Annual Report and Accounts

2014/15

Chelsea and Westminster Hospital NHS
NHS Foundation Trust

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Annual Report and Accounts 2014/15

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INTRODUCTION

Welcome from Chairman Sir Tom Hughes-Hallett

I am very proud to be introducing you to this year's Annual Report where we highlight some fantastic achievements made by our wonderful staff in ensuring the patients we look after get excellent support while under the care of Chelsea and Westminster Hospital NHS Foundation Trust.

This year we have had 116,200 attendances to our Accident and Emergency (A&E) Department, while our maternity services helped to bring 6,140 babies into the world. We provided hospital services to nearly 725,000 patients. None of this would have been achievable without the hard work and enthusiasm of our staff, volunteers and charitable groups who make up the Chelsea and Westminster family. I would like to thank each of them for the efforts and compassion they continue to show to their patients.

There have been some terrific service achievements. 96.3% of patients visiting our A&E were seen and treated within four hours, meaning patients are seen and treated quickly in an emergency. We had no cases of MRSA bacteraemia in 2014/15, one of the best results in the NHS. We produced pioneering guidance to support staff across the NHS caring for very young babies with life limiting conditions who need palliative or end of life care. The hospital environment itself has been viewed under the PLACE assessment as having improved and we have begun the redevelopment of our A&E department which will make it one of the most modern state-of-the-art emergency facilities in the NHS.

But there is more that we need to do. During the year, we received our first Care Quality Commission report under its new monitoring regime and the Trust was given an overall rating of "Requires Improvement". This is the same overall rating as the majority of NHS trusts that have been inspected. While every service reviewed during the inspection was given a caring rating of 'Good' and even though there were 13 areas of excellence cited in the report, with our sexual health services rated as 'Outstanding', we know that this rating is not good enough for patients and it is not good enough for us.

We immediately set to work on an action plan that delivers against every recommendation and which has been produced by our doctors, nurses, allied health professionals and managers, who want to prove to their patients that the care they deliver deserves a "Good" or "Outstanding" rating. We have completed the majority of actions by the close of the financial year with progress being monitored at the Trust Board's Quality Committee. We will carry out a peer review in 2015/16, similar to the inspection process itself, with doctors and nurses from a range of other healthcare providers involved. We believe this process is extremely important as we want our confidence to be based upon the reality of every day care in our hospitals and clinics.

There have been changes to our Board of Directors over the past year. I would like to thank our former Chief Executive Tony Bell for the work he did for the Trust. Taking up the leadership reins has been Elizabeth McManus. Elizabeth, or Libby, as many of us know her, became our Chief Nurse and Director of Quality in September 2013. She has worked in the NHS for nearly 30 years and has been both a Director of Operations and Director of Nursing. I am delighted by the commitment she has shown in leading the organisation and putting an onus on what is most important to all of us, which is to recognise the vulnerability of our patients and the trust they and their families put in all our staff to provide the very best possible outcomes for their health and wellbeing.

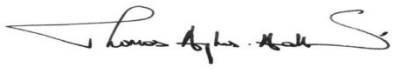
In addition, we have seen some other significant Board level changes that will provide us with a greater mix of expertise and experience in order to deliver against some fantastic opportunities uniquely available to Chelsea and Westminster over 2015/16 and beyond. We appointed five new Non-Executive Directors this summer in order to support the Executive Team in delivering our ambitious plans as a Board. They are Nilkunj Dodhia, Jeremy Jensen, Eliza Hermann, Dr Andrew Jones and Liz Shanahan and you can read more about them later in this report. At this point I would like to note the contributions that departing Non-Executives Prof Richard Kitney and Karin Norman have made in ensuring that the Trust can be the best it can be for those we serve.

The fundamental role that our Council of Governors play is to support the Board as a 'Critical Friend'. This past year, six new Governors have been elected to represent our membership and we are delighted by the enthusiasm they have shown in representing their constituents in their new role.

We cannot hide from the financial difficulties that the NHS faces. While having consistently delivered a surplus year on year, the climate is now very challenging for all NHS organisations and Chelsea and Westminster is not immune to this. Having a reduced surplus means we have less ability to invest in improving our services and future capital investments. This will continue to be a significant challenge for us, like all NHS providers, in 2015/16 and beyond.

Throughout 2014/15, the Trust has worked hard to secure the acquisition of West Middlesex University Hospital NHS Trust, an organisation that shares such similar aspirations and values to us and is only seven miles down the road. The proposed integration of the Trusts aims to deliver clinically and financially sustainable, values-driven care to a population of nearly one million people.

Change provides us with an opportunity to build our organisation so it can adapt to the ever moving national and regional landscape currently being experienced by the NHS. We are both challenged and excited about the possibilities we have and the things we are already beginning to change.



Sir Thomas Hughes-Hallett
Chairman

Welcome from Chief Executive Elizabeth McManus

We have done some really fantastic things this year which mean we've taken great strides forward for our patients, their families and carers. There remains a lot more to improve and no hospital Trust would, I hope, class themselves as perfect.

There have been moments this year where we have had to take stock and listen to feedback we've received from patients, staff, members and regulators to drive up standards of care and experience.

As Chief Nurse and Director of Quality I presided over our first Care Quality Commission inspection under its new regime. Whereas before there would be fewer than 10 inspectors looking at a small number of indicators, this time, in July 2014, there were more than 40

inspectors visiting all clinical and non-clinical areas of the Trust in a four day intensive period. Only with such scrutiny can we see errors and mistakes, as well as gain recognition for examples of good practice, and we took it as an opportunity to shine and an opportunity to learn.

Our rating, 'Requires Improvement', showed some areas where we needed to make investments and changes, and I am pleased to say investments (related and unrelated to the inspection) have been made that will improve the standard of care and experience you would receive if you were coming to Chelsea and Westminster today.

If you have a learning disability, there is a specialist nurse that will help you throughout your journey into hospital. If you are an end of life care patient, there is 24/7 specialist support available to you every day. You will now see more nurses and midwives on our wards, and the same faces while you're in hospital, as we have recruited 276 more of them since April 2014. You will see more of me and my Director colleagues around the hospital, available to get your views and those of our teams, so that we can continue to make positive changes. We are conducting our own inspection in 2015/16 using independent clinicians as inspectors, to prove that we've made the changes we promised to do in response to the CQC's findings.

There have been other quality challenges that we have faced head-on to provide the required improvements for our patients. In particular, like many other Trusts we had a problem in treating long term waiting patients as soon as possible. It's not acceptable that patients were waiting such a long time for their treatment, in distress and sometimes in pain. In April 2014 the Board agreed an accelerated referral to treatment programme in order to treat long waiting patients as quickly as possible.

The number of patients on the referral to treatment pathway has significantly reduced. This has been achieved through major process changes including increasing the Trust's operational capacity, improving our use of operating theatre sessions and addressing specific resourcing issues such as paediatric dentistry. I would like to congratulate our teams on making such efforts to reduce the numbers of long term patients waiting for treatment, many of whom worked over and above their hours and at weekends to improve care for their patients. But this must continue to improve and will remain a major focus for us in 2015/16.

The landscape is ever changing and we will continue to adapt to this change. As such, our priorities for 2015/16 may shift. But, irrespective of this, our people are at the forefront of all of our plans so that we deliver the day job and build a bigger organisation with excellent health services that they all deserve.

Elizabeth McManus
Chief Executive

STRATEGIC REPORT

Overview

Chelsea and Westminster Hospital opened on Fulham Road in 1993 on the former site of St Stephen's Hospital. It replaced five hospitals—St Stephen's, St Mary Abbots, Westminster Children's, Westminster and West London. The hospital became an NHS Trust in 1994 and Chelsea and Westminster Hospital NHS Foundation Trust was founded on 1 October 2006 under the Health and Social Care (Community Health and Standards) Act 2003 as one of the first foundation trusts in the NHS.

The Trust provides vital specialist tertiary services such as paediatrics, high risk maternity care, HIV and burns services for children and adults. There is a wide range of general hospital services such as A&E, Maternity, Surgery and Outpatients.

The Trust provides these services from several sites which include our main base on the Fulham Road, along with sexual health services based on Dean Street in Soho and at Charing Cross Hospital.

The Trust provides care to a population of half a million people predominantly in the areas of Kensington and Chelsea, Westminster, Hammersmith & Fulham and Wandsworth.

Chelsea and Westminster works to four key values in everything it does, which have been developed jointly with staff, patients and the wider public. This is so that patients know what to expect when they are cared for and staff know what is expected of them in terms of how we treat patients and each other as colleagues. Every member of staff is expected to embody these values in whatever they do. Doing this translates into excellent care and experience for our patients. These are:

- Safe—"I will do everything I can to make our hospital as safe as possible for patients, relatives, carers and staff"
- Kind—"I will notice when you need help and go the extra mile"
- Excellent—"I aspire to be the best in all my actions and interactions"
- Respectful—"I will treat people as I wish to be treated myself"

The Trust is governed by a Board of Directors—six Non-executive Directors (including the Chairman) and five Executive Directors (including the Chief Executive). The Board of Directors' composition is 45% (five) female and 55% (six) male. The current number of senior managers at the year-end 31 March 2015 as defined in the Annual Accounts is 15 of which 53% (eight) are male and 47% (seven) are female. In total, there are 3,373 members of staff (including hosted organisations) working across all sites governed by the Trust. Out of the total number of staff, 25% (843) are male and 75% (2,530) are female.

The Trust has historically been able to invest in its services thanks to the delivery of financial surpluses year on year. However, the national focus on providing robust out of hospital care and the resulting changes to national tariffs for hospital services means that achieving surpluses will become ever more challenging. The Trust achieved a surplus of £2.4m. This marked a £6.4m deterioration on its original plan, though the Trust still achieved the planned continuity of services risk rating 3. For the first time in over a decade, the Trust is planning a deficit for 2015/16 (£7.5m).

In the longer-term, the Trust recognises that the organisation needs to increase in scale in order to ensure financial viability and to also ensure that the Trust is able to continue to provide pre-eminent clinical services long into the future.

Looking back: Delivering against our strategy

Our vision for 2014/15 was to 'Deliver the best possible experience and outcomes for our patients'. This was supported by four key strategic objectives:

- Excel in providing high quality, efficient clinical services
- Improve population health outcomes and integrated care
- Deliver financial sustainability
- Create an environment for learning, discovery and innovation

Our progress against each objective is outlined below.

Strategic objective 1: Excel in providing high quality, efficient clinical services

- During the year, we received our first Care Quality Commission report under its new monitoring regime and the Trust was given an overall rating of "Requires Improvement". We immediately set to work on an action plan that delivers against every recommendation. We will carry out a peer review in 2015/16, similar to the inspection process itself, with doctors and nurses from a range of other healthcare providers involved, to ensure that the required improvements have been made.

- Throughout 2014/15, the Trust has been one of the national leaders with regard to the A&E 4 hour waiting time target, consistently ensuring that 95% of patients attending A&E are seen within four hours with year-end performance being at 96.3%. Our performance over the winter period remained one of the best in London, despite additional pressures across the system that meant more attendances to A&E. Our personal ambition is to do better than the national target and see 98% of patients within the four hour period. We will continue to focus on this target in 2015/16 so that we can provide the best care and experience to patients who require urgent medical attention.

- A redevelopment of the emergency department totalling £12m began in November 2014. Our current A&E Department was built 20 years ago. The redevelopment project will provide for greater capacity within the department and also allow the Trust to invest in state-of-the art equipment to treat emergency patients. The redevelopment of the A&E department Hospital is being supported by a £600,000 fundraising appeal by the hospital charity, CW+. The charity is bringing together artists and working with clinical staff to create a calming environment across A&E which minimises anxiety and improves clinical outcomes.

- The opening of our £1.5m midwife-led Birth Centre in 2013/14 has meant that we have been able to offer women that choose to give birth at Chelsea and Westminster more options for a birth that is right for them and their family, should this be medically suitable. We are the only NHS Trust in the country to employ doulas to support women in labour. Since it opened in January 2014, over 1,000 babies have been born in the Centre. The Birth Centre offers spa-like facilities within the safety of the hospital and

has seven rooms, four with birthing pools complete with mood lighting. The Centre has bespoke illustrations commissioned by the charity CW+. We also run a Vaginal Birth after Caesarean (VBAC) clinic for mothers who have previously had an uncomplicated caesarean to promote natural delivery where possible. While our maternity services were rated as 'Good' in the Care Quality Commission's report, there is more that we can improve for the benefit of families, and our priorities for improvement are detailed in the Quality Account.

- We have developed our end of life care service to support people in the last year of their life with the right health and social care support for them and their loved ones. We now provide specialist medical and nursing support 24/7.

- We have invested in support for patients with learning disabilities and have appointed a lead nurse for learning disability. This post ensures that patients with a learning disability get coordinated care and support, tailored to their needs, while in our hospital.

- 2014/15 marked the continued development of our sexual health services in the community to meet the growing need for 'on the spot' sexual health testing. Dean Street Express, which opened in January 2014, has seen over 46,000 people for free and confidential sexual health screening (STI/STD tests) six days a week, with over 79,000 attendances overall. People can walk in without an appointment. We use the latest technology to make screening even easier than before, with touchscreen check-in, self-taken tests and fast bloods with our friendly team. This award winning service has received national and international recognition for the way in which it is trying to change the experience of sexual healthcare in the country. We plan to build a new facility, akin to the services seen in Dean Street, in Hammersmith and Fulham. We have also developed our private patient sexual health service with the launch of postal STI testing that allows users to submit tests in the post for discreet testing and results.

- As part of the development of our Children's Services, we have opened a new Outpatients Department to provide an area that is suitable for children and families waiting for a planned appointment. Opened in May 2014, the department has been built to meet the needs of some of our youngest patients and their families. Bright, spacious and children-friendly, the department which is on the first floor is one of the final stages of work associated with the state of- the art Chelsea Children's Hospital, officially opened by Their Royal Highnesses The Prince of Wales and The Duchess of Cornwall in the spring of 2014.

- We recognise the importance of getting patients off wards and reunited with their loved ones. And what better way to do this than by bringing them the magic and escapism of the movies? A MediCinema, will be opening at Chelsea and Westminster Hospital in 2015/16 thanks to significant fundraising efforts by CW+. It will provide 130 film screenings a year for patients in hospital and their families as well as being a centre for training the next generation of clinicians.

- We have looked at our nursing structure to make sure that nursing leadership across the organisation helps nurses and midwives deliver the best care they can for patients. To this end, Chief Nurses Cabinet has been established; this comprises the Director of Nursing, Deputy Director of Nursing, Head of Midwifery and Lead Divisional Nurses. This group now meets weekly to discuss issues affecting nursing and patients within the Trust and to make decisions on nursing actions within the hospital. In order to ensure

the increased visibility of senior nurses within the Trust, senior nurses now wear very visible red uniforms. This is in response to feedback from staff, patients and governors. The senior nurses (matrons, lead nurses and Chief Nurses' Cabinet) will also be visiting assigned ward and clinical areas once a week as part of our 'Back to Floor' programme.

- In October 2014, the auditors for the UNICEF baby friendly awards visited the Trust to re-inspect the hospital to ensure we are maintaining our 'baby friendly' status, which we have held for the last two years. The Trust received an 'excellent' rating. The UK Baby Friendly Initiative is based on a global accreditation programme of UNICEF and the World Health Organisation. It is designed to support breastfeeding and parent infant relationships by working with public services to improve standards of care.

Strategic objective 2: Improve population health outcomes and integrated care

- The Trust has in 2014/15 led on the development of an integrated care approach alongside local commissioners, Central London Community NHS Trust, Central and North West London NHS Foundation Trust and West London Mental Health NHS Trust to agree a set of guiding principles for how to develop integrated and accountable care in the local health economy to focus on preventative care, ensuring that patients only access hospital services when they clinically need to. An Accountable Care Group Project Board is in place to help pilot accountable care in the north west London area through the Whole Systems Programme.

- The Trust is working with partners in the local health economy on a jointly resourced programme to deliver improvements in the quality and efficiency of the emergency care pathway. This will benefit patients in providing more primary care provision which will negate the need to attend A&E unnecessarily. An Emergency Care Pathway Board is in place to deliver improvements and they are currently planning for winter pressures in 2015.

- We are also trying to make improvements in the planned care pathway so that our outpatient services provide timely care to patients. We are working closely with GPs and Clinical Commissioning Groups to undertake change and have a Joint Outpatient Programme Project Plan that is aligned to CQUINs so that performance against required improvements are monitored regularly.

- Public health is now under the responsibility of local authorities and we recruited a Public Health Registrar to ensure that we are aware of the wider determinants of health, the health inequalities that exist in our communities and what we can do to help people look after themselves better before an avoidable illness develops. The Trust Health and Well Being Strategy—which sets out our long term plans to help staff and patients live happier and healthier lives—was approved by the Board of Directors in 2014.

- Rapid access acute medical and surgical clinics were developed in year, offering an alternative to admission for ambulant patients requiring urgent consultant opinion. This has contributed significantly to delivering a 6.5% year-on-year reduction in emergency admissions at Chelsea and Westminster in 2013/14 and reduced excess bed days by 30%. This work has allowed patients to be safely discharged home more effectively and created the opportunity for significant savings for the Trust.

Strategic objective 3: Deliver financial sustainability

This section looks back at the Trust's financial performance in 2014/15 and aims to set out a fair, balanced and understandable analysis of operational performance.

- The Trust achieved a surplus of £2.4m. This marked a £6.4m deterioration on its original plan (£7.1m) though still achieved the planned continuity of services risk rating 3[1]. The surplus level met the planned continuity of service rating of 3 because of its relatively strong liquidity level (CoSR 4), though its capital servicing capacity rating was a 2.

- During the course of 2014/15 the Trust exceeded its plans across most categories of NHS activity, especially sexual health activity, which reflected the introduction of a popular express model at the end of last year. The Trust delivered a strong A&E performance, one of a reduced number of trusts to achieve the Government target to have 95% or more A&E attenders wait less than 4 hours, despite an 11% increase in Emergency Department attendances and non-elective activity above last year's levels. Urgent Care attendances were broadly flat on last year. Elective activity also exceeded plan and last year's levels as the Trust cleared its backlog of longer waiters based on an agreed plan with Commissioners to achieve sustainable compliance on its 18 week referral to treatment delivery.

- The Trust over-performed against its income plans for NHS services and other income by £12m but under-performed on private patient services by £3m and under-delivered its cost improvement programme (CIP), resulting in an EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation) of £28.5m (7.5%) for the year, compared with a plan of £33.8m (9.2%).

- The main factor in the under achievement of the surplus was under delivery of the targeted CIP. The Trust targeted a stretch CIP of 7% (£25m), double the required tariff efficiency requirement. However it became clear during the year that insufficient schemes were identified and achievement was £12.2m. The Trust recognised the need for a more robust basis for scoping and executing the CIP programme and engaged specialist consultants to carry out an independent review of the benchmarked opportunity and areas to strengthen to deliver CIP schemes in 2015/16. The Trust has retained external consultants to support the delivery in 2015/16 and to embed their know-how into Trust systems and processes. In contrast to last year, all schemes in the CIP planned for 2015/16 were identified in advance of the start of the financial year.

The following table shows the 2014/15 financial outturn and plan for 2015/16 under Monitor's reporting definitions.

[1] Continuity of services risk rating is a measure of a foundation trusts financial strength, ratings are one to four, where a rating of four describes a relatively healthy financial position. Further information is available from Monitor's Risk Assessment Framework (updated March 2015) document.

	2014/15 Outturn	2015/16 Plan
	£m	£m
Operating Revenue	378.0	376.9
Employee Expenses	-188.2	-191.4
Other Operating Expenses	-161.2	-167.8
Non-Operating Income	0.1	0.1
Non-Operating Expenses	-26.2	-25.3
Surplus/(Deficit)	**2.4**	**-7.5**
Net Surplus %	0.6%	-2.0%
Total Operating Revenue for EBITDA	378.0	376.9
Total Operating Expenses for EBITDA	-349.4	-359.2
EBITDA	28.5	17.7
EBITDA Margin %	**7.5%**	**4.7%**
Period-end cash	17.8	6.1
CIP	12.2	10.0
Liquidity Ratio Rating	4	3
Capital Servicing Capacity Rating	2	1
Continuity of Service Risk Rating	**3**	**2**

- The tightening of fiscal circumstances across the NHS means that for the first time in over a decade the Trust is planning a deficit for 2015/16 (£7.5m). While this delivers a continuity of service rating of 2, the Trust has commissioned a 3rd party review of liquidity with a view to restructuring its debt/cash flow profile and is in the process of formalising a working capital facility with the Independent Financing Facility which will improve the CoSR rating. This mirrors the national acute trust sector; particularly across London, and in respect of trusts whose specialist services provide a significant part of each organisations' overall income.

- The Trust aims to maintain a sustainable Continuity of Services Risk Rating (COSR) over the next five to 10 years to enable the delivery of the Trust's clinical strategy and the local health economy reconfiguration. As noted above, the proposed acquisition of West Middlesex University Hospital NHS Trust will help ensure financial sustainability for the nearly million people that are served by these hospitals through standardising clinical processes and pathways to achieve more efficient use of capacity.

- Achieving financial efficiency through cost improvement programmes is increasingly challenging given the increasing demand for our services and investment in improving the quality of service delivery, for example, increasing the number of nurses on our wards. There will be a strong focus in 2015/16 to deliver our plan of saving £10m and delivering these efficiencies, which are about driving up productivity and clinical effectiveness, rather than 'cutting' services.

- We are looking to reduce unnecessary corporate costs through sharing services and benchmarking, so our funds can be focused on direct patient care. This has included, in 2014/15, the transfer of payroll, financial and procurement transaction processing

arrangements to the external provider NHS Shared Business Services (SBS). SBS is 50% owned by the Department of Health. The timing for the move to an integrated finance and procurement system was completed in contemplation of the proposed acquisition of West Middlesex. The system will enable improved transparency of compliance with Trust ordering and contracts which is an important enabler for procurement savings in the future. The Trust experienced a dip in procurement performance during the implementation, but now has better sight of the areas of non-compliance which were not visible in the previous system and is working with SBS to get back to improved and sustainable service delivery levels.

- In addition we have launched SPHERE, a new organisation set up by Chelsea and Westminster Hospital and the Royal Marsden to deliver and support IT infrastructure to both trusts. By pooling our resources and knowledge in these areas, and adopting industry best working practices, we can provide better services more efficiently.

- A revaluation exercise was undertaken in 2014/15 by a firm of independent valuers. There was a net revaluation gain of £5.6m in relation to land, buildings and dwellings, which is shown in the revaluation reserve in the Annual Accounts.

- The Trust invested £15.2m (2013/14 £41.7m) in fixed assets during the year under review. The Trust drew down loan facilities of £2.7m from the Independent Trust Financing Facility. These loans will be used to support the Trust's planned extension of its A&E department and improvement of hospital facilities.

- During the year, the balance of cash and cash equivalents increased slightly from £16.8m (March 14) to £17.8m (March 15). However this was a shortfall against the plan of £36m. The Trust's cash position was put under prolonged pressure as a result of delayed payments from commissioners, especially overdue debts from local authority commissioners for sexual health services. Aged debt recovery and working capital improvement will remain a focus for 2015/16.

Strategic objective 4: Create an environment for learning, discovery and innovation

- The Trust has a clear strategy for research and development with a Collaboration for Leadership in Applied Health Research and Care National Institute for Health Research funded facility based at the Chelsea and Westminster site. There is strong research leadership, communications and relations with Imperial College and our Academic Health Science Network (AHSN).

- The hospital and CW+ launched in 2014/15 a new Enterprising Health Partnership to support staff to get innovative ideas off the ground which can make a real difference to patients' lives. Up to £50,000 of funding is available for initiatives that improve patient care and experience. Projects funded in 2014/15 include the following initiatives:

    - RELAX Anaesthetics—Children can be naturally anxious before an operation. This can lead to a higher chance of complications and delays to operating. Anaesthetists Peter Brooks and Corina Lee have designed an app to relax and distract children through music, arts and games in anaesthetics rooms prior to surgery.

- HIV Wellbeing App—Physiotherapist Darren Brown is leading a team of HIV experts in designing an app to support the health and wellbeing of people living with HIV. As well as including NHS guidelines and professional advice, the app sets targets and once these targets have been met, an arts-based award is given to the user.

- Smoking Cessation Social Impact Bond—Working with the North West London Clinical Commissioning Group, together with Thrive Tribe's Kick It programme, we are supporting patients at the hospital to give up smoking.

- Mum & Baby app—Obstetrician Sunita Sharma and staff from the hospital have developed an app for new mums which provides up to date information, which is easily accessible as and when required. The app gives mums a range of topics to support them in looking after their baby and themselves.

- Sexual health clinics at Chelsea and Westminster Hospital NHS Foundation Trust have been taking a leading part in a ground breaking drug trial which has proved highly effective in preventing HIV in gay and other men who have sex with men. One hundred and fifty four of the 545 men who took part in the two year trial for pre-exposure prophylaxis (PrEP) attended Chelsea and Westminster clinics. The PROUD study was led by the Medical Research Council at University College London and Public Health England. Chelsea and Westminster was the lead NHS site for the study and Consultant in Sexual Health Services, Dr Ann Sullivan, the lead NHS Investigator. Colleague Dr Alan McOwan led the communication strategy for the study and the Chief Investigator Sheena McCormack is a Consultant at 56 Dean Street as well as working for the MRC.

- In September 2014, the Minister for Life Science, George Freeman MP, visited the Trust to speak with staff involved in research at the hospital. The aim of the visit was to find out more about how research, technological developments and biotech developments are directly benefiting patient care on our wards.

- In 2014/15, the Trust published guidance to support staff in caring for newborns with life limiting conditions who need palliative or end of life care. The purpose of the guidance is to help clinical staff deliver care for babies that is of the highest quality, and provide families with the support they require.

- We developed a 'Goodnight Guide' for staff and patients which helps us work together to enable patients whenever possible to have a 'Goodnight'.

- Chelsea and Westminster Hospital's Pain Clinic for Survivors of Torture, which started work in November 2014, is the only one of its kind in the UK and provides an all-encompassing pain service that takes each patient's physical and psychological needs into account. The clinic looks at how the care pathway could be improved for patients, how it can be more joined up and meet all of a person's needs. This innovative service is already seeing some dramatic results and looks certain to change the way healthcare is provided for survivors of torture from across the world.

- NHS England announced in December 2014 that Imperial College Healthcare NHS Trust has been designated a Genomic Medical Centre (GMC) in partnership with Royal Brompton & Harefield NHS Foundation Trust, Royal Marsden NHS Foundation Trust and Chelsea and Westminster Hospital NHS Foundation Trust. These four trusts make

up Imperial College Health Partners NHS GMC which will contribute to the successful delivery of the 100,000 Genome Project, a national initiative which aims to sequence the genomes of 100,000 participants, for the first time, to enable new scientific discovery and medical insights, and bring benefit to patients.

- Trust anaesthetists Peter Brooks and Corina Lee won an NHS England Innovation Acorn Challenge Award for their 'RELAX Anaesthetics app' in February 2015. This powerful tablet-based solution helps to relax and distract children while they are being anaesthetised prior to surgery. It makes the whole experience less painful, stressful and it makes it more likely that the children's procedure will be a success.

- The intensive care unit has been running patient focus groups for nearly 10 years. Feedback from the focus group has resulted in two projects. The first is an information booklet called 'On the road to recovery following critical illnesses'. This booklet was developed by a range of healthcare professionals, ex-patients and relatives. The second is 'VIC', our Virtual Intensive Care professional. VIC is an email address which will be given to all patients and relatives on discharge so that when they go to the ward or home they have an email address where they can ask any questions or highlight any concerns or suggestions. These projects have been developed to ensure patients and their relatives feel reassured and safe following their critical illness.

Awards in 2014/15

- **Nursing Times Award for CliniQ at Dean Street:** CliniQ at 56 Dean Street won the Enhancing Patient Dignity category at the Nursing Times Awards in October. CliniQ is a holistic sexual health and wellbeing service for all trans* people, partners and friends. They offer a safe confidential space for those who may not feel comfortable accessing standard health and wellbeing services.

- **International ophthalmology award for Chelsea and Westminster team:** The Chelsea and Westminster team of Dr Olivia Li (ST2 in ophthalmology), Mr Moloy Dey (Fellow) and Mr Nigel Davies, (Consultant Ophthalmologist) were awarded the Ophthalmologist Travel Award, an international award presented by The Ophthalmologist journal. Their winning case, 'The Chelsea Challenge' addressing the question 'What truly is current best practice for the assessment and treatment of diabetic macular edema?', described their multi-faceted approach, in close collaboration with the endocrinology team, for the management of persistent fluid in the nerve layer of the eye in diabetic patients, resulting in blurred vision.

- **Top employers for working families:** Chelsea and Westminster Hospital is the only NHS organisation to be named in the top 30 employers for working families 2014. The Working Families awards recognise companies who have a track record in family friendly and flexible working and continue to adjust and refine policies in response to employee and business needs.

- **HSJ Best Places to Work 2014:** Chelsea and Westminster Hospital has been named in the HSJ Best Places to Work list. To compile the list, NHS staff survey findings were used to analyse each organisation across seven core areas: leadership and planning; corporate culture and communications; role satisfaction; work environment; relationship with supervisor; training and development; and employee engagement and satisfaction.

- **HSJ Value in Healthcare awards- Award 1:** The team at 56 Dean Street won the Value and Improvement in the Use of Diagnostics for their new rapid access clinic Dean Street Express. The challenge was to improve the sexual health diagnostic service to make it user friendly enough to encourage people to test more frequently, while reducing costs and resources. The solution was to redesign the screening service for patients who do not have symptoms, focusing on self-directed care wherever possible. The service was moved into a shop front based at 34 Dean Street. The team improved patient flow by automating tasks so that patients could self-screen, and integrated IT with the latest diagnostic technology to produce this unique sexual health service. At the heart of Dean Street Express is an Infinity machine which can process gonorrhoea and chlamydia samples in 90 minutes and test results are usually sent to patients by text within six hours. Before Dean Street Express, waiting times for appointments were up to three weeks with visits lasting two hours.

- **HSJ Value in Healthcare awards- Award 2:** The Emergency Care Pathway Programme team won the Value and Improvement in Acute Pathway Redesign category. Chelsea and Westminster, Central London Community Healthcare and NWL Clinical Commissioners, supported by GE Healthcare Performance Solutions, jointly initiated the Emergency Care Pathway Programme to improve patient flow between their services.

Employee matters

This year we wanted to have a specific focus in the Annual Report on those that deliver our services—the people that are the heartbeat of Chelsea and Westminster Hospital.

We want our teams to feel supported and valued. Having a happy workforce means that we can retain a team that works to our values and provide excellent continuity of care to our patients. We have a well-established awards scheme in place to recognise the contributions that individuals and teams make to the successful running of Chelsea and Westminster Hospital NHS Foundation Trust. These include quarterly awards—the Quality Awards, supported by the Council of Governors, which aim to recognise those that excel in providing high quality care and experience to patients—and an annual award programme, Star Awards. The 2014/15 awards secured over 350 nominations for staff a strong acknowledgement of the fantastic team that work at the Trust. The awards scheme in 2015/16 has been aligned both with the Trust values and priorities and took place in April 2015.

While we have been nationally recognised for areas really important to staff, such as providing good support for staff with families, we know that we have found it harder to recruit staff and keep them in post. While this is in part a London-wide problem (because people tend not to have long-term plans to live in London), and in some ways service specific (such as recruiting specialist nurses skilled and experienced in neonatal care) we know our ability to recruit and retain a highly skilled workforce remains a challenge. A degree of turnover is healthy in attracting new talent and ideas but we want to keep staff that we have invested in so that we can provide excellent continuity of care to patients.

Feedback we have from staff that have left shows they do so because of work-life balance, promotion or relocation. In 2014/15, we also commissioned work on looking at retention as a theme which we have done significant things to address, including the following:

- Exit surveys are now being collected and data analysed. Other surveys, such as the National Staff Survey and the Friends and Family test inform wider local action plans and retention plans. In addition, the Trust uses retention surveys in key hotspot ward/department areas.

- A healthcare assistant working group was set up with the Deputy Director of Nursing to review how to improve the role, experience and career pathway. New job descriptions have been written, quarterly recruitment campaigns were delivered and a new Care Certificate will be introduced.

- Intensive recruitment of nurses and midwives, and the introduction of rotational nursing posts, to help provide nurses with a more varied programme of experience.

- A renewed focus on staff wellbeing. This year, we have engaged in a number of staff wellbeing events. We actively took part in National Work Life Week where we encouraged staff to go home on time, take regular breaks and refrain from excessive emails/meetings. We also provided staff with massages, mindfulness sessions and advice on how to handle stress. We took part in National Stress Awareness Day in November, handing out resources and stress dots to staff. More recently, we have been involved with National Hydration and Nutrition Week. We used this week to communicate the importance of a healthy, balanced lifestyle to staff. We held free Health MOTs for staff which included full body analysis and cholesterol testing. We also had free massages and mindfulness sessions to emphasise the importance of mental wellbeing as well as physical wellbeing for staff. The British Heart Foundation also came in to run a lunchtime session for staff which focussed on importance of a healthy diet and exercise.

- The Trust runs monthly Schwartz Rounds which all staff are welcome and encouraged to attend. Schwartz Rounds focus on the emotional aspects of working in healthcare. Schwartz Rounds were developed by The Schwartz Center for Compassionate Healthcare and support staff to provide compassionate care. Staff in the organisation have really valued the rounds. Over the first year, 95% of those who attended said they would attend another round; 88% attendees felt the rounds would help them work with colleagues and; 95% found the open discussion to be helpful. Next year, we hope to extend the effects of the rounds by increasing the attendance rates at each round.

- Improved staff benefits, and better promotion of them. As well as bikes, season tickets, car parking, computers, phones and childcare vouchers, the Trust now offers car lease via salary sacrifice. This has proved to be very popular with staff. We communicate all staff benefits regularly via the staff health and wellbeing e-newsletter and roadshows which allow staff to speak to the provider organisations face to face.

- Reviewing the needs for leadership. In 2014/15, 192 managers within the organisation undertook a one day communications workshop which was co-designed and commissioned by the Trust. This workshop aimed to give staff the skills to deal with difficult situations and empowered them to improve their services. 85% of those who attended stated that the course stretched and developed their skills. 86% of participants agreed that it was relevant to their work lives.

- An approach to Talent Management has been piloted. This work will identify future leaders at the Trust and help them develop so they choose to stay at Chelsea and Westminster.

We will continue to monitor this throughout 2015/16 so that we can be assured that staff feel happy and valued while having a long-term career at Chelsea and Westminster Hospital.

A new Board Committee, the People & Organisational Development Committee, chaired by Non-Executive Director Liz Shanahan will monitor this and other issues to make sure that we attract and keep the best staff possible for our patients.

Occupational health

The Occupational Health service offers advice to staff on all aspects of health, safety and wellbeing at work, to ensure a safe working environment for staff, and provides a comprehensive range of services to maintain and improve the health and wellbeing of the workforce.

In 2014/15, there were 6,469 attendances to the Occupational Health service of which 318 were employment health and medical interviews which were undertaken by the Occupational Health Department to establish the fitness of staff to work or to ensure that staff are appropriately immunised against infectious diseases in accordance with Department of Health guidance.

In addition, 725 management referrals were undertaken. Line managers continue to be the main source of referrals, requesting Occupational Health assistance with the management of sickness absence, rehabilitation and performance issues.

Occupational Health also provided support and guidance to staff who may be experiencing personal problems or work-related issues and as a result, a total of 126 self-referrals were made.

Furthermore, since introducing the complimentary therapy service as part of the overall Occupational Health offering in 2014/15, there has been a total of 105 appointments made for this service.

Staff also have access to a face-to-face counselling service which is free and confidential. This provides staff with specialist information and advice on issues that are of concern to them.

Environmental matters

The Trust pledged to reduce its carbon footprint by joining the Carbon Trust's NHS Carbon Management programme in May 2007. Ensuring our environmental sustainability forms part of a Trust corporate objective and we have committed to improve our environmental sustainability by exceeding the NHS national target of 10% carbon reduction by 2015.

This transformation in the way in which electricity, heating and cooling is supplied to the hospital will reduce the Trust's carbon footprint and make us self-sufficient in terms of the power needed to keep services running smoothly.

This year we have:

- installed automatic light sensing controls on the Atria lighting so the lights only operate when required
- increased the ratio of self-generated electricity to mains supply, thereby reducing the amount of imported electricity
- adjusted boiler settings to increase ‘free’ heat produced by the waste heat boiler
- adjusted time and temperature controls on the non-critical ventilation systems to reduce heating and cooling demand

There is a Travel to Work and Cycle Plan in place to support staff in taking healthier travel options both in terms of the environment and their wellbeing. In addition, all staff are encouraged to help cut carbon emissions and reduce energy bills by taking simple steps to be more energy efficient.

Social, community and human rights issues

The Trust recognises the need to forge strong links with the communities it serves so that we are responsive to feedback and can develop our services to meet current healthcare needs.

In 2014/15 we began a series of Constituency Meetings to provide more channels of engagement with our members. Starting in our host borough of the Royal Borough of Kensington and Chelsea, these meetings provide members with an opportunity to hear latest news about the hospital, its future plans, and provide feedback directly to the Chairman and Chief Executive. These meetings fulfil the aims of the Membership Communications and Engagement Strategy which is to focus on engagement rather than recruitment of members so their voice is heard.

The Department of Health produced a guide in 2013/14 on “Human Rights and Healthcare” setting out scenarios where the Human Rights Act might apply and the Trust is committed to meeting its obligations in respect of the human rights of our staff and patients, which is closely aligned both to the NHS constitution and our values. NHS trusts are public bodies, and so it is unlawful to act in any way incompatible with the European Convention on Human Rights unless required by primary legislation.

Principal risks and uncertainties facing the Trust

The Trust has mechanisms in place to manage overall risk, supported by its Corporate Governance structure and Risk Management Policy. Further detail on this can be found in the Annual Governance Statement which also describes how specific risks are identified, assessed and mitigated as part of the Trust’s risk management processes.

The Annual Governance Statement also provides a high-level description of the principal risks and uncertainties facing the organisation.

Business model

The detail of this is contained within the Trust’s Financial and Operational Plan which is published on the Monitor website on an annual basis.

Going concern

The financial performance and position of the Trust, together with factors likely to affect its future development and the associated risks and uncertainties, are referred to elsewhere in this Strategic Report. Although the Trust has set a deficit plan in 2015/16 of £7.5m, Directors expect that the cash implications of the deficit can be managed through the next 12 months and that appropriate plans for short term working capital and long term plans for resolving the underlying deficit are in development. This includes the opening of formal negotiations with its bankers about future borrowing needs. The Trust is not aware of any matters having been drawn to its attention to suggest that requirements may not be met on acceptable terms.

Following a review of the Trust's plans and projections, including cash flows, liquidity and income base, as well as considering regulatory commitments, the Directors have a reasonable expectation that Chelsea and Westminster Hospital NHS Foundation Trust has adequate plans and resources to continue in operational existence for the foreseeable future. For this reason, the Trust continues to adopt the going concern basis in preparing the Accounts.

Annual Accounts 2014/15

The accounts at the end of this report have been prepared under a direction issued by Monitor outlined in the National Health Service Act 2006.

Our focus for 2015/16 and beyond

Chelsea and Westminster Hospital NHS Foundation Trust's overarching strategy is to strengthen its position as 'a major provider and teaching hospital in north west London—offering a mix of regional and, in some cases, national and international tertiary services and local secondary care; and to become a leader in the health system supporting the health of the population and developing the provision of Accountable (Integrated) Care'. In 2015/16 the Trust is planning to take this forward through two major enabling programmes—the proposed acquisition of and integration with West Middlesex University Hospital NHS Trust and designation as a major acute hospital under Shaping a Healthier Future (north west London's strategic reconfiguration programme) which is expected to lead to increases in activity from 2017/18. The strategy is in line with the latest thinking in the NHS, as set out in the NHS Five Year Forward View, and the Trust is already taking forward initiatives in line with this vision.

In the longer-term, the Trust recognises that the organisation needs to increase in scale in order to ensure financial viability and to ensure that the Trust is able to continue to provide world-class clinical services long into the future.

We believe that the acquisition drives a number of benefits for patients, commissioners and for the Trust in:

- providing greater assurance to the financial and clinical sustainability of both trusts
- supporting continued access to care locally
- providing a better patient experience through new models of care and shared best practice that will reduce variations in care

- supporting development of a provider landscape in North West London that provides competition and choice for patients and providers of sufficient scale and resilience to meet the challenges of the NHS Five Year Forward View
- enabling technological advancement through development of a new Electronic Patient Record system

Shaping a healthier future is a clinically-led programme by the eight Clinical Commissioning Groups (CCGs) in north west London to deliver significant improvements in clinical, productivity and financial outcomes across the local health economy. The programme's Implementation Business Case (ImBC) was submitted to NHE England and NTDA for comment in March 2015.

While these are our two principal strands, they are further enabled by:

- further development of our Clinical, Quality, IM&T, People, Estates Strategies
- fulfilling all elements of our Care Quality Commission action plan
- achieving our financial position and associated Cost Improvement Programmes
- developing services in sexual health, private patients and our proposed joint venture with the Royal Brompton & Harefield NHS Foundation Trust

Elizabeth McManus
Chief Executive

27 May 2015

DIRECTORS' REPORT

Names of Trust Directors during 2014/15

Name	Title	Period
Hughes-Hallett, Sir Tom	Chairman	01 February 2014–present
Baker, Sir John	Vice Chair and Senior independent Director	01 January 2011–present
Hermann, Eliza	Non-Executive Director	01 November 2014–present
Jensen, Jeremy	Non-Executive Director	01 July 2014–present
Dr Jones, Andrew	Non-Executive Director	01 November 2014–present
Loyd, Jeremy	Non-Executive Director	01 January 2011–present
Dodhia, Nilkunj	Board member in attendance	01 July 2014–present
Shanahan, Liz	Board member in attendance	01 July 2014–present
Kitney, Professor Richard	Board member in attendance	01 November 2014–present
Norman, Karin	Non-Executive Director (Retired)	Until 31 October 2015
McManus, Elizabeth	Director of Nursing and Quality	09 September 2013–20 November 2014
McManus, Elizabeth	Acting Chief Executive Officer	20 November 2014–present
Bewes, Lorraine	Chief Financial Officer	03 May 2003–present
Munslow-Ong Karl	Chief Operating Officer	2 March 2015–present
Penn, Zoë	Medical Director and Director of Quality	1 March 2013–present
Sloane, Vanessa	Director of Nursing	18 December 2014–present
Hodgkiss Robert	Acting Chief Operating Officer (Former)	Until 02 March 2015
Radbourne, David	Chief Operating Officer (Former)	Until 28 September 2014
Bell, Tony	Chief Executive officer (Former)	Until 19 November 2014

Important events during 2014/15

Please read the Strategic Report section on page 11 for information about important events during 2014/15.

Future developments

The Trust's main aim will always be to deliver high quality care as evidenced by its ability to meet local and national clinical and operational targets. As stated throughout the report, much of our strategic focus going forward will be delivering the benefits of our proposed acquisition of and integration with West Middlesex University Hospital NHS Trust and which supports our ambition to be the provider of choice to a population of nearly one million people. We will also focus on implementing the essential elements of Shaping a Healthier Future, where both Chelsea and Westminster and West Middlesex will continue to provide a full A&E service as both sites will remain Major Hospitals.

These key strategies and other work streams will support an improved long-term financial position and are based around innovative future service developments and models of care, both NHS and private, that will help us provide the best healthcare possible for patients while at the same time be profitable.

Research and development during 2014/15

This is detailed in 'Looking Back: Delivering against our strategy' on page 12.

Providing equal opportunities

We have an Equality & Diversity Policy and mandatory training to help explain the current equalities legislation and to ensure that staff are aware of their responsibilities as employees of the Trust and as frontline healthcare workers providing services to patients.

In addition, the Trust has a zero tolerance approach to bullying and harassment which is set out in our Harassment & Bullying Policy.

The Trust also considers requests for flexible working or reasonable adjustments through the respective policies for flexible working and the recruitment and retention of staff with disabilities. The Trust has an Equality & Diversity Policy and a Recruitment and Selection Policy and Procedure which supports applications from candidates with disabilities to receive full and fair consideration. Specific support for Trust staff is provided through the Recruitment and Selection Policy and training for managers, as well as a policy for the recruitment and retention of staff with disabilities.

The Trust is a recognised ‘2 Ticks’ employer. This status is awarded by Jobcentre Plus to employers that have made commitments to employ and develop the abilities of disabled staff. Reasonable adjustments are provided by the Trust to support staff with disabilities.

The Trust continued to make progress towards meeting actions in accordance with the Equality Act 2010 and against key objectives. A brief account of progress made in year is provided below:

- The Trust participated in the Stonewall's 'Diversity Champions Programme' by undertaking a Workplace Equality Index questionnaire 2014/15. The results, published in January 2015, demonstrated that we had moved up a further 15 places in the rankings (from 291-276). We have also worked closely with our Stonewall representative to identify senior Lesbian, Gay, Bisexual and Trans (LGBT) champions in the organisation with a view to re-launching our LGBT Network in 2015/16. We were also successful in our application for the Stonewall 'Health Champions Programme'. As a result, we secured funding to help identify areas in our organisation that would benefit from tailored LGBT training to assist with delivering effective patient care and services to our LGBT community.

- The Trust's Staff Faith Network, formed in 2013, has continued to meet and the main focus in the past few months has been on how to improve the ambiance of the multi-faith chaplaincy prayer spaces once the permanent Muslim prayer space is reinstated. The discussion continued in January at the Mica Gallery where Reedah El-Saie, the Director, facilitated an interactive session about the decoration of sacred spaces and the varied needs that can arise. Meanwhile the temporary removal of the Muslim prayer space had led to a very practical example of sharing and hospitality as Friday Prayer has been taking place in the Chapel each week from late autumn 2014 until the Muslim prayer space is reinstated in early May 2015. The Faith network also promoted the use of therapeutic meditation in the workplace and its success led to the trainer running meditation sessions in some departments for patients.

- We reviewed the equality and diversity training provided across the organisation and have adopted the online Core Learning Unit's Equality and Diversity training module for corporate induction and refresher training for all staff.

- The Trust participated in a roundtable discussion with NHS Employers and a number of other Trusts to share potential interventions and good practice on reducing bullying and harassment in the workplace.

- The Trust participated in the Employers Network for Equality and Inclusion equality questionnaire for the first time in 2014. The tool is designed to benchmark organisational performance in equality and diversity across different sectors and we were awarded a bronze award. We will use the results to help inform our equality and diversity work plan for 2015/16.

- The Wayfinding Steering Group has identified areas for improvement in regards to general way finding and signage in particular for those who have learning difficulties and dementia. To this end, a trial on the third floor of the hospital has been undertaken whereby colour is used to identify the floor eg colour lift buttons and on the glass balustrades (the colour utilised was agreed by the leads learning disability and Mental Health). Once funding is secured the way finding strategy will be implemented Trust-wide.

- The Trust also continues to focus on improving the experience of patients with learning disabilities through the Learning Disability Support Group. A Lead Nurse for Learning Disabilities and Transition was appointed in November 2014.

- Learning Disability Training sessions were held in 2014/15 for all staff groups, including ISS and volunteers. These sessions equip staff with basic communication skills to meet the needs of our patients and clients with a learning disability and how to support their carers; explains the Mental Capacity Act and demonstrates the principles and ways of 'making reasonable adjustments' for this group of patients.

- Following the success of the national stress awareness day in 2013, another event was organised in November 2014 in response to staff feedback on bullying and harassment from the 2013 Staff Survey results with a number of departments. The day included promoting mental health wellbeing and a number of useful resources were made available from Mind and Occupational Health and received positive feedback from staff and managers.

- A work plan for 2015/16 will be prepared and we will continue to make further progress against our equality objectives, particularly around the staff survey results for equality and diversity training and bullying and harassment.

Actions taken in the financial year to provide employees systematically with information on matters of concern to them as employees

Employees have a number of regular opportunities to raise any concerns they may have via a variety of forums which have been instituted in the organisation.

These include the monthly Team Brief, where the Chief Executive updates on Trust business and any member of staff is welcome to attend and raise any questions or concerns they have openly. Trust News contains articles on initiatives undertaken either by a service or personal challenges undertaken by staff members in the interest of furthering

patient and staff care and experience. Staff members interact with senior leaders during the monthly Executive rounds. The Trust has also introduced “Back to the Floor” Fridays where by clinical managerial staff go back into wards, adopting a work and talk approach to staff, providing an opportunity to raise any concerns. Specific topics that have changed the NHS landscape, such as the new regime of inspections by the Care Quality Commission and Freedom to Speak out following the findings of the Francis Report, have led to meaningful engagement with staff in debriefing sessions.

