

Annual Report and Accounts

2013-2014





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East London NHS Trust Foundation

Annual Report and Accounts 2013-14

East London **NHS**
NHS Foundation Trust

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Foreword by Dr Robert Dolan, Chief Executive

The Trust has been at the forefront of a number of new developments and initiatives during the last 12 months.

First and foremost, we launched our Quality Improvement Programme in February 2014. We have stressed to our staff that they are the clinical experts and are best placed to identify, test and drive the changes needed to improve how we treat and support our patients. The programme will focus on giving staff the skills, knowledge and freedom to bring about improvement and work differently. I am pleased that we have taken the first steps to ensure we constantly listen and learn to establish a culture of continuous improvement over the coming years.

We established our first Rapid Assessment, Interface and Discharge (RAID) team in Tower Hamlets in January 2014 offering an integrated assessment to adults and older adults attending A&E in crisis or admitted to a general ward, and having mental health or substance misuse issues. (RAID teams will be established later in the year in City and Hackney, and Newham.) We are also piloting a new approach to mental health admissions in Newham using a triage approach. This provides single point of admission for all people requiring admission to acute inpatient care. Patients are assessed and a plan agreed to treat them in hospital, in the day hospital or at home with intensive support.

We have undertaken work to better support people with a mental illness who are parents. We now have a family visiting room in all our units to enable parents and children to spend supervised time together in a child-friendly space.

The Trust was chosen by the Department of Health to be part of an initiative aimed at reducing reoffending that will see mental health professionals working directly within courts and police custody suites in Tower Hamlets and Newham. This will ensure that an individual's mental health needs are taken into account as part of criminal justice procedures.

There was good news for the Trust in September with the announcement that we were the only trust in London to achieve two green ratings in the Care Quality Commission's annual survey of community mental health patients. The survey asks people who have used community mental health services how they felt about their care, treatment and the information given to them.

In September 2013, the Trust teamed up with national charity Rethink Mental Illness to launch a ground-breaking project to improve services for people with schizophrenia and psychosis. The Rethink Mental Illness Innovation Network will test new and innovative services for people affected by severe mental illness,

focusing on issues like improving mental health hospital care, tackling physical health problems, and helping people with mental illness get into employment.

We were delighted to welcome two new teams into the Trust from outside of our core area: the Barnet Children and Young People's Speech and Language Therapy Service joined us in October 2013 and the Luton Wellbeing Service opened for business in January 2014. We have enjoyed working with our new colleagues and using our respective experience to provide a high quality service to these local communities.

Newham children were part of a national pilot to immunise school age children against flu. The vaccine was administered in sessions at schools and at special Saturday clinics at key sites in the borough. And Newham once again topped the Immunisation table for London for HPV, Td/IPV and BCG immunisations.

The Newham Family Nurse Partnership launched in February offering intensive health visiting support to first time mums aged 19 or under. The team is able to work with parents to offer them practical advice and guidance, psychological support to help them develop their confidence and skills to go forward as a family.

We have undertaken an extensive dementia awareness training programme across the whole Trust to equip staff in all roles with the skills to support people with dementia and communicate effectively with them. Additionally, funding from The Kings Fund's Dementia Care Environment programme enabled us to make a number of improvements at our continuing care unit in Newham including two sensory rooms, a sensory garden and changes to the wards to create a comfortable, homely and stimulating environment conducive to promoting individuality. We have also substantially refurbished a number of our patient areas to provide a more therapeutic environment for patients.

The Trust in partnership with two Newham GP practices was appointed to run the new Urgent Care Centre based at the Newham University Hospital. Patients attending the Urgent Care Centre are assessed and triaged to the most appropriate service for the next stage of their care.

Our extensive research programme continues to be the jewel in our crown with more research happening in the Trust than ever before, meaning we are leading the way in shaping care and treatment locally, nationally and internationally.

The Trust achieved a 50% response rate in last year's National Staff Survey which was a significant increase (13%) from 2012. The Trust was ranked second among similar Trusts in London and fourth of 57 similar Trusts in the country on the overall staff engagement score. The Trust scored well on 'staff feeling satisfied with the quality of work and patient care they are able to deliver' (Trust scored 83% as compared to the national average of 77%) and 'agreeing that their role makes a

difference to patients' (Trust scored 93% as compared to the national average of 90%).

In November 2013, we held our Staff Awards Presentation Ceremony to honour and recognise the exceptional work carried out by our staff. Hearing the citations and the humble responses of the winners on the night, I felt proud that we have such sensitive, thoughtful and high calibre staff in the organisation to take us forward in improving the care we provide.

Statement by Marie Gabriel, Chair

I am so proud to be Chair of East London NHS Foundation Trust, a great Trust that aspires to be outstanding. This may seem a bold statement but it's true and we know this because our service users, staff and others tell us so.

The National Survey of Community Mental Health Services was published in September 2013. The Trust was placed fifth in a ranking of the 53 NHS Trusts in England and was the only London trust to achieve two green ratings. The Trust's CQC results also continue to be exemplary.

The Annual NHS Staff Survey also places us fifth, this time in a ranking of 57 Trusts in England, for the number of staff recommending the Trust as a place to work or receive treatment. Our scores for staff feeling satisfied with the quality of work and agreeing their role makes a difference to patients were the best scores in the country.

We have met all standards expected of us by our quality regulators, the Care Quality Commission and by our financial regulators, Monitor, achieving a risk rating of 4. We have also met all the key outcomes expected of us by our local and national commissioners.

The Trust has grown further, building on our strengths in a number of areas to start supporting communities outside of east London. We have been delivering Speech and Language Therapy services to children in Barnet since November 2013. Following the success of our Newham Talking Therapies Service and Richmond Wellbeing service, the Trust now provides Improving Access to Psychological Therapies in Luton. The Luton Wellbeing service launched in January 2014 and I have received excellent feedback from local commissioners, partners and patients about the quality of care delivered.

So how have we achieved this?

Firstly we worked with all stakeholders to establish a renewed clarity of purpose. Our ambition is to be the best provider of mental health and community health services in the country. We have developed a set of focused principles that guide our work and support us to achieve our goal. (Our vision is set out within the report). It is gratifying to see our values in action during visits to services and when hearing service users, frontline staff and trainee stories at Board meetings.

Our vision and values are shaping a reinvigorated approach to partnership. We are actively seeking out new ways for us to work in partnership with other providers so that we can provide high quality, patient focused, integrated care. Our diabetes service in Newham is working in partnership with colleagues at Barts Health NHS Trust to deliver an award winning service offering outpatient appointments via Skype. We are partnering with Rethink, the charity to review and develop improved

support for people with Schizophrenia. Thank you to all our partners who work with us to provide improved care for patients.

Our key partnership is between our service users and staff. This is evident in our approach to service innovation and new ways of working. Our Hope project continues to bring a fresh approach to relationships on the wards and was shortlisted for a HSJ award. Our Service User Led Standards Audit (SULSA) programme demonstrates true collaboration between patients and staff. This was recognised nationally when SULSA won an NHS England Excellence in participation award.

We are a research led Trust, contributing to the evidence base of what works well and applying our knowledge to identify new and better ways of treating people and keeping them healthy and well. One research project has reflected our commitment to address both physical and mental health by research supporting diabetes self-management for people who also have a severe mental illness. Our research studies reflect all age groups we work with including young people and staff from Tower Hamlets and Hackney have improved the advice and support given to adolescents with psychosis based on research they undertook.

A major focus of our work this year has been the launch of our Quality Improvement Programme, a programme which seeks to enable continuous improvement, transforming the way we do things. This has really helped us to empower service users and staff to be innovative and leaders of change, finding new ways to improve our services. So far the programme has included work on reducing violence on our adult inpatient wards and working to reduce the number and severity of pressure ulcers, particularly in our community services in Newham.

The final key to our success is the way in which we work with our local community. I have been working closely with our Council of Governors who play an active role in holding the Trust Board to account and shaping the future strategy of the Trust. I am continuously impressed by the commitment, insight and dedication of all our Governors and this was celebrated at an event in November. We said farewell to a number of Governors as their terms came to an end and I am grateful for their dedication and hard work. We also welcomed new Governors who have already made an impact with their fresh perspective and views on local services.

Lastly, I would like to say thank you to all our service users, carers, staff, and governors who have been so open and willing to shape and deliver our vision. It has often been difficult given the financial context and the challenges of work but their perseverance is inspiring. The successes I listed at the beginning of this piece are really theirs and they are the people who make me truly proud to be Chair. I am looking forward to working with them to ensure another productive and innovative year, building on the excellent progress we have made so far.

Directors' Report - Strategic, Operating and Financial Review

Background Information

East London NHS Foundation Trust (formerly East London and The City University Mental Health NHS Trust) was originally formed in April 2000. In April 2007, the Trust was awarded University status in recognition of the extensive research and education undertaken in the Trust. On 1 November 2007, the Trust was authorised to operate as an NHS Foundation Trust under the National Health Service Act 2006.

In February 2011, the Trust integrated with community health services in Newham. We are now a trust which provides mental health and community health services.

The Trust's headquarters are in Tower Hamlets.

The Trust provides a wide range of community and inpatient services to children, young people, adults of working age, older adults and forensic services to the City of London, Hackney, Newham and Tower Hamlets. Forensic Services are also provided to Barking and Dagenham, Havering, Redbridge and Waltham Forest and the Trust provides some specialist mental health services to North London, Hertfordshire and Essex. The specialist Forensic Personality Disorder service serves North London and the specialist Chronic Fatigue Syndrome/ME adult outpatient service serves North London and the South of England. Our specialist Mother and Baby Psychiatric Unit receives referrals from London and the South East of England.

The East London areas served by the Trust are the most culturally diverse and deprived areas in England and therefore provide significant challenges for the provision of mental health services. The Trust's local services are provided to a population of 710,000 in East London and the Trust's forensic services are provided to a population of 1.5m in North East London.

The Trust's 2013/14 income was £268m. The Trust's services operate from 64 community and inpatient sites and have over 735 general and specialist inpatient beds. The Trust employs approximately 3,700 permanent staff.

The seven main inpatient areas in our localities are:

City and Hackney

City and Hackney Centre for Mental Health
Homerton Row
London E9 6SR

Newham

Newham Centre for Mental Health
Glen Road
London E13 8SP

Tower Hamlets

Tower Hamlets Centre for Mental Health
275 Bancroft Road
London E1 4DG

The Coborn Centre for Mental Health
Cherry Tree Way
Glen Road
London E13 8SP

Community Health Newham

East Ham Care Centre
Shrewsbury Road
London E7 8QP

Forensic Services:

John Howard Centre
12 Kenworthy Road
London E9 5TD

and

Wolfson House
311-315 Green Lanes
London N4 2ES

There are also a range of services provided in the community through community mental health teams, home treatment teams, crisis resolution teams, rehabilitation teams and assertive outreach services. The Trust aims to provide people with alternatives to admission, where appropriate, to provide treatment, care and support outside a hospital setting.

The Trust's postal address is:

Trust's Headquarters
9 Alie Street, London, E1 8DE

Switchboard Telephone Number: 020 7655 4000
Fax Number: 020 7655 4002

Website: www.eastlondon.nhs.uk

Strategic Report

This section sets out a summary of the Trust's strategic direction and priorities. More detailed information is set out in the Trust's 2 Year Operational Plan which is submitted to Monitor and available to the public on the Trust website www.eastlondon.nhs.uk. Information regarding the Trust's performance is set out in the remainder of this document.

Vision, mission and values and strategic priorities

The Trust's vision, mission, values and strategic priorities are based on the core values of the NHS as a whole. They have been developed through feedback from staff as part of the Appreciative Inquiry project, consultation with the Council of Governors and recent learning from the Francis Inquiry.

Vision

To be making a positive difference to people's lives

Mission

To provide the highest quality mental health and community care

Values

Our three core values are:

- **We care**
Everyone is entitled to the highest quality care
- **We respect**
Everyone should be treated with kindness and respect
- **We are inclusive**
Everyone should have access to our services when they need them, and we actively seek suggestions from all on how we can improve

And the following values support us in achieving them:

- **We work together**
Together with our service users, carers and partners we work as a team to promote the health, wellbeing and independence of the people we serve
- **We strive for continuous improvement**
Our mission to deliver the highest quality services is a continuous process
- **We discover and share our knowledge**
We encourage research and innovation to find new and better ways of treating people and keeping them healthy and well. We then share what we learn

The Trust has three main strategic priorities as a framework for delivery of its strategic and operational plans:

- Improving service user satisfaction
- Improving staff satisfaction
- Maintaining financial viability

The Trust's quality, clinical and financial strategies are summarised in the 2 Year Operational Plan. They provide the basis for delivering the three strategic priorities, as follows:

Improving service user satisfaction – delivered through implementation of the Quality Improvement Strategy, the overall Clinical Strategy and specific service line strategies

Improving staff satisfaction - delivered through implementation of the Quality Improvement Strategy, the Clinical Workforce Strategy, and the underpinning Workforce and Organisational Development Strategies

Maintaining financial viability – delivered through implementation of the Financial and Investment Strategy, and ensuring continuous improvement in productivity and efficiency

Integrated Business Strategy

The Trust's Integrated Business Strategy is designed to provide the Board and the Trust with a high level summary of the Trust's strategic objectives across its key functions (Quality Improvement, Business, Finance, Operations, Organisational Development and Workforce), and ensure that these functions are aligned and working together towards the vision and mission of the Trust.

The overall objectives of the strategy directly support the Trust's three strategic objectives of improving service user satisfaction, improving staff satisfaction and maintaining financial viability. A summary of the main objectives of the key functions are set out below.

Quality Improvement Strategy

The overarching aim of the Quality Improvement Strategy is to ensure the delivery of the highest quality care which is based on values and evidence, utilises expert clinical skills appropriately, and is both effective and efficient, and therefore provides the best possible outcomes.

Business Strategy

The overarching aim of the Business Strategy is to ensure that the Trust builds on its strengths and achievements and actively considers opportunities to expand its services to areas in which it can provide high quality care to service users and carers.

The Trust actively considers opportunities to expand our Forensic, adolescent inpatient unit, Mother and Baby inpatient service and Improving Access to Psychological Therapy services and should consider any potential opportunities to provide aspects of its core business in other geographical areas.

Research Strategy

The Trust's Research Strategy should maintain, and if possible widen, its focus and excellence in clinically relevant research which is linked to service and business development. The Trust should maintain and strengthen its collaboration with academic partners and potentially invest in research units that support the competitive profile of the Trust.

Financial Strategy

The Trust's key financial objective is to maintain the long term viability of the Trust and generate sufficient surplus to reinvest in capital schemes to support the Trust objectives of improving service user and staff satisfaction.

Organisational Development Strategy

The overall objective of the Organisational Development strategy is to ensure that the Trust continues to be a "clinically led, management supported" organisation that is able to learn and adapt based on changes to the internal and external environment.

The Trust's leadership development programmes should continue to develop strategic, commercial, quality improvement and change management skills, and to ensure that talent development and succession plans are in place. The Trust's Organisational Development and Learning and Development programmes should focus on the development of all teams (clinical and non-clinical) within the Trust. Support functions (Finance, HR, IT, governance etc.) should be developed together with clinical services to ensure that they support front-line clinicians in an integrated, reliable, flexible and supportive manner. Specific initiatives should be delivered in order to improve capability in relation to quality improvement and change management.

Workforce Strategy

The overall objective of the workforce strategy is to support the Trust's strategic objectives by recruiting and developing the right staff, optimising skill mix and productivity, improving working lives and therefore delivering an engaged workforce. The Trust should recruit a workforce that is able to meet the diverse needs of service users and carers, is reflective of the communities in which it operates, and provides the highest standards of customer service. The optimal numbers and skill mix of staff should be in place in order to deliver high quality services in line with the strategic objectives of the Trust, and local and national commissioners. Sufficient clinical capacity must be available to ensure that expert clinical skills are close to the service user and provide effective support to primary care.

The Trust is committed to support training and teaching of health professionals in collaboration with local academic partners. This will develop future staff in the Trust and elsewhere in the NHS and improve the quality of existing staff in different professional groups.

The Learning and Development Strategy focuses on reducing the burden of statutory and mandatory training; increasing the availability of training in relation to clinical skills and the delivery of therapeutic interventions; and providing the opportunity for team based development across all teams in the Trust.

Clinical and service line strategy

The Trust's overall clinical strategy is to provide the right care in the right setting, focusing on the implementation of recovery orientated practice and interventions whilst providing integrated and holistic care to service users. This directly supports our mission to provide the highest quality mental health and community care, in order to make a positive difference to people's lives.

Enhanced quality governance

The Trust has robust governance arrangements in place to ensure the quality of services it provides, and reviews these on an annual basis to consider further improvements. Quality governance and quality performance are discussed in detail in the Annual Governance Statement in the accounts, and in the Report.

The Trust Board considers Monitor's Quality Governance Framework in reviewing its quality governance arrangements. The Trust has strengthened the role of the Quality Assurance Committee in order to ensure that there is robust oversight and scrutiny of quality issues within the organisation. Board reporting has also been improved.

The Trust has maintained a green governance rating with Monitor during the course of the year, and has had no compliance issues identified by the Care Quality Commission. The Board is therefore assured that its quality governance arrangements are robust and working well in practice.

Operating Review/Achievements and Improvements

Annual Report Operating Review

Specialist Services

Barnet Children's Speech and Language Service Joins the Trust

In October 2013, the Trust took over the contract to run Barnet Speech and Language Therapy for Children and Young People. The contract is worth £6 million over a three year period. The service is provided in schools, children's centres and health centres throughout the borough for children and young adults up to age 19. The change involved the transfer of 35 posts.

Luton Wellbeing Service Opens for Business

The Trust launched a new service in Luton to support residents with a range of psychological issues. The Luton Wellbeing Service opened for business on 6 January. Initially the service will accept referrals only from GPs but people will be able to self-refer themselves to the service later in 2014.

The service operates a single point of referral service and can refer patients onto partner agencies for other types of interventions. It received over 1000 referrals in the first three months. Our partner organisations are: Nyabingi, a culturally specific counselling service; Relate, who provide relationship counselling services; The Counselling Foundation Dunstable and Luton; MIND; Impact Mental Health, who provide peer support programmes and Lee Vale Medical Group who provide primary care counselling.

As with other IAPT services, the service provides group workshops, counselling, self-help courses, computer-based therapy and a range of talking therapies to help people with anxiety, depression, issues with anger, worry, severe shyness, phobias, obsessive behaviour, intrusive thoughts, difficulties coping after severe trauma and relationship or family troubles.

Hackney Alcohol Recovery Centre

The Alcohol Recovery Centre (ARC) in Hackney offers a range of support to individuals seeking help with problematic alcohol use, and the families and carers of people with an alcohol problem. The service is recovery focused, helping people free themselves from dependence on alcohol. The service can provide one-to-one work, a group programme and a drop-in service.

Alcohol Awareness Week

The ARC in Hackney joined up with local agencies to host a series of events in the borough during Alcohol Awareness Week in November 2013, hosting information stalls at Homerton Hospital, Hackney Town Hall, local colleges, train stations and libraries.

The Family and Friends Group

The Family and Friends Group run a series of six sessions to support family members of problem drinkers. The group is open to any family member, friend or carer who is a resident in Hackney. The problem drinker does not need to be known

to the service. The topics covered in this course include coping; information; support and reviewing options for further long term help and support.

Specialist Addictions Open Day

The Tower Hamlets Specialist Addictions Unit held an Open Day in July as part of Drug Awareness Week. Service users and their attended the event where they could get advice and support. The Tower Hamlets Special Addiction Service works with residents of the area who have an addiction and provides interventions to reduce harm and support them in reducing or stopping their addictive behaviour. The team also support the families of service users.

Breakfast Clubs

Breakfast clubs have been set up in Tower Hamlets and City and Hackney Specialist Addiction units. Service users meet with staff in an informal social setting to have food and talk about whatever is on their mind. It is a way for staff to stay in contact and monitor progress, identifying where someone needs more input, supporting them and providing assistance.

These have played a key part in keeping up contact with people who have been hard to engage with.

Developments in Children and Adolescent Mental Health Services (CAMHS)

Children and Young People's Improving Access to Psychological Therapies (CYP IAPT)

All three community CAMHS services in the Trust are now part of the national CYP IAPT programme. The focus is on transforming and modernising services in line with the three CYP IAPT principles of increasing evidence based practice, the use of routine outcome monitoring and the involvement of service users.

The City and Hackney IAPT Partnership includes the Trust, the Homerton Trust and London Borough of Hackney's Young Hackney service.

The Tower Hamlets IAPT Partnership consists of the Trust, London Borough of Tower Hamlets and Docklands Outreach, a local third sector organisation.

The Newham IAPT Partnership is complex, consisting of five partners – the Trust, two services from London Borough of Newham (Early Start and Families First) and two third sector organisations (Harmony and Dost).

The CYP IAPT programme provides training for supervisors and trainees in CBT, parenting, interpersonal therapy and systemic therapy. Managers are also trained in service transformation principles.

Multi-Systemic Therapy for Families

Multi-Systemic Therapy (MST) is a psychological intervention that provides an intensive therapeutic intervention to a family for a period of up to six months where a teenager is a risk of being taken into care or a young offender's institution because their behaviour is out of control or they are offending. It is an intense approach to a situation which is reaching crisis point.

At an Open Day to promote the service, families reported that they valued knowing they can contact an MST therapist 24 hours a day. Even if they didn't use the duty service, it was important to them to know that they could. Many had found previous contact with services disjointed services and valued the continuity and out of hours on offer.

Newham Families First/Social Care Team

The Newham Families First/Social Care CFCs Team is a team of CAMHS clinicians embedded in the London Borough of Newham services, building on the success of the nine month 'Families First' pilot project from November 2012.

It is based on the model developed in Newham CAMHS over the past decade to deliver accessible, responsive and flexible CAMHS service, aiming to reduce risk to children and young people. The team offers specialist CAMHS assessment and complex parenting and systemic interventions to hard-to-engage families, who require multi-agency input due to a high level of safeguarding and/or mental health risks and complexity.

The team also provides a liaison role with the main CAMHS service, consultations, teaching and training to the Local Authority teams. The direct clinical work is often undertaken jointly with the Local Authority staff, aiming to offer joined-up services to the families and to support the workers' skills development.

Therapeutic Outreach in Schools (TOPS)

The TOPS service is a new CAMHS service working in seven primary schools in Newham. The service is staffed by child and adolescent psychotherapists and commissioned directly by the schools. As well as providing direct clinical and consultation work within each of the schools, the therapists can also be a point of liaison where children in those schools are referred to the main Newham CAMHS service. We are aiming for the service to enable the schools to be more linked in to CAMHS and are considering ways in which multidisciplinary review might be accessed if necessary.

Young People on Interview Panels

A group of young people have undergone training to equip them to sit on interview panels when CAMHS staff from Band 7 onwards are recruited. The training was developed by two young service users, CAMHS lead nurses and the Trust's Patient and Carer Experience team. All young people trained will be involved in training the next group.

One trainee commented, "*I found the interview training really useful, not only for when we become part of an interview panel, but also for what to expect when going for interviews in the future. It was delivered in a very engaging way, to find out what we could and couldn't ask of candidates, which came as a shock to some of us!*"

Services for Older People

Non-Pharmacological Interventions for Dementia

Dementia services across the Trust are incorporating innovative ideas to support individuals with dementia and their families.

Dance

In Tower Hamlets, they are piloting two dance programmes, one on Columbia ward for people with more severe dementia and the other in Tower Hamlets for people with mild to moderate dementia. This research project is led by the Green Candle Dance company in collaboration with the Trust, Canterbury Christ Church University, The Headley Trust and the Alzheimer's society. Feedback so far has been very positive from service users and carers alike.

Walking Group

In Newham, a walking group has been set up to improve the mood and quality of life of people with dementia, whilst also offering brief respite for carers.

The Walking Group was particularly designed for those who may be limited in their everyday activities due to cognitive impairment, but who nevertheless retain the energy, ability and desire to do physical activities.

A carer whose mother attended the Walking Group commented, “*They all sat outside and had a cup of tea. She was pleased she had gone and said it made a nice change – better than sitting in all day on her own!*”

Music

Music therapists in Tower Hamlets evaluated the effectiveness of music sessions at a Tower Hamlets residential home and day centre. The pilot project demonstrated successful improvements in wellbeing score, engagement level and relationship scores for most of the participants. The spontaneous and non-verbal nature of musical interaction offered the participants the opportunity to be heard, to be included and to have an instantaneous bond with one another. It also provided a space for reminiscence, and the participants shared their memories and feelings with other group members.

Integrated Care

The Trust is part of the Waltham Forest, East London and City (WELC) Collaborative, working to provide Integrated Care across East London. The WELC Collaborative is one of the Department of Health's 14 pioneer sites

The (WELC) Integrated Care Programme is about putting the patient in control of their health and wellbeing. The vision is for people to live well for longer leading more socially active independent lives, reducing admissions to hospital, and enabling access to treatment more quickly.

Older people across Newham, Tower Hamlets and Waltham Forest will be given a single point of contact that will be responsible for co-ordinating their entire healthcare needs. This will mean residents will no longer face the frustration and difficulty of having to explain their health issues repeatedly to different services.

Out of Hours Support in Hackney

The Intermediate Team in Hackney provides a crisis intervention service to avoid hospital admissions for older people in crisis and reduce lengths of stay for people on psychiatric wards with acute functional mental illness. In Hackney, this operates out of office hours and has had a positive impact on older people in the borough.

"You helped me through the hard times. I needed to talk to the nurse at the weekend. I was confused about my medication."

Hackney Intermediate Care Patient

"I called you when there was no one else to talk to."

Hackney Intermediate Care Patient

Early Dementia Training Initiative

The Government's Mandate to Health Education England included the ambition to train 100,000 people in the assessment of dementia by March 2014.

The Trust target (set in collaboration with the Health Education North Central and East London) was to train at least 555 clinical and non-clinical staff as well as all junior doctors by the end of March 2014 but we exceeded this.

Community Services in Newham

The Family Nurse Partnership Programme Comes to Newham

The Family Nurse Partnership (FNP), a voluntary home visiting programme for first time new mums aged 19 or under, formally launched in February 2014. The Family Nurse Partnership offers on-going, intensive support to young, first-time mothers and their babies.

The team is able to work with parents to offer them practical advice and guidance, psychological support to help them develop their confidence and skills to go forward as a family.

Urgent Care Centre

The Trust, in partnership with Essex Lodge GP Practice and Manor Park GP Practice, was appointed to run the new Urgent Care Centre (UCC) based at the Newham University Hospital. Under the new model, GPs clinically assess patients when they arrive at the hospital and decide the clinical pathway for further treatment and care. This could be to remain in the UCC, transfer to the A&E department, attend their GP practice or another service.

Transitional Primary Care Team Merges

The Newham Transitional Primary Care Team in Manor Park merged with the Vicarage Lane Transitional Team and became the Newham Transitional Practice with 7000 patients. The service delivers primary health care services to residents of Newham who have experienced difficulties in registering locally with a GP.

The service includes a 'New Entrants Screening Service' for new arrivals to the UK and a Homeless Service for people without permanent residence.

The advantages of joining up are that patients can be seen at either site wherever appointments are available and have greater choice over the gender of their doctor; there is a shared clinical database that clinicians can access where ever the patient is seen; GPs can refer in-house to colleagues with specialist knowledge such as dermatology, respiratory care, etc.

'Settled' patients are moved onto other local GPs thus enabling the practice to pursue more 'outreach' work and register vulnerable patients who are not accessing health care.

SSKIN

In October, the Tissue Viability team launched the SSKIN Bundle. This is a simple tool to support nursing staff and staff from other disciplines to work with patients to prevent pressure ulcers.

The tool was developed by NHS East Midlands and Dr Caroline Dowsett, Nurse Consultant, and her team worked closely with them in order to allow our Trust to adopt the tool. SSKIN stands for:

Surface: make sure your patients have the right support.

Skin Inspection: Early inspection means early detection. Show patients and carers what to look for.

Keep your patients moving.

Incontinence/ moisture: your patients need to be clean and dry.

Award Winning Diabetes Skype Service

A project to support diabetes patients in Newham to have their outpatient appointments via Skype won a Quality in Care Programme Award for best initiative supporting a positive patient experience and equality of care in 'hard to reach' groups.

The Diabetes Appointment via Webcam in Newham (DAWN) programme was set up in partnership between the Trust and Barts Health NHS Trust in response to rising demand on diabetes services, poor access to care, poor health outcomes and particularly high 'did not attend rates' of 30-50%.

The one year pilot study replaced routine follow-up outpatient appointments for patients not requiring physical examination with web-based consultations.

Talking to Shoppers about Diabetes

The Diabetes Specialist Nurse service ran a series of diabetes awareness events in Newham in support of National Diabetes Week in June. The team held events at supermarkets in Beckton and Stratford, and in Green Street Market.

Each event included a blood glucose check, general diabetes advice and guidance, provision of written information to complement discussions, diabetic eye screening awareness, healthy eating advice, Ramadan advice for people with diabetes and information about exercise and healthy lifestyles

Additionally, the Diabetes Retinopathy Screening team held a demonstration to show what is involved in monitoring the eye for signs of damage related to diabetes. People with diabetes are at a higher risk of developing sight problems.

Sickle Cell Conference a Triumph

Over 200 people attended the 4th Annual Sickle Cell and Thalassemia Conference held at West Ham Football Club on Saturday 12 October. The event was organised by the Newham Sickle Cell Service run by the Trust and local organisations that support people with these blood conditions. The annual conference was an opportunity for patients and professionals get together outside the clinic environment to share information and strengthen their relationships.

Four consultant haematologists and a consultant paediatrician were among the presenters who gave expert presentations on aspects of various treatments and

interventions. The audience were able to question the specialist nursing team and the doctors and speak to them face-to-face throughout the day.

Sekayi Tangayi, the manager and clinical lead of the Newham Sickle Cell Service was thrilled that so many attended the conference.

"There have been many breakthroughs and developments in how these painful and debilitating conditions can be managed. It is great to have the opportunity to provide an update to people with Sickle Cell or Thalassemia. It is important that they have the information they need to make informed decisions. And for them to know that support and help is available when they need it."

Flu Vaccine for Primary School Children

Newham children were part of a pilot to immunise school age children against flu. It was given to children in Reception up to Year 6 age groups with parental consent. The vaccine was administered as nasal drops in sessions at school and at special Saturday clinics at key sites in the borough.

There was some controversy about the use of the vaccine which contains pork gelatine. The product, however, had the necessary religious approvals for use by Jewish and Muslim communities and had been certified as acceptable. The Trust wrote to Imams, GPs and head teachers in Newham as well as parents to reassure them and direct them to information issued by the World Health Organisation. Gelatine is a component in many medicines.

Adult Mental Health Services

RAID Teams

Mental health liaison services have been re-designed to become a single mental health liaison service in each borough called the Department of Psychological Medicine. All our boroughs now have a one-stop shop for people of all ages who require mental health assessment in the A&E department or who are inpatients at one of the inpatient acute hospitals.

The multi-disciplinary teams combine expertise in adult and older people's mental health to provide medical, nursing, occupational therapy and psychology input and also provides specialist alcohol and drug support.

The overall aim of the service is to prevent unnecessary admission into in-patient mental health care, reduce length of stay of acute general wards, to resolve immediate issues and concerns and direct patients to primary and secondary services that can provide on-going care, treatment and support.

This is an evidence-based approach based on the RAID model – Rapid Assessment, Interface and Discharge, developed by Birmingham and Solihull Mental Health Foundation Trust.

New Triage Ward Opens in Newham

A new concept in managing mental health admissions is being piloted at the Newham Centre for Mental Health. The Triage Ward opened in June and is the single point of admission for all people requiring admission to acute inpatient care.

Following assessment, service users are either transferred home with support, receive care from the day hospital or transferred to another ward. Daily ward rounds take place to evaluate the individual's progress, consider different interventions and plan their discharge with the aim of reducing the time spent in hospital and improve access to therapeutic interventions.

Supporting Mental Health Offenders

The Trust was chosen by the Department of Health to be part of an initiative aimed at reducing reoffending that will see mental health professionals working directly within courts and police custody suites in London.

This pilot project is being delivered in partnership with Together, a leading mental health charity and two other NHS Trusts, North East London NHS FT and Barnet, Enfield and Haringey Mental Health Trust. The trial project is taking place at three magistrate's courts and a number of police stations across North and East London.

The aim of the initiative is to ensure that people can get the most appropriate support as early as possible, and that their mental health needs are taken into account as part of criminal justice procedures, including at sentencing.

At the national launch in January, Health Minister Norman Lamb and Policing Minister Damian Green met with Tower Hamlets staff involved in the pilot at Bethnal Green police station to understand more about how the pilot operates.

Trust Partners with Rethink to Improve Schizophrenia Care

The Trust teamed up with national charity Rethink Mental Illness to launch a ground-breaking project to improve services for people with schizophrenia and psychosis.

The Rethink Mental Illness Innovation Network launched on 4 September in the House of Commons and saw the Trust join with the charity to test new and innovative services for people affected by severe mental illness.

It focuses on issues like improving mental health hospital care, tackling physical health problems, and helping people with mental illness get into employment.

This follows a report last year from the charity's Schizophrenia Commission, which revealed catastrophic failings in the state of care for people with schizophrenia and psychosis. The new project hopes to transform mental health services for people in east London by putting some of the Commission's recommendations into practice.

Mother and Baby Unit Opens New Sensory Room

Babies and their mums admitted to the Trust's Mother and Baby Unit now have access to a non-verbal method of relaxation and healing. The Sensory Room displays colour, light and movement effects, has a selection of background sounds from breaking waves to birds of the jungle, and offers comfy bean bags and soft mats for mother and baby to spend special time together. The space provides a calming environment for the family to relax together.

Family Visiting Rooms

Family visiting rooms for the families of service users admitted to inpatient units have been established in all our units. The family visiting rooms enables service users who are parents to spend supervised time with their children in a homely setting appropriate to their needs as a family. This plays a key role in maintaining

important family relationships. It can also reassure both children and their parents that each is alright and allay concerns.

"We are really excited to have a nice child-friendly space for families to spend time together. Many people with mental health difficulties are also parents. It is important that the whole family feels supported when someone is admitted to the unit. The family visiting room will help with this."

Jane Kelly, Lead Nurse at the City and Hackney Centre for Mental Health

Inpatient Family Support

Family members of people admitted to a psychiatric ward experience high levels of stress and often report feelings of powerlessness once their relative is admitted to the ward. At the City and Hackney Centre for Mental Health, staff are attempting to respond to this feedback and to best practice guidelines about promoting a "triangle of care" between service user, staff and carer through the Inpatient Family Service (IFS) which has been implemented across all the wards.

The service aims to foster a working alliance with relatives, providing support and information and developing a shared understanding of the patient's difficulties.

The City and Hackney IFS offers families and carers a dedicated space to meet with an IFS nurse champion and/or ward psychologist. Staff take a proactive role in engaging families at the time of admission. Self-referrals are also accepted.

The IFS meetings are also an opportunity for the needs of the family to be assessed as well as signposting carers to appropriate services. In addition, carers can often provide important information to improve assessment and the care we provide.

Mental Health and Policing

In October, the Trust hosted a 'Going for Gold: Delivering Equality for All' event which focused on the sometimes uncomfortable relationship between the police and people with mental health problems.

When someone's mental health problems are causing them and those around them serious disruption or pose a potential risk, the police are often called to assist with the situation. Such situations are not easy for the individual themselves or for the police officers. The individual may feel frightened, threatened and not understand what is happening. At the same time, the police are trying to quickly assess the situation and ensure the safety of the individual and the public.

This event was an opportunity to explore some of these issues and consider the options in a mental health crisis. It was also an opportunity for people with mental health issues to question the police directly about their approach, processes and to share experiences. The event ended with a lively debate and lots of questions from the audience.

Reducing the Effect of Illegal Drugs on Inpatient Wards

A new recruit is helping the Trust to reduce the detrimental effect of illegal drugs on inpatient wards. Springer Spaniel, Paddy, is working with the police and the Trust to sniff out illicit substances in a systematic drug search of all our units. The use of illicit drugs can unsettle individuals, affecting the whole ward and counters efforts to provide a therapeutic environment for people to recover.

The police are in attendance during searches to advise, issue a warning or even make an arrest as appropriate.

Providing Care and Support to Homeless People

In April, two services specialising in support for homeless people joined the Trust. The Greenhouse Centre in Hackney and Health E1 in Tower Hamlets provide free health care services and housing and welfare advice for homeless people. The services are for people who are sleeping rough or are vulnerably housed. People may have a drug or alcohol problem, be a street sex worker, have mental health issues, or be released from prison, care or the armed forces. They are nurse-led services provided with sessions from GPs and other specialist nurses.

Personalisation

The Trust has been working with local authorities to increase access to personal budgets for service users. Personalisation is about tailoring the support and resources an individual receives to enable them to get the type of help they want and to enable them to be in control of their lives.

Staff have enabled service users to receive their own budget and supported them in deciding how, who with and where they wish to spend that budget in order to meet their needs and achieve their desired outcomes.

Uplifting Hope Ward Project

The Trust held an event in July to promote the Hope Wall Project. Staff and service users came together to showcase their work and present a thought provoking and inspiring view point on Hope. Marian Janner, OBE, who established the Star Wards programme in mental health wards nationally, was guest of honour at the event.

The initial idea was for every ward to have a wall where patients about to be discharged could leave a message of Hope to those in the early stages of their admission.

Staff worked with service users to think about a theme for their walls which would connect, resonate and represent the concept of Hope. The project showed co-production at its very best, where patients and staff worked equally together to create something which would allow Hope to be instilled and embedded into everything.

Diane Hull, Deputy Director of Nursing, said, "*I think this project is very much about our very talented group of band 3 and 4 nurses working in true partnership with service users - to really think about hope at a time when often things feel hopeless, using creativity, tenderness and compassion to connect in a way which truly enables recovery.*"

The conference marked the beginning of a growing and far reaching project that has an enduring legacy within the Trust.

Supporting Adult Learners

In May 2013, mental health staff based in Hackney Community College celebrated picking up a London project award for its Mental Health Education and Employment Service, at the Museum of London.

Hackney Community College's Mental Health Education and Employment Service, has supported thousands of people to back in to education and employment.

The team at the college works closely with partners to help adults with mental health support needs to overcome barriers – such as confidence, study skills, life pressures and hospitalisation – to engage in learning and work.

Forensic Services

Service User Led Employment Projects

The service user led employment projects (Nu-Leaf social enterprises) have developed significantly during the year and now include a café, catering project, two shops, design and print services, landscaping and hairdressing. A focus on competitive pricing, quality products and customer service has helped increase turnover for the financial year to over £100,000. The projects continue to provide vocational placements, training and paid employment for a large number of forensic service users and increasing numbers are using Nu-Leaf as a springboard into employment and vocational training in the community

Successful RCP Review and CQC Inspections

Over 15 Care Quality Commission (CQC) inspections took place during the year, highlighting the high standard of care, treatment and therapeutic interventions across the forensic inpatient wards. A number of the wards were identified as outstanding. The Forensic inpatient sites also achieved another excellent set of results following its three day Royal College of Psychiatrists (RCP) Review. The service was highly commended for its care pathways, high discharge rate, service user participation and therapeutic programmes

Service User Endorsement

The directorate has continued to achieve the highest levels of patient satisfaction in the Trust. The quarterly service user led standards audit (SULSA) asks users to rate inpatient services across 20 areas. John Howard Centre achieved an overall satisfaction score of 70% and Wolfson House achieved a score of 95%

Improving Our Facilities

East Ham Care Centre Selected for Special Dementia Funding

East Ham Care Centre which provides continuing care, respite care and rehabilitation to older people in Newham with physical and mental health problems was selected to receive £135,350 to adapt and develop inpatient areas to support people with dementia.

Funding was awarded to projects who could demonstrate how practical changes to the environment within which people with dementia are treated in could make a tangible improvement to their condition.

Work has taken place within the unit and in the garden to create a comfortable, homely and stimulating environment conducive to promoting individuality and dignity. A sensory garden has been developed to stimulate senses such as touch and smell to provide a restful environment for both families and patients.

