improvement is achieved and sustained.



3.11. Staff Experience

Each year, between October and December, NHS staff are invited to take part in the NHS Staff Survey, the largest survey of staff opinion in the UK. It gathers views on staff experience at work around key areas including Appraisals and Development, Health and Wellbeing, Raising Concerns and Staff Engagement and Involvement.

Nationally, the NHS Staff Survey results provide an important measure of performance against the pledges set out in the NHS Constitution. The Constitution outlines the principles and values of the NHS in England, setting out a number of pledges that define what staff should expect from NHS employers.

Staff Pledges

The four staff pledges contained in the NHS constitution are:

- **Staff Pledge 1:** To provide all staff with clear roles and responsibilities and rewarding jobs for teams and individuals that make a difference to patients, their families and carers and communities.
- **Staff Pledge 2:** To provide all staff with personal development, access to appropriate training for their jobs and line management support to enable them to fulfil their potential.
- **Staff Pledge 3:** To provide support and opportunities for staff to maintain their health, well-being and safety.
- **Staff Pledge 4:** To engage staff in decisions that affect them and the services they provide, individually, through representative organisations and through local partnership working arrangements. All staff will be empowered to put forward ways to deliver better and safer services for patients and their families.

2016 National Staff Survey

The 2016 survey ran 27th September 2016 – 2nd December 2016.

In previous years a random sample of 850 staff were invited to participate in the NHS Staff Survey. However, a decision was made to invite all staff (8178, including ISS/Retention of Employment(RoE)) to participate during 2016. Conducting a full staff census ensured data was gathered across all staff groups, departments and demographic groups, as well as:

- Greater staff engagement, with all staff having the opportunity to give their views rather than them feeling the survey was only conducted with a few staff and doesn't capture their voice
- Increased staff trust in the results because everyone had the opportunity to participate
- Easier publicity for the survey as everyone received it (rather than having to say "you may have been selected") and the data to have more organisational credibility
- A mixed mode method was undertaken with some staff receiving an online link to the survey via email, and others (all staff Band 6 and below from clinical areas and all ISS RoE staff) receiving a hard copy survey
- Quality Health, our national staff survey administrator, sent the hard copy surveys and survey emails alongside a letter from our Chief Executive Officer. Reminder copies of the survey and emails were also sent to those who had not returned their survey.



Response rate

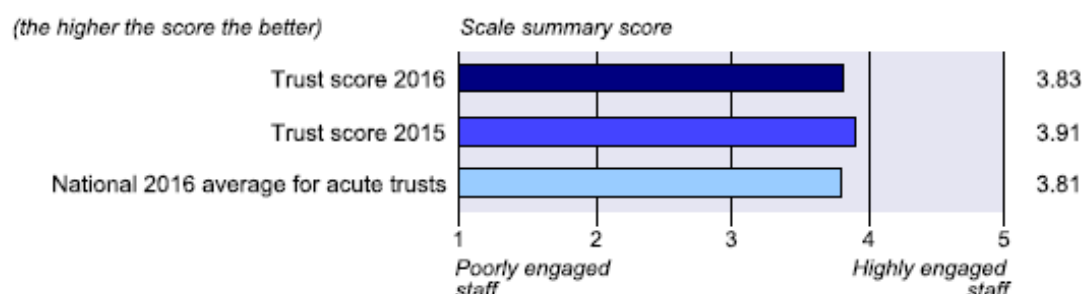
The Trust's response rate has improved slightly this year to 41% (3156), an increase of 2% from 2015, although slightly below the national average for Acute Trusts which was 44%. The national average for Acute Trusts increased slightly from 41% in 2015 to 44% in 2016.

Engagement Score

Overall our engagement score, measured on a scale of 1 (poorly engaged) to 5 (highly engaged) calculated using the response to several of the survey questions, stands at 3.83.

This is a decrease from 3.91 in 2015 although is slightly above the national average for Acute Trusts which stands at 3.81. On a national scale, the overall staff engagement indicator has increased slightly from 3.79 (2015) to 3.81 (2016).

OVERALL STAFF ENGAGEMENT



Acute Sector Comparisons

As well as receiving our response directly, our responses are compared to other Acute Trusts in England. From this we can identify the areas where we perform most and least favorably.

The National Staff Survey provides us with a baseline set of data and an indication of where actions should be focused.

Top Five Ranking Areas

Area	2016 UHCW Percentage Score or Scale Summary Score	2016 Acute Average Score
Staff satisfaction with the quality of work and care they are able to deliver	4.07	3.96
Percentage of staff agreeing that their role makes a difference to patients / service users	92%	90%
Quality of non-mandatory training, learning or development	4.11	4.05
Percentage of staff reporting errors, near misses or incidents witnessed in the last month	93%	90%
Staff satisfaction with resourcing and support	3.39	3.33

The drivers for this improvement on this metric include how much staff feel they can give good care and that they make a difference to patients. Also, that staff feel training, learning and development has had a positive impact on their work, and they are more confident to report errors and near misses.

Bottom Five Ranking Scores

Area	2016 UHCW Percentage Score	2016 Acute Average Score
Percentage of staff experiencing physical violence from patients, relatives or public in the last 12 months	18%	15%
Percentage of staff experiencing physical violence from staff in the last 12 months	3%	2%
Percentage of staff experiencing discrimination at work in the last 12 months	13%	11%
Percentage of staff attending work in the last 3 months despite feeling unwell because they felt pressure from their manager, colleagues or themselves	60%	56%
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months	29%	27%

Where Staff Experience Has Improved

The table below highlights the key finding where staff experience has improved at the Trust since the 2015 survey.

Area	2016 UHCW Percentage Score	2016 Acute Average Score
Percentage of staff / colleagues reporting most recent experience of violence	71%	67%

Where Staff Experience Has Deteriorated

The table below highlights the three Key Findings which have deteriorated at the Trust since the 2015 survey.

Area	2016 UHCW Scale Summary Score	2016 Acute Average Score
Staff motivation at work	3.94	3.94
Recognition and value of staff by managers and the organisation	3.45	3.45
Staff satisfaction with resourcing and support	3.39	3.33

In recent years, staff feedback from the National Staff Survey had formed the basis of actions being undertaken under the Together Towards World Class programme. However, a different approach is being taken this year. A Task and Finish Group, made up of Staff Side, Change Makers and some Senior Leaders, will meet in March 2017 and potentially April 2017 to look at the areas where we compare least favourably compared to 2015 and those where we compare least favourably to other Acute Trusts. Action plans will be agreed and taken forward.

Workforce Race Equality Standard

Area	2016 UHCW Percentage Score or Scale Summary Score	2016 Acute Average Score
Percentage of staff believing that trust provides equal opportunities for career progression or promotion	86%	85%
Percentage of staff / colleagues reporting most recent experience of violence	71%	67%



Staff Friends and Family Test

Background

Undertaken every three months, the Staff Friends and Family Test (SFFT) asks staff to give their feedback on how likely they are to recommend the Trust to friends and family for care or treatment and how likely they are to recommend the Trust as a place to work.