Staff from all departments and professions are invited to share their personal experiences and the emotional impact of working at a regular Schwarz round. In addition, the Trust reviewed its ‘Raising Concerns (Whistleblowing) Policy in 2014 in light of the Francis report and this includes a named Board (Chief Nurse) and Non-Executive Director lead for staff to raise concerns with. The Policy is undergoing further review in 2015.

Actions taken in the financial year to consult employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests

There are a number of regular forums, including the JMTUC and Consultative Committee where staff and management meet to discuss Trust business, both operational and financial performance, along with restructures, organisational changes and staff policy changes. Staff contributions and views are welcomed and valued at all these forums, and most departments supplement these with their monthly team meetings. Staff are formally consulted too about changes as per the Trust Organisational Change policy. We also launched the Staff Friends and Family Test in April 2014 and this allows us to get feedback from staff each quarter, so in a more timely way. According to the latest national staff survey conducted in Autumn 2014, we are in the top 20% of NHS Trusts for staff engagement.

Arrangements in place to govern service quality

Making sure that the services we provide are safe and of a high quality is of paramount importance.

Quality of care at the hospital is reviewed by the Quality Committee, chaired by Non-Executive Director Eliza Hermann. The remit of quality now sits with Medical Director Miss Zoë Penn.

Further information with regard to the Trust’s Quality Governance Framework can be found in the Quality Report and Annual Governance Statement. This includes consideration of how the Trust has had regard to Monitor's quality governance framework in arriving at its overall evaluation of the organisation’s performance, internal control and board assurance framework and a summary of action plans to improve the governance of quality.

To the best of the Directors’ knowledge, there are no known material inconsistencies between:

- the annual governance statement
- the annual and quarterly board statements required by the *Risk Assessment Framework*, the corporate governance statement submitted with the annual plan, the quality report, and annual report
- reports arising from Care Quality Commission reviews and the Trust's consequent action plans

Care Quality Commission inspection

The Care Quality Commission (CQC), in its first announced inspection of Chelsea and Westminster Hospital under their new monitoring regime in July 2014, gave the Trust an overall rating of 'Requires Improvement'. The report did highlight several areas of excellence including:

- research activity that has actively improved care for patients in service areas including A&E, physiotherapy and burns
- nationally recognised female genital mutilation service
- staff being actively involved in quality initiatives to improve the care they provide to their patients
- the neonatal palliative care team having developed standards on caring for very young babies with life limiting conditions who need palliative or end of life care on neonatal units, which have been shared with medical royal colleges and other hospitals for national use

However, some of the CQC's review shows a need for improvement and consistency in themes including:

- risks and pressures around managing demand, staffing and improving safety processes
- more support for dementia care and learning disability
- better governance arrangements.

The Trust has already been taking action on the recommendations outlined in the report and further detail about this is contained in the Quality Account.

A peer review involving doctors, nurses and allied health professionals from other organisations will take place in 2015/16 to test whether we have met all the required recommendations.

Stakeholder relations

The Trust actively engages with local groups and organisations on any service changes or developments to do with the hospital, in addition to regularly engaging the Council of Governors in the work that each of our clinical services do.

While there have been no significant service changes to necessitate formal consultation, in 2014/15 we have discussed the possible acquisition of West Middlesex with a wide variety of stakeholders both in our population area and the catchment area of West Middlesex. This engagement spanned staff, union representatives, patients, governors, members, local authorities and Clinical Commissioning Groups.

Governors canvass the opinion of the Trust's members and the public through a variety of means including the Trust Open Day, Meet a Governor sessions and Medicine for Members seminars. In addition, constituency meetings commenced in 2014/15 to help support governors to engage with Foundation Trust members they represent about developments taking place at the Trust.

Disclosure of audit information

So far as the Directors are aware, there is no relevant audit information of which the auditors are unaware. Full information about our Directors is detailed in the Governance Report. The Directors have taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Pensions and other retirement benefits

For a breakdown of salary and pension entitlements of senior managers, please see the Remuneration Report. Accounting policies for pensions and other retirement benefits are also set out in this section.

Access to Register of Directors' interests

Members of the public can gain access to the register of directors' interests by making a request to the Board Governance Manager, Chelsea and Westminster Hospital NHS Foundation Trust, 369 Fulham Road, SW10 9NH, via email ftsecretary@chelwest.nhs.uk.

Sickness absence data

The sickness rate for 2014/15 was 2.95%, which is lower than our annual target of 3%. We will continue to drive down sickness absence in 2015/16.

The directors consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for stakeholders to assess the NHS Foundation Trust's performance, business model and strategy. The Audit Committee specifically considers this in recommending that the Annual Report and Accounts are adopted.

Elizabeth McManus
Chief Executive

27 May 2015

REMUNERATION REPORT

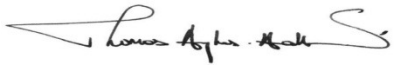
Annual statement on remuneration

I am pleased to present the Annual statement on remuneration on behalf of the Remuneration Committee. The Remuneration Committee is a sub-Committee of the Board which is appointed in accordance with the constitution of the Trust to determine the remuneration, allowances, pensions and gratuities or terms of service of the Executive Directors and rates for the reimbursement of travelling and other costs and expenses incurred by Directors. In 2014/15 the Remuneration Committee met on 3 occasions. It reviewed the salaries of the Directors taking into consideration benchmarking data in relation to comparable posts, for example, when new Directors were appointed and where necessary to reflect organisational structural changes and enhancement to role specifications.

In addition the committee received an update on terms and conditions of staff not covered by the Remuneration Committee, and agreed not to award a general increase to Directors.

The Remuneration Committee does not determine the terms and conditions of office of the Chairman and Non-Executive Directors. These are decided by the Council of Governors at a General Meeting. The salaries for the non-Executive Directors appointed in 2014/15 were agreed at the Council of Governors meeting on 15 May 2014.

In January 2015, the Board agreed that, in future, the functions of the Nominations Committee and Remuneration Committee with regard to Executive Directors would be combined into a single Nominations & Remuneration Committee. This was decided as part of the Board's review of its governance arrangements.



Sir Thomas Hughes-Hallett
Chair of Remuneration Committee

Senior managers' remuneration policy

The Trust policy is for all Executive Directors to be on permanent Trust contracts with six months' notice. Salaries are awarded on an individual basis, taking into account the skills and experience of the post holder, and comparable salaries for similar posts elsewhere. In order to ensure a high standard of recruits, and to enable retention, the Remuneration Committee bases its decisions on the upper quartile of the benchmarking data available. Benchmarking salary data are taken from other NHS organisations and other public sector bodies where appropriate. Pay is also compared with that of other staff on nationally agreed Agenda for Change Terms and Conditions, and Medical and Dental Terms and Conditions. Remuneration consists mainly of salaries (which are subject to satisfactory performance) and pension benefits in the form of contributions to the NHS Pension Fund.

The policy for Non-executive Directors is to appoint on fixed term contracts of between 1 and 3 years. Non-executive Directors are not generally members of the Pension Scheme, and receive their emoluments based on benchmarking data for similar posts elsewhere in the NHS.

Information on salaries and pensions of Directors is in the information subject to audit in 'Information subject to audit—salary and pension entitlements of senior managers' on page 40.

Future policy table

	Salary/Fees	Taxable Benefits	Annual Performance related Bonus	Long Term Related Bonus	Pension Related Benefits
Support for the short and long-term strategic objectives of the Foundation Trust	Ensure the recruitment/retention of directors of sufficient calibre to deliver the Trust's objectives	None disclosed	N/A	N/A	Ensure the recruitment/retention of directors of sufficient calibre to deliver the Trust's objectives
How the component Operates	Paid monthly	None disclosed	N/A	N/A	Contributions paid by both employee and employer, except for any employee who has opted out of the scheme
Maximum payment	As set out in the remuneration table. Salaries are determined by the Trust's Remuneration committee	None disclosed	N/A	N/A	Contributions are made in accordance with the NHS Pension Scheme
Framework used to assess performance	Trust appraisal system	None disclosed	N/A	N/A	N/A
Performance Measures	Based on individual objectives agreed with line manager	None disclosed	N/A	N/A	N/A
Performance period	Concurrent with the financial year	None disclosed	N/A	N/A	N/A
Amount paid for minimum level of performance and any further levels of performance	No performance related payment arrangements	None disclosed	N/A	None Paid	N/A
Explanation of whether there are any provisions for recovery of sums paid to directors, or provisions for withholding payments	Any sums paid in error may be recovered. In addition there is provision for recovery of payments in relation to Mutually Agreed Resignation Scheme (MARS) payments where individuals are subsequently employed in the NHS	None disclosed	Any sums paid in error may be recovered	None Paid	N/A

Service contracts obligations

There are no other obligations in service contracts which could give rise to, or impact on, remuneration payments or payments for loss of office which are not disclosed elsewhere in this report.

Policy on payments of loss of office

Payments for loss of office in a compulsory redundancy situation are made under the nationally negotiated compensation scheme. The Trust also has a Mutually Agreed Resignation Scheme (MARS) which is open to all employees. The scheme is in line with the nationally agreed scheme and is a form of voluntary severance, designed to enable individual employees—in agreement with their employer—to choose to leave their employment voluntarily in return for a payment. Provision is made in the agreement for repayment to be made in certain circumstances if the individual is re-employed in the NHS.

The Remuneration Committee also has the authority to consider the compensation in relation to exit arrangements and to get the relevant authorisation from the appropriate body for any severance payments. In the event of early termination the Executive Directors contracts provide for compensation in line with their contractual notice period.

Annual report on remuneration (information not subject to audit)

Service contracts

Name	Title	Period	Unexpired term
Hughes-Hallett, Sir Tom	Chairman	01 February 2014–present	1 year 10 months
Baker, Sir John	Vice Chair and Senior independent Director	01 January 2011–present	1 year
Hermann, Eliza	Non-Executive Director	01 July 2014–present (voting from 1 November 2014)	2 years 3 months
Jensen, Jeremy	Non-Executive Director	01 July 2014–present	2 years 3 months
Dr Jones, Andrew	Non-Executive Director	01 July 2014–present (voting from 1 November 2014)	2 years 3 months
Loyd, Jeremy	Non-Executive Director	01 January 2011–present	1 year
Dodhia, Nilkunj	Board member in attendance	01 July 2014–present	1 year 3 months
Shanahan, Liz	Board member in attendance	01 July 2014–present	1 year 3 months
Kitney, Professor Richard	Non-Executive Director (Retired)[2]	Until 31 October 2014	

[2] Professor Richard Kitney's term expired at the end of October 2014, though has extensive IM&T expertise and as such may attend Board meetings in future with the specific remit to provide guidance around this area.

Name	Title	Period	Unexpired term
Norman, Karin	Non-Executive Director (Retired)	Until 31 October 2014	N/A
McManus, Elizabeth	Acting Chief Executive Officer	20 November 2014–present	N/A
Bewes, Lorraine	Chief Financial Officer	05 May 2003–present	N/A
Munslow-Ong Karl	Chief Operating Officer	2 March 2015–present	N/A
Penn, Zoë	Medical Director and Director of Quality	1 March 2013–present	N/A
Sloane, Vanessa	Director of Nursing	18 December 2014–present	N/A
Hodgkiss Robert	Acting Chief Operating Officer (Former)	Until 02 March 2015	N/A
Radbourne, David	Chief Operating Officer (Former)	Until 28 September 2014	N/A
Bell, Anthony	Chief Executive officer (Former)	Until 19 November 2014	N/A

All Directors are on contracts which provide for 6 months notice, with the exception of Vanessa Sloane and Robert Hodgkiss who have 3 months notice in accordance with the terms of their substantive roles.

Remuneration Committee

The Committee is chaired by Sir Thomas Hughes-Hallett, Chairman, and attended by all other Non-Executive Directors. The Chief Executive and Chief People Officer and Director of Corporate Affairs may be invited to attend the Committee meeting provided that their Executive roles are not subject to Committee discussion/decision-making. Attendances in 2014/15 were as follows:

Remuneration Committee Attendees	Attendance
Hughes-Hallett, Sir Tom	3/3
Baker, Sir John	3/3
Jensen, Jeremy	2/2
Jones, Dr Andrew	2/2
Eliza Hermann	0/2
Loyd, Jeremy	2/3
Nilkunj Dodhia	0/2
Liz Shanahan	0/2
Kitney, Professor Richard	1/1
Norman, Karin	0/1
In Attendance	**Attendance**
Bell, Anthony	1/1
Young, Susan	2/3

Disclosures required by Health and Social Care Act

The Trust is governed by a Board of Directors—six Non-executive Directors (including the Chairman) and five Executive Directors (including the Chief Executive).

There are 30 governors including:

- 10 Patients (elected)—patients treated at the hospital in the last 3 years or their carers
- 8 Public (elected)—2 each from 4 local boroughs
- 6 Staff (elected)—1 each from 6 classes of the staff constituencies
- 6 Appointed governors (appointed)—nominated from 6 partnership organisations

Expenses paid to Directors and Governors are outlined in the table below.

	Total no. in Post	No. receiving expenses	Total Sum of expenses £00s
Governors	26	4	10
Directors	22	11	62

Reporting high paid off-payroll arrangements

Following on from the Review of Tax Arrangements of Public Sector Appointees published by the Treasury on 23 May 2012, NHS bodies are required to disclose specific information about off payroll engagements. The following tables show this information:

Table 1: For all off-payroll engagements as of 31 Mar 2015, for more than £220 per day and that last for longer than six months

	2014/15
No. of existing engagements as of 31 Mar 2015	76
Of which:	
Number that have existed for less than one year at the time of reporting	63
Number that have existed for between one and two years at the time of reporting	8
Number that have existed for between two and three years at the time of reporting	3
Number that have existed for between three and four years at the time of reporting	2
Number that have existed for four or more years at the time of reporting	0

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 01 Apr 2014 and 31 Mar 2015, for more than £220 per day and that last for longer than six months

	2014/15
Number of new engagements, or those that reached six months in duration between 01 Apr 2014 and 31 Mar 2015	58
Number of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and national insurance obligations	58
Number for whom assurance has been requested	58
Of which:	
Number for whom assurance has been received	58
Number for whom assurance has not been received *	0
Number that have been terminated as a result of assurance not being received	0

There were no off-payroll arrangements for board members or senior officials in 2014/15.

The Trust's policy for off-payroll arrangements in 2014/15 was that any temporary staffing in corporate areas could only be authorised by the Chief Finance Officer.

In addition, specific controls were set for the off-payroll arrangements in relation to the potential acquisition of West Middlesex University Hospital NHS Trust.

In 2015/16, the existing use of agency (including off payroll) will be reviewed in three ways:

- Firstly, a challenge board will review each current interim appointment to ensure it is absolutely necessary—this will be carried out on a directorate basis, starting with finance.

- Secondly new requests will be scrutinised by the challenge board before approval, with the onus on the requesting general manager to demonstrate it is both needed and within budget.

- Thirdly, expenditure will be monitored in either the divisional budget review meetings or the Challenge Board for corporate areas.

Information subject to audit—salary and pension entitlements of senior managers

Name & Position	a) Salary and Fees		b) Performance Related Bonuses		c) Pension Related Benefits		c) Payments under the Trust's Mutually Agreed Resignation Scheme (MARS)		e) Total Remuneration (a to d)		f) Pension Entitlement				
	Year ended 31 Mar 15	Year ended 31 Mar 14	Year ended 31 Mar 15	Year ended 31 Mar 14	Year ended 31 Mar 15	Year ended 31 Mar 14	Year ended 31 Mar 15	Year ended 31 Mar 14	Year ended 31 Mar 15	Year ended 31 Mar 14	Accrued pension and related lump sum at age 60 as at 31 Mar 15	Real (decrease)/ increase in pension and related lump sum at age 60 as at 31 Mar 15	CETV at 31 Mar 15	CETV at 31 Mar 14	Real increase in CETV for the year ended 31 Mar 15
	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £2,500	(£'000)	(£'000)	(£'000)
Executive Directors															
Elizabeth McManus, Interim Chief Executive[1]	150-155	75-80	0	0	135-140	0	0	0	285-290	75-80	200-205	27.5-30.0	847	705	143
Vanessa Sloane, Interim Director of Nursing[2]	30-35	0	0	0	70-75	0	0	0	100-105	0	80-85	12.5-15.0	332	267	65
Miss Zoe Penn, Medical Director	175-180	175-180	0	0	0	480-485	0	0	175-180	655-670	200-205	0	1,031	1,017	14
Lorraine Bewes, Chief Financial Officer	155-160	155-160	0	0	100-105	35-40	0	0	260-265	195-200	195-200	22.5-25.0	993	850	143
Karl Munslow-Ong, Chief Operating Officer[3]	10-15	0	0	0	95-100	0	0	0	105-110	0	70-75	17.5-20.0	209	153	56
Anthony Bell OBE, Chief Executive[4]	205-210	220-225	0	0	0	0	220-225	0	430-435	220-225	0	0	0	0	0
Therese Davis, Chief Nurse and Director of Patient Experience and Flow[5]	0	25-30	0	0	0	0	0	0	0	25-30	0	0	0	0	0
David Radbourne, Chief Operating Officer[6]	45-50	125-130	0	0	15-20	80-85	0	0	65-70	210-215	125-130	7.5-10.0	451	413	38
Robert Hodgkiss, Interim Chief Operating Officer[7]	55-60	0	0	0	450-455	0	0	0	510-515	0	80-85	80.0-82.5	277	0	277
Non-Executive Directors															
Sir Thomas Hughes - Hallett, Chairman[8]	55-60	10-15	0	0	0	0	0	0	55-60	10-15	0	0	0	0	0
Sir John Baker CBE, Vice Chair	15-20	15-20	0	0	0	0	0	0	15-20	15-20	0	0	0	0	0
Nilkunj Dadhia, Non-Executive Director[9]	5-10	0	0	0	0	0	0	0	5-10	0	0	0	0	0	0
Eliza Hermann, Non-Executive Director[10]	5-10	0	0	0	0	0	0	0	5-10	0	0	0	0	0	0
Jeremy Jensen, Non-Executive Director[11]	5-10	0	0	0	0	0	0	0	5-10	0	0	0	0	0	0
Dr Andrew Jones, Non-Executive Director[12]	5-10	0	0	0	0	0	0	0	5-10	0	0	0	0	0	0
Prof. Richard Kitney OBE, Non-Executive Director[13]	5-10	10-15	0	0	0	0	0	0	5-10	10-15	0	0	0	0	0
Jeremy Loyd, Non-Executive Director	10-15	10-15	0	0	0	0	0	0	10-15	10-15	0	0	0	0	0
Elizabeth Shanahan, Non-Executive Director[14]	5-10	0	0	0	0	0	0	0	5-10	0	0	0	0	0	0
Karin Norman, Non-Executive Director[15]	5-10	10-15	0	0	0	0	0	0	5-10	10-15	0	0	0	0	0
Sir Geoffrey Mulcahy, Non-Executive Director[16]	0	10-15	0	0	0	0	0	0	0	10-15	0	0	0	0	0
Prof. Sir Christopher Edwards, Chairman[17]	0	30-35	0	0	0	0	0	0	0	30-35	0	0	0	0	0

Note 5.6 cont./

Name & Position	a) Salary and Fees		b) Performance Related Bonuses		c) Pension Benefit		c) Payments under the Trust's Mutually Agreed Resignation Scheme (MARS)		d) Total Remuneration (a to c)		b) Pension Entitlement				
	Year ended 31 Mar 15	Year ended 31 Mar 14	Year ended 31 Mar 15	Year ended 31 Mar 14	Year ended 31 Mar 15	Year ended 31 Mar 14	Year ended 31 Mar 15	Year ended 31 Mar 14	Year ended 31 Mar 15	Year ended 31 Mar 14	Accrued pension and related lump sum at age 60 as at 31 Mar 15	Real increase/ (decrease) in pension and related lump sum at age 60 as at 31 Mar 15	CETV at 31 Mar 15	CETV at 31 Mar 14	Real increase/ (decrease) in CETV for the year ended 31 Mar 15
	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £5,000	Bands of £2,500	(£'000)	(£'000)	(£'000)
Directors															
Susan Young, Chief People Officer and Director of Corporate Affairs[18]	140-145	70-75	0	0	10-15	0	0	0	155-160	70-75	5-10	0.0-2.5	90	77	12
Rakesh Patel, Director of Finance[19]	115-120	85-90	0	0	0	0	0	0	115-120	85-90	0	0	0	443	0
Mark Gammage, Director of Human Resources & Organisational Development[20]	0	35-40	0	0	0	5-10	0	0	0	35-40	0	0	0	0	0

Notes to senior managers' salary and pension table

[1] Interim Chief Executive from 21 November 2014, previously Chief Nurse and Director of Quality from 9 September 2013 to 20 November 2014
[2] Interim Director of Nursing from 21 November 2014
[3] Appointed 2 March 2015
[4] On secondment to NHS England from 9 December 2014 to 28 February 2015, and left the Trust 28th February 2015. The sum of £225,000 was paid to Anthony Bell in the year-ending 31 March 2015 under the Trust's Mutually Agreed Resignation Scheme (MARS). This amount is calculated in accordance with the nationally agreed parameters for the scheme in relation to salary and length of service. No pension benefits as not included in the pensions scheme.
[5] Left 30 June 2013
[6] On secondment to Herts Valley CCG from 22 September 2014, and the salary was reimbursed for the secondment.
[7] Interim Chief Operating Officer from 15 September 2014 to 2 March 2015. Increase in pension in 2014/15 is due to nil value in 2013/14.
[8] Appointed 1 January 2014
[9] Appointed 1 July 2014
[10] Appointed 1 July 2014
[11] Appointed 1 July 2014
[12] Appointed 1 July 2014
[13] Left 2 November 2014
[14] Appointed 1 July 2014
[15] Left 2 November 2014
[16] Left 31 December 2013
[17] Left 2 February 2014
[18] Appointed 9 September 2013
[19] Appointed 1 July 2013. Withdrew from the pension scheme in 2014/15.
[20] Left 8 September 2013

Note: The format of the remuneration disclosures provide disclosure of the overall value of directors' remuneration. For NHS employees, a key component of this is their pension entitlement. The value of the benefit accruing each year is required to be calculated using the 'HMRC method' and data from NHS pensions and taking into account the effect of inflation and the value of employee contributions. Due to the nature of a 'final salary' scheme, where a director's salary increases (particularly where promoted to the Board) this will be reflected in a larger movement in the overall value of their pension entitlement.

Pension disclosures are made for directors and senior managers where the information is available from NHS pensions; if a director of senior manager started during the year the opening pensions or CETV values will not normally be available and therefore the opening value or increase in year will be set to nil.

Non-executive directors do not receive pensionable remuneration therefore there are no entries in respect of pensions for them. A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any spouse's contingent pension payable from the scheme.

A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figure shown relates to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures include the value of any pension benefits in another scheme or arrangement in which the individual has transferred to the NHS

pension scheme. They also include any additional pension benefits accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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

Real increase in CETV for current year may be significantly different from prior year. This is due to a change in the factors used to calculate CETVs, which came into force on 1 October 2008 as a result of the Occupational Pension Scheme (Transfer Value Amendment) regulations. These placed responsibility for the calculation method for CETVs (following actuarial advice) on Scheme Managers or Trustees. Further regulations from the Department for Work and Pensions to determine cash equivalent transfer values (CETV) from Public Sector Pension Schemes came into force on 13 October 2008.

Hutton disclosure

The banded remuneration of the highest paid director in the Trust in the financial year 2014/15 was £220,000–£225,000 (2013/14 £220,000–£225,000). This was 6.1 times the median remuneration of the workforce (2013/14 5.9 times), which was £36,753 (2013/14 £37,491). Please view page 40 for the salary and pension entitlements of all senior managers.

Definition of ‘senior managers’

The definition of ‘senior managers’ for the purpose of this report is those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS Foundation Trust. There were no payments to past senior managers in the year.

Elizabeth McManus
Chief Executive

27 May 2015

NHS FOUNDATION TRUST CODE OF GOVERNANCE DISCLOSURES

Code of Governance compliance statement

Chelsea and Westminster Hospital NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

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

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

For the year ending 31 March 2015 Chelsea and Westminster Hospital NHS Foundation Trust complied with all the provisions of the Code of Governance published by Monitor in July 2014.

Nominations, Remuneration and Audit Committees

Nominations Committee

The Nominations Committee is a Committee of the Board of Directors and comprises the Chairman and all other Non-Executive Directors. The Committee is responsible for overseeing the selection process for the appointment of Executive Directors.

Following a meeting of the Nominations Committee held on 24 November 2014, Karl Munslow-Ong was appointed as Chief Operating Officer and commenced in post as of 2 March 2015.

At the same meeting, the Nominations Committee agreed to appoint Elizabeth McManus into the post of Interim Chief Executive and Vanessa Sloane into the role of Interim Director of Nursing.

A distinct Nominations Committee exists for the nomination and appointment of Non-Executive Directors. This Committee is a Committee of the Council of Governors and its membership comprises the Chairman, the Lead Governor and other governors. Based upon the recommendation of the Nominations Committee, the appointment of five Non-Executive Directors was approved at the 15 May 2014 Council of Governors Meeting. Full voting Non-Executive Directors appointed were: Eliza Hermann, Jeremy Jensen and Dr Andrew Jones. Nilkunj Dodhia and Liz Shanahan were appointed as non-voting Non-Executive Directors pending a voting seat becoming available.In 2014/15 the search for and selection of Non-Executive Directors was supported by an external recruitment firm.

Remuneration Committee

Detail as to the Trust's Remuneration Committee can be found within the Remuneration Report.

Audit Committee

For the Audit Committee see page 53.

Decisions taken by the Board of Directors and the Council of Governors

How the Board of Directors and the Council of Governors operate and decisions made

The Council of Governors represents the interests of the local community—patients, public and staff who are Foundation Trust members—and shares information about key decisions with Foundation Trust members. The Council of Governors is not responsible for the day-to-day management of the organisation which is the responsibility of the Board of Directors. There are corporate governance arrangements in place incorporated within the Reservation of Powers to the Board and Delegation of Powers outlining which decisions are to be delegated to the executive management. These include: contracts, tendering procedures, security of the Trust's property, monitoring and ensuring compliance with Department of Health directions on fraud and corruption, delegated approval limits, budget submission, annual accounts and reports, banking arrangements, payroll, borrowing and investment, risk management and insurance arrangement. Key roles of the Council of Governors include:

- appoint or remove the Chairman and other Non-executive Directors and approve the appointment (by Non-executive Directors) of the Chief Executive
- decide the remuneration, allowances and other terms and conditions of office of Non-executive Directors
- appoint or remove the Foundation Trust's Financial Auditors
- review and develop the Trust's Membership Development and Communication Strategy

The governors did not exercise their power under paragraph 10C of schedule 7 of the NHS Act 2006.

There are 30 governors including:

- 10 Patients (elected)—patients treated at the hospital in the last 3 years or their carers
- 8 Public (elected)—2 each from 4 local boroughs
- 6 Staff (elected)—1 each from 6 classes of the staff constituencies
- 6 Appointed governors (appointed)—nominated from 6 partnership organisations

The Council of Governors meets at least quarterly. There were five meetings in 2014/15. Executive and Non-Executive Directors are invited to attend. Details of their attendance are in the table 'Directors' attendance at Council of Governors meetings 2014/15'. Details of Governors' attendance at meetings are in the table 'Governors—Who's Who'. Governors' initial terms of office commenced on the day that the Foundation Trust was licensed, 1 October 2006. Both elected and appointed governors normally hold office for a period of 3 years and are eligible for re-election or reappointment at the end of that period.

Composition of the Council of Governors and attendance at Council of Governors meetings

Name (Constituency/Organisation)	Date elected or appointed	Attendance at Council Meetings 2014/15
Hughes-Hallett, Sir Tom (Chairman)	Feb 2014	5/5
Balmford, Walter (Patient)	Nov 2012	4/5
Birch, Chris (Patient)	July 2013	5/5
Blewett, Christine (Public- Hammersmith and Fulham 2)	Nov 2012	5/5
Browne, Nicky (Appointed—The Royal Marsden Hospital NHS Foundation Trust)	Dec 2012	4/5
Cadman, Anthony (Patient)	Dec 2013	4/5
Cass-Horne, Cass J (Patient)	Nov 2014	2/2
Church, Tom (Patient)	Nov 2012	3/5
Clarke, Dominic (Staff—Management)[3]	July 2013	1/1
Coolen, Edward (Public—Kensington and Chelsea 1)	July 2013	3/5
Culhane, Samantha (Public—Hammersmith and Fulham 1)	July 2013	4/5
De Palo, Lou (Staff—Support, Administrative & Clerical)[4]	Nov 2014	2/2
Faulks, Cllr. Catherine (Appointed—Royal Borough of Kensington and Chelsea) [5]	June 2014	3/4
Fenwick, Caroline (Staff—Allied Health Professionals, Scientific and Technical)[6]	Dec 2013	1/1
Gazzard, Professor Brian (Staff—Medical and Dental)[7]	Nov 2012	5/5
Gee, Rochelle (Staff—Contracted)[8]	Dec 2013	3/3
Henderson, Angela (Patient)	Dec 2013	5/5
Higham, Jenny (Appointed—Imperial College)	May 2011	4/5
Hodson-Pressinger, Anna (Patient)	Nov 2014	5/5
Jeremiah, Melvyn (Public—Westminster 2)	Dec 2013	5/5
Lewis, Martin (Public- Westminster 1)	Dec 2013	5/5
Lomas, Andrew (Patient)[9]	Sep 2013	1/2
Mangold, Kathryn (Staff—Nursing and Midwifery)	Dec 2013	3/5
Maxwell, Susan (Patient)	Nov 2012	5/5
McWatters, Wendie (Patient)	Nov 2012	4/5
Nemeth, Cllr Cyril (Appointed—Westminster City Council)[10]	Nov 2012	1/1
Owen, Philip (Public—Kensington and Chelsea 2)[11]	Nov 2014	2/2
Pollak, Tom (Public—Wandsworth 1)[12]	Dec 2013	4/5
Samuels, Diane (Staff—Allied Health Professionals, Scientific and Technical)	Nov 2014	2/2
Smith-Gordon, Sandra (Public—Kensington and Chelsea 2)[13]	Nov 2013	3/3
Steel, Charles (Patient)	July 2013	4/5
Taylor, Frances (Appointed—Royal Borough of Kensington and Chelsea)[14]	Oct 2012	1/1
Than, Maddy[15] (Staff—Support, Administrative & Clerical)	Nov 2011	1/1

[3] Attended Council of Governors meetings till May 2014
[4] Attends Council of Governors meetings from November 2014
[5] Attends Council of Governors meetings from June 2014
[6] Attended Council of Governors meetings till July 2014
[7] Brian Gazzard is the Lead Governor
[8] Attended Council of Governors meetings till October 2014
[9] Attended Council of Governors meetings till September 2014
[10] Retired in May 2014
[11] Attends Council of Governors meetings from November 2014
[12] Attends Council of Governors meetings from December 2013
[13] Attended Council of Governors meeting till November 2014
[14] Retired in May 2014
[15] Attended Council of Governors meeting till May 2014

Name (Constituency/Organisation)	Date elected or appointed	Attendance at Council Meetings 2014/15
Vasilopoulos, George[16] (Staff)	Nov 2014	2/2
Worrall, Steve (Public—Wandsworth 2)	Nov 2012	5/5

* If individuals joined or left the Council of Governors during the financial year, the number of meetings has been adjusted accordingly

Director attendance at Council of Governors

Non-executive Directors	Attendance
Baker, Sir John[17]	5/5
Hermann, Eliza[18]	3/4
Jensen, Jeremy[19]	3/4
Jones, Dr Andrew[20]	1/4
Loyd, Jeremy	4/5
Dodhia, Nilkunj[21]	2/4
Shanahan, Liz[22]	2/4
Kitney, Professor Richard	3/5
Norman, Karin[23]	2/3

Executive Directors	Attendance
McManus, Elizabeth[24]	4/5
Bewes, Lorraine	4/5
Munslow-Ong, Karl [25]	1/1
Penn, Zoë	4/5
Vanessa Sloane[26]	1/1
Bell, Tony[27]	3/3
Radbourne, David[28]	3/3
Hodgkiss, Robert [29]	1/1
Patel, Rakesh[30]	4/5
Young, Susan [31]	5/5
Conlin, Dominic[32]	1/1

Independence of Non-Executive Directors

The Board has evaluated the circumstances and relationships of individual Non-Executive Directors which are relevant to the determination of the presumption of independence. The

16 Attends Council of Governors meetings from November 2014
17 Senior Independent Director
18 Attends Council of Governors meetings from July 2014
19 Attends Council of Governors meetings from July 2014
20 Attends Council of Governors meetings from July 2014
21 Attends Council of Governors meetings from July 2014
22 Attends Council of Governors meetings from July 2014
23 Attended Council of Governors meetings till October 2014
24 Attends Council of Governors meetings as Interim Chief Executive from November 2014; attended as Chief Nurse and Director of Nursing till November 2014
25 Attends Council of Governors meetings from March 2014
26 Attends Council of Governors meetings from December 2014
27 Attended Council of Governors meetings till November 2014
28 Attended Council of Governors meetings till September 2014
29 Attended Council of Governors meetings
30 Attends Council of Governors meetings as Director of Finance
31 Attends Council of Governors meetings as Chief People Officer and Director of Corporate Affairs
32 Attends Council of Governors meeting as Director of Strategy and Integration

Board determines all of its Non-executive Directors to be independent in character and judgement.

Directors' skills, expertise and experience

The Board has six Non-executive Directors (including the Chairman) and five Executive Directors (including the Chief Executive). The Board of Directors composition is 45% female and 55% male. Director's skills, expertise and experience is detailed below.

Executive Directors

Elizabeth McManus, Chief Executive: Elizabeth started at Chelsea and Westminster in September 2013 as Chief Nurse and Director of Quality. She was previously Chief Nurse at York Teaching Hospital and has extensive leadership experience, having performed a range of senior NHS nursing and operational roles across England. While at YTHFT, she played a key role in the acquisition and successful integration of YTHFT with Scarborough and North East Yorkshire NHS Healthcare Trust. Elizabeth has also worked nationally on programmes related to patient safety, governance and assurance.

Zoë Penn, Medical Director: Zoë Penn was appointed as Medical Director in March 2013.She was previously Divisional Medical Director for Women, Neonatal, Children & Young People, HIV, GUM & Dermatology Services and is a Consultant Obstetrician by background. Dr Penn has been a consultant with the Trust since 1996, during which time she has held a number of positions including Clinical Lead for Gynaecology and Clinical Director for Women and Children's Services. Zoë also has responsibility for Quality, including our assurance systems and processes.

Karl Munslow-Ong, Chief Operating Officer: Karl started at the Trust in March 2015 as Chief Operating Officer (COO). He was previously COO at Hillingdon Hospital and has extensive operational management experience across a number of acute London trusts. In his previous role, he was the executive responsible for the clinical divisions, strategy, service transformation, major incident planning and contract management (jointly with the Finance Director). While at Homerton University Hospital Foundation Trust as Deputy COO, he played a key role in the integration of Hackney community services. Karl started his career as a management consultant for PricewaterhouseCoopers before moving to work at the Strategic Health Authority.

Lorraine Bewes, Chief Financial Officer: Prior to her appointment in May 2003, Lorraine was Director of Performance at University College London Hospitals NHS Foundation Trust and Deputy Director of Finance at Hammersmith Hospitals NHS Trust. She joined the NHS in 1991 following a successful commercial accountancy career, during which she worked at ITN and W H Smith Television Services. Lorraine has led the early implementation of service line reporting in the NHS. She is a graduate of Oxford University and is a chartered accountant.

Vanessa Sloane, Director of Nursing: Vanessa trained at Westminster Hospital, gaining her Registered General Nursing qualification and BSc in Nursing and Community Health in 1991. Following some time working with adults she qualified as a Registered Sick Children's Nurse, training at Birmingham Children's Hospital. Vanessa has undertaken specialist qualifications in paediatric neurosciences, paediatric diabetes and child safeguarding. Prior to joining Chelsea and Westminster NHS Foundation Trust in January

2012 as the Head of Paediatric and Neonatal Nursing, Vanessa worked at Oxford University Hospitals as a matron and prior to this, as a service manager. Vanessa has been heavily involved in the development of Chelsea Children's Hospital and was delighted to have the opportunity to showcase the facilities to The Prince of Wales and The Duchess of Cornwall during the opening in March 2014. She has also worked with lead clinicians within paediatrics across north west London to support SAHF. Vanessa is particularly keen on staff development and patient involvement—securing funding for a youth worker to enable the development of HYPE (Hospital Young People's Executive).

Directors in attendance at Board meetings

Rakesh Patel, Director of Finance: Rakesh started at Chelsea and Westminster on 1 July 2013. He was previously Director of Finance of West Middlesex University Hospital NHS Trust. Rakesh has had a number of posts in the NHS ranging from working in district general hospitals to teaching hospitals and mental health trusts.

Susan Young, Chief People Officer and Director of Corporate Affairs: Susan joined Chelsea and Westminster Hospital in September 2013. She was previously Director of Human Resources & Organisational Development at the Countess of Chester Hospital NHS Foundation Trust. Susan has held a variety of HR roles in the public sector including Deputy Chief People Officer for HM Revenue and Customs, HR Director at the Office for National Statistics and Assistant Director of Personnel at Hertfordshire County Council. She was also the Programme Implementation Director for the Civil Service's Next Generation HR programme which joined up various HR and OD services across the Civil Service. She is a Chartered Fellow of the Chartered Institute of Personnel and Development and has an MBA from Cranfield University.

Non-Executive Directors

Sir Thomas Hughes-Hallett, Chairman: Sir Thomas started as Chairman on 1 February 2014. He has been appointed for the period of three years. Former barrister, banker and Chief Executive of Marie Curie Cancer Care, he is currently Non-Executive Chair of Cause4—a social business creating pioneering programmes and fundraising solutions for the charitable sector. Trustee of The Esmée Fairbairn Foundation and The King's Fund, Sir Thomas was Chairman of the End-of-Life Care Implementation Advisory Board and has written a number of independent reports on this topic. Awarded a knighthood in 2012 and a Beacon Fellowship for Philanthropy Advocacy in 2013, Sir Thomas's passions are philanthropy, innovation, patient-centred healthcare and choral music.

Sir John Baker CBE—Non-executive Director (Vice Chair): Sir John was re-appointed as a Non-Executive Director in October 2014 for the period of one year. He is currently Vice Chair of the Board of Directors, Senior Independent Director and Chair of the Audit Committee. Sir John has had a career in both public and private sectors. He is currently Chairman of Bladon Jets Holdings and a Director of Midway Resources International. He spent 10 years dealing with transport policy as a senior civil servant, followed by 10 years leading an urban regeneration and social housing agency, before becoming Managing Director of the Central Electricity Generating Board in 1979 and leading the management of the UK electricity privatisation and restructuring programme. He was Chief Executive and then Chairman of National Power PLC from 1989 to 1997, and from 1995 to 1998 he was Chairman of the World Energy Council. He has also been a main Board Director of leading companies in sectors as diverse as insurance, shipping, pharmaceuticals and

energy. Outside the business arena Sir John is a Trustee of the Friends of the Yehudi Menuhin School. He has previously chaired the Governing Body of Holland Park School, as well as various trusts and charities.

Eliza Hermann—Non-Executive Director: Eliza was appointed as a Non-Executive Director on 1 July 2014. Eliza has had an international executive career in the oil and gas industry including seven years as Vice President Human Resources at BP's London headquarters. More recently she has built a portfolio of non-executive Board Director appointments in the private and public sectors, including 10 years on the Board of Brightpoint Inc, a Fortune 500 NASDAQ-listed telecoms company, and five years on the Board of NHS Hertfordshire. She has expertise in strategic planning and organisation development. She is currently a Civil Service Commissioner and serves on the boards of the Marshall Aid Commission and of CPRE Hertfordshire. Eliza is currently the Chair of the Quality Committee and a member of the Finance & Investment Committee.

Jeremy Jensen—Non-Executive Director: Jeremy was appointed as a Non-Executive Director on 1 July 2014. Jeremy has substantial experience as a business leader who has managed financial risk, including mergers, disposals, joint ventures and organizational restructure. He has been on the Boards of Cable and Wireless and McCarthy and Stone, where he was Chairman. A Chartered Accountant by background, Jeremy has a strong interest in health from his work with care homes, and as a trustee of Marie Curie Cancer Care. Jeremy is currently a Chair of the Finance & Investment Committee.

Dr Andrew Jones—Non-Executive Director: Andrew was appointed as a Non-Executive Director on 1 July 2014. He is currently Managing Director of Wellbeing at Nuffield Health. A GP by background, he was formerly a Medical Director at Nuffield. He has also been an independent advisor to the Department of Health, and has a wide range of clinical and strategic executive experience. Andrew is currently a member of the Quality Committee and the Audit Committee.

Jeremy Loyd—Non-Executive Director: Jeremy was re-appointed as a Non-Executive Director in October 2014 for the period of up to one year. Jeremy is currently a Non-Executive Director of UCL Cancer Institute Research Trust and the Marine Management Organisation. He was formerly Director and General Manager of Carlton Television, Managing Director of Capital Radio and a Non-Executive Director of several other companies in both the UK and USA. Jeremy was also Deputy Chairman of Blackwells, the academic information distributer and retailer. Jeremy is a Trustee of CW+ one of Chelsea and Westminster Hospital's Charities.

Nilkunj Dodhia- Non-Voting Board Member: Nilkunj was appointed as a non-voting Board member on 1 July 2014. A fellow of the Institute of Chartered Accountants, he has diverse experience as an executive and non-executive director in the telecoms and healthcare sectors.

His healthcare experience spans across acute and mental health, including as Chairman of the South West London Elective Orthopaedic Centre (SWLEOC) and with management consultants, McKinsey & Company. Nilkunj is currently a member of the Audit Committee and Finance & Investment Committee.

Liz Shanahan- Non-Voting Board Member: Liz was appointed as a non-voting Board member on 1 July 2014. A medical education and communications professional by background, Liz has extensive experience in healthcare strategy and change consulting.

Until recently, she was Global Head of Healthcare and LifeSciences for FTI Consulting where she was a member of the Executive Leadership Forum. She joined FTI in 2007 when they acquired her company Sante Communications. She is now involved with a portfolio of businesses on investment, advisory and non-executive levels. She is also a member of the Global Irish Network and a member of the British Council's Provocation Group. Liz is currently the lead Board member on Communications and Marketing, Chair of the People and Organisational Development committee and a member of the Audit Committee.

Board meetings

The Board has historically met, on average, seven times per year with extraordinary meetings being held as required. There were seven public meetings in 2014/15 and two extraordinary private Board meetings.

In January 2015, the Board agreed to extend its number of Public and Private Board meetings to nine each per annum.

Directors' attendance at Board meetings 2014/15

Non-executive Directors	Ordinary Board meetings attendance	Extraordinary Board meetings Attendance
Hughes-Hallett, Sir Tom[33]	7/7	2/2
Baker, Sir John[34]	7/7	2/2
Hermann, Eliza[35]	4/5	1/1
Jensen, Jeremy[36]	5/5	1/1
Jones, Dr Andrew[37]	4/5	1/1
Loyd, Jeremy	7/7	2/2
Dodhia, Nilkunj[38]	5/5	1/1
Shanahan, Liz [39]	4/5	0/1
Kitney, Professor Richard[40]	2/7	2/2
Norman, Karin[41]	4/4	0/2

Executive Directors	Ordinary Board meetings attendance	Extraordinary Board meetings Attendance
McManus, Elizabeth[42]	6/7	2/2
Bewes, Lorraine	7/7	2/2
Munslow-Ong Karl[43]	1/1	-
Penn, Zoë	6/7	2/2
Sloane, Vanessa[44]	3/3	-
Hodgkiss Robert[45]	4/4	1/1

[33] Attends Board meetings as Chairman
[34] Senior Independent Director
[35] Attends Board meetings as a full voting Board member from November 2014
[36] Attends Board meetings from July 2014
[37] Attends Board meetings as a full voting Board member from November 2014
[38] Attends Board as a non-voting Board member from July 2014
[39] Attends Board as a non-voting Board member from July 2014
[40] In attendance at Board meetings from November 2014 with a specific remit of IT
[41] Attended Board meetings till October 2014
[42] Attends Board meetings as Interim Chief Executive from November 2014; attended Board meetings as Chief Nurse and Director of Quality till November 2014
[43] Attends Board meetings as Chief Operating Officer from March 2015
[44] Attends Board meetings from December 2014
[45] Attended Board meetings as Interim Chief Operating Officer from September 2014 till February 2015

Executive Directors	Ordinary Board meetings attendance	Extraordinary Board meetings Attendance
Radbourne, David[46]	1/3	2/2
Bell, Tony[47]	4/4	2/2
Patel, Rakesh[48]	7/7	2/2
Young, Susan[49]	7/7	2/2

Length of appointment of Non-Executive Directors and termination matters

Non-executive Directors	Length of Appointment	Term Expiry
Hughes-Hallett, Sir Tom	3 years	31/01/2017
Baker, Sir John	1 year	31/10/2015
Hermann, Eliza	3 years	30/06/2017
Jensen, Jeremy	3 years	30/06/2017
Jones, Dr Andrew	3 years	30/06/2017
Loyd, Jeremy	1 year	31/10/2015
Dodhia, Nilkunj	2 years	30/06/2016
Shanahan, Liz	2 years	30/06/2016

Appointment and termination of the Non-executive Directors is done by the Council of Governors.

Chairman's other commitments

Sir Tom Hughes-Hallett is also Chairman of Cause4, a Trustee of the Kings Fund and a Trustee of Esmee Fairbairn Foundation.

How the Board/Council have acted to understand the views of Foundation Trust members and the public

Executive and Non-Executive Directors have attended Council of Governors meetings to gain an understanding of the views of governors and the membership constituencies they represent.

The Trust's Financial Strategy was presented by the Chief Financial Officer at the May 2014 meeting.

A review of 2013/14 presentation by the Chief Executive was received at the July 2014 meeting.

An update on the financials associated with the potential transaction, in particular PFI by the Chief Financial Officer and Deloitte advisers was held in December 2014.

The 'Patient Benefits Session' on the proposed acquisition of West Middlesex University Hospital was held on 24 February 2015.

[46] Attended Board meetings as Chief Operating Officer till September 2014
[47] Attended Board meetings as Chief Executive till November 2014
[48] In attendance at Board meetings as Director of Finance
[49] In attendance at Board meetings as Chief People Officer and Director of Corporate Affairs

The Acquisition Transaction Prospectus, a summary of the Full Business Case (FBC) highlighting the key clinical, strategic and financial drivers underpinning the proposed acquisition of West Middlesex University Hospital NHS Trust (WMUH) was presented at the March 2015 meeting.

The Business Planning 2015/16 update received at the March 2015 meeting by the Chief Executive. A draft annual plan 2015/16 was presented to governors at the May 2015 Council of Governors meeting.

A first public constituency meeting was held on 25 March 2015 which was attended by a number of governors and public provided both the Trust and governors with the opportunity to engage with members on key issues and developments.

Performance evaluation of the Board, including the use of external agencies

The annual appraisal of the Chairman involves collaboration between the Senior Independent Director and the Lead Governor of the Council of Governors whom seek the views of both Executive Directors and Governors. Executive Directors have an annual appraisal with the Chief Executive. The performance of Non-Executive Directors is evaluated annually by the Chairman.

Audit Committee

The Audit Committee is chaired by Sir John Baker, Non-executive Director, and includes two other Non-executive Directors. It met five times in 2014/15. Sir John Baker attended five meetings, Professor Richard Kitney attended two meetings, Jeremy Jensen attended three meetings, Nilkunj Dodhia attended three meetings, Dr Andrew Jones and Liz Shanahan attended one meeting.

The Audit Committee assures the Board of Directors that probity and professional judgement are exercised in all financial matters. It advises the Board on the adequacy and effectiveness of the Trust's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money). It prepares an annual report for the Board.

Significant issues considered by the committee in relation to the Annual Report and Accounts 2014/15

The committee has considered and discussed issues including the following key points in relation to the Annual Report and Accounts for 2014/15.

- The format and particularly the content of the Accounts
- The impact on the financial statements of the independent valuation of the Trust's land and buildings as at 31 March 2015. This was the first independent valuation since 31 March 2012 and the amounts and judgements involved are both of significance to the financial statements
- The adequacy of provisions, for example in relation to NHS, Local Authority and other debtor amounts and contractual disputes. These provisions are financially significant and, by their nature, judgemental;

- The Trust's accounting for capital expenditure
- The known risks to the accuracy of the Trust's referral-to-treatment ('18 weeks') data in 2014/15—further detail on this is included within the Quality Account.