Other developments underway are specific signage to indicate the function of a room, themed bedrooms - promoting the use of colour to make patient bedrooms more attractive and personal including wall artwork, sleeping facilities for relatives to stay close by, a water sensory room, an interactive sensory room to help decrease agitation and restlessness, improve sleep and maintain sensory skills, and to remodel communal areas.

Investing in our Ward Environments

Four wards at the John Howard Centre received substantial refurbishment during 2013/14. The aim of which was to bring all the forensic wards and inpatient areas up to a standard that meets or exceeds the 'Friends and Family' test. Of the 15 medium and low secure wards, 12 have received major refurbishment with three wards that require environmental upgrades.

An extensive programme has been completed to install air-conditioning throughout the unit. Inpatients can now adjust the temperature setting for their room according to their needs.

The garden at the Coborn Centre for Adolescent Mental Health has been redesigned with involvement the team and young people in the unit. There is a basketball court where the young people can play basketball or football. The area has been landscaped and has additional trees and a seating area. It provides an additional area for activities and a space for young people to relax.

Awards and Achievements

NHS England Excellence in Participation Award

The Trust's Service User Led Standards Audit won the award for Excellence in Participation to Achieve Insight and Feedback. The award is for innovative approaches and ways of working in partnership with patients to seek and use feedback to design and deliver better services.

Our Service User Led Standards Audit has involved service users and carers from the beginning in developing and designing the questions used to understand more about patient experiences in our services. Service users are trained to carry out the audits across the Trust and support our staff to make use of the information collected via the audits.

Paul Sherman, Associate Director of People Participation said "*This is a truly collaborative programme of work that puts our service users at the centre of what we do. We are so proud of all our service users, carers and staff who have been involved in this work and we are happy to be recognised nationally by NHS England.*"

Service users involved in the audits have said,

"It's a great stepping stone back to a normal life. I feel like I am putting something back."

City University Students Vote the Trust a Great Place to Learn

Three teams in the Trust have been commended by City University students for providing a great learning environment for students. Columbia Ward, the dementia

assessment unit for the Trust, the Sickle Cell and Thalassemia Centre in Newham and the Stepney and Wapping Community Mental Health Team (CMHT) in Tower Hamlets were all commended for the excellent experience they provide to learners. Additionally, Kennedy Amopofu-Manu from the CMHT was voted Mentor of the Year in the student survey.

Director of Nursing, Jonathan Warren, congratulated everyone involved. "*Of all the prizes that are given, I think these hold the greatest weight. The students are stern critics of the care we give and, rightly so, have high expectations of you as mentors. To be part of developing the future workforce and doing it well makes me proud of our staff.*"

Trust Highly Commended in Quality Awards

The Trust was awarded five commendations in the Health Education North Central and East London 2013 Quality Awards. The awards acknowledge and celebrate the excellent work across North Central and East London in delivering excellence in multi-disciplinary education, training and workforce development.

The Trust had five entries shortlisted across four categories and all five were highly commended by the judging panel. Dr Omer Malik, a higher specialist trainee in Psychiatry, was highly commended in the Trainee of the Year category. Dr Malik has developed an e-module to support the revalidation of doctors, an electronic handover system to provide safer care to patients and has worked on numerous projects to improve the physical health of people with mental health conditions.

Celebrating achievement at the National Service User Awards

N-Gage, a service user led social enterprise, was nominated in three categories at the prestigious National Service User Awards for their innovative training programme in Personality Disorder awareness. N-Gage was awarded first prize in the 'community' category and received highly commended awards in both the 'breaking down barriers' and 'outstanding service user contribution' categories

Communicating More Effectively

New Website

The Trust launched its new website in July 2013 following consultation with a range of people including service users, carers, GPs, practice managers, Governors and staff groups. Work continues to make further improvements to the website as and when we receive feedback

Social Media

The Trust is using social media channels as a way to engage with the public and promote the work of the Trust. The Trust is active on Twitter, Facebook and You Tube so is able to report developments and initiatives as they happen, and respond to feedback with more immediacy than traditional methods. Additionally, Chair Marie Gabriel launched a blog in November on the Trust's website.

The Trust also introduced a set of eNewsletters to keep Governors, GPs and MPs informed about news and developments in the Trust.

Podcasts and Films

The Trust is utilising film to convey information to staff and to the public in a more

accessible way. The Trust has developed a range of films which have been screened at Trust events. There are now a number of short films on the website too.

Research

Leading the way in Mental Health Research

Research is regarded as an important part of what the Trust does. For several years it has been guided by the Research Director (Prof. Stefan Priebe) and supported by a Research Strategy Committee.

Three successful research Units spearhead research at Trust:

- **Violence Prevention**, led by Professor Jeremy Coid
- **Mental Health Nursing**, led by Professor Alan Simpson and
- **Social and Community Psychiatry**, led by Professor Stefan Priebe.

The latter is a designated **World Health Organisation Collaborating Centre** (the only one specifically for Mental Health Service Development in the world).

Since 2007, these Units have been awarded more than £15 million competitive research funding from the Department of Health, European Union, Medical Research Council, National Institute for Health Research, and the Wellcome. There have been several hundreds of research publications, some of them with a wide impact on both practice and further research.

Key areas have been research on Violence Prevention, Non-verbal Therapies and Therapeutic Communication. The Trust is nationally and internationally leading in these research fields.

Violence Prevention

The Violence Prevention Unit published a study on the relationship between delusions and violence among people suffering with psychosis.

The research team looked at factors lying in between the association of psychosis and violence to identify the cause of the observed link. Using the data collected as part of the First Episode Psychosis Study undertaken by this research team, they assessed many potential reasons for delusions to be linked to violence and found that anger caused by the delusions was the link. It found that only when the person's delusions made them angry, did this lead to them being violent. This is a major breakthrough and backs up what has been a long-established clinical observation.

In another study, the Unit looked into the accuracy of commonly used risk assessment instruments. They found that none of the instruments was better than chance when it came to predicting future violence amongst individuals with psychopathy. These findings have major implications for risk assessment; indicating that these risk assessment instruments have limited use in environments with a high prevalence of severe personality disorders such as secure psychiatric hospitals and prisons.

Research on Non-verbal Therapies

In line with the Trust strategy to promote the use of non-verbal therapies in mental health care, a body of research has been developing within the Unit for Social and

Community Psychiatry with a current focus on group interventions of Body Oriented Psychotherapy and Music Therapy. Commonly known under the umbrella of 'arts therapies', which also include art, dance movement and drama therapy, these interventions focus upon the use of arts modalities to promote nonverbal forms of expression and communication.

To date, we have demonstrated that non-verbal therapies can be effective in patient groups with on-going mental disorders who have not benefitted from conventional treatments, i.e. patients with negative symptoms of schizophrenia, post-traumatic stress disorder and chronic depression. This research suggests that non-verbal therapies can be an innovative and very effective treatment which may be more widely used in the future. This research is ongoing.

Research on DIALOG and Therapeutic Communication

Communication and the therapeutic relationship between a patient and a clinician are central in mental health care. Research conducted by the Unit for Social and Community Psychiatry has shown that a more positive therapeutic relationship is associated with more favourable outcomes. A recent study has demonstrated that training psychiatrists in communication skills can lead to higher patients satisfaction in patients with psychosis.

A major research programme focuses on the DIALOG intervention. Which aims to make patient-clinician communication more patient centred and therapeutic. An original trial in six countries showed the effectiveness of the intervention which has now been further developed and tested in another trial in East London.

Research on Diabetes Self-management

The Trust also supports research in the Newham Community Services. A series of studies explores how best to support diabetes self-management in people who also have a severe mental illness.

Research Open Day

In October, we held the Annual East London Research Presentation Day giving an overview of research supported by the Trust. With 66 active studies taking place, there is more research happening in the Trust than ever before.

Hackney Psychiatrist Wins Irish Research Prize

Dr Maurice Clancy, a trainee psychiatrist in the Trust, won the College of Psychiatrists of Ireland Trainee Research Prize Oral 2013. Dr Clancy's research looked at patients with severe epilepsy undergoing surgery. He found that there was no increase in rates of depression or anxiety in these patients after surgery and an improvement in their quality of life one year after surgery.

Supporting Staff with Research

The Trust became the newest partner in the NoCLOr research partnership, which represents a group of NHS Trusts across north, central and east London. The aim of the partnership is to promote high quality research and to provide administrative and regulatory support for research studies conducted in the Trust.

Improving Technology, Improving Care

Replacement Clinical System

The Trust has conducted a procurement exercise as part of a consortium of 30 Trusts across London and the South of England to source a replacement to our current RiO electronic patient record system. This has involved a high level of participation from clinical staff and nominated staff IT Champions to shortlist and select a replacement system to support quality clinical care. A final decision on the new system will be announced in 2014.

District Nursing

Tablets have been issued to district nursing staff with an app installed to provide access to a defined set of relevant RiO functionality. This allows district nurses to have access to their caseload on the move, be able to update records in real time in the community, and reduces the time required back at the office to carry out administrative work.

Community Nursing in Newham Benefits from Nursing Technology Fund

The Trust was one of 75 NHS Trusts across the country to benefit from NHS England's 'Nursing Technology Fund' set up to support technology for nurses, midwives and care staff.

The funding will be used to improve access to remote working solutions, and to reduce the amount of time nursing staff have to spend travelling back to bases to update electronic patient records. This approach will enable better planning of schedules, visiting routes and appointments to ensure the maximum possible nursing time can be spent on patient care.

IT Service Desk Now In-house

The Trust's IT Service Desk has been brought in-house and staffed by Trust employees. This has been a great success and feedback across the Trust has been positive. The new Service Desk is more responsive to staff needs, and logged calls are dealt with more quickly than was previously the case. A core focus of the Service Desk team has been on improving customer service and ensuring clinical work is disrupted as little as possible due to IT issues.

WiFi Available at all Sites

WiFi is now available to patients, visitors and staff at all Trust sites. Patients can use their Smart phones, tablets or other devices to access the internet, stay in online contact with their families and friends, and have on-going involvement with their social networks as they would at home.

Information about Medicines at your Fingertips

A new website is available to people wishing to know more about prescribed medication, their purpose, possible side effects and how to take them for the best results.

This is a new resource to aid informed decisions about the use and prescribing of medicines for treating mental health disorders and conditions. The website has been developed in conjunction with www.choiceandmedication.org, florid and the Trust.

The service is aimed at staff and service users to inform and educate about the various forms of medication available, their purpose, side effects and how to take them. The knowledge gained from the leaflets will enable service users to be more informed and understand what their medication actually does and how they should take them. All fact sheets can be found through the name of the medicine in question, the condition or symptoms or by searching by a key word or phrase.

The new website aims to provide accurate and independent information, facilitate the management of medicines and support to ensure that medicines management resources are used cost effectively within the Trust. Go to:

<http://www.choiceandmedication.org/florid-eastlondon>

Trust Supports Staff to Speak Out Safely

The Trust signed up to the Speak Out Safely campaign headed by the Nursing Times to encourage any staff member to raise any concerns they have about patient safety at the earliest opportunity.

Staff are often best placed to identify where care may be falling below the standard patients deserve and need to feel able to highlight wrong-doing or poor practice when they see it and feel confident that their concerns will be addressed in a constructive way.

Stonewall Workplace Equality Index

The Trust's ranking on the Stonewall Workplace Equality Index rose from 355 to 228 out of 370 organisations assessed. Last year, the Trust scored 41 out of 200 available points. This year we scored 101 points, reflecting the work that has happened

Conference for Administration Staff

In April 2013, the Trust held its first ever a conference solely for Administration staff. 358 Admin staff attended the half day event. It was an opportunity for Chair Marie Gabriel and Chief Executive Dr Robert Dolan to thank this group of staff for the key role they play in providing services often being a key contact for service users.

QUALITY ACCOUNTS – 2014

East London NHS Foundation Trust

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Glossary

Executive Summary

The Quality Accounts Report has become an import tool for strengthening accountability for quality within our organisation. In this report you will see how the Trust has worked hard to ensure that resources and energy are focused on improving the quality of the services we provide and ensuring they are sustained. The most significant element of this is the development of the Quality Strategy which sets out our ambition to deliver the best possible mental health and community care to our patients, service users, carers and families. We have made a commitment to quality of care being our foremost priority. This is embodied in our mission to provide the highest quality mental health and community care in England by 2020.

The report will present information in two main sections. The 'Priorities for Improvement' section provides information across a range of areas such as the populations we serve, the types of services we provide and information on our statutory responsibilities. Of particular interest is the section on research as this highlights how the Trust works with a number of academic institutions to provide evidence that contributes to the world wide evidence base and directly or indirectly, leads to improvements in healthcare.

The final section, 'Review of Quality Performance in 2013/14' presents information on across a large number of measures. Where possible we present the data together with comparative information so that you can see how well the Trust is doing against previous levels of performance and alongside our NHS colleagues. A highlight from this section is information regarding the collection of patient reported experience data. The Trust collects this information as a key indicator of how we're doing and where we need to improve. As a result of this work, the Trust won an NHS England Excellence in Participation Award. This award is for innovative approaches and ways of working in partnership with patients to seek and use feedback to design and deliver better services.

Part 1. Statement on Quality

1.1 Statement on Quality from Dr Robert Dolan, Chief Executive

Our Quality Improvement Programme launched in February 2014 and was the beginning of our partnership with the Institute for Healthcare Improvement (IHI). We know our staff are the clinical experts and are best placed to identify, test and drive the changes needed to improve how we treat and support our patients. Giving them the freedom to bring about improvement will enable them to work differently and refine processes to better care for patients. IHI will work with staff to support them and give them the tools they need to facilitate and lead on change locally.

Central to improving the quality of our services is gathering feedback from service users and carers and acting on it. We have expanded the ways we gather this data and are using electronic technology more widely to get real-time information from those who use our services. Our efforts were recognised in March 2014 when the Trust won an NHS England Excellence in Participation Award. Our Service User Led Standards Audit won the award for Excellence in Participation to Achieve Insight and Feedback.

In September 2013, we heard that we were the only trust in London to achieve two green ratings in the Care Quality Commission's annual survey of community mental health patients. The survey asks people who have used community mental health services how they felt about their care, treatment and the information given to them so it was good to get confirmation that our focus on patient experience is bearing fruit.

Additionally, the Trust achieved a 50% response rate in last year's National Staff Survey which was a significant increase (13%) from 2012. For the first time, the survey was available electronically which appears to have resulted in the increased uptake amongst staff. The Trust was ranked second among similar Trusts in London and fourth of 57 similar Trusts in the country on the overall staff engagement score. The Trust also scored very well nationally on 'staff feeling satisfied with the quality of work and patient care they are able to deliver' (Trust scored 83% as compared to the national average of 77%) and 'agreeing that their role makes a difference to patients' (Trust scored 93% as compared to the national average of 90%).

We welcomed two new teams into the Trust from outside of our core area: the Barnet Children and Young People's Speech and Language Therapy Service joined us in October 2013 and the Luton Wellbeing Service opened for business in January 2014. We look forward to working with our new colleagues and using our respective experience to provide a high quality service to all our local communities.

The Trust strives to provide excellent quality services, we believe the changes we are making are leading to excellent quality and sustainable standards of care. The information contained in this report is, to the best of my knowledge, an accurate reflection of the Trust's position.

1.2 Statement on Quality from Dr Kevin Cleary, Medical Director

Leading on quality improvement has become a key focus for East London NHS Foundation Trust over the last year. Our challenge has been to develop a coherent strategic approach to quality improvement that our staff, service users and patients will understand and that will support them in our journey to improve what we do. The difficulty for many organisations that want to provide higher quality care, is to find a reliable and sustainable method for doing that across the whole organisation. We have all had experience of working in organisations where some departments provide the best care but other departments struggle. What we want to achieve is to have all our staff in a position to provide the best level of care no matter where they work. After considering a number of models of quality improvement in healthcare we have chosen a model based on the work of the Institute for Healthcare Improvement (IHI).

Why this model? Its aim is to ensure that quality improvement is driven by the clinicians working directly with patients and staff users rather than by senior managers who are distant from direct clinical care. The methodology is well tested in healthcare and allows staff to work collaboratively with patients to adapt and improve changes made. In the UK, this model has been used by a number of healthcare providers who are recognized as leaders in quality improvement and importantly has led to sustainable change. So that we can equip our staff to work with the new model we have partnered with IHI to deliver training and support to us as an organisation for the next two years. As the first mental health trust in England to enter a strategic partnership, in this way with IHI, we are excited by the opportunity this affords to improve the care we provide to service users and patients.

Naturally we have faced a number of challenges over the last year and will continue to do so for the next few years. The requirement to find 4% efficiency savings every year is difficult. All of our savings are assessed for their impact on quality to ensure that any risk to care is minimised. Our population is growing in East London and we will need to meet this challenge in the next few years. By having a framework for improvement I believe we are in the right place to provide the highest quality of care possible in our mental health and community services.

Part 2. Priorities for Improvement

2.1 A Profile of the Trust

The population we serve

The Trust provides local services to an East London population of approximately 820,000 and provides forensic services to a population of 1.5 million in North East London. East London is one of the most culturally diverse parts of the country but is also one of the most deprived areas. It therefore poses significant challenges for the provision of mental and community health services.

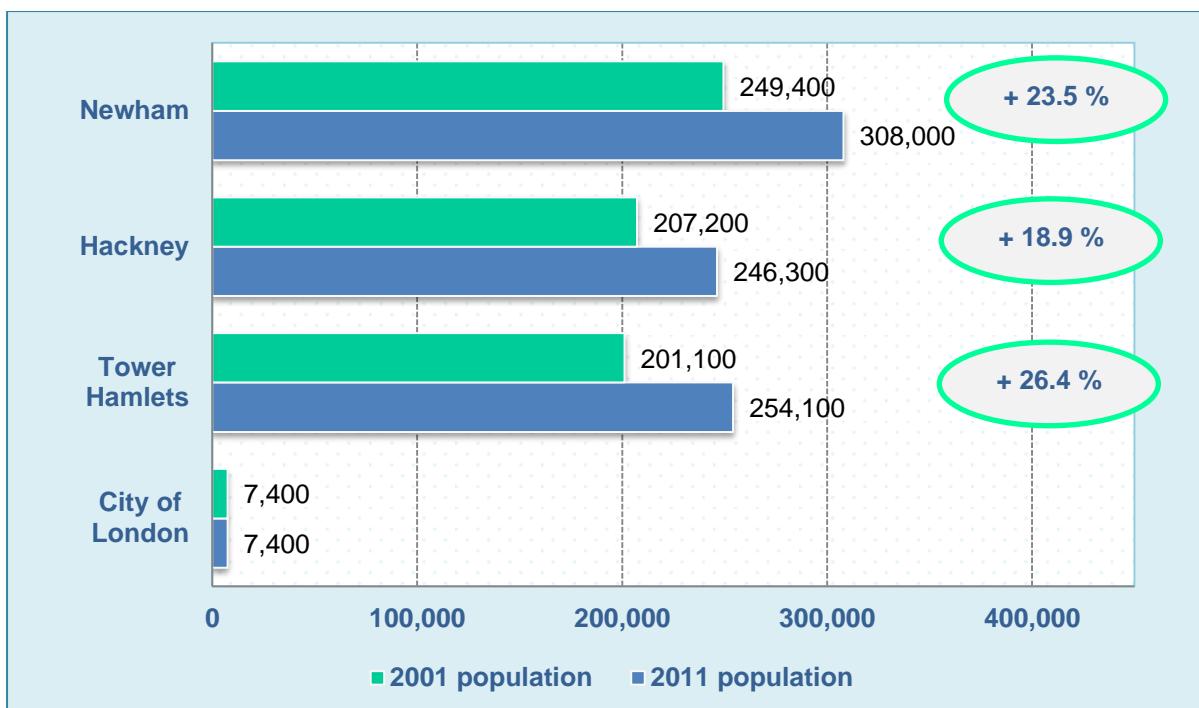
The Trust's services operate from 64 community and inpatient site and have over 735 general and specialist inpatient beds. The Trust's annual income in 2013/14 was £268m.

The boroughs of East London are culturally diverse with significant levels of mental and physical health need. East London is exclusively inner-city urban, with high levels of immigration, socio-economic deprivation and health inequalities.

The area is also densely populated and has a relatively young population. Ethnicity data indicate that the East London area has the largest black and minority ethnic (BME) population (49%) in the UK. The BME population nationwide is eight per cent.

Population increase

The Office of National Statistics (ONS) collects census data every ten years. Over this period, three of the four highest population growth areas in England and Wales are in East London. There are a number of reasons for the population rise, however, the greatest concern is the implication this has for Trust services.



The population of East London is unusually young in comparison to the national averages. This is significant, as many of the severe mental illnesses such as schizophrenia and bipolar disorder first present in early adulthood. As such, there will be a disproportionately higher number of new diagnoses of these conditions, which will require significant service input to establish treatment. The large working age population offers a substantial opportunity to improve mental health through the work place, and similarly to prevent poor mental health triggered by workplace factors, such as stress.

However, amongst the working age population, levels of economic inactivity vary markedly across the East London area, with particularly high levels in Tower Hamlets. Consequently, there are a high proportion of children born into poverty. The area has some of the highest child poverty levels in the country.

In spite of these various challenges, the Trust has demonstrated that it is performing well compared to other Trusts in terms of inpatient efficiency, for example low length of stay, lower readmission rates and fewer delayed transfers of care. Compared to the level of morbidity, we have one of the lowest levels of investments for one of the most deprived areas of the country.

2.2 Review of Services

East London NHS Foundation Trust provides a wide range of community and mental health services to the City of London, Hackney, Newham and Tower Hamlets. Forensic services are also provided to Barking & Dagenham, Havering, Redbridge and Waltham Forest, as well as community health services in Newham. The Trust also provides psychological therapies to people in Richmond upon Thames (South West London) in partnership with the mental health charity Mind. In the last 12 months the trust has also started providing psychological therapies (IAPT) in Luton (Bedfordshire) and Speech and Language Therapy (SLT) in Barnet (North London).

In addition, the Trust provides forensic services to the London Boroughs of Barking and Dagenham, Havering, Redbridge and Waltham Forest, and some specialist mental health services to North London, Hertfordshire and Essex.

The specialist Forensic Personality Disorder service serves North London and the specialist Chronic Fatigue Syndrome/ME adult outpatient service serves North London and the South of England.

The Trust's specialist Mother and Baby Psychiatric Unit receives referrals from London and the South East of England

During 2013/14 the Trust sub-contracted one NHS services. The Trust has reviewed all the data available to them on the quality of care in this service.

The income generated by the NHS services reviewed in 2013/14 represents 100 per cent of the total income generated from the provision of NHS services by the Trust for this period.

Mental Health Services

Trust service provision includes community and inpatient mental health services for children, young people, adults of working age and older adults who live in the City of London, Hackney, Newham and Tower Hamlets. The Trust also provides forensic services to these boroughs, has a large and well established Child and Adolescent Mental Health Service (CAMHS) and provides a range of psychological therapies services.

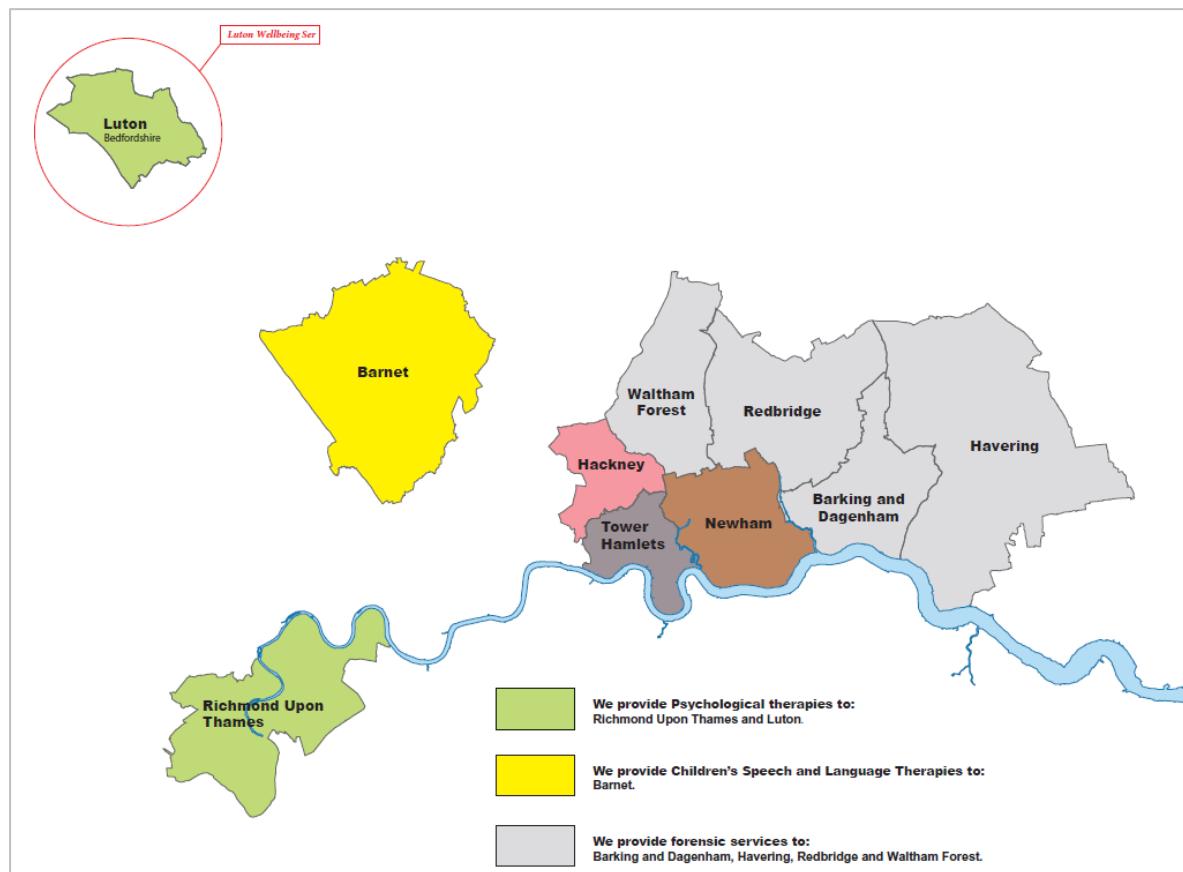
Community Health Services - Newham

The Community Health Services in Newham are responsible for improving the health and wellbeing of the people of Newham through healthcare services in community settings. These services have become integrated in to ELFT Specialist services and Older Adult services. They have a key role in delivering personalised services that promote and enhance people's independence and well-being.

ELFT services outside the boroughs of East London

The Trust provides a number of services to people outside the main boroughs of East London. Forensic services are provided to the boroughs the North East London

boroughs of Barking and Dagenham, Havering, Redbridge and Waltham Forest and other specialist mental health services to North London, Hertfordshire and Essex. The specialist Chronic Fatigue Syndrome/ME adult outpatient service also serves North London and the South of England.



Increasing Access to Psychological Therapies (IAPT) Services – Richmond and Luton

The Trust has been providing Primary Mental Health Services in Richmond as part of the Increasing Access to Psychological Therapies (IAPT) model since June 2012. As of January 2014 the trust has also started providing IAPT services in Luton. As a consequence, 21 new staff will provide psychological services across multiple sites in the Luton area.

The Richmond and Luton Wellbeing service is for residents of Luton who experience depression, anxiety, sadness, anger, extreme shyness, obsessive behaviour, phobias, relationship difficulties or other psychological issues which are holding them back in their lives. The Luton Wellbeing Service offers group workshops, counselling, self-help courses, a range of talking therapies and computer-based therapies

Speech and Language Therapy (SLT) – Barnet

Our children and young people's speech and language therapy teams have been providing this service in a range of locations throughout Barnet since November

2013. The service is delivered across a range of the community settings including: health centres, community and children's centres nurseries, schools, homes and hospital settings. We also provide our children and young people's speech and language therapy service in Edgware Community Hospital as well as a specialist Assistive Communication Service (ACS). Our children and young people's speech and language therapy teams include the following specialists: Autism specialist, Dyspraxia specialist Feeding/dysphagia specialist, Hearing impairment specialist and stammering specialist.

2.3 Participation in Clinical Audits

The national clinical audits and national confidential enquiries that East London NHS Foundation Trust participated in, and for which data collection was completed during 2013/14, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

The reports of **two** national clinical audits and **one** national confidential enquiry were reviewed by the provider in 2013/14 and East London NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided. The Trust develops specific action plans for each audit which are managed through the Clinical Effectiveness Committee.

During that period the Trust participated in **60%** (three out of five) of national clinical audits and **100%** of national confidential enquiries which it was eligible to participate in. The Trust did not participate in the National Sentinel Stroke Audit or the National Audit of Cardiac Rehabilitation.

The national clinical audits and national confidential enquiries that East London NHS Foundation Trust participated in during 2013/14 are as follows:

| Description of National Audit | Submitted to |
|---|---|
| National Confidential Inquiry (NCI) into Suicide and Homicide by People with Mental Illness | Centre for Suicide Prevention Psychiatry Research Group School of Community-Based Medicine University of Manchester 2nd Floor, Jean McFarlane Building Oxford Road Manchester M13 9PL |
| National Audit of Schizophrenia | Royal College of Psychiatrist 4th Floor, Standon House 21 Mansell Street London E1 8AA |
| Primary Prevention of Cardiovascular Disease Audit | British Heart Foundation Greater London House 180 Hampstead Road London NW1 7AW |

| Description of National Audit | Submitted to |
|--|---|
| Prescribing Observatory for Mental Health (POHM UK) | Royal College of Psychiatrist 4th Floor, Standon House 21 Mansell Street London E1 8AA |

The Royal College of Psychiatrists' College Centre for Quality Improvement (CCQI) also undertakes a range of external and peer review programmes. The Trust participates in a wide range of improvement projects as outlined below:

| CCQI Programme | Participation by the Trust | % of cases submitted |
|---|----------------------------|-----------------------------|
| Service accreditation programme | | |
| ECT clinics | 1 ECT clinics | 100 |
| Working age adult wards | 14 wards | 100 |
| Psychiatric intensive care units | 4 PICUs | 100 |
| Older people mental health wards | 4 wards | 100 |
| Memory services | 3 services | 66 |
| Psychiatric liaison teams | 2 teams | 100 |
| | | |
| Service quality improvement networks | | |
| Inpatient child and adolescent units | 1 unit | 100 |
| Child and adolescent community mental health teams | 1 team | 33 |
| Therapeutic communities | 1 community | 100 |
| Forensic mental health services | 1 service | 100 |
| Perinatal mental health inpatient units | 1 units | 100 |
| | | |
| National Audit of psychological therapies (NAPT) | 1 team | 100 |
| | | |
| POMH UK TOPIC | Number of patients | % of cases submitted |
| Prescribing antipsychotic medication in people with dementia | 296 | 100 |
| Prescribing high-dose and combination antipsychotics: acute/PICU, rehabilitation/complex needs, and forensic psychiatric services | 432 | 100 |
| Supplementary audit report: Screening for metabolic side effects of antipsychotic drugs | 77 | 100 |
| | | |
| Multisource feedback for psychiatrists (ACP 360) | 157 enrolments | 28 in total |

The reports of **nine** local clinical audits were reviewed by the provider in 2013/14 and East London NHS Foundation Trust intends to take the following actions to

improve the quality of healthcare provided. The Trust develops specific action plans for each audit which are managed through the Clinical Effectiveness Committee.

| Audit Priority | Lead Committee | Directorate |
|--|---|---------------------|
| CPA and Risk Assessment Audit | Clinical Effectiveness Committee / CPA Group | All |
| Record Keeping Audit | Clinical Effectiveness Committee / Health Records Development Group | All |
| Medication Audits – Prescribing, Administration and Rapid Tranquillisation | Clinical Effectiveness Committee / Medicines Committee | All |
| Infection Control Audit | Clinical Effectiveness Committee / Infection Control Committee | All |
| Inpatient Standards Audit | Clinical Effectiveness Committee / Service Delivery Board | All inpatient units |
| Mental Health Act (including Consent to Treatment) | Clinical Effectiveness Committee / Mental Health Act Committee | All |
| Community Treatment Orders | Clinical Effectiveness Committee / Mental Health Act Committee | All community teams |
| Prescribing antipsychotic medicines for people with dementia (POM UK) | Quality Committee / Medicines Committee | MHCOP teams |
| High dose prescribing audit (POM UK) | Quality Committee / Medicines Committee | All |

2.4 Research

Being a centre of excellence for research is one of the key strategic objectives of East London NHS Foundation Trust. To achieve this objective, the Trust collaborates closely with academic partners, such as Queen Mary, University of London, and City University, and concentrates on research that improves the delivery of health care in East London. Research in the Trust is linked to the specific local context, reflects national priorities, and plays a leading role internationally.

The aim of the research is to provide evidence that contributes to the world wide evidence base and directly or indirectly, leads to improvements in healthcare. To achieve this, research has to be of high quality and receive recognition on an international level.

One manifestation of this goal has been the designation of the Unit for Social and Community Psychiatry as a World Health Organisation Collaborating Centre for Mental Health Services Development. The Unit, a joint venture co-funded by the Trust and Queen Mary, is based at the Trust's Newham Centre for Mental Health. This designation makes it one of just 17 WHO Collaborating Centres in the field of mental health in Europe and the only one in the world specifically designated for

mental health services development. The Unit forms part of a small network of selected centres that are involved in writing the European Mental Health Action Plan. The status links research and service development in East London with the WHO which is intended to be of mutual benefit.

The work of the research groups has influenced public and professional debates on policy and clinical issues in mental health care on local, national and international levels. The impact of our research on policy and practice can sometimes be rather indirect and difficult to distinguish from the effects of other contributions to the same debates. In other areas, however, it is possible to identify some direct impact of our research on health services and policy. Some examples include:

- A randomised controlled trial showed that financial incentives can be very effective in improving adherence to antipsychotic maintenance medication and be associated with an improved quality of life. Whilst offering such incentive will be considered appropriate only for a limited number of patients, it can make a significant difference to these patients throughout the NHS and elsewhere.
- Another randomised controlled trial on which we collaborated, demonstrated that community treatment orders do not lead to reduced rehospitalisation.
- Our research developed and tested novel non-verbal therapies. In several exploratory randomised controlled trials we showed the effectiveness of the new interventions, i.e. music therapy and body psychotherapy for different patient groups, i.e., with schizophrenia, depression and post-traumatic stress disorder (PTSD). This research has not only influenced the NICE guidelines (which state that "arts therapies" which is an umbrella term for non-verbal therapies are the only type of treatment which can claim effectiveness in improving negative symptoms in schizophrenia), but also led to a local initiative for funding and implementing non-verbal therapies in East London.
- Although the EPOS programme is still on-going it has already had outputs with an impact on practice. We showed that the DIALOG scale has good psychometric properties for assessing subjective quality of life and treatment satisfaction. Although the main intention of the DIALOG intervention is to improve outcomes, clinicians and services have shown great interest in using the DIALOG scale because of its brevity and easy application.
- Since the DIALOG+ intervention has been fully completed, i.e. with the new software and the additional guide for addressing patients' concerns, local commissioners have been most interested and intend to make its implementation a requirement for service funding, once the current trial is completed. It has also been adopted in forensic research and in the US Department of Veterans Affairs (VA).
- Findings from a pilot trial of peer support for patients discharged from hospital suggest benefits for patients (emotional and practical support, interaction and socialisation, mutual sharing and mentoring) and peer support workers (increased confidence, sense of achievement, new skills and recovery insights). These and other findings have informed the further development of peer support services in the Trust and elsewhere.

- Our research demonstrating the importance of patients' initial subjective response to treatment had a direct impact on the priorities of East London NHS Foundation Trust. The Trust made it an explicit objective to focus on and improve patients' initial experiences in both in- and outpatient treatment.
- The research on training clinicians in communication about psychotic experiences of patients had already been shown to improve clinicians' confidence in communicating with challenging patients. New findings also demonstrate a benefit on patient experience. As a result, the training method developed and tested in the study has been widely adopted in training schemes in East London.
- Our Young Men's Health & Modern Lifestyles survey has identified unprecedented levels of psychiatric illness among gang members. This places a heavy burden on mental health services and many healthcare professionals are unaware their patients are in gangs. Our research highlights a previously unidentified focus for treatment interventions. Gang members' willingness to talk about fear of victimisation to healthcare professionals means they have a key role to play in helping gang members to leave gangs and lead healthier, safer lives. This work resulted in considerable international interest, published on more than 20 news websites. It has major implications for the Trust and represents a growing public health problem. One in 5 black men 18-34 years in Hackney are gang members.
- Our work on the East London First Episode Psychosis Study has shown a causal link between delusions and violence. Anger due to delusions is a mediator in this previously controversial association. This provides a new focus for those treating people with psychosis. We replicated these findings using the McArthur Violence Risk Assessment study data, one of the most influential studies in the field of mental illness and violence in our VoRAMMS study, a national follow-up study of patients discharged from medium security. We found that violent behaviour during psychosis is primarily due to delusions and that the time of greatest risk of violence is when symptoms are acute. The association with anger has key implications for clinician's assessment of risk and monitoring the effectiveness of treatment.
- Our Prisoner Cohort Study, originally funded by the Home Office and currently by NIHR, has shown that many prisoners with schizophrenia convicted of serious violent and sexual offences are not diagnosed as mentally unwell. This means they do not receive the treatment and aftercare they need. For those who do not receive treatment, their risk of violence after release over the next 18 months is three times as high as other prisoners. This is due to their paranoid delusions which re-emerge due to lack of treatment. This study has important implications for commissioning national services for prisoners with mental health problems.
- Further work from the Prisoner Cohort Study made the breakthrough discovery that none of the risk assessment tools commonly used in mental health and probation services can accurately predict violence for patients and prisoners with a psychopathic personality. Clinicians' estimation of risk is currently receiving challenge on the basis of these findings in courts and mental health review tribunals. This research has revitalised the international debate on the usefulness of risk assessment tools.

The number of participants from the East London NHS Foundation Trust recruited in 2013/2014 to take part in research included on the National Institute of Health Research (NIHR) Portfolio was expected to be around 550.

In every calendar year since 2007, our involvement in research has resulted in over 100 publications, thus helping to improve patient outcomes and experience across the NHS.

Further information regarding the research undertaken across the Trust, including a list of on-going and previous research is available:

<http://www.eastlondon.nhs.uk/Research>

2.5 Goals Agreed with Commissioners for 2013/14

Use of the CQUIN Payment Framework

A proportion of East London NHS Foundation Trust's income in 2013/14 was conditional on achieving quality improvement and innovation goals agreed between the Trust and the local Clinical Commissioning Groups (CCG) for the provision of NHS services, through the Commissioning for Quality and Innovation payment framework. In 2011/12 this constituted 1%; in 2013/14 2.5% of the Trust's total income will be conditional on successful achievement of the CQUINs. The CQUIN Scheme for Adult and Older Adult Mental Health Services constitutes £2.9 million.

Further details of the agreed goals for 2013/14 and for the following 12 month period are available electronically on the website: <http://www.eastlondon.nhs.uk/> or on request from the Trust secretary.

The table below summarise the Trust's final position on delivery of 2013/14 Mental Health CQUIN targets.