The Trust is obliged to ask all staff the Staff Friends and Family Test questions on an annual basis, with the opportunity to undertake identified samples in the remaining periods. Since the start of SFFT in 2014 we have provided all staff with the opportunity to complete the questions on a quarterly basis, with the exception of Quarter 3 (September – November 2016) where results are gathered through the National Staff Survey. However, in Quarter 1 2016 a decision was made to take a different approach and the surveying of staff to be more targeted, also to provide Groups time to action changes based on staff feedback. This means that each of the three quarters we invite; 50% of Specialty Groups to participate in Quarter 1, the remainder being targeted in Quarter 2, and ISS/RoE, Vinci and Volunteers in Quarter 4.

Staff Friends and Family – Service/ Treatment Provider

2016-2017 Results - “How likely are you to recommend our Trust to friends and family if they needed care or treatment?”

Period	Recommender	Non-recommender	Unsure
Qtr 1 (732)	92%	4%	5%
Qtr 2 (965)	84%	5%	10%
Qtr 3 (3156)	73%	10%	18%
Qtr 4 (229)	78%	11%	10%

In Quarter 3 (through the National Staff Survey) 73% of respondents said they would recommend the Trust as a place to receive treatment. Whilst this is a decrease from Quarter 2 (84%) we remain slightly above the national average of 70% recommending their Trust.

Staff Friends and Family – Workplace















2016-2017 Results – “How likely are you to recommend our Trust to friends and family as a place to work?”

Period	Recommender	Non-recommender	Unsure
Qtr 1 (732)	79%	10%	11%
Qtr 2 (965)	70%	14%	16%
Qtr 3 (3156)	62%	14%	24%
Qtr 4 (229)	65%	19%	16%





In Quarter 3 (through the National Staff Survey) 62% of survey respondents said they would recommend the Trust as a place to work. Whilst this is a decrease from Quarter 2 (70%) we remain slightly above the national average of 61% recommending their Trust. Quarter 4 saw an increase to 65% when we asked ISS/RoE, Vinci and Volunteers.

3.12. Performance against National Priorities 2016-17

Quality and Patient Safety Indicators give Trusts, Commissioners and the general public, comparable data on how we are performing. Because the indicators are standardised, and have to be measured in specific ways, they provide an opportunity for performance to be compared over time and across the NHS. The local indicators are agreed by the Trust Board and where appropriate agreed with our Commissioners. The below table of indicators are ones where UHCW is required to submit information nationally.

Indicators	Target 2016-17	2016-17	2015-16	2014-15	Rating
CQC Registration status	n/a	Licensed without conditions	Licensed without conditions	Licensed without conditions	
Maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway	92%	86.5%	89.67%	88.10%	
A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge	95%	82.37%	89.17%	90.37%	
Cancer: two week wait from referral to date first seen, comprising: - all urgent referrals (cancer suspected)	93%	96.0%	96.0%	97.3%	
- for symptomatic breast patients (cancer not initially suspected)	93%	97.5%	93.0%	98.8%	
All cancers: 31-day wait from diagnosis to first treatment	96%	99.4%	99.1%	99.3%	
All cancers: 31-day wait for second or subsequent treatment, comprising: - surgery	94%	97.2%	97.0%	98.0%	
- anti cancer drug treatments	98%	100%	100.0%	100.0%	
- radiotherapy	94%	96.2%	96.0%	95.5%	
All cancers: 62-day wait for first treatment from: - from urgent GP referral for suspected cancer	85%	83.3%	82.7%	84.6%	
- from NHS cancer Screening Service referral	90%	94.0%	93.7%	95.4%	
Clostridium Difficile – meeting the Clostridium Difficile objective	42	29	38	41	
Methicillin-resistant Staphylococcus Aureus (MRSA) bacteraemia – meeting the MRSA objective	0	1	0	9	
Certification against compliance with required access to healthcare for people with learning disability	Green	Green	Green	Green	

Performance against locally agreed priorities

INDICATORS	TARGET 2016-17	2016-17	2015-16	2014-15	Rating
Numbers of acquired avoidable Pressure Ulcers Incident reporting	Grade 3: 0 Grade 4: 0	Grade 3: 13 Grade 4: 1	Grade 3: 21 Grade 4: 0	Grade 3: 21 Grade 4: 1	
Harm Free Care <i>This is the % of inpatients treated who experienced 'harm free' care who were audited as part of the Patient Safety Thermometer. That is care free from pressure ulcers, falls, urinary catheter infections and VTE</i>	95%	96.3%	95.7%	95.3%	
Number of Serious Incidents <i>This is the total number of Serious Incidents that were reported to Steis within the month. These are the Serious Incidents as monitored by the QPS – Quality and Patient Safety Team.</i>	180	135	183	206	
Delayed transfers of care <i>% of medically fit patients who can be discharged but who are delayed due to one of the following reasons: A). Completion of assessment. B) Public Funding. C). Further non acute NHS care. D). Care Home Placement. E). Care package in own home. F). Community Equipment/adaptions. G). Patient or family choice. H). Disputes. I). Housing.</i>	3.5%	6.95%	6.67%	5.67%	
Breaches of the 28 day readmission guarantee <i>reports the number of patients whose operation was cancelled, by the hospital, for non-clinical reasons, on the day of or after admission, who were not rescheduled within 28 days.</i>	0	142	112	119	
Friends and Family Test inpatient recommenders <i>The % is worked out by taking the number of respondents who chose the response "likely" or "extremely likely" against the total number of all types of responses.</i>	95%	85.7%	89.23%	90.82%	
Friends and Family Test A&E recommenders <i>The % is worked out by taking the number of respondents who would recommend the service (response being "likely" or "extremely likely") against the total number of all types of responses</i>	87%	79.3%	83.17%	81.9%	

Due to continuing significant pressures that are being experienced in our A&E department and across the country, the A&E 4 hour wait target has not been achieved this financial year, with the best reported performance being 90.1% in September 2016. There has been a further increase in attendances to our services and our performance against this target was compounded by a continuingly high number of patients that are fit for discharge but awaiting transfer elsewhere or for a package of care to be established (known as Delayed Transfers of Care or DTOC).

We have taken a number of actions during the year to improve our emergency department performance, both internally and with partners including improved ambulance triage and handover and Red to Green Days as well as focusing on improving ambulatory pathways. We also continue to focus on delivering the SAFER principles to improve care for all our patients.

In the latter part of the year, we opened our Acute Frailty Unit (AFU) which is supported by the Integrated Frailty Service (IFS), a multi-disciplinary team comprised of hospital and community services. This area is designed specifically for frail elderly patients who, following a comprehensive assessment and with specialist intervention, could be discharged without the need to be admitted to a Gerontology ward. Patients who would not benefit from hospital admission are provided with alternative support including: home with rapid response, transfer to a community bed or social respite care or with voluntary sector support.

Unfortunately, our performance challenges have meant a continued number of patients waiting longer than 18 weeks for their treatment and thus we have not met the 92% standard for the referral to treatment (RTT) measurement for incomplete pathways. Throughout the year actions have been taken to try to reduce this number of patients including weekly patient level tracking and setting clear targets for each of our Clinical Groups and monitoring performance against these. However, pressure at the front door and non-elective flow through the hospital has increased the number of medical outliers and theatre cancellations which all contributes towards no significant improvement in performance against this target.