Assessment of effectiveness of the external audit process

The committee has engaged regularly with the external auditor over the course of the financial year, including in private sessions at which executive management is not represented. The subjects covered have included consideration of the external audit plan, matters arising from the audit of the Trust's financial statements, the review of the Trust's quality accounts and any recommendations on control and accounting matters proposed by the auditor.

The Trust carried out an OJEU tender for statutory audit services in 2010 and appointed Deloitte LLP on a three year contract with an option to extend for a further two years. The external auditor has provided non-audit services in the year with a total value of £1,061k comprising largely support for the potential integration with West Middlesex University Hospital NHS Trust. Deloitte has also been engaged to support the Trust to develop IT enable merger synergies. Auditor objectivity and independence have been safeguarded by assurance that the audit partner's remuneration is not connected with the volume or value of non-audit services provided to the Trust.

Policy for safeguarding the external auditors' independence

Appointment of the external auditors to conduct non-audit work is considered by the Chair of the Audit Committee prior to award of contract. During the financial year, the Trust awarded contracts for non-audit work to its external auditors for support for the potential acquisition of West Middlesex University Hospital NHS Trust. This comprised financial due diligence, IT advisory, financial advisory supporting commercial negotiations and PFI advice. The contracts were awarded following a competitive process and evaluation of tender submissions from Deloitte and other bidders. The external auditors' objectivity and independence have been safeguarded through segregation of roles between the team advising on the audit and the teams supporting the transactions and consideration by the Audit Committee on whether the non-audit services would impact on the independence on the External Auditor and whether the services would influence the annual accounts. The external auditor has considered their independence in terms of whether the quantum of non-audit fees is material enough to affect partner remuneration and whether the non-audit work impacts on the financial accounts being audited and has concluded that they do not impact on their independence. In view of the range of non-audit services provided by Deloitte in 2014/15, the Audit Committee has determined that the external audit contract will be retendered as soon as practically possible following the transaction.

Internal audit

Internal audit work to a risk based audit plan, agreed by the Audit Committee. It covers the risk management, governance and internal control processes, both financial and non-financial, across the Trust. The work included identifying and evaluating controls and testing their effectiveness. An annual report is produced at the end of each audit assignment and, where improvements are required and appropriate action plans agreed.

Internal audit reports are issued to and followed up with the responsible Executive Directors and the results of audit work are reported to the Audit Committee. Internal audit reports are also made available to the external auditors.

The Trust carried out a tender for internal audit services from 2011/12 and appointed KPMG LLP on a three year contract plus two year extension.

Membership strategy: Eligibility, numbers (including representativeness) and future plans

The Trust website contains the relevant contact details which Members can use should they need to approach the Trust on a particular matter or issue.

QUALITY ACCOUNT

Foreword by the Medical Director and Director of Quality

At Chelsea and Westminster Hospital NHS Foundation Trust, Quality is at the heart of our Vision, which is to, ***'deliver the best possible experience and outcomes for our patients'***.

In achieving this vision, we are guided by our values, which are to provide **safe**, **kind**, **respectful** and **excellent** care.

Our Quality Account for 2014/15 reports on our progress during the last year and our key priorities for the year ahead. The report will focus on three domains:

- **Safety of Care—**for us this means eradicating harm and ensuring that care delivered is as safe as possible, regardless of when or where patients seek our services

- **Effectiveness of Care—**for us this means ensuring that we deliver the best clinical outcomes possible for our patients, deploying evidence-based care processes and procedures consistently throughout the organisation

- **Experience of Care—**for us this means ensuring that we treat all our patients, their families and carers with kindness and respect in all their interactions with us, all of the time.

We are relentless in our focus on quality and we set ourselves demanding plans and targets to achieve this. This process has gained further momentum through the actions we have taken to address the recommendations made to us by the Care Quality Commission following their inspection of our services in July 2014.

Delivery of our Quality Account priorities for 2014/15 aligns with the ambitions set out in our Quality Strategy. This is enabled by the development and training of our staff; the pursuit of systematic and rigorous processes and systems; and the development of applied research and innovation; all of which will support the delivery of excellent experience and quality outcomes for our patients.

We look forward to working with you now and in the future.

Zoë Penn
Medical Director and Director of Quality

About this report

What is a Quality Account?

This document, our Quality Account, provides Chelsea and Westminster Hospital NHS Foundation Trust with an opportunity to highlight how we measure and take forward quality for our patients and our stakeholders. This provides us with a yearly process to review and make sure that our services are the best they can be.

It is also a national statutory duty for all providers of NHS services in England to produce an annual report to the public about the quality of services they deliver.

Quality Accounts aim to increase public accountability and drive quality improvement within NHS organisations. They do this by asking organisations to review their performance over the previous year, identify areas for improvement and publish that information along with a commitment to you about how those improvements will be made and monitored over the next year. In the report 'year' refers to the period April 2014 to March 2015 (2014/15).

Quality is often considered under the heading of three domains:

- Patient safety
- Clinical effectiveness (how successful is the care provided)
- Patient experience (how patients experience the care they receive)

The way we monitor and drive improvement across all of these domains will be described in the document.

Most of the information provided in this Quality Account is mandatory and reflects the obligations required of us by the Department of Health (DH) and our regulator, Monitor. Some content has been added as it is important to the Trust and our stakeholders. Our stakeholders include patients, parents and carers, Foundation Trust governors, staff, commissioners and regulators.

Scope and structure of the Quality Account

This report summarises how well Chelsea and Westminster Hospital NHS Foundation Trust did against the quality priorities and goals we set ourselves for 2014/15. It also sets out those we have agreed for 2015/16, and how we intend to achieve them.

In developing this report we have sought engagement and input from a number of key stakeholder groups including our Governors, our local Clinical Commissioning Groups (CCGs), and through the document review stage with local Healthwatch Groups and Overview and Scrutiny Committees.

A separate booklet in an easy to read form will be provided for the Annual Members Meeting. This will be called the 'Annual Review' and will combine the Quality Account and the Annual Report.

This report is divided into three parts:

Part 1: Statement on quality from the Chief Executive

This is a statement summarising the Trust's view of the quality of the health services that we have provided or sub-contracted during 2014/15.

Part 2: Priorities for improvement and statements of assurance for the Board

- Sets out the quality priorities for improvement for 2014/15 and explains how we decided on them, how we intend to meet them and how we will track our progress—the section then reviews progress made since publication of the 2013/14 quality report including performance against the priorities selected that year
- Statements of Assurance from the board
- Shows how the Trust is performing/reporting against a core set of indicators

Part 3: Other Information

Overview of the quality of care of the Trust based on performance against indicators selected by the board in consultation with stakeholders

Annex 1

Statements from the Clinical Commissioning Group, Healthwatch, and the Overview and Scrutiny Committee

Annex 2

Statements of Directors' responsibilities for the Quality Report

If you, or someone you know need help understanding this report or you would like a printed copy or would like the information in another format such as large print, easy read, audio or Braille, or in another language, please contact the Director of Nursing and Quality Team by calling 020 3315 6599 or by emailing quality@chelwest.nhs.uk.

About the Trust

The Trust is a modern, purpose-built hospital with more than 3,000 staff. It has three clinical divisions which are outlined in more detail in Annex 7.

The Trust provides general and specialist services for half a million people living in the four local boroughs of Kensington and Chelsea, Westminster, Hammersmith and Fulham and Wandsworth. The Trust also provides specialist tertiary services to patients from a wider area in a range of specialties. These include: bariatric surgery, burns, HIV, paediatrics, neonatal care, orthopaedics—foot and ankle and sports injuries (eg knee conditions including multi-ligament instability) and plastics—craniofacial surgery, complex wrist and hands.

Most services are provided on the Chelsea and Westminster Hospital site, but the Trust also runs a highly successful network of community HIV and sexual health centres, dermatology clinics, community musculoskeletal therapy and community maternity

services across our four local boroughs. Additionally, we provide women's reproductive health (gynaecology) services in Richmond and Twickenham.

The hospital has the busiest and most extensive HIV and sexual health service in Europe based in three different centres across the capital.

Chelsea Children's Hospital, (opened in Spring 2014 by Their Royal Highnesses The Prince of Wales and The Duchess of Cornwall), is a key part of the Trust. We are one of London's largest providers of children's services, catering for more than 75,000 children a year as inpatients, outpatients and as day cases. Chelsea Children's Hospital is home to the UK's only 'da Vinci' robot dedicated to the surgical care of babies and children. Our Neonatal Intensive Care Unit provides the most specialised level of medical and surgical neonatal care in the UK. We have a dedicated children's A&E department and a High Dependency Unit. Pregnant women at high risk of complications are cared for in the Trust's Maternity Unit. For those at low risk the midwife-led Birthing Unit helps mothers give birth in a less 'medicalised' setting while knowing that, should complications arise, specialist obstetrics and neonatal services are close at hand. This investment offers more choice to women with a full range of options for their birth plan—from homebirth all the way through to a consultant led delivery.

The Trust is one of two centres providing weight loss surgery services for London and the South East. It is also the Regional Burns Centre in London for adults and children and London's only dedicated burns service for children that require care in a high dependency setting. A separate unit for children was newly commissioned in January 2013 which has greatly enhanced our children's burns care.

Table 1: Key data for our Trust for 2014/15 with comparative data from 2013/14

Data Item (note not all mutually exclusive)	2014/15	2013/14
Accident and Emergency attendances	116,200	112,500
NHS babies delivered	5,300	5,000
Private patient babies delivered	840	800
Trust total Number of babies delivered	6,140	5,800
Inpatient admissions (Elective and Emergency)	76,080	76,000
…of which day cases	37,400	34,000
Outpatient activity (including physiotherapy)[50]	648,400	590,000
Radiology Direct Access from a General Practitioner referral	35,200	33,000
Radiology Examinations as a result of an outpatient attendance	44,300	44,000
Attendances at our HIV/Sexual Health Services	232,000	180,000
Culminating in services to approximately	724,500 patients	667,000 patients

2014 Inspection by the Care Quality Commission

Historically, Chelsea and Westminster has been viewed as being in the top tier for quality. In July 2014 the Care Quality Commission (CQC) carried out an inspection of the Trust. While the CQC found that the Trust provides good and outstanding care in many areas, its overall rating for the Trust was 'Requires Improvement'.

In order to proactively address areas where action is required, specialty-specific action plans were developed, with the Trust's Quality Committee responsible for monitoring progress and seeking assurance from divisional representatives that actions are being

[50] Our outpatient activity by CCG are split 24.0% NHS West London CCG; 17.7% NHS Hammersmith and Fulham CCG, 14.0% NHS Wandsworth CCG, 10.6% NHS Central London CCG and 33.8% other CCGs

implemented and completed. All feasible actions were completed by the end of March 2015, with appropriate actions and programmes in place to address the actions requiring longer term development (such as the reconfiguration of the Trust's Emergency Department).

While not part of the mandated content of the Quality Account, we believe it essential that we provide a high level account of the steps being taken by the Trust to address the findings of the CQC. This is summarised on page 107.

Part 1: Statement on quality from the Chief Executive

I am pleased to present our Quality Account for 2014/15.

Patient experience and patient care are at the very heart of what we do. How patients feel looked after while in hospital is how I, as Chief Executive, judge whether we have delivered the right standards of care and experience. This also gives us independent feedback on our services that is vital when we assess whether we have succeeded for our patients, and this has never been so important when we consider the new regime of inspection undertaken by the Care Quality Commission (CQC) from 2014/15.

Our Quality Account provides a snapshot view of the improvements we have made to patient care and experience, as well as what we need to do better in the future. We always want to improve care for every patient where possible and this report details what we will be focussing on in 2015/16 to continue to improve standards and outcomes for the populations we serve.

The report is prepared in line with the requirements set out in the Quality Account legislation (part of the Health Act 2009) and Monitor's annual reporting guidance. It is reviewed by key external stakeholders who hold us to account on what we said we'd do and what we've actually done for the benefit of patients.

This year saw an inspection of our Trust by the CQC in July 2014, reporting in October 2014. While the CQC found that the Trust provides good and outstanding care in many areas, their overall rating for the Trust was 'Requires Improvement'. We have worked consistently to address the actions and embed the broader learnings raised by the CQC Report.

We recognise it is critical that we maintain a relentless focus on quality as we pursue our growth agenda which over the next year includes the proposed acquisition of West Middlesex University Hospital NHS Trust; our engagement in the Shaping a Healthier Future programme for reconfiguring hospital-based and out of hospital care; and the development of integrated care and community-based 'accountable care' models across our health system.

We have developed a Quality Strategy to set out our ambitions for improving the quality of our services over the next three years. This reflects our learnings from the CQC Report, plus our ongoing commitment to quality through delivering the best possible outcomes and experience for our patients. This Quality Account provides a more detailed insight into the objectives and priorities that underpin the first year of the Quality Strategy.

It has been a good year for many quality improvements that will mean better care and experience for patients. We have now gone more than a year without a case of MRSA, we have seen and treated the majority of patients in an emergency or urgent care setting within four hours and have had no 'Never Events' in 2015/16. But we are always seeking to improve, particularly in respect of the 18 week referral to treatment target.

It is important, from the onset of this report, to note that there are a number of inherent limitations in the preparation of Quality Accounts which may impact the reliability or accuracy of the data reported. These include the following points.

- Data is derived from a large number of different systems and processes. Only some of these are subject to external assurance, or included in internal audits programme of work each year.

- Data is collected by a large number of teams across the trust alongside their main responsibilities, which may lead to differences in how policies are applied or interpreted. In many cases, data reported reflects clinical judgement about individual cases, where another clinician might have reasonably have classified a case differently.

- National data definitions do not necessarily cover all circumstances, and local interpretations may differ.

- Data collection practices and data definitions are evolving, which may lead to differences over time, both within and between years. The volume of data means that, where changes are made, it is usually not practical to reanalyse historic data.

The Trust and its Board and Executive Team have sought to take all reasonable steps and exercise appropriate due diligence to ensure the accuracy of the data reported. However, due to data issues identified by the Trust on the 18 week RTT indicators and confirmed by the testing of the Trust's external auditors in their testing of the incomplete pathway indicator (described on page 99 of this report), we are not able to confirm that this indicator is accurately stated. I am confident that the Trust is taking the steps required to address this. Following the steps taken, Following these steps, to my knowledge, the information in the document is accurate with the exception of the matters identified in respect of the 18 week Referral to Treatment indicators.

I would like to take this opportunity to thank the people that make Chelsea and Westminster Hospital what it is today and who have all worked so hard to deliver the best care they possibly can for their patients. I am proud of what they have achieved. There will always be more to do and I sense a great commitment in our team to developing excellent care and experience that is in line with our values.

I hope that you enjoy reading the progress we have made against our priorities and what we plan to focus on next year to provide you, your families and friends with a health service you can all be proud of.

Elizabeth McManus
Chief Executive

Part 2: Priorities for improvement and statements of assurance from the Board

Priorities for improvement

Our priorities for 2015/16

Our priorities for 2015/16 have been identified though engagement across a number of areas:

- Engagement and feedback from our Council of Governors' Quality Sub Committee that includes external stakeholders (for example commissioners and Healthwatch)
- Engagement and feedback from our Board's Quality Committee
- The development of the Quality Strategy and Plan for 2015 to 2018.

In addition to the above we are engaging with our local CCGs, Healthwatch groups and local Overview and Scrutiny Committees as part of the process for reviewing and refining this document.

Our 2015/16 priorities are set out below and then detailed in the remainder of this section. In each case we have aligned the priority to one of the three Quality domains (Patient Safety, Clinical Effectiveness and Patient Experience). However we recognise that in reality each priority is likely to impact on multiple domains—in particular patient experience which we are focusing on as an overarching objective of our Quality Strategy.

Priority 1: (Patient Safety) Reduction of acquired Pressure Ulcers both in Hospital and the Community

Objective: to see a reduction in hospital acquired pressure ulcers.

Priority 2: (Patient Safety) Embedding of the WHO surgical checklist

Objective: to fully embed use of the WHO checklist across the organisation, reflecting feedback from the CQC's review of the services we provide and building on existing progress

Priority 3: (Patient Safety) Early Identification of the Deteriorating Patient

Objective: to rapidly identify potentially unwell and/or septic patients and institute prompt treatment, in order to reduce mortality and morbidity.

Priority 4: (Clinical Effectiveness) To Reduce Avoidable Admissions of Term Babies to the Neonatal Intensive Care Unit (NICU)

Objective: to deliver a 20% reduction in the number of term babies admitted unexpectedly to the neonatal unit

Priority 5: (Patient Experience) Friends and Family Test—inpatient responses

Objective: use FFT as a key measure for our continued ambition to provide excellent experience of care in everything we do. This measure was chosen by our Governors.

The following section sets out the context, our plan, and our approach to measurement and tracking for each priority.

Priority 1: Reduction of acquired pressure ulcers both in hospital and the community

What is the context?

Pressure ulcers were subject to a national CQUIN during 2014/15 and will not be in 2015/16. Safety Thermometer data collection will continue to be a national requirement and this requires us to conduct a monthly point prevalence audit of a range of 'harms' including pressure ulcers. The Safety Thermometer measures all pressure ulcers regardless of whether these were acquired in the community or hospital setting.

Last year we set challenging targets in order to see a reduction in the incidence of hospital acquired pressure ulceration. Despite new documentation and evidence of good practice in some areas to support the management of patients, the Trust has seen a rise in reported pressure ulcers. This in part could be due to increased reporting and or inaccurate reporting of incidence ie wounds that are not pressure ulcers being reported as such. There is also a greater recognition of pressure ulceration.

What is our plan for 2015/16?

The area where we can make the most significant impact is the incidence of **hospital acquired pressure ulcers**.

- Safety Thermometer data collection will continue and the pressure ulcer data will be considered by the Preventing Harm Group (PHG)
- We will embed the approach of carrying out Comfort Rounds
- Root Cause Analysis (RCA) will continue for all grade 3, 4 and unstageable pressure ulcers
- Where a pressure ulcer is identified as avoidable lessons learnt will be cascaded across the whole organisation and targeted support from the tissue viability nurse will be offered to the clinical area where this occurred
- Lessons learnt and common themes from RCA will be cascaded through a new information sharing bulletin
- There will be a focus on grade 2 pressure ulcers as this is where we have the highest incidence
- We will explore what benchmarking information is available above and beyond that of Safety Thermometer
- Consideration will be given to an external review if our benchmarking information identifies us as an 'outlier' in terms of the incidence of hospital acquired pressure ulcers
- A review of training provision related to pressure ulcer prevention and pressure ulcer management will be undertaken to ensure that this is targeted appropriately
- We will participate in the North West London Pressure Ulcer Network to develop effective protocols, learning and education.

During Quarter 2 we will:

- benchmark our pressure ulcer incidence
- review our approach to Root Cause Analysis

- introduce a process for investigating and learning from grade 2 pressure ulcers
- determine an approach for 'what good looks like' for avoiding and treating pressure ulcers.

Should our benchmarking information identify us as an outlier in terms of the incidence of hospital acquired pressure ulcers, we will commission an external review **during Quarter 3**.

During Quarter 4 we will introduce the most appropriate methodology and approach for pressure ulcer reduction as determined by the external review or as observed by best practice sites**.**

By the end of Quarter 4 we will set evidence based stretch targets associated with a reduction in the incidence of hospital acquired pressure ulcers.

How will we track and report progress?

The PHG will provide oversight of performance in achieving this priority, including:

- Receiving monthly headlines in terms of the numbers and grades of hospital acquired pressure ulcers
- Receiving a 'deep dive' pressure ulcer report every three months
- The deep dive report will assist the PHG in terms of agreeing priorities for action and targeting effort where it is most needed.

Priority 2: Embedding of the WHO surgical checklist

What is the context?

In June 2008, the World Health Organisation (WHO) launched a second Global Patient Safety Challenge, 'Safe Surgery Saves Lives', to reduce the number of surgical deaths across the world. The WHO Surgical Safety Checklist is part of this initiative and is a tool to strengthen the commitment of clinical staff to address safety issues within the surgical setting. This includes improving anaesthetic safety practices, ensuring correct site surgery, avoiding surgical site infections and improving communication within the team. The checklist has been mandated across the NHS since February 2010.

Over the past two years, the Trust has been undertaking further work to ensure that the WHO Surgical Safety Checklist is embedded consistently and reliably across the organisation. The Trust has taken a prioritised approach, focusing initially on the theatre stage of surgery ('sign in' and 'time out' parts of the checklist).

The Trust uses the WHO checklist as a learning document—in particular to draw lessons in relation to serious untoward incidents (throat packs and tourniquets being recent examples).

Why focus on this priority during 2015/16?

The July 2014 CQC inspection highlighted that the hospital's surgical safety checklist (based on the WHO checklist), which should be used at all stages of the surgical pathway, was not fully completed in three of five cases reviewed.

In response the Trust has committed to ensure that the surgical safety checklist is followed consistently at each stage of the surgical pathway.

The areas found through audit that need to be improved are the Team Brief (the meeting of the whole theatre team to discuss the patients on the scheduled operation list—to inform staff of equipment needed and any potential problems).

What is our plan for 2015/16?

The approach to rolling out the checklist consists of implementation, audit (at an individual consultant level of detail), and review to refine the process and ensure compliance. All audits are reviewed at the Theatre Improvement Management Board (TIMB) and appropriate actions taken. We are targeting compliance of 98% or more to be assured that the checklist is embedded.

Specific actions taken as part of the CQC action plan have included:

- undertaking monthly audits of specific specialities
- reviewing the use of a training video to outline best practice.

To help support and enable the rollout of the Surgical Safety Checklist the Trust is working with the Imperial College Simulation Centre to roll out a simulation package for theatre staff focusing on communication skills and leadership in the theatre environment. This approach is being piloted during Q1 2015/16 and will be rolled out over the year.

How will we track and report progress?

Progress against this priority will be measured through audit with frequent dissemination of results to all staff. Regular reports will be provided to the TIMB and through the Planned Care Improvement Programme.

Priority 3: Sepsis—early identification of the deteriorating patient (electronic National Early Warning Score [NEWS], Maternity Early Warning Score [MEWS] and Paediatric Early Warning Score [PEWS])

What is the context?

Sepsis is a significant driver of mortality and morbidity and it has been shown that early intervention and effective care will improve patient and clinical outcomes and reduce the chances of death. The Trust has an agreed pathway (care bundle) for patients with sepsis and the Emergency Department is taking part in a national research project on the treatment of sepsis. This priority will build on existing work, targeting a reduction in ITU admission, reduction in length of stay and reduction in infection rates.

The treatment of Sepsis across the Trust will be enhanced by utilising an electronic NEWS scoring and escalation system with prompts to identify potentially unwell and/or septic patients. It will enable the use of prompts and algorithms to initiate investigation and treatment according to a recognised sepsis algorithm (such as Sepsis 6). All stages in identification and treatment will be subject to audit of process—and patient impact will be recorded routinely in terms of deaths from sepsis, admissions to ITU with sepsis, and length of stay in hospital.

What is our plan for 2015/16?

This priority will be implemented across the organisation over 2015/16 through a number of overlapping phases.

- Phase 1 will consist of roll out of Electronic National Early Warning Score (ThinkVitals) to the hospital. **Planned to roll out to all wards by end of Q1 2015/16.**

- Phase 2 will focus on early Identification, investigation and treatment algorithm for Sepsis (**planned to go live by end of Q1 2015/16**):

    - Mapping of diagnosis and treatment algorithm
    - Identification and training of Nurses to implement treatment and investigation
    - Identification of additional investigations into algorithm
    - Link to antibiotic guidelines
    - Computer generated appropriate antibiotic and dosage
    - Planning prompt completion of cannulation and blood cultures across the 24-hour period
    - Planning of who is to give first dose of antibiotics.

- Phases 3 and 4 will consist of production of Obstetric and Paediatric versions of ThinkVitals respectively. **Planned to roll out to all wards by end of Q2 2015/16.**

- Phase 5 will focus on increasing the scope of individuals to include performing the sepsis bundle while Phase 6 will consist of introduction of the AKI Bundle. **In planning with detailed timetable to be developed.**

How will we track and report progress?

The following actions will be tracked and reported regularly through the Sepsis Project Steering Group:

- Progress delivering project plan, as set out at high level above
- Establishing the baseline coding for sepsis on admission or during inpatient stay. The data will include the average Length of stay for these patients and numbers admitted to intensive care or who have died with this diagnosis
- Establishing from a literature review or international comparison the potential size of the improvements to be made by our intervention to set a challenging target and trajectory
- Planning for a reduction in deaths from sepsis, admissions to ITU with sepsis and length of stay in hospital
- Reviewing and developing a dashboard of ongoing process and outcome data

Priority 4: Reducing avoidable admissions of term babies to the Neonatal Intensive Care Unit (NICU)

What is the context?

The Maternity Department at Chelsea and Westminster Hospital delivered 6,140 babies during 2014/15. Of those babies which were structurally normal at term, approximately 3% (around 180) were admitted unexpectedly to the neonatal unit. The national rate of admission is quoted as 5% (NHS England) This is one of the top three incidents reported

within the department and although most babies are discharged home with an anticipated normal outcome, the period of separation creates anxiety for parents and involves additional bed days for the mother. For the small minority that have permanent brain injuries the impact for those families is immeasurable and the ongoing costs of care are significant.

Unexpected admissions to the neonatal unit are all reviewed using a root cause analysis approach by the Risk and Governance Midwife. Any admissions where care or service delivery issues are identified are escalated according to the Trust serious incident policy and investigated accordingly. Every six months all cases are reviewed as a group to identify any common themes and learning shared with staff. In the most recent audit of 88 cases, six were investigated via the serious incident process. Of the total number it was noted that 51% were admitted from the postnatal ward and 58% were hypothermic on admission. The main admission diagnoses were presumed sepsis and respiratory compromise. The length of stay ranged from 1-15 days.

What is our plan for 2015/16?

Our ambition is to achieve a 20% reduction in unexpected term admissions to NICU. To achieve this we will focus on the following objectives:

- **Improve identification of at-risk babies in the antenatal period**. Identify at risk babies ie those who are growth restricted prior to the onset of labour who will have limited reserve for the additional stress of labour

- **Ensure safe intrapartum care**. Review practice and target teaching and education regarding labour management and interpretation of the fetal heart rate in labour (both intermittent auscultation and CTG interpretation)

- **Improve postnatal care of vulnerable babies**. Review practice on the postnatal ward in caring for babies that are vulnerable to hypoglycaemia and hypothermia. To ensure babies receive IV antibiotics within the recommended timescale.

The outline approach for the project is as follows:

- **Quarter 1**—Increasing the information from existing audits and gathering evidence about current systems in place to support staff and women

- **Quarters 2 and 3**—Anticipated that the review and audit results will have clarified metrics that can be used in the following quarters. Rollout of GROW software to improve antenatal detection of growth restriction. New foetal heart rate monitoring teaching sessions will be implemented and an assessment tool will be introduced for key staff. Results of the postnatal audit will have identified areas for change that will be implemented within these quarters.

- **Quarter 4**—Re-audit will be undertaken on key areas: postnatal admissions, compliance with new CTG classification and monitoring tool, identification of growth restricted babies.

How will we track and report progress?

A quarterly report of progress towards completion of the action plans will be presented for review at the Maternity Services Meeting for progress.

We will also be contributing appropriate cases to the national review of babies born with brain injury to the Each Baby Counts database. This is a national project launched by the Royal College of Obstetricians to reduce the incidence of stillbirth, early neonatal death and brain injuries by 50% by 2020.

Priority 5: Friends and Family Test—inpatient responses

What is the context?

As part of the Trust Values, the Trust is committed to ensuring that all patients and their families receive consistent first class care and treatment in a timely manner and in a supportive environment. As part of ensuring and monitoring this commitment, the Trust has been engaging with the Friends and Family Test (FFT) during the financial year 2014/15. This is one important mechanism of measuring what we are doing and how our responses to patient and family feedback can ensure best care. The Trust Governors have chosen to focus on FFT as a priority measure of quality during 2015/16.

Patients who have been cared for in the Trust are asked to evaluate their care and treatment after they have been discharged from hospital. This is done in one of three ways; by responding to a text, completing a hard copy of the survey on discharge and some are contacted by an agency to rate the care they received. The feedback is shared with the Divisional teams and the clinical areas implement actions to ensure good practice and address any shortfalls.

The response rate to the FFT during the year (2014/15) has been variable both across different parts of the Trust and between months, ranging from 10% (Maternity, July 2014) to 40% (Inpatients, March 2015). The FFT report shows that some clinical areas continue to have a very low response rate. The percentage of people who would recommend the Trust ranges from an average of 88% for Inpatients and Outpatients, to 94% for Day Case[51]. The Table below summarises our performance over the year.

Table 2: Friends and Family Test results for 2014/15 by quarter

Response Rate	Q1 14/15	Q2 14/15	Q3 14/15	Q4 14/15	Average**
Emergency Department	17%	23%	23%	24%	22%
Inpatients	31%	30%	29%	34%	31%
Maternity	21%	18%	24%	22%	21%
Outpatients	N/A*	N/A*	19%	17%	18%
Day Case	N/A*	N/A*	15%	14%	15%

Recommend	Q1 14/15	Q2 14/15	Q3 14/15	Q4 14/15	Average**
Emergency Department	91%	90%	88%	91%	90%
Inpatients	91%	89%	85%	87%	88%
Maternity	90%	97%	95%	96%	95%
Outpatients	N/A*	N/A*	87%	89%	88%
Day Case	N/A*	N/A*	93%	94%	94%

[51] Data availability for Day Case and Inpatients was partial year as rolled out 01 October 2014 (CWFT was an early adopter)

Non recommend	Q1 14/15	Q2 14/15	Q3 14/15	Q4 14/15	Average**
Emergency Department	5%	6%	7%	4%	5%
Inpatients	4%	6%	8%	7%	6%
Maternity	2%	1%	2%	4%	2%
Outpatients	N/A*	N/A*	5%	5%	5%
Day Case	N/A*	N/A*	4%	4%	4%

* FFT for Outpatients and Day Case rolled 01 Oct 2014 (CWFT as an early adopter)
** Average based on available months of data

What is our plan for 2015/16?

The Trust recognises:

- The need to consistently improve our response rate to FFT across all the Divisions and clinical areas
- That there should be a variety of mechanisms for patients and families to respond to the survey
- The need to target clinical areas where there is a particularly low response rate
- That the number of people who would recommend the Trust needs to be improved and some clinical areas have been highlighted of concern
- That there is a need to raise the importance of FFT and to ensure that positive and negative feedback is acted on and remedial actions taken to address FFT feedback
- That some of the poorer qualitative results reflect the themes coming from complaints, ie poor communication, lack of or conflicting information and staff attitude/behaviour

During 2015/16 we will work to ensure that at least 95% of respondents will recommend the Trust. We will also seek to ensure at least a 30% response rate across all areas (Emergency Department, Inpatients, Maternity, Day Case, Outpatients and Paediatrics).

We will undertake the following actions, overseen by a re-established Patient Experience Committee:

- Focus on improving communication, accurate patient-centred information and staff attitudes and behaviours
- Improve our response rate to FFT consistently across all the Divisions and clinical areas
- Provide FFT training sessions for staff
- Support clinical areas where there is a particularly low response rate
- Ensure FFT results are sent to each Division to disseminate to all staff and to recognise achievements and shortfalls
- Ensure that positive and negative feedback is acted on and remedial actions taken to address FFT feedback
- Support clinical areas that have been highlighted by FFT as an area of concern
- Triangulate findings from complaints, PALS and FFT to identify trends, monitor and improve the patient experience

How we will track and report progress?

These metrics will be reviewed each quarter though the Divisional structure and reported to the Chief Nurse Cabinet, the Patient Experience Group and the Executive Board.

Progress made since the 2013/14 Quality Account

As part of the 2013/14 Quality Account the Trust identified four quality priorities to focus on during 2014/15. This section is a summary of what we said we would do and the progress we have made against each priority. As well as setting ourselves new priorities for 2015/16 as detailed in the previous section, we will continue to focus on ensuring that our 2013/14 priorities remain embedded as part of 'business as usual', with rigorous monitoring and continued improvement against the goals we set ourselves.

Priority 1 (Patient Safety): To have no hospital associated preventable venous thromboembolism (VTE)

VTE is an umbrella term for potentially serious blood clots called deep vein thrombosis (DVT) and pulmonary embolism (PE). A DVT usually develops in the leg or pelvis. Sometimes part of the blood clot breaks off and ends up in the lung (PE) where it can block the blood supply. This can be fatal.

The risk of developing VTE is increased after surgery and/or periods of immobility, and in certain situations such as pregnancy or advanced cancer. Around half of all cases arise in patients who have recently been in hospital. Around one third of patients will develop VTE despite the best care but in the remaining two-thirds of patients a VTE can be avoided with preventive treatment.

What we said we would do in 2014/15 and what we actually did

Our goal is to have no hospital associated preventable VTEs by ensuring VTE risk assessments are completed, preventive treatment is prescribed, patients are educated and nurses and doctors are trained in VTE prevention.

We have continued to undertake a thorough review (root cause analysis) of cases where patients with a potentially preventable VTE associated with a hospital admission, defined as during or within 90 days of admission, did not receive appropriate preventive treatment.

What we said we would do	What we did
We set ourselves a target of 25% fewer hospital associated VTEs than in the previous year—ie to have no more than 7 potentially preventable hospital associated VTEs	From April 2014 to March 2015, we have identified 8 potentially preventable hospital associated VTEs. We continue to focus on addressing the contributory factors eg management of patients in lower limb immobilisation, updating patient agreement to investigation or treatment consent form to include VTE risks, education on accurate completion of VTE risk assessments to identify those patients at risk of VTE requiring preventative medication if not contraindicated, weekly and monthly monitoring of VTE risk assessment completion rates and ensuring patients receive VTE information.

VTE risk assessments

All adult patients should have a VTE risk assessment completed on hospital admission to identify any risk factors that may be present.

What we said we would do	What we did
Continue to ensure that we meet our target of 95% adult patients admitted with completed VTE risk assessments.	This target has been achieved with weekly and monthly monitoring of completed VTE risk assessments, with feedback to departments.

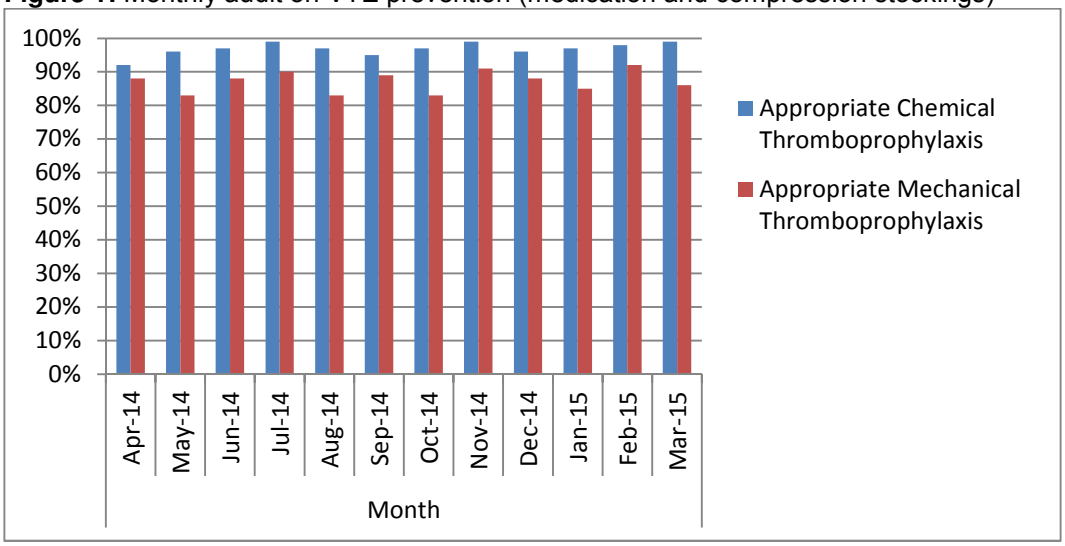
Preventive treatment

Adult patients at risk of VTE should receive appropriate preventive medication and the use of compression stockings, if indicated and no contraindications present, to help prevent blood clots developing during hospital admission.

What we said we would do	What we did
We set a target of 90% of adult patients to receive appropriate medication and compression stockings.	During 2014/15, we performed monthly audits and on average 97% of adult patients received appropriate preventive medication, and approximately 87% of adult patients received compression stockings.

Our monthly delivery against this measure is illustrated in the figure below.

Figure 1: Monthly audit on VTE prevention (medication and compression stockings)



Patient information

What we said we would do	What we did
We recognised the importance of providing patients with information about the risks of VTE, its signs and symptoms, and when to seek urgent medical attention.	VTE patient information leaflets are available and visible on all adult wards, assessed by monthly audits. The patient information leaflet *'Are you at risk of blood clots?'* is offered to all patients admitted to the hospital, all pregnant women and all patients attending A&E who require a lower leg plaster cast. VTE patient information has been included on the admission and discharge checklist, and in admission packs to ensure patients receive written information.

VTE training

What we said we would do	What we did
We said we would monitor completion rates and uptake of our online VTE training module on VTE prevention and treatment for all doctors with a target of 75% over 2 years. The aim is to ensure all frontline staff are aware of the preventive treatments we use in this hospital and standardise training.	From April 2014 to March 2015, 20% of new doctors have completed the online VTE training module. 79% of Foundation Year 1 and 2 doctors have completed the online VTE training module. As this has not met the quality initiative we set ourselves, a plan of action is in place to highlight training uptake at a divisional level, and significantly improve the percentage uptake of new doctor's training around VTE in the coming year. Mandatory training reports are circulated monthly highlighting staff performance and for managers to follow up on incomplete training.

VTE ward rounds

What we said we would do	What we did
We said we would roll out VTE ward rounds to medical and surgical wards, following the successful implementation on maternity wards, to assess VTE risk assessment completion and check patients are offered appropriate preventative treatment to help reduce their risk of developing blood clots.	We have performed regular VTE ward rounds on medical, surgical and maternity wards with education to ward staff and dissemination of findings and improvements to departments eg awareness on anti-embolism stockings, ensuring prescribed medication doses are given, documentation of management plans. The ward rounds have improved VTE prevention measures and increased VTE awareness with feedback to staff at ward level for medical, surgical and maternity inpatients ensuring optimum delivery of care and better outcomes eg no missed doses of thromboprophylaxis, patients at risk of VTE prescribed appropriate medication, appropriate use of anti-embolism stockings; thus delivering benefit to inpatients and staff.

Priority 2 (Patient Experience): To continue to focus on communication, discharge, and delivering safe and compassionate care to all our patients

What we said we would do in 2014/15 and what we actually did

Communication

What we said we would do	What we did
Introduce the Great Expectations project, a coaching programme to stimulate debate and challenge poor attitude. The project aims to give managers the tools and skills to deal with difficult situations within their teams effectively.	We teamed up with The Royal Central School of Speech and Drama who co-designed and delivered the innovative and interactive training to over 150 members of staff in the organisation.
Continue to run Schwartz rounds in the Trust.	In total, 678 people attended the first 11 rounds. The rounds aim to support staff in the more emotional aspects of their roles. The table below shows the feedback from these Schwartz Rounds.

Table 3: Feedback from Schwartz rounds

94% agreed that the case was relevant to their daily clinical work
82% gained knowledge that will help them care for patients
88% felt that the round will help them work with colleagues
95% found the overview and presentation helpful
95% found the open discussion helpful
96% gained an insight into how others think/feel in caring for patients
75% of attendees rated the round either ‘exceptional’ or ‘excellent’ and 21% rated it ‘good’

Discharge Projects

What we said we would do	What we did
Review and evaluate the discharge support tools we have implemented and develop training programmes for staff to support this.	The Nurse Delegated Discharge (NDD) project has been rolled out on David Evans Ward for elective surgical patients. Our experience here has meant that the model has moved towards an opt-out rather than opt-in model. The effect of this is being monitored by the ward staff for its efficacy and improved patient experience. The paperwork for patients on medical wards has been adapted and is being rolled out on a trial basis on Edgar Horne Ward during the Spring of 2015.

It is planned to continuing rolling out NDD across the Trust in both medical and surgical areas where appropriate, learning lessons and assessing additional efficiencies and improved patient experience as we go. The next area of focus is likely to be the Supported Discharge Suite (SDS) which is our Intermediate Care Ward.

Listening and Learning

What we said we would do	What we did
Strengthen the ways we listened to feedback from our Friends and Family Test (FFT) results.	The Nurse Delegated Discharge (NDD) project has been rolled out on David Evans Ward for elective surgical patients. Our experience here has meant that the model has moved towards an opt-out rather than opt-in model. The effect of this is being monitored by the ward staff for its efficacy and improved patient experience. The paperwork for patients on medical wards has been adapted and is being rolled out on a trial basis on Edgar Horne Ward during the Spring of 2015. Our overarching FFT results are reported on the performance dashboard to the Board, while at a divisional level, sisters and ward managers are responsible for reviewing the results within their areas and developing action plans from the feedback. We are currently undertaking some training to help our staff develop their knowledge and act on our patients’ feedback.

Details of our 2014/15 performance for FFT are set out above in ‘Our priorities for 2015/16’ on page 63.

Our analysis so far has shown high rates of satisfaction from the feedback we have received and next year we will be working with our FFT provider on finding new ways to encourage more patients to take an active part in this feedback.

The next roll out of the FFT is to our paediatric wards from April 2015 and this will mean that all our inpatient areas will be providing useful feedback on their experience while in our care.

Priority 3 (Patient Experience/Staff Engagement): To be in the top 20% of acute trusts nationally for staff engagement and staff appraisals

We work against each of the seven staff pledges in the NHS Constitution to create and maintain a highly skilled and motivated workforce capable of improving the patient experience. Our progress against each pledge is set out in further detail on page 107.

What we said we would do in 2014/15 and what we actually did

Staff engagement and appraisals

What we said we would do	What we did
Be in the top 20% of acute Trusts nationally for staff engagement and staff appraisals as measured by the NHS staff survey.	The results of the National Staff Survey 2014 show that Chelsea and Westminster remains in the top 20 per cent of acute trusts in the country as an organisation that staff would recommend as a place to work or to receive treatment. Staff ability to contribute towards improvements at work ranked above average compared with other acute trusts. Also scoring well in the survey was staff felt they were able to make valuable contributions to improve the work within their team and have frequent opportunities to show initiatives in their current role. NHS Staff Survey results also show that we are in the top 20% of acute Trusts for the quality of our staff appraisals (with 44% of staff reporting having a well-structured appraisal). However, it is unlikely that we will achieve our target of 85% of staff having had an appraisal in the last 12 months and we will be working hard over the next year to improve on this. See page 107 for further details.

Friends and Family Test for staff

What we said we would do	What we did
Ensure our agreed trust values inform everything that we do and include the staff FFT test to help measure this.	The National FFT for staff was launched in April 2014 and had a response rate of 20% (466 of 2,300 staff surveyed) in Quarter 1. Results showed 91% of staff were likely to recommend the trust as a place to receive care or treatment, and 75% would recommend this as a place to work. For Quarter 2 a total of 245 paper based surveys were distributed to a specific staff group—Support Workers/HCAs. 42 staff responded to the survey and it was positive to note that from the responses received 76% were likely or extremely likely to recommend the trust as a place to receive care or treatment and would also recommend the trust as a place to work.

Priority 4 (Clinical Effectiveness): To improve choice and quality in End of Life Care

What we said we would do in 2014/15 and what we actually did

A key priority for 2014/15 was to work together to implement the Trust End of Life Care Strategy. The 'End of Life Care Committee' was very pro-active in guiding, directing and monitoring progress during the year, with strong engagement from across the Trust and community services, including adult, paediatric, midwifery, clinical and non-clinical staff.

Following a successful funding bid to Macmillan and the Trust to increase the specialist palliative care nursing, the team are delivering a seven day face to face specialist palliative nursing care service. The service has been warmly received by patients, families and staff.

We have also responded to the Care Quality Commission (CQC) report on our end of life care by building on good practice and addressing limitations. Our progress against key components of this priority are set out below.

Coordinate My Care (CMC)

What we said we would do	What we did
Roll out offering the use of CMC database to help ensure patient's preferences and choices are shared by people and services involved in the patient's care, including the hospital, the GP, community nursing and care teams enabling patient's choices to be managed and delivered.	Staff worked together and increased the number of patients identified as moving towards the end of life in order to plan care and to enable patients to die in their preferred place of care. This was supported by offering more patients and families the opportunity to have their wishes recorded on the CMC database, thereby ensuring their choices were met by the hospital, the GP and community services.

Personalised care

What we said we would do	What we did
Ensure that all people approaching end of life are sensitively offered the opportunity to talk about an advance care plan.	Staff were supported to sensitively offer patients and families the opportunity to talk about their needs and wishes.
Continue to support and address the needs of the family including partners, parents, children, friends and informal carers.	Staff continued to support and address the needs of the family including partners, parents, children, friends and informal carers**.**
Ensure staff will work together in a timely manner to identify when a patient may be moving towards the end of life in order to plan care and to enable them to die in their preferred place of care.	Personalised care during the last days of life was based on the patient and families', physical, social, emotional, spiritual & religious wishes and needs, overseen by their medical consultant and ward manager

Working with partners

What we said we would do	What we did
Continue to enhance care, working with statutory, voluntary, community and charitable partners, to ensure that each patient and their family receive co-ordinated seamless care.	We continued to work collaboratively with statutory, voluntary, community and charitable (including Macmillan Charity, Trinity Hospice) partners.

Education, research and innovation

What we said we would do	What we did
Deliver an educational programme to ensure support, education and training is provided to all clinical and non-clinical staff to support them in delivering high quality end of life care.	We have delivered educational and training programmes for staff including; 'I can make a difference'—three rotational programmes for health care assistants and junior nurses, end of life care training for senior members of staff, CMC training for teams, end of life care training is now part of all non-medical staff induction programmes, medical staff are supported in end of life care needs and priorities. A training needs analysis in end of life care was undertaken and the findings are being used to develop a training programme for staff.

What we said we would do	What we did
Work creatively with our patients/families and partner organisations to deliver excellent care and participate in practice based projects and research in order to improve end of life care.	We have engaged in a CLAHRC (Collaboration for Leadership in Applied Health Research and Care) fellowship research programme, aimed at improving leadership of care at the end of life. Alex Mancini and the Neonatal Intensive Care Unit (NICU) published guidance to support staff caring for very young babies with life limiting conditions who require palliative or end of life care. The guidance now forms part of national guidance for all NICUs on the appropriate care to be provided to babies and families receiving end of life care.

Monitoring our progress

What we said we would do	What we did
Monitor ourselves through audit and benchmarking against quality agreed standards, this will also include learning from listening to bereaved relatives, and a regular review of good practice and complaints.	We were able to learn through meeting bereaved relatives, having bereaved families on our end of life care committee and regular reviews of good practice and complaints.

Statements of assurance from the Board

During 2014/15 the Chelsea and Westminster Hospital NHS Foundation Trust provided and or sub-contracted 87 relevant health services. The Chelsea and Westminster Hospital NHS Foundation Trust has reviewed all the data available to them on the quality of care in all of these relevant health services.

The income generated by the relevant health services reviewed in 2014/15 represents 100% of the total income generated from the provision of relevant health services by the Chelsea and Westminster hospital NHS Foundation Trust for 2014/15.

Participation in clinical audits

Clinical audits collect information on the treatment patients receive and its consequences in important areas of medicine. Participation in them enables healthcare professionals to evaluate their clinical practice against national standards and guidelines, so that they can continuously improve the quality of treatment and care they provide.

National confidential enquiries perform a similar role, but additionally include critical assessment by senior doctors of what actually happened to patients, with a view to driving up standards and enhancing patient safety.

During 2014/15, 46 national clinical audits and six national confidential enquiries covered relevant health services that the Trust provides.

During that period Chelsea and Westminster Healthcare NHS Foundation Trust participated in 91% of the national clinical audits and 100% national confidential enquiries which it was eligible to participate in.