Table 1. Mental Health CQUINs and Trust performance

| 2013/14 Mental Health CQUIN Indicators | 2013/14 Target | Trust Performance |
|---|---|-------------------|
| 1. Friends and Family on Wards | | |
| 1.1 Friends & Family: Preparation for Pilot | <ul style="list-style-type: none">• Develop staff awareness and provide training (starting at end of Q2 and progressing through trial)• Publicise trial of Friends and Family to service users and staff (starting in the middle of Q2 and continuing through trial) | YES |
| a. Friends & Family: Pilot on Wards for Staff and Service Users: | <ul style="list-style-type: none">• Start pilot of Friends and Family test in wards (bar John Howard's Centre and Coburn: Forensics and Tier 4 Children) and with staff through annual Staff Survey (beginning start of Q3) | YES |
| 2. NHS Safety Thermometer. | | |
| 2.1 Safety Thermometer Data Collection | <ul style="list-style-type: none">• A complete survey for each month in the quarter is submitted to the Information centre (Q1 only if milestone is met, otherwise continued into Q2 and beyond if necessary) | YES |
| 2.2 Safety | <ul style="list-style-type: none">• 65% of all inpatient staff and relevant community team | YES |

| 2013/14 Mental Health CQUIN Indicators | 2013/14 Target | Trust Performance |
|---|---|--------------------------|
| Thermometer Pressure Ulcer Improvement | nursing staff trained in PU awareness. | |
| 5. Improved Nursing Workforce Development | | |
| 5.1 Colleague and Patient Feedback | <ul style="list-style-type: none"> Develop training and development programme | YES |
| 5.2 Colleague and Patient Feedback: Pilot & Evaluation: | <ul style="list-style-type: none"> Implement 3 month pilot with 15% of all nurses Train those appraised in receiving CPF and turning appraisals received into improvement and development plans for their roles | YES |
| 6 Home Treatment Teams | | |
| 6.1 Evaluation of current practice | <ul style="list-style-type: none"> Quarterly reports on patient-level admission data presented to CCG at end of Q4 | YES |
| 6.2 Improvement in Performance | <ul style="list-style-type: none"> Co-development of improvement targets Piloting innovations in managing admissions and facilitating early discharge to HTTs in order to deliver reductions in bed-days and HTT patient 30-day readmissions. | TBC |
| 7 Improved Carers Assessments & Communication | | |
| 7.1 Developing Support for Adult Carers of Adult MH Patients | <ul style="list-style-type: none"> A target of successfully contacting adult carers six times a year by telephone (unless carer opts out of scheme) to be measured and reported to CCG commissioners quarterly | YES |

| 2013/14 Mental Health CQUIN Indicators | 2013/14 Target | Trust Performance |
|---|---|--------------------------|
| 7.2 Developing Support for Parents of CAMHS' Patients | <ul style="list-style-type: none"> Report on the needs of carers of children, including whether they receive support and advice, and highlighting any gaps in support. | YES |
| 7.3 Developing Support for Children in Families with MH Problems: | <ul style="list-style-type: none"> Child carers pilot starts beginning of Q3 | YES |
| 8 To improve electronic communication with primary care | | |
| 8.1 Building Capabilities in Electronic Communications: | <ul style="list-style-type: none"> The Trust developed and implemented new systems and policies to support electronic communication between the Trust and external organisations | YES |
| 8.2 Improvements in Response Time and Secure Electronic Communication: | <ul style="list-style-type: none"> Discharge, CPA and outpatient letters to be communicated securely electronically from ELFT to primary care to 100% of GP practices with nhs.net addresses From start Q3 provide quarterly reporting on the performance of the Trust responding to Primary Care within 48 working hours and communicating securely electronically to the MH Consortium (the report should describe quantitative data and qualitative analysis providing the reasons behind exceptions to the rules) | TBC |

2013/14 CQUIN targets for Forensic Services, Child and Adolescent Mental Health Services, Newham Talking Therapies and Community Health Newham have been met. The full report is available upon request from the Trust secretary.

2.6 What Others Say about the Trust

- **Care Quality Commission (CQC)**

"East London NHS Foundation Trust is fully compliant with the Care Quality Commission"

Statements from the Care Quality Commission (CQC)

East London NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is without any conditions. The Care Quality Commission has not taken enforcement action against the Trust during 2013/14.

There were no relevant special reviews or investigations by the CQC during the reporting period. Below are quotes from the unannounced inspections of Adult Mental Health Services in Newham undertaken in 2013/14.

CQC Compliance Report – Adult Mental Health Services - Newham Directorate

“We looked at the personal care or treatment records of people, who use the service, carried out a visit on 30 January 2014 and 31 January 2014, observed how people were being cared for and spoke with one or more advocates for people who use services.”

“Most of the patients we spoke with were positive about the staff and the care they had received. Patients on Opal ward made comments including "I feel that staff listen to me", and "I have regular one to one sessions". All staff we spoke with said they felt well supported by the Trust. They said they had monthly one to one supervision and access to monthly reflective practice group sessions.”

“We observed staff treating patients with dignity throughout our visit. Patients we spoke with said staff respect their privacy and dignity. One person said "If I want to discuss something of a private nature, then this is done in a private room." Another said "they will knock on the door before entering."”

“People expressed their views and were involved in making decisions about their care and treatment. We were told that community meetings are held weekly on all the wards we visited. We saw notes from some of these meetings. The agenda included activities, hygiene on the ward and health and safety of patients. The meetings were attended by patients and members of the multi-disciplinary staff team.”

“People's needs were assessed and care and treatment was planned and delivered in line with their individual care plan. Files on all wards contained evidence of care planning.”

Trust Response

The CQC report was disseminated across the Trust and discussed at the Service Delivery Board, Quality Committee and Assurance Committee. The Trust submitted action plans in response to the improvement actions requested by CQC.

Further information

http://www.eastlondon.nhs.uk/about_us/care_quality_commission.asp

- **Organisation Readiness Self-Assessment (ORSA)**

The self-assessment questionnaire has been approved by the Review of Central Returns Steering Committee – ROCR

The ORSA is a process by which doctors will have to demonstrate to the General Medical Council (GMC) that they are up to date and fit to practise and they are compliant with the relevant professional standards. Revalidation will have 2 elements, re-licensing and re-certification.

Since autumn 2009, any doctor who wants to practise in medicine in the UK not only has to be registered with the GMC, but also has to hold a license to practise.

Organisational Readiness Self -Assessment is a questionnaire that aims to:

- Ensure designated bodies understand what is needed for revalidation and identify and prioritise areas for development
- Inform the England Revalidation Delivery Board and the GMC regarding progress towards implementation in England
- Contribute towards the Secretary of State's assessment of readiness for revalidation in 2012.

2.7 Data Quality

The Trust's Information Governance (IG) framework, including Data Quality (or "Information Quality Assurance") policy and responsibilities/management arrangements are embedded in the Trust's Information Governance and Information Management and Technology Security Policies.

Information Quality Assurance:

- The Trust established and maintains policies and procedures for information quality assurance and the effective management of records
- The Trust undertakes or commissions annual assessments and audits of its information quality and records management arrangements
- Data standards are set through clear and consistent definition of data items, in accordance with national standards
- The Trust promotes information quality and effective records management through policies, procedures, user manuals and training.

The Trust's Commissioners, Trust Board and Information Governance Steering Group receive regular reports on data quality/completion rates against agreed targets. The IG Steering Group receives and reviews performance on data quality benchmarked across London and nationally – including the use of the national data quality dashboard.

To support action and improvement plans, Directorate Management Teams receive a range of cumulative and snapshot data quality reports from the Trust's Information Management team – these show missing or invalid data at ward, team and down to individual patient level. Data validity and accreditation checks are undertaken annually in line with the IG Toolkit national requirements and an annual audit of clinical coding is undertaken in line with the IG Toolkit national requirements.

East London NHS Foundation Trust submitted records during 2013/14 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data taken from local RiO data as of 31st January 2014 which included:

| | Inpatient Mental Health | Community Mental Health | Inpatient CAMHS | Community CAMHS | CHN | Addiction Services |
|---|-------------------------|-------------------------|-----------------|-----------------|-------|--------------------|
| patient's valid NHS number | 98.1% | 99.6% | 100% | 99.5% | 98.0% | 97.8% |
| patient's valid General Medical Practice Code | 92.8% | 97.6% | 97.8% | 98.8% | 98.0% | 98.9% |

The Trust has implemented the following actions to improve data quality:

- Continuing deployment of ‘RiO Clinical’ across mental health services
- Monthly performance management meetings
- Expansion of RiO community systems
- Migration of CAMHS legacy system to RiO
- Major initiatives to embed captured PbR clusters.

2.7.1 Information Governance Toolkit attainment levels

East London NHS Foundation Trust’s national Information Governance Toolkit assessment compliance rating for 2013/14 was 93%. The Trust achieved Level 2 or above for all Requirements resulting in an overall ‘Satisfactory’ rating’.

2.7.2 Clinical coding error rate

East London NHS Foundation Trust was recently audited for Clinical Coding by Maxwell Stanley. The Audit Results Summary is as follows:

| | Primary diagnosis correct % | Secondary diagnosis correct % | Primary procedure correct % | Secondary procedures correct % | Unsafe to Audit % |
|------------------|-----------------------------|-------------------------------|-----------------------------|--------------------------------|-------------------|
| IG Audit 2012/13 | 94.00% | 83.65% | N/A | N/A | 0 |
| IG Audit 2013/14 | 98.00% | 96.24% | N/A | N/A | 0 |

The sample taken for the audit amounted to 50 finished consultant episodes (FCEs) and covered Adult Mental illness and Old Age Psychiatry following National Clinical Coding Standards. The results should not be extrapolated further than the actual sample audited

The overall findings of the audit demonstrate an excellent standard of primary diagnostic coding accuracy, with the percentage substantially increased compared to the previous Information Governance Audit and attainment of Level 3 for primary diagnosis coding this year. This was one primary diagnosis error identified in this audit. This was due to a documentation issue.

2.8 Trust Priorities for 2013/14

In 2013/14 the Trust is continuing to implement the long-term priorities and measures of quality and satisfaction developed as a result of the collaborative work undertaken with partner and stakeholder groups in 2010/11. The Trust will maintain the focus on these three key areas to ensure continuity and consistency:

- **Improving service user and carer satisfaction**
- **Improving staff satisfaction**
- **Maintaining financial viability**

In spite of significant challenges, the Trust has directed considerable resources to improve these key priorities; we intend to build on this momentum. The challenge for the year ahead is to keep all areas of quality (patient safety, clinical effectiveness and patient experience) central to the care and treatment we provide.

2.9 Quality Indicators for 2013/14

The Trust monitors quality in a number of ways, including through designated Board committees, robust performance management processes, internal scrutiny, self-assessment and feedback from service users and carers.

A revised set of indicators will enable the Trust to better monitor the quality of service delivery within the annual plan and through the in-year monitoring process.

They are grouped into the categories of:

- Patient safety
- Clinical effectiveness
- Patient experience

The quality indicators will provide a renewed emphasis on service user focused measures for quality. This work will allow the Trust to measure real aspects of recovery and experience and improve performance.

Much of the work the Trust undertakes to improve the quality of the services we deliver is in partnership with external organisations and stakeholder groups. We hope to continue this positive experience in the future.

In addition to the five quality indicators set out below, a range of initiatives will be undertaken over the next 12 months in the following areas:

The Quality Indicator priorities 2014/15

The areas of improvement listed below are approved by the Trust Board and constitute key areas of the Trust Quality Improvement Strategy to reduce harm and provide the 'Right care, right place, right time'. The indicators were developed as

part of the Quality Strategy and therefore presented to the Board and Governors as part of ongoing Quality Improvement Programme.

Detailed information is available in section 3.1 (Quality improvement programme), however, in terms of reducing harm. For the first area, we want to reduce harm by 30% every year. Improvement projects we are working on now tackle the ‘big safety issues’ for our patients and families, including physical violence, falls, restraint, medication errors and pressure ulcers.

In terms of ‘Right care, right place, right time’, projects will focus on improving patient and carer experience, reducing delays and inefficiencies, improving the reliability of evidence-based care delivery and ensuring care is provided in the right setting as close to home as possible.

For each of the priorities for improvement we have included which of the three categories the priorities cover. Each indicator will be reported on a monthly basis to the Quality Committee, the Quality Improvement Programme Group and via the Quality and Safety Dashboard presented to the Board and available on the Trust website.

| | Quality Indicator | Area | Rationale |
|---|---|-------------------------------------|---|
| 1 | Development of Quality and Safety Dashboards at ward/team level | Right Care (Clinical Effectiveness) | Being led by ELFT Informatics Team. This work will provide Trust, Borough and team level data across a range of domains to facilitate greater understanding of the key areas of improvement and whether any changes which are being implemented are resulting in measurable change. A vital tool in the ‘plan, do, study, act’ methodology. |
| 2 | Implementation of real-time PREM data collection methods in 50% of trust services | Right Care (Patient Satisfaction) | Patients and carers are at the heart of everything we do. Without up-to-date and reliable information from the people who use our services will be unable to know whether the changes are leading to improved levels of service satisfaction. |
| 3 | A. <i>To eliminate grade 3 and 4 pressure ulcers acquired in our care by December 2014</i> B. <i>Reduce grade 2 pressure ulcers acquired in our care by 30% by December 2014</i> | Reducing Harm (Patient Safety) | Stretch aims to be achieved through use of IHI Model for Improvement though iterative PDSA cycles. The pressure ulcer team are focussing on reliably implementing the SSkin bundle of care throughout the entire organisation. |

| | Quality Indicator | Area | Rationale |
|---|--|--------------------------------|---|
| 4 | <i>To reduce violent incidents in the Trust by 30%.</i> | Reducing Harm (Patient Safety) | Stretch aims to be achieved through use of IHI Model for Improvement though iterative PDSA cycles. The violence reduction team are focussing on implementing a bundle of care that includes use of the Broset Violence Checklist throughout the organisation. |
| 5 | 200 staff to be trained face to face in Quality Improvement methodology. | Staff engagement | Sequencing and timing to be determined following input from our newly appointed strategic partners. |

ELFT performance against last year's Quality Indicators is available in section 3.1.1

2.10 Special Focus across the Trust

The following section provides information across a number of areas of how the Trust is working to improve the quality of our services across the three domains of 'Patient Safety, Clinical Effectiveness' and 'Patient Experience'.

2.10.1 Quality Improvement Programme



The Trust has undertaken a number of quality improvement projects which in combination we believe will have a significant and sustainable impact on the quality of the services we provide. Below we outline two examples to provide a flavour of the work being undertaken. Detailed information about the Quality Improvement Programme is available in section 3.

Violence reduction on our adult acute mental health wards

On Globe Ward at the Tower Hamlets Centre for Mental Health, the team have been working for the past 18 months on reducing levels of physical violence. Critical to this approach was the model of training up staff in improvement skills, and allowing them space and time to tackle a quality issue of real significance to staff and patients. The team on Globe ward used a consistent methodology (the Model for Improvement) to test ideas using PDSA cycles, learning and adapting as they refined their change ideas, and using data to assess impact over time.

Reducing the level of violence and aggression on acute wards is clearly something that is important to patients and staff. Over a year and a half ago Globe Ward piloted the use of the Broset Violence Checklist (BVC) in Tower Hamlets as part of a project to move towards being a 'zero violence' ward.

The BVC itself is very easy to use. It is a simple 6-item scale that is designed to help staff quickly identify behavioural cues associated with an increased risk of violence – the idea being that a high score should then prompt staff to offer some kind of team intervention, from de-escalation and talking, through to use of PRN medication, referral to PICU, and so on.

The evidence from Globe Ward is that the BVC can help to reduce violence. The number of Datix incidents recorded under ‘violence and aggression’ has reduced by well over 50%, and for over a year there has not been a violent incident on the ward where anyone – patient or staff – has been hurt.

Paul McLaughlin, Matron for the ward:

“Clearly the BVC is not the only answer, it’s just a risk assessment tool. What I like about it, however, is that it is nurse-led. It empowers registered and unregistered nursing staff to be proactive and take the lead on reducing violence. If a patient is becoming aggressive, there is no point in waiting until the ward round to mention it to the consultant. Staff should do something about it then and there.”

The BVC pilot came at a good time for Globe Ward. Dr Feddi Jonsson, our wonderful lead consultant, and all the consultants on the ward, gave the pilot their full support.

“We have developed a great multi-disciplinary team here with a relatively flattened hierarchy. There is a relaxed atmosphere and ease of communication. What part the BVC itself has played in this teamwork is hard to say. I am certain though that the BVC has helped junior nursing staff to see reducing violence as very much a shared endeavour, with their role as central and key. We have some extremely talented and qualified social therapists and recovery workers. The BVC helps to create a team where those talents are fully employed, to the benefit of everyone.”

Once the Globe ward team were confident that they had implemented this change sustainably, making it part of their routine operations, we began the process of spreading this successful change to other acute wards. Over the last six months, we have spread this simple intervention in a systematic and patient manner across all acute wards in Tower Hamlets and Newham, and are about to begin spread to City & Hackney. The spread has utilised the methodology of the Model for Improvement, ensuring the conditions in the target wards are ready, executive leadership is in place, utilising peer-to-peer channels to ‘sell’ the idea, investing time to explain and train staff in the BVC tool, and continuously using data to assess impact and make adaptations. We have now seen physical violence levels reduce across all Tower Hamlets acute wards by approximately 40%.

We have demonstrated through this project that simple changes, led by frontline staff with improvement skills, can make a real difference in improving quality of care – even in an issue such as physical violence on acute mental health wards, which many see as ‘intractable’.

Redesigning our Datix incident reporting system

Having a system to capture safety incidents is critical in helping us learn and develop ways of making our services safer. Over time we recognised that the current Datix system could be improved significantly to extract more value and learning, make it more relevant for certain services, and to improve the user experience.

In Autumn 2013, we consulted a range of staff, from Band 3's and 4's, matrons, Consultants, patients, junior doctors and management teams across a range of services to help us identify what improvements to Datix would be most valuable for our staff. We collated and ranked the ideas that were raised through the consultation.

Over the last 4 months, our quality improvement team and Datix team have implemented five of the top nine ideas raised by staff:

- Feeding back to the original reporter and relevant Consultant on all actions taken about an incident
- Setting up dashboards in Datix to allow services to view real-time trends in incidents over time
- Integrating incident data with other quality data, with the development of real-time quality dashboards available to all staff from any computer, which integrate safety incident data with clinical effectiveness, patient experience and staff measures
- Streamlining the incident reporting form
- Revising the incident classification system

There is a new incident reporting form – much simpler and shorter, with new categories of incident – streamlined, and hopefully more relevant for frontline services.

The reporting form is clearer, with less text and clutter. The choices available are more intuitive, and the number of core fields that are required to be completed has been reduced by 25%.

There are fewer, clearer, and more relevant incident categories to choose from. The number of available categories has been reduced from over 50 to around 40, and sub-categories from over 400 to around 300. The categories available have been modified in line with the increased diversity of operations that the Trust now runs, including community health services.

We expect the changes to:

- Improve the user experience
- Extract more value and learning
- Encourage more reporting
- Improve data quality

All these system changes have utilised existing knowledge and skills within the organisation, with no extra money or resource required. It demonstrates an early example of a system redesign in our large-scale quality improvement programme, which is focused on making small, simple changes which can make a big difference to our patients, carers and staff. This work has been led by our corporate and assurance teams, who have engaged deeply with every level of the organisation in understanding how the system can support and enhance the working lives of our clinical teams and help them to provide the safest and highest quality care possible.

2.10.2 Patient Reported Experience Measures (PREM)

Two years ago the Trust set out to focus on improving the way we collect and use PREM data. In March 2014 the Trust Won **NHS England Excellence in Participation Award**. Our Service User Led Standards Audit won the award for **Excellence in Participation to Achieve Insight and Feedback**.

This award is for innovative approaches and ways of working in partnership with patients to seek and use feedback to design and deliver better services.

Our Service User Led Standards Audit has involved service users and carers from the beginning in developing and designing the questions used to understand more about patient experiences in our services. Service users are trained to carry out the audits across the Trust and support our staff to make use of the information collected via the audits.

Paul Sherman, Associate Director of People Participation said “*This is a truly collaborative programme of work that puts our service users at the centre of what we do. We are so proud of all our service users, carers and staff who have been involved in this work and we are happy to be recognised nationally by NHS England.*”

Service users involved in the audits have said “*It's a great stepping stone back to a normal life. I feel like I am putting something back.*” And “*I've gained skills and feel empowered and equipped to cope with life better.*”

To find out more about this work watch a short film here <http://vimeo.com/87883640>

2.10.3 Develop a partnership with local organisations which promote physical and mental wellbeing.

One of the quality indicators for the Trust was to work in partnership with our primary care colleagues to understand the barriers and facilitators to better physical health care for mental health service users in the community (see section 3.1.1). As a consequence, the Trust established a project to improve access to physical health and wellbeing opportunities for service users and carers.

Since the start of the project in September 2012 there have been 68 students from University of East London and Queen Mary University on placement across the Trust. UEL students have either been providing personal training sessions for service users, co-facilitating physical health groups with OT's or providing 1:1 coaching sessions at local gyms for members of the abstinence programme at Hackney Alcohol Centre.

Queen Mary students provided workshops for service users in community settings covering nutritional advice, cancer screening, sexual health and dental hygiene.

30 staff and service users have undergone different physical health and teacher training (Exercise to music and Community Activator). This is to enable staff across

inpatient settings to give a wider variety of physical activity. It has also lead to service users leading prescribed circuits settings across day centres and day hospitals.

There have been trials of different types of groups in the inpatient settings of Yoga and chair based exercise. Both have been successful in engaging with service users who lifestyles are currently sedentary. The Chair based exercise programme is currently running on the functional older adult wards in Tower Hamlets and Jade Ward in Newham,

We are in the early stages of putting together a Trust wide sports day to be held in September. The venues for this are currently the West Ham Stadium or the Copper box in the Olympic Park.

Building Relationships and signposting

Through initial focus groups with service users it was identified that there was a need for some training around mental health awareness. In collaboration with service users 5 half day training sessions have been provided to local authority staff and west ham coaches. So far 87 people have attended this training with positive feedback.

Currently we are providing the same training for Motivate East who are funded by Sports England. As a result of this they are aiming to provide tailored session covering a range of different physical activity for service users. Focus groups are being held in March 2014 with service users from inpatient and community teams to identify what types of activity are most popular. They will provide coaches and equipment to run sessions.

Physical Health boards that signpost service users to community facilities and nutritional advice are being collated for Newham inpatients wards and community teams.

Training for Service users

Through working with Bromley by Bow centre service users are accessing Para Legacy training. This is a Level one qualification provided by YMCAfit which enables participants to engage with the local community and provide support to access different physical activities and sports. On completion service users are provided with volunteering opportunities and access to additional coaching qualifications.

Sports staff from the forensic centre are currently undergoing their 'Preparing to teach in the lifelong learning sector' (PTLLS). The aim at the end of the course is to set up an accredited centre within the forensic centre that enables these staff to provide training to service users to get their Level 2 qualification in Fitness instructing: Gym based exercise.

Co-production project

25 clinical and community students went on a training day provided by service users and staff to take part in a coproduction research group. Students and service users will meet in February to decide on prospective research questions to investigate together. As a result service users who take place in the project will be able to access a range focus at UEL ranging from vocational skills training to university accredited certificates.

2.10.4 Acting on Staff Feedback

In Autumn 2013, we consulted a range of staff, from Band 3's and 4's, matrons, Consultants, patients, junior doctors and management teams across a range of services to help us identify what improvements to Datix would be most valuable for our staff.

Of the top nine ideas coming through, we're pleased to say that we're close to completing the first phase of improvements:

- Feeding back to the original reporter of the incident on all actions taken about an incident (Already happening)
- Setting up dashboards in Datix to allow services to view trends in incidents over time (Already in place)
- Integrating incident data with other quality data (coming in the next month with the launch of quality dashboards available to all staff from any computer)
- Simplifying the incident reporting form

PART 3

3.1 Review of Quality Performance 2013/14

Quality improvement programme – for Quality Accounts

Quality has been the undisputed buzzword in healthcare in 2013, with a number of seminal national reports focusing on how to improve quality of care.

At East London NHS Foundation Trust, we believe we currently deliver a good quality of care, with many ‘bright spots’ of excellent caring practice and innovation. There is also considerable inconsistency and variation, with a few ‘dark spots’ of concern. This situation is not unique to East London, and most healthcare staff may be able to relate to a similar picture in their organisation. Over recent years, as with many NHS providers, East London NHS FT has placed emphasis on quality control and quality assurance structures. This has resulted in relatively robust governance procedures, evidenced in the attainment of CQC essential standards of care for all visits and NHSLA level 3 risk management standards.

Our ambition is to deliver the best possible mental health and community care to our patients, service users, carers and families. We have made a commitment to quality of care being our foremost priority. This is embodied in our mission to provide the highest quality mental health and community care in England by 2020. We recognise that achieving this will require a new approach to quality. The three landmark reports in 2013 on quality and safety in the NHS (Francis report, Keogh review and Berwick report) have all espoused the development of an organisational culture which prioritises patients and quality of care above all else, with clear values embedded through all aspects of organisational behaviour, and a relentless pursuit of high quality care through continuous improvement.

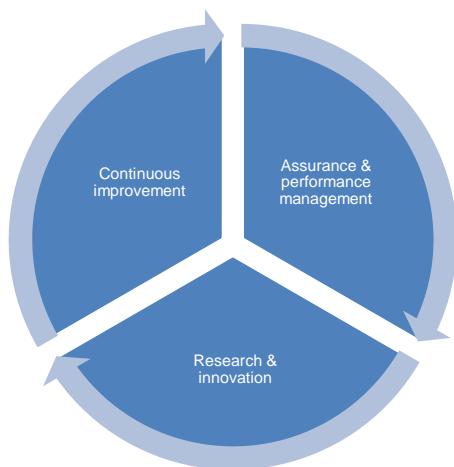
In addition but not unrelated, funding for the NHS is likely to remain static or possibly decline in real terms beyond the 2015 general election. Achieving year-on-year efficiency savings by focusing on rationalising inputs to the system (workforce, assets) is proving increasingly difficult and is likely to disproportionately affect staff morale and quality of care. It’s abundantly clear to anyone working in the frontline of healthcare delivery that the area of greatest inefficiency within the system lies within the clinical processes themselves, which have largely remained untouched through recent years of efficiency savings. Redesigning clinical pathways with the ambition of providing patient-centred, high value care offers the potential to realise continued savings from the health economy whilst delivering an improved quality of service to our patients. Successful redesign at this scale requires improvement expertise, dedicated resource, rigorous application of a consistent methodology and a fundamentally different approach to quality, which involves putting patients and the families at the heart of the design and improvement work.

Creating a balanced quality system

Our mission is to provide the highest quality mental health and community care in England. Being the very best requires continual improvement – always seeking to do

things better. Sometimes it involves fundamental change in the way things are done, with everyone working together sharing the same passion and commitment.

The work required to achieve this will take several years, and involve us embedding improvement alongside assurance, performance management, research and innovation to develop a holistic approach to quality.



Our strategy takes a whole-organisation approach to quality improvement, and is built on experience and best practice from healthcare organisations and systems across the globe.

Why are we doing this?

| | | | |
|--|--|--|--|
| The right thing to do <ul style="list-style-type: none">• Improving quality of care is our core purpose• Of greatest importance to all our stakeholders• Build on the excellent work already happening to improve quality | Francis, Keogh and Berwick reviews <ul style="list-style-type: none">• The need to focus on a more compassionate, caring service with patients first and foremost• More structured and bottom-up approach to improvement | Engaging our staff <ul style="list-style-type: none">• The desire to engage, free and support our staff to innovate and drive change• Engaged and motivated staff leads to improved patient outcomes | The economic climate <ul style="list-style-type: none">• The need to do more with less<ul style="list-style-type: none">– <i>improving quality whilst reducing cost</i> |
|--|--|--|--|

Culture change

Delivering our mission will rely on:

- supporting our front-line staff to work in partnership with service users and carers, and providing them with the skills and freedom to innovate and test out ideas which could make a real difference. Eventually, we hope to support

hundreds of quality improvement projects at the front-line, measuring their impact and spreading those ideas that have been shown to improve quality of care.

- ensuring that our teams are focused on the aspects of care that are of most importance to our service users, and supporting them to stop activity that is of less value
- embedding a culture of listening to our staff, service users and their families in our efforts to continuously improve our services



Key elements of our Quality improvement programme

1. Setting goals

East London NHS Foundation Trust has set itself the long-term mission to provide the highest quality mental health and community care in England by 2020.

As initial areas of focus for improvement work, we have set ourselves two challenging stretch aims, which will provide frontline teams with a way to align their work with system-level aims:

- To reduce harm by 30% each year
- Right care, right place, right time

To reduce harm by 30% each year

We want to reduce harm by 30% every year. Improvement projects we are working on now tackle the 'big safety issues' for our patients and families, including physical violence, falls, restraint, medication errors and pressure ulcers.

Right care, right place, right time

Projects will focus on improving patient and carer experience, reducing delays and inefficiencies, improving the reliability of evidence-based care delivery and ensuring care is provided in the right setting as close to home as possible.

2. Central coordination

We are recruiting a central team to coordinate the programme, coach frontline teams in their improvement efforts and support internal and external learning and sharing from our work.

3. Building the will

To be truly successful in changing the culture of the organisation, we need to engage people at all levels and areas of the organisation, and those that have a role and interest in the provision of high quality care by East London NHS FT – whether staff, patients, carers, volunteers, commissioners, Governors or the local public.

Our approach to this challenge is two-fold: using traditional engagement channels, and also starting to build a grassroots movement. Traditional engagement activities have included a formal launch event for the programme in February 2014, attended by around 250 people, and roadshows across every major Trust site between March and May 2014. The grassroots campaign will rely on networks and influence – developing local champions at every level, flattening hierarchies and making improvement opportunities available to all, and using a publicly available microsite to act as the central resource for the programme.

4. Aligning our systems to support improvement

Over the last few months, we have been slowly and steadily reviewing and re-aligning many of our corporate systems so that they will support our improvement work. Much of this has the potential to be transformative – for example, working towards the publication of complaints every month on our website, embedding a structure for listening at every level of the organisation, integrating quality data and making this available to every person in the organisation, reviewing all of our policies and procedures to ensure they support the development of a just culture, reviewing our clinical audit programme, refreshing our induction process, and ensuring that quality improvement is embedded within all of our internal training and development.

Alongside this, we're developing the framework for measuring and evaluating our progress on our strategy – not an easy task, considering the lack of standardised outcome measures in mental health, and the lack of accurate tariffs and costs for patient-level activity.

5. Building improvement capability

One of our earliest decisions was that we would be more successful in this journey if we partnered with an external continuous improvement expert, to support us with strategic advice and to help us build improvement skills in our workforce at scale and at pace. We are proud to be partnering with the world leaders in healthcare improvement, the US-based Institute for Healthcare Improvement, who will be helping us to build improvement skills in our workforce at pace and scale over the coming two years, and will be providing us with strategic support and advice.

We're also working with BMJ Quality to provide our teams with a customised online platform to document their QI project, provide them with online tools & resources, and a way to publish their QI work.

Mission: To Provide the Highest Quality Mental Health and Community Care in England

Stretch Aim 1: Reducing Harm

- Total number of incidents on DATIX reporting harm (moderate harm and above)
- Reported incidents resulting in harm as a proportion of total incidents reported on DATIX
- Reported incidents resulting in harm as a proportion of clinical activity (Clinical activity defined as unique clients that have had contact in either **Inpatient** (Occupied bed on wards) OR **Community** (Contact – Face-to-Face seen) in Mental health service). The same can be repeated for Community Health Newham.

Stretch Aim 2: Right Care, Right Place, Right Time

Improving Patient and Carer Experience

- PREMs across Trust
- PROMs across Trust
- F+F test

Improved Access to Services at the Right Location

- Waiting times for assessment and treatment in Trust

Reliable Delivery of Evidence Based Care

- Care Planning: Service user views and needs as identified in the This Is Me care plan, are reflected in the inpatient care plan document (Inpatient standards)
- Care Planning: Care plans in date (documents 12 months old) (community) (Trust KPIs)
- Risk Assessment: Risk assessment section completed (CPA and Risk Assessment)
- Physical Health: If the physical health assessment has identified a condition requiring intervention, treatment or monitoring this is identified in the care plan. (Inpatient standards)
- % Pts being triaged in each team/service by clinical experts (consultants or other senior clinicians)

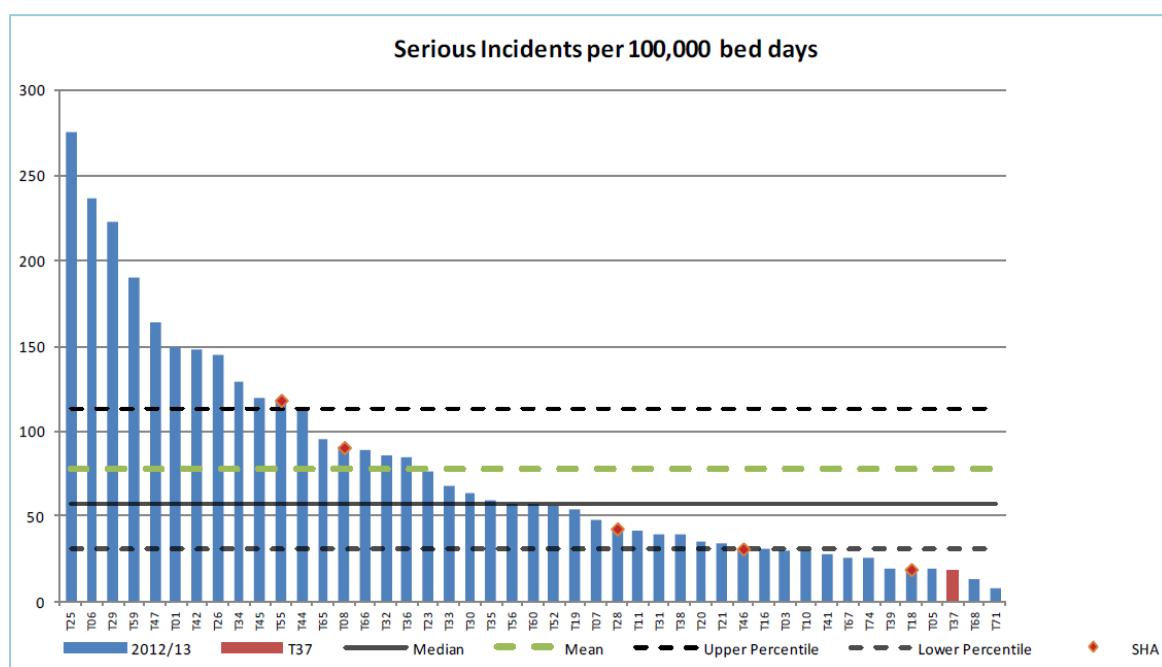
Reducing Delays and Inefficiencies in the system:

- Assessment within 28 days of referral – Adult and Older People (Community)
- Inpatient bed occupancy rate (adult and older adult)
- Readmission rate (28 days) – (adult and older adult)
- Average length of stay (adult and older adult)
- Mental Health Patients occupying beds with delayed transfer of care - Adult & Older Adult

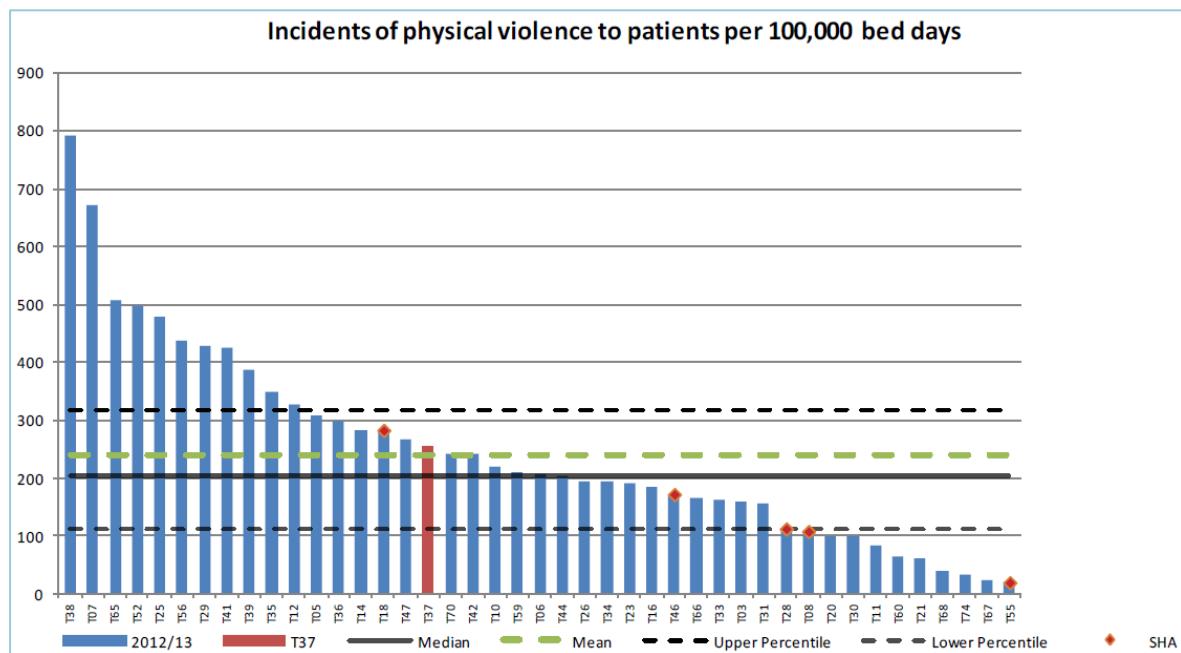
The Following example benchmarking dataset will be used to compare with national datasets and map progress over time. These data are provided annually by NHS Mental Health Bench Marking. East London Foundation Trust is 'T37'. Many of these data are also reported on a monthly basis in the Trust Quality and Safety Dashboard which is available on the Trust Website.

Safety

A range of safety measures are available for the Trust to compare our progress against other Trusts and over time. One example is the number of 'Serious incidents per 100,000 bed days'. These data cover Adult, older Adult, Child and Adolescent and Forensic mental health services. These data indicate that ELFT has an especially low rate.



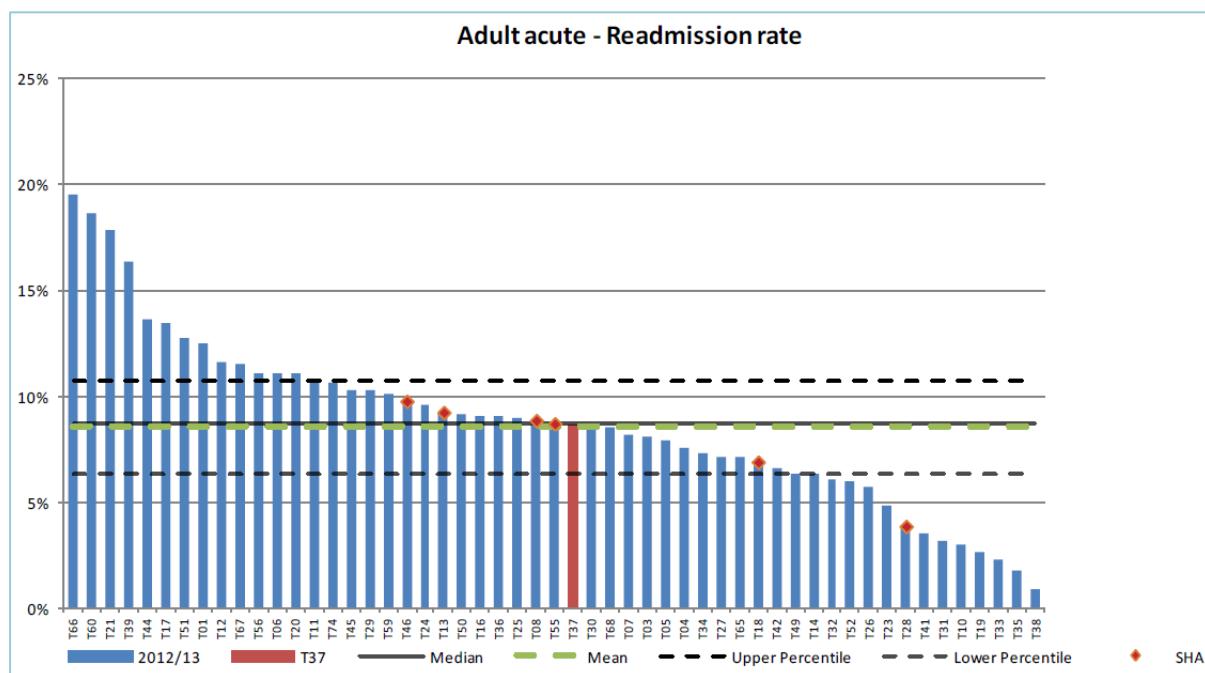
The Incidents of physical violence to patients per 100,000 bed days indicates ELFT is close to the median national level. It is due to data like this, that the Trust has implemented the Violence Reduction programme (see section 2.10).