The Delayed Transfer of Care (DTOC) indicator remains challenging to deliver due to the complexity of discharges and the number of partner organisations that are involved in discharge processes. We have consistently maintained close scrutiny of our DTOC position because of the impact that this has on our patients and flow through the organisation. As a consequence, we have continually engaged with community partners to ensure that patients are transferred to more appropriate settings in a timely fashion. However, there is limitation within the community in terms of both capacity and staffing and this has resulted in the level of DTOCs remaining high and exceeding the national standard.

We have generally seen an improved position against the 85% cancer 62 day standard targets throughout 2016-17. Late referrals from other Trusts after 62 days are categorised as shared breaches but are a contributory factor to underachieving the target. A number of actions have been taken to improve our performance during the year including revisions to relevant pathways, additional support for tracking patients on an urgent suspected cancer pathway and reviews of all patients with no comprehensive plan in place. We are continuing to work with partners to ensure that late referrals are eradicated.



An Invitation to comment and offer feedback

Your Views - Your Involvement

Thank you for taking the time to read our annual Quality account. We hope you have found it and interesting and enjoyable read. If you would like to comment on any aspect of this Account or give us feedback on any aspect of our services, please write to:

Quality Department
University Hospitals Coventry and Warwickshire NHS Trust
Clifford Bridge Road
Coventry
CV2 2DX

You can also share your views: [UHCW Response after Commentary from Joint Quality Account Task Group](#)

- emailing us at feedback@uhcw.nhs.uk or
- by visiting our website www.uhcw.nhs.uk and completing the Impressions survey or
- by visiting NHS Choices website at www.nhs.uk

We look forward to hearing your comments and suggestions.



Commentary from Joint Quality Account Task Group

The Quality Account Task Group consists of Healthwatch Coventry, Healthwatch Warwickshire, Coventry City Council Scrutiny (HOSC) and Warwickshire County Council Scrutiny. The Group had positive meetings with the Trust to discuss progress on last year's quality priorities and what should be included as priorities for 2017-18. The Group also provided feedback on an early draft regarding readability within the document.

Overall this document is a clear and easy to read within the constraints for the template information Trusts' must use when writing a quality account.

This year the Trust decided to align the Quality Account with its annual report, meaning that the timeline for producing the Quality Account was shortened and our commentary was required at an earlier date. Joining up documents is a positive step and has enabled the Quality Account to be shorter; however the earlier timeline means that the version of we saw did not contain national data or full data regarding patient experience measures (Friends Family Test and complaints handling).

It is clear from NHS information/data over the year that UHCW along with other NHS trusts has been experiencing challenges in meeting a number of national targets including A&E 4 hour waiting times and referral times for outpatient and at times for cancer 62 day waits for treatment. A fundamental issue is one of flow through the hospital. The bed occupancy rates the Trust is experiencing mean that often beds are not available for emergency admissions through A&E or to carry out planned elective operations. This results in planned operations being postponed. For example Coventry Scrutiny Board was told that 67 operations had been postponed (24/12/16-31/1/17). Work focused on managing beds results in consultants and registrars spending extra time on wards leading to outpatients' appointments being delayed or postponed.

This Quality Account does not (and cannot within its current framework) provide this context of a NHS under pressure in many ways. This is becoming a weakness to the Quality Account approach as organisations in the NHS do not exist in isolation.

The other significant development is the work underway regarding Sustainability and Transformation plans/partnerships (STP). This work focuses on Coventry and Warwickshire as a health and care system and what plans need to be made to join up services and plan in different ways that do not focus on individual organisations but on the system as a whole and how it works together. This is not reflected in the Quality Account.

Last year's priorities

1. Increasing the reporting of medication errors

UHCW demonstrates why this was a priority and actions have been identified from the work to benefit patient safety/care.

2. Improving care bundle compliance

The Trust has a rationale for this work and provides evidence of outcomes for clinical effectiveness from the better implementation of a number of Care Bundles.

3. Measuring direct care

The Trust is reporting a 28% improvement in direct care time spent, although it is not clear what the baseline is.

Time spent looking for drug cabinet keys and queuing for medication have been identified as time wasting activities and it would be useful if the Trust had gone on to indicate actions to be taken to address these points.



2017/18 Priorities

1. Patient safety: reducing falls and pressure ulcers

Work to eliminate pressure ulcers is a requirement on Trusts and this section would benefit from more detail on the actions to be taken.

Healthwatch has seen data indicating that the number of patient falls in the Trust are rising and has gathered recent intelligence regarding falls. Therefore we support a priority regarding this.

2. Clinical effectiveness: reducing the trust's standardised mortality ratio score

There are two mortality measures the Standardised Hospital Mortality Ratio (HMSR), and the Summary Hospital-level Mortality Indicator (SHMI). Data to December 2016 shows a worsening SHMI score. The Trust is setting a goal of maintaining its HMSR below 100 and the baseline given is already below 100. Therefore we wonder if attention should be given to the different factors impacting on the SHMI score instead. The SHMI is the ratio between the actual number of patients who die following hospitalisation at the Trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there.

3. Patient experience: delivering customer care training for staff

This priority is rooted in patient feedback to the Trust as a patient experience priority should be. Therefore the goal of providing customer care training to patient facing staff is welcomed.

Other issues

CQC inspection

The CQC re-inspected outpatient and diagnostic services at the Trust this year and found some improvements, but perhaps the Trust has not addressed the original inspection 'must' and 'should' do actions quickly enough. Healthwatch Coventry raised this and was informed that management input was being directed to ensuring progress.

Patient safety

Healthwatch Coventry has continued conversations with the Trust regarding complaints management and how the process for Root Cause Analysis (RCA) investigations and Significant Incident Group (SIG) reporting ensure that patient and relatives are kept informed. RCA investigations are used when 'patient safety incidents' occur within a clinical setting. The most common examples are falls. The purpose is to identify how and why such incidents happen, areas for change and developing recommendations for delivering safer care for patients. There remains work to do on communication with patients/relatives around the process and ensuring that they can understand information provided.

The Coventry HOSC engaged with UHCW on a number of occasions, and whilst attendance was always forthcoming, scrutiny have had concerns about the timely provision of information requested, particularly in relation to the STP. One of the Trust's values is openness, and we hope, moving forward, that despite the demands on the Trust's resources, they will work with Scrutiny in 2017/18 in an open and accountable way, recognising the important role scrutiny can play in improving health services locally.

We look forward to continuing to work with UHCW.

UHCW Response:**Mortality**

The Trust's Mortality Review Committee is already proactively working on reviewing the top 12 diagnosis groups that are contributing to the high SHMI rate. It is acknowledged that the majority of these groups have already been the subject of internal scrutiny that has contributed to the improvement in HSMR overall. Many of the actions arising out of the initial reviews, such as the introduction of care bundles and revised patient pathways will take some time to impact more widely on SHMI. In addition, it is acknowledged that there is a need to focus on joint work with our primary and community care partners to look to improve the support in the community to prevent inappropriate admissions. A reduction in the number of inappropriate admissions where patients would be more appropriately cared for in the community as they come towards the end of their life would impact positively on the SHMI value.