The tables below responds to the following assurance statements from the guidance:

- The national clinical audits and national confidential enquiries that Chelsea and Westminster Hospital NHS Foundation Trust **was eligible to participate** in during 2014/15

- The national clinical audits and national confidential enquiries that Chelsea and Westminster Hospital NHS Foundation Trust **participated in** during 2014/15

- The national clinical audits and national confidential enquires that Chelsea and Westminster Hospital NHS Foundation Trust **participated in, and for which data collection was completed during 2014/15, with 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.**

Table 4: National clinical audits for inclusion in the Quality Account 2014/15—including those in which the Trust was not eligible to participate due to the Trust not providing those services or procedures

Subject	Participated	Cases Indicated or Required	Cases Submitted	% Cases Submitted	Comment
ACUTE CARE					
Case Mix Programme/Intensive Care National Audit & Research Centre	No	N/A	N/A	N/A	Application to participate in this audit from April 2015 submitted
National emergency laparotomy audit (NELA)	Yes	51	51	100%	All eligible cases submitted
National Joint Registry (NJR)	Yes	412	412	100%	All eligible cases submitted
Cardiac Arrest (National Cardiac Arrest Audit)	Yes	44	44	100%	All eligible cases submitted
Severe Trauma (Trauma Audit & Research Network, TARN)	Yes	72	27	36%	
Adult Community Acquired Pneumonia	Yes	30	TBC	TBC	Trust is participating. Data to be submitted by 31/5/15
Non-Invasive Ventilation	N/A	N/A	N/A	N/A	Audit not taking place in 2015.
Pleural Procedures	Yes	Min 8	31	100%	All eligible cases submitted.
BLOOD					
National Comparative Audit of Blood Transfusion programme	Yes	3	3	100%	20 October 2014: Two part audit: Part 1 closed on 31 January 2015, part 2 closed on 31 March 2014.
2015 Audit of Patient Blood Management in Scheduled Surgery	Yes	N/A	N/A	N/A	Data collection commences 1st April 2015
2015 Audit of the use of blood in Lower GI bleeding	Yes	N/A	N/A	N/A	
2016 Audit of the use of blood in Haematology (submitted for all)	Yes	N/A	N/A	N/A	Data collection starting date in January 2016
CANCER[52]					
Lung Cancer Audit	Yes	*80	72	97.2%	
Bowel Cancer (National Bowel Cancer Audit Programme)	Yes	*82	82	100%	
Head & Neck Cancer (DAHNO)	N/A	N/A	N/A	N/A	Not eligible—the trust do not treat cancer of the head & neck
Oesophago-Gastric Cancer (National O-G Cancer Audit)	Yes	<50	28	100%	
National Prostate Cancer Audit	Yes	36	36	100%	All eligible cases submitted.

[52] (HES data do not provide a gold standard for comparison but can give an indication on major discrepancies between patients submitted and patients documented to be receiving care in HES)

Subject	Participated	Cases Indicated or Required	Cases Submitted	% Cases Submitted	Comment
HEART					
Acute Myocardial Infarction & other acute coronary syndrome (MINAP)	Yes	53	53	100%	All eligible cases submitted.
Cardiac Arrhythmia (Cardiac Rhythm Management Audit)	Yes	46	33	72%	
Heart Failure Audit	Yes	94	24	26%	
Coronary Angioplasty (NICOR Adult Cardiac Interventions Audit)	N/A	N/A	N/A	N/A	Not eligible
Adult cardiac surgery audit	N/A	N/A	N/A	N/A	Not eligible
National Vascular Registry	N/A	N/A	N/A	N/A	Not eligible
Pulmonary Hypertension	N/A	N/A	N/A	N/A	Not eligible
Congenital Heart Disease (Paediatric Cardiac Surgery)	N/A	N/A	N/A	N/A	Not eligible
LONG TERM CONDITIONS					
Diabetes (National Adult Diabetes Audit)	No	N/A	N/A	N/A	Participation requires compatible database/IT for submission[53]
Paediatric Diabetes (Royal College Paediatrics and Child Health)	Yes	N/A	N/A	N/A	Data submission commences 01 April 2015
Inflammatory bowel disease (IBD)—Biological Therapy audit	Yes	36	36	100%	All eligible cases
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme	Yes	25	23	92%	
Renal Replacement Therapy (Renal Registry)	N/A	N/A	N/A	N/A	Not eligible
Rheumatoid & early inflammatory arthritis	Yes	All eligible	8	100%	Data collection commenced 01 Feb'14 and closes early '17. Next data submission 30.04.2015
Chronic Kidney disease in Primary Care	N/A	N/A	N/A	N/A	Not eligible
National Audit of Dementia	N/A	N/A	N/A	N/A	Data collections for all hospitals will take place from April 2016
MENTAL HEALTH					
Mental Health (Care in Emergency Departments) (CEM)	Yes	29	29	100%	
Suicide & homicide in mental health (NCISH)	N/A	N/A	N/A	N/A	Not eligible
Prescribing Observatory for Mental Health	N/A	N/A	N/A	N/A	Not eligible
OLDER PEOPLE					
Falls and Fragility Fractures Audit Programme (FFFAP): National Hip Fracture Database	Yes	160	160	100%	Continuous data collection however audit requires hospitals to submit min. 100 cases per year
Sentinel Stroke (SSNAP)	Yes	188	188	100%	All eligible cases
Sentinel Stoke (SSNAP)—Organisational Audit	Yes	N/A	N/A	N/A	N/A—organisational audit (questionnaire—non clinical)
Older People (Care in Emergency Departments) (CEM)	Yes	73	73	100%	All eligible cases submitted

[53] The decision to move to a new Diabetes database is complex due to the need to maintain links with the community system. Participation in 15/16 is a divisional priority

Subject	Participated	Cases Indicated or Required	Cases Submitted	% Cases Submitted	Comment
OTHER					
Elective Surgery- Hernia (National PROMs Programme)	Yes	126	43	34%	Using validated data only from April—Sep 14 as advised by PROMS
Elective Surgery: Hip Replacement (National PROMs Programme)	Yes	83	33	40%	
Elective Surgery: Knee Replacement (National PROMs Programme)	Yes	77	27	35%	
Elective Surgery: Varicose Veins (National PROMs Programme)	Yes	64	32	50%	
National Audit of Intermediate Care	Yes	N/A	N/A	N/A	Data entry commences 04 May'15
Adherence to British Society for Clinical Neurophysiology (BSCN) & Association of Neurophysiological Scientists (ANS) Standards for Ulnar Neuropathy at Elbow (UNE) testing	TBC	TBC	TBD	TBC	An individual workstream report was published 19 December '14. Status/details of audit to be confirmed.
WOMEN'S & CHILDREN's HEALTH					
Epilepsy 12 audit (Childhood Epilepsy)	Yes	17	17	N/A*	*Data submitted up to the 18th March 2014—Data collection closes on the 12th May 2014
Maternal, Newborn & Infant Clinical Outcome Review Programme (MBRRACE-UK)	Yes	41	41	100%	All eligible cases submitted
Neonatal Intensive & Special Care Audit (NNAP)	Yes	All eligible	TBC	100%	
Paediatric intensive care (PICANet)	N/A	N/A	N/A	N/A	Not eligible
Fitting Child (care in emergency departments)	Yes	50	50	100%	All eligible cases submitted

Table 5: National confidential enquiries for inclusion in the Quality Account 2014/15

Subject	Participated	Cases Indicated or Required	Cases Submitted	% Cases Submitted	Comment
Child Health Review UK—Confidential Enquiry	Yes	N/A	N/A	N/A	Participation dependent on occurrence of relevant episodes. Consultants contacted directly to report relevant occurrences. No input required from Trust
Tracheostomy related complications Insertion	Yes	4	3	75%	
Tracheostomy related complications Critical Care	Yes	4	4	100%	
Tracheostomy related complications Ward Care	Yes	4	4	100%	
Lower limb amputations	Yes	N/A	N/A	N/A	No eligible cases identified
Gastrointestinal haemorrhage	Yes	5	1	20%	Eligible cases to be identified by NCEPOD
Sepsis	Yes	5	4	80%	This study is still open and figures have not yet been finalised.

National clinical audits and confidential enquiries—published reports

The reports of 13 national clinical audits were published in 2014/15. The reports of **nine** clinical audits were reviewed by the Chelsea and Westminster Hospital NHS Foundation Trust and Chelsea and Westminster Hospital NHS Foundation Trust intends to take the following actions to improve the quality of health care provided (as detailed below).

Clinical teams are routinely required to routinely review the results and recommendations from National Clinical Audits using a standardised 'gap analysis/action plan' tool, which is a document designed to enable leads to identify gaps in service and to assess compliance levels and risks associated with non-compliance.

While 15 audits have been published in 2014/15 (set out in the table below), nine gap analysis documents have been completed. The remaining six were published toward the end of the year, are being considered by specialty multidisciplinary teams, and are scheduled for reporting back to the Trust Executive Safety and Effectiveness Group in line with the publication date of the relevant clinical audit report.

Table 6: National Clinical Audits and Confidential Enquiries—Published reports

Audit Title	Dept Leading Review	Actions Agreed
National Prostate Cancer Audit	Urology Department	The lead Urology consultant reviewed the results from this audit. The trust was found to be compliant in 4 out of 5 areas. It was identified that complete and accurate data is submitted to the NPCA (National Prostate Cancer Audit) for every patient with newly diagnosed prostate cancer through an MDT (Multidisciplinary Team) Proforma, while a separate database is in place for patients to facilitate future audits. Multoparametrix MRI is also routinely used prior to biopsy to reduce unnecessary initial biopsies resulting in improved treatment decision making for patients with potential curable disease. There is support in place by personal support services ranging from the MacMillan Centre, dedicated erectile dysfunction service, continence MDT, psychosexual service, oncology specific counselling ensuring patients are provided the best available care. Two clinical nurse specialists have also been trained to allow patients to have access to specialists with a background in urology.
Aneurysmal Subarachnoid Haemorrhage	Emergency Department	The Emergency Department reviewed Aneurysmal Subarachnoid Haemorrhage and identified good areas of practice whereby pathways were in place for referrals to the neurosurgical registrar on call at Charing Cross Hospital. A thorough induction programme is also in place for new doctors, whereby handbooks are received outlining the management on SAH, with emphasis on red flags, referral pathways and the need for senior review of all patients presenting with acute onset headaches. The drug Nimodipine is regularly stocked within the Emergency Department in accordance with the National Clinical Guideline for Stroke; and policies are in place establishing pathways to ensure organ donation exists within the department. A department policy was created in September 2014, including a pathway based on the CEM (College of Emergency Medicine) guideline for the Management of Lone Acute Severe Headache 2009.

Audit Title	Dept Leading Review	Actions Agreed
National Lung Cancer Audit	Cancer Services	The Trust participated in the National Lung Cancer Audit and has seen great improvements in the levels of data completeness over the past 12 months, and this has been formally recognised by the London Cancer Alliance. Furthermore, 100% of lung cancer patients with NHS numbers were successfully uploaded to LUCADA in the year in question. The trust has achieved joint highest compliance in the Cancer Network within two key areas: 1) Patients undergoing a bronchoscopy receive a CT (CAT) scan prior to procedure. 2) SCLC (Small Cell Lung Cancer) patients receiving chemotherapy.
Heart Failure National Audit	Respiratory Service	This audit was reviewed by The Respiratory Service and identified good practice in two areas. All Heart Failure admissions with a primary diagnosis of heart failure are recorded; and there are good prescribing rates for LVSD (Left Ventricular Systolic Dysfunction) patients, ensuring patients are offered treatment in line with the NICE clinical guideline.
National Pain Audit	Pain Service	The Pain Service took part in the National Pain Audit and identified two areas of good practice. Whereby specialised pain services need to work in an integrated fashion across a wide geographical area, Musculoskeletal Services are offered at St. Charles Hospital, along with high level meetings with the Royal Marsden and Royal Brompton Hospital to offer clinical care network for complex pain. Similar arrangements are also being considered for spinal pain management with the Imperial Neuro Surgical and Spinal Orthopaedics. This is further strengthened with the knowledge that Information Governance and other consultants are members of the Specialist service clinical reference group.
National Emergency Laparotomy Audit	General Surgery	The General Surgery department reviewed this audit and identified 11 out of 12 areas of good practice. It was identified that the management of sepsis was incorporated into the routine care of all EGS (Emergency General Surgery) patients increasing the level of care received by patients. It was also identified that all consultants and juniors attended relevant Mortality and Morbidity meetings ensuring all relevant staff were aware of the progress of patients under their care. There is a structure handover of care in place in addition to daily handovers between members of the team. 24 hour theatre access is in place to ensure operating procedures can take place at any given time.
National Joint Registry Audit	Orthopaedics	The Orthopaedics Service reviewed the National Joint Registry Report and developed and implemented a protocol outlining a detailed process to improve the consent rate and data quality. Adherence to this process was initially piloted for three months, with the review of the data since reporting considerable improvement.
National Care of Dying Audit	Palliative Care Team	The Palliative Care Service reviewed this audit and identified 5 areas of care where the Trust has met its target. This ranged from continuing to offer clear, sensitive and timely, verbal and written information to the patient and family whereby the patient had passed away or was terminally ill. Education and training in care of the dying has also been made mandatory for all staff caring for dying patients. This includes communication skills training, skills for supporting families, and those close to dying patients. The Trust has a designated board member and a lay member with specific responsibility for care of the dying.
National Inpatient Diabetes Audit	Diabetes Service	The Diabetes Service participated in the National Inpatient Diabetes Audit. The service identified two areas of good practice. All Diabetes Specialist Nurses were found to have a dedicated inpatient care time in their job plans to provide referral service to patients in hospital. The department also has a clear referral pathway in place with integrated community and hospital based podiatry teams.

Audit Title	Dept Leading Review	Actions Agreed
National Bowel Cancer Audit	Cancer Services	This audit was reviewed by the Cancer Services Team. Four areas of best practice were identified. Currently, staff ensure that patient cases are discussed at the General Surgery Mortality & Morbidity and Clinical Governance meetings. In line with the current national (NICE) guidelines, Laparscopic surgery is considered in all suitable cases, with suitable patients offered the opportunity laparscopic resection. The team seeks to ensure accurate and complete data collection is submitted to the audit by ensuring that not only data is recorded on the relevant database, but that the lead clinician signs off on the data.
National Oesophago Cancer Audit	Cancer Services	This audit was reviewed by Cancer Services and considered at the Trust Executive Quality Committee. All areas that were relevant to the Trust have been met. These include ensuring investigations are readily available at Chelsea and Westminster/Royal Marsden Hospital and used appropriately. Furthermore, all patients with SCC (Squamous-cell carcinoma) oesophagus are being seen and usually treated by medical/clinical oncologists. All patients being considered for curative treatment undergo a EUS (endoscopic ultrasound scan) or staging laparoscopy; while all patients with oesophageal SCC (Squamous-cell carcinoma) being considered for curative treatment are discussed with a clinical oncologist and a surgeon.
National Dementia Audit	Elderly Medicine	The National Dementia Audit was reviewed and considered at the Trust Executive Quality Committee. On review of the results, it was recognised that the trust achieved compliance in 14 key areas. This included ensuring the 90% target set by CQUIN (Commissioning for Quality and Innovation). Furthermore, full day dementia training for trust staff commenced in September 2013, and have continued on a monthly basis offering training on both clinical and non-clinical staff, as well as volunteers. Protected mealtimes are enforced on all wards, with physical and verbal support provided to patients where appropriate. The trust ensures people with dementia admitted to hospital receive a standardised or structured assessment of functioning based on activities of daily living.
Neonatal Intensive and Special Care Audit (NNAP)	Neonatology	The nurse education team and medical team reviewed this Gap analysis and in regards to temperature a new ITU chart was introduced to improve time entry and information provided for temperature to be taken immediately on arrival in NICU with guidelines modification were done. Contemporaneous direct entry of ROP data on Badger Net neonatal database by the ophthalmologist are in good practice and further actions taken to improve the local standards by providing clarification of fields for “SEND” data extraction and internal record keeping for comparison/documentation where screening cannot be timely carried out for clinical indications. Breast milk at discharge home and continue to do extremely well in promotion of use of breast milk and this was discussed at network/NNAP feedback. There was a network issue identified and it was discussed at the network board meeting. A reminder was given at medical staff induction programme on blood stream infections on NNU due to central line b care.
Child Health Review Summary report	Paediatrics	The gap analysis was reviewed by divisional nurse and presented at the quality committee. Children, who access the shared care service, introduced a checklist for General Paediatric clinics. Children are discussed at monthly meeting who involve the Tertiary Neurology team and the Consultant Neurophysiologist. C&W do not have the resources to develop ‘epilepsy passports’ for all our children but we do ensure that all clinic letters with relevant clinical information and advice are copied in to school nurses and head teachers. All inpatients are discussed with the local Consultant in charge of the child’s overall care

Audit Title	Dept Leading Review	Actions Agreed
UK Paediatric Inflammatory Bowel Disease Audit	Paediatrics	This gap analysis was reviewed by the clinician and nursing staff. A biological nurse was introduced to support IBD Clinic and data collection. The service has moved from 80% to 100% compliance following introduction of NICE guideline. However, sustainability will be confirmed in the long term, since there is a bed capacity pressure. Infliximab guideline to reflect screening requirements was updated.

Local clinical audits

The reports of 61 local clinical audits were reviewed by Chelsea and Westminster Hospital NHS Foundation Trust in 2014/15 and Chelsea and Westminster Hospital NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided (as detailed below).

Please note rather than include details of all 61 audits a sample of 10 has been included below. Further details are available on request from Miss Zoë Penn, Trust Medical Director and Director of Quality at zoe.penn@chelwest.nhs.uk.

Table 7: Details of local clinical audits

Audit Title	Dept Leading Review	Audit Summary with Actions Agreed
An audit into appropriateness of CT pulmonary angiograms to investigate pulmonary embolisms in AAU	Acute and General Medicine	**Further note—The original clinical audit project planner submitted reflected an intention to re-audit in 2 months' time, the re-audit registration document which was submitted in April 2015 confirms that this re-audit will now take place during May 2015 with a projected end date of July 2015.** • 48 patients in total were audited. Based on Trust 'Suspected Pulmonary Embolism' and Royal College of Radiology Guidelines, the CTPA indicated the following: 13 out of 48 (28%) of CTPAs were not indicated. Out of the 13 identified, none had a Wells score documented in the notes. In 6 cases patients with a Wells score <4, a D-dimer was not ordered. Had this been negative, these patients would not have required CTPA and notably, none of these patients actually had a PE. All 48 patients had a CXR prior to CTPA. Of those 48 patients, 20 were reported as abnormal with findings such as (i) Pleural Effusion; (ii) Consolidation; (iii) Interstitial Lung Disease; (iv) Pulmonary Oedema. 16 out of 47 patients had not had an ABG done prior to CTPA. Out of these 5 out of 16 had PEs. There were only 9 radiologically proven PEs during this period, meaning that less than half had an ABG to assess their degree of hypoxia. • The findings from this audit were presented at the AAU departmental meeting and actions taken as a result of the findings included placing a sticker in the notes to prompt better documentation and guide junior doctors to remind them to fill in the Wells score, and finally to re-audit in 2 months to measure if the actions taken has had the desired outcome.

Audit Title	Dept Leading Review	Audit Summary with Actions Agreed
Urgent Care Centre Minor Ailments Audit	Emergency Department & Urgent Care Centre	• 24 patients were audited in total and it was found that 2 patients should have been streamed into the minor injury stream rather than the minor illness stream. All presentations were found to be suitable for the Urgent Care Centre (UCC) and no cases should have been seen in the main Emergency Department. • There were 2 episodes of prescribing differing from guidelines: (i) Penicillin used for 7 days not 10 days and (ii) co amoxiclav prescribed rather than amoxicillin. There was one episode of treatment in the streaming room by a nurse for a superficial wound with tissue glue which may have been more appropriate for review by an Emergency Nurse Practitioner or Doctor in order for them to document the findings of a neurovascular examination. • There was no evidence of over investigation or incorrect treatment. • Standard of compliance with the streaming and prescribing guidelines was found to be good and overall management in the minor illness stream of the UCC was also good. • The results of the audit were reassuring and the actions taken following completion all revolved around feedback to individual members of staff regarding how their practice may be improved.
Analysis of disease activity and its management in patients with established rheumatoid arthritis attending a hospital based rheumatology service	Rheumatology	• DAS28 scores were recorded in 71 of 101 patients and disease activity was assessed informally in the majority of the remaining patients. • Of those assessed, 67% were in remission/low disease activity and 26.5% had moderate disease activity and 6.5% had high disease activity. This should not be taken as an overall assessment of disease activity in the Callan patient cohort as patients in remission/low disease activity will tend to be seen less often within the medical clinics (reviews are offered monthly—annually depending on disease stage/activity). • Where disease activity was moderate then patients were advised to increase DMARDS and/or provided with IM or intra-articular corticosteroid injections unless the clinician judged the disease to be inactive despite the high DAS28 score or the patient had just increased treatment or declined to do so. In line with national guidance patients were not offered oral prednisolone to manage established rheumatoid arthritis. • Where disease activity was high and patients were not on a biologic agent then patients were advised to increase DMARDS and process was put in place to apply for biologic treatment. One patient declined treatment escalation as they were breastfeeding. As part of the learning from this audit staff have been asked to ensure that DAS 28 scores are recorded for all patients with RA attending Consultant clinics unless this has been done within the last month. If ESR and CRP are not available then the three other components of the score should be recorded. A re-audit will be undertaken in 2015/16 to assess the effectiveness of the measures implemented.

Audit Title	Dept Leading Review	Audit Summary with Actions Agreed
Audit of Intra Uterine Devices at West London Centre for Sexual Health	Sexual Health	• Further note—this audit is based on all data for the calendar year Jan-Dec 2013. The report itself was completed during FY 2014/15 based on this collected data. • The aim of this audit was to assess the standard of clinical practice in IUD/IUS (intrauterine device/intrauterine system) insertions within West London Centre for Sexual Health from 1st Jan 2013—31st Dec 2013 against Faculty good practice points and recommendations to review the complication rates following IUD/IUS insertion and review the reasons why women had their device removed. • The audit included all suitable women who opted for a Cu-IUD with higher efficacy as their first line choice. The Faculty suggests a follow-up visit 3-6 weeks post insertion, the Trust achieved this in 68% of all patients included in the audit. There were no known uterine perforations, and a 3% possible expulsion rate. 13% of devices were removed within 6 months. • Staff now keep a diary of all women post IUD/IUS insertion to ensure improved follow up rates with an 8 and 10 week text reminder if not the patient has not attended for 3-6 week follow-up. In addition, measures have been put in place to ensure clearer documentation on thread length if sending patients for an ultrasound scan to ascertain if incorrectly inserted device or expulsion. • Better counselling for patients pre-insertion on realistic changes in bleeding patterns to prevent early removal of device are also in place and all insertions to have clear documentation of device used in electronic patient record.

Audit Title	Dept Leading Review	Audit Summary with Actions Agreed
Audit of the management of Febrile Neutropenia in paediatric oncology patients	Paediatrics	• Children with cancer are at increased risk of infection as a result of their disease and/or its treatment. Fever with neutropenia is the commonest manifestation of infection in children with cancer; such infection is potentially fatal. • Febrile neutropenia is a medical emergency requiring urgent investigation and the administration of intravenous empirical antibiotic therapy within 1 hour. • Aggressive use of inpatient intravenous antibiotic therapy has reduced morbidity and mortality rates and reduced the need for intensive care management. The purpose of this audit was to demonstrate whether we are following the national guidelines in management of febrile neutropenia in oncology patients and at the same time looking oncology patients who were admitted febrile but not neutropenic. • The results show that all febrile patients were admitted, assessed and managed as per guidelines none of the low risk stratifications forms were filled and followed. This would of prompt early discharge for those patients as per national guidelines. To further improve care for these patients regular teachings and presentations to medical and nursing staff regarding the importance of identifying low risk patients on admissions and the new changes to the definition of neutropenia, stickers will be attached to the notes of all patients who will have to be on standard risk protocol on admission and risk stratification forms are now available on wards.
Enoxaparin post regional anaesthesia in obstetric patients	Anaesthetics/Maternity	• The purpose of this audit was to assess whether the initial dose of low molecular weight heparin (LMWH) is being prescribed appropriately within 4-6hrs post-op and also to demonstrate whether or not subsequent doses of LMWH are prescribed at the agreed times of 07:00 and 18:00. • Following completion of the audit the following actions were implemented: All Specialist Trainee anaesthetic doctors working within labour ward were personally contacted to explain the optimal timing of LMWH prescribing, the optimal timing of LMWH prescribing information printed and attached to each anaesthetic machine on labour ward so clear for all anaesthetists to see and information has been produced for locum doctors including the standard prescription times for enoxaparin.

Audit Title	Dept Leading Review	Audit Summary with Actions Agreed
A review of patients referred with abnormal smear results—was a biopsy taken within 2 years?	Gynaecology	• The NHS Cervical Screening Programme published "Colposcopy and Programme Management" as part of 'Publication 20' in May 2010. The document states that women who are referred to colposcopy with a high grade abnormality on a smear test should have a biopsy taken at their first visit, target 90%. It also states that women referred with a low grade abnormality on a smear test should have a biopsy taken within 2 years, target >90%. The result of biopsies will help determine onward management including whether a patient should be offered treatment. • Patients who were kept under the care of the colposcopy department were adequately followed up. Those who were discharged to the GP would be adequately followed up by the National Cervical Screening Programme and reminded to attend for smear tests. 6 patients were not appropriately followed up due to appointments not being made. This may have been the patient choosing not to book an appointment, or an error on the clinic's part by not booking an appointment. • As a result of the audit it was recommended that the patient is informed of whether they are due to be followed up before leaving the clinic. If an appointment is needed, the patient is advised to book this at reception before leaving the clinic. To limit the numbers of patients who are not seen again incorrectly, all colposcopy staff were reminded of the process of ensuring patient's book their own appointment before leaving the department. 'Publication 20' was being updated by Public Health England at the time of this report due to the implementation of HPV triage for referral and management within colposcopy. Therefore, the need for a re-audit will be assessed once this document is published.
Audit of Patient Group Direction for Nurse Supervised Pharmacological Stress during Radionuclide Myocardial Perfusion Imaging	Radiology/Medicine	• To aim of the audit was to ensure that all patients have received appropriate care and all the records have been recorded in line with the Trust Medicine policy and the PGD (Patient Group Direction) and to improve its care delivery to patients. • The audit results revealed that patients had received appropriate care and the records had been recorded in line with the Trust Medicine policy and the current PGD. However, there were a few points in patient documentation that required improvement, therefore feedback was delivered to all relevant staff to ensure that any additional patient history is clearly documented in the appropriate section, to always document that the J&A has been checked and stressing the importance of always documenting the date/time of each drug given.

Audit Title	Dept Leading Review	Audit Summary with Actions Agreed
Audit of follow up of patients treated for testicular cancer at Chelsea and Westminster Hospital between April '13 and April '14	Urology	• All patients that attended the Tuesday morning (testicular only) or afternoon (uro-oncology clinic) clinics for follow-up of their testicular tumours were recorded in a paper database between January and March 2014. The database was updated each time the patient attended the clinic. The year of follow-up from their primary diagnosis was noted, together with their tumour type and whether they had received adjuvant therapy or chemotherapy for relapsed/stage II + disease. • The majority of patients are being followed up according to the agreed Cancer Network/Urology Supra-Network Testicular cancer surveillance protocols at Chelsea and Westminster Hospital. • The majority of CT scans were booked according to protocol however, breaches arose due to patient related events and a failure to arrange one scan by the clinical team. • Actions included the continued use of the oncology database to follow up patients with cancer and consider the use of a computer database as an add-on to the aria chemotherapy system to follow up patients with testicular cancer which is now being implemented.
Enhanced Recovery for Hips Surgery Patients	Trauma & Orthopaedics/Anaesthetics	• Enhanced recovery guidelines for all elective Hips and Knees were introduced Nov 2013. Aim was to reduce length of stay (LOS). • An assessment carried out in March 2014 confirmed low awareness and engagement amongst staff with the process put in place. • It was felt that additional education was required, and this was delivered via a presentation to Orthopaedic and Anaesthetic Department on referral guidelines and the recommendations from the audit project. • A further snap shot audit of elective Hip surgery was undertaken in September 2014 addressed gaps in compliance with guidelines, clinical pathways and complications that delayed discharge and highlighting the underlying issues that were resulting in increased length of stay, and complications associated with medication.

Research approved by a research ethics committee

The number of patients receiving relevant health services provided or sub-contracted by Chelsea and Westminster Healthcare NHS FT in 2014/15 that were recruited during that period to participate in research approved by a research ethics committee was 3377.

We recruited 3,377 patients to ethically approved, NIHR Portfolio adopted studies in FY 2014/15.

Goals agreed with commissioners (CQUINs)

A proportion of Chelsea and Westminster Hospital NHS Foundation Trust's income in 2014/15 was conditional upon achieving quality improvement and innovation goals agreed between Chelsea and Westminster Hospital NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of NHS

services, through the Commissioning for Quality and Innovation (CQUIN) payment framework.

Further details of the agreed goals for 2014/15 and for the following 12 months period are available electronically by contacting Leigh.Marsh@chelwest.nhs.uk.

The Commissioning for Quality and Innovation (CQUIN) payment framework enables commissioners to reward excellence, by linking a proportion of the Trust's income to the achievement of local quality improvement goals.

In 2014/15, income equal to 2.5% of the value of our main contract, which covers most of our NHS services, was conditional on achieving CQUIN goals agreed with our main commissioner, the North West London Clinical Commissioning Collaborative. Some of these schemes were nationally mandated, while the rest were developed locally. The schemes covered the following areas:

Table 8: Coverage of CQUINS

National	• Expansion of Friends & Family Test (FFT): timely feedback around patient experience. • Ensure hospitals deliver high quality care to people with dementia • Improving collection of data for the NHS Safety Thermometer and reducing harm caused by Pressure Ulcers
Local	• Improving timeliness of information given to GPs, shared patient records and information systems • Improving the effectiveness of emergency care and supporting care for patients outside hospital • Improving the effectiveness of planned care and supporting improved pathways • Planning and implementation of seven day services • Improving access to services and advice for GPs and Patients
Specialised services	• Improving clinical reporting of specialised services through dashboards • Identification and improved reporting of specialised endocrinology • Increase in retinopathy of prematurity screening • Development of a specialised Orthopaedics Network • Identification and improved reporting of burns and reducing the length of stay for burns patients • Improving timeliness of obtaining a tertiary level fetal medicine opinion • Planning and implementation of seven day services • Increasing the availability of and recruitment of patients to clinical studies for HIV • Improved pathway for stable HIV patients and the development of telemedicine.

We achieved 86% of our Local and National CQUIN-related goals in 2014/15, equating to a payment of £3.3m out of a maximum of £3.9m and we achieved 92% of our Specialist Commissioning CQUIN-related goals in 2014/15 equating to a payment of £1.4m out of a maximum of £1.5m.

Overall, we achieved 88% of our CQUIN-related goals in 2014/15 for which we received a payment of £4.7m out of a maximum of £5.4m.

This information is subject to final confirmation by the North West London and NHS England commissioners and is expected by June 2015.

Care Quality Commission

Chelsea and Westminster Hospital NHS Foundation Trust is required to register with the Care Quality Commission (CQC) and its current registration status is complete.

Chelsea and Westminster Hospital NHS Foundation Trust has no conditions on registration.

The Care Quality Commission has not taken enforcement action against Chelsea and Westminster Hospital NHS Foundation Trust during 2014/15.

Chelsea and Westminster Hospital NHS Foundation Trust has not participated in any special reviews or special investigations by the CQC during the reporting period.

Secondary Uses Service information (SUS)

Chelsea and Westminster Hospital NHS Foundation Trust submitted 787,916 records during April 2014 to January 2015 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data.

The % of records in the published data which included the patient's valid NHS number was	*95.2*% for admitted patient care 90.3% for out- patient care and 88.1% for accident and emergency care
The % of records in the published data which included the patient's valid NHS number was	*98.3% for admitted patient care;* *99.1% for outpatient care; and* *98.8% for accident and emergency care.*

Information Governance Assessment Report

The Chelsea and Westminster Hospital NHS Foundation Trust Information Governance Assessment Report overall score for 2014/15 was 85% and was graded Green—Satisfactory.

Clinical coding audit

Chelsea and Westminster Hospital NHS Foundation Trust was subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission and the error rates reported in the latest published audit for that period for diagnoses and treatment coding (clinical coding) were 3.2% for the Immunology, infectious diseases, poisoning, shock, special examinations, screening and other healthcare contacts HRG group and 1.0% for the Musculoskeletal disorders HRG group.

The results should not be extrapolated further than the actual sample audited. The sample was 190 Finished Consultant Episodes (FCEs)—94 FCEs from the Immunology, infectious diseases, poisoning, shock, special examinations, screening and other healthcare HRG group and 96 FCEs from the Musculoskeletal disorders HRG group.

Improving data quality

Chelsea and Westminster Hospital NHS Foundation Trust will be taking the following actions to improve data quality:

- Introduce further improvements to the patient administration system to improve recording of the patient pathway. Those to be undertaken early in the financial year are relevant to 18 weeks, Cancer, Planned Procedures with a Threshold (PPwT) and outpatient bookings.

- Audit data quality of key quality and performance indicators early in the financial year as part of the internal audit programme. The areas to be covered are Cancer, A&E waiting times, 18 weeks, *C.diff*/MRSA and Learning Difficulties indicators.

- Standardise processes for routine local auditing of key indicators.

- Agree a mechanism for reporting to Trust Board on the data quality of each key indicator.

- Formalise the sign-off procedure for all reports issued externally; focusing on reports and KPIs issued to our regulators (Monitor and CQC), followed by other indicators or reports that the Board receive on a regular basis. The second phase will cover all other external reporting ie local contract KPIs. The review will include assessment of the sign off process to ensure this is both timely and appropriate.

- Formalise the sign-off procedure for internal reports by proposing roles to sign-off the relevant reports. Once this is agreed, it will be documented as part of the production process.

Reporting against core indicators

The following data outlines the Trust performance on a selected core set of Indicators. Comparative data shown is sourced from the Health and Social Care Information Centre where available.

Table 9: Performance against core indicators

	From local Trust data		From Health and Social Care Information Centre					
Indicator	**2013/14**	**2014/15**	**Most recent results for Trust**	**Time period for most recent Trust results**	**Best result nationally**	**Worst result nationally**	**National average**	**Comments**
Summary hospital-level mortality indicator ("SHMI")	0.813 (3—'lower than expected')	N/A (Latest data is Oct13-Sep14)	0.811 (3—'lower than expected')	Oct13–Sep14	0.597 (3—'lower than expected')	1.198 (1—'higher than expected')	1	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described for the following reasons: the Trust has consistently shown good performance with regards to mortality • Chelsea and Westminster Hospital NHS FT intends to take the following action to improve this indicator and the quality of its services: reviewing this indicator for individual diagnosis groups, improving processes and further reducing deaths.
Patient deaths with palliative care coded	26.8%	N/A (Latest data is Oct13-Sep14)	33.2%	Oct13–Sep14	N/A	N/A	25.3%	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described for the following reasons: the trust has put in staff and processes to focus on providing excellent end of life care • Chelsea and Westminster Hospital NHS FT has taken the above steps to improve this indicator and the quality of its services.

Indicator	From local Trust data		From Health and Social Care Information Centre					
	2013/14	2014/15	Most recent results for Trust	Time period for most recent Trust results	Best result nationally	Worst result nationally	National average	Comments
Patient reported outcome measures scores for groin hernia surgery: *Adjusted Average Health Gain*	EQ-5D index 0.051 EQ VAS -5.791	N/A (Latest data is Apr14-Sep14)	Not available because of low volumes	Apr14–Sep14	EQ-5D index 0.125 EQ VAS 3.237 [54]	EQ-5D index 0.009 EQ VAS -4.070 [54]	EQ-5D index 0.081 EQ VAS -0.397 [54]	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described • Chelsea and Westminster Hospital NHS FT intends to take the following actions to improve this indicator and the quality of its services: re-launching the Patient Reported Outcome Measure initiative during 2015/16 with a focus on improving previously low levels of questionnaires being completed by our patients compared to peers. Local and National results will be presented by clinical leads at Surgery Directorate meetings.
Patient reported outcome measures scores for varicose vein surgery: *Adjusted Average Health Gain*	Not available because of low volumes	N/A (Latest data is Apr14-Sep14)	Not available because of low volumes	Apr14–Sep14	EQ-5D index 0.142 EQ VAS 3.955 Aberdeen Varicose Vein Questionnaire -4.567 [54]	EQ-5D index 0.054 EQ VAS -2.799 Aberdeen Varicose Vein Questionnaire -16.762 [54]	EQ-5D index 0.100 EQ VAS -0.465 Aberdeen Varicose Vein Questionnaire -9.479 [54]	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described • Chelsea and Westminster Hospital NHS FT intends to take the following actions to improve this indicator and the quality of its services: re-launching the Patient Reported Outcome Measure initiative during 2015/16 with a focus on improving previously low levels of questionnaires being completed by our patients compared to peers. Local and National results will be presented by clinical leads at Surgery Directorate meetings.

[54] Apr14–Sep14 Includes ISTCs

Indicator	From local Trust data		From Health and Social Care Information Centre					
	2013/14	2014/15	Most recent results for Trust	Time period for most recent Trust results	Best result nationally	Worst result nationally	National average	Comments
Patient reported outcome measures scores for hip replacement surgery: *Hip Replacement Primary Adjusted Average Health Gain*	EQ-5D index 0.483 EQ VAS 15.927 Oxford Hip Score 23.227[55]	N/A (Latest data is Apr14-Sep14)	Not available because of low volumes	Apr14–Sep14	EQ-5D index 0.501 EQ VAS 16.537; Oxford Hip Score 25.418 [55,57]	EQ-5D index 0.350 EQ VAS 5.380 Oxford Hip Score 18.537 [55,57]	EQ-5D index 0.442 EQ VAS 12.162 Oxford Hip Score 21.922 For 'revision' [56]: EQ-5D index 0.283 EQ VAS 4.048 Oxford Hip Score 13.091[57]	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described • Chelsea and Westminster Hospital NHS FT intends to take the following actions to improve this indicator and the quality of its services: re-launching the Patient Reported Outcome Measure initiative during 2015/16 with a focus on improving previously low levels of questionnaires being completed by our patients compared to peers. Local and National results will be presented by clinical leads at Surgery Directorate meetings.
Patient reported outcome measures scores for knee replacement surgery: *Knee Replacement Primary Adjusted Average Health Gain*	Not available because of low volumes	N/A (Latest data is Apr14-Sep14)	Not available because of low volumes	Apr14–Sep14	EQ-5D index 0.394 EQ VAS 12.508 Oxford Knee Score 20.440 [57,58]	EQ-5D index 0.249 EQ VAS -0.665 Oxford Knee Score 14.416 [57,58]	EQ-5D index 0.328 EQ VAS 6.369 Oxford Knee Score 16.702 For 'revision'[59]: EQ-5D index 0.264 EQ VAS 1.947 Oxford Knee Score 11.731	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described • Chelsea and Westminster Hospital NHS FT intends to take the following actions to improve this indicator and the quality of its services: re-launching the Patient Reported Outcome Measure initiative during 2015/16 with a focus on improving previously low levels of questionnaires being completed by our patients compared to peers. Local and National results will be presented by clinical leads at Surgery Directorate meetings.

[55] Hip Replacement Revision Adjusted Average Health Gain: Not available because of low volumes
[56] Hip Replacement Revision Adjusted Average Health Gain
[57] Apr14–Sep14 Includes ISTCs
[58] Knee Replacement Revision Adjusted Average Health Gain: Not available because of low volumes
[59] Knee Replacement Revision Adjusted Average Health Gain

Indicator	From local Trust data		From Health and Social Care Information Centre					
	2013/14	2014/15	Most recent results for Trust	Time period for most recent Trust results	Best result nationally	Worst result nationally	National average	Comments
Readmitted to the trust within 28 days of being discharged from hospital (Age 0-15)	8.12% [60]	8.26% [60]	6.09% [61]	Apr11–Mar12 [61]	0% [61]	14.94% [61]	N/A Not calculated [61]	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described for the following reasons: The Trust's figures remain consistent for this age band. Please note the Trust excludes under 4's from its local reporting • Chelsea and Westminster Hospital NHS FT intends to take the following actions to improve this indicator and the quality of its services: reviewing readmissions at diagnosis and procedure group level using Dr Foster tools to improve processes with a view to further reduce readmissions.
Readmitted to the trust within 28 days of being discharged from hospital (Age 16+)	12.90% [60]	9.99% [60]	11.05% [61]	Apr11–Mar12 [61]	0% [61]	41.65% [61]	11.45% [61]	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described for the following reasons: The Trust's figures show improvement for this age band • Chelsea and Westminster Hospital NHS FT intends to take the following actions to improve this indicator and the quality of its services: reviewing readmissions at diagnosis and procedure group level using Dr Foster tools to improve processes with a view to further reduce readmissions.

[60] Derived from Trust Qlikview Dashboard and Excludes: Non-PbR spells, Cancer, radiotherapy, chemotherapy, patients under 4 years, obstetric medicine, renal dialysis, gastro HIV, readmissions following self-discharge, A&E obs, rehab

[61] Apr11–Mar12 (next publication expected early 2016)

Indicator	From local Trust data		From Health and Social Care Information Centre					
	2013/14	2014/15	Most recent results for Trust	Time period for most recent Trust results	Best result nationally	Worst result nationally	National average	Comments
Responsiveness to the personal needs of its patients	Not available	Not available	66.1[62]	Jul12–Jun13 [62]	84.4 [62]	57.4 [62]	68.1 [62]	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described • Chelsea and Westminster Hospital NHS FT intends to take the following actions to improve this indicator and the quality of its services: reviewing all areas around patient experience, PROMs (see above) and Friends and Family Tests to improve processes surrounding overall patient experience.
Staff employed by, or under contract to, the trust who would recommend the trust as a provider of care to their family or friends.	85%	76.9% [63]	76.9% [64]	NHS National Staff Survey 2014	92.8% [64]	38.2% [64]	65.2% [64]	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described • Chelsea and Westminster Hospital NHS FT intends to take the following actions to improve this indicator and the quality of its services: regularly reviewing staff and management training and appraisal data and their relationship to staff turnover, to improve staff management processes with a view to improve staff experience and staff turnover/stability.
Patients who were admitted to hospital and who were risk assessed for venous thromboembolism	95.9%	96.5%	Feb'15: 95.8% Q3 14-15: 96.9%	Feb'15 (Month) Q3 14/15	Feb'15: 100% Q3 14-15: 100%	Feb'15: 75.0% Q3 14-15: 81.2%	Feb'15: 96.0% Q3 14-15: 96.0%	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described for the following reasons: the trust has put in place systems and processes to support the VTE risk assessment process. • Chelsea and Westminster Hospital NHS FT has taken the above steps to improve this indicator and the quality of its services.

62 Jul12–Jun13 (data no longer available from Department of Health)
63 National Survey Jan15–Mar15
64 2014 Staff Survey

Indicator	From local Trust data		From Health and Social Care Information Centre					
	2013/14	2014/15	Most recent results for Trust	Time period for most recent Trust results	Best result nationally	Worst result nationally	National average	Comments
Rate per 100,000 bed days of cases of *C.difficile* infection reported within the trust amongst patients aged 2 or over	7.41	6.31	7.0	Apr13–Mar14	0.0	37.1	14.7	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described • Chelsea and Westminster Hospital NHS FT intends to take the following actions to improve this indicator and the quality of its services: continuing to focus on staff hand hygiene training and to educate patients, carers and visitors to wash their hands and use anti-bacterial soap dispensers; and in the case of visitors to only visit when healthy and when appropriate.
Rate of patient safety incidents reported within the trust and the number and percentage of such patient safety incidents that resulted in severe harm or death: *Incidents per 1000 days*	35.02 0.08% resulted in severe harm or death	35.07 0.16% resulted in severe harm or death	50.77 0.18% resulted in severe harm 0.03% resulted in death [65]	Apr14–Sep14 Please note HSCIC change from 'per 100 admissions' to 'per 1000 bed days'	0.24 0.00% resulted in severe harm 0.00% resulted in death [65]	74.96 74.29% resulted in severe harm 8.57% resulted in death [65]	Incidents per 1000 bed days N/A 0.37% resulted in severe harm 0.12% resulted in death [65]	• Chelsea and Westminster Hospitals NHS FT considers that this data is as described • Chelsea and Westminster Hospital NHS FT intends to take the following actions to improve this indicator and the quality of its services: ensuring that standard operating procedures are in place and adhered to focusing on relevant numbers of staff on wards, etc.

[65] Apr14–Sep14

Part 3: Other information

Our performance

Our performance on key national priorities in 2014/15

The Trust met most of the national priority targets tracked by Monitor, the independent regulator of Foundation Trusts.

Table 10: Performance on key national priorities in 2014/15

Indicator	Performance 2013/14	Target 2014/15	Performance 2014/15
Incidence of *Clostridium difficile*	9	8	8
All cancers: 31-day wait from diagnosis to first treatment	98.6%	96%	99.7%
All cancers: 31-day wait for second or subsequent treatment: surgery	100%	94%	93.3% *
All cancers: 31-day wait for second or subsequent treatment: anti-cancer drug treatments	100%	98%	100.0%
All cancers: 62-day (urgent GP referral to treatment) wait for first treatment	92%	85%	90.4%
Cancer: two week wait from referral to date first seen comprising all cancers	95.9%	93%	95.0%
Referral to treatment waiting times <18 weeks—admitted**	91.0%	90%	86.0%
Before process improvements (Apr 2014—Nov 2014)			*83.5%*
After process improvements (Dec 2014—Mar 2015)			*91.6%*
Referral to treatment waiting times <18 weeks—non-admitted**	97.7%	95%	95.9%
Referral to treatment waiting times <18 weeks—Incompletes**	92.1%	92%	92.3%
A&E: Total time in A&E ≤4hrs	98.3%	95%	96.3%
Self-certification against compliance with requirements regarding access to healthcare for people with a learning disability	Compliant	Compliant	Non-Compliant

Notes

- All indicators in the above table are sourced from Trust's Access Dashboard with the exception of Incidence of *Clostridium difficile* which is sourced from the Trust's Patient Safety Dashboard; targets are national targets or have been set by DH
- For the Cancer indicators there may be a minimal variance with OpenExeter due to OpenExeter being updated in later months by other Trusts where patients have transferred to and or from this Trust

* All cancers: 31-day wait for second or subsequent treatment: surgery is showing lower than target but due to small numbers this is not reflected as a missed target nationally.

** Please see commentary directly below in relation to Referral to Treatment performance reporting.

Referral to Treatment performance reporting

The Trust assures the quality and accuracy of elective waiting time data through a combination of regular daily and weekly meetings to focus on elective waiting time data and review and sign-off procedures for performance data. The Trust has an advanced feed from the PAS system which is available throughout the Trust and updated daily. Divisional staff and the Information team regularly review a suite of reports including more advanced information for elective waiting times, including drill down to patient level information. Patient pathways are validated to ensure that the quality of the data is accurate and the Trust has taken part in a national validation programme focusing on waiting lists during 2014/15. The sign-off and review process includes review at Senior Operational Group, Trust Executive, Quality Committee and Trust Board.

In agreement with its Commissioners, the Trust undertook a series of initiatives in Quarter 2 and 3 to reduce the waiting list, and in particular a backlog of long waiting patients. This resulted in a planned breach of the admitted 18 week RTT target during the first three quarters of the year, shown in an average admitted performance of 83.5% from April to November. Following completion of the initiative, our performance is again above the 90% target at an average of 91.6% for December to March.

During Quarter 2 and 3, we identified a number of issues with 18 week RTT data quality, and put in place an action plan to address issues identified. This included engaging additional external support from NHS Interim Management And Support (IMAS) and Intensive Support Team (IST) to assure that we are doing the right things in terms of our approach to RTT compliance, and ultimately patient care. The IST undertook a deep dive review into the outpatient booking processes, elective inpatient admissions processes and the reporting at the Trust, in order to review accuracy of data and support sustainable delivery of the Referral to Treatment Standard and the recommendations arising have formed part of an action plan to improve internal processes, as well as the quality and accuracy of data.

These findings, together with the assurance work undertaken by Deloitte LLP in respect of the Quality Report 2014/15, have resulted in qualified conclusion on the accuracy of the reported 18 week Referral to Treatment incomplete pathway indicator. Due to the nature of the three RTT indicators, these findings also indicate related issues with the admitted and non-admitted indicators.

Although we have made progress through the significant amount of work undertaken over the second half of 2014/15 to review and improve systems and processes to improve the quality and accuracy of data, improving data quality remains an area of focus, with ongoing actions including:

- Introduce further improvements to the patient administration system to improve recording of the patient pathway.

- Audit data quality of key quality and performance indicators as part of the internal audit programme and standardise processes for routine local auditing of key indicators.

- Remind staff of data entry procedures, provide update training and refresh of national RTT guidance and the Trust's local access policy

In the medium term, the Trust plans to introduce a new Patient Administration System (PAS) which will provide an opportunity to embed data quality as we design policies and procedures for the new system, including greater use of automated data checks.