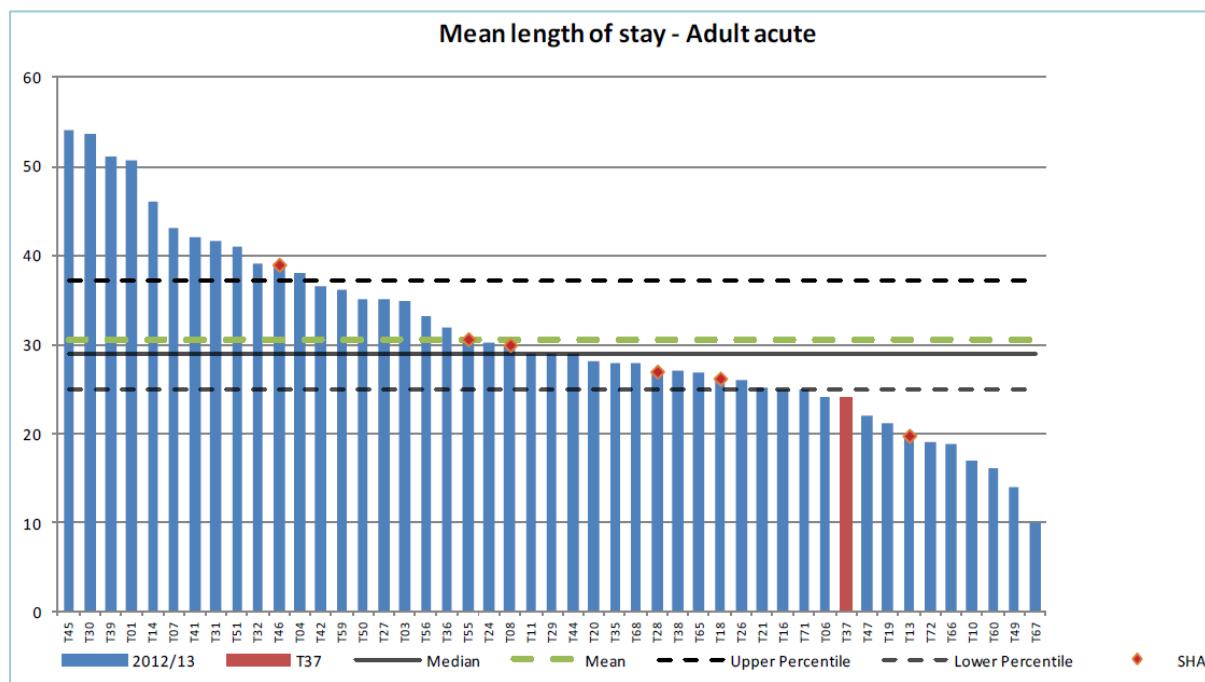
Clinical Effectiveness

Measures of clinical effectiveness are often more a proxy than a true indicator of effectiveness, however, the Trust has often performed well against a number of measures. This is particularly encouraging given the needs of the local community.

The following measures are commonly used to provide an indication of the efficacy of care and treatment models, however, they are often influenced by clinical models of care and availability of local resources, such as housing or social care services.

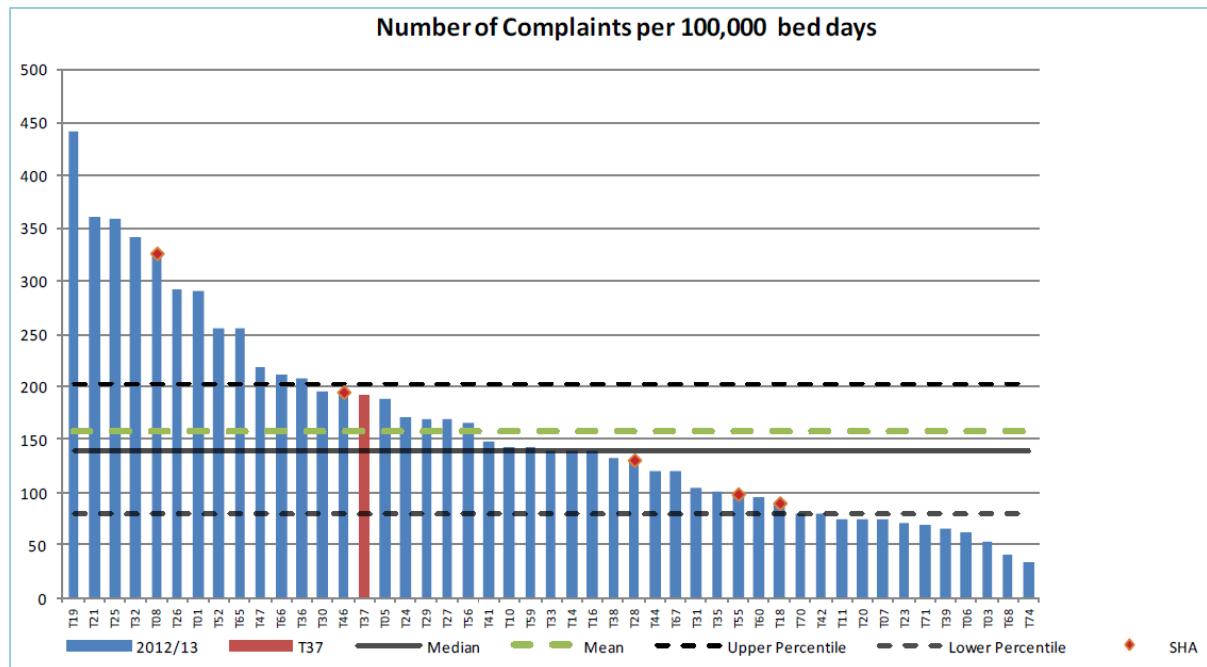


Length of Stay data for the Trust indicate that patients are often staying on our inpatient wards for a shorter period than comparable services across the country. ELFT is keen to ensure that patients receive care in the least restrictive environment.



Patient and Carer Satisfaction

A range of data are presented in the report to indicate patient and carer levels of satisfaction (see section 3.1.1. re: PREM). The data presented below refer to the number of complaints per 100,000 bed days.



3.1.1 Review of Priorities for 2013/14

Our quality strategy underpins everything we do and enables us to set targets and monitor their impact. In addition to the national clinical targets, we have developed quality indicators covering patient safety, clinical effectiveness and patient experience.

We have continued to encourage a culture within all our services where staff feel recognised and supported but also where poor performance is challenged and managed appropriately.

This quality report will detail the key achievements and a summary of progress across indicators. Each indicator is described in respect of improvements achieved during the year, and the identification of further improvements required during 2013/14.

The quality indicators set out below were developed in partnership with our key stakeholders, such as service users, carers and representative groups across the four boroughs and cover those three main domains. By focusing our time and resources on these priorities, the Trust has been able to achieve each of the targets. This is why we have chosen to maintain this focus for 2013/14.

The Quality Indicator priorities 2013/14

| Quality indicator | Category | Status |
|--|--|-------------------------------|
| 1. <ul style="list-style-type: none"> a. % of patients on CPA for whom we have met or exceed their planned number of visits per month b. % of patients with a primary diagnosis of schizophrenia on enhanced CPA whose care plan addresses three of the following: <ul style="list-style-type: none"> i. Mental State Examination ii. Psycho-education iii. Employment (including education) iv. Relationships v. Housing vi. Activity c. % of patients on CPA whose carer has been contacted by the care co-ordinator | Patient experience; Clinical effectiveness | a. 97.2% b. 100% c. 80% |
| 2. Percentage of young people in contact with Community CAMHS Teams who have shown improvement as measured by CORC outcome measures | Patient experience; Clinical effectiveness | 93% |
| 3. All medication errors involving high risk | Clinical | ¹ NO |

| Quality indicator | Category | Status |
|---|--|------------------------|
| medication, anticoagulants and Methadone to be defined as never events <ul style="list-style-type: none"> • The Trust target for 2013/14 is zero events | effectiveness; Patient safety | |
| 4. Expand the current real-time data collection process to include Learning Disability and MHCOP services and increase local ownership of touch screens as indicated by the local development and analysis of questions and data. | Patient experience; | YES |
| 5. Percentage of all patients with diabetes with a physical health care plan that specifies targets for glycaemic control <ul style="list-style-type: none"> • 80% of mental health inpatient nursing and support workers to have experiential training with the Diabetic Nurse Specialist | Patient safety; Clinical effectiveness | ¹ NO |
| 6. Undertake regular focused surveys of staff to understand better their perception of issues across the Trust <ul style="list-style-type: none"> • A set of core questions concerning engagement, involvement and morale • Repeat questions would act as a pulse-point indicator by which to measure incremental outcomes to initiatives • Additional questions based on a theme would be asked at each quarterly point e.g. quality of appraisals, stress, career development, opportunities for research etc. | Patient experience | YES |
| 7. Each clinical team to develop one quality initiative to improve patient satisfaction | Patient experience; Clinical effectiveness; Patient safety | ² YES |
| 8. Ensure a high percentage of patients receive adequate antipsychotic prescribing monitoring <ul style="list-style-type: none"> • Medicines reconciliation of all patients on admission and subsequent review of medicine charts by pharmacy staff • Annual POMH-UK audits for high dose and combination prescribing • Quarterly audit of high dose antipsychotic prescribing | Patient experience; Clinical effectiveness | YES |
| 9. Develop partnership with local organisation(s) which promote physical and mental wellbeing <ul style="list-style-type: none"> • Work in partnership with our primary care colleagues to understand the barriers and facilitators to better physical health care for mental health service users in the | Patient experience; Clinical effectiveness; Patient safety | YES (see section 2.10) |

| Quality indicator | Category | Status |
|---|----------|--------|
| <p>community</p> <ul style="list-style-type: none"> The focus will be on improved monitoring of outpatients on the Serious Mental Illness (SMI) Register | | |

1 – Details of the data are available below; 2 - A list of initiatives is available upon request.

The quality Indicators are developed as a means of making the greatest improvement to the quality and safety of services based on what the Trust and key stakeholders believe are the Trust priorities. Although the Trust has maintained a focus on improving patient and carer satisfaction, staff satisfaction and maintaining financial viability, the individual areas of focus, and corresponding indicators, change every year. As such, it is not always possible to provide historical or comparative data.

Details of targets the Trust Failed to achieve

The Trust aims to ensure that all medication errors involving high risk medication are ‘never events’. This is an ambitious target and in keeping with the spirit of the Quality Improvement Strategy to reduce harm. The data below indicate that there is much work to be done. The Quality Improvement Programme includes projects which focus specifically on reducing medication errors. Details are available on the Trust website.

| High risk medication | Errors affecting patient | Other incidents pertaining to specified medication | Total |
|----------------------|--------------------------|--|-----------|
| Clozapine | 27 | 7 | 34 |
| Lithium | 11 | 1 | 12 |
| Insulin | 13 | 2 | 15 |
| Anti-coagulants | 4 | 0 | 4 |
| Methadone | 12 | 4 | 16 |
| Total | 67 | 14 | 81 |

Where the Trust failed to achieve the required target regarding indicator ‘Diabetes care for mental health patients’ the trust has developed a range of actions to improve the physical health of people using our services. Details are available on the Trust website.

In addition to fulfilling all the quality priorities set out over the previous year, the Trust has met all Care Quality Commission (CQC) and all Commissioner targets.

Monitor Assurance

East London NHS Foundation Trust has a range of Monitor targets on which we report throughout the year. The targets outlined below are tested by external monitors to provide assurance that the data provided are reliable. Two are statutory, one is locally defined.

The figures below show the trust has exceeded all national targets. As set-out in section 2.7 the Trust considers that this data is as described for the following reasons; the trust has data quality arrangements in place which ensure the Trust's Commissioners, Trust Board and Information Governance Steering Group receive regular reports on data quality/completion rates against agreed targets. The IG Steering group receive and review performance on data quality benchmarked across London and nationally – including the use of the national data quality dashboard.

| Monitor targets | Target 2013/14 | Actual 2013/14 (Q4) | ELFT 2012/13 | *Natio nal Averag e | Range |
|---|---------------------------|------------------------------------|-------------------------|--|--------------|
| 1. CPA inpatient discharges followed up within 7 days (face to face and telephone) | 95% | 97.3% | 98.1% | 97.4% | 93.3 – 100% |
| 2. Patients occupying beds with delayed transfer of care - Adult and Older Adult | 7.5% | 2.0% | 1.75% | **N/A | **N/A |
| 3. Admissions to inpatient services had access to crisis resolution home treatment team | 95% | 100% | 98.8% | 98.3% | 75.2 – 100% |

*Data available via: <http://www.england.nhs.uk/statistics/statistical-work-areas/mental-health-community-teams-activity/>

** Delayed transfer of care is calculated as (N days delayed / N occupied bed days) – national comparison data is not available

The Trust has successfully reached all monitor targets for 2013/14. We believe these data are a reflection of the long-term strategic decisions that have led to sustained improvements in efficiency and quality.

Patient Safety

The Trust sort clarification from MPSA about the definition of patient safety incidents and updated our categorisation. Incidents which result in severe harm or death are reviewed and necessary improvements are put in place.

| The total number of patient safety incidents, including the percentage of such incidents that resulted in severe harm or death | 2013/14 | 2012/13 |
|--|--|--|
| <ul style="list-style-type: none"> Total incidents reported Incidents identified as 'patient safety incidents' (as per NPSA definition) Of which resulted in severe harm or death | <ul style="list-style-type: none"> • 8774 • 4119 • 27 (0.65%) | <ul style="list-style-type: none"> • 8064 • 2631 • 7 (0.3%) |

The number of 'patient safety incidents' indicator has been published for the first time. It is reliant on staff reporting incidents and there is a degree of clinical judgement regarding the classification of harm associated with any incident. The trust benchmarks itself against other trusts in order to review and improve reporting practice.

The Trust is keen to increase the reporting of incidents, but reduce the patient experience of harm. The Trust are supporting this by seeking to develop whole system measures of quality, which would allow us to better understand whether we are improving the quality and safety of our services over time.

In parallel, the Trust is looking at developing a more continuous and rounded view of system safety, incorporating a continuous measure of adverse incidents (using trigger tools), complaints, serious incidents, voluntary reporting of incidents, mortality, and other indices.

The table below details each of the Trust's Monitor Indicators for the last two reporting periods. The data are presented as end of year ('year to date') figures.

| Monitor Targets | Target 2013/14 | Actual 2013/14 Q4 | ELFT 2012/13 |
|---|--|-------------------------|-----------------|
| Mental Health Patients occupying beds with delayed transfer of care - Adult & Older Adult (Only CAMHS excluded) | 7.5% | 2.0% | 1.75% |
| Admissions made via Crisis Resolution Teams (end of period) | 95% | 100% | 98.8% |
| Number of adult CPA patients meeting with care-coordinator in past 12 months | 95% | 97.1% | 98.1% |
| Access to healthcare for people with a learning disability – report compliance to CQC | Completion of self- assessment & declaration | 19 | 19 |
| Newly diagnosed cases of first episode psychosis receiving Early Intervention Services | 176 | 304 | 299 |
| Completeness of Mental Health Minimum | 97% | 99.0% | 99.1% |

| Monitor Targets | Target 2013/14 | Actual 2013/14 Q4 | ELFT 2012/13 |
|--|-------------------|-------------------------|-----------------|
| data set – PART ONE | | | |
| Completeness of Mental Health Minimum data set – PART TWO | 50% | 93.9% | 92.2% |
| Referral to treatment time within 18 weeks (non-admitted patients) | 95% | 98.8% | 100.0% |
| Maximum time of 18 weeks from point of referral to treatment (patients on incomplete pathways) | 92% | 100% | 100.0% |
| A&E Clinical Quality - Waiting time in A&E | 95% | 99.3% | 96.3% |
| MRSA bloodstream infections - reported instances | 0 | 0 | 0 |
| Reduction in Clostridium Difficile - reported instances | 0 | 0 | 0 |

Monitor Targets - Community Information Data Set (CIDS - Data Completeness)

| | | | |
|---|-----|------|--------|
| Community Referral to treatment information | 50% | 100% | 100.0% |
| Referral information | 50% | 76% | 74.7% |
| Activity information | 50% | 88% | 96.3% |

NB: Maximum time of 18 weeks from point of referral to treatment in aggregate is not included as ELFT does not have elective inpatients

28 Day Re-admission rates

ELFT considers that these percentages have reduced for people 15 years of age and over due to the concerted effort teams have made to ensure assessments and discharges are as thorough as possible. The increased rate in re-admission rates for people under 15 years of age is due to the small sample size.

ELFT has taken the following actions to improve these percentages, and so the quality of its services, by increasing staff training and ensuring clinical decisions are based on multi-disciplinary input, levels of community support are high and patients have greater access to Community Mental Health Teams (CMHT).

Presented below are the percentages for the last two reporting periods.

Total discharges

| Period | Number of Clients (0 to 14) | %age of Clients (0 to 14) | Number of Clients (15 or Over) | %age of Clients (15 or Over) | Discharges |
|----------------------|-----------------------------|---------------------------|--------------------------------|------------------------------|------------|
| 2011/12 | 0 | 0 | 270 | 8.1 | 3332 |
| 2012/13 | 1 | 7.1% | 262 | 7.6 | 3468 |
| 2013/14 (YTD to Apr) | 0 | 0 | 307 | 8.5 | 3649 |

Presented below are the discharges based on Split Cohort for discharges for the last two reporting periods

Based on Cohort Age (0 to 14)

| Period | Number of Clients (0 to 14) | Discharges | %age of Clients (0 to 14) |
|----------------------|-----------------------------|------------|---------------------------|
| 2011/12 | 0 | 16 | 0 |
| 2012/13 | 1 | 14 | 7.1% |
| 2013/14 (YTD to Apr) | 0 | 22 | 0% |

Based on Cohort Age (15 and Over)

| Period | Number of Clients (15 Over) | Discharges | %age of Clients (15 and Over) |
|----------------------|-----------------------------|------------|-------------------------------|
| 2011/12 | 270 | 3316 | 8.1% |
| 2012/13 | 262 | 3454 | 7.6% |
| 2013/14 (YTD to Apr) | 307 | 3627 | 8.5% |

Care Programme Approach (CPA)

The CPA is the framework through which care and treatment is delivered for a large proportion of the Trust's service users. The table below shows that for the vast majority of services users on CPA their care plans are kept up to date. However, the proportion of service users on CPA who are seen every month is below the level we would hope to achieve. Increasing contact time is one of the Trust's priorities for the year ahead.

| Indicator | Target | Actual Performance |
|---|--------|--------------------|
| CPA patients – care plans in date (documents 12 months old) | 95% | 97.8% |
| CPA patients – care plans in date (documents 6 months old) | 95% | 89.2% |
| % CPA patients seen per month – face to face only | 90% | 90.4% |

Safeguarding Adults and Children

The Trust works with around 16,000 adult mental health service users at any one time. Many of these are parents, pregnant women, grandparents, stepparents or in contact with children. Over 25% of our service users will be subject to the Care Programme Approach.

Child and Adolescent Mental Health Services (CAMHS) received 4,370 referrals during the year. CAMHS had 43,539 total contacts with approximately 4,082 children and young people on CAMHS caseloads.

The following information should demonstrate how good performance in training compliance in health and safety areas leads to fewer staff safety incidents and therefore reduces the potential for personal injury claims. This is vital for improving patient safety, clinical effectiveness and patient experience, the Trust's priorities.

CPA Audit Tool – Safeguarding Children Standards

Four of the standards in the CPA audit tool relate to safeguarding children. Once it is known that the service user has children, the Safeguarding Children Audit Tools applies. These are to ensure children are identified at the outset.

‘Safeguarding Children Level 1’ training compliance

The Trust continues to ensure that all staff attend relevant mandatory training courses. The target set by the CQC for all levels is 80%.

Safeguarding Children Level 1

| Total | Number of staff | Number of staff attended | % compliance |
|---------|-----------------|--------------------------|--------------|
| 2011/12 | 3,592 | 3,404 | 94.8% |
| 2012/13 | 3,653 | 3,454 | 94.55% |
| 2013/14 | 3,502 | 3,383 | 96.61% |

‘Safeguarding Adults’ training compliance

The Trust is about to embark on a major training programme around safeguarding adults to ensure that all our staff have the appropriate training to manage this agenda.

‘Safeguarding Adults’ training compliance

| Total | Number of staff | Number of staff attended | % compliance |
|---------|-----------------|--------------------------|--------------|
| 2011/12 | 3,592 | 2,913 | 81.1% |
| 2012/13 | 3,580 | 2,978 | 83.18% |
| 2013/14 | 3,502 | 2,831 | 81.70% |

‘Health and Safety’ training compliance

| Total | Number of staff | Number of staff attended | % compliance |
|---------|-----------------|--------------------------|--------------|
| 2011/12 | 3,592 | 2,969 | 82.7% |
| 2012/13 | 3,653 | 2,627 | 71.9% |
| 2013/14 | 3482 | 2,619 | 75.24% |

'Manual Handling' training compliance

| Total | Number of staff | Number of staff attended | % compliance |
|---------|-----------------|--------------------------|--------------|
| 2011/12 | 2,901 | 2,684 | 92.5% |
| 2012/13 | 3,653 | 3,451 | 94.5% |
| 2013/14 | 2,808 | 2,603 | 92.70% |

'Fire Safety (including fire marshal)' training compliance

| Total | Number of staff | Number of staff attended | % compliance |
|---------|-----------------|--------------------------|--------------|
| 2011/12 | 3,592 | 2,665 | 74.2% |
| 2012/13 | 3,653 | 2,434 | 66.6% |
| 2013/14 | 3,479 | 2,278 | 65.47% |

Medicines management is a high risk activity; we therefore pay specific attention to medication errors of all types. The most common type of error is known to be administration errors and as a result the Pharmacy department undertook a large study which involved the direct observation of the administration of medicines. The findings and recommendations have been widely discussed and currently being implemented.

Incident data

| | Prescribing error | Dispensing error | Administration error | Chart not signed | Medication availability | Other | Total |
|-------|-------------------|------------------|----------------------|------------------|-------------------------|-------|-------|
| Total | 44 | 41 | 180 | 0 | 11 | 55 | 329 |

Medicines incidents continued to be reported via the Trust DATIX system and discussed at local Medicines Safety Groups. Measures then are taken to minimise risk and repetition of incidents.

Training Compliance

All clinical staff receive medicines safety training. This increases awareness of how to minimise risks around the prescribing, dispensing and administration of medicines.

Medicines Safety

| | % compliance |
|-------|--------------|
| Total | 82.33% |

The Trust has also developed an e-learning programme for nurses for the safe administration of medicines. Nurses are given protected time to complete the training.

Safe administration of medicines (e-learning)

| | Total number of nurses completing e-learning package (in 13/14) |
|-------|---|
| Total | 80 |

Medicines Reconciliation

The Trust's target is that over 95% of patients' medicines are to be reconciled by pharmacy staff within 72 hours. This is a directive from the NPSA, NICE and also a CQUIN target for the Trust. Reconciliation of medicines on admission ensures that medicines are prescribed accurately in the early stages of admission. It involves checking that the medicines prescribed on admission are the same as those that were being taken before admission and involves contacting the patient's GP.

| Medicines Reconciliation | |
|--------------------------|--------------|
| Directorate | Complete (%) |
| City and Hackney | 95.4% |
| MHCOP | 100% |
| Newham | 96.9% |
| Tower Hamlets | 95.4% |
| Trust Total | 96.9% |

Drug Savings

The trust has reduced expenditure of medicines by 17% in 2013/14. This was achieved through several initiatives, including:

- Reduced waste
- Managed entry of new drugs
- Centralised procurement
- Use of generic medicines.
- Monitoring the use of non-formulary medicines

Meeting the Needs of People with a Learning Disability

The requirement is to assess six criteria for meeting the needs of people with a learning disability as set out in the Care Quality Commission indicator on 'Access to healthcare for people with a learning disability'. These are based on recommendations set out in *Healthcare for All* (2008). The Trust has met each of these standards.

| Ref | Standards | Trust Score 2014 |
|-----------------------------|--|-------------------------|
| A | Does the NHS foundation trust have a mechanism in place to identify and flag patients with learning disabilities and protocols that ensure that pathways of care are reasonably adjusted to meet the health needs of these patients? | 4 |
| B | Does the NHS foundation trust provide readily available and comprehensible information to patients with learning disabilities about the following criteria? • Treatment options; • Complaints procedures; and • Appointments. | 3 |
| C | Does the NHS foundation trust have protocols in place to provide suitable support for family carers who support patients with learning disabilities? | 3 |
| D | Does the NHS foundation trust have protocols in place to routinely include training on providing healthcare to patients with learning disabilities for all staff? | 3 |
| E | Does the NHS foundation trust have protocols in place to encourage representation of people with learning disabilities and their family carers? | 3 |
| F | Does the NHS foundation trust have protocols in place to regularly audit its practices for patients with learning disabilities and to demonstrate the findings in routine public reports? | 3 |
| TOTAL SCORE (Max 24) | | 19 |

NOTES

The scoring guide for all questions (except question b) is as follows:

- (1) = Protocols/mechanisms are not in place.
- (2) = Protocols/mechanisms are in place but have not yet been implemented.
- (3) = Protocols/mechanisms are in place but are only partially implemented.
- (4) = Protocols/mechanisms are in place and are fully implemented.

For question b) the scoring is as follows

- (1) Accessible information not provided
- (2) Accessible information provided for one of the criteria
- (3) Accessible information provided for two of the criteria
- (4) Accessible information provided for all three of the criteria.

Patient Reported Experience Measures (PREM)

Central to the Trust's Quality Strategy is the belief that the people who use the services we provide should be the ultimate arbiters of their quality. To ensure that patients and carers have the opportunity to provide feedback regarding their experience the Trust employs a range of methods to collect their information.

Presented below are data from four measures. The Service User-Led Standards Audit (SULSA) collects information across ten service user developed standards by asking two questions per standard. The data are collected by former service users who visit the wards to speak with current service users.

The Trust has been at the forefront of testing the collection of Friends and Family Test (FFT) data from mental health and community services. In collaboration with NHS England, the Trust has helped develop the National FFT Guidance based on our experience of running pilot data collection approaches. A summary of the data are presented below.

The Trust also participates in the CQC National Patient Survey. Although the response rate for this is relatively low, the feedback is often very positive.

Across Community Health Services in Newham, the Trust has implemented the routine collection of PREM and PROM (Patient Reported Outcome Measures) across all services. The data are used to track change over time (Admission to discharge). The results are encouraging, indicating substantial positive change across both measures.

Service User-Led Standards Audit

Below is a summary of findings from the Service User-Led Standards Audit for the year (2013/14). The data are presented as 'mean scores' for each directorate against the standards listed below.

1. Service users can access ward staff at all times and feel treated with dignity and understanding.
2. Service users are provided with information and guidance on how to complain and feel able to raise concerns without fear.
3. The religious, spiritual and cultural needs of every service user are respected and accounted for.
4. Service users are provided with information (written) and guidance (verbal) about medications, including potential side effects.
5. Service users are involved in important decisions about care planning and discharge.
6. Service users have regular access to therapeutic groups and activities that enhance their wellbeing.
7. Service users receive regular, quality 1:1 time with their allocated named nurse.
8. Service users are informed of their rights in regard to the Mental Health Act 1983 and accessing clinical notes.
9. Service users are provided with information and advice on practical matters, such as housing and benefits.
10. On admission, service users receive a Welcome Pack containing useful information.

Survey scale used by Service Users

| 1 | 2 | 3 | 4 | 5 | N/A |
|-------------------|----------|------------|-------|----------------|----------------|
| No | | | | Yes | |
| Never | Rarely | Sometimes | Often | Always | |
| Not at all | Slightly | Moderately | Very | Extremely | Don't know |
| Strongly disagree | Disagree | Neither | Agree | Strongly agree | Not applicable |
| Very poor | Poor | Fair | Good | Excellent | |
| | | | | | |

**Trust wide data for all mental health wards as measured over the year
(2013/14)**

| Standard (N) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Mean |
|--------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------------|
| C&H (222) | 4.2 | 3.3 | 3.4 | 3.2 | 3.2 | 4.1 | 3.0 | 2.9 | 2.8 | 2.9 | 3.3 |
| Newham (216) | 4.1 | 3.5 | 3.5 | 3.4 | 3.2 | 4.0 | 2.7 | 3.0 | 2.8 | 2.8 | 3.3 |
| Tower Hamlets (177) | 4.0 | 3.1 | 3.4 | 3.4 | 3.1 | 3.5 | 3.0 | 3.3 | 2.9 | 2.9 | 3.3 |
| John Howard Centre (135) | 4.1 | 3.7 | 3.6 | 3.9 | 3.9 | 3.8 | 3.1 | 4.0 | 4.0 | 3.7 | 3.8 |
| Wolfson House (49) | 4.8 | 4.8 | 4.5 | 4.8 | 4.6 | 4.7 | 4.4 | 4.9 | 4.8 | 4.6 | 4.7 |
| TRUST (799) | 4.2 | 3.7 | 3.7 | 3.7 | 3.6 | 4.0 | 3.2 | 3.6 | 3.4 | 3.4 | 3.7 |

Trust wide Friends and Family Survey (July 2013 to April 2014)

| F&F Survey | Responses | Percentage |
|----------------------------|-----------|------------|
| Extremely Likely | 432 | 58% |
| Likely | 204 | 27% |
| Neither Likely or Unlikely | 43 | 6% |
| Unlikely | 18 | 2% |
| Extremely Unlikely | 51 | 7% |
| Don't Know | 36 | - |



The Friends & Family Test

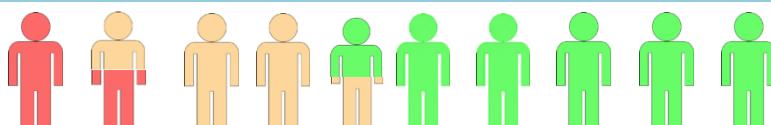
Sample Size

784

Net Score

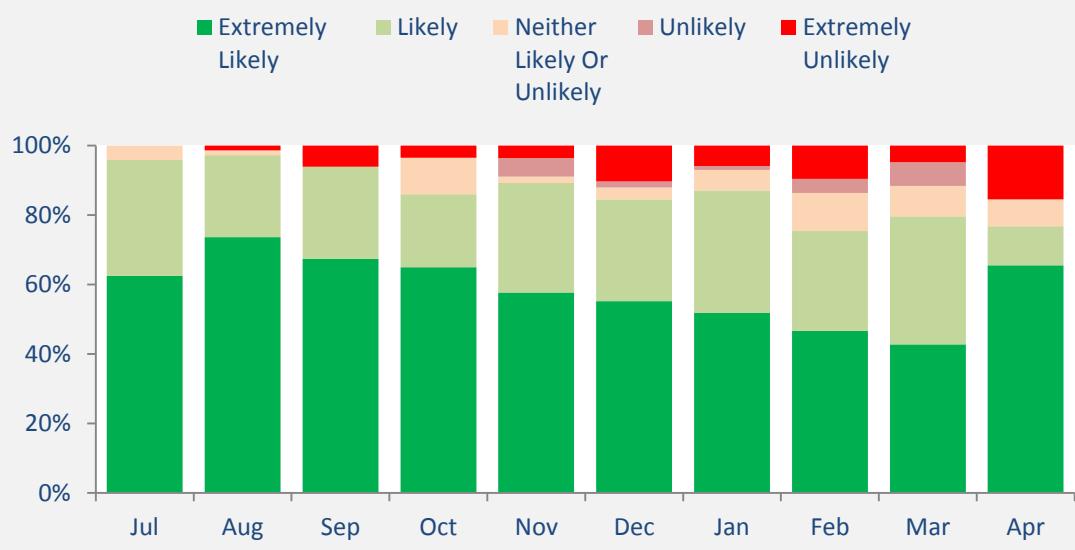
43

The net score is a measure of consumer satisfaction. It is calculated by subtracting the proportion of detractors (Neither Likely or Unlikely, Unlikely and Extremely Unlikely) from the proportion of promoters (Extremely Likely). Anything above 0 is considered as “good”, whilst anything above 50 is “excellent”.



Detractors : 15 **Passives:** 27 **Promoters:** 58

Friends and Family Response Distribution



ELFT is one of the national pilot sites for the implementation of FFT. As such, national comparison data are not available for mental health services. The data presented above, do however, compare favourably with FFT data collected from other health services, e.g. A&E, Inpatient and Maternity services.

CQC – Survey of people's experiences of community mental health services (2013)

We use national surveys to find out about the experiences of people who receive care and treatment. At the start of 2013, a questionnaire was sent to 850 people who received community mental health services. Responses were received from 182 service users at East London NHS Foundation Trust.

The Trust's scores are compared against scores from other trusts nationally. This takes into account the number of respondents from each trust as well as the scores for all other trusts, and makes it possible to identify which scores we can confidently say are 'better' or 'worse' than the majority of other trusts.

ELFT user ratings have increased in four of the nine domains. It is noticeable that the gains made in last years (2012) survey were maintained, in particular around Talking Therapies. The Trust ratings are 'about the same' as national averages in seven of the nine domains and 'better' in two. The overall rating (6.5) is the same last year.

| How this score compares with other trusts | | Based on patients' responses to the survey, this trust scored |
|---|--|---|
| 8.7 /10 | Click to expand for questions about Health and social care workers |  |
| 7.8 /10 | Click to expand for questions about Medications |  |
| 7.3 /10 | Click to expand for questions about Talking Therapies |  |
| 8.4 /10 | Click to expand for questions about Care Coordinator |  |
| 6.6 /10 | Click to expand for questions about Care Plan |  |
| 7.6 /10 | Click to expand for questions about Care review |  |
| 6.7 /10 | Click to expand for questions about Crisis Care |  |
| 5.4 /10 | Click to expand for questions about Day to Day Living |  |
| 6.5 /10 | Click to expand for questions about Overall |  |

Community Health Newham (CHN) – Patient Reported Outcome and Experience Measures (PROM and PREM)

1. Summary 2013/14

The collection of patient feedback for Newham Community Services was expanded during 2013/14 with almost all services now collecting feedback. Overall, results have been positive. The results are circulated to teams and monitored by the bi-monthly CHN Quality and Assurance Group.

The EQ-5D for Patient Reported Outcome Measures (PROMs) and the Department of Health Patient Experience Survey questions (PREMS) were used as in 2012/13. Additional bespoke questions were added by some services to refine the information obtained. The Friends and Family Test has been added to questionnaires on a rolling basis, coinciding with replenishing stocks. Accessible questionnaires are used by Wheelchair Services and Stroke Services.

The Urgent Care Centre and Community Physiotherapy Teams participated in the Trust Patient Feedback Pilot and tested new hardware supplied CRT, a company appointed by the Trust. Data collection at the Urgent Care Centre using tablets and at Community Physiotherapy using a touch screen have been found working well.

2. Roll-out 2013/14

The following services started data collection: Sickle Cell, School Nursing, Health Visiting, Tissue Viability, Telehealth, Diabetes Specialist Nursing, Urgent Care Centre, Continence Service and Foot Health Service.

3. Results

Adult Services

- Continence and Wheelchair Services: Answers to the service specific questions confirm the effectiveness of the interventions.
- Highly positive PREMs and PROMs were reported for Tissue Viability Services, Leg Ulcer Clinics, Diabetes Specialist Nursing Team and Foot Health Services.
- The Friends and Family test was generally answered positively across all services.
- The free text comments for the UCC and Community Physiotherapy Teams were consistently appreciative and positive.
- The number of surveys completed has dropped slightly in comparison to 2012/13 (6077/5295). This is attributed to workload pressures in the EPCT.
- The PROM and PREM results for the EPCT and Virtual Ward (VW) show some variation in comparison with 2012/13. The EPCT Improvement Board is overseeing the implementation of a change programme that was initiated in response to investigations into Serious Incidents.
- Cardiac Rehabilitation PREMs remain excellent with close to 100%. PROMs on the whole have improved not requiring an action plan at present.

Children Services

- Good patient experience results generally were reported for Health Visiting and Sickle Cell Services.
- School Nursing Services attracted a mixed response, with many negative comments. This is being addressed as part of a review of the service delivery model.

4. Compliments

The total number of compliments received for 2013/14 stands at 25.

| 2013/14 | No |
|---------------------------------|-----------|
| EPCT - North West | 3 |
| EPCT - North East | 2 |
| VW - North West | 2 |
| VW - South | 1 |
| Fothergill Ward | 3 |
| Sally Sherman Ward | 2 |
| Cazaubon Ward | 5 |
| Continence | 1 |
| Nursing Home Team | 1 |
| Urgent Care Centre | 1 |
| Community Stroke Service | 1 |
| MSK | 3 |

5. CQUIN Targets

- All services bar the Extended Primary Care Team (15% of 30% target) met the CQUIN target for the number of surveys completed during the year. T
- The collection of PROMs tied to individual patients started in December 2013 for Continence Services, Cardiac Rehabilitation Services and the Virtual Ward was not achieved. Given the span of time that elapses between admission and discharge, no results were obtained by 31.03.2014.

6. Action Plans

Where results are of concern, this was discussed with the service and an action plan implemented. For Continence and Wheelchair Services, this meant adding service specific questions. Issues with the EPCT are overseen by the EPCT Improvement Board, led by the Director of Operations.

7. Plans for 2014/15

Wherever possible, existing technology will be enabled to collect feedback to minimise the amount of equipment staff have to take out while at the same time making the method of collection more robust. For instance, where staff have iPads or

android tablets, these will be fitted with a web enabled function. This will also allow service users to write comments. The methodology for producing patient individual feedback will be reviewed.

It is planned for the touch screens at health centres to be replaced. Service users will be able to select the service they have used from a menu screen. Questionnaires will be available in the top five Newham Languages as well as an accessible for people with cognitive function problems. Service users will be invited to give comments. Touch screens will allow users of phlebotomy and sexual health services to provide feedback.

Speech and Language Services in Barnet – collection will be by DigiPen, which is planned to commence in summer 2014.

In order to engage with those users of the UCC who were streamed to GPs or Pharmacists, it is planned to hold focus groups every six months.

8. Children and Young People's Services, Sexual Health Services and Learning Disability Service

Learning Disabilities – questionnaires are being developed, using tablet technology collection is planned to start by July 2014.

Looked After Children – service users will be invited to use a web portal to give their feedback, using a survey monkey from June 2014.

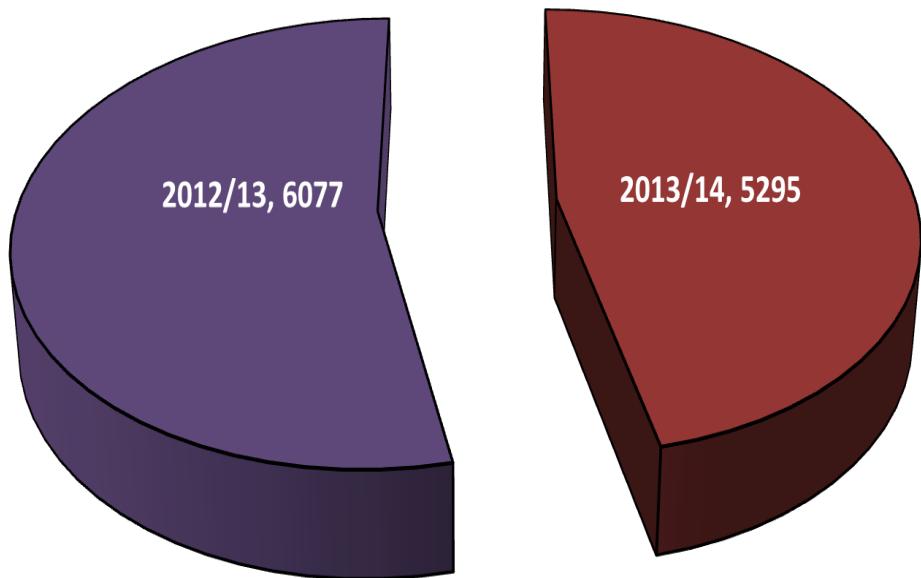
It is expected that the Children's Community Nursing Team will collect data from July, once the methodology has been agreed.

Overall, there will be an analysis by service on how to best collect patient feedback with quality indicators developed in addition to the EQ-5D and DoH PREM to achieve a multi-dimensional quality report.