Patient Safety

We acknowledge the work still to be done to improve communication with patients and relatives when things have gone wrong. In 2016-17 the Trust implemented a new policy on the Duty of Candour and improved the way we communicate with patients and families following a patient safety incident. The Trust is planning more work in this area in 2017-18, including enhancements to staff training and the investigation process.

Commentary from Coventry and Warwickshire Clinical Commissioning Group

NHS Coventry and Rugby Clinical Commissioning Group (CCG) welcome the opportunity to comment on University Hospitals Coventry and Warwickshire NHS Trust's (UHCW) Quality Account. The CCG believe that the Quality Account for 2016-17 meets the required content as set out in national guidance and contains an accurate reflection of the quality of services provided by the Trust. Whilst not all data fields were complete in the draft account, the CCG has reviewed the information presented against data sources available to the CCG as part of contracting and performance, and can confirm them as accurate.

The relationship between the CCG and the Trust has continued to develop over the past year. An example of this is demonstrated in the way the Trust swiftly addressed quality concerns raised by Primary Care in relation to MRI reporting. The Trust worked with the CCG in an open and transparent way to understand the rationale for delays in reporting and agree a robust action plan to ensure patient safety was maintained. The Trust has assured the CCG that appropriate controls are in place to prevent reoccurrence in the future.

The CCG would also like to acknowledge the Trust's work over the last year to embed positive improvements made to the reporting and investigation of patient safety incidents through their continued implementation of the Virginia Mason Improvement programme. The CCG has also been encouraged by the Trust's commitment to utilising a human factors approach to embed learning from incidents particularly in areas such as Theatres and Maternity Services.

Increasing demand on Accident and Emergency (A&E) Services has again been a key challenge for the Trust this year. The CCG has conducted a number of assurance visits to the A&E Department and were assured that the Trust has robust processes in place to ensure patients are managed safely. This is an area that will continue to be closely monitored by the CCG in 2017-18.

Maintaining Trust-wide service delivery in the context of increasing demand has contributed to the Trust failing to consistently achieve national Referral to Treatment Time (RTT) performance target. In the coming year, the CCG expects the Trust to continue to improve their patient pathways and provide assurance that they are robustly identifying, assessing and reporting patient harms caused as a direct consequence of Referral to Treatment delays.

The Trust has demonstrated their commitment to system wide working this year by engaging with commissioners and other local providers to review patient pathways and develop joint processes for investigating shared serious incidents. The CCG is keen to build upon and strengthen the work undertaken to improve the quality of communication between Primary Care and the Trust particularly in relation to patient discharge and responding to GP feedback. The CCG will look forward to seeing positive improvements in this important aspect of system wide working in the coming year.

In light of the significant numbers of patients waiting for their first outpatient appointment and the impact this can have on patient experience, the CCG is surprised that the Trust's Quality Account does not include any reference to continued quality improvement work to address this area given the impact this can have on patient experience.

There is a national Public Health focus on health improvement, wellbeing and self-help. Therefore the CCG is disappointed to see a limited reference to these important key areas within the overall Quality Account.

The Trust has robust processes in place for the identification, reporting, review and learning from deaths which are in line with the recommendations in the most recent national guidance (National Guidance on Learning from Death March 2017). The CCG is therefore confident the Trust will be required to do very little additional work to fully implement the guidance and we look forward to receiving their plans. In conclusion, we recognise that the Trust has made positive progress in a number of areas last year and can confirm that we fully support the priorities identified by the Trust in their Quality Account for 2017-18.

UHCW Response:

UHCW welcome the supportive and considered response from our Commissioner colleagues. We agree that getting emergency care right is crucial for the Trust over the next year. We would also like to thank our Commissioner colleagues for their assurance reviews of our Emergency Department and were assured that the Trust has robust processes to ensure patients are managed safely.

Unfortunately, our performance challenges have meant a continued number of patients waiting longer than 18 weeks for their treatment or an initial outpatient appointment. Throughout the year actions have been taken to try to reduce this number of patients including weekly patient level tracking and setting clear targets for each of our Clinical Groups and monitoring performance against these. In relation to the communication about patients discharge UHCW look forward to working collaboratively with the CCG in 2017-2018 in striving to improve this process and become a world class organisation.



Statement of Directors Responsibilities in respect of the Quality Account

The directors are required under the Health Act 2009 to prepare a Quality Account each financial year. The Department of Health has issued guidance on the form and content of the Quality Accounts (which incorporates the legal requirements in the Health Act 2009 and the National Health Service (Quality Accounts) Regulations (as amended by the National Health Service (Quality Accounts) Amendment Regulations 2011 and the National Health Service (Quality accounts) Amendment Regulations)

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

- the Quality Account presents a balanced picture of the Trust's performance over the period covered;
- the performance information reported in the Quality Account is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Account, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Account is robust and reliable, conforms to specified data quality standards and prescribed definitions, and is subject to appropriate scrutiny and review; and
- the Quality Account has been prepared in accordance with Department of Health guidance.

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

By order of the Board

Chair

Date

Chief Executive Officer

Date



External Auditors: External Assurance Report

Independent Auditors' Limited Assurance Report to the Directors of University Hospital Coventry and Warwickshire NHS Trust on the Annual Quality Account

We are required to perform an independent assurance engagement in respect of [Name] NHS Trust's Quality Account for the year ended 31 March 2017 ("the Quality Account") and certain performance indicators contained therein as part of our work. NHS trusts are required by section 8 of the Health Act 2009 to publish a Quality Account which must include prescribed information set out in The National Health Service (Quality Account) Regulations 2010, the National Health Service (Quality Account) Amendment Regulations 2011 and the National Health Service (Quality Account) Amendment Regulations 2012 ("the Regulations").

Scope and subject matter

The indicators for the year ended 31 March 2017 subject to limited assurance consist of the following indicators:

- Percentage of patient safety incidents resulting in severe harm or death; and
- Rate of clostridium difficile infections.

We refer to these two indicators collectively as "the indicators".

Respective responsibilities of the Directors and the auditor

The Directors are required under the Health Act 2009 to prepare a Quality Account for each financial year. The Department of Health has issued guidance on the form and content of annual Quality Accounts (which incorporates the legal requirements in the Health Act 2009 and the Regulations). In preparing the Quality Account, the Directors are required to take steps to satisfy themselves that:

- the Quality Account presents a balanced picture of the trust's performance over the period covered
- the performance information reported in the Quality Account is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Account, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality Account is robust and reliable, conforms to specified data quality standards and prescribed definitions, and is subject to appropriate scrutiny and review
- the Quality Account has been prepared in accordance with Department of Health guidance

The Directors are required to confirm compliance with these requirements in a statement of directors' responsibilities within the Quality Account.