Our performance on local performance indicators

The table below sets out our performance on local quality indicators for 2014/15, grouped by the domains of Patient Safety, Clinical Effectiveness and Patient Experience. The data below reflects a data snapshot from the Trust's Quality Dashboard as at week ending 24/04/2015 unless otherwise stated. Detail on key measures and the actions being taken are then explored in more detail in the Quality performance indicators section on page 107.

Where possible we have sought to reconcile to these figures throughout the document to give a consistent 'point in time' view wherever these measures are discussed. At the same time we recognise that in some cases these figures have been subject to further movement as year-end figures are confirmed and validated. Where there have been significant changes since the data snapshot we have updated the figure and provided the source.

Table 11: Performance on local performance indicators

Subject	2010/11	2011/12	2012/13	2013/14	Target 2014/15	Performance 2014/15	Target 2015/16	Commentary and Notes on Data Sources
Patient Safety (INDICATORS ARE SOURCED FROM THE TRUST'S PATIENT SAFETY DASHBOARD UNLESS SPECIFIED)								
MRSA bacteraemia cases	6	2	1	5	0	0	0	MRSA policy to ensure all newly MRSA positive patients receive decolonisation treatment, and old MRSA patients who remain MRSA positive will have MRSA suppression therapy for the duration of their hospitalisation. Target as set by DH.
C.difficile cases	73	17	15	9	8	8	7	These targets are those set by the Department of Health; 7 shown within NWL CCG Quality Schedule.
Hand hygiene audit—% completion rates	89	94	96	91.1	100	87	100	All clinical areas (In and Outpatient) are required to complete hand hygiene audits ie completion target of 100%. Data sourced from final year-end analysis by Infection Control Team, week commencing 11 May 2015. See Infection Control on page 107 for more information on performance this year and how this shortfall against target is being addressed.
Hand hygiene—% compliance rates	85	94	95	96.5	98	97.3	>90	98% is an internal target.
Inpatient falls/occupied 1k bed days	-	3.19[66]	2.62	3.20	3	3.31	<3	This is an internal target.

[66] Cumulative rate reported at the end of 2011/12

Subject	2010/11	2011/12	2012/13	2013/14	Target 2014/15	Performance 2014/15	Target 2015/16	Commentary and Notes on Data Sources
Patient safety incident reporting rate—incidents per 100 admissions	7.1	6.6	6.7	7.2	8.5	7.63	8.5	The target is an internal benchmark
Number and rate of patient safety incidents reported within Trust (number per 100 admissions)	-	Num= 4,998 Rate = 6.5	Num= 5,162 Rate = 6.7	Num= 5,133 Rate = 6.76	8.5	Num= 5,777 Rate= 7.57	>8.5	The target is an internal benchmark
Number of patient safety incidents resulting in severe harm or death and % of total incidents	-	2 (0.04% of total incidents)	3 (0.06% of total incidents)	1 (0.02% of total incidents)	0	1167 (0.16% of total incidents)	0	The target is an internal benchmark. See 'Learning from mistakes to improve safety' on page 113 for more information on 2014/15 performance and how this is being addressed
Never Events	0	5	3	2	0	0	0	N/A
% of adult inpatient (excluding maternity) observation charts scored accurately (CEWS/S)	81	89	Not measured	Not measured	N/A	N/A	N/A	N/A
Resuscitation calls (cardiac arrest) due to failure to escalate	-	7	2	1	1	3	1	Sourced from Trust's portal—individual KPI; The target is an internal benchmark
% patients with International Normalised Ratio (INR) less than 5	97	97	97	97	N/A	N/A	N/A	Sourced from Trust's portal—individual KPI
Hospital acquired preventable cases of venous thromboembolism (VTE)	-	10[68]	13	5	7	869	0	The target is an internal benchmark; Our ultimate target will remain as zero and we plan to reduce our number of cases by a further 25% in 2015/16 as part of our aim to have no hospital associated preventable VTE events
Clinical Effectiveness (INDICATORS SOURCED FROM THE TRUST'S CLINICAL EFFECTIVENESS DASHBOARD UNLESS SPECIFIED)								

[67] Updated to reflect final validated full-year position based on updates from Service Leads 22 May 2015 (initial end of year position per review draft of Quality Account was 9 incidents)

[68] 7 months data

[69] Updated to reflect final validated full-year position based on updates from Service Leads 22 May 2015 (initial end of year position per review draft of Quality Account was 6 cases)

Subject	2010/11	2011/12	2012/13	2013/14	Target 2014/15	Performance 2014/15	Target 2015/16	Commentary and Notes on Data Sources
Mortality (Hospital Standardised Mortality Indicator—HSMR)	85	79	83	73%[70]	Top 10%[71]	88.2	Top 10%[71]	Sourced from Trust's Patient Safety Dashboard; Target to remain in 'Lower than expected banding' and top 10% in England
% urgent surgery cases operated on within 24 hours of booking	99[72]	95	98	96.2	100	94.8	95.0	While we will always work towards a target of 100% we have set ourselves a tolerance limit of greater than or equal to 90%. There is no national definition for this indicator
% expedited surgery cases operated on within 4 days of booking	95[72]	99	100	99.9	100	N/A	100	While we will always work towards a target of 100% we have set ourselves a tolerance limit of greater than or equal to 90%. There is no national definition for this indicator
Urinary catheters continuing care—% compliance with Care bundles	-	92	92	92.9	95	9673	95.0	We aim to reach 95%
Central line continuing care—% compliance with Care bundles	-	90	94	96.6	95	9874	95.0	We continue to work towards achieving 100% compliance having made much progress this year.
Peripheral line continuing care—% compliance with Care bundles	-	86	80	85.1	95	8775	95.0	We continue to aim high in line with the other continuing care indicators
Numbers of hospital pressure ulcers—grade 2	120	47	70	79	59	109	1	

[70] Dr Foster Jul 12 to Jun 13
[71] Of all non-specialist acute providers with the lowest HSMR
[72] Average Nov 10 to Mar 11
[73] Based on analysis of final year position by Infection Control Team, week ending 15 May 2015 (initial end of year position per review draft of Quality Account was 93.2%)
[74] Based on analysis of final year position by Infection Control Team, week ending 15 May 2015 (initial end of year position per review draft of Quality Account was 99.1%)
[75] Based on analysis of final year position by Infection Control Team, week ending 15 May 2015 (initial end of year position per review draft of Quality Account was 84.9%)

Subject	2010/11	2011/12	2012/13	2013/14	Target 2014/15	Performance 2014/15	Target 2015/16	Commentary and Notes on Data Sources
Numbers ulcers—grade 3	58 (grades 3 & 4)	31 (grades 3 & 4)	38 (grades 3 & 4)	11	8	1876 (grades 3 & 4)	<3.6	Sourced from Trust's Patient Safety Dashboard; Prior to 2013/14 Pressure ulcers grades 3 and 4 were reported together, so previous years' figures reflect this. In 2013/14 we decided to monitor and report these separately; we have since reverted back Please see 'Priorities for improvement' on page 63 for more information on our 2014/15 performance and the actions we are taking to improve this as a Quality Account Priority for 2015/16
Numbers of hospital pressure ulcers—grade 4	-	-	-	2	0	See above	See above	See above
Numbers of hospital pressure ulcers—unstageable	-	-	-	26	20	29	20	The target is an internal benchmark
% patients nutritionally screened on admission	80	95	85	91.7	90	80.2	90.0	The target is an internal benchmark
% patients in longer than a week who are nutritionally rescreened	30	60	71	78.4	90	66.8	90.0	The target is an internal benchmark
Patient Experience (INDICATORS SOURCED FROM THE TRUST'S PATIENT EXPERIENCE DASHBOARD, WITH THE EXCEPTION OF COMPLAINTS DATA[77])								
% complaints reopened	9	4	5	4	N/A	7	<5%	There is no national definition for this indicator. These are consistently low numbers and we will report performance monthly; the target is an internal benchmark.
Complaints upheld by the Ombudsman (PHSO)	-	0	0	3	1	4 partially upheld	0	All complaints upheld by the Ombudsmen will be monitored and reported. For 2013/14, we started monitoring the number of complaints referred to the Ombudsman. In addition to 4 partially upheld, 3 were not upheld and 0 complaints were fully upheld.
No of complaints referred to Ombudsman	-	-	-	10	7	8	N/A	1 complaint referred relates to FY 2014/15. Remaining 7 are for previous years, 2011-2014 inclusive.

[76] Updated based on analysis of final year position by Tissue Viability Team, week ending 15 May 2015 (initial end of year position per review draft of Quality Account was 17)

[77] 2014/15 Complaints Data is as provided by the Trust Complaints Team, and reflects year end position as calculated week ending 22 May 2015

Subject	2010/11	2011/12	2012/13	2013/14	Target 2014/15	Performance 2014/15	Target 2015/16	Commentary and Notes on Data Sources
% Complaints responded to within target time (formal complaints responded to in 25 working days)	83	80	81	82.2	N/A	70	90	We will monitor the initial contact with complainants. We monitor performance every week and month and we will be relentless in our focus on experience and feedback.
Complaints (type 1 and type 2)—communication	260	198	179	227	Personal: 90 Comms Process: 90[78]	258	To be set via Patient Experience Group	
Complaints (type 1 and type 2)—discharge	108	49	34	23	N/A	27	To be set via Patient Experience Group	
Complaints (type 1 and type 2)—attitude and behaviour	-	-	-	176	120	243	To be set via Patient Experience Group	We will continue to report performance on these concerns and complaints and we will be relentless in our focus on experience and feedback.
PLACE Scores—Cleanliness	-	-	-	95.36%	97.25	98.96	-	Patient-Led Assessments of the Care Environment (PLACE) are a self-assessment of a range of non-clinical services which contribute to the environment in which healthcare is delivered. These assessments were introduced in April 2013 to replace the former Patient Environment Action Team (PEAT) assessments. The aim of PLACE assessments is to provide a snapshot of how an organisation is performing against a range of non-clinical activities which impact on the patient experience of care—cleanliness; the condition, appearance and maintenance of healthcare premises; the extent to which the environment supports the delivery of care with privacy and dignity; and the quality and availability of food and drink. Changes in the forthcoming 2015 assessment: dementia elements will be scored and the final score will also be provided on a ward/departmental basis. (please note targets for 2014/15 are the national average figures)
PLACE Scores—Food & Hydration	-	-	-	82.92%	88.79	93.38	-	
PLACE Scores—Privacy, Dignity & Wellbeing	-	-	-	90.72%	87.73	95.43	-	
PLACE Scores—Condition Appearance & Maintenance	-	-	-	88.27%	91.97	93.28	-	

[78] Target broken down into two individual areas

Review of quality performance

How the Trust identifies local improvement priorities

We are committed to understanding and responding to what our patients tell us about their experiences of care at the Trust and there are several ways in which we actively seek the views of our stakeholders to determine our priorities for quality improvement.

As a Foundation Trust, we have the benefit of a well-established and active Council of Governors. The Council represents the views of patients, public and staff to ensure that their views and experiences are heard. Governors hold frequent 'Meet a Governor' sessions for this purpose. Governors also take part in senior nurse and midwife clinical rounds to find out for themselves how care is delivered to patients. When things are not right they make a note of them and check to see what progress has been made to rectify them at subsequent visits. In their role as a critical friend the governors are consulted on many aspects of the hospital's activities and may participate in the work of teams set up to carry forward particular projects. The perspective they bring is invaluable.

The Council of Governors Quality Sub-Committee is an important source of views and feedback and has a specific remit to help identify priorities for quality and members advise on the content and focus of the Quality Account and plans for quality improvement.

Governors on the Quality Sub Committee oversee our Quality Priorities and Quality Indicators and a governor member sits on both the Patient Experience Committee and the Staff Experience Committee.

Members of the Council of Governors Quality Sub Committee include patients, a representative from Healthwatch Central West London and our commissioners (CWHH). They not only feedback the experiences of those they represent in and outside meetings, but also their own, where relevant. They have also contributed to the discussions on our Quality Account priorities for 2015/16 and chosen their own quality indicator which will be audited by external auditors.

We seek clinicians' and managers' views via the Quality Committee of the Trust Board. And we take an inclusive approach to business planning, ensuring that all staff have the opportunity to be involved in the process. The feedback from open meetings with staff and governors during business planning is considered in the content of the Quality Account.

We actively look at complaints, incidents and feedback from service users to identify trends and areas where we can improve our services.

The various patient forums in the Trust influence how we design and deliver our services with an emphasis on quality. They represent specific areas and include the Patient Led Assessment of the Care Environment (PLACE) HIV Patient Forum, the Joint Research Committees, Bariatric Patient Support, the Stroke Forum, the Ex-Intensive Care Unit Patients Forum and the Learning Disabilities Steering Group.

Quality performance indicators

This section provides an explanation about some of our key quality performance indicators. So we have grouped some of the key the indicators we measure into themes here and described how they contribute to quality.

Two groups of indicators are mandated by the Department of Health and our regulator Monitor—and one group we measure is local to our patient needs. We select our local indicators for monitoring to look at care that we consider important for us to measure in detail.

Care Quality Commission (CQC) visits and assessments

In July 2014 we had our CQC inspection, our first of the new style inspections, with 40 inspectors attending the Trust for 4 days. They visited all areas of the Trust to speak to staff and patients, as well as undertaking a robust interrogation of our data and policies. Listening events were held for staff and patient groups.

Our final report was received in October 2014 and the overall findings are shown in the table below.

Table 12: High level summary of CQC findings, October 2014

Urgent and Emergency Services	Requires Improvement
Medical Care	Requires Improvement
Surgery	Requires Improvement
Critical Care	Good
Maternity & Gynaecology	Good
Services for Children and Young People	Requires Improvement
End of Life Care	Requires Improvement
Outpatients and Diagnostic Imaging	Requires Improvement
HIV and sexual health services	Outstanding
Overall Finding	Requires Improvement

As a result of this, an action plan has been developed and implemented. Our aim has been to complete all the actions that can be completed at this stage, by the end of March 2015. There are a small number of exceptions to this—which need to be addressed over a longer period. These include:

- Emergency Department environment being addressed through the Trust's current Emergency Department build, which has commenced and will conclude in 2016
- medical staffing for the Emergency Department, in line with the above
- addressing recommendations in relation to electronic medical record as part of the Electronic Patient record (EPR) being delivered as part of the WMUH integration
- integration with mental health services through placement of patients with Central North West London NHS Foundation Trust.

We subsequently held a peer review exercise in early April 2015, and are awaiting the results at the time of writing.

Infection control

Patients are more vulnerable to infection when they are in hospital and reducing the risk of this is a top priority for us. There are some healthcare associated infections that we have a

statutory responsibility to report on. These include *Methicillin Resistant Staphylococcus Aureus* (MRSA)) bacteraemia and *Clostridium difficile* (*C.difficile* or *C.diff*).

The Department of Health sets targets to reduce the number of new cases of these infections each year. Whenever a patient becomes infected, we complete a detailed review to find out how it happened and see what changes to our practice we may need to make.

Last year the Department of Health MRSA target was for zero hospital cases. We had zero cases and next year we aim to have zero. The equivalent target for *C.difficile* was for a maximum of eight hospital cases. We had eight cases and aim to achieve the Department of Health target of less than seven cases next year. We have shown that we can reduce the incidence of these infections by good infection prevention and control, making sure that everyone is involved in this.

Table 13: Number of instances of MRSA and *Clostridium difficile*

Target Organisms	Number of cases
MRSA	0
Clostridium difficile	8

Thorough hand washing and good practice around the use of intravenous lines can help reduce the risk of infection. We train all our staff on hand hygiene and monitor compliance with this every month. Results are recorded in our online data management system, and all the information passed on to the Infection Prevention and Control Committee.

The completion rate for the monthly audit in 2014/15 was 87%. We want to achieve 100%. We will be looking to improve this compliance by making sure all areas have trained auditors around and by improving the timeliness of our reporting. We aim for 95% compliance with standards across all clinical areas. Our compliance rate for 2014/15 was 97%.

Another initiative that we have continued this year which has had an impact on improving practice is the Saving Lives Care 'Bundles' which were designed by the Department of Health (DH) in 2007. These are audit tools that are used to monitor the effective management of intravenous lines and urinary catheters. The use of each care bundle is checked regularly and the results are reported to the Infection Prevention and Control Committee and clinical divisions.

Table 14: Compliance with Invasive device care bundles

Invasive Device Care Bundle	What is this?	Compliance for 2014/15
Peripheral venous catheters (PVC)	Tubes placed in smaller veins, and often referred to as a drip	87%
Central venous catheters (CVC)	Small tubes or catheters placed in large veins in the neck, chest, or groin	98%
Urinary catheters (UC)	Tubes inserted into the bladder to help a person to pass urine.	96%
Paediatric PVC	Tubes placed in smaller veins, and often referred to as a drip (for children)	81%
Paediatric CVC	Small tubes or catheters placed in large veins in the neck, chest, or groin (for children)	99%

Compliance with the PVC target is below target due to lapses in documentation, most commonly in the medical notes. An IV taskforce group has been set up in part to improve performance against this target.

What has gone well this year?

The Trust has invested in specialist software called ICNet designed to specifically help the Infection Control Team manage the infections around the hospital. This will be live from July 2015.

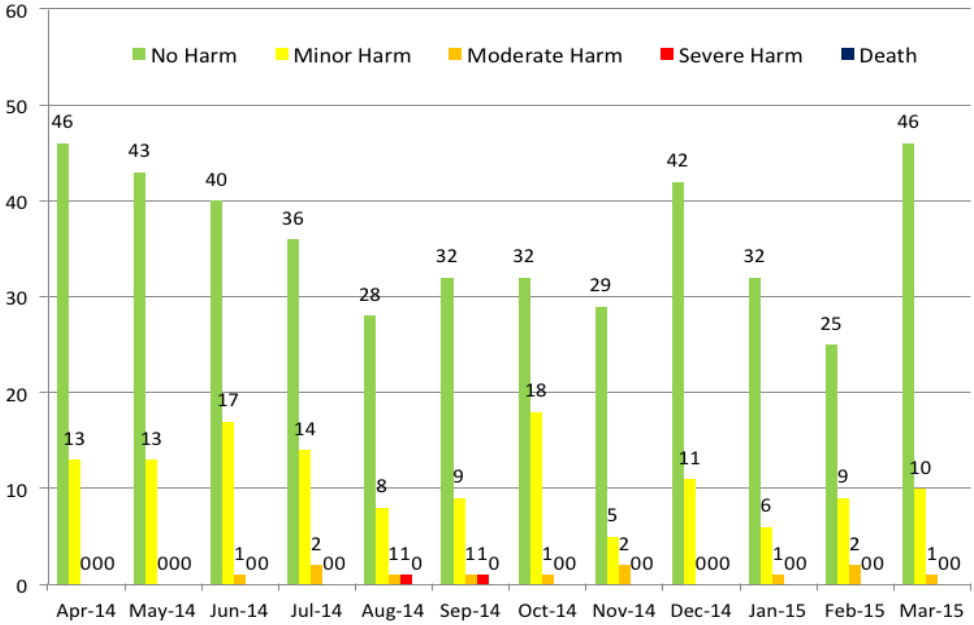
The Emergency Planning Officer has rolled out training for key staff including the Infection Control Team on how to safely put on and remove personal protective equipment (PPE) when suspected or confirmed cases of Ebola enter our hospital.

The Team have introduced '*C.diff* 'packs to improve ward staff compliance with the Trust *Clostridium difficile* policy. This ensures that patients with diarrhoea are medically assessed at an early stage. This also appears to have reduced the number of inappropriate specimens sent for testing in the lab and as such has contributed to reducing the number of *C.diff* cases helping us to achieve our target.

Trips, slips and falls

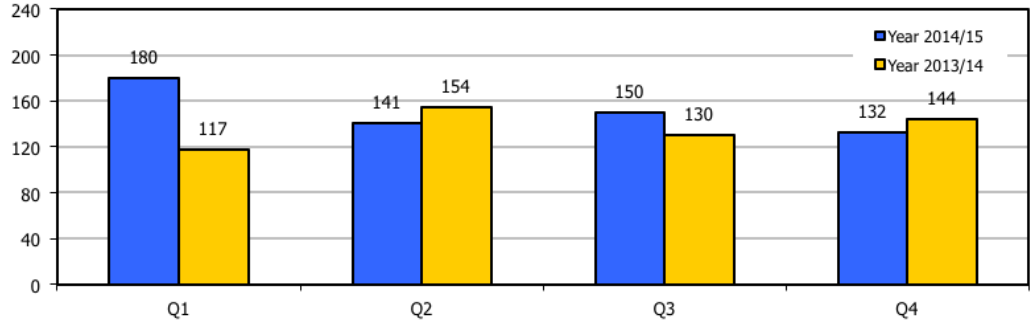
A fall is the main cause of death from injury among the over-75s in the UK and can lead to loss of confidence and social isolation. Falls cost the NHS £2.3 billion a year. Inpatient falls are measured per occupied 1,000 bed days**.** Our target against this measure was 3 and we achieved 3.31. It remains an ongoing priority for us to continue to reduce the number of falls, particularly those that cause harm.

Figure 2: Patient Falls by Month by Degree of Harm, April 2014–March 2015



Some of the risk factors for falls can be modified, and all patients who have had a fall are assessed for their risk of a subsequent fall and a care plan put in place. Both the risk assessment and care plan are electronic and readily available to patients, their carer's and all staff caring for the patient at the bedside.

Figure 3: Comparison of falls by quarter, 2013/14–2014/15



A Preventing Harm Group is in place and comprises of a multidisciplinary clinical and non-clinical team. This group regularly monitors falls, ensures audit and oversees the process that patients are assessed for their risk of falls.

The group have secured equipment such as low beds and falls alarms and made recommendations about changes in practice to reduce both the number and impact of falls.

Recognising and responding to clinical deterioration

The **National Early Warning Score (NEWS)** was introduced as a pilot in January 2013 on two wards. Following evaluation and adjustment it was rolled out across all adult inpatient areas with the exception of Maternity and Burns units later that year.

In line with NHS recommendations and to move towards a 'common language' the NEWS assists ward based staff to recognise deterioration in a patient's condition, and to escalate and respond appropriately to deteriorating patients in a safe and consistent way. To improve the communication of deterioration between health care professionals the SBAR (Situation, Background, Assessment, Recommendations) communication tool was also introduced. This aims to promote a common language for communicating concerns, improve the transfer of clinical care by better handover of information.

An audit was undertaken was to measure the accuracy of the NEWS two months after the change from a previous system and assess adherence to the clinical escalation protocol. A second audit was conducted eight months post rollout by the Critical Care Outreach Team (CCOT). The table below shows the improvement of the accuracy of NEWS scoring from 77% to 90%.

Table 15: Comparison of NEWS accuracy from 2013 and 2014 audits

Comparison of news observations performed correctly								
SEPTEMBER 2013 2 months post roll out of NEWS				MAY 2014 8 months post rollout				OVERALL
Number of patients episodes	All NEWS correct %	day accuracy %	night accuracy %	Number of patients episodes	All NEWS correct %	day accuracy %	night accuracy %	% +/-
438	77	74	81	438	90	88	93	+ 13
Overall 13% improvement in performing news observations with all elements performed correctly								

Failure to calculate NEWS scores accurately and or failure to escalate promptly or to the appropriate teams

Over the last two years the number of adult inpatient cases where there has perceived to be a failure of either of the above criteria remains static at 18 cases per year excluding maternity and paediatrics. We are taking the following steps to improve this:

- Recognition training: Ongoing multi-professional training with the acute life threatening emergencies and recognition course (ALERT) and Bedside emergency assessment course (BEACH) for health care and maternity support workers
- Ongoing local NEWS training for ward areas
- Development of innovative acute care course using sequential simulation for ward-based nursing teams to address communication and confidence issues amongst nursing and health care support workers
- Development and trial of e-observation charting system

Improving tracheostomy care in adults

With the introduction of the NCEPOD report (2014) “On the Right Trach?” we have reviewed the recommendations of the report and have instigated the following:

- Reconvened a short life multi-professional tracheostomy working group to improve care of the adult with a tracheostomy.
- Reviewed all tracheostomy related incidents during 2014 and identified gaps and learning
- Updated and enhanced current core competencies for nurses managing tracheostomies for ward-based patients
- Critical care outreach team continue to deliver local ward based training for nurses as required
- Utilised the information and posters supplied by trachestomy.org.uk
- Reviewed and updated the adult tracheostomy guidelines
- Reinstated the tracheostomy study day for ward nurses
- The nurse consultant is reviewing the feasibility of training suitable health care assistants from the stroke ward to provide tracheostomy care and support to long term patients

Pressure ulcers

The Quality Targets for the Trust aim to support a reduction in the number of hospital acquired pressure ulcer (HAPU). The aim for the year was to have no more than 59 Grade 2 hospital HAPUs and only 8 Grade 3 HAPUs.

During 2014/15 there were 155 reported incidents of hospital acquired pressure ulcers. During the same period 491 incidents of admitted with pre-existing pressure ulcers were also reported.

Table 16: Pressure ulcers by grade 2014/15

	Grade 2	Grade 3	Grade 4	Unstageable/ Unclassified	TOTAL
Community Acquired	304	84	26	77	**491**
Acquired during hospital admission	109	17	1	29	**156**
TOTAL	**413**	**101**	**27**	**106**	**647**

We report all pressure ulcers, including those that are developed under a medical device.

All significant hospital acquired pressure ulcers (grade 3, 4 or 'unstageable') are investigated to try and establish and identify a root cause where there is one. We also review whether we think we did everything we could to avoid the pressure ulcer, and of the 47 incidents 18 were found to be unavoidable, 18 avoidable and the remaining 11 are still to be reviewed by the Trust's pressure ulcer standing panel.

Progress this year

We continue to work to reduce the incidents of harm for patients from pressure ulcers though we have some way to go to achieve our objective in significantly reducing pressure ulcer harm.

During 2014/15 the "Push off Pressure—POP" project was completed on our Acute Assessment Unit. This has seen an improvement in identifying pressure ulceration present on admission. In addition changes in equipment have been initiated as there had been a cluster of pressure ulcers as a consequence of facemasks and oxygen tubing, these changes have demonstrated positive results so far with no more incidents of mask/oxygen tubing pressure ulcers being reported.

We have now launched a further project on Lord Wigram ward to address the incidents of pressure ulcers associated with orthopaedic patients.

The Trust's Preventing Harm Group is developing a newsletter to share learning and themes from completed reviews to ensure that staff are aware of good practice.

Good nutrition

The average estimated prevalence of malnutrition among patients admitted to hospital is 28%, and evidence shows this number increases by 5% once a patient has been an inpatient for seven days, or longer. Good nutrition is therefore important for patient safety, clinical effectiveness, and the patient experience. To make sure that patients are eating properly, we provide screening for malnutrition within 24 hours of admission, and weekly thereafter, and then put in place nutritional care for any who are already malnourished or at risk of being so.

Nutritional screening is completed on the Electronic patient record (EPR) and the nutritional data is linked to the EPR and bed census so the Nutritional Care Plan follows the patient and is visible to all medical, nursing and catering staff. Most adult wards now have electronic screens for ward kitchens to display an up-to-the-minute accurate nutritional score, status and nutritional requirements for each patient.

If the patient is moved to another area within the Trust, the Nutritional Care Plan follows the patient and is visible to all medical, nursing and catering staff. Once the ward clerk

updates the bed census, the screens update themselves every three minutes. These screens have allowed for a constant live communication system that is constantly updated to ensure the Nutritional Care Plan is clearly outlined for all at-risk patients. This is beneficial to all invested parties to improve not only patient safety (ensuring patients are receiving all aspects of the nutritional care pathway to prevent malnutrition) but also patient experience in receiving additional snacks, cooked breakfasts and nutritional supplements as promised by staff.

The nutritional care we provide is fully integrated; involving dieticians, ward and catering staff, and extends right through to discharge with various types of support provided. The number of patients who are screened within 24 hours of admission to within target, average for YTD 79.6%—range from 55.3% to 89.6%(our target is 90%), and those who are rescreened within a week, average 68.2%—range from 56.5% to 82.4% (target is 90%). These figures reflect a slight reduction on compliance from last year, so we will be working hard to improve these figures over the coming year, as we realise that good nutrition for patients is a fundamental element in providing excellent patient care

Learning from mistakes to improve safety

Our approach to reporting incidents or near misses

When things go wrong, or incidents are narrowly avoided, we need to find out why it happened so that we can take steps to avoid a recurrence and make the Trust an even safer environment for patients and staff. But we can only do that if we know about the things that might cause problems. That's why staff are constantly encouraged to report all mistakes (incidents) promptly, however minor they may seem. We believe it is just as important to know about the things that nearly happened as about those that did, and therefore we encourage the reporting of 'near misses' as well as 'actual' incidents.

The evidence shows that teams, departments, and organisations that report more safety incidents are more willing to learn from their mistakes and to promote a culture where patient and staff safety is a high priority. A reporting culture indicates an open and healthy organisation.

The number of patients treated at the hospital varies from day to day so rather than simply measuring the number of incidents reported we compare this figure with the proportion of patients treated to arrive at the incident reporting rate. This is a measure of the rates of patient safety incidents per 100 admissions at the hospital.

Experience in other industries shows that as an organisation's reporting culture becomes established, staff become more likely to report incidents. But we know that not all incidents are reported, particularly those regarded as trivial, so we constantly remind staff about the importance of reporting anything that could or did go wrong and encourage them to tell us about it.

It should be second nature for staff to report incidents (including those that led to no harm or that were 'near misses') as they have confidence in the investigation process and understand the value of reporting and learning from incidents.

We look at trends in all incidents but investigate the more serious ones (or those that could have been serious) in more detail using Root Cause Analysis, a way of understanding

what went wrong. One of our objectives for 2015/16 is to continue to improve the speed at which we complete these investigations.

We make every effort to ensure that information relating to incidents reported is accessible, making sure that staff see how their incident reports are being used to improve patient safety and that patients and staff involved in incidents are treated fairly.

Our performance during 2014/15

Proportionately, the Chelsea and Westminster Hospital have more incidents leading to 'no harm' (81.3%) to patients that those within our cluster of acute trusts report (73.7%). Similarly, there are fewer incidents leading to severe harm or death at Chelsea and Westminster (0.2%) when compared to the same proportion in all Acute Trusts (0.5%).

Please see the table and chart below for the number and rate of patient safety incidents resulting in harm or death.

Figure 4: Percentage of patient safety incidents reported by degree of harm, comparing Chelsea and Westminster with acute non-specialist trusts based on NRLS comparison reporting, which was based on the 6 month period, 1st April–30th September 2014

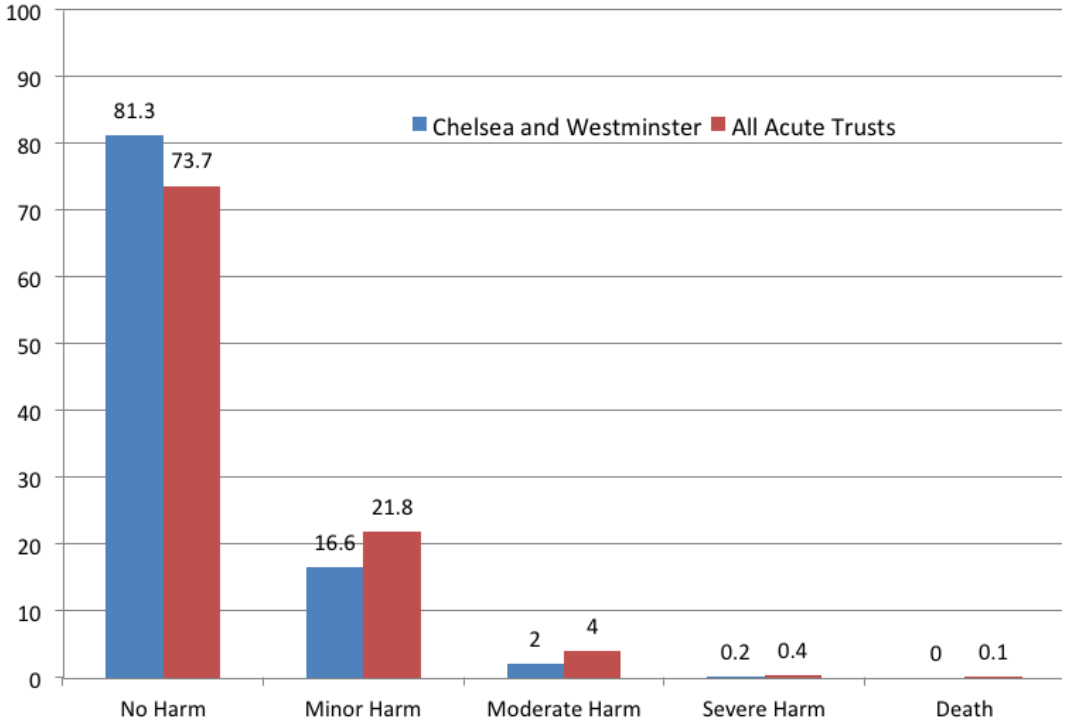


Table 17: Number & Percentage of Patient safety incidents reported by degree of harm based on NRLS comparison reporting, which was based on the 6 month period, 1st April–30th September 2014

	No Harm		Low Harm		Moderate Harm		Severe Harm		Death	
Chelsea and Westminster Hospital	n°	%	n°	%	n°	%	n°	%	n°	%
	2,694	81.3	549	16.6	65	2	6	0.2	1	0

Notwithstanding this, we are committed to reducing the number of serious incidents across the Trust. This includes reducing the number of incidents resulting in serious harm or death, for which our final year figure is 11 for 2014/15, an increase on the previous year. Our processes and the key actions we are taking are set out in the rest of this section.

How we respond to incidents and near misses

'Evidence tells us that in complex healthcare systems things will, and do, go wrong, no matter how dedicated and professional the staff. When things go wrong, patients are at risk of harm and there can be devastating emotional and physical consequences for patients and their families. For the staff involved too, incidents can be distressing, while members of their clinical teams can become demoralised and disaffected.' (National Patient Safety Agency, 2004)

Reporting incidents is essential but even more important is how we respond to and learn from them and that includes ensuring that changes happen to improve services for patients.

All incidents reported as resulting in moderate or severe harm, or death, are fully investigated and final classification may later be altered, depending on the outcome of the investigation. It is rare that a death or severe harm incident is confirmed as avoidable and the outcome of an error.

The response to and learning from incidents is crucial. We feel that it is vital to both report and learn from incidents locally within teams, departments and divisions, and also across the organisation. Trends and themes are identified from reported incidents leading to, for example, the agreement of local changes in practice, provision of training or the strengthening of guidelines for safer practice. This helps teams to prevent the same type of incidents happening again locally or elsewhere.

Analysis of reported incidents in all departments relating to both safety and staff issues is shared via newsletters, reports and local action plans to ensure that lessons are learnt, solutions applied and we make changes.

Local action plans help our teams to develop a 'memory'—or a record—of changes that have been introduced or recommended, and actions taken to implement or work towards implementing safer systems.

With respect to the timely reporting and investigation of serious incidents, during 2014/15 we reviewed and revised our serious incident escalation, reporting and investigation processes, and have taken account of the regulatory requirements of the Duty of Candour.

The multidisciplinary attendees at the Trust's Risk Management Group, the Preventing Harm Group and the Health and Safety Group meets monthly and reviews incidents—those leading to actual harm and also no harm incidents.

These governance arrangements helps us to continue to protect our patients, staff and visitors from avoidable harm by ensuring that there are opportunities to review patterns and learn from incidents, particularly those where things go wrong. These groups use incidents reported by staff members to identify and take action to address emerging patterns and reduce the risk of harm. As a result, strategies are developed, which result in changes to practice, redesigned systems and processes to promote safety.

Duty of Candour

The Trust welcomed the Statutory Duty of Candour, which came into force in November 2014, and complimented our existing 'Being Open' policy and practices in relation to informing patients of mistakes which have led to significant harm or death.

This new duty emphasises the need for patient safety incidents to be investigated using a robust methodology; for investigation reports to be evidentially sound, accessible and focused on producing actionable and reasonable recommendations.

Candour is defined in Robert Francis' report as: "The volunteering of all relevant information to persons who have or may have been harmed by the provision of services, whether or not the information has been requested and whether or not a complaint or a report about that provision has been made."

The Duty of Candour is a legal duty on all hospital, community and mental health trusts. It aims to help ensure that patients receive accurate, truthful information about incidents which may have led to harm. The facts and outcome of investigations related to any incident helps patients understand what has happened to them and also assists staff in continually improving care, effectiveness and service delivery.

Table 18: Duty of Candour—the key elements

What is candour? • Recognising when an incident occurs that impacts on a patient in terms of harm • Notifying the patient something has occurred • Apologising to the patient • Supporting the patient further • Following up with the patient as investigations evolve • Documenting the above discussions and steps	**What triggers the statutory duty of candour** • The death of a patient when due to treatment received or not received (not just an underlying condition) • Severe harm—in essence permanent serious injury as a result of care provided • Moderate harm—in essence non-permanent serious injury or prolonged psychological harm
When might it arise? • While the patient is an inpatient, ie at the "bedside" • When a patient is back at home following discharge or via community based care • Following a patient's death	**What does candour look like?** • Open discussions between the patient and Trust staff when things go wrong • Recognition by staff that open conversations must take place at an early stage • Reduction in defensive approaches to information sharing about incidents in relation to the patient in question • Engaging the patient with the outcome of investigations; and • An apology in relation to the incident

Priorities for 2015/16 in relation to the Duty of Candour include ensuring that staff understand the incident reporting process and accurately and promptly report when an incident occurs, that staff understand what it means to be open and their role within the Trust's Duty of Candour regulatory requirements, and that staff are trained and supported on how to share information with patients when things go wrong.

When something has gone wrong, this can be devastating to the staff involved, therefore the Trust will also be undertaking work in 2015/16 to ensure that adequate support is available for staff members and that this is proactively provided/available to them.

Never Events

Never Events are a subset of Serious Incidents and are defined as 'serious, largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented by healthcare providers'.

The list of Never Events published by the NHS England in 2013/14 consists of 25 types of events or categories and includes incidents such as surgery on the wrong part of the body or surgical instruments or swabs being left in the body after a procedure.

There were no never events at Chelsea and Westminster in 2014/15 (two were reported in 2013/14).

Like other serious incidents, these events are always explained to patients along with an offer of appropriate support, a full apology is given and the incident is thoroughly investigated with a report back to the patient.

In all high-risk activities, variation—in processes, protocols, technical language, training and team member status—leads to uncertainty and increases opportunity for error.

We have therefore continued to focus on developing reliable and resilient systems in order to reduce variation, promote the development of safe and cohesive teams, and supporting the exercise of clinical leadership and responsibility.

We are using our clinical simulation suite to focus on the human factors element of changing behaviours and habits in relation to safe practice, looking at how things work and how we can be confident that they do, in order to ensure that Never Events cannot happen.

The Chelsea and Westminster's response to incident reporting and investigation is open and inclusive. We value learning from staff, patients, carers, external stakeholders and respond to problems positively, encouraging questioning and challenge, to ensure that we continually learn from our mistakes.

(1)The never events list; 2013/14 update, 2013*, NHS England, Patient Safety Domain Team, NHS England website*

PALS and complaints

The Patient Advice and Liaison Service (PALS) and complaints teams manage all comments, plaudits and complaints that come into the Trust.

PALS

This section highlights issues raised by service users who have contacted the PALS team either to raise a concern about a service, request information, advice, or to praise a service.

The total number of informal complaints (Type 1) for year 2014/15 was **1,034**. This compares to **761** for year 2013/14.

In 2014/15:

- We received 505 compliments—the majority of compliments were forwarded by the staff members for log
- 67% of PALS complaints were answered within 10 working days, 70% of complaints were acknowledged within two working days by the department investigating.

The top 3 complaints received in 2014/15 related to:

- Appointments, delay/cancellation (outpatient)—**313**; in 2013/14—**176**
- Attitude of staff—**161**; in 2013/14—**93**
- Communication/information to patients (written and oral)—**189**; in 2013/14—**141**

There was an increase in concerns throughout the Trust in 2014/15. The most frequent concerns related to staff attitude, communication along with appointments cancellation or long waiting times for outpatient appointment. These issues remain consistent each year with slow tracking on actual improvement. Many of our patients that report to us directly expressed their dissatisfaction with lack of the Appointments Office for patients' access; it makes it harder to book/cancel an appointment. Patients also reported difficulties with calling the clinics as all phone calls are diverted to the Appointment Office.

Overall feedback demonstrates two main points.

- Patients felt that it was very difficult to call anyone within the hospital as the telephones were and currently are not answered or diverted to the answer machines.
- Patients were not happy with the long queues when calling the Appointments line.

In the last year there has been an overall increase in concerns related to staff attitude/behaviour. All concerns were sent to the appropriate managers for follow up with staffs involved ensuring cases were dealt with responsibly and to ensure the problem does not re-occur.

PALS has been working with Trust staff to highlight the need for local resolution, and re-skilling staff to take ownership of patient's complaints before sending patients to PALS. PALS has distributed posters across the outpatient clinics with information about resolving concerns locally. This should raise (not only patients but also staff members) awareness of the correct process.

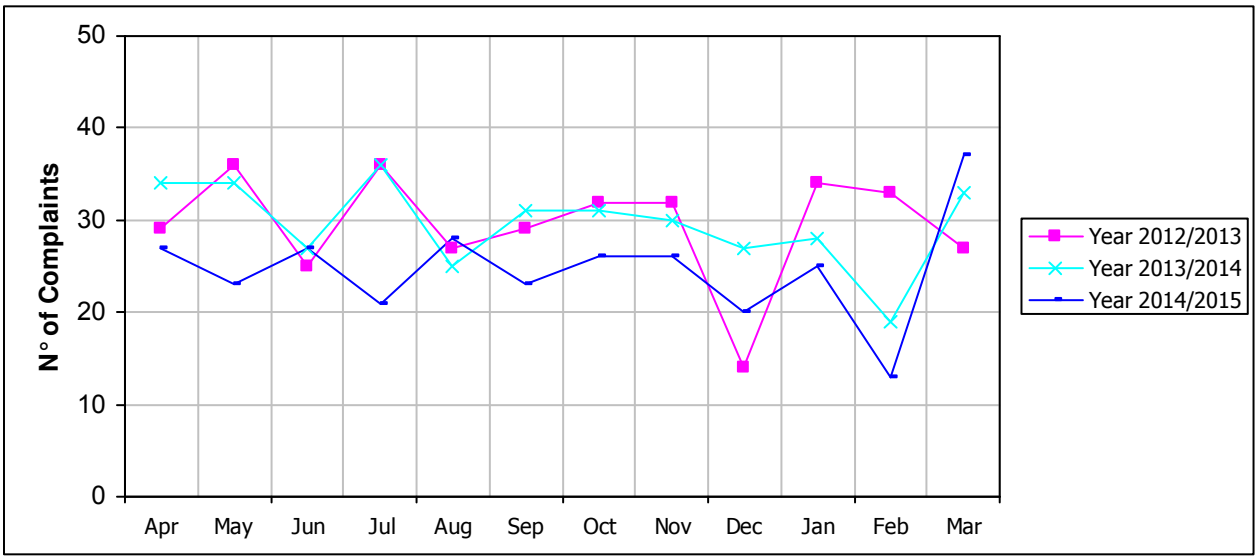
There is huge opportunity to improve and in particular in answering patients concerns in 'real time'. PALS works with Divisions to encourage a reduction of length of time to respond to patients. Such example can be demonstrated where by large number of patients had to wait several weeks for a response to an informal issue that should have been resolved locally in a timely manner.

Formal complaints

The Complaints Team manages all formal complaints. These provide an important mechanism by which we can assess the quality of service we provide; Trust wide initiatives have incorporated the learning from complaints to inform service development. The total number of formal complaints for year 2014/15 is 299; 294 type 2 complaints, five

type 3 complaints. This is consistent with the number of formal complaints received in the previous two years, 356 for year 2013/14 and 377 for year 2012/13.

Figure 5: Type 2 Complaints Received between April 2012 and March2014



Our performance target stipulates that complaints should be acknowledged in three working days and that a response should be provided within 25 working days or within a timescale agreed between the Trust and the complainant. While all the complaints have been acknowledged in three working days, the performance for response times has been very disappointing. Of the Type 2 concerns received 70% were responded to and resolved by the Directorates within 25 days.

A summary of the breaches relating to each division is sent to the Trust's Executive Team every week for discussion with the Divisional Directors. The Divisional Directors are expected to account for the breaches and give assurance about when the response will be ready and any plans to improve performance.

During the year there have been a number of changes to senior staff in some of the divisions. This has meant that more junior staff have not always had the support they needed to investigate and complete more complex investigations. Some complaint investigations were not completed before the allocated investigating officer left; these had to be handed over to other staff to re start the process.

In a number of cases the response from the medical teams has been delayed. This has been addressed directly with the clinical leads; our expectation is that complaints are dealt with in a sensitive and timely manner to prevent re-occurrence or escalation of incidents.

Going forward we will continue to monitor the response time frame and the complaints team will continue to work closely with the Divisions to achieve the required turnaround time for responses.

Last year Niche Patient Safety Consultancy undertook an external review of the complaints and concerns processes looking at the speed, appropriateness and quality of responses to complaints and concerns. The review identified some excellent practice. However, some areas required improvement including the timeliness of formal responses.

The Trust has refined the complaints policy, having a clearer process for sign off within the divisions.

Within the surgical division a senior service manager will now be concentrating on the more complex complaints that are received and will liaise directly with the clinicians. It is anticipated that this will improve the quality of the investigations and the timeliness of the responses. This member of staff will also provide support to more junior team members in responding to complaints and in ensuring early contact with complainants.

The newly appointed Divisional Directors of Nursing will work with the divisional teams to ensure appropriate level of senior personnel leads on investigation, response and action plan in response to clinical and non-clinical complaints and response

Reopening of complaints

At the point of reporting, of the 299 complaints received during the financial year 2014-2015, 20 complaints have been reopened. This represents 7% of the complaints received this year against a Trust target of 4%. Complainants who were unhappy with their responses felt that there were discrepancies between what was said in the response and their recollection of events. Some complainants felt that the investigation had been superficial and had not addressed the concerns raised. Others identified that they were unhappy with the tone of the response and that the Trust had failed to offer a sincere apology. A number of complainants wanted further information in order to help them understand the decisions made about their care.

All complainants received either a further written response or met with staff and issues have been resolved. Niche Patient Safety were asked to return to the Trust and work with staff to help to deliver improvements to help our response and handling of complaints. Niche Patient Safety delivered two training sessions for key staff involved in complaint handling. The training has been well received and there will be further training for Ward Sisters/Charge Nurses, Lead Nurse and Matrons and senior members each division. Amendments to the complaints policy will be made in response to the feedback from the teams. This will include more support and leadership from the divisional leads and clearer accountability.

Referral to the Parliamentary and Health Service Ombudsman

All complainants whose complaint relates to NHS funded care have the right to have their complaint reviewed by the Parliamentary and Health Service Ombudsman (PHSO). The Ombudsman is independent and is not part of government or the NHS. The Ombudsman considers the issues that each complaint raises, examines how the NHS trust responded, takes clinical advice if needed, and then reaches a decision on whether to uphold the complaint.

This year the Trust was informed that eight complaints have been referred to the PHSO However only one of the complaints referred this year was received by the Trust during this financial year. Seven of the complaints referred to the PHSO were received in previous years between 2011 and 2014.

The Trust received seven reports in total this financial year from the PHSO, six of which were referred to the PHSO in the previous financial year. Three complaints were not upheld and four complaints were partially upheld. The PHSO noted that in each case

where the complaint had been partially upheld, the Trust had already acknowledged the service failing. The Trust was required to write to each complainant to apologise for the service failure. The Trust was required to write to the PHSO to describe what has been done to ensure that action had been taken to prevent a reoccurrence and to demonstrate how the learning has been shared with staff. This has been completed for all cases where the decision was to partially uphold the complaint; the PHSO has advised the Trust that no further action is required.

Learning and continuous improvement

As an organisation committed to improvement, it is important that lessons learned from complaints are shared across the Trust and used to enhance the quality of services for the future. The Trust ensures that complaints are used to learn lessons, and that this results in improved services. Below are some examples of service improvements that have been implemented during the reporting period as a result of complaints:

- A review of the dispensary staffing on the inpatient and outpatient late shift teams was undertaken to ensure more effective cross cover between the late shift teams in order to support discharge prescriptions.
- The Emergency Department has developed a consultant led hot clinic where patients who may not require admission, but would benefit from a surgical opinion, can be seen the next day.
- The Emergency Team are reviewing the process for escalation to ensure that decisions regarding appointments outside the requested time frame are made with the clinical teams.
- The Orthopaedic service has now set up 'Acute Knee Injury' clinics with a knee specialist available twice weekly. These clinics should ensure that patients with acute knee injuries are seen by the appropriate clinician or can be referred to be seen for expert advice.
- Maternity services have developed a tongue tie clinic with an agreed referral pathway between midwives, neonatal doctors, and paediatric surgeons.
- The Trust has recruited three nurses to the Palliative Care Team to enable the service to run seven days a week.