Number of Patient Recorded Outcomes Measures (PROMs) and Patient Recorded Experience Measures (PREMs)

| Services/Health Centres | 2012/13 | 2013/14 |
|--|----------------|----------------|
| WEST EPCT (NW & South) | 868 | 350 |
| EAST EPCT (NE & Central) | 886 | 269 |
| NW VW | 182 | 224 |
| South VW | 125 | 27 |
| NE VW | 299 | 228 |
| Central VW | 159 | 108 |
| Day Hospital | 457 | 466 |
| Cazaubon Ward | 150 | 213 |
| Continence | 482 | 380 |
| MSK | 2009 | 2376 |
| Wheelchair Service | 44 | 102 |
| Cardiac Rehab | 362 | 454 |
| Community Stroke | 54 | 98 |
| Foot Health | - | 29 |
| Leg Ulcer Clinic | - | 287 |
| Tissue Viability | - | 47 |
| Diabetic Specialist Nursing | - | 76 |
| Telehealth | - | 67 |
| DN GP Pilot | - | 104 |
| Health Visiting | - | 131 |
| School Nursing | - | 70 |
| UCC Adults | - | 274 |
| UCC Childrens | - | 14 |
| West Ham Lane Centre | 40 | - |
| Appleby Health Centre | 81 | - |
| Lord Lister Health Centre | 70 | - |
| Annual Patient Surveys – Adult's | 2077 | - |
| Annual Patient Surveys – Children's | 341 | - |

Comparison of the number of surveys carried out in 2012/13 and 2013/14



The pie chart above shows the comparison between 2012/13 and 2013/14; however only for those services which started in 2012/13. The reason for this is to show if there has been an increase/decrease in the number of surveys that patient have completed between years.

2013 NHS Staff Survey

The 11th NHS Staff Survey was sent to all Trust employees at the end of September 2013. The survey was sent to all eligible staff i.e. approximately 3,388 staff. The Trust achieved a 50% response rate, a significant increase from 2012 which was at 37%. For the first time ever, the Trust opted for the survey to be administered electronically and this has resulted in an increased uptake amongst staff.

How did the Trust perform?

The Trust is ranked second among similar Trusts in London and fourth of 57 Trusts with mental health and community services in the country on the overall staff engagement score. The Trust has also scored the best score nationally on 'staff feeling satisfied with the quality of work and patient care they are able to deliver' (Trust scored 83% as compared to the national average of 77%) and 'agreeing that their role makes a difference to patients' (Trust scored 93% as compared to the national average of 90%).

Our top five ranking scores, where we compare most favourably with similar Trusts are as follows:

- Staff agreeing that their role makes a difference to patients (93% compared to 90% nationally)
- Number of staff having well-structured appraisals (53% compared to 42% nationally)
- Staff feeling motivated at work (3.98 compared to 3.85 nationally)
- Staff ability to contribute towards improvement at work (77% compared to 72% nationally)
- Staff reporting about good communication between senior management and staff (41% compared to 31% nationally)

The Trust ranked within the top three amongst all the Mental Health/Learning Disability in London in 'staff recommendation of the Trust as a place to work or receive treatment'. Results from key questions were compiled to give the overall score of 3.81 which is well above the national average of 3.55.

Results from the survey also revealed areas for the Trust to review - staff working extra hours, discrimination at work, increasing the availability of hand washing materials, increasing the uptake of equality and diversity training and increasing the commitment in providing equal opportunities for career progression and promotion.

By completing the survey, staff have helped in raising £8,010 for nine charities based in Newham, Tower Hamlets and Hackney.

Improvements made since the 2012 NHS Staff Survey

Over the last year we have worked hard to address the issues highlighted in the previous staff survey. The main focus last year was the delivery of the work streams on reducing stress, increasing access to bullying and harassment support advisory

service, tackling violence on wards and researching into discrimination in the workplace.

The following initiatives have been introduced in the past year:

- Increased the pool of Harassment Support Advisors to offer staff a confidential listening space
- Delivered workshops on managing stress and building resilience to managers and employees
- Carried out research internally into reasons for staff experiencing discrimination at work
- Delivered wide variety of initiatives such as Pilates, Yoga, health checks, nutritional seminars, smoking cessation workshops to improve overall staff wellbeing
- Best practice on reducing violence on wards successfully introduced in Tower Hamlets will be rolled out across all relevant directorates
- Increased the provision of face to face counselling sessions from 4 sessions to six sessions via the trust's employee assistance programme provider.

Next Steps

Actions addressing the concerns outlined by staff in the 2013 NHS Staff Survey will be linked in with the Trust's Quality Improvement Strategy.

We have identified key Trust wide priorities that we will take forward. We are also working with the senior management from various localities to identify local priorities.

- Per QR: 'volume regarding communication (32%), attitude of staff (28%) and clinical management in mental health services (12%)':
- Per QR: 'One of the 375 complaints received during 2013/14 was referred to the PHSO and this case is currently under investigation': complaints report states 4 cases have been referred this year.

Complaints and Patient Advice and Liaison Service (PALS)

East London NHS Foundation Trust welcomes compliments, concerns and complaints from service users, their relatives and carers. We recognise the importance of learning from the experience of our service users and improving our services as a result.

Concerns and complaints are dealt with by both the PALS and Complaints functions. PALS provides support, advice and assists individuals to resolve any concerns at an early stage, quickly and effectively. PALS received 449 contacts during 2013/14 and the Service assisted 243 individuals with their concerns. Individuals contacting PALS for assistance in resolving concerns most commonly raised issues relating to communication, appointments and making contact with services and in 91% of cases PALS was able to resolve the issue to the satisfaction of the individual. The remaining 9% of concerns could not be resolved informally and were escalated for formal investigation under the Trust's complaints procedure.

The complaints department dealt with 375 formal complaints this year. This is a 14% decrease compared to the previous year. The Trust also contributed to a further 6 investigations led by other NHS Trusts.

The importance of good quality investigation and a timely response to a complaint is acknowledged and the Trust aims to respond to a minimum of 75% complaints within 25 working days or for more complex complaints within a deadline agreed with the complainant. To date, the Trust has formally responded to 61% of complaints within the agreed 25 day timescale or within a timescale agreed with the complainant. This is significantly below the Trust target and work is currently underway to bring about improvements, this is to include complaints investigation training, which is to be delivered early in 2014/15 by the Patients Association. 9% of complaints remain under investigation at the time of this report.

All issues raised by complainants are recorded and complainants typically raise more than one concern. From the 375 formal complaints 917 subjects were identified with the highest volume regarding communication (32%), attitude of staff (28%) and clinical management in mental health services (12%).

As a direct result of investigations into complaints recommendations are made and action taken to address identified shortcomings. During 2013/14 these actions included:

- A new protocol for message taking in a health visiting clinic
- A new protocol for dealing with mail in the psychodynamic psychotherapy service
- Refresher training for staff on complaints handling/customer care
- The development of a local protocol regarding the use of private ambulances to transfer patients between sites
- A teaching session for staff looking at communication skills
- A new system for receiving referrals from GP practices in the Foot Health Clinic.

Whilst the Trust aims to resolve all complaints to the satisfaction of the complainant it is recognised that on occasion this may require further investigation and/or a meeting with key staff. All complainants are informed that the Trust is happy to undertake further work to resolve their concerns and 10% of complainants chose to accept the offer for the Trust to undertake further work or arrange a meeting in order to resolve their concerns. However, on occasion despite its best efforts the Trust is unable to resolve a complaint to the satisfaction of the complainant. In such instances the complainant can refer their case to the Parliamentary & Health Service Ombudsman (PHSO). One of the 375 complaints received during 2013/14 was referred to the PHSO and this case is currently under investigation. Additionally 10 complainants referred cases to the Ombudsman relating to complaints received in previous years. The Parliamentary & Health Service Ombudsman recommended no further action in 9 cases whilst 1 case was upheld following investigation. An action plan was developed to address the shortcomings identified by the PHSO in relation to this complaint.

In order to obtain additional information relating to satisfaction a survey was sent to all complainants over a three month period during 2013/14. 23% of complainants responded reporting a wide variation in satisfaction levels with respondents feeling either very positive or very negative. Further work is to be undertaken during 2014/15 to obtain the views of complainants and make improvements based on their feedback.

3.2 An Explanation of Which Stakeholders Have Been Involved

The Trust has a long history of working collaboratively with our service user and carer groups, the Trust Governors and local stakeholder groups. There is significant service user and carer participation in all of the Trusts key overview and reporting mechanisms, e.g. the bi-monthly Quality Committee, Patient Participation Committee and the Patient Experience Committee meetings.

The Quality Improvement Strategy, which is at the heart of this report, has been reviewed and approved by the Trust Governors, at service user and carer groups, e.g. the Working Together Group and the Clinical Commissioning Groups (CCG).

3.3 Statement from Lead Commissioning CCG – Newham

A request for a statement was sent to Newham CCG. Unfortunately, no formal statement in response to the request for feedback regarding this year's report was received prior to the 30 May 2014 submission date.

3.4 Statement from City and Hackney CCG and Tower Hamlets CCG

A request for a statement was sent to City and Hackney CCG and Tower Hamlets CCG. Unfortunately, no formal statement in response to the request for feedback regarding this year's report was received prior to the 30 May 2014 submission date.

3.5 Statement from Tower Hamlets Healthwatch

The Trust has always worked closely with Tower Hamlets Healthwatch (formally Links) in the development of the Quality Accounts Report. Unfortunately, no response to the request for feedback regarding this year's report was received prior to the 30 May 2014 submission date.

Statement from Inner North East London Joint Health Overview and Scrutiny Committee (comprising of Newham, Tower Hamlets, Hackney and City of London)

Cllr Winston Vaughan
Chair, INEL JHOSC
c/o Luke Byron-Davies (Scrutiny Manager)
London Borough of Newham
Newham Dockside
London
E16 2QU

21 May 2014

Dr Robert Dolan, Chief Executive
East London NHS Foundation Trust
Trust Headquarters
EastONE
22 Commercial Street
London E1 6LP

Dear Dr Dolan

East London Foundation Trust: Quality Account 2013-14

Thank you for sending your Quality Account for 2013/14 to members of the Inner North East London Joint Health Overview and Scrutiny Committee, which comprises of Newham, Tower Hamlets, Hackney and City of London.

As you will be aware, this Committee has spent a considerable amount of time over the period that this Account covers scrutinising the quality of health care. Members of this Committee have been very interested in the work of ELFT and the progress that your Trust has made. Firstly, we would like to congratulate the Trust for its achievements and the positive inspection reports that it has received during this period.

During our discussions on this Account, the following key points were noted:

a) Serious Incidents and Violence

We commend the Trust on the very low levels of serious incidents which is a very positive outcome. However, we also note that the levels of physical violence to patients is at the average level and we hope that the new Violence Reduction Programme and other similar initiatives will assist you in decreasing this further.

b) Length of Stay

We are encouraged that the length of stay has been reduced and that patients are able to safely receive care in other environments. The Committee views the integrated care agenda as a key challenge for 2014/15 and we welcome the work of the Trust in this area.

c) Staff Survey

The Committee greatly values the views of staff and notes that the 2013 survey has many positives. However there are concerns around the less favourable comments in regards to working extra hours, discrimination at work, increasing the availability of hand washing materials, increasing the uptake of equality and diversity training and increasing the commitment in providing equal opportunities for career progression and promotion. We are keen to learn how the Trust will be addressing these issues in the coming months.

d) Range of Services that ELFT Provides

While we understand that a significant focus of the Trust's activities is within Mental Health, we note that there are some services that are either covered with minimal detail or not covered at all. For example from the Newham perspective, we believe that the Account would benefit from greater information about the range of services that are provided and the level of quality associated with them. For example, it is unclear how well an important service such as community sexual health is performing.

e) Issues from the four health and social care overview and scrutiny committees (HOSCs)

At our individual HOSCs we have discussed with ELFT officers a number of issues on which we will be keeping a watching brief. Where these are cross borough and when appropriate, we will raise these at INEL. These include

- Variance across the boroughs on waiting times from GP referral
- The numbers of patients granted leave from secure facilities who do not return by the agreed date.
- Addressing the CQC's concern about ensuring that patients are reminded of their rights when detained and get swift access to Independent Mental Health Advocates.
- Concerns about the challenge of maintaining the quality of provision, while looking at possible centralisation and rationalisation. Particularly in regards to very vulnerable groups, such as older people in-patient facilities.

Although there is still much work to be done, we acknowledge and commend the Trust on the many successes that have been achieved. We continue to be grateful to ELFT officers for their positive engagement with the scrutiny committees and look forward to continuing to work with you during 2014/15.

Yours sincerely



Cllr Winston Vaughan
Chair, Inner North East London Joint Health Overview and Scrutiny Committee

3.6 An Explanation of any Changes Made

North and East London Commissioning Support Unit provided detailed feedback on an early draft of the report. This was very helpful in refining the report.

3.7 Feedback

If you would like to provide feedback on the report or make suggestions for the content of future reports, please contact the Trust Secretary, Mr Mason Fitzgerald, on 020 7655 4000.

A copy of the Quality Accounts Report is available via:

East London NHS Foundation Trust website (<http://www.eastlondon.nhs.uk/>) and NHS Choices website (<http://www.nhs.uk/Pages/HomePage.aspx>)

3.8 2013/14 Statement of Directors' Responsibilities in Respect of the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports (which incorporate the above legal requirements) and on the arrangements that foundation trust boards should put in place to support the data quality for the preparation of the Quality Report.

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

- the content of the Quality Report meets the requirements set out in the *NHS Foundation Trust Annual Reporting Manual*;
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
 - Board minutes and papers for the period; April 2013 –May 2014
 - Papers relating to Quality reported to the Board over the period; April 2013 – May 2014
 - The Trust's draft complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, 2013/14;
 - The national patient survey; September 2013
 - The national staff survey; February 2014
 - The Head of Internal Audit's annual opinion over the trust's control environment dated; April 2014
 - Care Quality Commission quality and risk profiles dated; February 2014
 - Feedback from Inner North East London Joint Health Overview and Scrutiny Committee (comprising of Newham, Tower Hamlets, Hackney and City of London) dated; May 2014
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered;
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and the Quality Report has been prepared in accordance with Monitor's annual reporting

guidance (which incorporates the Quality Accounts regulations) (published at www.monitor-nhsft.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitor-nhsft.gov.uk/annualreportingmanual).

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

By order of the Board

A handwritten signature in blue ink, appearing to read "Margaret Gabeil".

Date: 27/05/2014

Chairman

A handwritten signature in blue ink, appearing to read "Peter Salter".

Date: 27/05/2014

Chief Executive

Glossary

| Term | Definition |
|---|---|
| Admission | The point at which a person begins an episode of care, e.g. arriving at an inpatient ward. |
| Assessment | Assessment happens when a person first comes into contact with health services. Information is collected in order to identify the person's needs and plan treatment. |
| Black and minority ethnic (BME) | People with a cultural heritage distinct from the majority population. |
| Care Co-ordinator | A care co-ordinator is the person responsible for making sure that a patient gets the care that they need. Once a patient has been assessed as needing care under the Care Programme Approach they will be told who their care co-ordinator is. The care co-ordinator is likely to be community mental health nurse, social worker or occupational therapist. |
| Care pathway | A pre-determined plan of care for patients with a specific condition |
| Care plan | A care plan is a written plan that describes the care and support staff will give a service user. Service users should be fully involved in developing and agreeing the care plan, sign it and keep a copy. (see Care Programme Approach). |
| Care Programme Approach (CPA) | The Care Programme Approach is a standardised way of planning a person's care. It is a multidisciplinary (see definition) approach that includes the service user, and, where appropriate, their carer, to develop an appropriate package of care that is acceptable to health professionals, social services and the service user. The care plan and care co-ordinator are important parts of this. (see Care Plan and Care Co-ordinator). |
| Care Quality Commission (CQC) | The Care Quality Commission is the independent regulator of health and social care in England. They regulate care provided by the NHS, local authorities, private companies and voluntary organisations. |
| Case Note Audit | An audit of patient case notes conducted across the Trust based on the specific audit criteria outlined by CQC. |
| Child and Adolescent Mental Health Services (CAMHS) | CAMHS is a term used to refer to mental health services for children and adolescents. CAMHS are usually multidisciplinary teams including psychiatrists, psychologists, nurses, social workers and others. |
| CAMHS Outcome Research Consortium (CORC) | CORC aims to foster the effective and routine use of outcome measures in work with children and young people (and their families and carers) who experience mental health and emotional wellbeing difficulties. |
| Community care | Community care aims to provide health and social care services in the community to enable people to live as independently as possible in their own homes or in other accommodation in the community. |
| Community Health Newham (CHN) | Community Health Newham provides a wide range of adult and children's community health services within the Newham PCT area, including continuing care and respite, district nursing and physiotherapy. |
| Community Mental Health Team (CMHT) | A multidisciplinary team offering specialist assessment, treatment and care to people in their own homes and the community. |
| Continuing Care | The criteria for assessing long term care eligibility |
| DATIX | Datix is patient safety software for healthcare risk management, incident reporting software and adverse event reporting. |
| Discharge | The point at which a person formally leaves services. On discharge from hospital the multidisciplinary team and the service user will develop a care plan. (see Care plan) |

| | |
|--|---|
| East London NHS Foundation Trust (ELFT) | East London NHS Foundation Trust provides a wide range of community and inpatient mental health services to the City of London, Hackney, Newham and Tower Hamlets. Forensic Psychiatric Services are also provided to Barking & Dagenham, Havering, Redbridge and Waltham Forest. Community Health Services are provided in Newham. |
| General practitioner (GP) | A family doctor who works from a local surgery to provide medical advice and treatment to patients registered on their list |
| Mental health services | A range of specialist clinical and therapeutic interventions across mental health and social care provision, integrated across organisational boundaries. |
| Multidisciplinary | Multidisciplinary denotes an approach to care that involves more than one discipline. Typically this will mean that doctors, nurses, psychologists and occupational therapists are involved. |
| MPSA | |
| Named Nurse | This is a ward nurse who will have a special responsibility for a patient while they are in hospital. |
| National Institute of Health Research (NIHR) | The goal of the NIHR is to create a health research system in which the NHS supports outstanding individuals, working in world class facilities, conducting leading edge research focused on the needs of patients and the public. |
| National Institute for health and Clinical Excellence (NICE) | NICE is an independent organisation responsible for providing national guidance on promoting good health and preventing and treating ill health. |
| (NCI / NCISH) | The National Confidential Inquiry into Suicide and Homicide by People with Mental Illness (NCI / NCISH) is a research project which examines all incidences of suicide and homicide by people in contact with mental health services in the UK. |
| Patient Advice and Liaison Service (PALS) | The Patient Advice and Liaison Service offers patients information, advice, and a solution of problems or access to the complaints procedure. |
| PREM | Patient Reported Experience Measures. Indicators on patient levels of satisfaction regarding the experience of care and treatment. |
| Prescribing Observatory for Mental Health (POMH-UK) | POMH-UK is an independent review process which helps specialist mental health services improve prescribing practice. |
| Primary care | Collective term for all services which are people's first point of contact with the NHS. GPs, and other health-care professionals, such as opticians, dentists, and pharmacists provide primary care, as they are often the first point of contact for patients |
| Primary Care Trust (PCT) | Formerly the statutory NHS bodies with responsibility for delivering healthcare and health improvements to their local areas. They commission or directly provide a range of community health services as part of their functions |
| Quality Accounts | Quality Accounts aim to enhance accountability to the public and engage the leaders of an organisation in their quality improvement agenda. |
| RiO | The electronic patient record system which holds information about referrals, appointments and clinical information. |
| Service user | This is someone who uses health services. Other common terms are patient, service survivor and client. Different people prefer different terms. |
| Serious Mental Illness (SMI) | Serious mental illness includes diagnoses which typically involve psychosis (losing touch with reality or experiencing delusions) or high levels of care, and which may require hospital treatment. |

Contact Us

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Trust's Headquarters

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Your opinions are valuable to us. If you have any views about this report, or if you would like to receive this document in large print, Braille, on audio tape, or in an alternative language, please contact the Communications Department on phone 020 7655 4066 or email

Janet.Flaherty@eastlondon.nhs.uk

Financial Review

Introduction

The accounts have been prepared in compliance with the accounting requirements of the 2013/14 NHS Foundation Trust Annual Reporting Manual (the FReM) agreed with HM Treasury and issued by the Foundation Trust regulator, Monitor.

Overview

This section describes the financial performance for year ended March 2014; this is measured by the Risk assessment framework (RAF) developed by Monitor, our independent regulator, which compares key financial metrics consistently across all Foundation Trusts. The rating reflects the likelihood of a financial breach of the Trust's terms of authorisation with a rating of 4 reflecting the lowest level of financial risk and a rating of 1, the highest. This is the seventh year as a Foundation Trust. During the course of the year, the Trust maintained a rating of 4 for all the four reporting quarters.

The national operating framework required the Trust to achieve a 4% cash releasing efficiency saving. This equated to approximately £10.6m. The Trust achieved savings of £6.6m in year, and made up the shortfall through obtaining increased income and containing costs. The Trust implemented a number of strategies to minimise the impact on front line services as a result of the savings requirement including adopting a whole systems review approach in a number of service areas, cost reductions and negotiating better deals with our suppliers.

Notwithstanding the requirement of 4% saving year on year, the Trust has achieved its financial targets through the exceptional effort by the staff at all levels in managing their budgets.

The table below summarises and contrasts our performance for 2013/14, including comparative information for 2012/13.

| | 2013/14 £000 | 2012/13 £000 |
|--|-----------------|-----------------|
| Operating Income | 268,347 | 258,975 |
| Operating Expenditure | (257,160) | (250,683) |
| Operating Surplus / (Deficit) | 11,187 | 8,292 |
| Finance Costs | | |
| Interest Receivable | 156 | 297 |
| PFI and Finance Lease Interest Payable | (2,303) | (2,334) |
| PDC Dividends Payable | (3,437) | (3,077) |
| Net Finance Costs | (5,584) | (5,114) |
| Surplus / (Deficit) for the year | 5,603 | 3,178 |
| Other Comprehensive Income | | |
| Revaluation gains/(losses) and impairment losses | 6,118 | 660 |
| Total Comprehensive income/(Expense) for the year | 11,721 | 3,838 |

The Trust is required to make an assessment of the valuation of its assets annually. The valuation is performed by professional valuers, who have to apply prescribed rules and methodologies. The impact of the valuation can result in impairment loss or a revaluation gain which has to be accounted for accordingly in the accounts.

Income

The Trust received £268m of income. The table below provides an analysis of the income as reported in the accounts. The change in the profile of the income from the previous financial year reflects the changes in the commissioning arrangements with the demise of Primary Care Trusts (PCT) and the formation of Clinical Commissioning Groups and NHS England. Commissioning responsibility for some of the 2012/13 PCT services has transferred to Local Authorities in 2013/14

| | 2013/14 £000 | 2012/13 £000 |
|--|-----------------|-----------------|
| Income from Activities | | |
| Clinical Commissioning Groups | 233,518 | - |
| Primary Care Trusts | - | 242,323 |
| Department of Health | 6 | - |
| Foundation Trusts | 562 | 159 |
| Local Authorities | 12,755 | 5,048 |
| NHS England | 5,166 | - |
| NHS Trusts | 2,349 | 1,825 |
| Public Health England | 752 | - |
| | 255,108 | 249,355 |
| Other Operating Income | | |
| Education and training | 7,666 | 6,514 |
| Research and development | 1,809 | 2,346 |
| Profit on disposal of land and buildings | 3,000 | - |
| Other income | 764 | 760 |
| | 13,239 | 9,620 |
| Total Operating Income from Continuing Operations | 268,347 | 258,975 |

Best part of the total income (90%) was from block contracts with the local East London Primary Care Trusts and Specialist Commissioners for Forensic and CAMHS tier IV services.

In addition, interest earned from cash held was £156k.

Expenditure Analysis

Analysis of the operating spend is shown in the table below with comparative figures for 2012/13. Staff pay cost account for 72% of the total operating spend. This is consistent with the nature services we provide and is comparable with other Trusts who provide similar services.

| | 2013/14 | | 2012/13 | |
|------------------------------|----------------|-------------|----------------|-------------|
| | £m | % | £m | % |
| Services from NHS Bodies | 17,680 | 7% | 18,763 | 8% |
| Services from Non-NHS Bodies | 6,355 | 3% | 8,493 | 4% |
| Staff Salary | 180,710 | 72% | 174,314 | 72% |
| Establishment | 3,168 | 1% | 3,509 | 1% |
| Supplies and Services | 11,007 | 4% | 11,261 | 5% |
| Drugs | 3,063 | 1% | 3,149 | 1% |
| Premises and Transport | 11,168 | 4% | 10,212 | 4% |
| Other | 16,586 | 7% | 11,399 | 5% |
| Sub-Total | 249,737 | 100% | 241,100 | 100% |
| Depreciation | 5,526 | | 5,574 | |
| Impairments | 1,897 | | 4,009 | |
| Sub-Total | 7,423 | | 9,583 | |
| Total | 257,160 | | 250,683 | |

Capital

The Trust delivered a sizeable capital programme of £18.1m. The broad categories of spend are upgrades of clinical areas (£4.4m), general site upgrades/upkeep (£1.8m), Information Technology and informatics spend to enable mobile working, collect information on patient experience and system upgrades (£1.5m) and spend on the purchase and refurbishment of the new Trust Headquarters (£10.4m).

Monitor risk rating

In October 2013, Monitor, our regulator, replaced the compliance framework with the Risk Assessment Framework (RAB). The key change is the new continuity of services risk rating measure which replaces the Financial Risk Rating (FRR) under the compliance framework. The FRR was intended to identify breaches of Trusts' terms of authorisation on financial grounds; the continuity of services risk rating identifies the level of risk to the ongoing availability of key services. The financial risk rating is assessed on four rating categories ranging from 1, representing the most serious risk, to 4, representing the least risk. A low rating does not necessarily represent a breach of licence but the degree of financial concern the regulator will have and consequently the frequency with which we will monitor the Trust. The table below provides a fuller explanation of the risk ratings:

| Rating | Assessment |
|--------|--------------------------|
| 4 | No evident concerns |
| 3 | Emerging/minor concern |
| 2* | Material but stable risk |
| 2 | Material risk |
| 1 | Significant risk |

The Trust achieved an over rating of "4" for the year ended 2013/14.

Accounting Policies and Going Concern

The Trust is required to comply with Monitor's NHS Foundation Trust Annual Reporting Manual. For 2012/13, the accounting policies contained in the manual follow the International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS Foundation Trusts.

As an NHS Foundation Trust, the Directors and the Trust's Auditors are aware of the need to review annual results in context of ensuring that the Trust has sufficient resources to run services in the foreseeable future. This provides an assurance for the going concern concept. The Directors have assessed future financial risk and have factored in such risks within the Trust's annual plan for 2013/14. The Directors are satisfied that the Trust has adequate resources to fund the operational performance in the foreseeable future and have therefore been able to sign off the going concern concept for 2013/14 accounts. The auditors have given an unqualified opinion on the financial statements.

The Trust has not received any income that is not related to the provision of good and services for the purposes of the health service in England.

Monitor's Quarterly Monitoring Arrangements

The ratings assigned by Monitor the independent regulator of NHS Foundation Trusts, are shown below. The Trust has consistently achieved a finance risk rating of 4, and a governance rating of green, over the last three years.

Table 5: Performance against Monitor's Compliance Framework

| Area: | Rating key: | 2011/12 Year-end Performance: | 2012/13 Year-end Performance: | 2013/14 |
|-----------------|--|--------------------------------------|--------------------------------------|----------------|
| Financial Risk | Assessed on a scale of 1-4, with 1 = high risk, and 4 = low risk | 4 | 4 | 4 |
| Governance Risk | Green = low risk Amber = medium risk Red = high risk | Green | Green | Green |

Board Assurance Framework

The Trust has a Board Assurance Framework that is used as a risk register to monitor the Trust's objectives and any risks to achieving them. The framework is updated on a regular basis and reviewed by the Assurance Committee and Trust Board, in order to ensure that appropriate action is taken to mitigate such risk. The effectiveness of the Board Assurance Framework is assessed on an annual basis by the Trust's Internal Auditors, and a substantial assurance opinion was provided in 2013/14.

Our Workforce 2013-2014 Update

The Trust's Workforce Strategy

The Trust recognises that providing high quality inpatient and community-orientated health care to local communities requires a highly skilled and motivated workforce. The Trust considers its staff to be the most prized asset and the Trust's Workforce Strategy reflects this belief.

The Workforce Strategy will support the Trust's three main priorities:

- Improving service user satisfaction
- Improving staff satisfaction
- Maintaining financial viability

This will be achieved by:

- Recruiting, retaining and developing culturally competent, highly skilled and motivated staff who are responsive to the needs of our service users
- Maximising learning opportunities for all staff, provide high quality teaching and training, and remain a centre of excellence for research.
- Ensuring that every member of staff feel valued and that their work is recognised

Recruitment, Selection and Retention

The Trust has seen an overall reduction in vacancy rates in most areas and turnover is similarly decreasing, leading to some professions nearing capacity. The focus has moved towards managing our internal talent and ensuring that we are securing the clinical and leadership skills needed for the future.

Following the launch of the new NHS Jobs service in 2014, there have been significant system enhancements making the system easier to use for both job applicants and recruiting managers.

The interface between NHS Jobs and the Electronic Staff Records (ESR) has been activated leading to more effective use of HR systems.

The Trust continued to offer various development programmes such as the Band 6 Apprentice Programme for nurses and the recruitment of a number of Band 5 associate nurses as part of the strategy to 'grow our own'. All professional groups, including administrators, have assessed roles and structures to ensure there continues to be development opportunities for staff at all levels.

A number of workforce redesign initiatives have been implemented following reviews into whether changes in skill mix and ways of working can lead to efficiencies and improvements in quality of service. New posts have been designed and piloted, such

as Social Therapists and Assistant Practitioners. These are now fully embedded and working effectively within multi-disciplinary teams.

The Trust continues to recruit high quality applicants to posts and has used a number of different strategies to attract applicants to 'difficult to recruit' posts, including building links with domestic and overseas students and joint selection processes with Local Authorities. Innovative selection processes have been developed, such as assessment days to recruit nursing staff, to identify applicants with the necessary competence and aptitude to deliver quality services to our patients.

The recruitment service has made considerable steps in streamlining processes to provide an effective and efficient service to our directorates. The Trust continued to use the on-line DBS checking system, which reduces the time spent obtaining disclosures so that the average number of days is now reduced to two.

The recruitment service is now working to a new redeployment protocol that gives staff, whose job is at risk, the priority over external applicants in cases where their skills match a new vacancy. The new process enables us to meet our obligations in finding suitable alternative employment for redeployed staff whilst minimising the impact to services of holding back vacancies.

Managing Change

The Trust has successfully delivered a number of programmes to achieve efficiency savings over the past year, with changes made to: team structures, staffing structures and new ways of working introduced. A number of staff that were displaced were supported to find suitable alternative employment and redundancies were kept to a minimum. Staff were supported throughout the change process via the Employee Assistance Programme and with careers counselling. Practical support was offered for developing interview skills and CVs.

2013 NHS Staff Survey

The 11th NHS Staff Survey was sent to all Trust employees at the end of September 2013. The Trust achieved a 50% response rate, a significant increase from 2012 which was at 37%. For the first time ever, the Trust opted for the survey to be administered electronically and this has resulted in an increased uptake amongst staff.

The Trust is ranked second among similar Trusts in London and fourth of 57 Trusts with mental health services in the country on the overall staff engagement score. The Trust has also scored the best score nationally on 'staff feeling satisfied with the quality of work and patient care they are able to deliver' and 'agreeing that their role makes a difference to patients'.

Over the last year we have worked hard to address the issues highlighted in the previous staff survey. The main focus last year was the delivery of the workstreams

on reducing stress, increasing access to bullying and harassment support advisory service, tackling violence on wards and researching into discrimination in the workplace.

Actions addressing the concerns outlined by staff in the 2013 NHS Staff Survey will be linked in with the Trust's Quality Improvement Strategy.

Top Four Ranking Scores

| Area: | 2013 NHS Staff Survey Results |
|---|--|
| Staff agreeing that their role makes a difference to patients | 93% of the staff have indicated that they agree that their role makes a difference to patients as compared to the national average of 90% and the Trust's score of 91% in 2012 |
| Staff having well-structured appraisals in last 12 months | 53% of the staff have reported that they have had well-structured appraisals in the last 12 months as compared to the national average of 42% and the Trust's score of 54% in 2012 |
| Staff motivation at work | The Trust achieved a summary score of 3.98 regarding staff motivation at work as compared to its 2012 score of 3.87 and the national average of 3.85 |
| Staff able to contribute towards improvements at work | 77% of the staff have indicated that they are able to contribute towards improvements at work as compared to the Trust score of 76% in 2012 and the national average of 72% |

Bottom Four Ranking Scores

| Area: | 2013 NHS Staff Survey Results |
|--|--|
| Staff saying hand washing materials are always available | 35% of the respondents have said that hand washing materials are always available whilst the national average stands at 54%. The Trust's score in 2012 was at 37%. |
| Staff working extra hours | 77% of the respondents have said that they work extra hours as compared to the national average of 71% and 75% in 2012 |
| Staff believing the trust provides equal opportunities for career progression or promotion | 80% of the staff believe that the Trust provides equal opportunities for career progression or promotion as compared to the national average of 89%; |
| Staff experiencing discrimination at work in last 12 months | 21% of the respondents have indicated that they have experienced discrimination at work in the last 12 months when compared to the national average of 13%. |

Staff Engagement

The Trust held the annual Staff Engagement roadshow across all the Trust sites promoting the results and recommendations from the staff survey. This included updating and distribution of the revised staff benefits booklet.

Staff Recognition Initiatives

As part of its ongoing commitment to recognise exceptional staff contribution, the Trust has been awarding staff with the 'Employee of the Month Award' and recognising collective efforts through the 'Team of Month Award'.

The Trust also continued to reward exceptional employee achievements with its third Annual Staff Award, attended by a record 850 people. It showcased excellent delivery of care which helped inspire others. Categories were:

- Chair's Award
- Chief Executive's Award
- Commissioner's Award
- Employee of the Month Award
- Extra Mile Award
- Manager of the Year Award
- Quality & Innovation Award
- Service Users Award
- Special Commendation Award
- Support Services Award
- Team of the Year Award

Health and Well-being Initiatives

The Trust has successfully been implementing a comprehensive health and well-being strategy, which encompasses positive mental, physical and social states of well-being. The Trust is actively supporting staff well-being to ensure that their experience in the work-place is a positive one. There was a stronger focus on physical health supported by the following initiatives:

- Promoted physical activities during a 'physical activity week'
- Delivered smoking cessation surgeries
- In partnership with Occupational Health (OH), workshops to support staff on nutrition, reducing stress and health MOTs
- Encouraged uptake of the Cycle to Work Scheme to promote physical activity
- Continued subsidising of yoga/Pilates classes
- Fresh fruit deliveries to all inpatient wards across the Trust and numerous sessions of free massage delivered.

In addition to the above, the Trust has re-launched the Improving Working Lives (IWL) Committee to engage with representatives from various departments to encourage dialogue on on-going initiatives that staff may benefit from.

Stress Management

- In addition to the above initiatives, the Trust has recently undertaken an annual stress survey in line with the Health and Safety Executive's (HSE) guidelines. It has been delivering the HSE's Management Standards, ensuring compliance and reduction of stress amongst staff. These included:
 - Workshops for employees to build resilience against stress
 - Management training to help managers recognise signs of stress in their teams
 - Updating the 'Managing Stress' leaflet with positive tips to tackle stress.

Greater London Authority's Health Workplace Charter

The Trust is reviewing if it can achieve the 'London Healthy Workplace Charter' awarded by the Greater London Authority. The London Healthy Workplace Charter is an assessment framework that provides a series of standards for workplaces to meet under key headings.

The Trust is currently assessing if it can achieve the highest level awarded under this charter. When awarded, the Charter will be another achievement for the Trust demonstrating its commitment toward developing a highly motivated and skilled workforce.

Learning and Development

The Trust's has carried out a review of the systems and process associated with the Learning and Development service. The review has resulted in changes being introduced to the department structure to better deliver on the learning and development priorities. A three year strategy has been developed and agreed by the Trust board.

A new learning management system, Oracle Learning Management systems, has been launched in order to support the Trust blended learning initiatives.

As part of the Trust overall strategy the Trust has focused on the following key areas;

- Reducing the burden of statutory mandatory training
- Introduced e-learning as an alternative to classroom based training sessions
- Continued to deliver leadership development programmes available to all Band 8, 7 and 6 Nurses in Inpatient Units and the Trust continues to deliver the well-received Management Development Programme Forty managers have now successfully completed the programme.
- Developed a set of new management and leadership development programmes that can accommodate more senior managers
- Developed new mediums to reach wider audiences i.e. leadership programmes are available via e-learning, distance learning, webinars and podcasts
- Provided access to national programmes delivered by the NHS Leadership Academy
- Continued to developed strong working relationships with local Further and Higher Education Institutions
- Introduced an effective way of carrying out learning needs analysis of staff to better utilise the funding and to align Trust and Local Education Board Priorities around workforce development
- Revised the current induction programme to introduce a new streamlined one day programme which focuses on the Trust values, vision and quality improvement
- Engaged effectively with Subject Matter Experts and revised the Statutory and Mandatory training matrix to better reflect the training needs of all staff groups
- Introduced an Apprenticeship scheme which is available to both existing and newly recruited staff

- Continued to support staff to gain a first degree and progress through masters and Phd level programmes
- Bands 1-4 development programmes such as developing functional skills of staff i.e. English and Maths as a means of supporting career progression
- The Trust Workforce Committee was set up to oversee all learning, development and education activities and ensure that the Trust uses its resources funds to deliver on Trust and Local Education Board Priorities around workforce development

Equality

The Trust has developed a new Equality and Diversity strategy which outlines the Trust priorities for 2014-17. The primary aim of this strategy is to ensure that the Trust is an exemplar of best practice in advancing equality, diversity and human rights for people who use the Trust services, carers and the workforce.

A number of initiatives have been delivered to integrate equality, diversity and human rights considerations across our core functions, whether that involves providing services, purchasing and procuring services, involving patients, carer and the public, employing staff, policy development, decision making and in our communications.

- Further support and guidance have been provided for employees responsible for undertaking equality impact analysis.
- Conducted an annual validation exercise to improve the quality and quantity of equality and diversity data for staff and service users.
- Continued with our membership with the Stonewall Diversity Champion Programme
- Lesbian, Gay and Bisexual staff network set up, LGB champions identified and trained in service areas
- An analysis of reasons for staff grievances was carried out
- A range of management development programmes were put in place
- Increased the pool of Bullying and harassment support advisors continued to provide continued support to all staff
- Continually reviewing our policies and practices in line with changing legislation
- Equality and diversity training is now available online to update staff skills, knowledge and understanding around equality

| Category | Staff 2013/14 (WTE) | % |
|----------|---------------------|--------|
| Age | | |
| 17-21 | 18 | 0.52% |
| 22-35 | 1179.18 | 33.80% |
| 36-50 | 1450.19 | 41.57% |
| 51-65 | 814.10 | 23.34% |
| 66+ | 27.26 | 0.78% |

| Category | Staff 2013/14 (WTE) | % |
|------------------------|--------------------------------|----------|
| Ethnicity | | |
| Asian or Asian British | 526.16 | 15.08% |
| Black or Black British | 1127.79 | 32.33% |
| Mixed | 117.80 | 3.38% |
| White | 1490.38 | 42.72% |
| Other | 87.97 | 2.52% |
| Not stated | 138.62 | 3.97% |
| Gender | | |
| Female | 2364.55 | 67.78% |
| Male | 1124.19 | 32.22% |
| Trans-Gender | 0 | 0% |
| Disabled | | |
| No | 1847.51 | 52.96% |
| Yes | 99.98 | 2.87% |
| Undefined | 1541.25 | 44.18% |

Breakdown of Senior Manager by Gender

| Senior Managers | Female | Male |
|------------------------|---------------|-------------|
| Band 8a | 192 | 90 |
| Band 8b | 63 | 24 |
| Band 8c | 39 | 21 |
| Band 8d | 15 | 9 |
| Band 9 | 4 | 7 |
| Directors | 2 | 10 |
| Total | 315 | 161 |

Going Forward:

In 2014/15 the Trust's Workforce Strategy will continue to aim to achieve the following:

- Recruit and retain culturally competent and highly skilled staff
- As the Trust expands its service provision beyond the remit of East London, the Trust will ensure that all members of our workforce feel part of the organisation regardless of their geographical location
- To foster a culture of continuous personal and professional development
- To continue striving to be the Employer of Choice for East London
- To support the Trust's Quality Improvement Programme
- To facilitate new ways of working to ensure that the best use of highly trained professionals is being made
- To improve workforce design and planning to ensure the right workforce capacity which is aligned to the directorates and service users' needs
- Address current national shortage of Health Visitors and District Nurses.