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

- the Quality Account is not prepared in all material respects in line with the criteria set out in the Regulations



- the Quality Account is not consistent in all material respects with the sources specified in the NHS Quality Accounts Auditor Guidance (“the Guidance”)
- the indicators in the Quality Account identified as having been the subject of limited assurance in the Quality Account are not reasonably stated in all material respects in accordance with the Regulations and the six dimensions of data quality set out in the Guidance

We read the Quality Account and conclude whether it is consistent with the requirements of the Regulations and to consider the implications for our report if we become aware of any material omissions.

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

- Board minutes for the period April 2016 to May 2017
- papers relating to quality reported to the Board over the period April 2016 to May 2017
- feedback from the Commissioners dated 28/04/2017
- feedback from the Quality Account Task Group consists of Health-watch Coventry, Health-watch Warwickshire, Coventry City Council Scrutiny (HOSC) and Warwickshire County Council Scrutiny
- the Trust’s complaints report published under regulation 18 of the Local Authority, Social Services and NHS Complaints (England) Regulations 2009
- the latest national patient survey dated June 2016
- the latest national staff survey dated March 2017
- the annual governance statement
- the Care Quality Commission’s Intelligent Monitoring Report dated August 2015

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

This report, including the conclusion, is made solely to the Board of Directors of University Hospital Coventry and Warwickshire NHS Trust.

We permit the disclosure of this report to enable the Board of Directors to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permissible by law, we do not accept or assume responsibility to anyone other than the Board of Directors as a body and University Hospital Coventry and Warwickshire for our work or this report save where terms are expressly agreed and with our prior consent in writing.



Assurance work performed

We conducted this limited assurance engagement under the terms of the Guidance. Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators
- making enquiries of management
- testing key management controls
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation
- comparing the content of the Quality Account to the requirements of the Regulations
- reading the documents

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

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Account in the context of the criteria set out in the Regulations.

The nature, form and content required of Quality Accounts are determined by the Department of Health. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS organisations.

In addition, the scope of our assurance work has not included governance over quality or non-mandated indicators which have been determined locally by University Hospital Coventry and Warwickshire NHS Trust.



Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2017:

- the Quality Account is not prepared in all material respects in line with the criteria set out in the Regulations;
- the Quality Account is not consistent in all material respects with the sources specified in the Guidance; and
- the indicators in the Quality Account subject to limited assurance have not been reasonably stated in all material respects in accordance with the Regulations and the six dimensions of data quality set out in the Guidance.

KPMG LLP
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

25 May 2017



Appendix 1: CQUIN Schemes 2017-18

The CQUIN Programme was introduced in April 2009 as a national approach for creating financial incentives to facilitate quality improvement. The Programme enables Commissioners to reward excellence by linking a proportion of healthcare provider's income to the achievement of quality improvement goals. The Framework aims to embed quality within commissioner-provider discussions and create a culture of continuous quality improvement, with stretching goals agreed in contracts on an annual basis.

For further information on the CQUIN Schemes for 2016-17, please contact a member of the UHCW Contracting Team on 02476 968471.

CQUIN scheme title	CQUIN scheme focus
Introduction of health and Wellbeing	To introduce health and wellbeing initiatives covering physical activity, mental health and improving access to physiotherapy for people with MSK issues.
Healthy food for NHS Staff, Visitors and Patients	To achieve a step-change in healthy food offered within the hospital.
Improving the uptake of flu vaccinations	To achieve an uptake of flu vaccinations by frontline clinical staff of 75%.
Management of Sepsis	To ensure the timely identification and treatment of sepsis in ED. To ensure the timely identification and treatment of sepsis in acute inpatient setting,
Antibiotic consumption	To reduce antibiotic consumption per 1,000 admissions and undertake empiric review of antibiotic prescriptions.
Psychological support to cancer patients	To increase psychological input into acute cancer services.
62 Day cancer wait	To ensure that at least 85% of patients receive a first definitive treatment within 62 days of an urgent GP referral for suspected cancer.
Root cause analysis on all waiters and a clinical harm review for a positive diagnosis	To demonstrate appropriate management and review of long wait cases on the 62-day urgent GP referral to first treatment pathway, in line with the NHS England backstop policy.
Increasing the use of virtual out-patient clinics	To replace traditional face to face outpatient appointments with virtual appointments.
Emergency care	To deflect patients from UHCW's Emergency and/or Acute Medicine Department onto urgent primary/community care pathways. A focus on frailty and ensuring that all eligible patients receive a comprehensive geriatric assessment (CGA) and that their care and discharge is managed in accordance with this assessment.
Clinical Utilisation Review (CUR)	To introduce the methodology of CUR in order to facilitate a reduction in unnecessary hospital admissions and reduce length of stay.
Enhanced supportive care	To ensure patients with advanced cancer are, where appropriate, referred to a Supportive Care Team, to secure better outcomes and avoidance of inappropriate treatments.
Renal eGFR	To ensure the proactive use of eGFR testing to identify patients with declining kidney function alongside timely notification and appropriate primary and secondary care management.
Neonatal term admissions	To reduce separation of mothers and babies and reduce demand on neonatal services by improving learning from avoidable term admissions (≥ 37 wk gestation) into neonatal units.
Chemotherapy band dosing	To standardise the doses of Systemic Anticancer Therapies (SACT) in all units across England.
Breast Cancer Screening	To improve access and uptake through patient and public engagement.
Managed Clinical Networks	To ensure the active involvement of secondary care clinicians in Managed Clinical Network (MCN) for Dental Services, to review and improve pathways and outcomes for patients.
Bowel Screening	To improve the combined uptake of lower uptake CCGs by 5% and/or improve the overall Hub uptake by 2.5%.

Appendix 2: proportion of the income during 2016-17 conditional on achieving quality improvement and innovation goals through the CQUIN payment framework

The total value of contract income associated with the 2016-17 CQUIN Programme amounts to £10,312k. A breakdown of this value, by scheme, is shown below:

CQUIN scheme title	CQUIN scheme focus	£000s
Introduction of health and Wellbeing	To introduce health and wellbeing initiatives covering physical activity, mental health and improving access to physiotherapy for people with MSK issues.	787
Healthy food for NHS Staff, Visitors and Patients	To achieve a step-change in healthy food offered within the hospital.	787
Improving the uptake of flu vaccinations	To achieve an uptake of flu vaccinations by frontline clinical staff of 75%.	787
Management of Sepsis	To ensure the timely identification and treatment of sepsis in ED.	393
	To ensure the timely identification and treatment of sepsis in acute inpatient setting.	393
Antibiotic consumption	To reduce antibiotic consumption per 1,000 admissions and undertake empiric review of antibiotic prescriptions.	787
Psychological support to cancer patients	To increase psychological input into acute cancer services.	158
62 Day cancer wait	To ensure that at least 85% of patients receive a first definitive treatment within 62 days of an urgent GP referral for suspected cancer.	395
Root cause analysis on all waiters and a clinical harm review for a positive diagnosis	To demonstrate appropriate management and review of long wait cases on the 62-day urgent GP referral to first treatment pathway, in line with the NHS England backstop policy.	395
Increasing the use of virtual out-patient clinics	To replace traditional face to face outpatient appointments with virtual appointments.	395
Emergency care	To deflect patients from UHCW's Emergency and/or Acute Medicine Department onto urgent primary/community care pathways.	1,643
	A focus on frailty and ensuring that all eligible patients receive a comprehensive geriatric assessment (CGA) and that their care and discharge is managed in accordance with this assessment.	948
Clinical Utilisation Review (CUR)	To introduce the methodology of CUR in order to facilitate a reduction in unnecessary hospital admissions and reduce length of stay.	838
Enhanced supportive care	To ensure patients with advanced cancer are, where appropriate, referred to a Supportive Care Team, to secure better outcomes and avoidance of inappropriate treatments.	314
Renal eGFR	To ensure the proactive use of eGFR testing to identify patients with declining kidney function alongside timely notification and appropriate primary and secondary care management.	314
Neonatal term admissions	To reduce separation of mothers and babies and reduce demand on neonatal services by improving learning from avoidable term admissions (≥ 37 wk gestation) into neonatal units.	314
Chemotherapy band dosing	To standardise the doses of Systematic Anticancer Therapies (SACT) in all units across England.	314
Breast Cancer Screening	To improve access and uptake through patient and public engagement.	62
Managed Clinical Networks	To ensure the active involvement of secondary care clinicians in Managed Clinical Network (MCN) for Dental Services, to review and improve pathways and outcomes for patients.	93
Bowel Screening	To improve the combined uptake of lower uptake CCGs by 5% and/or improve the overall Hub uptake by 2.5%.	194