Valuing our workforce

The results of the national staff survey 2014 show that Chelsea and Westminster remains in the top 20 per cent of acute trusts in the country as an organisation that staff would recommend as a place to work or to receive treatment.

Staff ability to contribute towards improvements at work ranked above average compared with other acute trusts. Also scoring well in the survey was staff felt they were able to make valuable contributions to improve the work within their team and have frequent opportunities to show initiatives in their current role.

Our work against each of the seven staff pledges in the NHS Constitution (published in March 2013) helps to create and maintain a highly skilled and motivated workforce capable of improving the patient experience.

Pledge 1: To provide a positive working environment for staff and to promote supportive, open cultures that help staff do their job to the best of their ability

The Trust was in the top 20% of acute Trusts for the 2014 NHS staff survey in five out of 29 Key Findings. This related to: staff agreeing that feedback from patients/service users is used to make informed decisions in their directorate/department, staff reporting good communication between senior management and staff, staff recommendation of the trust as a place to work or receive treatment, having well-structured appraisals, receiving support from their immediate managers.

Pledge 2: To provide all staff with clear roles and responsibilities and rewarding jobs that make a difference to patients, their families and carers and communities

The most recent NHS Staff Survey results show that we are in the top 20% of acute Trusts for the quality of our staff appraisals (with 44% of staff reporting having a well-structured appraisal). However, it is unlikely that we will achieve our target of 85% of staff having had an appraisal in the last 12 months and we will be working hard next year to improve on this. The appraisal forms and process will be reviewed in 2015/16 in order to simplify the process and ensure that managers and jib holders get the most out of it. Reports of overdue and due appraisals are issued to managers monthly and included within the Divisional Board reports to ensure action is taken to complete appraisals within 12 months.

Pledge 3: To provide all staff with personal development, access to appropriate education and training for their jobs and line management support to enable them to fulfil their potential

The Trust offers a wide variety of training courses for professional and non-professional staff covering topics for basic administration to leadership and advanced clinical skills development.

Each year the Learning and Development (L&D) department consults with services and conducts a detailed training analysis to determine the priorities for the coming year.

The Trust is committed to its status as an outstanding teaching hospital, recognising the importance of investing in our future workforce to ensure quality and safety of care, and as a university teaching hospital we host over 150 medical students and 100 nursing and AHP students each year. The Trust also hosts in excess of 230 medical trainees as part of the pan London training rotation.

There is a well-established “Excellence of care” programme for developing the knowledge and skills of our Health Care Assistants (HCAs) and from April 2015 this programme will be replaced by the national care certificate. There are qualified staff, known as HCA leads in each ward/department who are responsible for overseeing their development in clinical areas, supported by the L&D team.

The Trust is also the host organisation for the HE NWL end of life care for the community Education Provider Network(CEPN) leading on a programme of development for HCAs across the HC community. This gives the staff the opportunity to rotate through acute, community and hospice placements gaining knowledge and a wider understanding of the services available.

Healthcare assistants are one of the largest staff groups within the Trust. However, there is high level of turnover in this group. To tackle this, a survey was sent out to all HCAs in the organisation to understand what the issues were and a short-life working group was set up to tackle these head on. The lack of differentiation between band 2 and 3 HCAs was outlined as a major reason for the turnover. The group looked at both job descriptions and ensured differentiation between the two. Band 3 HCAs were also renamed Senior Healthcare Assistants

Pledge 4: To provide support and opportunities for staff to maintain their health, wellbeing and safety

Staff ability to contribute towards improvements at work ranked above average compared with other acute trusts. Also scoring well in the survey was staff felt they were able to make valuable contributions to improve the work within their team and have frequent opportunities to show initiatives in their current role.

We continue to provide the following services and benefits to staff: occupational health; cycle to work scheme, fast track physiotherapy, subsidised on-site exercise classes, subsidised childcare during school holidays and Schwartz Rounds.

All of these initiatives aim to improve and sustain the mental and physical health of our employees. We also continue to run the Benefits and Wellbeing Newsletter 'For Who You Are' which promotes the wide range of benefits and support available for staff. This includes discounts with many local shops and restaurants.

This year we ran several wellbeing events promoting the importance of mental and physical health for staff. These included:

- **National Work Life Week**. Massages, mindfulness sessions, stress management sessions, and a benefits roadshow.
- **National Stress Day**. We held a roadshow in the cafeteria which showcased the stress resources available in the Trust and free 'stress dots' to boost awareness. Previous feedback from the maternity wards showed that staff felt high levels of stress and also unable to leave the wards throughout the day so often missed out on wellbeing events. As a result, a few members of the HR team also took the resources up to the maternity wards along with healthy snacks to boost morale, stress awareness and knowledge of what benefits and resources are available to staff.
- **Carers' event**. Recent studies show 1/9 members of the workforce nationally have caring responsibilities. The Trust recognises that these members of the workforce may need extra support. As a result, the Trust has subscribed to Employers for Carers. As part of our membership we held a carers event for staff with caring responsibilities. The aim of this was to make staff feel supported, help staff to understand what they are entitled to, create a carers' network and, help managers to support staff with caring responsibilities.

The Trust encourages staff to be active. As part of this, we have sourced and communicated discounted gym memberships, continued the cycle to work scheme, held lunch time Nordic walking classes, organised open weeks at Virgin Active Health Club, invited British Military Fitness into the Trust to discuss free classes and discounted membership with staff, and continued to subsidise exercise classes, including yoga classes, within the Trust.

As well as the cycle to work scheme, the Trust also offers staff the opportunity to take part in salary sacrifice schemes for electronic goods and cars.

The Trust has been named in the Top Employers for Working Families Awards from 2010 to 2014 inclusive.

Pledge 5: To engage staff in decisions that affect them and the services they provide, individually, through representative organisations and through local partnership working arrangements—all staff will be empowered to put forward ways to deliver better and safer services for patients and their families

We have well-established methods of involving staff, including joint consultative frameworks and strong lines of communication. The NHS staff survey results show that the Trust's performance in both communication and staff engagement has improved every year for the past four years.

Pledge 6: To have a process for staff to raise an internal grievance

We have a Trust Grievance Policy and Procedure in place that is jointly reviewed and agreed with our staff side representatives on a regular basis.

Pledge 7: To encourage and support all staff in raising concerns at the earliest reasonable opportunity about safety, malpractice or wrongdoing at work, responding to and, where necessary, investigating the concerns raised and acting consistently with the Public Interest Disclosure Act 1998

All our policies and practices are focussed on early resolution to providing the right environment for staff to be able to raise and address concerns early on.

We have a Policy for Raising Concerns (Whistleblowing) and actively encourage and engage with staff to discuss issues in an open environment for the safety and welfare of our patients, their care and our staff.

Listening to our staff

Friends and Family Test (FFT) staff surveys

The National Friends and Family Test (FFT) for staff was launched in April 2014 and had a response rate of 20% (466 of 2,300 staff surveyed) in Quarter 1. Results showed 91% of staff were likely to recommend the trust as a place to receive care or treatment, and 75% would recommend this as a place to work.

For Quarter 2 a total of 245 paper-based surveys were distributed to a specific staff group—Support Workers/HCAs. 42 staff responded to the survey and it was positive to note that from the responses received 76% were likely or extremely likely to recommend the trust as a place to receive care or treatment and would also recommend the trust as a place to work.

The National Staff Survey was issued to trust staff during Quarter 3 and they were encouraged to complete. We look forward to receiving the results from this more in depth review of what our workforce thinks.

The Trust recognises that there are direct links between an engaged workforce and the quality of patient experience. We have continued to focus on staff engagement through a range of activities. These include:

- Participation in Work Life Week and National Stress Day in response to staff identifying high levels of stress at work. This aimed to boost awareness amongst staff and promote the resources available to staff.

- Staff communications: The Chief Executive hosts monthly team briefings which all staff are encouraged to attend; The Trust News staff magazine is published monthly; Daily Noticeboard email bulletins are sent to all staff as well as a weekly 'For Who You Are' benefits newsletter.

- Schwartz Rounds which continue to run in the Trust. In total, 678 people attended the first 11 rounds. 96% of attendees rated these rounds to be good, excellent or exceptional. The rounds aim to support staff in the more emotional aspects of their roles.

- The Chelsea and Westminster Star Awards. This recognises the work of both clinical and non-clinical staff in relation to our Trust values. The Quality Awards (see page 125) also recognise staff achievements.

- The Great Expectation training which took place last year was in response to feedback in the staff survey about perception of bullying and harassment. The training gave managers the tools to tackle difficult situations confidently and respectfully.

- Junior doctors in some specialities held patient experience sessions where they invited patients to reflect on their hospital experience and then undertook structured and supported reflective sessions following this. This was found to be helpful and enabled the doctors to reflect on the patients comments and actively think about their practice.

The Council of Governors Quality Awards

The Council of Governors Quality Awards aim to recognise and reward contributions to quality initiatives in the Trust by an individual or team under the three quality areas that are key to delivering high quality care: patient safety; patient experience; and clinical effectiveness.

Applicants have to prove that they also meet the Trust values of safe, kind, excellent and respectful, and show how their initiative could be applied elsewhere in the Trust to enhance the quality of patient care.

The awards, which have been running since January 2011 are open to all staff as every employee has the potential to improve quality either directly or indirectly. The awards were established by the Trust's governors and are now led by a key group of governors from the Council of Governor's Quality Sub Committee.

Award winners have the opportunity to meet directly with key Trust Directors and governors from the Council of Governors Quality Sub Committee to discuss their initiatives and highlight the value of their achievements that benefit the quality of patient services. The Quality Awards are awarded twice a year, in Spring and in Autumn.

Spring 2014 Quality Award winners

- Dr Alan McOwan and Mr Leigh Chislett and their team—For their Revolutionary Sexual Health Screen Service at Dean Street Express
- Alex Mancini and team—For their practical guidance document for palliative care on neonatal units
- Mars Paediatric Burns Dressing & Scar Management Team—For their Moving forwards for a Family Friendly Service initiative
- Kate Shaw Clinical Nurse Specialist in HIV associated haematological cancers
- Sandra Howard—For turning around Phototherapy
- Birth Centre Team—For several initiatives leading to continued quality of care improvements.

Plus two Highly Commended Awards:

- The Imaging Team—For the successful completion of the "Imaging Services Accreditation Scheme
- The One Stop Carpal Tunnel Clinic—Nominated by a patient for improved effectiveness leading to an excellent patient experience

Autumn 2014 Award winners

- Sarah Bryan and team—For their Dementia Care Initiative
- Miss Sheena Patel and team—For their Nuclear Medicine Department auditing of patient experience
- Emma Bartlett and Infant Feeding team—For two years of Maternity Baby Friendly UNICEF accreditation.
- Jane-Marie Hamill—For the Discharge booklet for ICU patients

Plus one Highly Commended Award:

- The Pain Clinic for their initiative in creating a Survivors of Torture project.

Our physical environment

Chelsea and Westminster is a modern, well-designed hospital, but the physical environment needs to be able to respond to changes in service provision. The Trust is continuing its multi-million pound investment programme to maintain and improve its facilities and meet rising demand for services.

Recent developments include:

- The annual PLACE (Patient Led Assessment of the Care Environment) assessment is due to take place during March 2015, and an action plan will be developed on its conclusion in order to make ongoing improvements to the patient environment, in addition a detailed score for each area will be provided. For the first time the dementia elements of the assessment will also be scored.

- Improvement to the current 'wayfinding' and signage to improve the patient experience is ongoing. The Wayfinding Steering Group identified areas for improvement in regards to general wayfinding and signage in particular for those who have learning difficulties

and dementia. To this end, a trial on the third floor has been undertaken whereby colour is used to identify which floor you are on eg coloured lift buttons and on the glass balustrades (the colour used was agreed by the Learning Disability and Mental Health leads). Once funding is secured the wayfinding strategy will be implemented Trustwide.

- 'Medicinema', a small cinema in the Trust (sponsored the Hospital Charity) is currently under construction, due for completion this summer.

- Upgrade of the existing lights to LEDs within the Atria and wards was completed in 2014.

- Refurbishment of ward wet rooms and bathroom facilities are ongoing throughout the Trust.

- Replacement of the original flooring within the Trust is ongoing.

- Upgrade to the existing nurse call system throughout the Trust is ongoing.

There is a five-year development plan under way which will ensure that the Trust has state-of-the-art facilities to meet the needs of all its patients, and to accommodate Shaping a Healthier Future requirements. Plans include:

- An improved and expanded Emergency Department (A&E) for both adults and children is under construction—this is a £12 million project commencing July 2014 and with completion by May 2016.

- A new children's outpatients department has been created on the first floor of the main hospital.

- The main outpatients department on the lower ground floor has been extended and there are ongoing improvements to outpatient areas.

- A new patient transport lounge is currently under construction, due for completion April 2015.

- A new immunology research laboratory has been completed.

- Retail pharmacy facilitating in pharmaceutical savings in outpatient dispensing facility both in the hospital and in 56 Dean Street.

Health and safety

The Trust is committed to providing and maintaining, so far as reasonably practicable, a safe and healthy environment for all employees, contractors, patients, visitors and those who may be affected by work related activities.

The Health, Safety and Fire Department in the hospital have been working hard to promote safe working arrangements and a safe environment for all. A programme of work is in place to support this continuous improvement.

This includes:

- **Training**—Health, Safety & Fire training is a mandatory requirement for all staff and is included in all of the Trust's staff update programmes.

    - There are 246 identified fire marshals who have all received an enhanced level of fire safety training.
    - A network of health & safety leads for wards and departments are in place.
    - There is a Managing Safely course run for managers and their health & safety leads. The course includes developing local safe systems and risk assessment.
    - Controls of Substances Hazardous to Health (COSHH) Assessors have been identified and trained for all risk areas.

- **Inspections**—A programme of health & safety inspections is in place across the Trust. This identifies both good practice and shortfalls. The inspection supports managers in achieving satisfactory health & safety standards. The key themes/findings are reported to HSFC quarterly.

Equality and diversity

We continued to make good progress towards meeting actions in accordance with the Equality Act 2010 and against key objectives. A brief account of progress through the year is highlighted below.

Objective 1: Improve equality data collection and usage across all protected characteristics[79]

- A breakdown of equality and diversity workforce related data shows that 44.14% of staff are identified as White British (excluding other white categories) while 50.05% of staff are identified as BME (including non-British white). The total from any white background made up 59.93% of the workforce. 74.16% of the workforce is female which is similar to the national picture with the Health and Social Care Information Centre (HSCIC) reporting that female staff comprise of 77% of the NHS workforce.

- The percentage of staff who indicated that they are disabled is 1.81%, while the percentages that have declared that they do not have a disability is 51.31%, and those not declaring a disability is 46.88%. The average age of Trust employees is 38.75 years.

- Only 42.32% of staff have disclosed their belief, and of these 27.25% have defined this as Christianity, which is the largest declared faith group.

- The records for sexual orientation indicate that the majority of staff at 52.31% are undefined. Heterosexuals account for 41.94% for the workforce.

[79] For more detailed analysis please go to http://www.chelwest.nhs.uk/about-us/equality-diversity/equality-information

Objective 2: Continue to develop and promote an organisational culture that support the principles of equality

- We participated in the Stonewall's 'Diversity Champions Programme' by undertaking a Workplace Equality Index questionnaire (2014/15). The results published in January 2015, showed that we had moved up a further 15 places in the rankings. We have also worked closely with our Stonewall representative to identify senior LGBT (Lesbian, gay, Bisexual and Trans) champions in the organisation with a view to re-launching our LGBT Network in 2015/16.

- The Faith network promoted the use of therapeutic meditation in the workplace and its success led to the trainer running meditation sessions in some departments for patients.

- We reviewed the equality and diversity training provided across the organisation and have adopted the online Core Learning Unit's Equality and Diversity training module for corporate induction and refresher training for all staff.

- We participated in a roundtable discussion with NHS Employers and a number of other Trusts to share potential interventions and good practice on reducing bullying and harassment in the workplace.

- We participated in the Employers Network for Equality and Inclusion e-quality questionnaire for the first time in 2014. The tool is designed to benchmark organisational performance in equality and diversity across different sectors and we were awarded a bronze award. We will use the results to help inform our equality and diversity work plan for 2015/16.

Objective 3: Effectively communicate with, engage, and involve all of our stakeholders in equality

- We were successful in our application for the Stonewall 'Health Champions Programme'. As a result we secured funding to help identify areas in our organisation that would benefit from tailored LGBT training to assist with delivering effective patient care and services to our LGBT community.

- The Wayfinding Steering Group has identified areas for improvement in regards to general way finding and signage in particular for those who have learning difficulties and dementia. To this end, a trial on the third floor of the hospital has been undertaken whereby colour is used to identify the floor eg colour lift buttons and on the glass balustrades (the colour utilised was agreed by the leads for Learning Disability and Mental Health). Once funding is secured the way finding strategy will be implemented Trust wide.

- We continued to focus on improving the experience of patients with learning disabilities through the Learning Disability Support Group. A Lead Nurse for Learning Disabilities and Transition was also appointed in November 2014 which will support the development of this agenda.

- The Trust's Staff Faith Network, formed in 2013 has continued to meet and the main focus in the past few months has been on how to improve the ambiance of the multi-faith chaplaincy prayer spaces once the Tent is reinstated as the permanent Muslim

prayer space. The discussion continued in January at the Mica Gallery where Reedah El-Saie, the Director, facilitated an interactive session about the decoration of sacred spaces and the varied needs that can arise. Meanwhile the temporary removal of the Tent had led to a very practical example of sharing and hospitality as Friday Prayer has been taking place in the Chapel each week from late autumn 2014 until the Tent is reinstated in early May 2015.

Objective 4: Strengthen equality and diversity communications and resources across the Trust

- Following the success of the national stress awareness day in 2013, another event was organised in November 2014. This was in response to staff feedback through the 2013 Staff Survey. The day included promoting mental health wellbeing and a number of useful resources were made available from Mind and Occupational Health and received positive feedback from staff and manager

- Learning Disability Training sessions were held in 2014-2015 for all staff groups, including ISS and volunteers. These sessions equip staff with basic communication skills to meet the needs of our patients and clients with a learning disability and how to support their carers. Understanding the Mental Capacity Act and ways of 'making reasonable adjustments' for this group of patients are key components of this useful training.

A work plan for 2015/16 will be prepared and we will continue to make further progress against our equality objectives, particularly around the staff survey results for equality and diversity and bullying and harassment.

Good news stories from this year

Control and restraint training for Edgar Horne Ward (Staff Experience)

Going by the Physical Assaults Statistics for 2013/14 Edgar Horne Ward surprisingly had the highest number. The Assaults were more Clinical Assaults, however staff got injured and we needed to do something different from Conflict Resolution Training. With the backing of the Chief Executive Officer we created a Training Pack for the staff who had suffered an assault, where we looked at how they were assaulted and with the help of the experts Maybo (Training Organisation) we showed them safer ways to do their tasks like: Putting a pair of slippers on a patient, change the sheets without being kicked or slapped, Controlling a Patient who is trying to abscond. This made a huge difference to the staff, they felt safer going about their tasks and we still get positive feedback who attended the course and we have seen a significant reduction in Assaults.

Postage—Switch to Royal Mail (Patient Experience/Financial)

In 2014 it became evident that some of our patients were not receiving their appointment letters in adequate time, or in some cases not at all. This led to missed appointments, and an associated approximate cost of £180.00 per patient. The Trust switched from using TNT to Royal Mail, purchased a new more advanced Franking Machine that marks the mail in such a way that we are guaranteed a First Class Service at a Second Class Rate. The Mail Service has subsequently improved 100%, with very little complaints from Patients or Departments.

Waste segregation and recycling (Financial/Environmental)

The Directorate has instigated significant changes to the Trusts Waste Segregation which includes bailing all cardboard and shredding of all confidential Waste; this is then sold back to the industry. This has meant that we are being kinder to the environment by being Greener as a Trust and improved our recycling figures. In addition the Trust has changed the disposal route for 60% of our clinical waste which now goes as offensive waste and has kept the directorate on track for a cost improvement.

Lone Working Devices for community staff (Staff Experience)

The Directorate has been supporting the Maternity Department (Community Midwifes) community Tuberculosis (TB) Nurses, HIV/GUM outreach teams and our onsite Chaplains by rolling out the MySOS Lone Working Devices to 50 members of staff, which is a safety measure for protecting our staff and making them Safe. This was highly commended by the Council of Governors.

Service Track—Electronic Patient Meal Service (Patient Experience)

Each ward now orders all patient meals through the Saffron Electronic Patient Meal Service device. For the patient this means that they will get the food they ordered, there is more interaction between the hostess and patient. The system is quicker for the staff and we have seen a significant reduction in food waste.

Scrubs vending machine (Scrubbex) (Staff Experience)

We now have six scrub suit vending machines (Scrubbex) based in all theatres, Emergency Department and maternity areas. This has been a huge success in terms of controlling scrubs across the Trust, complies with infection control stipulations, and ensures that our patients are kept safe from potential infections. In addition staff are assured that scrubs are readily available.

Interpreting services (Patient Experience)

In order to increase the accessibility of interpreting service for patients we have promoted the use of telephone interpreting services which are readily available, instantaneous and with 256 languages and dialects available. Nationally the utilisation rate of telephone interpreting is 19% and within London between 13–15%; the Trust is currently in the top 2 in the country for providing telephone interpreting and operates at 36%. This has had a beneficial effect of contributing to the patient experience and a secondary financial benefit to the Trust by reducing the face-to-face interpreting expenditure by approximately £50,000 per annum.

Annex 1: Statements from Commissioners, Healthwatch and Overview and Scrutiny Committees

Statement from our Governors

The year under review has been a very busy one. As made clear in last year's Quality Account, the Trust had planned for a full year of improving the services it gives and this year's Account shows how those improvements are starting to come through. All this against a background of a substantial increase in patient numbers as shown in Table 1 in Part 1.3. In the Foreword to this Account, the Medical Director has characterised the Trust's approach to the improvement of quality as relentless, and the Governors can confirm that this is true. For their part, the Governors have kept themselves closely informed and offered encouragement, warning, and their outside experience in fulfilling their role as "critical friend" of the hospital. They have also kept abreast of the developing preparatory work on the strategic proposal to acquire a second hospital, the West Middlesex University Hospital in Isleworth. A decision on that will be made during 2015 and the Governors will contribute fully to that decision.

The Governors particularly welcome the development of a Quality Strategy and Plan for the next three years. They were consulted about its terms and look forward to keeping a close eye on it as time goes by, especially if the acquisition of a second hospital goes ahead.

In last year's commentary some matters were mentioned which were of particular concern to Governors. One of these was the incidence of pressure ulcers. The action taken during the year in respect of those acquired in the hospital has brought about an improvement in the figures which is welcome but we think we can do better—we will continue to monitor progress. Most pressure ulcers suffered by patients were acquired in the community—three times the number acquired in the hospital. We shall continue to encourage the Executive in initiatives to tackle this with the Trust's partners in primary and community care.

Another matter of concern was the failure to reach the Trust’s target for staff appraisals (85%). It is disappointing that limited progress has been achieved towards the target. The Account records that 44% of the Trust's staff recorded that they had enjoyed a well structured appraisal and that this put the Trust in the top 20% of acute trusts (which was the target). This position must improve, notwithstanding that the area remains a challenge for NHS organisations across the country. The Account promises a review of the job appraisal form and process during 2015/16 and the Governors will wish to be closely involved with this. A well-structured, regular and well-conducted job appraisal review is essential to tackle the reported problems of communication and staff attitude in parts of the hospital. This also allows the Trust's core values to become fully embedded withinall staff groups. The “Great Expectations” training which was given last year was a step in the right direction. It needs to be followed up with middle managers’ training to ensure that they are applying it to their staff through job appraisal reviews. The training may need to be repeated, particularly for staff in areas where the Friends and Family Test indicate that there is a problem in communication and attitude.

The Friends and Family Test is helpful in giving an "across-the-board" view of a patient's hospital experience. It signals areas which need further investigation. It is essential that a

far greater percentage of patients complete the Test if it is to be effective. At the Governors' request, this has been included as a Priority for 2015/16.

Alongside the pointers that come from the Friends and Family Test, areas needing focused attention can emerge from the complaints that are received. The Governors attach great importance to complaints, and agree that the speed of handling them needs to be improved. Governors will also wish to review with the Executive the revised method of dealing with complaints set out in the Account.

Our concern about Job Appraisal Reviews recorded above is one of several related to the management of the Trust's staff. A common problem for London hospitals is a high turnover rate and attrition. This is a complex area and includes the factors which make a job rewarding and fulfilling for the job-holder, opportunities for career development and advancement, and ways to recognise good performance. Exit interviews for staff who are leaving to find the reasons which resulted in their decision to leave are most important. The Governors intend to engage with the Executive to develop an overall view of this area. If the various elements of the problem could be improved so that the average length of service of staff in the hospital was increased by just one year the effect on patient care would be very worthwhile.

Statement from Commissioners

West London CCG Commissioners Statement—Chelsea and Westminster Quality Account

West London Clinical Commissioning Group (CCG) Quality, Patient Safety and Risk Committee has reviewed the Chelsea and Westminster Hospital NHS Foundation Trust's Quality Account (QA).

The Trust presented its draft QA for formal comments and has sought the views of the CCGs and other commissioning stakeholders through conversation at the Clinical Quality Committee.

This statement has been signed off by the Chair of the West London CCG Quality, Patient Safety and Risk Committee and the West London CCG Managing Director. In our view, the QA complies with guidance as set out by both Monitor and the Department of Health (DoH).

Review of quality 2014/15

Implementation of the CQC action plan to address areas where services were identified as requiring improvement has been a key priority and concern for commissioners this year. The Trust's action plan was felt to be ambitious and there were concerns regarding the Trust's ability to achieve it in full within their specified timeline. The Commissioner/Trust Clinical Quality Group has discussed the Trust's progress against the CQC action plan throughout the year.

The CCG is still waiting for presentation of the outcome of the peer review and independent table top review as the final evidence demonstrating assurance and completion of the action plan. However, gaining assurance has been and will continue to be an ongoing process, and we support the Trust's intent to blend this into business as usual for the future.

Priorities for quality 2015/16

Considering the forthcoming acquisition with West Middlesex University Hospital Trust, the commissioners look forward to seeing both Trusts realise the opportunities the acquisition brings for patients, while remaining mindful of the risks. We will closely monitor and scrutinise the quality of care throughout this period of transition.

Further to the CQC inspection and subsequent findings, commissioners will continue to seek assurance that the areas identified as requiring improvement have fully implemented their plans, and are able to sustain the improvements. The commissioners welcome the Trust's intention to undertake further peer reviews throughout the year (following their success as part of the CQC assurance process) and look forward to being part of that ongoing process.

The Trust has identified five new priorities for improvement for 2015/16. Although commissioners are keen to ensure that the efforts taken to establish improvements last year are sustainable, the refresh and refocus on current priorities a result of latest performance information is welcomed.

The Commissioners, having discussed each of the priorities, agree and support the choices made by the Trust, with the following specific comments:

In relation to the reduction of acquired pressure ulcers both in hospital and the community, we recognise that pressure ulcers remain one of the greatest burdens of harm in our health economy in North West London and welcome the Trusts commitment make significant improvements for patients. Appreciating the Trust has the greatest influence over hospital acquired ulcers, commissioners support the Trust's aim to work collaboratively to reduce ulcers both in hospital and the community.

In relation to Priority 2: Embedding of the World Health Organisation (WHO) surgical checklist, the CQC's identification of the need to improve consistent implementation of the WHO surgical checklist across the Trust did initially cause concern. Discussion has taken place regarding this priority -the implementation of a document that has been mandated and recommended since 2010. However, commissioners were assured to learn that this priority encompasses a wider 'improving safety culture' as a whole within the Trust's theatre teams and departments, and plans are in place to focus on improving team dynamics, overall functioning, as well as compliance to the documentation. This we welcome.

In relation to the measure chosen by Trust Governors, Priority 5: Friends and Family Test (FFT), the focus on improving the FFT results is greatly welcomed, although commissioners are keen to ensure that work to improve this priority extends to encompass patient experience as a whole. It is disappointing to see current performance placing the Trust in the lower quartile of London Trusts, although we know the Trust is exploring mechanisms to support this. The Trust's response rates in relation to investigating and responding to patient safety incidents and complaints in a timely manner needs to improve and we welcome the Trust's commitment to do this.

Concluding statement

Commissioners would reflect that over the last twelve months improvements have been made in the relationship between the Trust and CCG, and West London CCG looks

forward to continuing to work collaboratively with Chelsea and Westminster Hospital NHS Foundation Trust.

While we recognise improvements made over the last 12 months, we hope the Trust finds these comments helpful and we look forward to continuous improvements and productive collaborative working in 2015/16.

Statement from Healthwatch

Healthwatch Central West London statement on the Chelsea and Westminster Hospital NHS Foundation Trust's Quality Account 2014/15

Healthwatch Central West London (Healthwatch CWL) welcomes the opportunity to comment on the Chelsea and Westminster Hospital NHS Foundation Trust (the Trust) Quality Account (QA) 2014/15.

We have been quite pleased with the quality of our working relationship with the Trust in recent years and although there have been a number of changes in recent months, we seek to continue our engagement through Dignity Champions, PLACE visits, the Quality Sub-committee, the Membership Sub-committee and through our work on nutrition and on learning disability.

We would like to commend the improvements made by the Trust on its priorities for 2013-2014, particularly in relation to the quality of end of life care. We also want to praise the Trust for their excellent work in sexual health and on their improvements to A&E services.

We would like to commend the efforts made in providing simple explanations of the Quality Account, as well as of the Trust's services and priorities. A one page summary of the quality report and a signposting of the main topics akin to the structure of last year's account would help the reader greatly. It would also be useful to have data tables and lists of national audits removed from the main text and added in to the appendix.

We strongly feel the recent Care Quality Commission inspection report should inform the content of the Quality Account much more than in the current draft provides for. The CQC highlighted a number of areas that require improvements and we look forward to see the Quality Account highlighting these in the introduction, as well as providing greater details in line with the CQC action plan in parallel with priorities throughout the QA.

Overall, we:

- Would like further clarification on the way the impact of the various initiatives implemented to improve patient experience are being monitored

- Continue to be disappointed with the reported performance on staff appraisals. Staff experience and motivation at a time of much change in the health landscape is critical to quality care provision including patient experience.

- Would also welcome further detail on the different discharge projects, in particular the reasoning for restricting this work to elective surgery, whereas non elective surgery is more problematic, as well as on how impact is being monitored.

- Are worried Chelsea and Westminster Hospital maternity services are missing the target on 12 week assessments, homebirths, non-elective caesareans, 1:1 midwife care in labour, and the midwife to birth ratio for the majority of 2014-2015. An explanation on how the Trust plans to meet these targets seems particularly important considering the changes likely to happen in maternity services in the North West London area in the coming months.

- Are concerned about the quality of the paediatric dental services. While we recognise this is a North West London concern, Chelsea and Westminster Hospital is the only specialist provider for this area. To the best of our knowledge, we understand 4 of the 5 paediatric dental specialists have been lost within the last year and there has been a consequential loss of capacity. The service is currently operating to highly restrictive referral criteria and is not serving the majority of referrals in North West London.

- Are most disappointed and concerned that despite the provisions of the Health and Social Care Act, the Hospital has not responded to our numerous requests for an action plan on Nell Gwynne.

- Are not fully aware of the recent changes in governance at the Hospital and as a result, we are not as engaged as we were previously.

2015/16 Priorities

Priority 1: Reduction of acquired Pressure Ulcers both in Hospital and the Community

Pressure ulcers have been the main safety risk for a number of years now. Healthwatch is frustrated that more progress has not been made. While we recognise the need for this work to be prioritised, we suggest clearer specific targets and actions must be included leading to measurable change going forward.

Priority 2: Embedding of the WHO checklist

We welcome this innovative approach to improving patient safety. We would like to have further clarification on the way this priority will be measured and how the impact will be communicated to patients and the public.

Priority 5: Friends and Family Test (FFT)

We welcome the Trust's efforts in taking the views of patients and families on board. However, our members feel that the FFT should not be seen as the only way to gather patient's views as it is quite limited in terms of what can be expressed. We are happy to re-visit this discussion at the Trust's convenience. In the interim, we would like to see greater emphasis on the way results are analysed and shared and actions plans are developed as a result.

Further issues:

Staffing

Is the high turnover of Healthcare Assistants still an issue? The number and percentage of agency and bank staff numbers should be reported in the final version of the QA.

Complaints

We commend the efforts to improve the way complaints are used for learning across the Trust. Our patient stories also flag concerns about the management of outpatient appointments and the quality of patient communication. We are aware that a lot has been done about staff attitudes, and we are keen to know how the Trust will take that work forward and how it will be evaluated.
The frequency and time period for redress is a concern. While this is acknowledged by the draft QA, the data was not available at the time of writing.

We are disappointed the actions proposed for next year do not seem to map to the main concerns arising from the complaints. We would particularly welcome clarification on the way the Trust is planning to triangulate the findings from complaints, PALS and the Friends and Family Test to monitor and improve patient experience.

Patient safety

We welcome the change in organisational culture on the reporting of 'never events' and measures aimed at improving internal communication and openness. However and over the course of the last year, we have had concern about the speed and effectiveness of these processes.

In addition, we would welcome further detail on the level of safeguarding training provided to and completed by staff, including Mental Capacity Act compliance.

Going forward

In conclusion, we are keen to re-build our working relationship with the Trust and we hope progress can be on made on the issues raised in the coming year including a number of outstanding issues raised in previous years as detailed above.

Contact:

Luul Balestra, Borough Manager, Kensington and Chelsea
Healthwatch Central West London
Phone: 020 8964 1490
Email: luul.balestra@hestia.org

Date: 8 May 2015

Statements from Overview and Scrutiny Committees

Statement from Adult Services and Health Policy Scrutiny Committee, Westminster City Council

Chelsea and Westminster Hospital NHS Foundation Trust
Response to Quality Account 2014/15

Introduction

We welcome the opportunity to comment on the Chelsea and Westminster Hospital NHS Foundation Trust's Quality Account 2014/15.

Merger with West Middlesex University Hospital Trust

The Chelsea and Westminster Hospital NHS Foundation Trust has been an efficient and high performing trust.

There are a number of risks to Chelsea and Westminster NHS Foundation Trust in any merger with West Middlesex University Hospital Trust.

There are risks to finance associated with this merger. We do not believe the Chelsea and Westminster NHS Foundation Trust should take on the significant legacy debt that West Middlesex University Hospital Trust owes the Department of Health.

There are risks to performance due to management distraction from a challenging merger taking away focus from providing care for our residents and of maintaining Chelsea and Westminster Hospital as a centre of excellence.

- We note a decline in service, highlighted by the England's Chief Inspector of Hospitals rating the services provided at the Chelsea and Westminster hospital as 'requires Improvement overall'[80], took place at the time this merger was being planned.

- We note a decline in service, highlighted by the England's Chief Inspector of Hospitals rating the services provided at the West Middlesex University Hospital Trust as 'requires Improvement overall'. The Care Quality Commission (CQC) report[81] said the 'protracted' merger process had led to a high use of interim senior managers and 'planning blight'. This had particularly affected surgery with an 'unstable management support'.

A firm eye needs to be kept on the core business to minimise performance risks. The Foundation Trust will need to ensure that new work (ie to take forward the merger, bring the different bodies together and resolving the issues at West Middlesex University Hospital) does not distract from the core work at the Fulham Road site.

Performance in 2014/15

We recognise many improvements have taken place in many areas however issues in some areas still need to be addressed.

We are pleased:

Nationally, the Trust consistently ranks as one of the best providers of high quality clinical care. For example, SHMI is 78.5 against a National Benchmark of 100—statistically significantly lower than expected risk

There were no 'never events' in 2014/15.

Chelsea and Westminster remains in the top 20 per cent of acute trusts in the country as an organisation that staff would recommend as a place to work or to receive treatment.

[80] CQC inspection report (28 Oct 14): Chelsea and Westminster Hospital available at: http://www.cqc.org.uk/location/RQM01

[81] CQC inspection report (7 Apr 15): West Middlesex available at: http://www.cqc.org.uk/provider/RFW

The National Cancer Patient Survey 2013/14 has improved since the previous year, and the Trust recognised that there is still more that they can do to improve as identified in Dr Quinn's Action Plan.

The Trust won two HSJ Value in Healthcare Awards 2014: (1) For 'Value and Improvement in Acute Service Redesign' Boundary less patient flow across acute and community emergency care pathway (2) For 'Value and Improvement in the use of Diagnostics' Dean Street Express. And then Dr Ann Sullivan, Consultant physician in HIV and genitourinary medicine was named an HSJ Innovator 2014.

We note:

- Compliance of peripheral venous catheters was at 84%.

- Over the last two years the number of adult inpatient cases where there has perceived to be a failure to calculate NEWs scores accurately and/or failure to escalate promptly or to the appropriate teams has remained static at 18 cases per year (excluding maternity and paediatrics).

We were disappointed this year:

- England's Chief Inspector of Hospitals rated the services provided at the Chelsea and Westminster hospital as 'requires Improvement overall'.

- There were 7 cases of *Clostridium difficile*.

- There were 3.2 inpatient falls per occupied 1,000 bed days (the target was 3)

- There were 140 pressure ulcers acquired during hospital admission this year. 98 grade 2 (target 59), 14 grade 3 (tagret 8). We agree the hospital should have the reduction of acquired pressure ulcers in next year's priorities.

- From April 2014—January 2015, the Trust identified 6 hospital associated preventable venous thromboembolisms (VTEs). The Trust set a target of 90% of adult patients to receive appropriate medication and compression stockings. We note only 87% of adult patients received compression stockings. We note the % of patients who were admitted to hospital and who were risk assessed for VTE during April 2014- February 2015 were 96.5% (not assessed 3.5%). To have no hospital associated preventable venous thromboembolism was a quality priority this year and it should remain a priority for next year.

Quality Account priorities 2015/16

The suggested priorities for 2015/16 will be:

- Reduction of acquired Pressure Ulcers both in Hospital and the Community
- Embedding of the WHO checklist
- Early Identifying of the Deteriorating Patient
- To Reduce Avoidable Admissions of Term Babies to the Neonatal Intensive Care Unit (NICU)
- Friends and Family Test—inpatient responses

Related to these new priorities, we are disappointed the Trust has dropped as Quality Priorities: (1) Hospital associated preventable venous thromboembolism; (2) Discharge.

The priorities for 2014/15 were:

- To have no hospital associated preventable venous thromboembolism (VTE)
- Continue to focus on communication, discharge, and delivering safe and compassionate care to all our patients
- Patient Experience (Staff Engagement) 2014/15
- To improve choice and quality in End of Life Care

National clinical audits

Diabetes Audit
We note participation in this audit 'in 15/16 is a divisional priority.'

Child Health Review
We note the comment 'C&W do not have the resources to develop 'epilepsy passports' for all our children but we do ensure that all clinic letters with relevant clinical information and advice are copied in to school nurses and head teachers.'

UK Paediatric Inflammatory Bowel Disease Audit
We note the comment 'However, sustainability will be confirmed in the long term, since there is a bed capacity pressure.'

Local clinical audits

An audit into appropriateness of CT pulmonary angiograms to investigate pulmonary embolisms in AAU
Results from the 2 month re-audit should be presented in the Quality Account.

Urgent Care Centre Minor Ailments Audit
The statement '2 patients should have been streamed into the minor injury stream rather than the minor illness stream' doesn't make sense.

Audit of Intra Uterine Devices at West London Centre for Sexual Health
We note the data used relates to 2013.

A review of patients referred with abnormal smear results—was a biopsy taken within 2 years?
We note '6 patients were not appropriately followed up due to appointments not being made' and the inconclusive statement 'this may have been the patient choosing not to book an appointment, or an error on the clinic's part by not booking an appointment'.

Conclusion

We are entirely supportive of the work that Chelsea and Westminster NHS Foundation Trust undertakes. The hospital on the Fulham Road has been an outstanding facility, but it is now in need of improvement.

We were disappointed that this year England's Chief Inspector of Hospitals rated the services provided at the Chelsea and Westminster hospital as 'requires Improvement

overall'. We hope that progress can be on made on all issues raised. Risks from the merger with West Middlesex University Hospital Trust will need to be kept to a minimum.

We are interested to find out how the priorities outlined in the Quality Account are implemented over the course of 2015/16.

We look forward to continuing our strong working relationship with Chelsea and Westminster Hospital NHS Foundation Trust in 2015/16.

Councillor David Harvey
Chairman, Adult Services and Health Policy Scrutiny Committee
Westminster City Council

Statement from Adult Services and Health Policy Scrutiny Committee, Adult Social Care and Health Scrutiny Committee, Royal Borough of Kensington and Chelsea

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- We note a decline in service, highlighted by the England's Chief Inspector of Hospitals rating the services provided at the Chelsea and Westminster hospital as 'requires Improvement overall'[82], took place at the time this merger was being planned.

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A firm eye needs to be kept on the core business to minimise performance risks. The Foundation Trust will need to ensure that new work (ie to take forward the merger, bring the different bodies together and resolving the issues at West Middlesex University Hospital) does not distract from the core work at the Fulham Road site.

Performance in 2014/15

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- Over the last two years the number of adult inpatient cases where there has perceived to be a failure to calculate NEWs scores accurately and/or failure to escalate promptly or to the appropriate teams has remained static at 18 cases per year (excluding maternity and paediatrics).

- We note the reference to 'Understanding the Mental Capacity Act (MCA) and ways of 'making reasonable adjustments' for this group of patients [people with learning

[83] CQC inspection report (7 Apr 15): West Middlesex available at: http://www.cqc.org.uk/provider/RFW

disabilities] are key components of this useful training.' We would add that staff needs appropriate knowledge of the MCA and awareness of the requirements of Deprivation of Liberty Safeguards (DoLS). The processes for patients in need of DOLS assessment or MCA assessment should always be prompt and appropriate.

We were disappointed this year:

- England's Chief Inspector of Hospitals rated the services provided at the Chelsea and Westminster hospital as 'requires Improvement overall'.

- There were 7 cases of Clostridium difficile.

- There were 3.2 inpatient falls per occupied 1,000 bed days (the target was 3)

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Related to these new priorities, we are disappointed the Trust has dropped as Quality Priorities: (1) Hospital associated preventable venous thromboembolism; (2) Discharge. The Trust needs to work to reduce all delayed transfers, both internal and external, and timeliness of discharge.

The priorities for 2014/15 were:

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Councillor Robert Freeman
Chairman, Adult Social Care and Health Scrutiny Committee
Royal Borough of Kensington and Chelsea

Annex 2: Statement of Directors' responsibilities for the Quality Report

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

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2014/15 and supporting guidance

- the content of the Quality Report is not inconsistent with internal and external sources of information including:

    - board minutes and papers for the period April 2014 to 26/05/2015
    - papers relating to Quality reported to the board over the period April 2014 to 26/05/2015
    - feedback from commissioners dated 22/05/2015
    - feedback from governors dated 21/05/2015
    - feedback from local Healthwatch organisations dated 08/05/2015
    - feedback from Overview and Scrutiny Committees dated 05/05/2015 and 08/05/2015
    - the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 31/07/2014
    - the latest national patient surveys including the 2014 Accident and Emergency survey, dated 02/12/2014; and the 2014 Adult Inpatient Survey, dated 21/05/2015
    - the latest national staff survey 24/02/2015
    - the Head of Internal Audit's annual opinion over the trust's control environment dated 14/05/2015
    - CQC Intelligent Monitoring Report dated December 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

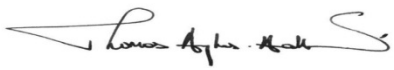
- There are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice

- 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.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitor.gov.uk/annualreportingmanual).

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



Sir Thomas Hughes-Hallett
Chairman

Elizabeth McManus
Chief Executive

27 May 2015

27 May 2015

Independent auditor's report to the Council of Governors of Chelsea and Westminster Hospital NHS Foundation Trust on the quality report

We have been engaged by the Council of Governors of Chelsea and Westminster Hospital NHS Foundation Trust to perform an independent assurance engagement in respect of Chelsea and Westminster Hospital NHS Foundation Trust's quality report for the year ended 31 March 2015 (the 'Quality Report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the Council of Governors of Chelsea and Westminster Hospital NHS Foundation Trust as a body, to assist the Council of Governors in reporting Chelsea and Westminster Hospital NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2015, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Chelsea and Westminster Hospital NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Scope and subject matter

The indicators for the year ended 31 March 2015 subject to limited assurance consist of the national priority indicators as mandated by Monitor:

- maximum time of 18 weeks from point of referral to treatment in aggregate—patients on an incomplete pathway; and
- maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers.

We refer to these national priority indicators collectively as the 'indicators'.

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the 'NHS foundation trust annual reporting manual' issued by Monitor.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation trust annual reporting manual';
- the quality report is not consistent in all material respects with the sources specified in the guidance; and
- the indicators in the quality report identified as having been the subject of limited assurance in the quality report are not reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports'.

We read the other information contained in the quality report and consider whether it is materially inconsistent with:

- board minutes for the period April 2014 to 26 May 2015;
- papers relating to quality reported to the board over the period April 2014 to 26 May 2015;
- feedback from Commissioners, dated 22 May 2015;
- feedback from governors, dated 21 May 2015;
- feedback from local Healthwatch organisations, dated 8 May 2015;
- feedback from Overview and Scrutiny Committee, dated 5 May 2015 and 8 May 2015;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 31 July 2014;
- the latest national patient surveys including the 2014 Accident and Emergency survey, dated 2 December 2014; and the 2014 Adult Inpatient Survey, dated 21 May 2015;
- the latest national staff survey, dated 24 February 2015;
- Care Quality Commission Intelligent Monitoring Report dated 3 December 2014; and
- the Head of Internal Audit's annual opinion over the trust's control environment dated 14 May 2015.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively the 'documents'). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised)—'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;

- testing key management controls;
- analytical procedures;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the 'NHS foundation trust annual reporting manual' to the categories reported in the quality report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the 'NHS foundation trust annual reporting manual'.

The scope of our assurance work has not included testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

Basis for qualified conclusion

As set out on page 99 in the Trust's Quality Account, the Trust identified a number of issues in its 18 week Referral-to-Treatment reporting during the year and our testing identified additional issues including:

- The published indicator incorrectly includes records which should be excluded from the calculation of the indicator;
- In some cases, patients have been excluded from the calculation of the published indicator in circumstances where, per national guidelines or the Trust access policy, they should not have been;
- The underlying data includes records where one or both of the start and end date of treatment were not accurately recorded, affecting the calculation of the published indicator; and
- The calculation of the published indicator does not capture all relevant records within the Trust Patient Administration System records.

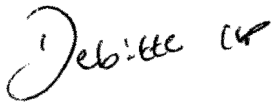
The Trust has received support from NHS England's Intensive Support Team during the year, and is taking actions to resolve the issues identified in its processes, as detailed on page 99.

As a result of the issues identified, we have concluded that there are errors in the calculation of the "maximum time of 18 weeks from point of referral to treatment in aggregate—patients on an incomplete pathway" indicator for the year ended 31 March 2015. We are unable to quantify the effect of these errors on the reported indicator.

Qualified Conclusion

Based on the results of our procedures, except for the effect of matters set out in the basis for qualified conclusion paragraph, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2015:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation trust annual reporting manual';
- the quality report is not consistent in all material respects with the sources specified in the Detailed Guidance for External Assurance on Quality Reports; and
- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual.



Deloitte LLP
Chartered Accountants
St Albans, United Kingdom

28 May 2015

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial information differs from legislation in other jurisdictions.

STAFF SURVEY

Statement on staff engagement

See ‘Employee matters’ on page 20 for details.

Summary of results from staff survey

1474 surveys returned.
Response rate was 49%, above average.
Response rate was 61% in 2013.

Our Top 5 results

	2014	2013	National average
KF8: % of staff having well structured appraisals in last 12 months	44%	48%	38%
KF9: Support from immediate managers	3.74	3.76	3.65
KF21: % of staff reporting good communication between senior management and staff	37%	42%	30%
KF24: Staff recommendation of the trust as a place to work or receive treatment	3.87	4.04	3.67
KF29: % of staff agreeing that feedback from patients/service users is used to make informed decisions in their directorate/department	64%	n/a	56%

Key findings where the Trust is in the best 20% of acute Trusts - same as above

Overall staff engagement is 3.80, compared to 3.92 in 2013. 3.80 is better than average.