- To ensure that there is leadership capacity and capability in all areas of the organisation
- To offer staff continuous support and guidance during times of continuous change in the organisation and the whole of the NHS
- Find ways of ensuring that staff feel valued and that their work is recognised

Equality and Diversity

The focus of the past year has been on improving transparency and spreading and embedding good practice to enhance the Trust's overall performance to address unjustifiable inequalities. Equality and Diversity induction training has given further emphasis to a human rights based approach to tackle discrimination and the social model of disability, which looks at removing barriers that prevent equality of opportunity.

The Going for Gold: Delivering Equality for All forum, a stakeholder group of service users, Trust staff and local partner organisations, has become an established forum to advise the Trust on key equality issues and to hear about the Trust's work in these areas. In the past year, issues covered have included mental health and policing, people with learning disabilities and older people.

The Going for Gold forum aims to build dialogue with stakeholders, based on current work being undertaken by a non-executive directors' task force examining care pathways for Black service users.

The Trust was successful in its bid to the Stonewall Health Champions programme which has provided free consultancy support over a six month period to improve patient and service user experience for lesbian, gay and bisexual (LGB) people. One of the outcomes of the bid has the development of a Train the Trainer programme resulting in a cohort of trainers in each of the six directorates who provide sessions in varied settings such as team meetings and Away Days. This programme has run alongside the LGB training specifically designed for student nurses.

As a commitment to advancing equality of opportunity for staff, the Trust now has executive Board level champions for the three staff network groups which cover disability, LGB and Black and minority ethnic staff. Each staff network provides both a consultative forum and a means to channel issues to senior leaders aimed at bringing about improvements in the experience of staff at work.

Social Inclusion and Partnership Working

Social inclusion means fair access to services and opportunities, a decent standard of living and an opportunity to enjoy a diverse range of relationships. Social inclusion happens in the context of community. The Trust has renewed its focus on supporting social inclusion and recovery since September 2014 when the Social Inclusion and Recovery Group, a subgroup of the Patient and Carer Experience Committee was established.

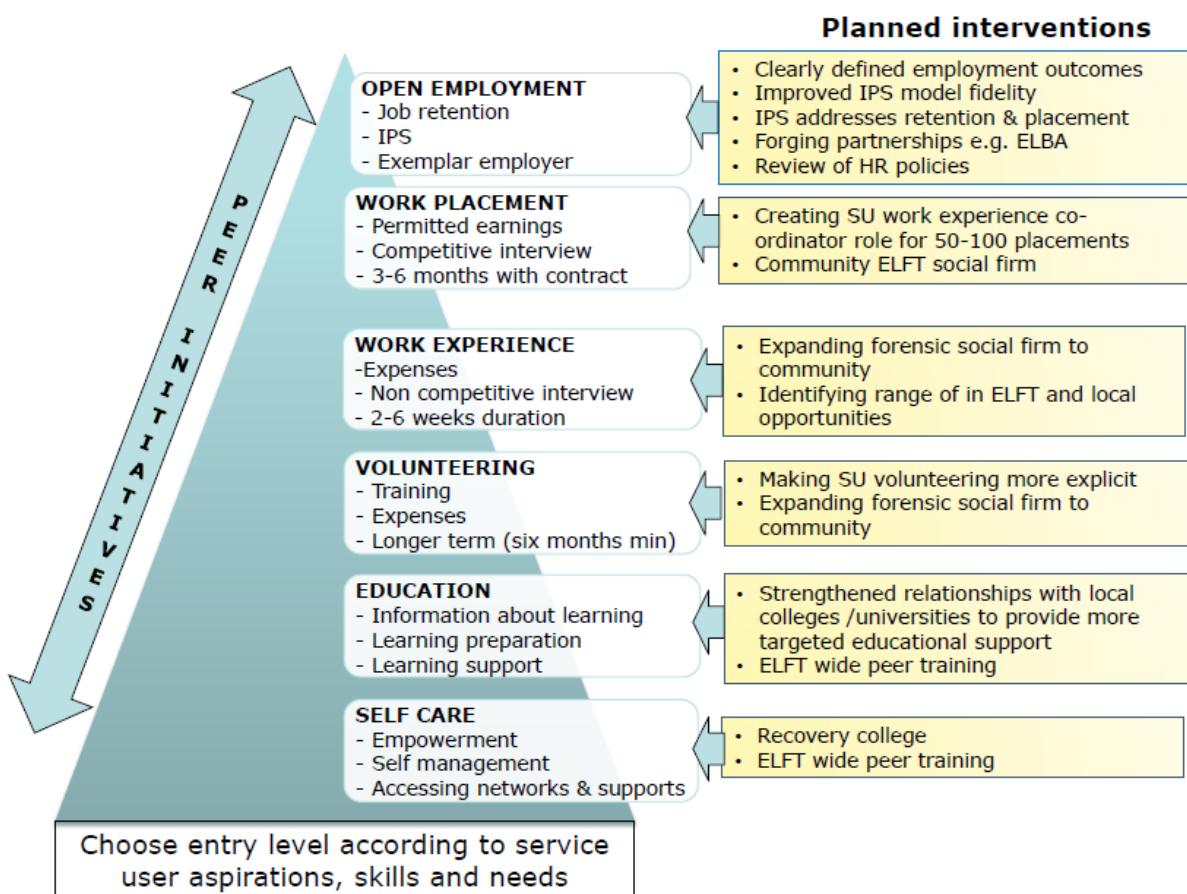
Over the last year the Trust has chosen to specifically focus on achieving social inclusion through service user employment because unemployment has a negative impact on health and wellbeing and less than 10% of people on CPA are in employment. Research evidence suggests that the best way to get service users with mental health problems back into work is by providing services using the place and train model such as IPS (Independent Placement Support).

The ELFT Service User Employment Strategy was approved by the Trust Board in November 2013 and is being implemented thorough the Service User Employment Sub-group chaired by a Non-Executive Director. Members of the sub-group have reviewed all the employment related services offered to service users across the Trust, including those provided directly by our staff and also those provided through our partnerships.

The review found a wide range of different employment and employment related initiatives being delivered across the Trust including examples of IPS but, to achieve excellence we need to improve IPS model fidelity in order to improve employment outcomes. Examples of employment related initiatives across the Trust include the ELFT service user volunteering scheme, the Peer Support training, Educational Support service and Lee House being delivered in the Hackney Directorate, the Social Firm in the Forensic Directorate and the partnership with Rework in the Tower Hamlets Directorate.

The Trust also provides a range of service user work placements and we plan to improve the co-ordination of service user work placements to ensure that we improve access, improve clarity about permitted earnings and improve links with local employers and job centres. These changes will be supported by a review of HR policies focussing on our responsibilities as an exemplar employer together with the development of a retention strategy for employees with mental ill health.

Over the next year we will work with our staff and service users to recognise that employment is one of the routes to social inclusion and improve staff capability in identifying employed mental health service users whose jobs are at risk and in identifying unemployed service users who want paid employment. We will work to better address stigma as a barrier to the employment of service users both within the Trust and with local employers, strengthen existing relationships with local partners and identify new relationships whilst exploring ways that we could use technology to support our efforts.



People Participation

The People Participation Team operates throughout the Trust to ensure that service users, carers and our local communities are actively involved in the planning, development and effective delivery of all Trust services.

For example, our network of service based Working Together Groups enable service users, carers, clinicians and other staff to work together in order to: -

- help shape and initiate policies;
- lead or take part in major decisions on service delivery;
- facilitate collaborative work and research whenever possible;
- represent the views of the wider community;
- hold the Trust to account.

In 2012 the priorities decided by the Trust Wide Working Together Group were included in the Trust Annual Plan for 2013/14, which meant that these became the business of everyone within the Trust. The priorities for 2013/14 were to: -

- improve the quality of food on wards;
- improve the uptake and use of Advance Directives;
- increase flexibility around the times that people can access services (including out of normal office hours access);
- address concerns about benefits issues;
- ensure a better service for carers;
- increase service user and carer involvement in delivering training to Trust staff;
- encourage positive staff attitudes towards the care of service users.

The People Participation Team provided a wide range of learning and development opportunities for service users, carers and community members to facilitate both their effective participation in the Trust, and being able to hold it to account. In 2013/14 this included training around running effective meetings, undertaking surveys and audits, participating in recruitment interviews and staff appraisals and helping to deliver training. The outcome of this training was reflected in a number of key activities during 2013/14 which (reflecting the above priorities) included: -

- establishing a forum to monitor and improve food quality;
- the introduction of an innovative (and subsequently award winning) Service User Led Standards Audit [SULSA], whereby service users not only designed their own standards for inpatient Wards but also conducted the relevant survey and reported on outcomes;
- the introduction of CPA audits in Tower Hamlets & Newham;
- expanded service user and carer involvement in recruitment interviewing for key posts;

- the introduction of a Carer's Strategy with a clear focus on the identification of carers, assessment of potential needs, signposting to relevant support services and the special position of young carers;.
- introduction of service user involvement in the appraisal process in Newham;
- expanded service user and carer involvement in the delivery of training (e.g. induction training);
- establishment of an active User Involvement Group in Forensics.

In January 2013 the Trust Board approved the development and implementation of a Carers Strategy for the period 2013-16. It also established a Carers Strategy Project Board to oversee implementation of the strategy.

The strategy identified 6 key areas (or "Domains") where the Trust would focus: -

- Domain 1 - Identifying and recognising carers;
- Domain 2 - Communicating with carers and involving them;
- Domain 3 - Providing information for carers;
- Domain 4 - Access to support for carers themselves;
- Domain 5 - Working in partnership with other agencies;
- Domain 6 - Working with young carers.

The PP Team has been working closely with service teams and carer leads to ensure good progress on identifying and recognising carers, providing them with relevant information and signposting them to relevant services. We are also establishing good foundations for further progress over the period of the Strategy. The implementation of the relevant Domains in different service areas has also highlighted the PP Teams ability to act in a flexible and responsive manner for the diverse services the Trust is responsible for delivering (e.g. the recognition of the difference between the role of carers in Adult, CAMHS, MHCOP and IAPT services, their differing needs and response to this).

The Team works closely with the Membership office to ensure that governors and members work alongside service users and carers, and actively participates in member and governor training.

The Team also works with closely with "florid", a service user based resource funded by the Trust.



www.florid.org.uk

"**florid**" was established in 2007, originally to provide a service user designed and run website offering information and a forum to service users. It has subsequently expanded very considerably and in 2012/13 was able to provide work placement and development opportunities, training and many other activities.

Board of Directors

Purpose

The Board of Directors is collectively responsible for the strategic direction of the Trust, its day-to-day operation, and its overall performance. The powers, duties, roles and responsibilities of the Board of Directors are set out in the Board's Standing Orders.

The main role of the Board is to:

- Provide active leadership of the Trust within a framework of prudent and effective controls which enable risk to be assessed and managed
- Set the Trust's strategic aims, taking into consideration the views of the Council of Governors, ensuring that financial resources and staff are in place for the Trust to meet its objectives, and review management performance
- Ensure the quality and safety of healthcare services, education, training and research delivered by the Trust and to apply the principles and standards of clinical governance set out by the Department of Health, the Care Quality Commission, and other relevant NHS bodies
- Ensure compliance by the Trust with its terms of authorisation, its Constitution, mandatory guidance issued by Monitor, relevant statutory requirements and contractual obligations
- Regularly review the performance of the Trust in these areas against regulatory requirements and approved plans and objectives.

Composition of the Board of Directors

The composition of the Board of Directors as at 31 March 2014 was as follows:

| | |
|---------------------------|---|
| Marie Gabriel | Chair |
| Dr Robert Dolan | Chief Executive Officer |
| Nicola Bastin | Senior Independent Director |
| Mary Elford | Vice Chair |
| Alan Palmer | Non-Executive Director |
| Professor Stefan Priebe | Non-Executive Director |
| Kingsley Peter | Non-Executive Director |
| Clyde Williams | Non-Executive Director |
| Robert Taylor | Non-Executive Director |
| Jitesh Chotai | Director of Finance |
| Dr Kevin Cleary | Medical Director |
| Dr Navina Evans | Director of Operations |
| John Wilkins | Deputy Chief Executive/Director of Performance and Business Development |
| Professor Jonathan Warren | Director of Nursing |
| Mason Fitzgerald | Director of Corporate Affairs |

Non-Executive Directors

The power to appoint and remove the Chair and Non-Executive Directors in a foundation trust is vested in the Council of Governors.

The terms of office are as follows:

| Name: | Expiry of term: |
|-------------------------|------------------------|
| Marie Gabriel | 1 October 2015 |
| Nicola Bastin | 1 November 2014 |
| Professor Stefan Priebe | 1 November 2014 |
| Kingsley Peter | 1 November 2014 |
| Clyde Williams | 1 November 2014 |
| Alan Palmer | 1 January 2016 |
| Mary Elford | 1 January 2015 |
| Robert Taylor | 1 October 2016 |

Attendance Record

During the course of the year, the Board of Directors has met on a monthly basis (except in August and December). All meetings are held in public, and are preceded by a meeting held in closed session. The attendance record of meetings for the Board of Directors for the year ended 31 March 2014 is as follows:

| Trust Board Director | Number of meetings | Total number of attendances |
|-----------------------------|---------------------------|------------------------------------|
| Marie Gabriel | 10 | 10 |
| Dr Robert Dolan | 10 | 9 |
| Nicola Bastin | 10 | 10 |
| Professor Stefan Priebe | 10 | 10 |
| Kingsley Peter | 10 | 7 |
| Alan Palmer | 10 | 9 |
| Clyde Williams | 10 | 7 |
| Mary Elford | 10 | 10 |
| Jitesh Chotai | 10 | 10 |
| Dr Kevin Cleary | 10 | 10 |
| Dr Navina Evans | 10 | 9 |
| John Wilkins | 10 | 10 |
| Jonathan Warren | 10 | 9 |
| Mason Fitzgerald | 2 | 2 |
| Robert Taylor | 5 | 2 |

In addition to Board meetings, the Chair meets regularly with the Non-Executive Directors prior to Board meetings. The full Board also has a development programme, including away-day sessions, and both Executive and Non-Executive Directors attend a number of committee meetings.

Performance Evaluation

The Trust has processes in place for an annual performance evaluation of the Board, its Directors and its committees in relation to their performance over the 2013/14 financial year. The main components of this are:

- The Board has an ongoing development programme in place and conducted a performance evaluation in July 2013, facilitated by an independent assessor, Janet McMillan Consulting
- The Chairman conducts individual performance evaluations of the Non-Executive Directors and the Chief Executive, as well as Executive Directors, in relation to their duties as Board members
- The Senior Independent Director conducts a performance evaluation of the Chairman
- The Chief Executive conducts performance evaluations of the Executive Directors.

Directors on the board of directors meet the “fit and proper” persons test described in the Monitor provider licence.

Independence of the Non-Executive Directors

Following consideration of the NHS Foundation Trust Code of Governance, the Board takes the view that all the Non-Executive Directors are independent. All Non-Executive Directors declare their interests and in the unlikelihood that such interests conflict with those of the Trust, then the individual would be excluded from any discussion and decision relating to that specific matter.

Balance, Completeness and Appropriateness of the Membership of the Board of Directors

The current Board of Directors comprises eight Non-Executive Directors (including the Trust Chairman) and seven Executive Directors (including the Chief Executive). The structure is compliant with the provisions of the NHS Foundation Trust Code of Governance.

Taking into account the wide experience of the whole Board of Directors, as well as the balance and completeness of the membership, the composition of the Board of Directors is considered to be appropriate.

Register of Directors’ Interests

Under the terms of the Trust’s Constitution, the Board of Directors are individually required to declare any interest which may conflict with their appointment as a Director of the Trust, as well as any related party transactions that occurred during the year. A copy of the register is available from the Trust Secretary.

Director's Remuneration

The responsibility for setting the remuneration packages of the Executive Directors falls to the Appointments and Remuneration Sub-Committee, details of which are found below. Full details of the Directors' remunerations are set out in the Accounts section.

The remuneration of the Trust Chairman and Non-Executive Directors is the responsibility of the Council of Governors Nominations Committee which makes recommendations to the Council of Governors.

Audit Committee

Composition of the Audit Committee

The members of the Audit Committee as at 31 March 2014 are as follows:

| | |
|----------------|------------------------|
| Alan Palmer | Chair |
| Kingsley Peter | Non-Executive Director |
| Mary Elford | Non-Executive Director |

Attendance Record

During the course of the year, the Audit Committee met five times. The attendance record of meetings for the Audit Committee for the year ended 31 March 2014 is as follows:

| Committee members | Number of meetings | Total number of attendances |
|-------------------|--------------------|-----------------------------|
| Alan Palmer | 5 | 5 |
| Kingsley Peter | 5 | 3 |
| Mary Elford | 5 | 4 |

How the Audit Committee Discharges its Responsibilities

The purpose of the Audit Committee is to provide one of the key means by which the Trust Board ensures that effective internal financial control arrangements are in place. In addition, the Committee is tasked with providing a form of independent check upon the executive arm of the Trust Board. The Committee operates in accordance with terms of reference set by the Board of Directors which are consistent with the NHS Audit Committee Handbook and the Foundation Trust Code of Governance. All issues and minutes of these meetings are reported to the Trust Board.

In order to carry out its duties, Committee meetings are attended by the Director of Finance and representatives from Internal Audit, External Audit and Counter Fraud. The Committee directs and receives reports from these representatives, and seeks assurances from Trust officers. The main functions of the Committee are set out below.

Annual Accounts

The Audit Committee reviews and scrutinises the draft annual accounts through questioning of the external auditors and Trust officers and recommends their adoption by the Board.

Internal Audit

The Trust's Internal Auditors for 2013/14 were Deloitte LLP. Internal Audit provides an independent appraisal service to provide the Trust Board with assurance with regards to the Trust's systems of internal control.

The Audit Committee considers and approves the Internal Audit Plan and receives regular reports on progress against the plan, as well as an Annual Report. The Committee also receives and considers internal audit reports on specific areas.

External Audit

The Trust's External Auditors for the period 1 April 2013 to 31 March 2014 were KPMG.

The main responsibility of External Audit is to plan and carry out an audit that meets the requirements of Monitor's Audit Code for NHS Foundation Trusts. Under the Code, External Audit is required to review and report on:

- The Trust's accounts
- Whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources

The External Auditors also review the content of the Trust's Quality Accounts.

The Audit Committee reviews the External Audit Annual Audit Plan at the start of the financial year and receives regular updates on progress. The Committee also receives an Annual Audit Letter. The Committee annually assesses the performance of external audit and reports on this to the Council of Governors.

KPMG's remuneration for 2013/14 was £58,103 excluding VAT.

Auditor's Reporting Responsibilities

KPMG reports to the Council of Governors through the Audit Committee. Their report on the Trust's financial statements is based on its examination conducted in accordance with UK Generally Accepted Accounting Practices and Monitor's Financial Reporting Manual. Their work includes a review of the Trust's internal control structure for the purposes of designing their audit procedures.

Counter Fraud

The Trust employs a Local Counter Fraud Specialist (LCFS).The role of the LCFS is to assist in creating an anti-fraud culture within the Trust; to deter, prevent and detect fraud; to investigate any suspicions that arise; to seek to apply appropriate sanctions; and to seek redress in respect of monies obtained through fraud.

The Audit Committee receives regular progress reports from the LCFS during the course of the year and also receives an annual report.

The Trust's Counter Fraud service has received a rating Green (fully compliant) under NHS Protects self-review tool.

Relationship with the Council of Governors

In an NHS Foundation Trust, the Council of Governors is vested with responsibility for the appointment of the Trust's External Auditors, and will consider recommendations from the Audit Committee when doing so.

Appointments and Remuneration Sub-Committee

Purpose

The Appointments and Remuneration Sub-Committee has the responsibility to review the structure, size and composition of the Board of Directors and make recommendations for changes where appropriate. The Committee is also responsible for leading the recruitment and appointment process for Executive Directors, reviewing reports on their annual performance evaluation, and for reviewing and agreeing the remuneration levels of the Executive Directors.

Composition of the Appointments and Remuneration Sub-Committee

The members of the Appointments and Remuneration Sub-Committee as at 31 March 2014 are as follows:

| | |
|----------------------------|-----------------------------|
| Marie Gabriel | Chair |
| Dr Robert Dolan | Chief Executive Officer |
| Nicola Bastin ¹ | Senior Independent Director |
| Mary Elford ² | Vice Chair |
| Alan Palmer | Non-Executive Director |
| Professor Stefan Priebe | Non-Executive Director |
| Kingsley Peter | Non-Executive Director |
| Clyde Williams | Non-Executive Director |
| Rob Taylor | Non-Executive Director |

The Director of Human Resources attends Committee meetings as an advisor.

Attendance Record

During the course of the year, the Appointments and Remuneration Sub-Committee met three times. The attendance record of meetings for the Committee for the year ended 31 March 2014 is as follows:

| Committee member | Number of meetings | Total number of attendances |
|-------------------------|--------------------|-----------------------------|
| Marie Gabriel | 3 | 3 |
| Dr Robert Dolan | 3 | 3 |
| Nicola Bastin | 3 | 2 |
| Alan Palmer | 3 | 2 |
| Professor Stefan Priebe | 3 | 3 |
| Kingsley Peter | 3 | 3 |
| Clyde Williams | 3 | 2 |
| Mary Elford | 3 | 3 |
| Robert Taylor | 1 | 1 |

More information is set out in the Remuneration Report.

¹ Vice Chair till 31st December 2014

² Vice Chair from 1st January 2014

Other Board Committees

Quality Assurance Committee

Chaired by a Non-Executive Director, the Assurance Committee has responsibility for managing the Board Assurance Framework (high level risk register). The Committee assesses, oversees and strategically manages and directs all aspects of the Trust's corporate and clinical governance risks.

Finance, Business and Investment Committee

This committee is chaired by a Non-Executive Director, and is attended by two other Non-Executive Directors, the Chief Executive and the Director of Finance. Its main role is to scrutinise all financial reports, all issues with a material financial impact (including proposed service and capital developments) and cash investment policy.

Quality Committee

The Quality Committee has responsibility for ensuring that the Trust's statutory duty of quality under the Health Act 1999 is discharged, and it approves and monitors quality improvement plans and workstreams. The Quality Committee maintains a sub-committee structure that assists it in ensuring that the Trust is meeting all Care Quality Commission essential standards and other governance targets.

Mental Health Act Sub-Committee

The Mental Health Act Sub-Committee is chaired by a Non-Executive Director and ensures that the statutory duties of the Trust Board under the Mental Health Act 1983 and subsequent amendments are exercised reasonably, fairly and lawfully.

Public Participation Committee

The Public Participation Committee was established to assist the Trust Board in meeting its duty to consult with service users and the public, and its remit and membership has been reviewed in order to support the work of the Council of Governors. Membership includes the Trust Board Chairman, a Non-Executive Director, service user representatives from across the Trust, a carer representative, governors and members of the Trust's Executive Team. This Committee discusses issues regarding patient experience and involvement, and gives service user and carer representatives a direct link to the Trust Board.

Council of Governors

Purpose

The Council of Governors comprises 45 members, 27 of which are elected to represent public constituencies, nine who are elected as staff representatives and nine appointed partnership organisation members.

Trust Governors have a responsibility to represent their members' and partner organisations interests, particularly in relation to the strategic direction of the Trust, and to provide a steer on how the Trust should carry out its business in ways consistent with the needs of its members and the wider population.

Governors do not undertake operational management of the Trust but do challenge the Board of Directors, acting as the Trust's critical friend and collectively holding the Board to account for the Trust's performance to help shape the organisation's future direction. Governors on the council of governors meet the "fit and proper" persons test described in the Monitor provider licence.

Duties

The formal powers and duties conferred on the Council of Governors by the National Health Services Act 2006, Standing Orders of the Council of Governors and the constitution are as follows:

- To appoint, remove and decide the terms of office of the Chair and other non-Executive Directors
- To approve the appointment of the Chief Executive by the Non-Executive Directors
- To appoint or remove the auditor at a general meeting of the Council of Governors
- To be consulted on forward planning by the Board of Directors
- To receive the annual report and accounts, and the report of the auditor on them, at a general meeting of the Council of Governors
- To decide the remuneration and allowances, and the other terms and conditions of office, of the Non-Executive Directors
- To inform Monitor if the Trust is at any risk of breaching its terms of authorisation where these concerns cannot be resolved locally

The Health and Social Care Act 2012 placed greater emphasis on local responsibility and accountability. Foundation Trust governors have an integral role to play in this respect and accordingly have been given new powers which have increased the scope of their responsibilities and ensure they have more influence than before, especially in relation to financial matters.

In light of the Act a number of requirements are placed on the Board of Directors to empower governors by:

- Holding open board meetings

- Before holding a board meeting the board must send a copy of the agenda to the Council of Governors
- As soon as practicable, after holding a meeting, the board must send a copy of the minutes to the Council of Governors
- The Trust must ensure that Governors are equipped with the skills and knowledge they need to undertake their role.

Additional Duties:

- Significant transactions must be approved by more than half of the members of the Council of Governors voting
- Governors must be satisfied that the earning of private patient income will not significantly interfere with their Trust's principal purpose of the performance of its functions (NHS work) and must notify the board of their decision on this
- Where an amendment is proposed to the constitution in relation to the powers or duties of the council at least one Governor must attend the next Annual Members Meeting and present the proposal. The Trust must also give its members the chance to vote on such amendments to the constitution

How the Council of Governors and Board of Directors operate

The Trust Chair is responsible for the leadership of both the Council of Governors and the Board of Directors. The Chairman has overall responsibility for ensuring that the views of the Council of Governors and Trust members are communicated to the Board as a whole and considered as part of decision-making processes and that the two bodies work effectively together.

The Council of Governors receive and consider relevant information on clinical and operational matters, the Trust's Annual Plan, and other appropriate information, in order to fulfil their duties.

The respective powers and roles of the Board of Directors and the Council of Governors are set out in their Standing Orders. Some of the key features of the relationship between the two bodies are:

- Executives and Non-Executive Directors attend each Council of Governor Meeting
- Summaries of Council of Governor meetings are reported to the Board of Directors
- A Senior Independent Director attends Council of Governor meetings and is available to meet with Governors on a one-to-one basis to discuss any issues or concerns a Governor may have
- The Deputy Chair of the Council of Governors works with the Chairman to ensure that the two bodies cooperate effectively
- The continuation of the role of Assistant Deputy Chair has ensured consistency of this work in the absence of the Deputy Chair
- Council of Governors continue to have an open invitation to attend all Trust Board meetings
- Membership Meetings held in relation to the Trust's Annual Plan are attended by Governors, Executive Directors and the Chairman.

Attendance Record

| Governor | Term | No of meetings attended in 2013/14 (out of six unless otherwise stated) |
|------------------------------------|--|--|
| Tower Hamlets | | |
| Ashek Ali | November 2012 - September 2013 | 0(2) |
| Nicholas Callaghan | November 2013 - 2016 | 2(3) |
| Terry Cowley | November 2012 - 2015 | 6 |
| Belle Harris | November 2013 - 2016 | 3(3) |
| Nassar Hosein | September 2010 - November 2013 | 3(3) |
| Gordon Joly (Lead Governor) | November 2012 - 2015 (2nd Term) | 6 |
| Ala Miah | February 2013 - 2015 | 1(6) |
| Dinah Morley | September 2010 - November 2013 | 3(3) |
| Peter Nichol | September 2010 - November 2013 | 0(3) |
| Robert Scott | November 2013 - 2016 | 3(3) |
| David Ssembajjo | November 2013 - 2016 | 3(3) |
| Newham | | |
| John Barfield | November 2012 - November 2013 (2nd Term) | 3(3) |
| Muhammad Naeem Butt | November 2013 - 2016 | 1(3) |
| Alyas Ahmed Hussain | November 2013 - 2016 | 0(3) |
| Kevin Jenkins | November 2013 - 2016 | 0(3) |

| Governor | Term | No of meetings attended in 2013/14 (out of six unless otherwise stated) |
|----------------------------|---|--|
| Asmat Khan | April 2010 - November 2013 | 2(3) |
| Zahida Khan | April 2010 - November 2013 | 1(3) |
| Ally Khodabocus | November 2013 - 2016 | 2(3) |
| Peter Landman | November 2013 - 2016 | 3(3) |
| Carol Ann Leatherby | November 2013 - 2016 (2nd term) | 5 |
| Ajith Lekshmanan | November 2012 - 2015 | 4 |
| Norbert Lieckfeldt | November 2012 - 2015 | 5 |
| Shannon O'Neill | September 2010 - November 2013 (2nd Term) | 3(3) |
| Manji Patel-Vekaria | September 2010 - November 2013 | 3(3) |
| Yvonne Sawyers | November 2013 - 2016 | 2(3) |
| Edith Weston | March 2011 - November 2013 | 2(3) |
| Ernell Diana Watson | November 2012 - 2015 | 6 |
| Craig Wymant | November 2013 - 2016 | 3(3) |
| Hackney | | |
| Brizlall Boodhoo | August 2011 - November 2013 | 2(3) |
| Eric Cato | November 2012 - 2015 | 5 |
| Katherine Corbett | November 2012 - 2015 | 6 |

| Governor | Term | No of meetings attended in 2013/14 (out of six unless otherwise stated) |
|---------------------------------------|---|--|
| Kofoworola David | November 2012 - 2015 (2nd Term) | 3 |
| Chloe Desouza | November 2012 - September 2013 | 2(2) |
| Zara Hosany | November 2013 - 2016 | 3(3) |
| Ike Oze | November 2012 - 2015 | 5 |
| Clarissa Rocke-Caton | September 2010 - November 2013 (2nd Term) | 3(3) |
| Ian Ray Todd | November 2013 - 2016 | 3(3) |
| Susan Wengrower | November 2013 - 2016 | 1(3) |
| City of London | | |
| Gerlad Hine | November 2013 - 2016 (2nd term) | 6 |
| Staff - Mental Health Services | | |
| Ruth Benbow | September 2010 - May 2013 | 0(0) |
| Robbin Bonner | November 2013 - 2016 | 3(3) |
| Josephine Dolan | November 2012 - 2015 | 5 |
| Ferenkeh Jalloh | November 2013 - 2016 | 3(3) |
| Margaret Minoletti | November 2012 - 2015 | 3 |
| John Peers, | September 2010 - May 2013 | 0(0) |
| Julian Ruse | November 2012 - 2015 | 6 |

| Governor | Term | No of meetings attended in 2013/14 (out of six unless otherwise stated) |
|---|--|--|
| Betsy Scott | November 2011 - 2013 | 4 |
| Basseer Somally | November 2013 - 2014 (2nd term) | 6 |
| Staff - Community Health Service Newham | | |
| Dr Sandra Baum | November 2013 - September 2016 | 1(3) |
| Bibi Sajida Khan | April 2010 - November 2013 | 2(3) |
| Appointed | | |
| Will Huxter, East London & the City Commissioning Alliance | June 2011 - November 2013 | 2(4) |
| Lutfa Begum, Tower Hamlets, Local Authority | Appointed August 2013 | 0(4) |
| Abdul Malik, Newham BME Voluntary Organisation | November 2013 - 2016 | 2(3) |
| Charlene McLean, Newham Local Authority | July 2011 - May 2013 | 0(0) |
| Kolil Miah, Tower Hamlets BME Voluntary Organisation | Appointed September 2011 | 2 |
| Virginia Rounding, City of London, Local Authority | December 2011 - September 2013 | 2(2) |
| Stephen Stansfeld, Queen Mary University of London | November 2010 - November 2013 (2nd term) | 2(3) |
| Sahdia Warraich, Newham, Voluntary Organisation | November 2010 - November 2013 (2nd term) | 2(3) |
| Amy Whitelock, Tower Hamlets, Local Authority | August 2012 - July 2013 | 1(2) |

| Governor | Term | No of meetings attended in 2013/14 (out of six unless otherwise stated) |
|---|----------------------|--|
| Neil Wilson, Newham, Local Authority | Appointed May 2013 | 3(5) |
| Dhruv Patel, City of London, Local Authority | Appointed March 2014 | 1(1) |

Governor Expenses

There was a total of £462 (£716 in 2012/13) of expenses claimed for 2013/14 financial year by eight governors (out of 38 currently in office). All expense claims are made and processed in line with Trust policy. Records of individual expense claims were not maintained by the Trust for 2013/14 as per Monitor's guidance.

Register of Governor's Interests

Under the terms of the Trust's Constitution, the Governors are individually required to declare any interest which may conflict with their appointment as a Governor of the Trust, as well as any related party transactions that occurred during the year. A copy of the register is available from the Trust's Membership Office.

Membership

Membership Statistics – Please see below:

| | Trust Public Members | Percentage of total public membership* | East London & The City population | Target percentage of population in the Trust's catchment area* |
|------------------------------------|----------------------|--|-----------------------------------|--|
| City of London | 42 | 0.49 | 8,624 | 1.75 |
| Hackney | 2,083 | 24.37 | 252,004 | 30.86 |
| Newham | 3,261 | 38.15 | 318,129 | 33.28 |
| Tower Hamlets | 2,057 | 24.07 | 270,368 | 34.12 |
| Other Areas | 1,008 | | | |
| Total in catchment | 7,443 | | 849, 125 | |
| Total including Other Areas | 8,451 | | | |
| Staff Membership | 4,147 | | | |
| Total Trust Membership | 12,598 | | | |

*The percentage of public members in the Trust's catchment area is determined by excluding members in 'Other Areas'

The Trust has a membership base of 8,451 as at 31 March 2014.

Eligibility requirements

The Trust has two main membership groups:

Public

All members of the public aged 12 years or older and living in the City of London, Hackney, Newham or Tower Hamlets are eligible to become members of the Trust. Residents of any other London borough aged 12 years or older can also join the Trust. The Trust does not have a separate membership group for service users or carers – both service users and carers make up a vital part of the public membership group.

Staff

All Trust staff are automatically part of the staff membership group provided they are on a permanent contract or on a fixed-term contract of at least 12 months duration. Staff can opt out of membership if they wish. Trust bank staff and staff who are seconded from partner agencies and have been in post or are on contracts longer than 12 months were invited to sign up as members of the staff group.

Members are similar to demographic proportions to the population served by the Trust. Whilst the Trust wishes to maintain a membership which adequately

represents the local population, we also aim to support the continued development of our membership and its involvement and influence.

Our focus in 2013/2014 has been on the effective engagement of our current membership and development of active members. The Trust will however continue to focus on membership recruitment in areas where it is under-represented. But significant membership growth is not our primary aim. Creating a more active and representative membership with increased engagement is our main aim, and to see an increased turnout at elections.

There will be an on-going review of membership per public constituency to ensure that they are representative in terms of locality, age, gender, and ethnicity. We seek guidance and support from the Trust Lead on Equality and Diversity where needed.

Membership Involvement

The Trust recognises that not all members want to be involved to the same extent or in the same way in Trust activities. Levels of membership engagement range from members wanting to be kept up to date on Trust developments to those who attend focus or local groups and/or the Annual Members Meeting and Annual Plan Consultation events and may consider standing for election to the Council of Governors

A focus group of public members - the “Working Lunch Group” - continues to meet quarterly and is chaired on a rotation basis by a trust member. Of significance is this group’s involvement in the redesign of the members area of the new Trust website. Trust members continue to receive the membership newsletter *In Your Trust*- and receive regular bulletins for election briefing sessions and events

The membership team now hold a stall at every staff induction to encourage staff that membership is a trust wide activity and newly recruited Trust volunteers are encouraged to show their support to the trust and join as members

Annual Members Meeting

Held at Stratford Circus on 10 September 2013, this event drew a large number of members who received the Council of Governors Annual report and engaged in lively group discussions on a selection of topics. Dr Robert Dolan, Chief Executive, gave an update on the Trust’s Annual Plan and explained how suggestions from Members at the Annual Plan Consultation Events held in February and March 2013 were implemented to improve and develop Trust services. Members were able to choose one of the following information sessions to attend on the day:

- The new Trust website
- Research and Development
- Governor Election Briefing Session – for members wishing to nominate themselves to become a Governor.
- The Trust’s Complaints and Patient Advise and Liaison Service (PALS)

There was also the opportunity for Members to meet their Governor representatives and talk with key Trust staff as well as visit the Trust's information stalls. Many members then joined the Annual General Meeting which followed afterwards. Over 70 members attended the Annual Members Meeting.

Annual Plan Consultation Events and Meeting

4, 10 & 17 February 2014 (borough events) and 6 March 2014 (Trust-wide event)
In total over the four events, 144 people attended these events. Key emerging themes will be used to inform the Trust's Annual Plan. Members had the opportunity to meet their governors, speak directly to Borough Directors and pose key questions to senior staff.

Other Membership/Governor Events 2013-2014

Governor Election Briefing Sessions
Bangladeshi Mental Health Awareness Day
World Mental Health Awareness Day in Newham
Student Nurse Inductions to encourage them to join as members
Osmani Trust, Health and Well-being Event
Alcohol Awareness event in Hackney
ASK's Mental Health Awareness and Wellbeing Event in Newham
Six Year Celebration Event for Governors
Membership Information stalls at the Monthly Trust Staff Inductions

How to contact Council of Governors

Governors can be contacted via email, post or telephone through the Membership Office. Information about staff representatives and public representatives for each local area of the Trust is available on the Trust website. Staff governor's details are also available to all staff on the staff intranet. Details of Council of Governor Meetings, which are open to the public, are also published on the trust's website. In spring/summer 2014 the Trust Headquarters, including the Membership Office, moved out of the EastOne, 22 Commercial Street. The new contact details are as follows:

Membership Office
9 Alie Street,
London,
E1 8DE
Freephone: 0800 032 7297

Nominations Committee

Purpose

The Nominations Committee has been established to carry out specific duties on behalf of the Council, including recommending candidates for appointment or re-appointment to the posts of Chairman and Non-Executive Director, discussing their annual performance evaluation, and remuneration.

Composition of the Nominations Committee

The members of the Nominations Committee as at 31 March 2014 are as follows:

| | |
|--------------------------------|------------------------------|
| Marie Gabriel | Chair |
| Gordon Joly | Deputy Chair (Lead Governor) |
| Ajith Lekshmanan ³ | Governor |
| Katherine Corbett ⁴ | Governor |
| Julian Ruse ⁵ | Governor |
| Stephen Stansfeld ⁶ | Governor |
| Dinah Morley ⁷ | Governor |
| Shannon, O'Neill ⁸ | Governor |

The Director of Human Resources and the Trust Secretary attend Committee meetings as advisors.

Attendance Record

During the course of the year, the Nominations Committee met four times. The attendance record of meetings for the Committee for the year ended 31 March 2014 is as follows:

| Committee member | Number of meetings | Total number of attendances |
|-------------------|--------------------|-----------------------------|
| Marie Gabriel | 3 | 3 |
| Gordon Joly | 4 | 4 |
| Ajith Lekshmanan | 1 | 1 |
| Katherine Corbett | 1 | 1 |
| Julian Ruse | 2 | 1 |
| Stephen Stansfeld | 3 | 3 |
| Dinah Morley | 3 | 3 |
| Shannon, O'Neill | 3 | 3 |

³ Member from November 2013

⁴ Member from November 2013

⁵ Member from August 2013

⁶ Left November 2013

⁷ Left November 2013

⁸ Left November 2013

Volunteer Report

Year 3 of the Volunteer Programme has now been completed and has shown yet another growth in the numbers of people who have registered to become volunteers within the Trust. In the past year we have welcomed 563 volunteers to enhance the services that are already being provided by staff and this is a further increase of 16% of loyal, committed and valued people, most of whom come from within the Trust geographical area and are therefore the community with the Trust serves.