Glossary

ABCD (Asset Based Community Development)

A model that builds better holistic services by marrying existing community assets and 3rd sector services to current NHS services.

Advocacy

Independent Advocacy is available to people who want support in making a complaint about NHS services. Contact details are available from your local Healthwatch

Appraisal

The process by which a manager or consultant examines and evaluates an employee's work behaviour by comparing it with preset standards, documents the results of the comparison, and uses the results to provide feedback to the employee to show where improvements are needed and why.

Benchmark

A standard or set of standards used as a point of reference for evaluating performance or level of quality. **Benchmarking** is used to compare one organisation with others

Board (of Trust)

The role of the Trust's Board is to take corporate responsibility for the organisation's strategies and actions. The Chair and non-executive directors are lay people drawn from the local community and are accountable to the Secretary of State. The Chief Executive is responsible for ensuring that the board is properly supported to govern the organisation and to deliver its clinical, quality and financial objectives.

Capacity – see Mental Capacity Act (MCA)

Care Bundles

A bundle is a structured way of improving the processes of care and patient outcomes: a small, straightforward set of evidence-based practices that, when performed collectively and reliably, have been proven to improve patient outcomes.

Care Quality Commission

The Care Quality Commission (CQC) is the independent regulator of health and social care in England. It regulates health and adult social care services, whether provided by the NHS, local authorities, private companies or voluntary organisations. It makes available reports and information on all healthcare providers, and anyone can use their website to comment on services. Visit www.cqc.org.uk From August 2013 the CQC began to change the way that it assesses the quality of hospital services. Longer inspections with larger teams (including professionals and patients) evaluate quality and contribute to the 'Rating'; ultimately every health and social care service will have such a rating.

Chief Inspector of Hospitals (CiH)

CQC appointed Professor Sir Mike Richards as the first Chief Inspector of Hospitals, tasked with implementing the CQC's new way of inspecting hospitals. He is responsible for leading the inspection service and assessing the extent to which hospitals are delivering quality care.



Clinical Audit

Clinical audit measures the quality of care and of services against agreed standards and suggests or makes improvements where necessary. It tells us whether we are doing what we should be doing. In addition to information in the Quality Account, the Trust publishes a detailed Clinical Audit Supplement on its website at www.uhcw.nhs.uk

Clinical Coding

Clinical coding translates the medical terminology written by clinicians to describe a patient's diagnosis and treatment into standard, recognised codes. The accuracy of coding is an indicator of the accuracy of the patient health records. Incorrect coding can have potentially serious consequences for the commissioning of health services, as well as misleading managers and clinicians by falsely representing the prevalence of particular health problems. The Trust is assessed annually on the accuracy of its coding system.

Clinical Commissioning Group (CCG)

Since 1 April 2013 CCGs have been responsible for ensuring adequate care is available for their local population by assessing need and purchasing services. They commission services (including acute care, primary care and mental healthcare) for the whole of their local population, with a view to improving health and well-being. CCGs commission emergency and urgent care, including ambulance and out-of-hours services. See also Commissioning

Clostridium Difficile (C.diff)

A species of Gram-positive bacteria that causes severe diarrhoea and other intestinal disease when competing bacteria in the gut flora have been wiped out by antibiotics.

Commissioning

Commissioning is the process of ensuring that health services meet the needs of the population. It is a complex process that includes assessing the needs of the population, procuring health care services and ensuring that services are safe, effective, patient-centred and of high quality.

NHS Specialised Services is a national organisation responsible for the commissioning of specialised services that help to improve the lives of children and adults with very rare conditions. See also **Clinical Commissioning Group**

All primary care is commissioned by NHS England

Commissioning for Quality and Innovation (CQUIN)

High Quality Care for All included a commitment to make a proportion of providers' income conditional on quality and innovation, through the Commissioning for Quality and Innovation (CQUIN) payment framework. The Trust has to meet agreed national and local performance targets; a proportion of our budget is only handed over by Commissioners if the Trust can show that it has met the targets. Detailed information on CQUIN and our performance is available as a supplement to the Quality Account and is available on the Trust website www.uhcw.nhs.uk

Dashboard

A visual tool that gives clinicians relevant and timely information they need to inform those daily decisions that improve quality of patient care. The tool gives clinicians easy access to a wealth of data that is captured locally, whenever they need it. It also provides straightforward comparisons between local and national performance for some activities

DATIX

Online incident reporting tool to record patient safety incidents, complaints, claims and risks.

Deprivation of Liberty Safeguards (DoLS)

The Deprivation of Liberty Safeguards is the procedure prescribed in law when it is necessary to deprive of their liberty a resident or patient who lacks capacity to consent to their care and treatment in order to keep them safe from harm.

Discharge

Complex discharge concerns patients' who have continuing healthcare needs after leaving hospital and who may have social care needs requiring specialist equipment to support them in a community environment

Simple discharge concerns patients going home or to residential care who need intermediate care services, renewed short term packages of care and access to rehabilitation facilitates in the community.

Duty of Candour

Every healthcare professional must be open and honest with patients when something that goes wrong with their treatment or care causes, or has the potential to cause, harm or distress.

Dr Foster

An independent provider of healthcare information in the United Kingdom; it monitors NHS performance and provides information on behalf of the public. Dr Foster Intelligence is a joint-venture with the Department of Health and was launched in February 2006. Visit www.drfoosterhealth.co.uk for more information

The Friends and Family Test (FFT)

Launched on 1 April 2012, the FFT is part of a national initiative requiring that patients are asked whether they would recommend the ward or department to their friends and family. The trust already has an established patient experience feedback process, but this national requirement asks the key national question on which we will be compared with other hospitals across the UK.

The new Friends and Family Test question is: *How likely are you to recommend our ward/Minor Injury Unit to friends and family if they needed similar care or treatment?* Answers chosen from the following options: Extremely likely; Likely; Neither likely nor unlikely; Unlikely, Extremely Unlikely or Don't know.