There are 3 sub-dimensions to employee engagement:

KF22: Staff ability to contribute towards improvement at work – Trust score 71%, above (better than) average
KF24: Staff recommendation of the Trust as a place to work or receive treatment – Trust score 3.87, highest (best) 20%
KF25: Staff motivation at work – Trust score 3.82, below (worse than) average

Our bottom 5 results - these are all in the worst 20%

	2014	2013	National average
KF7: % of staff appraised in last 12 months	79%	84%	85%
KF10: Percentage of staff receiving health and safety training in last 12 mths	67%	73%	77%
KF18: % of staff experiencing harassment, bullying or abuse from patients/relatives or public in last 12 mths	35%	32%	29%
KF26: % of staff having equality and diversity training in last 12 mths	50%	47%	63%
KF28: % of staff experiencing discrimination at work in last 12 mths	19%	16%	11%

Key findings where the Trust is in the worst 20% of acute Trusts (areas for improvement)

	2014	2013	National average
KF5: *% working extra hours*	74%	75%	71%
KF7: % of staff appraised in last 12 months	79%	84%	85%
KF10: Percentage of staff receiving health and safety training in last 12 mths	67%	73%	77%
KF12: % of staff witnessing potentially harmful errors, near misses or incidents in last mth	37%	32%	34%
KF18: % of staff experiencing harassment, bullying or abuse from patients/relatives or public in last 12 mths	35%	32%	29%
KF26: % of staff having equality and diversity training in last 12 mths	50%	47%	63%
KF28: % of staff experiencing discrimination at work in last 12 mths	19%	16%	11%

Key findings where the Trust has improved (statistically significantly) since 2013
None

Key findings where the Trust has deterioratiorated (statistically significantly) since 2013

KF3: Work pressure felt by staff	3.02
KF7: % of staff appraised in last 12 months	79%
KF10: Percentage of staff receiving health and safety training in last 12 mths	67%
KF24: Staff recommendation of the trust as a place to work or receive treatment	3.87

The results of the national staff survey 2014 show that Chelsea and Westminster remains in the top 20 % of acute trusts in the country as an organisation that staff would recommend as a place of work or to receive treatment.

Staff ability to contribute towards improvements at work ranked above average compared with other acute trusts. Also scoring well in the survey was staff felt they were able to make valuable contributions to improve the work within their team and have frequent opportunities to show initiatives in their current role.

Other positive areas include:

- staff agreeing that feedback from patients/service users is used to make informed decisions in their directorate/department
- staff reporting good communication between senior management and staff
- staff having well-structured appraisals in last 12 months
- support from immediate managers.

But there were a number of areas where the Trust needs to focus on improvement. These included:

- staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months
- staff experiencing discrimination at work in last 12 months
- staff receiving health and safety training in last 12 months
- staff working extra hours
- staff appraised in last 12 months.

The Trust continues to be well regarded by its staff and has continued to perform well in a number of key areas. But some of the findings reflect the pressure all NHS staff have been under and a clear message has been sent that we need to concentrate on other important areas to improve the overall working experience for all our staff. We shall be working with staff and staff representatives in drawing up an action plan to address the trends and findings coming out of the survey, monitored by the People & Organisational Development Committee.

Senior management and directors have drawn up action plans to respond to these areas of concern. Progress of the divisional and corporate action plans will be monitored by the People and Organisational Development Committee on behalf of the Board.

A separate action plan has been developed in regard to harassment, bullying and discrimination. As this is a common issue across London, a pan London approach is being taken with support from NHS Employers. This will enable us to adopt good practice from respective NHS organisations.

REGULATORY RATINGS

Explanation of ratings

Since 1 October 2013 the Trust has been assessed by Monitor under its Risk Assessment Framework as the means of monitoring compliance by providers of NHS services with the continuity of service and governance conditions in their provider licences. This approach generates two risk ratings for the Trust, one based on the way it is managed (governance) and one based on financial health (continuity of services).

Continuity of Services Risk Rating: Monitor takes a prospective approach to assessing financial risk, with the aim being to identify financial distress in good time to start planning appropriate mitigating actions. Two metrics are used to calculate the Continuity of Service Rating (CoSR)—liquidity (in days) and debt service capacity ratio (times). The CoSR essentially assesses how the Trust manages cash and its ability to repay debt. Trusts are assigned a rating from 1 (high risk) to 4 (lowest risk) and our strategy is to have a minimum rating of 3. We anticipate due to our forecast deficit a short term COSR rating in 2015/16 of 2.

Governance risk rating: Monitor's assessment of governance risk is based predominantly on NHS Foundation Trusts' plans for ensuring compliance with the terms of their authorisation but will also reflect historic performance where this may be indicative of future risk.

Monitor considers eight elements when assessing the governance risk rating—legality of constitution, growing a representative membership, appropriate Board roles and structures, service performance, clinical quality and patient safety, effective risk and performance management, co-operation with NHS bodies and local authorities, and provision of mandatory services.

Monitor rates governance risk using a graduated system of green, amber/green, amber/red and red, where green indicates low risk and red indicates high risk.

The table below shows the Trust's performance in terms of financial and governance ratings for 2014/15:

2014/15	Annual Plan	Q1	Q2	Q3	Q4
Continuity of Service Rating (COSR)	3	3	3	3	3
Governance risk rating	GREEN	GREEN	GREEN	GREEN	GREEN

INCOME DISCLOSURES

The Trust has met the requirement in 2014/15 that income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. For the purposes of this comparison, donated, training, and research income has been included within income, with the majority of this income attributable to the provision of the health service in England. Research and training income in relation to non-NHS patients or training has been treated as non-NHS income and its impact has been to help us invest in NHS services.

OTHER DISCLOSURES

Action to inform, involve and consult with staff

See 'Employee matters' on page 20 for details.

Policies in relation to disabled persons and equal opportunities

See the 'Directors' Report' on page 27.

Health and safety

There has been a continued improvement in attendance at Health & Safety training during 2014/15. There were 17 incidents reported to the Health & Safety Executive under RIDDOR for the period 2014/15, which is a decrease on the previous year of 21.

Counter-fraud policies and procedures

The Trust has a Counter-fraud Policy for dealing with suspected fraud and corruption, and other illegal acts involving dishonesty or damage to property.

Nominated staff who Trust staff can contact confidentially if they suspect a fraudulent act are the Director of Finance and the Local Counter-fraud Specialist (LCFS).

Better Practice Payment Code

The Better Payment Practice Code requires the Trust to pay all valid invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later, unless other payment terms have been agreed with the supplier. The Trust's compliance with the Code is set out in the Notes to the Accounts.

Consultations

While there have been no significant service changes to necessitate formal consultation, in 2014/15 we have discussed the proposed acquisition of West Middlesex University Hospital with a wide variety of stakeholders both in our population area and the catchment area of West Middlesex University Hospital. This engagement spanned staff, union representatives, patients, Governors, members, local authorities and Clinical Commissioning Groups.

Other patient and public involvement activities

We work hard to inform and engage with our members and members of the public more broadly. This is a key component of the Trust's Membership Communications and Engagement Strategy and work in 2014/15 has included:

- three membership mailings of Trust News
- bi-monthly Medicine for Members seminars
- the Trust's annual Open Day, which in June 2014 saw 2,000 visitors

- Meet a Governor sessions
- Annual Members' Meeting

Patients and members of the public continue to be able to use the Patient Advice and Liaison Service which supports those before, during and after their stay in hospital.

In addition, we have set up monthly Constituency Meetings to help support governors to engage with their Foundation Trust members they represent about developments taking place at the Trust.

We have worked hard to engage with GP colleagues in many ways including e-newsletters, tailored clinical education events, linking directly with GP acute care leads, notwithstanding involvement in whole systems integrated care for which we are part of the pilot programme.

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

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 Monitor.

Under the NHS Act 2006, Monitor has directed Chelsea and Westminster Hospital 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 Chelsea and Westminster Hospital NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *NHS Foundation Trust Annual Reporting Manual* and in particular to:

- observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and
- prepare the financial statements on a going concern basis.

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of Chelsea and Westminster Hospital 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.

Elizabeth McManus
Chief Executive

27 May 2015

ANNUAL GOVERNANCE STATEMENT

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Foundation Trust's policies, aims and objectives, while safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the *NHS Foundation Trust Accounting Officer Memorandum*.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Chelsea and Westminster Hospital NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Chelsea and Westminster Hospital NHS Foundation Trust for the year ended 31 March 2015 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

Chelsea and Westminster Hospital NHS Foundation Trust is committed to a comprehensive, integrated Trust-wide approach to the management of risk, based upon the support and leadership offered by the Board of Directors, the Audit Committee, the Quality Committee (formerly known as the Assurance Committee) and the Executive-led Risk Management Committee. The Trust is committed to an open and transparent risk management culture, embodied in the approach the Trust takes to the reporting of incidents and risk (particularly in the next context of the statutory Duty of Candour). The Trust's risk management culture is also embodied in the Trust's approach to high-level strategic decision-making; with 'Equality-Impact' and 'Quality-Impact' assessments being undertaken, where relevant, in relation to significant strategic decisions.

Throughout 2014/15, the Board had regular oversight of both the Corporate Risk Register (CRR) and Board Assurance Framework (BAF) which saw the outcomes of the work undertaken at Executive-level through the work of the Risk Management Committee.

Towards the end of 2014/15, the Trust introduced a new risk management process, the Risk Assurance Framework (RAF), which mapped the organisation's aims and objectives against all aspects of risk: clinical, financial, service, reputational and legal. The RAF will become a core part of Trust business and will be scrutinised by the following committees:

- Board of Directors—reviewed full RAF twice per annum and a 'Top Risks' report on a monthly basis;
- Executive Team- reviewed the full RAF at each meeting on a monthly basis;
- Audit Committee—reviewed the full RAF at each meeting on a quarterly basis;

- Quality Committee—review extract of RAF, focusing on risks to safety, patient experience and clinical effectiveness.

Each risk listed within the CRR/BAF documents, as well as within the newly introduced RAF, has a single executive 'owner' to ensure accountability for risk management/mitigation.

To ensure the successful implementation and maintenance of the Risk Management Strategy, Board members and all staff members have received risk management training as part of the Trust general induction programme, as per the Trust Training Needs Analysis. Thereafter, risk management training is explicitly included in the mandatory training 'refresher' courses provided by the Trust, which all staff (including Board members and senior managers) undertake every three years. The Learning and Development Department keep a record of attendance for each training session. Any member of staff overdue risk management training is identified by the Learning and Development Department and followed up with the individual's direct line manager. The Trust Risk Management Strategy is accessible to all staff via the Trust intranet and aims to provide guidance on the conduct of risk assessments and the escalation of risk, as appropriate for each staff member's level of authority and duties.

An essential aspect of the Trust's Risk Management approach is the need to 'learn and share the lessons' arising from realised risks, incidents and near misses. This helps to ensure ongoing systems improvement and safeguards patient care and business safety. This is achieved through the regular aggregation of claims, complaints, incidents, inquests and clinical audit data for the purpose of identifying key themes, trends and best practice. The Trust also ensures learning from nationally recognised good practice, seeking to comply with the national standards set by the CQC, NICE, the Health and Safety Executive and Monitor. Where best practice is identified, either through internal analysis or as a result of the publication of national guidance, it is incorporated into the Trust's policy on the particular subject matter and shared with all staff via the Trust intranet system.

The risk and control framework

It is inherent within good risk management practice that identified risk is analysed, evaluated, treated and followed up at a later stage for the purposes of monitoring and review to further improve.

Identification of risk

There are four principal methods of risk identification which the Trust uses:

- Known ongoing inherent risks which the Trust was aware of which are controlled and managed;
- Foreseeable local risks which were inherent and identified by competent persons proactively;
- Strategic risks identified by the Board (including the risks associated with complying with the Trust's FT licence);
- 'Retrospectively realised' risks from risk sources.

As per the fourth method of risk identification detailed above, risks can be identified from a number of sources, including but not restricted to:

- risks/recommendations from incident investigations and themes/trends arising from cumulative analysis of incident data
- clinical risk assessments
- non-clinical risk assessments (security, health and safety, health and wellbeing etc.)
- risks arising as a result of an external review or inspections
- recommendations from internal audit reports or other internal or external monitoring reviews/audits/assessments or reports
- patient surveys
- staff surveys
- PALS and complaints key themes
- risk shared by neighbours and/or other stakeholders/duty holders or authorities.

In some cases, through the processes described above, the Board may identify complex risks that affect or involve external organisations, such as local stakeholders within the local healthcare community (Local Authorities, CCGs). Where this is the case, the Trust adopts a collaborative approach to its risk mitigation plans, ensuring a transparent and 'joined up' approach to managing risk; recognising that in some cases the Trust will be limited in the degree of risk mitigation it can achieve as an individual organisation.

Risk assessment

The purpose of undertaking risk assessments is to effectively manage and control significant risks which are/have been identified/inherited or which are foreseeable in nature, as required by health and safety legislation. Risks are evaluated in order to determine the level of exposure and provide input to decisions on where responses to reduce, accept or avoid risks are necessary/acceptable or likely to be worthwhile. The evaluation of the risk assessment will involve the analysis of the individual risk to identify the consequences/severity and likelihood of the risk being realised.

Within Chelsea and Westminster Hospital NHS Foundation Trust, the severity and likelihood of risk is given a numeric score based on the following matrix:

	Consequence				
Likelihood	**Negligible 1**	**Minor 2**	**Moderate 3**	**Major 4**	**Catastrophic 5**
1 (rare)	1 (Low)	2 (Low)	3 (Low)	4 (Med)	5 (Med)
2 (unlikely)	2 (Low)	4 (Med)	6 (Med)	8 (High)	10 (High)
3 (possible)	3 (Low)	6 (Med)	9 (High)	12 (High)	15 (Extreme)
4 (likely)	4 (Med)	8 (High)	12 (High)	16 (Extreme)	20 (Extreme)
5 (almost certain)	5 (Med)	10 (High)	15 (Extreme)	20 (Extreme)	25 (Extreme)

In addition, the RAF process involved a set of risk metrics pertaining to risk impact and likelihood which helped improve the robustness of the calculation of risk assessments taking place within the Trust.

Impact

Level	Descriptor	Risk Type			
		Injury	**Service delivery**	**Financial**	**Reputation/ publicity**
1	Negligible	No injuries or injury requiring no treatment or intervention	Service disruption that does not affect patient care	Less than £10,000	Rumours
2	Minor	Minor injury or illness requiring minor intervention < 3 days off work if staff	Short disruption to services affecting patient care or intermittent breach of key target	Loss of between £10,000 and £100,000	Local media coverage
3	Moderate	Moderate injury requiring professional intervention RIDDOR reportable incident	Sustained period of disruption to services/sustained breach of key target	Loss of between £101,000 and £500,000	Local media coverage with reduction in public confidence
4	Major	Major injury leading to long term incapacity requiring significant increased length of stay	Intermittent failures in a critical service Significant underperformance of a range of key targets	Loss of between £501,000 and £5M	National media coverage and increased level of political/public scrutiny Total loss of public confidence
5	Extreme	Incident leading to death Serious incident involving a large number of patients	Permanent closure/loss of a service	Loss of >£5M	Long term or repeated adverse national publicity Removal of Chair/CEO or Executive Team

Likelihood

Level	Descriptor	Range
5	Almost certain	More than 90%
4	Likely	31% to 90%
3	Possible	11% to 30%
2	Unlikely	3% to 10%
1	Rare	Less than 3%

Alongside the general risk assessment process the Trust employed, there were also patient and staff specific risk assessment forms used at ward/department level in relation to particular risks, for example:

- falls
- pressure ulcer
- moving and handling
- venous thromboembolism
- nutritional
- work station assessment

The RAF template is structured in a way that required the recording of an ‘original risk rating’, in addition to a ‘current risk rating’ and ‘residual risk rating’. This allowed the Trust

to track changes in risk, from risk recognition through to an assessment of the risk post-mitigating actions. In each case, the Trust's risk 'appetite' is determined by the residual risk rating which effectively operates as a target rating, ie once the mitigating actions have been implemented successfully and the risk has reduced to the target, the Trust accepts the residual level of risk. However, each time a risk is reviewed and updated, the determination of the Trust's risk appetite is also reviewed; particularly after new mitigating actions have been identified.

Principal risks

As of March 2015, the principal risks affecting the attainment of the Trust's Corporate Objectives (including significant clinical risks, risks to FT Licence Condition 4, in-year and future risks, how the risk will be managed and mitigated and how outcomes will be assessed) are as detailed on the next page.

Risk Assurance Framework (RAF) **Date:** Mar-15

Risk Name	Description/ Impact of Risk	Source of Risk	Current Risk Rating			Controls & Action Plan	Target Risk Rating			Board Assurance
			I	L	R		I	L	R	
Trust's Top Risks										
Financial Position-Short-Term Effect on Strategy	The Trust's 2014/15 financial plan, an outturn of £2.4m before impairments, will be partly met through the use of reserves and non-recurrent benefits, rather than growth and/or efficiencies. The Trust's current financial projection for 2015/16 is a £12m deficit which in itself is dependant upon a further £10m CIP and a reduction in expenditure against the capital programme. Without a substantial improvement in the Trust's 2015/16 projections, the Trust's stand alone financial health creates the potential for Monitor to allocate a 'red' risk assessment to the WMUH transaction which would materially threaten the attainment of the Trust's organisational strategy.	Monitor Operational Plan; Monitor Concerns	5	5	25	1. Divisions/Departments asked to sign-off budgets each year. 2. Fortnightly finance review meetings. 3. Monthly finance & performance meetings 4. External Advisor commissioned to identify additional 2015/16 CIP opportunities.	5	4	20	The Board will directly seek assurance with regard to the management of this risk through its monthly Board meetings. In addition, the Finance & Investment Committee will, on behalf of the Board, apply a greater level of scrutiny to the Trust Executives' management of this risk.
Financial Position-Longer-Term Effect on Strategy	In the event that the Trust completes the WMUH transaction; there is a need to ensure a sustainable COSRR of '3' by the end of 2016/17. Given the Trust's deteriorating financial health and the fact that WMUH has historically been a loss-making organisation; this represents a material risk to the viability of the post-acquisition organisation. With this, carries the risk of Monitor intervention/enforcement.	LTFM	5	3	15	1. Divisions/Departments asked to sign-off budgets each year. 2. Fortnightly finance review meetings. 3. Monthly finance & performance meetings. 4. The Trust has commissioned independent auditors to obtain greater detail on WMUH financial position and financial projection risks. 5. Trust to develop key financial integration plan for post-acquisition organisation so that there is 'grip' on the financial performance of the entire organisation as of Day 1 post-acquisition.	5	2	10	The Board will directly seek assurance with regard to the management of this risk through its monthly Board meetings. In addition, the Finance & Investment Committee will, on behalf of the Board, apply a greater level of scrutiny to the Trust Executives' management of this risk.
Transactional Risks Associated with WMUH Acquisition Timeline	In the months preceding the anticipated Acquisition of WMUH, there are a number of factors that could delay the transaction pathway. Any such delays could adversely affect workforce morale and create a degree of organisational uncertainty; within both Trusts- potentially threatening the effectiveness of BAU activities. Delays might also affect the Trust's credibility in terms of completing the transaction.	Internal Risk Assessment	4	4	16	1. Regular engagement with Monitor assessment team. 2. EY are supporting the Trust to ensure the smooth facilitation of the Monitor assessment progress. 3 Project Board and Acquisition Steering Committee to review EY action plan 4) Bespoke Board programme to be developed to support oversight of Monitor process and final Board-to-Board	4	3	12	Any delays will be notified to the Board and scrutinised in detail on the Board's behalf by both the Joint Acquisition Steering Committee and the Acquisition Project Board.
Integration Risks Associated with Post-Acquisition State	There is a risk that, with the Trust's efforts focused upon delivering the transactional aspects of the Acquisition process, there is inadequate planning with regard to the integration of the post-acquisition organisation. In particular, the Trust will need to make provision for contrasting cultures, IT systems, patient demand, governance structures etc. Failure to integrate such elements efficiently and/or to plan and communicate effectively has the potential to severely affect the enlarged Trust's staff retention and overall bandwidth with knock on impact on financial, operational and quality performance.	Due Diligence Work, Evaluation of previous M&A	4	4	16	1. Bespoke risk register related to the Acquisition workstream exists and this will highlight specific integration risks identified; allowing for sufficient mitigations to be put into place. 2. Communications Plan reviewed against best practice evidence (e.g. Deloitte review 2015) to ensure Pre & Post-acquisition plans for engagement of CW and WMUH staff. 3) Additional appointments made: Integration Director appointed (with previous transaction experience); Association Medical Director with bespoke PAs to support integration; number of CW staff seconded to WMUH and accelerating agreed 'transitional structure'.	4	3	12	The Trust's post-acquisition integration plans will be monitored directly by the Board and scrutinised in detail on the Board's behalf by the Joint Acquisition Steering Committee which is expected to remain in place beyond the date of the transaction.
Shaping a Healthier Future (Shaping a Healthier Future)	There is a risk that the assumptions within the Shaping a Healthier Future programme which underpin the FBC are delayed; only partially put in place or not realised at all: 1) Activity flows and subsequent additional income - the principle risk is that this will not allow the reinvestment of income to clinical workforce at WMUH and support the 'step change' in scale and resilience to address key risks of clinical due diligence 2) Capital: that the assumptions for Estate development are not supported by DH approved PDC leaving new Trust with inability to safely deliver new services or an unaffordable capital plan.	NWL Shaping a Healthier Future Programme, Due Diligence	5	4	20	1) Working Group established with NWL CCGs to develop further mitigations including how activity assumptions translate into contractual commitments; different models for capital support (e.g. as per example of CW ED development) 2) Shaping a Healthier Future operational group re-established internally at CWFT to support implementation 3) Support central Shaping a Healthier Future assurance programme to give stakeholders confidence to continue implementation and provide momentum to programme (e.g. decision to transfer maternity from Ealing)	5	3	15	The Board will directly oversee the impact of SAHF upon the strategic objectives of the Trust.
CQC Identified Care Shortfalls	Whilst some of the care shortfalls identified within the last CQC inspection report have been addressed quickly, it is recognised that some of the root causes of underperformance against care standards is driven by cultural/behavioural issues which will require a longer-time to address. Similar issues are likely to exist within the WMUH workforce. Pockets of workforce disengagement has the potential to derail the Trust's pre-acquisition delivery milestones and post-acquisition integration plans.	CQC Report	4	4	16	CQC Responsive Action Plan in place, with progress being overseen by Director of Nursing on a weekly basis, reporting up to the Board and Quality Committee on a monthly basis.	4	3	12	The Board will directly seek assurance with regard to the management of this risk through its monthly Board meetings. In addition, the Quality Committee will, on behalf of the Board, apply a greater level of scrutiny to the Trust Executives management of this risk through reviewing the CQC Action Plan at each meeting.
Management Bandwidth & Board Stability	The Trust Board is relatively 'new' and is in the process of embedding itself: there have been several new Non-Executive appointments in 2014/15. Furthermore, key roles within the Executive Team are currently filled on a temporary basis. In addition, management bandwidth and skills gaps have been identified lower down the organisation that require addressing. Monitor has raised concerns with regard to the potential instability this could cause proceeding into the acquisition.	Monitor Concern	4	4	16	1. The Trust has a pre-existing legally compliant Constitution and set of Standing Orders for the Board of Directors which establish the fundamental framework within which the Board operates. 2. A new permanent COO will commence in post as of March 2015. 3. A process has commenced for the appointment of a permanent CEO. 4. The Governance Framework around the Board (Committee structure, risk arrangements) is in the process of being reviewed and enhanced. 4. Board Development work has been scheduled post WMUH acquisition.	4	2	8	The Board will directly seek assurance with regard to the management of this risk through its monthly Board meetings. In addition, the Nominations & Remuneration Committee will, on behalf of the Board, review key Tier 1/Tier 2 shortfalls in detail..
Workforce Challenges	Across the Trust, there are areas of high vacancy rates, high staff turnover and high agency usage. This has the ability to have an adverse impact upon the Trust's finances, workforce morale and care standards. (specific workforce risks of this nature are detailed within the RAF below).	Internal KPIs	4	5	20	1. Each Division has established Recruitment & Retention Plan. 2. Regular 'deep dive' assessments of divisional recruitment & retention produced on a monthly basis with plans to address key problem areas. 3. People Strategy developed during 2014/15 which introduced new reward and recognition schemes and initiatives (e.g. project on HCAs). 4. Bank & Agency Project Group in place, which reports to the Executive Team and drives recruitment & retention action plans. 5.. Planned recruitment drives to occur with greater frequency in 2015 for HCAs and nurses.	4	3	12	The Board will directly seek assurance with regard to the management of this risk through its monthly Board meetings. In addition, the People & OD Committee will, on behalf of the Board, apply a greater level of scrutiny to the Trust Executives' management of this risk.
Long-Term Ability to Meet Clinical Demand	The Trust is responsible for providing care to an ageing local patient population. As a result, there will continue to be an increase in complex patients with multiple comorbidities; that will require the ability to provide more 'generalist care' to ensure that the entire range of patient ailments can be cared for effectively. In addition, there is a national expectation that the full range of clinical services should be provided by acute Trusts on a 24/7 basis; requiring the need for greater organisational adaptability.	National Statistics	4	4	16	1. The Trust is engaging with Health Education England with regard to capacity planning to meet future patient demand. 2. The Trust is currently going through the process of reconfiguring internal clinical pathways, challenging the 'status quo' models of care. 3. The Trust is actively attempting to recruit generalist physicians and nursing staff. 4. The Trust is reviewing Consultant job plans to enable 7 day working. 5. The Trust is clarifying expectations with commissioners with regard to 7 day working.	4	3	12	The Board will directly seek assurance with regard to the management of this risk through its monthly Board meetings.

Risks to data security

In terms of risks to data security, the Trust adheres to the N3 Data Security Policy. Security measures apply to all systems and users connected to the Trust's network as per the Information Security Policy. Additionally, the Trust has policies and procedures for risk and privacy impact assessments. Procedures for reporting and management of incidents are updated and published at the Trust. These together with supporting annexes identify

managerial and staff responsibilities, actions and baseline information and data security management measures.

The Trust manages its risks to data security through a number of different approaches. The Trust also has a Board level Senior Information Risk Owner (SIRO). The SIRO chairs an Information Governance Committee (IGC) which is responsible for setting the framework for information governance standards in the Trust and ensuring delivery of action plans to improve compliance. The Trust's Caldicott Guardian is also a member of the IGC.

The IGC supports and drives the broader information governance agenda and provides the Audit Committee with assurance that effective best practice mechanisms are in place within the Trust. A key part of the IGC's work is to review compliance against the Information Governance Toolkit (Health & Social Care Information Centre (HSCIC)). Based on the Trust's performance over the last few years internal audit do not consider it is necessary to audit every year. The Information Governance Toolkit assessment for 2013/14 assessed all major requirement areas as satisfactory. In 2013/14 the Trust did not have any reportable incidents relating to data loss.

The Audit Committee receives a regular update on information governance and assures the Board through the reports to the Board.

Quality governance and performance

Chelsea and Westminster Hospital NHS Foundation Trust is compliant with the registration requirements of the Care Quality Commission. However, in year a CQC inspection undertaken in July 2014 highlighted that the Trust's services 'required improvement' in a number of areas, despite the CQC praising many aspects of the Trust's services.

Further detail as to the content of the CQC inspection report and the Trust's response to this is contained within the main body of the Annual Report. From a governance perspective, the Trust established a comprehensive CQC Action Plan which identifies actions to address each shortfall highlighted within the inspection report. Progress against this action plan is monitored on a monthly basis by the Quality Committee, providing assurance that the Trust is compliant with its CQC registration requirements.

The Quality Committee also review the Trust Quality & Performance Dashboard at each meeting; scrutinising key trends in performance (covering clinical, financial, operational and workforce performance KPIs). Prior to being received by the Quality Committee, the quality of the performance information is assessed and tested through the following processes:

- Records management under the patient access policy
- Source system controls eg staff training, mandatory fields and drop-down selections
- Manuals eg the Outpatient Procedure Manual
- validation of data by service managers and general managers eg RTT and A&E
- regular monitoring meetings across all key access targets.

The Board also oversee the Quality & Performance Dashboard at each meeting to ensure that all Board Directors are kept adequately appraised of Trust performance and to ensure a degree of rigour with regard to full Board scrutiny of such performance.

Data assurance

The Trust assures the quality and accuracy of elective waiting time data through a combination of regular daily and weekly meetings to focus on elective waiting time data and review and sign-off procedures for performance data. The sign-off and review process includes review at Senior Operational Group, Trust Executive, Quality Committee and Trust Board.

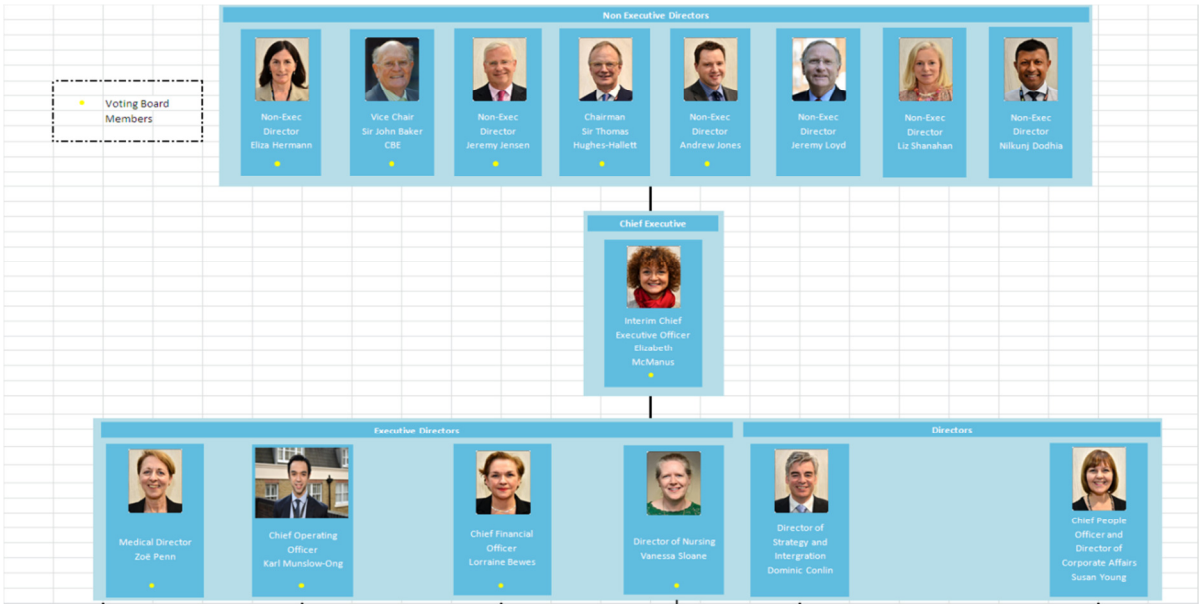
The Trust has an advanced feed from the PAS system which is available through-out the Trust and updated daily. Divisional staff and the Information team regularly review a suite of reports including more advanced information for elective waiting times, including drill down to patient level information. Patient pathways are validated to ensure that the quality of the data is accurate and the Trust has taken part in a national validation programme focusing on waiting lists during 2014/15. The Trust also engaged additional external support from NHS IMAS and Intensive Support Team (IST) to assure that we are doing the right things in terms of our approach to RTT compliance and ultimately patient care. The IST undertook a deep dive review into the outpatient booking processes, elective inpatient admissions processes and the reporting at the Trust, in order to review accuracy of data and support sustainable delivery of the Referral to Treatment Standard and the recommendations arising have formed part of an action plan to improve internal processes, as well as the quality and accuracy of data.

There are some risks to the quality and accuracy of data due to the complexities of the Trust's systems and work during 2014/15 to address the backlog of long waiting patients over 18 weeks. These have been largely mitigated by a significant amount of work undertaken over the second half of 2014/15 to review and improve systems and processes to improve the quality and accuracy of data.

Corporate Governance

People

The Board of Directors as at the end of 2014/15 is detailed below:



Current accountabilities for each of the voting members of the CWFT Board are as follows:

Chairman—key responsibilities include:

- Chairing the Board of Directors and the Council of Governors and ensuring they work together effectively
- Ensuring the Board and Council receive accurate, timely and clear information that is appropriate for their respective duties

Non-Executive Directors—key responsibilities include:

- Challenging and supporting the Executive Directors in decision-making and on the Trust's strategy
- Holding collective accountability with the executive directors for the exercise of their powers and for the performance of the Trust

Chief Executive—key responsibilities include:

- Leading the Executive and Trust Management Teams in the day to day running of the Trust
- Working in partnership with the Board to deliver the Trust's strategy
- Ensuring that the Trust meets its statutory obligations and is fully compliant with external regulatory standards, as the Accountable Officer for the Trust
- Building effective working relationships with commissioners, local authorities, universities, NHS provider organisations and other key stakeholders

Chief Financial Officer—key responsibilities include:

- Meeting all organisational, statutory and regulatory requirements associated with Trust finances
- Contributing to Board-level financial strategy and planning including developing the organisation's short, medium and long-term goals
- Ensuring efficiency and effectiveness of the overall finance function and the integrity of processes and systems within it

Chief Operating Officer—Key responsibilities include:

- Ensuring effective and efficient delivery of all operational, clinical and non-clinical support services
- Leading on performance delivery of national and local targets and on delivery of clinical efficiencies and service improvement work programmes
- Effectively engaging across all corporate and service delivery functions to ensure there are robust processes in place to agree and meet financial and activity targets

Medical Director—key responsibilities include:

- Clinical strategy and planning; clinical service developments; contributions to wider Trust strategy and planning
- Medical leadership and clinical governance including management of all medical staff; medical-workforce planning; consultant appraisal; junior-doctor planning; clinical governance; clinical leadership in respect of NHSLA and CQC relationships

- Education and academia including medical education; relationships with Royal Colleges; and R&D

Director of Nursing and Quality—key responsibilities include:

- Leading the Trust's delivery of the CQC action plan; providing nurse leadership for the organisation

The voting members of the Board are supported by two non-voting Board members (the Director of Strategy and the Chief People Officer & Director of Corporate Affairs) and a wider senior leadership team who share in responsibility for the day-to-day activities and overall performance of the Trust.

A number of the Non-Executive Directors on the Board are new appointments following radical changes to the Non-Executive composition and structure brought about by the newly appointed Chairman, Sir Thomas Hughes-Hallett, following a Board skills gap analysis in early 2014/15.

Similarly, the Executive Team has undergone substantial change in year. Following the resignation of the former Chief Executive Officer, Tony Bell, Elizabeth McManus, substantively the Trust's Chief Nurse, was appointed by the Board as Interim Chief Executive Officer pending the outcome of the recruitment process relating to the permanent position. Vanessa Sloane, substantively the Deputy Director of Nursing, has undertaken the role of the Director of Nursing on the Board during this time. As of March 2015, Karl Munslow-Ong will commence in post as the new permanent Chief Operating Officer, replacing Rob Hodgkiss who has been undertaking the role in an interim capacity.

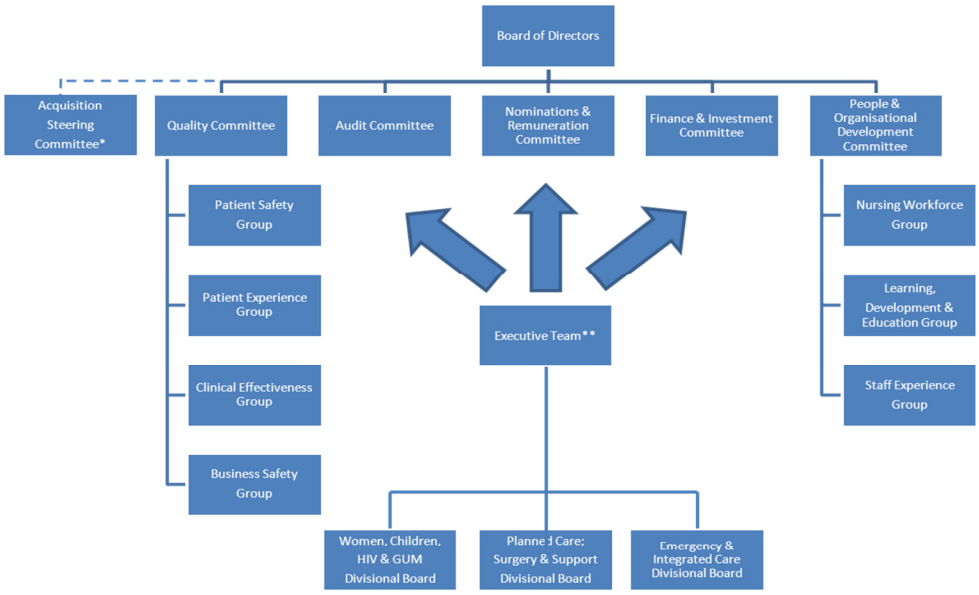
As of February 2015, the Trust appointed a Company Secretary to assist in the further improvement of corporate governance arrangements and to provide specialist advice on the governance and legal issues relevant to the proposed WMUH acquisition.

CWFT has the confidence of its clinicians, who are at the core of its successful management strategy, and it is this continual delivery of high service standards combined with its coherent strategic vision which meets the WMUH vision and specification. WMUH saw in the vision espoused by CWFT one that mirrored its own vision of high-quality services providing the best possible care for the people it serves combined with providing an attractive working environment, shared organisational values and a sound financial basis for the future.

The Executive Team and supporting structure will be updated to ensure roles and responsibilities are in line with the new organisation's needs. There will be robust operational, financial and quality control systems to ensure compliance with Monitor requirements for FTs as well as specific arrangements to strengthen site management, and the resources and plan to deliver the transformation and the benefits of the case.

Meetings

The Board's overarching governance framework is detailed on the next page.



* Limited Term Only

** Meeting as 'Corporate Directors' (Exec Directors only) once weekly; and as a wider 'Executive Team' (with Divisional Leaders) once per fortnight. All key issues, risks and proposals will be reviewed/agreed by the Executive Team prior to discussion at Board-level meetings.

These key committees ensure that CWFT is in all respects 'fit for business' and, as in any mature reflective organisation, it constantly reassesses the need for the organisation to adjust and change its management framework as circumstances change. The structure and composition of these and other committees which support them is thus not static but is amended as the needs of the business dictate. It is a fundamental part of the governance structure that all material issues and risk passes through the 'Executive Team' before reaching any of the Board-level Committees which are described below:

The **Audit Committee** assures the Board of Directors that probity and professional judgment are exercised in all financial matters. It advises the Board on the adequacy and effectiveness of the Trust's internal control systems, risk management arrangements, and governance processes, and on ways of maximising efficiency and effectiveness. It prepares an annual report for the Board on these matters. The Chief Executive is the Trust's designated Accounting Officer, who has the duty of preparing the accounts in accordance with the NHS Act 2006.

The **Nominations & Remuneration Committee** is a statutory Committee comprising of the Non-Executive Directors that oversees the appointment, performance assessment and remuneration of the Executive Directors.

The **Finance & Investment Committee** is responsible for seeking assurance as to the satisfactory management of the Trust's finances, CIP Plan, cash management and capital programme. The Committee also reviews (and recommends to the Board for approval) business case with high-level strategic significance.

The **Quality Committee** is mainly responsible for issues of quality and patient safety. It seeks assurance on systems, processes and outcomes relating to quality (safety, effectiveness of care, and patient experience), and the environment, and monitors compliance with the Care Quality Commission Standards.

The **People & Organisational Development Committee** is responsible for reviewing Trust performance on key workforce issues (turnover, mandatory training, appraisal rates); while also reviewing key workforce and organisational development strategies on behalf of the Board.

The **Acquisition Steering Committee** is a limited-term Committee which provides Board members with a high-level overview as to the progress of the acquisition against a clearly defined critical path.

Assessing the effectiveness of governance structures

In terms of the composition of the Board, the Trust has undertaken a comprehensive 'skills matrix' assessment throughout 2014/15 which has aimed to identify key Board strengths and weaknesses in relation to collective Board capability. The outcomes from this work will feed into the broader issue of establishing a Board structure that is 'fit for purpose' within the post-acquisition organisation, recognising that the Trust will need to increase its Board and senior management 'bandwidth' to proportionality reflect the overall increase in scale. To this end, a new 'Tier 1' structure has been developed and signed off by the Board in April 2015. This will include:

- consideration of the need to maintain the organisational memory of the pre-existing WMUH Board through the potential expansion of the Non-Executive team
- the expansion of the Executive team to ensure that core post-acquisition areas (such as IM&T, Communications etc.) are afforded sufficient 'profile' within the enlarged organisation

The effectiveness of the Trust's corporate meeting structures are assessed as part of an annual governance review linked to the Board's Corporate Governance Statement. There are plans to significantly enhance this process within 2015/16. Focusing specifically on the Corporate Governance Statement, the Trust (in the context of the proposed WMUH acquisition) has been subjected to a number of reviews of its governance arrangements in year:

- Deloitte Due Diligence
- As part of the KPMG internal audit programme (referred to below)
- A bespoke EY review of the Trust's 'transaction readiness', including its governance arrangements
- A Legal Due Diligence assessment undertaken by Capsticks' solicitors

The Board will therefore make its Corporate Governance Statement on the basis of the assurance provided through these assessments and/or through the Trust's response to any identified governance 'gaps' or shortfalls.

Pension

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 and diversity

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

Sustainability

The foundation trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Review of economy, efficiency and effectiveness of the use of resources

The Board on a monthly basis keeps under review the Trust's use of resources through the Performance & Quality Report referred to above but also with regard to the monthly Finance Report which allows the Board to obtain a 'grip' on financial performance and cost effectiveness. In 2014/15, the degree of sophistication which the Board has been able to apply to this has grown with the introduction of Service Line Reporting (SLR) information. Where the Board identifies key risks and issues in relation to the Trust's use of resources, it will instruct the Finance & Investment Committee to undertake 'deep dive' reviews of such concerns to ensure that a sufficient degree of assurance can be obtained.

The oversight role of the Board and Finance & Investment Committee is supplemented by the annual internal audit programme which includes a comprehensive review of the Trust's financial systems and controls.

Further down the organisation, the governance structure below the Executive Team provides opportunities through the Divisional Board meetings for specific Divisions to be challenged on their use of resources within the respective clinical services which they provide.

Information governance

Chelsea and Westminster Hospital NHS Foundation Trust has not incurred any Level 2 Information Governance Serious Incidents in 2014/15 and has not been required to report any Serious Incidents to the Information Commissioner's Office (ICO).

Annual Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Trust followed this guidance in compiling its Quality Report as part of the 2014/15 Annual Report and established a comprehensive engagement process in setting its clinical priorities for 2015/16. This process included internal stakeholders such as the Board of Directors, Quality Committee, Council of Governors and key external stakeholders such as local Healthwatch organisations, local commissioners and Overview and Scrutiny

Committees. The breadth of this engagement helped ensure that the content of the Quality Report was balanced and in alignment with the needs of the Trust's patient population.

Overall assessment: Systems of internal control

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the Audit Committee and the Quality Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The role of the Board, the Audit Committee and the Quality Committee in maintaining and reviewing the Trust's systems of internal control is described above. The internal audit programme provides a further mechanism for doing this. In 2014/15, KPMG, the Trust's internal auditors identified no 'high risk' recommendations made within any of the audit reports, which are nevertheless incorporated into an Internal Audit Recommendations Tracker and frequently reviewed by the Executive Team. However, the Trust's internal reviews of its data and the work of external audit has, as referenced in the Quality Account, identified issues with regard to 18 weeks RTT data reporting which the Trust is taking action to address.

Conclusion

In conclusion, to the best of my knowledge, no significant internal control issues have been identified within 2014/15.

Elizabeth McManus
Chief Executive

27 May 2015

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS AND BOARD OF DIRECTORS OF CHELSEA AND WESTMINSTER HOSPITAL NHS FOUNDATION TRUST

Opinion on financial statements of Chelsea and Westminster Hospital NHS Foundation Trust

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2015 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the accounting policies directed by Monitor—Independent Regulator of NHS Foundation Trusts; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

The financial statements comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cashflows and the related notes 1 to 36. The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by Monitor—Independent Regulator of NHS Foundation Trusts.

Qualified certificate

We certify that we have completed the audit of the accounts 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 except that we have qualified our conclusion on the quality report in respect of the "maximum time of 18 weeks from point of referral to treatment in aggregate—patients on an incomplete pathway" indicator.

Going concern

We have reviewed the directors' statement on page 24 of the Annual Report that the Trust is a going concern. We confirm that:

- we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified any material uncertainties that may cast significant doubt on the Trust's ability to continue as a going concern.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.

Our assessment of risks of material misstatement

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

Risk	How the scope of our audit responded to the risk
NHS revenue and provisions There are significant judgments in the recognition of revenue from care of NHS patients and in provisioning for disputes with commissioners due to: • the complexity of the Payment by Results regime, in particular in determining the level of overperformance and CQUIN (Commissioning for Quality and Innovation) revenue to recognise; and • the judgemental nature of provisions for disputes, including in respect of outstanding overperformance income for quarters 3 and 4; and • the relatively new relationships with Local Authorities who fund sexual health services, and the consequent challenges in agreeing contracts and processes for payment The Trust earns revenue from a wide range of commissioners, in particular for sexual health services, increasing the complexity of agreeing a final year-end position. Further details upon the associated judgements are included in note 2.1 to the financial statements. Note 3 sets out the income recognised, and notes 12 and 17 the associated receivables and provisions.	We evaluated the design and implementation of controls over recognition of Payment by Results income, with input from IT specialists. We agreed baseline income for a sample of commissioners to service level agreements. We performed detailed substantive testing of the recoverability of overperformance income and the adequacy of provision for underperformance through the year, and evaluated the results of the agreement of balances exercise. We tested the historical accuracy of provisions made for disputes with commissioners, and considered this in evaluating bad debt provisions and other provisions in respect of NHS income at 31 March 2015. We circularised a sample of Local Authority debtors to obtain confirmation of the amounts receivable by the Trust and performed alternative procedures where no response was received. We challenged key judgements around specific areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted.
Property valuations The Trust is required to hold its £351.2m of property assets within Property, Plant and Equipment at valuation. The majority of the Trust's assets are held at a modern equivalent use valuation. The valuations are by nature significant estimates which are based on specialist and management assumptions and which can be subject to material changes in value. Further details upon the associated estimates are included in notes 2.2 and 10 to the financial statements.	We evaluated the design and implementation of controls over property valuations, and tested the accuracy and completeness of data provided by the Trust to the valuer. We used our internal valuation specialists to review and challenge the appropriateness of the valuation approach and the key assumptions used in the valuation of the Trust's properties such as build costs per square metre, including by comparing the results of the revaluation against those performed by other Trusts at 31 March 2015. We assessed whether the valuation and its accounting treatment were compliant with the relevant accounting standards, and in particular whether impairments should be recognised within the surplus for the year or in Other Comprehensive Income.

Risk	How the scope of our audit responded to the risk
Accounting for Capital Expenditure The Trust has an extensive capital programme. Determining whether expenditure should be capitalised can involve significant judgement as to whether costs should be capitalised under International Financial Reporting Standards, and when to commence depreciation. In addition, adjustments may be required to the carrying value of previously capitalised works that are being replaced or refurbished. Where existing properties are being modernised, the "modern equivalent use" valuation rules can lead to a "day one" impairment where the accumulated cost of the asset exceeds the cost of a newly built facility. Further details upon the associated balances are included in note 10 to the financial statements.	We evaluated the design and implementation of controls around the capitalisation of costs, and tested expenditure on a sample basis to determine whether it complies with the relevant accounting requirements. We obtained an understanding of key projects and challenged management's assessment of whether any impairment arises in respect of newly capitalised expenditure or carrying value of previously capitalised works.
NHS Shared Business Services transition As described on page 16 of the Annual Report, the Trust has outsourced its general ledger and aspects of transaction processing to NHS Shared Business Services Limited ("NHS SBS") during the year. Issues in changing financial systems can lead to errors in the recording of transactions or in the operation of controls.	We reviewed management's planning documentation and process for the system change, the agreement with NHS SBS, and the project issue documents and risk register. We reviewed the work of Internal Audit on the systems transition as part of their annual Financial Management audit. We updated our understanding of the Trust's internal control processes, incorporating the changes in processes from the transition, and evaluated the design and implementation of controls relevant to the audit. As part of this, we have reviewed the Service Auditor report for NHS SBS. We discussed with responsible individuals within the finance and procurement functions to understand the impact of transition upon transaction processing and to evaluate risks from the transition, and revised our approach to testing to reflect the revised processes. We reviewed the mapping and transfer of ledger balances to the new system, and evaluated whether transactions were being appropriately and consistency presented within the financial statements.