There has also been an increase in service users coming forward to become volunteers this year but it is noted that this information about past use of our services is not being recorded from application forms. This information is disclosed during the training as those concerned have felt uncomfortable about disclosing this in advance during the initial recruitment process. A change in the application form from April 2014 will hopefully address this and show a positive response to having service users coming forward to join the programme.

It should be noted that more volunteers could be provided if we had the roles in which to place them and the Trust Volunteer Coordinator is working hard to develop new roles with departments who are yet to see the benefit of volunteer involvement. However, there have been some new developments with regard to roles being provided; some as a pilot (ie Ruby Triage Unit NCMH), and some have expanded volunteer involvement (ie Newham and Tower Hamlets CMH OT Departments). New roles have also been developed within SAU, OP Services, Mental Health Tribunal Support and Newham Community Health. Regular Volunteer Lead meetings have taken place to enable the Trust Volunteer Coordinator to support the staff who are taking on the additional responsibility of managing volunteers within their departments on a day to day basis. Regular review meetings also take place on a one to one basis between the Trust Volunteer Coordinator and Volunteer Leads.

Training has proved very successful again this year with 7 training programmes (each of 3 days) being held either on weekdays or weekends over the year with an average of 32 volunteers attending each programme. Additional workshops, introduced last year, for training for specialised roles have been run 3 times and evaluations of all training have shown how much the volunteers value the training input and how it prepares them for their volunteering role.

Towards the end of the year the programme has heard that they have been successful in gaining some additional funding from a special fund offered by the Department of Health. Funding for 18 months is to be provided and the Trust Volunteer Coordinator has applied for an additional staff member to research, develop and implement a system for monitoring qualitative feedback on the benefits of volunteer involvement from the staff and volunteers, and more specifically from

service users who have had volunteers supporting them in part of the process of helping them to recovery.

No programme comes without challenges and the Trust Volunteer Coordinator has had to handle various issues regarding volunteer DBS disclosures that have shown inappropriate backgrounds and therefore requiring dismissal from the programme. However, all challenges have been handled well as the programme has robust good practice procedures which enable challenges to be dealt with efficiently and transparently.

For any further information about the Volunteer Programme please contact the Trust Volunteer Coordinator via the email ann.lacey@eastlondon.nhs.uk

Public Interest Disclosures

The Trust strives to be a responsible member of the local community, and information regarding its performance in this area, as well as other matters of public interest, are set out below.

Trust Policies Relating to the Environment

The Trust has implemented a number of strategies and processes regarding environmental matters. This includes an Environmental Policy Statement that sets out the Trust's commitment to manage environmental risks and reduce our environmental impact. The Trust has developed strategies regarding waste, energy and green transport.

Private Finance Initiative (PFI)

In 2002 a 30-year contract commenced with G H Newham Ltd for the construction, maintenance and operation of facilities management services for the Newham Centre for Mental Health.

The Trust extended the PFI contract to provide for the expansion and reprovision of the Coborn Centre for Adolescent Mental Health - the Trust's specialist child and adolescent inpatient service.

The Trust is committed to making a payment of £5.186m for the combined scheme during 2013/14 compared to £4.994m in 2012/13.

Health and Safety at Work

The Director of Corporate Affairs is the Executive Director lead for Health and Safety matters and is supported by the Estates Department, Assurance Department and local health and safety leads. A Safety Committee meets regularly to discuss implementation of legislation and current health and safety issues.

The Trust is provided with Occupational Health services through an agreement with a private provider.

Equal Opportunities

The Trust is an equal opportunities employer, is accredited with the Two Ticks Disability Symbol and has achieved the 'Positive about Disabled People' status. The Trust has an Equal Opportunity Policy in place.

Consultation

Previously established staff consultation arrangements continue to operate through the Joint Staff Committee which is chaired by a Non-Executive Director and is attended by staff-side and management representatives. Local Joint Staff Committees have been set up in the directorates. The Trust also continues to consult with the Local Overview and Scrutiny Committees.

The Trust consulted with staff, the Council of Governors and membership regarding its Annual Plan for 2014/15. More information regarding this, and other public and patient involvement activities, is set out elsewhere in this Annual Report.

Compliance with the Better Payment Practice Code

Details of compliance with the Better Practice Payment Code are set out in Note 9 of the accounts.

Freedom of Information Act 2000

The Trust complies with the Freedom of Information Act which came into force on 1 January 2005. Details of the Trust's publication scheme and how to make requests under the Act are on the Trust's website www.eastlondon.nhs.uk. All requests for information received during the year have been handled in accordance with the Trust's policy and the Act.

Security of Data

The Trust has continued to ensure that information provided by service users and staff is handled appropriately and kept safe and secure. The Trust is required to report any data related incidents that would be classed as Serious Untoward Incidents, such as the loss of paper or electronic files.

The Trust has reported one data related incident during 20013/14 that would be classed as a Serious Untoward Incident.

Information governance risks

Risks to information including data security are managed and controlled by the Trust in a robust way. The Trust has a nominated Caldicott Guardian (Medical Director), who is also the executive director lead for Information Governance, and is supported by key staff within the Assurance Directorate and directorate leads. Policies are in place which are compliant with NHS guidelines, and incident reporting procedures are in place and utilised by staff. An Information Governance Steering Group forms part of the Trust's Quality Framework. The Trust Board receives reports on compliance with the Information Governance Toolkit.

Counter Fraud

The Trust employs their own Local Counter Fraud Specialist, and reports on counter fraud activity are submitted to the Trust's Audit Committee. The Trust's Counter Fraud Policy was updated during the course of the year. Further details are set out in the report on the Audit Committee.

Trust Auditors

The Trust's Auditors are KPMG. Further details are set out in the report on the Audit Committee.

Remuneration Report

For the purposes of this report the disclosure of remuneration to senior managers is limited to Executive and Non-Executive Directors of the Trust.

Trust Board Appointments and Remuneration Sub-Committee

Details relating to the purpose and composition of the Appointments and Remuneration Sub-Committee are set out in the Appointments and Remuneration Sub-Committee pages of this report.

Remuneration Policy

Executive Directors' salaries are decided by the Appointments and Remuneration Sub-Committee taking into account the requirements of the role, benchmarking information, individual and Trust performance, and the financial circumstances relating to the Trust performance and those relating to the Trust as a whole. Individual performance bonuses are not paid to Executive Directors. No individual is involved in any discussion or decision regarding their own pay level.

Contractual Arrangements

All Executive Directors have permanent contracts of employment with the Trust. Executive Directors are required to give three month notice to terminate their employment contracts.

Non-Executive Directors are appointed for fixed terms. The dates of executive director appointments are listed below:

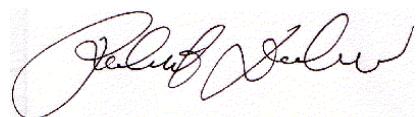
| Executive Director | Post | Date of Appointment |
|--------------------|---|---------------------|
| Dr Robert Dolan | Chief Executive | 11 September 2006 |
| John Wilkins | Deputy Chief Executive/Director of Performance and Business Development | 1 November 2007 |
| Jitesh Chotai | Director of Finance | 1 April 2009 |
| Dr Kevin Cleary | Medical Director | 1 June 2011 |
| Dr Navina Evans | Director of Operations | 1 February 2012 |
| Jonathan Warren | Director of Nursing | 1 August 2010 |
| Mason Fitzgerald | Director of Corporate Affairs | 1 February 2014 |

Details of staff paid via off-payroll arrangements are set out in note 6.3 of the accounts.

Salaries and Allowances

The remuneration (and pension) arrangements for both Executive and Non-Executive Directors including the Chairman are set out in section 6.1-6.3 within the accounts section of this report.

The remuneration of the Chairman and Non-Executive Directors is reviewed by the Council of Governors Nominations Committee and set by the Council of Governors. There was no compensation paid to any past or current members of the Board of Directors during the year.

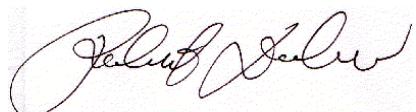
A handwritten signature in black ink, appearing to read "Robert Dolan".

Dr Robert Dolan
Chief Executive

Statement of Compliance with the NHS Foundation Trust Code of Governance

The NHS Foundation Trust Code of Governance was published by Monitor on 29 September 2006 and updated on 1 April 2010 and December 2013. The purpose of the Code is to assist NHS Foundation Trusts in improving their governance practices. It is issued as best practice advice, but imposes some disclosure requirements. This Annual Report includes all the disclosures required by the Code.

The Trust Board of Directors support and agree with the principles set out in the NHS Foundation Trust Code of Governance. The Trust is compliant with all provisions of the Code.



Dr Robert Dolan
Chief Executive

As far as the directors are aware, all relevant information has been made available to the auditors. The directors have also taken necessary steps in their capacity as directors and are unaware of any relevant information not being disclosed or brought to the attention of the auditors.

The directors are responsible for preparing the annual report and accounts, and consider that the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the necessary information for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

All directors and governors meet the "fit and proper" persons test described in the Trust's licence issued by Monitor.

Contact Us

The Trust's postal address is:

Trust's Headquarters
9 Alie Street, London, E1 8DE

Switchboard Telephone Number: 020 7655 4000

Fax Number: 020 7655 4002

Email: webadmin@eastlondon.nhs.uk

Your opinions are valuable to us. If you have any views about this report, or if you would like to receive this document in large print, Braille, on audio tape, or in an alternative language, please contact Communications Department on phone 020 7655 4066/020 7655 4049 or email janet.flaherty@eastlondon.nhs.uk or liljana.vucicevic@eastlondon.nhs.uk

Signed:

Date: 27/05/2014

Dr Robert Dolan
Chief Executive

East London NHS Foundation Trust

Audited Annual Accounts
For the year ended
31 March 2014

Annual Accounts For the year ended 31 March 2014

East London **NHS**
NHS Foundation Trust

FOREWORD TO THE ACCOUNTS

These accounts, for the year ended 31 March 2014, have been prepared in accordance with paragraphs 24 and 25 of schedule 7 to the NHS Act 2006.

Signed:



Dr Robert Dolan
Chief Executive

Date: 27 May 2014

ANNUAL GOVERNANCE STATEMENT 2013/14

1 Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

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 therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks against the achievement of the organisation's policies, aims and objectives of East London NHS Foundation Trust, and to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in East London NHS Foundation Trust for the year ended 31 March 2014 and up to the date of approval of the annual report and accounts.

The Trust Board are accountable to the Independent Regulator (Monitor) for performance and control issues, and submits quarterly monitoring returns and exception reports to Monitor in accordance with the Monitor's Risk Assessment Framework.

3 Capacity to handle risk

The Trust has a Risk Management Strategy and operational policies approved by the Trust Board. Leadership is given to the risk management process through a number of measures, including designation of Executive and Non-Executive Directors to key committees within the Trust's Healthcare Governance Framework structure. The Director of Corporate Affairs has delegated responsibility for ensuring the implementation of the Assurance Framework, and is assisted by the Assistant Director of Assurance, who leads and manages the Trust's Assurance Department. All directors have responsibility to identify and manage risk within their specific areas of control, in line with the management and accountability arrangements in the Trust. Directorates have identified leads for risk management.

The Assurance Department provides support to directorates and departments on all aspects of effective risk assessment and management. The Department maintains the Trust's incident and risk reporting system, and risk registers. The Department also has a vital role in training, which is given to staff on induction and regular training opportunities are provided to staff at all levels, including root cause analysis training.

The Assurance Department is responsible for the dissemination of good practice and lessons learned from incidents or near misses. Good practice is disseminated within the Trust through information sharing, cascading of information via the groups and committees included in the Healthcare Governance Framework, maintenance of the incident register and consequent learning from such incidents.

4 The risk and control framework

Key elements of the Risk Management Strategy

Attitude to, and management of, risk is embedded within the Trust's Risk Management Strategy. The strategy and related procedures set risk management activities within a broad framework within which the Trust leads, directs and controls its key functions in order to achieve its corporate objectives, safety and quality of services, and in which it relates to patients, staff, the wider community and partner organisations. The Trust has a Board Assurance Framework in place which provides a structure for the effective and focused management of the principal risks to meeting the Trust's key objectives. The Board Assurance Framework is mapped to Care Quality Commission standards.

The Board Assurance Framework enables easy identification of the controls and assurances that exist in relation to the Trust's key objectives and the identification of significant risks. High-level risk is assessed and monitored within the Quality Assurance Committee, with more detailed risks being assessed and monitored by committees and groups within the Healthcare Governance Framework. Key issues emerging from this assessment and monitoring include a review of balance between absolute and acceptable risk, quantification of risks where these cannot be avoided, implementation of processes to minimise risks where these cannot be avoided and learning from incidents. These issues are cascaded throughout the Trust via directorate representative and multi-disciplinary attendance at committee and group meetings.

The Board Assurance Framework is reported to the Board on a quarterly basis, and red rated risks are reported to each meeting.

The Trust has quality governance arrangements in place. The Medical Director is the Board executive lead for quality. The Trust has a Quality Strategy and the Trust Board receives a regular report on quality issues. The quality of performance information is assessed through the Information Governance Toolkit and through the annual Quality Accounts audit. Assurance is obtained on compliance with CQC registration requirements through the role of the Quality Assurance Committee, the performance framework, and from the Trust's own schedule of unannounced visits to services.

ANNUAL GOVERNANCE STATEMENT 2013/14 (continued)

4 The risk and control framework (continued)

Information Governance risks

Risks to information including data security are managed and controlled by the Trust in a robust way. The Trust has a nominated Caldicott Guardian (Medical Director), who is also the executive director lead for Information Governance, and is supported by key staff within the Information Management & Technology Directorate and directorate leads. Policies are in place which are compliant with NHS guidelines, and incident reporting procedures are in place and utilised by staff. An Information Governance Steering Group forms part of the Trust's Healthcare Governance Framework and the Trust Board receives reports on compliance with the Information Governance Toolkit.

Embedding risk management in the activity of the organisation

Risk management is embedded throughout the Trust's operational structures, with emphasis on ownership of risk within the directorates and a supporting role by the Assurance Department.

Directorates are responsible for maintaining their own risk register, which feed into the Trust's corporate risk register. The local risk registers are reviewed at Directorate performance meetings that are held on a quarterly basis. The Assurance Department receives risk registers from Directorates, as well as copies of committee and sub-group meetings throughout the Trust. Directorate representatives attend key committees of the Healthcare Governance Framework, ensuring formal channels of reporting, wide staff involvement, and sharing of learning. The implementation of incident and other risk related policies and procedures throughout the organisation ensure the involvement of all staff in risk management activity.

Involvement of public stakeholders

Risks to public stakeholders are managed through formal review processes with the Independent Regulator (Monitor) and the local commissioners through joint actions on specific issues such as emergency planning and learning from incidents, and through scrutiny meetings with Local Authorities' Health & Overview Scrutiny Committees. The Council of Governors represents the interests of members and has a role to hold the Board of Directors to account for the performance of the Trust.

Care Quality Commission

The Trust is fully compliant with the registration requirements of the Care Quality Commission.

The Trust received unannounced visits by the Care Quality Commission in July 2013, December 2013 and January 2014. All visits resulted in the Trust being assessed as fully compliant with CQC standards.

NHS Pension Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Equality & Diversity

Control measures are also in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

Carbon Reduction

The Trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Foundation Trust governance

As an NHS Foundation Trust, the Trust is required by its licence to apply relevant principles, systems and standards of good corporate governance. In order to discharge this responsibility, the Trust has a clear and effective board and committee structure, which is regularly reviewed. Responsibilities of the board and committees are set out in formal terms of reference, and responsibilities of directors and staff are set out in job descriptions. There are clear reporting lines and accountabilities throughout the organisation.

The Board receives regular reports that allow it to assess compliance with the Trust's licence, i.e. the Board receives monthly finance reports and quarterly performance & compliance reports. Individual reports address elements of risk, such as monthly reports on bed occupancy. This enables the Board to have clear oversight over the Trust's performance.

As part of its submission of the 2013/14 Annual Plan, the Trust submitted to Monitor a Corporate Governance Statement that confirms that sufficient arrangements are in place in relation to quality, finance and governance. The Trust is assured of the validity of this statement through receipt of the reports set out above, and through regular review of governance developments as part of the Board development programme.

5 Review of economy, efficiency and effectiveness of the use of resources

As Accounting Officer, I have responsibility for ensuring economy, efficiency and effectiveness of the use of resources. Performance in this area is monitored by the Trust Board on a regular basis. The Trust Board discusses and approves the Trust's strategic and operational plans, taking into account the views of the Council of Governors. The operational plan includes the annual budgets. Throughout the year, the Trust Board receives regular finance and performance reports, which enable it to monitor progress in implementing the operational plan and the performance of the organisation, enabling the Board to take corrective action where necessary, and ensure value for money is obtained.

I am also supported by the work of internal audit, who, in carrying out a risk-based programme of work, provide reports on specific areas within the Trust and make recommendations where necessary. The work of Internal Audit, and the progress of implementing their recommendations, is overseen by the Trust's Audit Committee.

ANNUAL GOVERNANCE STATEMENT 2013/14 (continued)

6 Annual Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Medical Director is the executive director lead for the Quality Report, and work is coordinated by the Trust's Quality Committee, which reports to the Quality Assurance Committee.

The Quality Report contains two main areas of information; details of the Trust's quality priorities for 2014/15, and performance against quality indicators for 2013/14. The draft report is reviewed by the Board and stakeholders in order to ensure it represents a balanced view.

The Trust has a Quality Strategy which has been approved by the Trust Board. The quality priorities for 2014/15 have been developed in conjunction with senior clinicians and managers, the Council of Governors and user groups. They form part of the Trust's operational plan for 2014/15 which has been prepared in line with Monitor requirements, and agreed by the Trust Board.

The Trust is embarking on a major quality improvement programme, and is using an external partner, the Institute of Healthcare Innovation, to support the programme and build capacity of staff to deliver locally led quality improvement initiatives.

There are controls in place to ensure that the Quality Report is an accurate statement of the Trust's position. Information regarding the Trust's performance is produced by the Trust's performance management systems, and is regularly reported to the Board and performance management meetings throughout the year. The Trust's Performance Management Framework has been reviewed by Internal Audit and has received a substantial assurance opinion.

7 Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of Internal Audit, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework.

I have drawn on the content of the quality report attached to this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and the Quality Assurance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Head of Internal Audit's opinion confirms that an Assurance Framework has been established which is designed and operating to meet the requirements of the 2013/14 Annual Governance Statement and provides substantial assurance that there is an effective system of internal control to manage the principal risks identified by the organisation. In addition, the Head of Internal Audit opinion also confirms that significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently.

The effectiveness of the system of internal control is guaranteed by ensuring clear duties and accountability are allocated to each part of the Healthcare Governance Framework, and to individuals within the framework.

The Board receives the Board Assurance Framework on a quarterly basis, and receives a report on red rated risks at each meeting, receives reports from the Quality Assurance Committee and from the Audit Committee, and notes minutes from key committees and groups within the framework. Reports submitted to the Board identify risk and are linked to the Board Assurance Framework, where relevant.

The Audit Committee is accountable to the Board for reviewing the establishment and maintenance of an effective system of internal control and risk management. It approves the annual audit plans for internal and external audit activities, receives regular progress reports and individual audit reports, and ensures that recommendations arising from audits are actioned by executive management. The Audit Committee receives the minutes of the Quality Assurance Committee.

The Trust has a Counter Fraud service in place, in line with the Secretary of State's Directions on Fraud and Corruption and the Counter Fraud and Corruption Manual. The service is provided in-house, which provides closer working with Trust services and department, and a more proactive approach to counter fraud. The Audit Committee receives regular reports from Counter Fraud services.

The Quality Assurance Committee has delegated responsibility for the Board Assurance Framework, and meets on a quarterly basis to review and update the Board Assurance Framework. There is shared membership between the Audit and Quality Assurance Committees via Internal Audit, the Director of Finance, the Director of Corporate Affairs and the Chair of the Quality Assurance Committee. The Quality Assurance Committee receives the minutes of the Audit and Quality Committee.

ANNUAL GOVERNANCE STATEMENT 2013/14 (continued)

7 Review of effectiveness (continued)

The Quality Committee integrates the processes of clinical governance and risk management. It receives reports from working groups, and reviews risk with the chairs of such groups. It approved the clinical audit plan and receives and discusses individual clinical audit reports, ensuring that appropriate action is being taken to address areas of under-performance. Executive Directors chair committees, with managers from various disciplines and from various services participating in the groups. The Quality Committee reports to the Quality Assurance Committee, and also has links to the Service Delivery Board.

Internal Audit services are outsourced to Deloitte LLP, who provide an objective and independent opinion on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives. Individual audit reports include a management response and action plan. Internal Audit routinely follows up action with management to establish the level of compliance and the results are reported to the Audit Committee.

Directors ensure that key risks have been identified and monitored within their directorates and the necessary action taken to address them. Directors are also directly involved in producing and reviewing the Board Assurance Framework, and attend the Audit and Quality Assurance Committees to report on risk within their areas of control.

The interests of patients, clients and other stakeholders is given authority by inclusion of representatives on various groups of the Trust where possible and appropriate, as well as the role of the Council of Governors.

The Trust's regular reporting to Monitor provides additional assurance with regard to the Trust's governance arrangements and compliance with the Terms of Authorisation.

The net result of these processes is that risk is assessed systematically, with internal reviews ensuring checks and balances, a local chain of reporting which ensures follow through of recommendations and actions, and wide staff involvement ensuring effective communication throughout the Trust.

Internal Control Issues

The Trust's Internal Auditors have given limited assurance opinions in the following areas:

- Complaints
- Recruitment
- IM&T systems (Business as Usual Operations Management)

In the complaints audit, the key recommendation was for the Trust to ensure that high graded complaints are investigated by independent officers. Controls have been improved to ensure that this happens in all such cases. The IM&T systems audit identified an issue regarding a lack of fire detection equipment in the Trust's server room. This was immediately rectified. The recruitment audit identified issues with the documentation relating to the recruitment process. Controls have been improved in order to ensure that all relevant documentation is retained by the Trust.

Action plans have been put in place to address all the issues raised by internal audit reports, and implementation is monitored by the Audit Committee.

The Trust's Board Assurance Framework (as of 31 March 2014) has three red rated risks:

- Increased demand causing over occupancy on inpatient wards
- Health visitor services capacity in Community Health Newham due to lack of supply of staff
- The cumulative impact of Cash Releasing Efficiency Savings plans

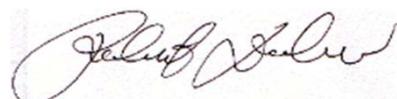
The Trust monitors bed occupancy levels on a daily basis and provided monthly reports to the Trust Board. Occupancy levels have improved following the opening of a triage ward in Newham. The Trust is part of a national programme to increase the supply of qualified health visitors, and has made good progress against its recruitment targets. The Trust is developing its 5 year strategy in line with Monitor requirements, and has robust governance arrangements to ensure that the impact of Cash Releasing Efficiency Plans is minimised. All of these issues will continue to be monitored by the Quality Assurance Committee and Trust Board in 2014/15.

8 Conclusion

The Trust has an effective system of internal control, and the specific internal control issues detailed above are being addressed through robust action plans.

The Audit Committee, Quality Assurance Committee and Trust Board will continue to monitor these areas closely and agree additional action as required.

Signed:



Dr Robert Dolan
Chief Executive

Date: 27 May 2014

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF EAST LONDON NHS FOUNDATION TRUST

We have audited the financial statements of East London NHS Foundation Trust for the year ended 31 March 2014 on pages 9 to 42. These financial statements have been prepared under applicable law and the NHS Foundation Trust Annual Reporting Manual 2013/14.

This report is made solely to the Council of Governors of East London NHS Foundation Trust in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors 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 Council of Governors of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of the accounting officer and the auditor

As described more fully in the Statement of Accounting Officer's Responsibilities on page 8 the accounting officer is 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 Practice's Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the East London NHS Foundation Trust's affairs as at 31 March 2014 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2013/14.

Opinion on other matters prescribed by the Audit Code for NHS Foundation Trusts

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report where under the Audit Code for NHS Foundation Trusts we are required to report to you if, in our opinion, the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We are not required to assess, nor have we assessed, whether all risks and controls have been addressed by the Annual Governance Statement or that risks are satisfactorily addressed by internal controls.

Certificate

We certify that we have completed the audit of the accounts of East London NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor.



Neil Thomas for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL

29 May 2014

Annual Accounts

For the year ended 31 March 2014

STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTING OFFICER

The NHS Act 2006 states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

Under the NHS Act 2006, Monitor has directed East London NHS foundation trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of East London NHS foundation trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and in particular to:

- observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a going concern basis.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable him to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in Monitor's NHS Foundation Trust Accounting Officer Memorandum.

Signed:



Dr Robert Dolan
Chief Executive

Date: 27 May 2014

Annual Accounts
For the year ended 31 March 2014

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2014

| | NOTE | 2014 £000 | 2013 £000 |
|--|------|----------------|--------------|
| Operating Income from continuing operations | 3 | 268,347 | 258,975 |
| Operating Expenses of continuing operations | 4 | (257,160) | (250,683) |
| OPERATING SURPLUS/(DEFICIT) | | 11,187 | 8,292 |
| FINANCE COSTS | | | |
| Finance Income - interest receivable | | 156 | 297 |
| Finance Expense - PFI and finance lease interest payable | | (2,303) | (2,334) |
| PDC Dividends payable | | (3,437) | (3,077) |
| NET FINANCE COSTS | | (5,584) | (5,114) |
| SURPLUS/(DEFICIT) FOR THE YEAR | | 5,603 | 3,178 |
| Other comprehensive income | | | |
| Revaluation gains/(losses) and impairment losses property, plant and equipment | 12.1 | 6,118 | 660 |
| TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR | | 11,721 | 3,838 |

The notes on pages 14 to 42 form part of these accounts.

Annual Accounts
For the year ended 31 March 2014

STATEMENT OF FINANCIAL POSITION
as at 31 March 2014

| | NOTE | 2014 £000 | 2013 £000 |
|--|------|----------------|----------------|
| NON-CURRENT ASSETS | | | |
| Intangible assets | 11 | 430 | 332 |
| Property, plant and equipment | 12 | <u>168,238</u> | <u>145,164</u> |
| Total non-current assets | | 168,668 | 145,496 |
| CURRENT ASSETS | | | |
| Inventories | 14 | 183 | 187 |
| Trade and other receivables | 15 | <u>13,561</u> | <u>11,491</u> |
| Cash and cash equivalents | 17 | <u>39,185</u> | <u>41,939</u> |
| Total current assets | | 52,929 | 53,617 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 18 | 41,740 | 36,686 |
| Borrowings | 19 | <u>372</u> | <u>459</u> |
| Provisions | 20 | <u>2,986</u> | <u>3,162</u> |
| Total current liabilities | | 45,098 | 40,307 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 176,499 | 158,806 |
| NON-CURRENT LIABILITIES | | | |
| Borrowings | 19 | 20,368 | 20,740 |
| Provisions | 20 | <u>204</u> | <u>224</u> |
| Total non-current liabilities | | 20,572 | 20,964 |
| TOTAL ASSETS EMPLOYED | | 155,927 | 137,842 |
| FINANCED BY (TAXPAYERS' EQUITY) | | | |
| Public dividend capital | | 77,271 | 76,938 |
| Revaluation reserve | | <u>32,514</u> | <u>23,099</u> |
| Retained earnings | | <u>46,142</u> | <u>37,805</u> |
| TOTAL TAXPAYERS' EQUITY | | 155,927 | 137,842 |

The financial statements on pages 9 to 42 were approved by the Board on 27 May 2014
and signed on its behalf by:

Dr Robert Dolan
Chief Executive

Jitesh Chotai
Director of Finance

**Annual Accounts
For the year ended 31 March 2014**

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY 2013/14

| | Public Dividend Capital £'000 | Revaluation Reserve £'000 | Other Reserves £'000 | Retained Earnings £'000 | Total £'000 |
|---|-------------------------------|---------------------------|----------------------|-------------------------|----------------|
| Taxpayers' Equity as at 1 April 2013 | | | | | |
| Total Comprehensive Income for the year | | | | | |
| Public Dividend Capital received | 76,938 | 23,099 | 0 | 37,805 | 137,842 |
| Public Dividend Capital repaid | | | | | |
| Transfers by absorption | | | | | |
| Transfer of excess depreciation over historic cost depreciation | | | | | |
| Other transfers between reserves | | | | | |
| | | | | | |
| Taxpayers' Equity as at 31 March 2014 | 77,271 | 32,514 | 0 | 46,142 | 155,927 |

**Annual Accounts
For the year ended 31 March 2014**

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY 2012/13

| | Public Dividend Capital £'000 | Revaluation Reserve £'000 | Other Reserves £'000 | Retained Earnings £'000 | Total £'000 |
|---|-------------------------------|---------------------------|----------------------|-------------------------|----------------|
| Taxpayers' Equity as at 1 April 2012 | | | | | |
| Total Comprehensive Income for the year | | | | | |
| Public Dividend Capital received | 76,854 | 23,503 | (1,808) | 35,693 | 134,242 |
| Public Dividend Capital repaid | | | | | |
| Transfer of excess depreciation over historic cost depreciation | | | | | |
| Other transfers between reserves | 84 | 660 | | 3,178 | 3,838 |
| | | | | | 84 |
| | | | | | 0 |
| | | | | | (322) |
| Taxpayers' Equity as at 31 March 2013 | 76,938 | 23,099 | 0 | 37,805 | 137,842 |

STATEMENT OF CASH FLOWS
For the year ended 31 March 2014

| | NOTE | 2014 £000 | 2013 £000 |
|---|------|-----------------|--------------|
| Operating surplus/(deficit) from continuing operations | | 11,187 | 8,292 |
| Non-cash income and expenses | | | |
| Depreciation and amortisation | | 5,526 | 5,574 |
| Impairments | 4 | 10,197 | 6,416 |
| Reversals of impairments | 4 | (8,300) | (2,407) |
| (Increase)/decrease in trade and other receivables | 15 | (2,342) | (2,840) |
| (Increase)/decrease in inventories | 14 | 4 | 34 |
| Increase/(decrease) in trade and other payables | 18 | 3,361 | (2,915) |
| Increase/(decrease) in other liabilities | 18 | 902 | (6,470) |
| Increase/(decrease) in provisions | 20 | (310) | 2,904 |
| NET CASH GENERATED FROM/(USED IN) OPERATIONS | | 20,225 | 8,588 |
| Cash flows from investing activities | | | |
| Interest received | | 159 | 284 |
| Purchase of intangible assets | 11 | (232) | (285) |
| Purchase of property, plant and equipment | 12 | (17,416) | (6,836) |
| Net cash generated from/(used in) investing activities | | (17,489) | (6,837) |
| Cash flows from financing activities | | | |
| Public dividend capital received | | 333 | 84 |
| Capital element of PFI and finance lease payments | | (459) | (426) |
| Interest element of PFI and finance lease payments | | (2,303) | (2,334) |
| PDC dividend paid | | (3,061) | (3,374) |
| Net cash generated from/(used in) financing activities | | (5,490) | (6,050) |
| Increase/(decrease) in cash and cash equivalents | | (2,754) | (4,299) |
| Cash and cash equivalents at 1 April 2013 | | 41,939 | 46,238 |
| Cash and cash equivalents at 31 March 2014 | | 39,185 | 41,939 |

Notes to the Accounts

Accounting Policies and Other Information

1 Accounting policies

Monitor has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2013/14 issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS foundation trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

These accounts have been prepared on a going concern basis 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 at their value to the business by reference to their current costs. NHS foundation trusts, in compliance with HM Treasury's Financial Reporting Manual, are not required to comply with the requirements to report "earnings per share" or historical profits and losses. After making enquiries, the directors have a reasonable expectation that East London NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Accounts.

1.2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the 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.

The judgements and key sources of estimation uncertainty that have a significant effect on the material amounts recognised in the Accounts are detailed below:

- Asset valuations are provided by independent, qualified valuers. Valuations are subject to general price changes in property values across the UK. Asset values might vary from their real market value when assets are disposed of. Refer to Note 12.1.
- Determination of useful lives for property, plant and equipment - estimated useful lives for the Trust's assets are based on common, widely used assumptions for each asset type except where specialist information is available from professional bodies. The Trust reviews these lives on a regular basis as part of the process to assess whether assets have been impaired. Refer to Note 12.1.
- Provisions for pension and legal liabilities are based on the information provided from NHS Pension Agency, NHS Litigation Agency and the Trust's own sources. Pension provision is based on the life expectancy of the individual pensioner as stated in the UK Actuarial Department most recent life tables which change annually. All provisions are estimates of the actual costs of future cash flows and are dependent on future events. Any differences between expectations and the actual future liability will be accounted for in the period when such determination is made. Refer to Note 20.
- Accruals are based on estimates and judgements of historical trends and anticipated outcomes. At the end of each accounting period, management review items that are outstanding and estimate the amount to be accrued in the closing financial statements of the Trust. Any variation between the estimate and the actual is recorded under the relevant heading within the accounts in the subsequent financial period. Refer to Note 18.

1.3 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services.

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

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

1.4 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: employer's pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to expenditure at the time the Trust commits itself to the retirement, regardless of the method of payment.

Notes to the Accounts

1.5 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.6 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- a) it is held for use in delivering services or for administrative purposes;
- b) it is probable that future economic benefits will flow to, or service potential will be supplied to, the Trust;
- c) it is expected to be used for more than one financial year;
- d) the cost of the item can be measured reliably; and
- e) the item has a cost of at least £5,000; or
- f) Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they have broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- g) 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.

Measurement

Valuation

All property, plant and equipment is 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. All assets are measured subsequently at fair value.

Land and buildings used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- a) Land and non-specialised buildings – market value for existing use
- b) Specialised buildings – depreciated replacement cost

Until 31 March 2008, the depreciated replacement cost of specialised buildings has been estimated for an exact replacement of the asset in its present location. From 1 April 2008, 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. The Trust commissioned independent valuers, Montagu Evans, to carry out a full valuation of land and buildings using the modern equivalent asset methodology at 31 March 2014.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008 indexation ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

Revaluation gains and losses

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 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. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably.

Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Notes to the Accounts

1.6 Property, plant and equipment (continued)

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Impairments

In accordance with the FT ARM, impairments that are due to a loss of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment arising from a loss of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- a) the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- b) the sale must be highly probable ie:
 - management are committed to a plan to sell the asset;
 - an active programme has begun to find a buyer and complete the sale;
 - the asset is being actively marketed at a reasonable price;
 - the sale is expected to be completed within 12 months of the date of classification as "Held for Sale"; and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their "fair value less costs to sell". Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as "Held for Sale" and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as "on-Statement of Financial Position" by the trust. In accordance with IAS 17, the underlying assets are recognised as property, plant and equipment at their fair value, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services.

The service charge is recognised in operating expenses and the finance cost is charged to Finance Costs in the Statement of Comprehensive Income.

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 in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

Notes to the Accounts

1.6 Property, plant and equipment (continued)

PFI liability

A PFI liability is recognised at the same time as the PFI asset is recognised. It is measured initially at the same amount as the fair 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.

Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the 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 finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the 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 Trust's Statement of Financial Position.

Other assets contributed by the Trust to the operator

Assets contributed (e.g. cash payments, surplus property) by the 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 Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.7 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; and
- the cost of the asset can be measured reliably; and
- the cost is at least £5,000.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits, eg, the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware, eg, an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg, application software, is capitalised as an intangible asset.

Notes to the Accounts

1.7 Intangible assets (continued)

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at fair value. Revaluations gains and losses and impairments are treated in the same manner as for Property, Plant and Equipment.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

1.8 Revenue government and other grants

Government grants are grants from Government bodies other than income from primary care trusts or NHS trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

1.9 Leases

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the NHS foundation trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.10 Inventories

Inventories are valued at the lower of cost and net realisable value using the weighted average cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

1.11 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 Trust's cash management.

1.12 Provisions

The NHS foundation trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at Note 26 but is not recognised in the Trust's accounts.

Notes to the Accounts

1.12 Provisions (continued)

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

1.13 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in Note 25 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in Note 25, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.14 Financial instruments and financial liabilities

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described above.

Regular way purchases or sales are recognised and de-recognised, as applicable, using the settlement date.

All other financial assets and financial liabilities are recognised when the trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorised as "fair value through income and expenditure", loans and receivables or "available-for-sale financial assets".

Financial liabilities are classified as "fair value through income and expenditure" or as "other financial liabilities".

Financial assets and financial liabilities at "fair value through income and expenditure"

Financial assets and financial liabilities at "fair value through income and expenditure" are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Derivatives which are embedded in other contracts but which are not "closely-related" to those contracts are separated-out from those contracts and measured in this category. Assets and liabilities in this category are classified as current assets and current liabilities.

These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains or losses in the Statement of Comprehensive Income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and "other receivables".

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Notes to the Accounts

1.14 Financial instruments and financial liabilities (continued)

Other financial liabilities

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Impairment of financial assets

At the Statement of Financial Position date, the trust assesses whether any financial assets, other than those held at "fair value through income and expenditure" are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced.

1.15 Corporation tax

The Trust's activities relate to the provision of goods and services relating to healthcare authorised under s519A Income and Corporation Taxes Act (ICTA) 1988. On this basis the Trust is not liable for corporation tax.

1.16 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.

1.17 Foreign exchange

The functional and presentational currencies of the Trust are sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at "fair value through income and expenditure") are translated at the spot exchange rate on 31 March;
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

1.18 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. However, they are disclosed in Note 30 in accordance with the requirements of HM Treasury's FReM.

Notes to the Accounts

1.19 Public Dividend Capital (PDC) and PDC dividend

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS foundation trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, (iii) for 2013/14 only, net assets and liabilities transferred from bodies which ceased to exist on 1 April 2013, and (iv) any PDC dividend balance receivable or payable. 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.

1.20 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 NHS foundation trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.21 Private patient income

The statutory limitation on private patient income in section 44 of the 2006 Act was repealed with effect from 1 October 2012 by the Health and Social Care Act 2012. The 2012 Act now obliges foundation trusts to ensure that the income they receive from providing goods and services for the NHS (their principal purpose) is greater than their income from other sources. The Trust did not receive any private patient income in the current period.

1.22 Limitation of auditor's liability

In line with guidance from the Financial Reporting Council, the auditors have limited their liability in respect of their audit (or any other work undertaken for the Trust). The engagement letter dated 17 September 2012, states that the liability of KPMG, its members, partners and staff (whether in contract, negligence or otherwise) shall in no circumstances exceed £1.0m in aggregate in respect of all services.

1.23 Accounting standards issued that have not yet been adopted

The following accounting standards have been issued but have not yet been adopted. NHS bodies cannot adopt new standards unless they have been adopted in the HM Treasury FReM. The HM Treasury FReM generally does not adopt international standard until it has been endorsed by the European Union for use by listed companies.

In some cases, the standards may be interpreted in the HM Treasury FReM and therefore may not be adopted in their original form. The analysis below describes the anticipated timetable for implementation and the likely impact on the assumption that no interpretations are applied by the HM Treasury FReM.

| Change published | Published by IASB | Financial year for which the change first applies |
|--|-------------------|--|
| IFRS 9 Financial Instruments | October 2010 | Uncertain. Not likely to be adopted by the EU until the IASB has finished the rest of its financial instruments project. |
| IFRS 13 Fair Value Measurement | May 2011 | Effective date of 2013/14 but not yet adopted by HM Treasury. |
| IAS 32 Financial Instruments: Presentation - amendment Offsetting financial assets and liabilities | December 2011 | Effective from 2014/15. |

* This reflects the EU-adopted effective date rather than the effective date in the standard.

1.24 Accounting standards issued that have been adopted early

HM Treasury directs that the public sector does not adopt accounting standards early. The Trust has not early adopted any new accounting standards, amendments or interpretations.