The Friends and Family Test gives patients the opportunity share their views of the care or treatment they have received providing us with valuable feedback. We use the feedback, alongside other information, to identify and tackle concerns at an early stage, improve the quality of care we provide, and celebrate our successes. From July 2013, and monthly thereafter, our FFT results will be published on NHS Choices allowing the public to compare us with other hospitals and assess whether we are improving over time.

For more information on the Friends and Family Test, please visit www.nhs.uk/friendsandfamily



General Medical Council

Independent regulator for doctors in the UK. The purpose is to protect, promote and maintain the health and safety of the public by making sure that doctors meet our standards for good medical practice.

www.gmc-uk.org

Healthcare

Healthcare includes all forms of healthcare provided for individuals, whether relating to physical or mental health, and includes other procedures that are not necessarily provided as a result of a medical condition such as cosmetic surgery.

Healthwatch

Healthwatch is the consumer champion for the NHS and social care services. Local Healthwatch enables local people and voluntary groups to work for the improvement of NHS and social care services by collecting the experiences of the local community and make recommendations to service providers.

High Quality Care for All

High Quality Care for All, published in June 2008, was the final report of the NHS Next Stage Review, a year-long process led by Lord Darzi, a respected and renowned surgeon, and around 2000 frontline staff, which involved 60,000 NHS staff, patients, stakeholders and members of the public. It was this report that described quality as having three components: Patient Safety, Clinical Effectiveness and Patient Experience.

Hospital Standardised Mortality Ratio (HSMR)

The Hospital Standardised Mortality Ratio is the ratio of observed deaths to expected deaths for a basket of 56 diagnosis groups which represent approximately 80% of in hospital deaths. It is a subset of all and represents about 35% of admitted patient activity. HSMR is quoted as a percentage and is equal to 100; this means the number of observed deaths equals that of expected. If higher than 100, then there is a higher reported mortality ratio.

Human Factors

Traditional safety tools such as policies, protocols and clinical training play a vital role in improving patient safety, but the complexity of healthcare makes it impossible to eliminate risk and error. Human Factors focuses on the creation of resilient systems to prevent error leading to harm.

Information Governance Toolkit

The IG Toolkit is an online system which allows NHS organisations and partners to assess themselves against Department of Health Information Governance policies and standards.

Intellectual Property

Broad description for the set of intangibles owned and legally protected by a company from outside use or implementation without consent. Intellectual property can consist of patents, trade secrets, copyrights and trademarks, or simply ideas.

The concept of intellectual property relates to the fact that certain products of human intellect should be afforded the same protective rights that apply to physical property.

ISS

ISS Facility Services manage the recruitment of cleaning, patient hospitality, security, portering and catering staff and provide these services at UHCW

IV (Intravenous)

A procedure in which a hypodermic needle inserted into a vein provides a continuous supply of blood plasma, nutrients, or medicine directly to the bloodstream

Key Performance Indicator (KPI)

A type of performance measurement, KPIs are commonly used by an organisation to evaluate its success or the success of a particular activity in which it is engaged

Lean Methodology

Maximising customer value while minimising waste.

Major Trauma

Defined as multiple, serious injuries that could result in death or serious disability, these might include serious head injuries, severe gunshot wounds or road traffic accidents.

Mental Capacity Act (MCA)

Legislation designed to protect and empower individuals who may lack the mental capacity to make their own decisions about their care and treatment.

MRSA and MSSA Bacteraemia

Staphylococcus aureus is a bacterium found on the skin and a proportion (up to 30%) of the healthy population carry *Staph. aureus* in their nose or in other moist parts of the body.

Commonly *Staphylococcus aureus* causes infections such as boils and infected skin wounds. It can cause pneumonia, urinary tract infections and bacteraemia both in the community and in hospital practice.

Some types of *Staph. aureus* have become resistant to various antibiotics. These are known as methicillin resistant *Staph. aureus* or MRSA. Those types that are not resistant to certain antibiotics are known as methicillin sensitive *Staph. aureus* or MSSA.

National Patient Safety Agency (NPSA)

The National Patient Safety Agency was an arm's-length body of the Department of Health, responsible for promoting patient safety wherever the NHS provides care. Its role has been taken over by NHS England.

National Reporting and Learning System (NRLS)

The system enables patient safety incident reports to be submitted to a national database. This data is then analysed to identify hazards, risks and opportunities to improve the safety of patient care.



National Research Ethics Service

The National Research Ethics Service is part of the National Patient Safety Agency. It provides a robust ethical review of clinical trials to protect the safety, dignity and wellbeing of research participants as well as ensure through the delivery of a professional service that it is also able to promote and facilitate ethical research within the NHS.

National Confidential Enquiry into Patient Outcome and Death (NCEPOD)

Confidential enquiries help maintain and improve standards of medical and surgical care for the benefit of the public. Using anonymised data from confidential surveys and research, they review the clinical management of patients, publishing reports and making recommendations for improvement. By respecting confidentiality, they maximise the compliance of medical and surgical staff in sharing information on clinical outcomes.

NHS England's National Programmes of Specialised Care

Specialised care commissioned by NHS England rather than by local Clinical Commissioning Groups. The six NPoCs are:

- Internal medicine – digestion, renal, hepatobiliary and circulatory system
- Cancer
- Mental health
- Trauma – traumatic injury, orthopaedics, head and neck and rehabilitation
- Women and children – women and children, congenital and inherited diseases
- Blood and infection – infection, immunity and haematology

Never Event

Never Events are serious, often preventable patient safety incidents that should not occur if available preventative measures have been implemented. NHS England publishes a full list of Never Events each quarter. See <https://www.england.nhs.uk/patientsafety/never-events/> for a list.

NHS Choices

A website for the public containing extensive information about the NHS and its services; go to www.nhs.uk

NHS Digital

NHS Digital is a data, information and technology resource for the health and social care system. It provides support to everyone striving for better care, improving services and the best outcomes for patients. It supports the delivery of IT infrastructure, information systems and standards helping to ensure that clinical and organisational information flows efficiently and securely through health and social care systems. Visit <https://digital.nhs.uk/>



NHS Litigation Authority (now NHS Resolution)

Manages negligence and other claims against the NHS in England on behalf of the Trust.

NHS Next Stage Review

A review led by Lord Darzi. This was primarily a locally led process, with clinical visions published by each region of the NHS in May 2008 and a national enabling report, *High Quality Care for All*, published in June 2008.

NICE - National Institute for Health and Care Excellence

NICE is an independent organisation responsible for providing national guidance on promoting good health and preventing and treating ill health. Clinicians are generally expected to follow guidance unless they have good cause.

Parliamentary and Health Service Ombudsman (PHSO)

The role of PHSO is to investigate complaints of individuals that have been treated unfairly or have received poor service from government departments and other public organisations and the NHS in England.

Pathway

A tool used by all healthcare professionals in treating patients, in which the different tasks involved in the patient's care are defined. A pathway will clarify staff roles and responsibilities, and what factors should be considered in determining when and how patients move to the next stage of care and treatment. Healthcare can be more effective and efficient when well-designed and patient-centred pathways are used.