The description of risks above should be read in conjunction with the significant issues considered by the Audit Committee discussed on page 53.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Trust to be £3.4m, which is below 1% of total operating revenues and below 1% of taxpayer's equity.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £162,000, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement.

Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team, led by the audit partner. The audit team included integrated Deloitte specialists bringing specific skills and experience in property valuations and Information Technology systems.

Data analytic techniques were used as part of audit testing, in particular to support profiling of populations to identify items of audit interest, in particular for journal testing.

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the National Health Service Act 2006; and
- 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

Annual Governance Statement, use of resources, and compilation of financial statements

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 meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit;
- the NHS foundation trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- proper practices have not been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

Our duty to read other information in the Annual Report

Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements;
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Trust acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we have considered whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed. We confirm that we have not identified any such inconsistencies or misleading statements.

Respective responsibilities of the accounting officer and auditor

As explained more fully in the Accounting Officer's Responsibilities Statement, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Audit Code for NHS Foundation Trusts and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control

procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team.

This report is made solely to the Board of Governors and Board of Directors ("the Boards") of Chelsea and Westminster Hospital NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards 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 trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.

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.

Heather Bygrave, FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants
St Albans, United Kingdom

28 May 2015

FINANCE

ANNUAL ACCOUNTS 2014/15

Under International Financial Reporting Standards

Foreword to the Accounts

These accounts for the year ended 31 March 2015 have been prepared by Chelsea and Westminster Hospital NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006.

Elizabeth McManus
Acting Chief Executive
27th May 2015

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 March 2015

	NOTE	2014/15 £000	2013/14 £000
Operating Income			
Operating Income from Operations	3	**377,967**	**365,972**
Operating Expenses from Operations	4	**(363,465)**	**(348,145)**
Operating Surplus		**14,502**	**17,827**
Finance Costs			
Finance Income	8.1	**50**	**73**
Finance Expense - Financial Liabilities	8.2	**(818)**	**(743)**
Finance Expense - Unwinding of discount on provisions	17.3	**(10)**	**(12)**
Public Dividend Capital Dividend Payable		**(11,356)**	**(10,915)**
Net Finance Costs		**(12,134)**	**(11,597)**
Surplus for the Year		**2,368**	**6,230**
Other Comprehensive Income:			
Will not be reclassified to income and expenditure:			
Revaluation Gain on Property, Plant and Equipment		**5,569**	**1,179**
Total Comprehensive Income for the Year		**7,937**	**7,409**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

	NOTE	31 Mar 15 £000	31 Mar 14 £000
Non-Current Assets:			
Intangible Assets	9	**10,005**	**7,376**
Property Plant and Equipment	10	**371,108**	**366,978**
Total Non-Current Assets		**381,113**	**374,354**
Current Assets:			
Inventories	11	**5,973**	**6,285**
Trade and Other Receivables	12	**45,753**	**40,977**
Cash and Cash Equivalents	18	**17,771**	**16,855**
Total Current Assets		**69,497**	**64,117**
Current Liabilities:			
Trade and Other Payables	14	**(46,430)**	**(38,535)**
Borrowings	16.1	**(6,125)**	**(6,125)**
Provisions	17.1	**(2,703)**	**(4,078)**
Other Liabilities	15.1	**(1,481)**	**(1,666)**
Total Current Liabilities		**(56,739)**	**(50,404)**
Total Assets Less Current Liabilities		**393,871**	**388,067**
Non-Current Liabilities:			
Borrowings	16.2	**(34,750)**	**(38,175)**
Provisions	17.2	**(686)**	**(694)**
Total Non-Current Liabilities		**(35,436)**	**(38,869)**
Total Assets Employed		**358,435**	**349,198**
Financed By (Taxpayers' Equity)			
Public Dividend Capital		**166,521**	**165,221**
Revaluation Reserve	20	**93,111**	**87,542**
Income and Expenditure Reserve		**98,803**	**96,435**
Total Taxpayers' equity		**358,435**	**349,198**

Elizabeth McManus, Acting Chief Executive

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

For The Year Ended 31 March 2015

	Total	Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve
	£000	£000	£000	£000
Taxpayers' Equity at 1 April 14	**349,198**	165,221	87,542	96,435
Surplus for the year	**2,368**	0	0	2,368
Public Dividend Capital received	**1,300**	1,300	0	0
Revaluation gain on property, plant and equipment	**5,569**	0	5,569	0
Asset disposals	**0**	0	0	0
Taxpayers' Equity at 31 March 15	**358,435**	166,521	93,111	98,803

	Total	Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve
	£000	£000	£000	£000
Taxpayers' Equity at 1 April 13	**339,117**	162,549	89,187	87,381
Surplus for the year	**6,230**	0	0	6,230
Public Dividend Capital received	**2,672**	2,672	0	0
Revaluation gain on property, plant and equipment	**1,179**	0	1,179	0
Asset disposals	**0**	0	(2,824)	2,824
Taxpayers' Equity at 31 March 14	**349,198**	165,221	87,542	96,435

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2015

	NOTE	2014/15 £000	2013/14 £000
Cash Flows from Operating Activities			
Operating Surplus		**14,502**	17,827
Non-cash Income and Expense:			
Depreciation and Amortisation	4	**14,034**	13,209
Increase in Trade and Other Receivables		**(4,776)**	(26,878)
Decrease / (Increase) in Inventories		**312**	190
Increase in Trade and Other Payables		**9,095**	4,141
Decrease in Other Liabilities		**(185)**	(606)
Increase / (Decrease) in Provisions		**(1,383)**	1,430
Other movements in Operating Cash flows		**39**	1
NET CASH GENERATED FROM OPERATIONS		**31,638**	9,314
Cash Flows from Investing Activities			
Interest Received		**50**	72
Purchase of Intangible Assets		**(4,360)**	(2,489)
Purchase of Property, Plant and Equipment		**(12,150)**	(39,623)
NET CASH USED IN INVESTING ACTIVITIES		**(16,460)**	(42,040)
Cash Flows from Financing Activities			
Public Dividend Capital Received		**1,300**	2,672
Loans Received		**2,700**	20,737
Loans Repaid		**(6,125)**	(3,626)
Capital Element of Finance Lease Rental Payments		**0**	(202)
Interest Paid		**(830)**	(802)
Interest Element of Finance Leases		**0**	(138)
PDC Dividends Paid		**(11,307)**	(10,678)
NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES		**(14,262)**	7,963
(Decrease) / Increase in Cash and Cash Equivalents		**916**	(24,763)
Cash and Cash Equivalents at 1 April 2014		**16,855**	41,618
Cash and Cash Equivalents at 31 March 2015		**17,771**	**16,855**

1. Accounting policies and other information

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 2014/15 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 New and revised standards and interpretations

The following standards, amendments and interpretations have been issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) but have not yet been adopted in the Annual Reporting Manual. Monitor does not permit the early adoption of accounting standards, amendments and interpretations that are in issue at the reporting date but effective at a subsequent reporting period.

- IFRS 9 Financial Instruments
- IFRS 13 Fair Value Measurement (not yet effective for the public sector)
- IFRS 15 Revenue from Contracts with Customers
- IAS 36 (amendment) – Recoverable Amount Disclosures
- IAS 19 (amendment) – Employer Contributions to Defined Benefit Pensions Schemes
- IFRIC 21 - Levies

The directors do not expect that the adoption of these standards and interpretations will have a material impact on the financial statements in future periods. All other revised and new standards have not been listed here as they are not considered to have an impact on the Trust.

1.2 Accounting Convention

These accounts have been prepared under the historical cost convention, modified by the revaluation of properties, and, where material, current asset investments and inventories to fair value as determined by the relevant accounting standard.

Going concern

Following a review of the Trust's plans and projections, including cash flows, liquidity and income base, as well as considering regulatory commitments, the Directors have a reasonable expectation that Chelsea and Westminster Hospital NHS Foundation Trust has adequate plans and resources to continue in operational existence for the foreseeable future. For this reason, the Trust continues to adopt the going concern basis in preparing the Accounts.

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.

In accordance with IAS 18, income relating to those spells which are partially completed at the financial year end is apportioned across the financial years on a pro rata basis.

1.4 Expenditure on Employee Benefits

1.4.1 Short-term Employee Benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.5 Pension costs

NHS Pension Scheme

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 a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability, as at 31 March 2015, is based on the valuation data as 31 March 2014, updated to 31 March 2015 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates.

The last published valuation undertaken for the NHS Pension Scheme was completed for the year ended 31 March 2012 and will be used to inform the contribution rates to be used from 1 April 2015. The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

d) Contributions and Valuation

The employer's contribution rate to the NHS Pension Scheme remains 14%. The overall deficit for the scheme at 31st March 2014 is £337b (31 March 2013 £283b) and the actual pension liability at 31st March 2014 is £337b (31 March 2013 £284b).

1.6 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.

1.7 Property, Plant and Equipment

1.7.1 Recognition

Property, plant and equipment is capitalised where:

- It is held for use in delivering services or for administrative purposes;
- It is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- It is expected to be used for more than one financial year;
- The cost of the item can be measured reliably;

• The item has a cost of at least £5,000; or

• 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, have broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

• items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

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

1.8 Measurement

1.8.1 Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. Properties in the course of construction 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.

All assets are measured subsequently at fair value as follows:

(a) Land and non-specialised buildings – existing use value

(b) Specialised buildings – depreciated replacement cost

(c) Non-property assets - depreciated historic cost

(d) Residential Accommodation – Existing Use value for social housing.

The carrying values of property, plant and equipment are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be fully recoverable.

All land and buildings are restated to fair value in accordance with IAS 16 and Monitor guidance, using professional valuations at least every five years to ensure that fair values are not materially different from the carrying amounts. Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual based on modern equivalent asset values. The last valuation was carried out by Montagu Evans (Independent Chartered Surveyors, Registration number OC312072) as at 31st March 2015.

1.8.2 Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is added to the asset's carrying value. Where 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.

1.8.3 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.

Property, plant and equipment are depreciated over the following useful lives:

•Buildings are depreciated on a straight line basis, after accounting for residual value, over the remaining useful economic life of 33 to 37 years;

•Dwellings and leasehold improvements are depreciated over the shorter of the useful economic life or lease term;

•Plant and machinery, furniture and fittings and information technology are depreciated on a straight line basis over the useful economic life of the asset, deemed as 5 years for short life assets, 10 years for medium life assets and 15 years for long life assets.

•Transport equipment is depreciated on a straight line basis over 5 years.

1.8.4 Revaluation and impairment

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

In accordance with the Foundation Trust Annual Reporting Manual, 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 are 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.

1.9 De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

• The asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
• The sale must be highly probable i.e;
(a) management are committed to a plan to sell the asset;
(b) An active programme has begun to find a buyer and complete the sale;

(c) The asset is being actively marketed at a reasonable price;
(d) The sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
(e) The actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'Held for Sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

1.10 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.

1.11 Private Finance Initiative (PFI) transactions

The Trust is not party to any PFI transactions.

1.12 Intangible assets

1.12.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably and is at least £5,000.

1.12.2 Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

(a) the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
(b) the Trust intends to complete the asset and sell or use it;
(c) the Trust has the ability to sell or use the asset;
(d) how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
(e) adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
(f) the Trust can measure reliably the expenses attributable to the asset during development.

Expenditure which does not meet the criteria for capitalisation is treated as an operating expense in the year in which it is incurred. Where possible, the Trust discloses the total amount of research and development

expenditure charged in the Statement of Comprehensive Income separately. However, where research and development activity cannot be separated from patient care activity it cannot be identified and is therefore not separately disclosed.

1.13 Software

Software which is integral to the operation of hardware e.g. an operating system is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

1.14 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.

Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

1.15 Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Software is amortised over 3-10 years.

1.16 Revenue government and other grants

Government grants are grants from government bodies other than income from commissioners or NHS trusts for the provision of services. Grants from the Department of Health are accounted for as government grants. Where the government grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

1.17 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is measured using the First In, First Out (FIFO) method.

1.18 Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand and demand deposits and other short term highly liquid investments. These balances are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Monies held in the Trust's bank account belonging to patients are excluded from cash and cash equivalents (see "third party assets" below).

Account balances are only set off where a formal agreement has been made with the bank to do so. In all other cases overdrafts are disclosed within payables. Interest earned on bank accounts and interest charged on overdrafts is recorded respectively as "finance income" and "finance cost" in the periods to which it relates. Bank charges are recorded as operating expense in the periods to which they relate.

1.19 Financial instruments and financial liabilities

Financial instruments are defined as contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Trust will commonly have the following financial assets and liabilities: trade receivables (but not prepayments), cash and cash equivalents, trade payables (but not deferred income), finance lease obligations, borrowings.

1.20 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 i.e. 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 below.

Regular way purchases or sales are recognised and de-recognised, as applicable, using the trade date.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

1.21 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 risk and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

1.22 Classification and Measurement

Financial assets are classified into the following specified categories:

- Financial assets 'at fair value through Income and Expenditure'; or
- 'Loans and receivables'; or
- 'Available-for-sale' financial assets.

Financial liabilities are classified as either:

- Financial liabilities 'at fair value through Income and Expenditure'; or
- 'Other financial liabilities'.

The Trust has no financial assets classified as 'at fair value through Income and Expenditure' or 'Available for sale'. There are also no financial liabilities classified as 'at fair value through income and expenditure'.

1.23 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, except for short-term receivables when the recognition of interest would be immaterial.

1.24 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 date of the Statement of Financial Position, which are classified as non-current 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.

1.25 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 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. Evidence is gathered via formal communication between the Trust and the counterparties.

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 through the use of bad debt provision. The bad debt provision is charged to operating expenses.

1.26 Leases

1.26.1 Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the inception of the lease, and are de-recognised when the liability is discharged, cancelled or expires. The annual rental is split between the repayment of the liability and a finance cost. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and is charged to Finance Costs in the Statement of Comprehensive Income.

1.26.2 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.

1.26.3 Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately. Leased land is treated as an operating lease.

1.27 Provisions

The Trust provides for legal or constructive obligations that are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's short, medium and / or long-term real discount rate(s) for the financial year.

1.28 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. 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 NHS foundation trust is disclosed at note 17.3 to the accounts.

1.29 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.

1.30 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 the notes to the accounts where an inflow of economic benefits is probable.

Contingent liabilities are not recognised but are disclosed in the notes to the accounts, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

(a) 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

(b) 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.

1.31 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the 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 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 balances held with the Government Banking Service (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.

1.32 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.

1.33 Corporation Tax

Corporation tax is not applicable to the Trust.

1.34 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.

1.35 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 a separate note to the accounts (Note 19) in accordance with the requirements of HM Treasury's Financial Reporting Manual.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, which are described in note 1, the directors are 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 these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. 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.

2.1 Critical judgements in applying the group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Disputes with Commissioners

As set out in note 17.3, Management has made an assessment of the potential liability of the Trust from contractual disputes with commissioners. Provisions for the disputes are £0.3m at 31st March 2015 (31st March 2014 £1.2m). The disputes relate to challenges on pricing or charging that it has not been possible to settle by reference to the contract, under which the Trust has been entitled to the income. The Trust has recognised the income in relation to the disputes in its Statement of Comprehensive Income and the commissioning bodies have settled the debts. However there is precedent for the Trust agreeing a negotiated settlement with commissioners, on contractual challenges raised during the year on issues that are not sufficiently clear in the contracts. The Trust has determined the level of provision on a basis that reflects settlement of the issue for the financial year in which the issue was raised and any subsequent years but not to retrospectively settle claims.

Recoverability of NHS and Local Authority Debt

The Trust has £25.8m of debt with NHS bodies at 31st March 2015 (2014 £26.1m) and £11.3m of debt with Local Authorities (2014 £6.9m). Management has considered the recoverability of this debt as at 31st March 2015 and has established a level of bad debt provision which is felt to adequately cover the risk of non-recovery.

2.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Valuation of land and buildings, including life of main hospital building

The Trust's policy is to conduct a valuation of its land and buildings at least every 5 years and the last valuation was at 31st March 2014. In the current year the directors have considered whether there has been sufficient volatility in costs or asset values to require a revaluation, and whether any impairment arises on capitalisation of projects completed in the year. The directors have concluded that a revaluation is required in order to ensure that the building assets of the Trust are reflected at fair value and Montagu Evans was appointed to be the Trust's external valuer. The impact of the valuation is shown in note 10.1.

NOTES TO THE ACCOUNTS

3 Operating Income from Operations NOTE

3.1 Operating Income (by classification)

		2014/15	2013/14
Income from activities		***£000***	*£000*
Elective income		**49,300**	47,896
Non elective income		**57,508**	59,616
Outpatient income		**83,860**	79,188
Accident & Emergency income		**11,866**	11,257
Other NHS clinical income		**106,529**	104,314
Private patient income		**15,402**	13,052
Other non-protected clinical income		**2,228**	1,744
Total Income from Activities	3.3	**326,693**	317,067

3.2

	2014/15	2013/14
Other Operating Income:	***£000***	*£000*
Research and development	**4,501**	4,625
Education and training	**24,687**	25,651
Charitable and other contributions to expenditure and capital	**13**	3,685
Non-patient care services to other bodies	**283**	474
Other income	**21,790**	14,470
Total Other Operating Income	**51,274**	48,905
Total Operating Income from Operations	**377,967**	365,972

The key elements of other income of £21.8m (13/14 £14.4m) are the following: salary recharge income of £3.9m (£4.2m), funding for transaction and integration costs in respect of the acquisiton of West Middlesex Hospital to the Trust Development Agency and CCGs £4.9m (£2.4m), facilities recharges £1.4m (£1.5m), Clinical Excellence Awards income £1.1m (£1.0m), car parking income £1.1m (£1.0m), Winter Resilience Funding £1.9m (0), recharge of set up costs for the ICT Shared Service £1.8m (0), recharge of set up costs for finance outsourcing £1m (0) and other income £4.5m (£4.4m).

3.3 Operating Income (by type)

	2014/15	2013/14
Income from activities	***£000***	*£000*
Income from Commissioner Requested Services		
NHS Clinical Commissioning Groups	**177,375**	174,488
NHS England	**115,747**	112,314
Local Authorities or other government bodies	**15,941**	14,086
Income from non-Commissioner Requested Services		
NHS Foundation Trusts	**810**	1,058
NHS Trusts	**448**	325
Non NHS: Private patients	**13,804**	12,205
Non NHS: Overseas patients (non-reciprocal)	**1,598**	847
NHS injury scheme	**670**	624
Non NHS: Other	**300**	1,120
Total	**326,693**	317,067

3.4 Overseas Visitors (relating to patients charged directly by the Foundation Trust)

	2014/15 ***£000***	2013/14 *£000*
Income recognised this year	**1,598**	847
Cash payments received in-year (relating to invoices raised in current and previous years)	**777**	421
receivables (relating to invoices raised in current and prior years)	**541**	335
Amounts written off in-year (relating to invoices raised in current and previous years)	**180**	111

NOTES TO THE ACCOUNTS

4 Operating Expenses from Operations	2014/15	2013/14
Operating Expenses	**£000**	£000
Staff costs	**186,732**	183,327
Executive directors' costs	**1,510**	831
Non executive directors' costs	**163**	123
Drug costs	**63,502**	60,664
Supplies and services - clinical (excluding drug costs)	**40,510**	37,191
Supplies and services - general	**4,452**	4,726
Transport	**150**	244
Research and Development	**354**	653
Establishment	**3,485**	4,245
Premises	**21,946**	21,994
Services from NHS trusts and foundation trusts	**369**	735
Purchase of healthcare from non NHS bodies	**2,291**	2,083
Legal fees	**717**	(42)
Consultancy costs	**7,348**	4,688
Training, courses and conferences	**1,161**	787
Patient travel	**1,642**	1,525
Car parking & Security	**70**	67
Hospitality	**90**	106
Insurance	**130**	157
Audit fees:		
Audit services- statutory audit	**151**	136
Other auditor remuneration	**1,061**	640
Clinical negligence	**7,516**	6,832
Increase / (Decrease) in bad debt provision	**3,231**	508
Increase / (Decrease) in other provisions*	**(527)**	1,604
Depreciation on property, plant and equipment	**11,820**	10,952
Amortisation on intangible assets	**2,214**	2,257
Loss on disposal of other property, plant and equipment	**39**	0
Other	**1,338**	1,112
Total Operating Expenses from Operations	**363,465**	348,145

Consultancy costs include £4m (13/14 £2.4m) of expenditure which relates to the acquisiton of West Middlesex Hospital which have been recharged to the Trust Development Agency and CCGs.

4.1 Operating leases

` Arrangements containing an operating lease	2014/15	2013/14
	£000	£000
Minimum lease payments	**3,034**	2,369

4.1.2 Arrangements containing an operating lease	31 Mar 15	31 Mar 14
Future minimum lease payments due:	**£000**	£000
- not later than one year;	**1,878**	1,913
- later than one year and not later than five years;	**4,129**	3,514
- later than five years.	**2,224**	3,352
Total	**8,231**	8,779

NOTES TO THE ACCOUNTS

5 Employee expenses and numbers

5.1 Employee expenses

	2014/15	2013/14
	£000	£000
Salaries and wages	**145,267**	142,221
Social security costs	**13,138**	12,828
Employers' contributions to NHS Pension Scheme	**16,468**	16,386
Termination benefit	**0**	0
Agency/contract staff	**15,434**	14,793
Costs capitalised as part of assets	**(2,065)**	(2,070)
Total	**188,242**	184,158

5.2 Average number of persons employed (WTE Basis)

	2014/15	2013/14
	WTE	WTE
Medical and dental	**622**	602
Administration and estates	**625**	625
Healthcare assistants and other support staff	**353**	326
Nursing, midwifery and health visiting staff	**1,089**	1,070
Scientific, therapeutic and technical staff	**360**	390
Bank and agency staff	**505**	481
Other	**0**	0
Total	**3,554**	3,494
of which:		
Number of employees engaged on capital projects	**30**	29

(WTE - Whole Time Equivalent)

5.3 Employee benefits

	2014/15	2013/14
	£000	£000
Employee benefits	0	57

5.4 Retirements due to ill-health

During 2014/15 there were no early retirements from the Trust agreed on the grounds of ill-health. In 2013/14 there were 3; the estimated additional pension liabilities of ill-health retirements for the year ended 31 March 2014 were £0.4m.

5.5 Exit packages

Exit package cost band	Number of compulsary redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	3	2	5
£10,001-£25,000	4	4	8
£25,001-£50,000	5	0	5
£50,001-£100,000	0	2	2
£100,001-£150,000	0	0	0
£150,001-£200,000	0	0	0
£200,001-£250,000	0	1	1
Total number of exit packages by type	**12**	**9**	**21**
Total resource cost (£000)	**279**	**425**	**704**

During 2013/14 there were no compulsory redundancies or other agreed departures.

Exit packages: other (non-compulsory) departure payments

	Agreements Number	Total Value of Agreements (£000)
costs	0	0
Mutually agreed resignations (MARS) contractual costs	7	405
Early retirements in the efficiency of the service contractual costs	0	0
Contractual payments in lieu of notice	2	21
Exit payments following employment tribunals or court orders	0	0
Non-contractual payments requiring HMT approval	0	0
Total	**9**	**425**
of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	0	0

The Remuneration Report provides details of exit payments payable to individuals named in that report.

5.6 Salary and Pension entitlements of senior managers

In 2014/15 Directors' remuneration was £1,673k (2013/14 £954k), which includes employers contribution to the pension scheme in respect of Directors of £105k (2013/14 £65k). Directors' remuneration excludes salary recharges of £87k in 2014/15 for the secondment of the Chief Operating Officer, which is included under other operating income.

NOTES TO THE ACCOUNTS

6 Better Payment Practice Code

6.1 Better Payment Practice Code - measure of compliance

	2014/15		2013/14	
	Number	**£000**	Number	£000
Total bills paid in the year	**72,443**	**178,169**	73,000	172,114
Total bills paid within the target	**47,387**	**115,906**	64,577	156,145
Percentage of bills paid within target	**65.4%**	**65.1%**	88.5%	90.7%

The Better Payment Practice Code requires the Trust to aim to pay 95% of all valid invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

6.2 The Late Payment of Commercial Debts (Interest) Act 1998

There were no amounts included within interest expense (note 8.2) arising from claims made under this legislation (2013/14 - nil).

7 Profit/Loss on Disposal of Fixed Assets

There was a loss on disposal of medical equipment in 2014/15 of £39k (2013/14 profit on disposal - less than £1k).

8 Finance

8.1 Finance Income

	2014/15	2013/14
	£000	£000
Interest on bank accounts	**50**	73

8.2 Finance Expense - Financial Liabilities

	2014/15	2013/14
	£000	£000
Loans from the Independent Trust Financing Facility	**818**	772
Finance leases	**0**	(29)
	818	743

NOTES TO THE ACCOUNTS

9 Intangible assets

9.1 Software Licences/ Information Technology

Note	Total	Software Licences/ Information Technology	Intangibles Assets under Construction	Total	Software Licences/ Information Technology	Intangibles Assets under Construction
	31 Mar 15 £000	31 Mar 15 £000	31 Mar 15 £000	31 Mar 14 £000	31 Mar 14 £000	31 Mar 14 £000
Cost or valuation at 1 April 14	13,686	12,930	756	10,298	9,610	688
Additions	4,360	1,425	2,935	2,489	1,725	764
Reclassifications	483	393	90	899	1,595	(696)
Cost or valuation at 31 March 15	18,529	14,748	3,781	13,686	12,930	756
Amortisation at 1 April 14	6,310	6,310	0	4,053	4,053	0
Provided during the year	2,214	2,214	0	2,257	2,257	0
Amortisation at 31 March 15	8,524	8,524	0	6,310	6,310	0
Opening Net book value						
Owned	7,376	6,620	756	6,245	5,557	688
Opening Net Book Value at 1 April 14	7,376	6,620	756	6,245	5,557	688
Closing Net book value						
Owned	10,005	6,224	3,781	7,376	6,620	756
Closing Net Book Value at 31 March 15	10,005	6,224	3,781	7,376	6,620	756

NOTES TO THE ACCOUNTS

10 Property, plant and equipment

10.1 Property, plant & equipment at the balance sheet date 31 March 2015 : -

	Note	Land	Buildings excluding dwellings	Dwellings	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	£000
Cost or valuation at 1 April 14		53,800	274,916	20,250	4,472	41,810	121	14,413	1,591	411,373
Additions - purchased		0	6,404	6	2,605	1,476	0	204	206	10,901
Additions - donated & granted		0	0	0	0	0	0	0	0	0
Reclassifications		8,100	3,540	(8,106)	(4,412)	388	0	8	1	(481)
Revaluation Gain/(Loss)		(2,082)	2,452	336	0	0	0	0	0	706
Disposals		0	0	0	0	(258)	0	0	0	(258)
Cost or valuation at 31 March 15		**59,818**	**287,312**	**12,486**	**2,665**	**43,416**	**121**	**14,625**	**1,798**	**422,241**
Accumulated depreciation at 1 April 14		0	7,918	0	0	24,931	96	10,925	525	44,395
Provided during the year		0	5,086	296	0	4,203	24	1,833	378	11,820
Revaluation (Gain)/(Loss)		0	(4,567)	(296)	0	0	0	0	0	(4,863)
Disposal		0	0	0	0	(219)	0	0	0	(219)
Accumulated Depreciation at 31 March 15		**0**	**8,437**	**0**	**0**	**28,915**	**120**	**12,758**	**903**	**51,133**
Net book value										
Owned at 31 March 15		59,818	269,716	12,486	2,665	13,292	1	1,851	895	360,724
Finance lease at 31 March 15		0	0	0	0	0	0	0	0	0
Government granted at 31 March 15		0	2,509	0	0	61	0	0	0	2,570
Donated at 31 March 15		0	6,650	0	0	1,148	0	16	0	7,814
NBV Total at 31 March 15		**59,818**	**278,875**	**12,486**	**2,665**	**14,501**	**1**	**1,867**	**895**	**371,108**
Net book value										
Owned at 31 March 14		53,800	258,253	20,250	4,472	15,438	1	3,464	1,066	356,744
Finance lease at 31 March 14		0	0	0	0	0	0	0	0	0
Government granted at 31 March 14		0	2,482	0	0	81	0	1	0	2,564
Donated at 31 March 14		0	6,263	0	0	1,360	24	23	0	7,670
NBV Total at 31 March 14		**53,800**	**266,998**	**20,250**	**4,472**	**16,879**	**25**	**3,488**	**1,066**	**366,978**

As part of its role as a teaching hospital, the Trust provides space to Imperial College Medical School for medical education on the Trust's site on a 99 year lease on a peppercorn rent. The space provided is excluded from the valuation of the Trust's assets.

As part of the 2014/15 revaluation, the Trust has assessed the allocation of value between land and the building element of Doughty House, acquired at the end of 2013/14, and has reclassified £8.1m of value between Dwellings and Land.

NOTES TO THE ACCOUNTS

10 Property, plant and equipment

10.2 Property, plant & equipment at the balance sheet date 31 March 2014 : -

	Note	Land	Buildings excluding dwellings	Dwellings	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	£000
Cost or valuation at 1 April 13		50,000	265,363	2,001	5,382	36,659	121	13,621	1,283	374,430
Additions - purchased		0	0	20,240	16,464	0	0	0	0	36,704
Additions - donated & granted		0	2,482	0	0	49	0	5	0	2,536
Reclassifications		0	10,273	5	(17,374)	5,102	0	787	308	(899)
Revaluation gain/(Loss)		3,800	(3,202)	5	0	0	0	0	0	603
Disposals		0	0	(2,001)	0	0	0	0	0	(2,001)
Cost or valuation at 31 March 14		**53,800**	**274,916**	**20,250**	**4,472**	**41,810**	**121**	**14,413**	**1,591**	**411,373**
Accumulated depreciation at 1 April 13		0	4,367	125	0	20,900	72	8,494	311	34,269
Provided during the year		0	4,127	125	0	4,031	24	2,431	214	10,952
Revaluation gain/(Loss)		0	(576)	0	0	0	0	0	0	(576)
Disposal		0	0	(250)	0	0	0	0	0	(250)
Accumulated Depreciation at 31 March 14		**0**	**7,918**	**0**	**0**	**24,931**	**96**	**10,925**	**525**	**44,395**
Net book value										
Owned at 31 March 14		53,800	258,253	20,250	4,472	15,438	1	3,464	1,066	356,744
Finance lease at 31 March 14		0	0	0	0	0	0	0	0	0
Government granted at 31 March 14		0	2,482	0	0	81	0	1	0	2,564
Donated at 31 March 14		0	6,263	0	0	1,360	24	23	0	7,670
NBV Total at 31 March 14		**53,800**	**266,998**	**20,250**	**4,472**	**16,879**	**25**	**3,488**	**1,066**	**366,978**
Net book value										
Owned at 31 March 13		50,000	254,955	0	4,382	15,146	0	5,103	972	330,558
Finance lease at 31 March 13		0	0	1,876	0	118	0	0	0	1,994
Government granted at 31 March 13		0	0	0	0	0	0	0	0	0
Donated at 31 March 13		0	6,041	0	1,000	495	49	24	0	7,609
NBV Total at 31 March 13		**50,000**	**260,996**	**1,876**	**5,382**	**15,759**	**49**	**5,127**	**972**	**340,161**

Reclassification of Plant and Machinery from Assets under Construction in 2013/14 includes £1.0m relating to the reclassification of the donated Paediatric Robot which was within Assets Under Construction at 1st April 2013.

NOTES TO THE ACCOUNTS

11 Inventory

11.1 Inventories

	31 Mar 15	31 Mar 14
	£000	£000
Raw materials and consumables	**5,973**	6,285

11.2 Inventories recognised in expenses

	2014/15	2013/14
	£000	£000
Inventories recognised in expenses	**63,502**	57,238
Write-down of inventories as expense	**0**	0
	63,502	57,238

The disclosure above reflects consumables tracked as stock through the year, which are primarily drugs. The expense for other consumables included within inventories at year-end is shown in note 4 as part of Clinical Supplies and Services expenditure.

12 Trade receivables and other receivables

12.1 Current Receivables

		31 Mar 15	31 Mar 14
		£000	£000
NHS Receivables		**25,767**	26,107
Local Authority receivables		**11,316**	6,927
Other receivables with related parties		**1,441**	825
Provision for impaired receivables	13.1	**(6,415)**	(4,296)
Prepayments		**2,092**	1,661
Accrued income		**2,989**	715
PDC Dividend		**0**	0
Other receivables		**8,563**	9,038
Total current trade and other receivables		**45,753**	40,977

13 Impairment of receivables

13.1 Provision for impairment of receivables

	31 Mar 15	31 Mar 14
	£000	£000
At 1 April	**4,296**	3,919
Increase in provision	**4,662**	5,539
Amounts utilised	**(1,344)**	(131)
Unused amounts reversed	**(1,199)**	(5,031)
At 31 March	**6,415**	4,296

13.2 Analysis of Impaired Receivables

	31 Mar 15	31 Mar 14
Ageing of impaired receivables	£000	£000
Up to three months	**958**	638
In three to six months	**1,903**	791
Over six months	**3,554**	2,867
Total	**6,415**	4,296

Ageing of non-impaired receivables past their due date	£000	£000
Up to three months	**11,923**	21,308
In three to six months	**5,922**	2,823
Over six months	**2,299**	1,309
Total	**20,144**	25,440

NOTES TO THE ACCOUNTS

14 Trade and other payables

14.1 Current Payables

	31 Mar 15 £000	31 Mar 14 £000
NHS payables	**3,832**	5,436
Trade payables - capital	**1,539**	2,788
Trade payable - other related parties	**2,677**	2,415
Other trade payables	**10,181**	4,468
Other payables	**7,694**	9,191
PDC Dividend	**187**	138
Accruals	**20,320**	14,099
Total Current Payables	**46,430**	38,535

15 Other Liabilities

15.1 Current

	31 Mar 15 £000	31 Mar 14 £000
Deferred income	**1,481**	1,666
Deferred Government grant	**0**	0
Total Other Current Liabilities	**1,481**	1,666

16 Borrowings

16.1 Current Borrowings

	31 Mar 15 £000	31 Mar 14 £000
Loans from Independent Trust Financing Facility	**6,125**	6,125
Total Current Borrowings	**6,125**	6,125

16.2 Non-current Borrowings

	31 Mar 15 £000	31 Mar 14 £000
Loans from Independent Trust Financing Facility	**34,750**	38,175
Total Non-Current Borrowings	**34,750**	38,175

The loan balance comprises three separate loans, all with the Independent Trust Financing Facility. The individual loan balances and interest rates at 31st March 2015 are the following: £20.0m at 3.03%, £17.5m at 0.76% and £3.4m at 3.14%.

NOTES TO THE ACCOUNTS

17 Provisions for Liabilities and Charges

17.1 Current Provisions

	31 Mar 15	31 Mar 14
	£000	£000
Pensions relating to other staff	36	45
Other provisions including short term employee benefit	2,667	4,033
Total Current Provisions	2,703	4,078

17.2 Non-current Provisions

	31 Mar 15	31 Mar 14
	£000	£000
Pensions relating to other staff	610	618
Other provisions including short term employee benefit	76	76
Total Non-current Provisions	686	694

17.3 Provisions for liabilities and charges analysis

	Pensions - Other Staff	Others including Employee benefit	Contractual Disputes	Total Provision
	£000	£000	£000	£000
At 1 April 2014	663	2,917	1,192	4,772
Arising during the year	19	300	285	604
Utilised during the year	(46)	(748)	(367)	(1,161)
Reversed unused	0	(11)	(825)	(836)
Unwinding of discount	10	0	0	10
At 31 March 2015	646	2,458	285	3,389
Expected timing of cash flows:				
Not later than one year;	36	2,382	285	2,703
Later than one year and not later than five years;	610	76	0	686
Later than five years.	0	0	0	0
	646	**2,458**	**285**	**3,389**

The contractual disputes provision relates to disputes with North West London CCGs and NHS England on NHS Clinical Contract Income. They relate to challenges on pricing, charging or penalty disputes for 2014-15 activity. The basis for these figures is contractual disputes raised by North West London CCGs or NHS England.

Other provisions including employee benefit include provision for legal fees of £300k (2013/14 £207k), decommissioning and restoration provision of £76k (2013/14 £76k), provision for annual leave £1,705k (2013/14 £1,705k), occupational maternity leave provision of £216k (2013/14 £307k) and redundancy provision of £162k (2013/14 £612k).

Clinical Negligence Liabilities

The amount included in provisions of the National Health Service Litigation Authority at 31 March 2015 in respect of clinical negligence of the Trust is £73m (2013/14 - £70m)

NOTES TO THE ACCOUNTS

18 Cash and cash equivalents

	31 Mar 15 £000	31 Mar 14 £000
Balance at 1 April	**16,855**	41,618
Net change in year	**916**	(24,763)
Balance at 31 March	**17,771**	16,855
Comprising:		
Cash at commercial banks and in hand	**91**	48
Cash with the Government Banking Service	**17,680**	16,807
Cash and cash equivalents as in Statement of Cash Flows	**17,771**	16,855

19 Third Party Assets

The Trust held £ 0.02m cash at bank at 31 March 2015 (2013/14 - £0.02m) which relates to monies held by the Trust on behalf of patients. This has been excluded from the cash at bank and in hand figure reported in the accounts.

20 Revaluation Reserve

	31 Mar 15 £000	31 Mar 14 £000
Revaluation reserve at 1 April	**87,542**	89,187
Net Revaluation gain on property, plant and equipment	**5,569**	1,179
Transfer to other reserves	**0**	0
Asset disposals	**0**	(2,824)
Revaluation reserve at 31 March	**93,111**	87,542

21 Contractual Capital Commitments

Commitments under capital expenditure contracts at 31 March 2015 were £8.9m (2013/14 - £1.4m).

22 Events after the reporting period

There have been no events after the reporting period since the Statement of Position date excepting those relating to the Joint Venture with the Royal Marsden Hospital Foundation Trust - see note 36.

23 Contingencies

23.1 Contingent Liabilities

The Trust has undertaken integration activities for the acquisition of West Middlesex University Hospitals NHS Trust that have been funded by Richmond CCG and Hounslow CCG. If the acquisition does not proceed it is possible that the Trust would be required to repay £2.8m of integration funding to the CCGs.

24 Related Party Transactions

24.1 Related Party Relationships

Chelsea and Westminster Hospital NHS Foundation Trust is a public benefit corporation established by the order of the Secretary of State for Health.

Government departments and their agencies are considered by HM Treasury as being related parties.

No funds are held in trust by Chelsea and Westminster Hospital NHS Foundation Trust on behalf of the Chelsea and Westminster Health Charity, but are held by the Trustees who prepare the Charity's accounts independently of the Trust.

NOTES TO THE ACCOUNTS

24.2 Related Party Transactions	31 Mar 15 Income £000	31 Mar 14 Income £000	31 Mar 15 Expenditure £000	31 Mar 14 Expenditure £000
Imperial College Healthcare NHS Trust	3,085	2,568	14,603	15,070
NHS England	116,237	111,890	102	0
NHS West London CCG	52,941	51,839	0	28
NHS Hammersmith & Fulham CCG	31,871	31,476	0	0
NHS Wandsworth CCG	28,345	30,325	0	0
NHS Central London (Westminster) CCG	18,021	17,965	0	76
Other Government Departments and central bodies:				
HM Revenue & Customs	0	0	13,138	12,904
NHS Pensions Agency	0	0	16,468	16,474

HMRC & NHS Pensions Agency comparative figures have been adjusted to show only the Employer's share of the National Insurance & Superannuation contributions as a liability of the Trust

24.3 Related Party Balances	31 Mar 15 Accounts Receivable £000	31 Mar 14 Accounts Receivable £000	31 Mar 15 Accounts Payable £000	31 Mar 14 Accounts Payable £000
Imperial College Healthcare NHS Trust	1,593	1,112	2,950	2,748
NHS England	3,384	3,256	41	87
NHS West London CCG	3,822	4,379	0	0
NHS Hammersmith & Fulham CCG	1,300	2,570	37	0
NHS Wandsworth CCG	790	2,076	0	0
NHS Central London (Westminster) CCG	988	0	35	208
Other Government departments and central bodies:				
HM Revenue & Customs	1,441	825	3,849	3,927
NHS Pensions Agency	0	0	2,677	2,411

The Trust has related party balances and transactions with the Department of Health for dividend payments for public dividend capital. The transactions are shown in the Statement of Comprehensive Income and the payables balance is disclosed in note 14.1.

25 PFI Schemes

The Trust is not party to any PFI Schemes.

NOTES TO THE ACCOUNTS

26 Losses and Special Payments

	Total cases 2014/15		Total cases 2013/14	
	Number	£000	Number	£000
Losses:				
Cash losses	4	8	26	54
Fruitless payments and constructive losses	0	0	0	0
Bad debts and claims abandoned	433	1170	183	161
Damage to property including stores losses	0	0	0	0
Total losses	**437**	**1178**	**209**	**215**
Special payments:				
Extra-contractual payments	0	0	0	0
Extra-statutory and extra-regulatory payments	0	0	0	0
Compensation payments	0	0	0	0
Special severance payments	0	0	0	0
Ex-gratia payments	22	31	30	69
Total Special Payments	**22**	**31**	**30**	**69**
Total losses and special payments	**459**	**1209**	**239**	**284**

This included a write off of £0.9m of old debts (2005/06 to 2012/13) relating to Scottish and Welsh health bodies which have not been recovered despite actions to recover the debt in full. These had been fully provided for. The amounts reported as losses and special payments are reported on an accruals basis but excluding provisions for future losses.

There were no cases individually over £250,000 in the year (2013/14- none)

27 Financial Instruments

IAS 32 (Financial Instruments: Disclosure and Presentation), IAS 39 (Financial Instrument Recognition and Measurement) and IFRS 7 (Financial Instruments: Disclosures) require disclosure of the role that financial instruments have had during the year in creating or changing the risks an entity faces in undertaking its activities. The Trust does not have any complex financial instruments and does not hold or issue financial instruments for speculative trading purposes. Because of the continuing service provider relationship the Trust has with healthcare commissioners and the way those healthcare commissioners are financed, the Trust is not exposed to the degree of financial risk faced by non NHS business entities.

The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Finance and Investment Committee manages the Trust's funding requirements and financial risks in line with the Board approved treasury policies and procedures and their delegated authorities.

The Trust's financial instruments comprise loans, finance lease obligations, provisions, cash at bank and in hand and various items, such as trade debtors and trade creditors, that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Trust's operations.

28 Categories of Financial Instruments

28.1 Financial assets

	31 Mar 15	31 Mar 14
	£000	£000
Loans and receivables (including cash)	**61,432**	56,171
Total	**61,432**	56,171

28.2 Financial liabilities

	31 Mar 15	31 Mar 14
	£000	£000
Other financial liabilities (amortised cost)	**90,694**	83,466
Total	**90,694**	83,466

29 Financial Instruments Book Value to Fair Values

29.1 Book Values of Financial Assets & Liabilities

	Book value 31 Mar 15	Book value 31 Mar 14
	£000	£000
Financial assets	**61,432**	56,171
Financial liabilities		
Finance leases obligation for more than 1 year	**0**	0
Loans due in more than 1 year	**34,750**	38,175
Total	**34,750**	38,175

29.2	Fair Values of Financial Assets & Liabilities	Fair value 31 Mar 15 £000	Fair value 31 Mar 14 £000
	Financial liabilities		
	Finance leases obligation for more than 1 year	**0**	0
	Loans due in more than 1 year	**34,750**	38,175
	Total	**34,750**	38,175

As allowed by IFRS 7, short term trade debtors and payables measured at amortised cost may be excluded from the above disclosure as their book values reasonably approximate their fair values.

30 Liquidity and Interest Risk Tables

30.1	Financial assets:	Weighted ave. interest rate %	Less than 1 year £000	1-2 years £000	2-5 years £000	More than 5 years £000	Total £000
	Non-interest bearing	0.00%	43,661	0	0	0	43,661
	Variable interest rate instrument	0.25%	17,771	0	0	0	17,771
	Gross financial assets at 31 March 15		**61,432**	**0**	**0**	**0**	**61,432**
	Non-interest bearing	0.00%	39,316	0	0	0	39,316
	Variable interest rate instrument	0.25%	16,855	0	0	0	16,855
	Gross financial assets at 31 March 14		**56,171**	**0**	**0**	**0**	**56,171**

30.2	Financial liabilities:	Weighted ave. interest rate %	Less than 1 year £000	1-2 years £000	2-5 years £000	More than 5 years £000	Total £000
	Non-interest bearing	0.00%	46,430	0	0	0	46,430
	Fixed interest rate instrument	2.31%	6,125	6,423	23,284	5,043	40,875
	Provisions under contract	0.25%	2,730	45	614	0	3,389
	Gross financial liabilities at 31 March 15		**55,285**	**6,468**	**23,898**	**5,043**	**90,694**
	Non-interest bearing	0.00%	34,470	0	0	0	34,470
	Fixed interest rate instrument	2.31%	6,125	6,338	18,899	12,938	44,300
	Provisions under contract	0.25%	4,078	45	136	437	4,696
	Gross financial liabilities at 31 March 14		**44,673**	**6,383**	**19,035**	**13,375**	**83,466**

31 Interest Rate Risk

100% of the Trust's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest. Chelsea and Westminster Hospital NHS Foundation Trust was not, therefore, exposed to significant interest rate risk.

32 Liquidity risk

The Trust's net operating costs are mainly incurred under legally binding contracts with commissioners, which are financed from resources voted annually by Parliament. This provides a reliable source of funding stream which significantly reduces the Trust's exposure to liquidity risk.

The Trust also manages liquidity risk by maintaining banking facilities and loan facilities to meet its short and long term capital requirements through continuous monitoring of forecast and actual cash flows.

In addition to internally generated resources the Trust finances its capital programme through agreed loan facilities with the Independent Trust Financing Facility. The Trust does not have a working capital facility as at 31st March 2015.

NOTES TO THE ACCOUNTS

33 Credit risk

Credit risk exists where the Trust can suffer financial loss through default of contractual obligations by a customer or counterparty.

Trade debtors consist of high value transactions with NHS England and CCG commissioners under contractual terms that require settlement of obligation within a time frame established generally by the Department of Health and local authorities under contractual terms although these are subject to individual negotiation. Other trade debtors include private and overseas patients, spread across diverse geographical areas. Credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, sufficient prepayment is required to mitigate the risk of financial loss.

Credit risk exposures of monetary financial assets are managed through the Trust's treasury policy which limits the value that can be placed with each approved counterparty to minimise the risk of loss. The counterparties are limited to the approved financial institutions with high credit ratings. Limits are reviewed regularly by senior management.

The maximum exposure of the Trust to credit risk is equal to the total trade and other receivables within Note 12.

34 Operating Segments

The Board of Directors is of the opinion that the Trust's operating activities fall under the single heading of healthcare for the purpose of operating segments disclosure. IFRS 8 requirements were considered and the Trust has determined that the Chief Operating Decision Maker is the Trust Board of Chelsea and Westminster Hospital NHS Foundation Trust. It is the responsibility of the Trust Board to formulate financial strategy and approve budgets. Significant operating segments that are reported internally are the ones that are required to be disclosed in the financial statements. There is no segmental reporting for revenue, assets or liabilities to the Trust Board. Expenditure is reported by segment to the Trust Board. However those segments fully satisfy the aggregation criteria to be one reportable segment as per IFRS 8. Therefore all activities of the Trust are considered to be one segment, 'Healthcare', and there are no individual reportable segments on which to make disclosures.

35 Academic Health Science Partnership

The Trust has continued to be a partner in Imperial College Health Partners Limited, a company limited by guarantee, in the year, with Imperial College and a number of other local trusts. The company provides central services for the Imperial Academic Health Science Partnership, in which the Trust participates. The Trust's initial investment was £1, and the Trust's contribution to the costs of the company for the year was £0.1m (2013/14 £0.1m).

36 Joint Venture

The Trust has a 50% share in Systems Powering Healthcare Limited ("Sphere"), an IT shared services company set up as a joint venture with the Royal Marsden Hospital Foundation Trust. Sphere is a United Kingdom company. The company was still in the set up phase during 2014/15, commencing operations in April 2015. The Trust accounts for its share of Sphere's gains and losses using the equity method, on the basis of its 58% share of economic interest. The Trust's investment at 31 March 2015 was £180.

The Trust incurred set up costs of £1.9m, including capital costs, of which £1.8m have been recharged to Sphere, which is presented in other receivables. £1.9m of these costs have been recognised in operating expenses. The recharge in other operating income is £1.8m. A recharged shareholders loan of £85k was advanced during 2014/15 to cover the Trust's share of payroll costs, which is included in other receivables.

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