Notes to the Accounts

2 Segmental analysis

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

The directors consider that the Trust's activities constitute a single segment since they are provided wholly in the UK, are subject to similar risks and rewards and all assets are managed as one central pool.

Notes to the Accounts

3 Operating income from continuing operations

| | 2014 £000 | 2013 £000 |
|--|----------------------------|----------------|
| Income from Activities | | |
| Clinical Commissioning Groups | 233,518 | - |
| Primary Care Trusts | - | 242,323 |
| Department of Health | 6 | - |
| Foundation Trusts | 562 | 159 |
| Local Authorities | 12,755 | 5,048 |
| NHS England | 5,166 | - |
| NHS Trusts | 2,349 | 1,825 |
| Public Health England | 752 | - |
| | 255,108 | 249,355 |
| Other Operating Income | | |
| Education and training | 7,666 | 6,514 |
| Research and development | 1,809 | 2,346 |
| Profit on disposal of land and buildings | 3,000 | - |
| Other income | 764 | 760 |
| | 13,239 | 9,620 |
| Total Operating Income from Continuing Operations | 268,347 | 258,975 |

3.1 Operating income from patient care activities

The Trust's provider licence specifies the Commissioner Requested Services, for details see www.monitor.gov.uk. This note analyses income from activities between Commissioner Requested Services and Non Commissioner Requested Services.

| | 2014 £000 | 2013 £000 |
|------------------------------------|----------------------------|----------------|
| Commissioner requested services | 255,108 | 249,355 |
| Non commisioner requested services | 13,239 | 9,620 |
| | 268,347 | 258,975 |

The Trust is working with its commissioners to determine the level of commissioner requested services currently provided. Within the 2013/14 financial statements, management has taken the view to define the following as commissioner requested services:

- Adult Community Health
- Adult Mental Health Services
- CAMHS & Addiction
- Children & Young People Community Health
- Forensic (low & medium secure) Services
- Older People's Mental Health Services
- Specialist Services
- IAPT

Notes to the Accounts

4 Operating expenses of continuing operations

| | | |
|--|----------------|----------------|
| Services from NHS Foundation Trusts | 4,505 | 4,767 |
| Services from NHS Trusts | 3,961 | 3,006 |
| Services from CCGs | - | 10,990 |
| Services from other NHS Bodies | 9,214 | - |
| Purchase of healthcare from non NHS bodies | 6,355 | 8,493 |
| Executive directors' costs | 1,192 | 1,114 |
| Non executive directors' costs | 165 | 149 |
| Staff costs | 179,353 | 173,051 |
| Drug costs | 3,063 | 3,149 |
| Supplies and services - clinical | 2,531 | 2,598 |
| Supplies and services - general | 7,538 | 7,621 |
| Establishment | 3,168 | 3,509 |
| Research and development | 1,982 | 2,959 |
| Transport | 1,039 | 1,051 |
| Premises | 10,129 | 9,161 |
| Provision for impairment of receivables | 5,222 | 839 |
| Depreciation and amortisation | 5,526 | 5,574 |
| Impairments of property, plant and equipment | 10,197 | 6,416 |
| Reversal of impairments of property, plant and equipment | (8,300) | (2,407) |
| Audit services - statutory audit | 58 | 70 |
| Other Auditors Remuneration | - | 38 |
| Clinical negligence | 528 | 602 |
| Other services, eg external payroll | 880 | 934 |
| Redundancy costs | 2,305 | 1,613 |
| Other | 6,549 | 5,386 |
| Total Operating Expenses of Continuing Operations | 257,160 | 250,683 |

5 Operating leases

The Trust has 12 lease arrangements, of which 1 has been assessed in accordance with IAS17 as a finance lease (see Note 21) and 11 as operating leases. All of the lease arrangements are in relation to the rental of buildings.

| | 2014 £000 | 2013 £000 |
|--|----------------------|----------------------|
| Payments recognised as an expense | | |
| Minimum lease payments | 1,054 | 1,197 |
| Total | 1,054 | 1,197 |
| Total future minimum lease payments | 2014 £000 | 2013 £000 |
| Payable: | | |
| Within one year | 449 | 1,159 |
| Between one and five years | 1,241 | 1,729 |
| After five years | 488 | 144 |
| Total | 2,178 | 3,032 |

Annual Accounts For the year ended 31 March 2014

Notes to the Accounts

6 Salary and pension entitlements of senior managers

6.1 Remuneration

| Name and Title | 2013/14 | | | 2012/13 | | |
|--|--|--|--------------------------------------|--------------------------------------|--|--------------------------------------|
| | Salary* (Bands of £5,000) £000 | Other Remuneration* (Bands of £5,000) £000 | Bonus** (Bands of £5,000) £000 | Salary* (Bands of £5,000) £000 | Other Remuneration* (Bands of £5,000) £000 | Bonus** (Bands of £5,000) £000 |
| Marie Gabriel - Chair (from 01/10/2012) | 45-50 | - | - | 20-25 | - | - |
| Baroness Molly Meacher - Chair (to 12/09/2012) | - | - | - | 20-25 | - | - |
| Dr Robert Dolan - Chief Executive | 195-200 | - | - | 190-195 | - | - |
| John Wilkins - Deputy Chief Executive and Director of Performance & Business Development | 125-130 | - | - | 120-125 | - | - |
| Jitesh Chotai - Director of Finance | 135-140 | - | - | 120-125 | - | - |
| Dr Navina Evans - Director of Operations | 165-170 | 15-20 | 40-45 | 155-160 | 15-20 | 40-45 |
| Dr Kevin Cleary - Medical Director | 180-185 | - | 40-45 | 180-185 | - | 40-45 |
| Professor Jonathan Warren - Director of Nursing & Quality | 115-120 | - | - | 105-110 | - | - |
| Mason Fitzgerald - Director of Corporate Affairs (from 1 February 2014) | 15-20 | - | - | - | - | - |
| Mary Elford - Vice Chair (from 1 February 2014) | 15-20 | - | - | 10-15 | - | - |
| Nicola Bastin - Senior Independent Non Executive Director | 15-20 | - | - | 15-20 | - | - |
| Alan Palmer - Non Executive Director | 15-20 | - | - | 10-15 | - | - |
| Kingsley Peter - Non Executive Director | 15-20 | - | - | 10-15 | - | - |
| Clyde Williams - Non Executive Director | 15-20 | - | - | 10-15 | - | - |
| Professor Stefan Priebe - Non Executive Director | 5-10 | - | - | 10-15 | - | - |
| Robert Taylor (from 1 October 2013) | | | | | | |
| | Band of highest-paid director Median total remuneration | 195-200 35,159.04 | 5.6 | 190-195 34,810.92 | 5.6 | 5.6 |

Total remuneration paid to directors for the year ended 31 March 2014 (in their capacity as directors) totalled £972,372 (2012/13, £908,529). No other remuneration was paid to Directors in their capacity as directors. There were no advances or guarantees entered into on behalf of directors by the Trust. Employer contributions to the NHS Pension Scheme for Executive Directors for the year ended 31 March 2014 totalled £98,365 (2012/13 £85,425). The total number of directors to whom benefits are accruing under the NHS defined benefit scheme (the NHS Pension Scheme) was six (2012/13, five). The total expense reimbursements paid to Governors during the year was £2462.

*Salary and Other Remuneration are inclusive of Bonus

**Bonus refers to Clinical Excellence Awards, which are given to recognise and reward the exceptional contribution of NHS consultants, over and above that normally expected in a job, to the values and goals of the NHS and to patient care

There were no payments for golden hellos, compensation for loss of office, benefits in kind or performance related bonuses for any of the senior managers

See also note 7.3

Signed:

Dr Robert Dolan
Chief Executive

Date: 27 May 2014

Annual Accounts For the year ended 31 March 2014

Notes to the Accounts

6 Salary and pension entitlements of senior managers (continued)

6.2 Pension benefits

| Name and title | Real increase in pension at age 60 (£bands of £2,500) | Real increase in pension lump sum at age 60 (£bands of £5,000) | Total accrued pension at age 60 at 31 March 2014 (£bands of £5,000) | Lump sum at age 60 related to accrued pension at 31 March 2014 (£bands of £5,000) | Cash Equivalent Transfer value at 31 March 2014 (£000) | Cash Equivalent Transfer value at 31 March 2013 (£000) | Real increase in Cash Equivalent Transfer Value (£000) |
|--|---|--|---|---|--|--|--|
| Jitesh Chotai - Director of Finance | 5.0 - 7.5 | 20.0 - 22.5 | 55 - 60 | 165-170 | 1105 | 913 | 172 |
| Dr Kevin Cleary - Medical Director | 2.5 - 5.0 | 7.5 - 10.0 | 40 - 45 | 130 - 135 | 858 | 767 | 74 |
| Dr Navina Evans - Director of Operations | 0 - 2.5 | 5.0 - 7.5 | 60 - 65 | 190 - 195 | 1469 | 1086 | 358 |
| Mr Mason Fitzgerald - Director of Corporate Affairs | 0 - 2.5 | 0 - 2.5 | 10 - 15 | 30 - 35 | 137 | 110 | 4 |
| Professor Jonathan Warren - Director of Nursing & Quality | 5.0 - 7.5 | 17.5 - 20.0 | 35 - 40 | 110-115 | 782 | 504 | 268 |
| John Wilkins - Deputy Chief Executive and Director of Performance & Business Development | 0 - 2.5 | 5.0 - 7.5 | 35 - 40 | 105 - 110 | 772 | 694 | 63 |

Pension benefits apply to Executive Directors only as Non-Executive Directors do not receive any pensionable remuneration.

The Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accumulated by a member at a particular point in time. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The Government Actuary Department factors for the calculation of Cash Equivalent Transfer Value assume that benefits are indexed in line with CPI, which are expected to be lower than RPI that was used previously.
The Trust contributed a total of £99,765 to Executive Director Pensions in 2013/14.

Annual Accounts For the year ended 31 March 2014

Notes to the Accounts

6 Salary and pension entitlements of senior managers (continued)

6.3 Reporting related to the review of Tax Arrangements of Public Sector Appointees (unaudited)

The tables below report the number of off-payroll engagements in place as at 31 March 2014 (Table 1) and the number of new engagements between 1 April 2013 and 31 March 2014 for more than £220 per day and for more than six months (Table 2). During the period 1 April 2013 to 31 March 2014 the Trust did not enter into any off-payroll engagements with Board Members or senior officers with significant financial responsibility.

Table 1: For all off-payroll engagements as at 31 March 2014, for more than £220 per day and that have lasted for longer than six months

| | | |
|--|----|--|
| No. of existing engagements as of 31 March 2014 | 31 | |
| of which... | | |
| No. that have existed for less than one year at time of reporting. | 10 | |
| No. that have existed for between one and two years at time of reporting. | 17 | |
| No. that have existed for between two and three years at time of reporting. | 2 | |
| No. that have existed for between three and four years at time of reporting. | 0 | |
| No. that have existed for four or more years at time of reporting. | 2 | |

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2013 and 31 March 2014, for more than £220 per day and that have lasted for longer than six months

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

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

Annual Accounts

For the year ended 31 March 2014

Notes to the Accounts

7 Staff costs and numbers

7.1 Staff costs

| | 2014 £000 | 2013 £000 |
|-----------------------------------|----------------|----------------|
| Salaries and wages | 143,750 | 140,532 |
| Social security costs | 12,989 | 13,062 |
| Employer's contributions to NHSPA | 17,745 | 16,108 |
| Agency/contract staff | 6,061 | 4,463 |
| Total | 180,545 | 174,165 |

7.2 Average number of persons employed

| | 2014 Total Number | 2013 Total Number |
|--|-------------------------|-------------------------|
| Medical and dental | 295 | 277 |
| Administration and estates | 775 | 749 |
| Nursing, midwifery and health visiting staff | 1,729 | 1,613 |
| Scientific, therapeutic and technical staff | 628 | 577 |
| Bank and agency staff | 417 | 477 |
| Other | 2 | 2 |
| Total | 3,846 | 3,695 |

7.3 Median remuneration multiplier

The banded remuneration of the highest-paid director in East London NHS Foundation Trust in the financial year 2013/14 was £195,000 – £200,000 (2012/13, £190,000 – £195,000). This was 5.6 times (2012/13, 5.6 times) the median remuneration of the workforce, which was £35,159 (2012/13, £34,811).

In 2013/14, no employees (2012/13, 0) received remuneration in excess of the highest-paid director. Remuneration ranged from £10,809 to £195,525 (2012/13 £12,776 to £183,052).

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

There has been no significant movement in the median remuneration between the two years.

7.4 Retirements due to ill-health

During 2013/14 there were 5 (2012/13, 6) early retirements from the Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £301k (2012/13, £357k). The cost of these ill-health retirements will be borne by NHS Pensions.

Notes to the Accounts

8 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period. Employer's pension cost contributions are charged to operating expenses as and when they become due.

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) Full actuarial (funding) valuation

The NHS pension scheme is subject to a full valuation every four years by the Government Actuary. The latest published valuation relates to the period 1 April 1999 to 31 March 2004 which was published in December 2007 and is available on the Pensions Agency website http://www.nhspa.gov.uk/nhspa_site/foi/foi1/Scheme_Valuation_Report/NHSPS_Valuation_report.pdf. The notional deficit of the scheme was £3.3billion as per the latest scheme valuation by the Government Actuary for the period 1 April 1999 to 31 March 2004. The conclusion of the valuation was that the scheme continues to operate on a sound financial basis. Employer contribution rates are reviewed every four years following the scheme valuation, on advice from the actuary. At the last valuation, it was recommended that employer contribution rates should continue at 14% of pensionable pay. From 1 April 2008, employees' contributions have been on a tiered scale from 5% to 8.5% of their pensionable pay.

b) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. Actuarial assessments are undertaken in intervening years between formal valuations using updated membership data are accepted as providing suitably robust figures for financial reporting purposes. However, as the interval since the last formal valuation now exceeds four years, the valuation of the scheme liability as at 31 March 2014, is based on detailed membership data as at 31 March 2010 updated to 31 March 2014 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used to replace the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

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East London **NHS**
NHS Foundation Trust

Notes to the Accounts

9 Better Payment Practice Code - measure of compliance

| | 2014 Number | 2014 £000 |
|---|----------------|--------------|
| Total Non-NHS trade invoices paid in the year | 34,809 | 77,536 |
| Total Non-NHS trade invoices paid within target | 32,136 | 70,210 |
| Percentage of Non-NHS trade invoices paid within target | 92% | 91% |
| | | |
| Total NHS trade invoices paid in the year | 1,422 | 21,123 |
| Total NHS trade invoices paid within target | 1,334 | 20,817 |
| Percentage of NHS trade invoices paid within target | 94% | 99% |
| | 2013 Number | 2013 £000 |
| Total Non-NHS trade invoices paid in the year | 32,386 | 63,510 |
| Total Non-NHS trade invoices paid within target | 29,799 | 57,332 |
| Percentage of Non-NHS trade invoices paid within target | 92% | 90% |
| | | |
| Total NHS trade invoices paid in the year | 1,045 | 28,430 |
| Total NHS trade invoices paid within target | 981 | 27,910 |
| Percentage of NHS trade invoices paid within target | 94% | 98% |

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

10 Late Payment of Commercial Debts (Interest) Act 1998

There are no amounts included within other interest payable arising from claims made under this legislation

Annual Accounts

For the year ended 31 March 2014

Notes to the Accounts

11 Intangible assets

11.1 Intangible assets 2013/14

| | Software licences |
|---------------------------------------|----------------------|
| | £000 |
| Gross cost at 1 April 2013 | 1,062 |
| Additions purchased | 232 |
| Gross cost at 31 March 2014 | 1,294 |
| Amortisation at 1 April 2013 | 730 |
| Charged during the year | 134 |
| Amortisation at 31 March 2014 | 864 |
| NBV Purchased at 31 March 2014 | 430 |
| NBV Total at 31 March 2014 | 430 |
| Useful economic life | |
| - Minimum useful economic life | 3 |
| - Maximum useful economic life | 3 |

11.2 Intangible assets 2012/13

| | Software licences |
|---------------------------------------|----------------------|
| | £000 |
| Gross cost at 1 April 2012 | 777 |
| Additions purchased | 285 |
| Gross cost at 31 March 2013 | 1,062 |
| Amortisation at 1 April 2012 | 661 |
| Charged during the year | 69 |
| Amortisation at 31 March 2013 | 730 |
| NBV Purchased at 31 March 2013 | 332 |
| NBV Total at 31 March 2013 | 332 |
| Useful economic life | |
| - Minimum useful economic life | 3 |
| - Maximum useful economic life | 3 |

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For the year ended 31 March 2014**

Notes to the Accounts

12 Property, plant and equipment

12.1 Property, plant and equipment 2013/14

| | Land | Buildings | Assets under construction and payments on account | Plant and machinery | Transport equipment | Information technology | Furniture & fittings | Total |
|--|---------------|----------------|---|---------------------|---------------------|------------------------|----------------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost or valuation at 1 April 2013 | 29,054 | 110,871 | 895 | 2,977 | 35 | 8,570 | 4,463 | 156,865 |
| Transfers by absorption | 1,655 | 4,115 | 0 | 221 | 47 | 70 | 9 | 6,117 |
| Additions purchased | 0 | 3,729 | 10,619 | 1,849 | 0 | 1,467 | 464 | 18,128 |
| Reclassifications | 0 | 882 | (894) | 12 | 0 | 0 | 0 | 0 |
| Impairments charged to revaluation reserve | 1,172 | 4,946 | 0 | 0 | 0 | 0 | 0 | 6,118 |
| Revaluation adjustments | (135) | (2,360) | (2,181) | 0 | 0 | 0 | 0 | (4,676) |
| Disposals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cost or Valuation at 31 March 2014 | 31,746 | 122,183 | 8,439 | 5,059 | 82 | 10,107 | 4,936 | 182,552 |
| Depreciation at 1 April 2013 | 0 | 1,248 | 0 | 1,557 | 35 | 5,143 | 3,718 | 11,701 |
| Charged during the year | 0 | 3,652 | 0 | 476 | 9 | 978 | 277 | 5,392 |
| Reversal of impairments | (2) | (8,298) | 0 | 0 | 0 | 0 | 0 | (8,300) |
| Impairments recognised in operating expenses | 137 | 7,879 | 2,181 | 0 | 0 | 0 | 0 | 10,197 |
| Revaluation adjustments | (135) | (2,360) | (2,181) | 0 | 0 | 0 | 0 | (4,676) |
| Disposals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Depreciation at 31 March 2014 | 0 | 2,121 | 0 | 2,033 | 44 | 6,121 | 3,995 | 14,314 |
| Net book value | 31,746 | 87,408 | 8,439 | 3,026 | 38 | 3,986 | 941 | 135,584 |
| - Owned at 31 March 2014 | 0 | 179 | 0 | 0 | 0 | 0 | 0 | 179 |
| - Finance Leased at 31 March 2014 | 0 | 30,105 | 0 | 0 | 0 | 0 | 0 | 30,105 |
| - PFI Contracts at 31 March 2014 | 0 | 2,370 | 0 | 0 | 0 | 0 | 0 | 2,370 |
| Total at 31 March 2014 | 31,746 | 120,062 | 8,439 | 3,026 | 38 | 3,986 | 941 | 168,238 |
| Useful economic life | | | | | | | | |
| - Minimum useful economic life | 30 | | | 3 | 5 | 5 | 3 | |
| - Maximum useful economic life | 90 | | | 15 | 5 | 8 | 12 | |

**Annual Accounts
For the year ended 31 March 2014**

Notes to the Accounts

12 Property, plant and equipment

12.2 Property, plant and equipment 2012/13

| | Land | Buildings | Assets under construction and payments on account | Plant and machinery | Transport equipment | Information technology | Furniture & fittings | Total |
|--|---------------|----------------|---|---------------------|---------------------|------------------------|----------------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost or valuation at 1 April 2012 | 27,549 | 115,507 | 1,843 | 2,442 | 35 | 7,173 | 4,227 | 158,776 |
| Additions purchased | 0 | 2,260 | 894 | 535 | 0 | 1,168 | 236 | 5,093 |
| Reclassifications | 0 | 1,613 | (1,842) | 0 | 0 | 229 | 0 | 0 |
| Impairments charged to revaluation reserve | 1,499 | (839) | 0 | 0 | 0 | 0 | 0 | 660 |
| Revaluation adjustments | 6 | (7,670) | 0 | 0 | 0 | 0 | 0 | (7,664) |
| Disposals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cost or Valuation at 31 March 2013 | 29,054 | 110,871 | 895 | 2,977 | 35 | 8,570 | 4,463 | 156,865 |
| Depreciation at 1 April 2012 | 0 | 963 | 0 | 1,205 | 35 | 4,241 | 3,407 | 9,851 |
| Charged during the year | 0 | 3,940 | 0 | 352 | 0 | 902 | 311 | 5,505 |
| Reversal of impairments | (6) | (2,401) | 0 | 0 | 0 | 0 | 0 | (2,407) |
| Impairments recognised in operating expenses | 0 | 6,416 | 0 | 0 | 0 | 0 | 0 | 6,416 |
| Revaluation adjustments | 6 | (7,670) | 0 | 0 | 0 | 0 | 0 | (7,664) |
| Disposals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Depreciation at 31 March 2013 | 0 | 1,248 | 0 | 1,557 | 35 | 5,143 | 3,718 | 11,701 |
| Net book value | | | | | | | | |
| - Owned at 31 March 2013 | | 79,946 | 895 | 1,420 | 0 | 3,427 | 745 | 86,433 |
| - Finance Leased at 31 March 2013 | 0 | 762 | 0 | 0 | 0 | 0 | 0 | 762 |
| - PFI Contracts at 31 March 2013 | 0 | 27,207 | 0 | 0 | 0 | 0 | 0 | 27,207 |
| - Donated at 31 March 2013 | 0 | 1,708 | 0 | 0 | 0 | 0 | 0 | 1,708 |
| Total at 31 March 2013 | 0 | 109,623 | 895 | 1,420 | 0 | 3,427 | 745 | 116,110 |
| Useful economic life | | | | | | | | |
| - Minimum useful economic life | 30 | 3 | 3 | 3 | 5 | 5 | 3 | |
| - Maximum useful economic life | 90 | 15 | 15 | 15 | 8 | 8 | 12 | |

Annual Accounts

For the year ended 31 March 2014

Notes to the Accounts

13 Finance leases

13.1 Net book value of assets held under finance lease 2013/14

| | Buildings £000 | PFI Contracts £000 | Total £000 |
|--|-------------------|--------------------------|---------------|
| Cost or valuation at 1 April 2013 | 2,470 | 27,208 | 29,678 |
| Impairments charged to revaluation reserve | 500 | 325 | 825 |
| Revaluation surpluses | 163 | 2,572 | 2,735 |
| Cost or Valuation at 31 March 2014 | 3,133 | 30,105 | 33,238 |
| Depreciation at 1 April 2013 | - | - | - |
| Charged during the year | 626 | 519 | 1,145 |
| Impairments recognised in operating expenses | (206) | (3,091) | (3,297) |
| Revaluation surpluses | 163 | 2,572 | 2,735 |
| Depreciation at 31 March 2014 | 583 | - | 583 |
| Net book value | | | |
| - Purchased at 1 April 2013 | 762 | 27,208 | 27,970 |
| - Donated at 1 April 2013 | 1,708 | - | 1,708 |
| Total at 1 April 2013 | 2,470 | 27,208 | 29,678 |
| Net book value | | | |
| - Purchased at 31 March 2014 | 180 | 30,105 | 30,285 |
| - Donated at 31 March 2014 | 2,370 | - | 2,370 |
| Total at 31 March 2014 | 2,550 | 30,105 | 32,655 |

13.2 Net book value of assets held under finance lease 2012/13

| | Buildings £000 | PFI Contracts £000 | Total £000 |
|---|-------------------|--------------------------|---------------|
| Cost or valuation at 1 April 2012 | 4,227 | 30,966 | 35,193 |
| Revaluation surpluses | (1,757) | (3,758) | (5,515) |
| Cost or Valuation at 31 March 2013 | 2,470 | 27,208 | 29,678 |
| Depreciation at 1 April 2012 | 1,097 | 583 | 1,680 |
| Charged during the year | 660 | 3,175 | 3,835 |
| Revaluation surpluses | (1,757) | (3,758) | (5,515) |
| Depreciation at 31 March 2013 | - | - | - |
| Net book value | | | |
| - Purchased at 1 April 2012 | 2,266 | 30,966 | 33,232 |
| - Donated at 1 April 2012 | 1,961 | - | 1,961 |
| Total at 1 April 2012 | 4,227 | 30,966 | 35,193 |
| Net book value | | | |
| - Purchased at 31 March 2013 | 762 | 27,208 | 27,970 |
| - Donated at 31 March 2013 | 1,708 | - | 1,708 |
| Total at 31 March 2013 | 2,470 | 27,208 | 29,678 |

**Annual Accounts
For the year ended 31 March 2014**

Notes to the Accounts

14 Inventories

| | 2014 | 2013 |
|--|------------|------------|
| | £000 | £000 |
| Movements in pharmacy stock for the year: | | |
| Balance at 1 April 2013 | 187 | 221 |
| Purchased during year | 2,209 | 2,221 |
| Issued during year | (2,213) | (2,255) |
| Balance at 31 March 2014 | 183 | 187 |

15 Trade and other receivables

| | 2014 | 2013 |
|---|---------------|---------------|
| | £000 | £000 |
| Amounts falling due within one year: | | |
| NHS receivables | 12,444 | 6,714 |
| Other trade receivables | 3,581 | 2,585 |
| Provision for impaired receivables | (6,332) | (1,175) |
| Prepayments and accrued income | 2,963 | 1,399 |
| Other receivables | 905 | 1,968 |
| Sub Total | 13,561 | 11,491 |
| Total | 13,561 | 11,491 |

16 Provision for impaired receivables

| | 2014 | 2013 |
|---------------------------------|----------------|----------------|
| | £000 | £000 |
| Balance at 1 April 2013 | (1,175) | (941) |
| Written off during year | 64 | 605 |
| Unused amounts reversed | 1,000 | - |
| Provided in year | (6,222) | (839) |
| Balance at 31 March 2014 | (6,332) | (1,175) |

17 Cash and cash equivalents

| | 2014 | 2013 |
|---|---------------|---------------|
| | £000 | £000 |
| Balance at 1 April 2013 | 41,939 | 46,238 |
| Net change in cash and cash equivalent balances | (2,754) | (4,299) |
| Balance at 31 March 2014 | 39,185 | 41,939 |

The above balance at 31 March 2014 was held at:

| | | |
|-----------------------------------|---------------|---------------|
| Government banking service | 39,078 | 41,827 |
| Commercial banks and cash in hand | 107 | 112 |
| Total | 39,185 | 41,939 |

Annual Accounts
For the year ended 31 March 2014

Notes to the Accounts

18 Trade and other payables

| | 2014 | 2013 |
|---|---------------|---------------|
| | £000 | £000 |
| Amounts falling due within one year: | | |
| NHS payables | 6,226 | 1,522 |
| Other trade payables | 10,093 | 10,332 |
| Capital payables | 1,184 | 472 |
| Other payables | 284 | 440 |
| Accruals | 14,448 | 15,578 |
| Deferred income | 2,955 | 2,053 |
| Taxes and social security payables | 6,550 | 6,289 |
| Sub Total | 41,740 | 36,686 |
| Total | 41,740 | 36,686 |

19 Borrowings

| | 2014 | 2013 |
|--|---------------|---------------|
| | £000 | £000 |
| Amounts falling due within one year: | | |
| Current part of finance leases | 75 | 189 |
| Current part of PFI contracts | 297 | 270 |
| Sub Total | 372 | 459 |
| Amounts falling due after more than one year: | | |
| Finance leases | - | 75 |
| PFI contracts | 20,368 | 20,665 |
| Sub Total | 20,368 | 20,740 |
| Total | 20,740 | 21,199 |

20 Provisions

| | Pensions - other staff | Legal claims | Other | Total |
|---------------------------------|---------------------------|--------------|--------------|--------------|
| | £000 | £000 | £000 | £000 |
| Balance at 1 April 2013 | 270 | 138 | 2,978 | 3,386 |
| Utilised during the year | (33) | (138) | (2,978) | (3,149) |
| Arising during the year | - | 137 | 2,816 | 2,953 |
| Balance at 31 March 2014 | 237 | 137 | 2,816 | 3,190 |

Expected timing of cashflows:

| | | | | |
|---|------------|------------|--------------|--------------|
| Not later than one year | 46 | 137 | 2,816 | 2,999 |
| Later than one year and not later than five years | 138 | - | - | 138 |
| Later than five years | 53 | - | - | 53 |
| Total | 237 | 137 | 2,816 | 3,190 |

£4,381k is included in the provisions of the NHS Litigation Authority at 31 March 2014 (£3,977k as at 31 March 2013) in respect of clinical negligence liabilities of the Trust.

Notes to the Accounts

21 Finance leases

The Trust has the following lease which is deemed to be a finance lease:

15 Homerton Row, London, E9 6ED

A lease is deemed to be a finance lease where substantially all of the risks and rewards of the lease contract are carried by the Trust. An asset and a liability are recognised in the Statement of Financial Position. The asset is shown at current Market Value and is depreciated over the term of the lease. The liability is shown at an amount equivalent to the present value of future lease payments and is reduced by apportioning lease payments between capital and interest elements over the term of the lease.

| | Minimum lease payments | | Present value of minimum lease payments | |
|---|------------------------|--------------|---|--------------|
| | 2014 £000 | 2013 £000 | 2014 £000 | 2013 £000 |
| Within one year | 75 | 193 | 75 | 189 |
| Between one and five years | - | 75 | - | 75 |
| After five years | - | - | - | - |
| Less future finance charges | - | (4) | | |
| Present value of minimum lease payments | 75 | 264 | 75 | 264 |

22 PFI contracts on-Statement of Financial Position

The Trust has the following PFI contract which is deemed to be on-Statement of Financial Position:

Newham Centre for Mental Health & Coborn Centre for Mental Health

A PFI contract is deemed to be on-Statement of Financial Position where substantially all of the risks and rewards of the contract are carried by the Trust. An asset and a liability are recognised in the Statement of Financial Position. The asset is shown at depreciated replacement cost and is depreciated over the term of the contract. The liability is shown at an amount equivalent to the present value of future lease payments and is reduced by apportioning lease payments between capital and interest elements over the term of the contract.

| | Minimum lease payments | | Present value of minimum lease payments | |
|---|------------------------|---------------|---|---------------|
| | 2014 £000 | 2013 £000 | 2014 £000 | 2013 £000 |
| Payable: | | | | |
| Within one year | 2,568 | 2,568 | 297 | 270 |
| Between one and five years | 10,273 | 10,273 | 1,530 | 1,386 |
| After five years | 41,444 | 44,013 | 18,838 | 19,279 |
| Less future finance charges | (33,620) | (35,919) | | |
| Present value of minimum lease payments | 20,665 | 20,935 | 20,665 | 20,935 |

The PFI contract has 30 years concession period, commencing 20 April 2002, for the PFI partner to initially carry out the design and construction of the works and subsequently to provide a fully serviced facility. At the expiry of the contract period the Trust may negotiate a new agreement with the company for the continuation of the services. Subject to this, the agreement shall terminate and the Trust is under no obligation to pay compensation of any kind to the company. The Trust has granted a 30 year head lease to the PFI partner. The PFI partner has granted a 30 year underlease to the Trust to occupy the facilities.

| | | |
|---|---------------|---------------|
| Commitments in respect of the service element of the PFI: | 2014 £000 | 2013 £000 |
| Payable: | | |
| Within one year | 2,808 | 2,581 |
| Between one and five years | 13,198 | 12,473 |
| After five years | 81,173 | 84,705 |
| | 97,179 | 99,759 |

Notes to the Accounts

23 Capital commitments

At the year end capital commitments not provided for in these Accounts amounted to £1,275k (2012/13, £3,209k). This amount relates to property, plant and equipment as part of capital projects which are expected to be completed in 2014/15.

24 Subsequent events

There are no subsequent events which have a material effect on the Accounts.

25 Contingencies

| | 2014 | 2013 |
|--|-------------|-----------|
| | £000 | £000 |
| Contingent liabilities | 109 | 49 |
| Amounts recoverable against contingent liabilities | - | - |
| Net value of contingent liabilities | 109 | 49 |

Contingent liabilities relate to cases being managed by NHS Litigation Authority

26 Clinical negligence

The Trust belongs to the Clinical Negligence Scheme for Trusts (CNST) and pays an annual insurance premium to the NHS Litigation Authority (NHSLA). Under the terms of this agreement, since 1 April 2002, financial responsibility for clinical negligence claims transferred to the NHSLA and the liability for claims is provided for in their Accounts. At 31 March 2014 the NHSLA were providing £4,381k (£3,977k as at 31 March 2013) against thirty six claims (33 claims as at 31 March 2013) on behalf of the Trust.

Notes to the Accounts

27 Related party transactions

During the period none of the Trust Board members or members of the key management staff or parties related to them has undertaken any material transactions with the Trust.

None of the Trust Board members or members of the key management staff received any form of short-term employee benefits; post-employment benefits; other long term benefits; termination benefits or share-based payments.

Professor Stefan Priebe, Non Executive Director, is the Professor of Social and Community Psychiatry at Queen Mary University of London. The Trust received £150k income for services provided and expended £394k for services received.

Ms Mary Elford, Non Executive Director, is a Council Member at Queen Mary University of London. The Trust received £150k income for services provided and expended £394k for services received. Ms Mary Elford is also a Non Executive Director at Health Education England, The Trust received £7,666k income for services provided.

Ms Marie Gabriel has provided services to South West London & St Georges NHS Mental Health Trust during the financial year 2013/14. The Trust received £54k income for services provided and expended £79k for services received

The Trust is an independent body not controlled by the Secretary of State. It is therefore considered that Government departments and agencies are not related parties. However, the Trust has material dealings with the following NHS bodies:

| | Income 2014 £000 | Expenditure 2014 £000 | Receivable 2014 £000 | Payable 2014 £000 |
|---|---|--|---|--|
| NHS England | 5,380 | - | 130 | 19 |
| NHS City & Hackney CCG | 50,155 | - | 4,526 | - |
| NHS Newham CCG | 86,202 | - | 3,160 | - |
| NHS Tower Hamlets CCG | 36,440 | - | 625 | - |
| Homerton University Hospital NHS Foundation Trust | 179 | 3,870 | 171 | 33 |
| Barts Health NHS Trust | 1,734 | 3,675 | 1,444 | 2,110 |
| NHS Richmond CCG | 2,589 | - | - | - |

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have been with Newham, Hackney and Tower Hamlets Local Authorities in respect of joint enterprises.

The Trust has not received revenue or capital payments from any charitable sources.

During the financial year ended 31 March 2014 assets transferred from the legacy organisation Newham PCT to the Trust. These assets are relevant to the provision of Community Health Services in Newham commissioned by NHS Newham CCG. The value of the transfer totalled £6.1m.

Notes to the Accounts

28 Financial instruments

The fair values for each class of financial assets and financial liabilities together with their carrying amounts shown in the Statement of Financial Position are as follows:

| | Carrying amount 2014 £000 | Carrying amount 2013 £000 | Fair value 2014 £000 | Fair value 2013 £000 |
|---------------------------------------|---------------------------------|---------------------------------|----------------------------|----------------------------|
| Cash and cash equivalents (note 17) | 39,185 | 41,939 | 39,185 | 41,939 |
| Trade and other receivables (note 15) | 10,598 | 10,092 | 10,598 | 10,092 |
| Total financial assets | 49,783 | 52,031 | 49,783 | 52,031 |
| Trade and other payables (note 18) | 16,603 | 14,589 | 16,603 | 14,589 |
| Accruals (note 18) | 14,448 | 15,578 | 14,448 | 15,578 |
| Capital payables (note 18) | 1,184 | 472 | 1,184 | 472 |
| Borrowings (note 19) | 20,740 | 21,199 | 20,740 | 21,199 |
| Provisions (note 20) | 3,190 | 3,386 | 3,190 | 3,386 |
| Total financial liabilities | 56,165 | 55,224 | 56,165 | 55,224 |
| Total financial instruments | (6,382) | (3,193) | (6,382) | (3,193) |

Notes to the Accounts

29 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 Trust has with primary care trusts and the way those primary care trusts are financed, the 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 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 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

All of the Trust's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest. The Trust is not, therefore, exposed to significant interest rate risk.

Credit Risk

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The most significant exposure to credit risk is in receivables from customers, as disclosed in Trade and other receivables (note 15).

Liquidity risk

The Trust's operating costs are incurred under contracts with clinical commissioning groups, which are financed from resources voted annually by Parliament. The Trust also largely finances its capital expenditure from internally generated funds. The Trust is not, therefore, exposed to significant liquidity risks.

Credit quality of financial assets and impairment losses

The aging of trade receivables at 31 March 2014 was:

| | Gross 2014 £000 | Impairment 2014 £000 | Carrying amount 2014 £000 |
|--------------|-----------------------|----------------------------|---------------------------------|
| 0 - 3 months | 14,020 | (4,881) | 9,139 |
| 3 - 6 months | 726 | (348) | 378 |
| 6 + months | 1,279 | (1,103) | 176 |
| Total | 16,025 | (6,332) | 9,693 |
| | | | |
| | Gross 2013 £000 | Impairment 2013 £000 | Carrying amount 2013 £000 |
| 0 - 3 months | 5,289 | (599) | 4,690 |
| 3 - 6 months | 210 | (154) | 56 |
| 6 + months | 427 | (422) | 5 |
| Total | 5,926 | (1,175) | 4,751 |

Annual Accounts

For the year ended 31 March 2014

Notes to the Accounts

30 Third party assets

The Trust held £1,045k cash at bank and in hand as at 31 March 2014 (£1,092k as at 31 March 2013) which relates to monies held by the Trust on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the Accounts.

31 Losses and special payments

There were 38 cases (year ended 31 March 2013, 38 cases) of losses and special payments totalling £86k approved during the year ended 31 March 2014 (year ended 31 March 2013, £152k). These amounts are reported on an accruals basis but exclude provisions for future losses. There were no clinical negligence, fraud cases, personal injury cases, compensation under either legal obligation cases or fruitless payment cases where the net cash payment exceeded £250k.

| | 2014 Number | 2014 £000 | 2013 Number | 2013 £000 |
|--------------------------------|----------------|--------------|----------------|--------------|
| Cash losses by category | | | | |
| Compensation payments | 13 | 80 | 15 | 147 |
| Ex gratia payments | 25 | 6 | 23 | 5 |
| | 38 | 86 | 38 | 152 |

32 Redundancy costs

The Trust made the following redundancy payments during the year:

| | Compulsory Redundancies | Other Redundancies | Compulsory Redundancies | Other Redundancies |
|-------------------------------------|----------------------------|-----------------------|----------------------------|-----------------------|
| | 2014 Number | 2014 Number | 2013 Number | 2013 Number |
| Redundancy package cost band | | | | |
| Less than £10,000 | 29 | - | 3 | - |
| £10,001 - £25,000 | 6 | - | 2 | - |
| £25,001 - £50,000 | 10 | - | 5 | - |
| £50,001 - £100,000 | 11 | - | 7 | - |
| £100,001 - £150,000 | 2 | - | 2 | - |
| £150,001 - £200,000 | 4 | - | 3 | - |
| | 62 | - | 22 | - |
| | £000 | £000 | £000 | £000 |
| Total cost | 2,305 | - | 1,613 | - |

33 Staff sickness absence (unaudited)

| | 2014 Number | 2013 Number |
|--|----------------|----------------|
| Days lost (long term) * | 28,511 | 33,079 |
| Days lost (short term) | 18,629 | 15,673 |
| Total days lost | 47,140 | 48,752 |
| Total staff years | 3,489 | 3,360 |
| Average working days lost | 13.5 | 14.5 |
| Total staff employed (headcount) | 3,764 | 3,618 |
| Total staff employed with no absence (headcount) | 1,577 | 1,417 |
| Percentage of staff with no absence | 41.9% | 39.2% |

* long term sickness is defined by DoH as over 20 consecutive working days



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