Patient and Advice Liaison Service (PALS)

Offers confidential advice, support and information on health-related matters. They provide a point of contact for patients, their families and their carers.

Patient-led assessments of the care environment (PLACE)

A new system for assessing the quality of the patient environment, replacing the old Patient Environment Action Team (PEAT) inspections. The assessments will apply to hospitals, hospices and day treatment centres providing NHS funded care. They will look at how the environment supports patient privacy and dignity, the meeting of dietary needs, cleanliness and general building maintenance. Results from the Annual assessments are reported publicly to help drive improvements in the care environment; they will show how we are doing locally and by comparison with other Trusts across England. For more information visit www.england.nhs.uk/ourwork/qual-clin-lead/place

PPMO (Performance and Programme Management Office)

Trust department comprising clinical coding, data quality, performance information and analysis, and corporate reporting to relevant bodies, such as NHS Improvement and NHS Digital.

Pressure Ulcer

Also sometimes known as bedsores or pressure sores, they are a type of injury that affects areas of the skin and underlying tissue. They are caused when the affected area of skin is placed under too much pressure. Pressure ulcers can range in severity from patches of discoloured skin to open wounds that expose the underlying bone or muscle.



Avoidable pressure ulcer: The person receiving care developed a pressure ulcer and the provider of care did not do one of the following: evaluate the person's clinical condition and pressure ulcer risk factors; plan and implement interventions that are consistent with the persons needs and goals, and recognised standards of practice; monitor and evaluate the impact of the interventions; or revise the interventions as appropriate.

Unavoidable pressure ulcer: means that the individual developed a pressure ulcer even though the individual's condition and pressure ulcer risk had been evaluated; goals and recognised standards of practice that are consistent with individual needs has been implemented. The impact of these interventions had been monitored, evaluated and recorded; and the approaches had revised as appropriate.

- **Inherited pressure ulcer:** A patient is admitted to the Trust with pressure damage and this is identified or becomes apparent within 72 hours of admission
- **Acquired pressure ulcer:** the patient develops a pressure ulcer whilst a hospital in patient after the first 72 hours of admission
- **Grade 1 pressure ulcer:** The skin at this point is red and on the application of fingertip pressure the skin remains red.
- **Grade 2 pressure ulcer:** the superficial layer of the skin is damaged. It presents as a blister, abrasion or shallow crater and any of these can have blue / purple / black discoloration.
- **Grade 3 pressure ulcer:** full thickness skin loss involving damage or necrosis to subcutaneous tissue
- **Grade 4 pressure ulcer:** full thickness skin loss with extensive destruction extending to underlying structures; i.e. bone, muscle, tendon, or joint capsule.

Prescribed Connection

A licensed doctor with a formal connection (e.g. contract of employment) to the organisation for the purposes of regular appraisal and supporting them in the process of revalidation.

Private Finance Initiative (PFI)

A method of providing funds for major capital investments where private firms are contracted to complete and manage public projects.

QIPS - Quality Improvement Patient Safety

Meetings at which improvements to quality and patient safety are discussed.

RAG Rate

Traffic light system is used as a coding system for good or bad performance - usually known as a 'RAG rating'. For example in relation to the workload performance, red would mean inadequate, amber would mean reasonable, and green would mean ideal. The letters R, A and G are used in addition to swatches of colour.

Rapid Process Improvement Workshops (RPIWs)

Part of UHCWi, where staff remove waste and streamline services for a particular process, such as discharge.



Registration – licence to provide health services

From April 2009, every NHS Trust that provides healthcare directly to patients must be registered with the Care Quality Commission (CQC). UHCW is licensed to provide healthcare services without conditions

Research

Clinical research and clinical trials are an everyday part of the NHS. The people who do research are mostly the same doctors and other health professionals who treat people. A clinical trial is a particular type of research that tests one treatment against another. It may involve people in good health as well as those undergoing treatment. Research and Trials help clinical staff learn the best ways of treating patients, but can also be useful in showing what works less well, or not at all.

Root Cause Analysis (RCA)

Every day a million people are treated safely and successfully in the NHS. However, when incidents that result in harm to patients (or that are 'near misses') do happen, it is important that lessons are learned to prevent the same incident occurring again. Root Cause Analysis investigation is an established way of doing this.

Investigations identify how and why patient safety incidents happen. Analysis is used to identify areas for change and to develop recommendations which deliver improved services to our patients. The Trust has clinicians trained in the use of RCA techniques.

Secondary Uses Service

The Secondary Uses Service is designed to provide anonymous patient-based data for purposes other than direct clinical care such as healthcare planning, commissioning, public health, clinical audit and governance, benchmarking, performance improvement, medical research and national policy development. The Trust can use this information to compare performance with other similar Trusts.

Serious Incident Requiring Investigation (SIRI)

A serious incident requiring investigation is defined as an incident that occurred in relation to NHS-funded services and care resulting in one of the following:

- Unexpected or avoidable death of one or more patients, staff, visitors or members of the public
- Serious harm to one or more patients, staff, visitors or members of the public or where the outcome requires life-saving intervention, major surgical/medical intervention, permanent harm or will shorten life expectancy or result in prolonged pain or psychological harm (this includes incidents graded under the NPSA definition of severe harm);
- A scenario that prevents or threatens to prevent a provider organisation's ability to continue to deliver healthcare services, for example, actual or potential loss of personal/organisational information, damage to property, reputation or the environment, or IT failure;
- Allegations of abuse;
- Adverse media coverage or public concern about the organisation or the wider NHS;
- One of the core set of 'Never Events,' see <https://www.england.nhs.uk/patientsafety/never-events/>



Sign up to Safety

Sign up to Safety is a national initiative to help NHS organisations and their staff achieve their patient safety aspirations and care for their patients in the safest way possible. At the heart of Sign up to Safety is the philosophy of locally led, self-directed safety improvement.

Special Review

A special review is conducted by the Care Quality Commission (CQC). Special reviews and studies are projects that look at themes in health and social care. They focus on services, pathways of care or groups of people. A review will usually result in assessments by the CQC of local health and social care organisations. A study will usually result in national-level findings based on the CQC's research.

Summary Hospital Mortality Indicators (SHMI)

The SHMI is like the HSMR, a ratio of the observed number of deaths to the expected number of deaths. However, this is only applied to non-specialist acute providers. The calculation is the total number of patient admissions to the hospital which resulted in a death either in hospital or within 30 days post discharge. Like all mortality indicators, the SHMI shows whether the number of deaths linked to a particular hospital is more or less than expected, and whether that difference is statistically significant.

Teaching Trusts

A hospital that is affiliated to a medical school and provides the students with teaching and supervised practical experience; UHCW has close ties with the University of Warwick Medical School

Trust

A Trust is an NHS organisation responsible for providing a group of healthcare services. An Acute Trust provides hospital services (but not mental health hospital services, which are provided by a Mental Health Trust).

UHCWi

UHCW Improvement System. A structured approach to removing waste and puts the patient first. It involves front-line staff making improvements in their workplace.

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