

# East London NHS Foundation Trust Annual Report and Accounts 2015-2016



*We care      We respect      We are inclusive*

*We care      We respect      We are inclusive*



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

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# **SECTION 1**

## **PERFORMANCE REPORT**

## **JOINT FOREWORD BY DR ROBERT DOLAN, CHIEF EXECUTIVE AND MARIE GABRIEL, CHAIR**

Welcome to the East London NHS Foundation Trust (ELFT) Annual Report for 2015-16. This has been a tremendous year of change and achievement for our staff, service users, carers, governors and volunteers.

Our biggest achievement happened on 1 April 2015 when we welcomed 1,000 new staff from Luton and Bedfordshire into the Trust in one day. This increased the size of the workforce by a third and meant that the population we serve went from 750,000 to 1,380,000.

Over the past 12 months, the Trust has received extensive recognition for the services it provides and the improvements in quality we have attained. Our year of recognition culminated in November's Health service Journal (HSJ) Awards, when we were shortlisted for four hotly contested, national awards and won the staff engagement award. The HSJ shortlists were truly recognition of our combined effort in delivering high quality services, clinician led, management supported, service user directed services.

The Trust is at the forefront of testing new ways of working, particularly in providing integrated care and working across geographies. Across each of our local authority areas we are working with other organisations to provide integrated care whether this is through a vanguard, devolution pilot or multi partnership arrangement, we are striving to ensure a holistic, patient centred and efficient approach to delivering services.

Our Quality Improvement programme has gone from strength to strength. Many of the projects underway are showing impressive results and evidence of real change. Our focus has been on improving patient experience, reducing harm from inpatient violence, reducing falls and harm from falls, reducing harm from pressure ulcers, reducing harm from high-risk medications and improving staff engagement.

The ELFT model of quality improvement is all encompassing with service users undergoing training and being equal participants in project teams and our Governors delivering their own QI project improving communication with each other, the Board and members.

We are proud of the progress made in these areas and the passion and enthusiasm demonstrated by all in tackling the challenges.

At our QI Conference in March, we were reminded that the points and numbers on graphs and diagrams are not just data, they represent people, our patients. And that is what it is all about.

Of course, it is not easy. Striving to be the best never is, but we are proud of the determination of our staff, and the triumphs achieved by the Trust.

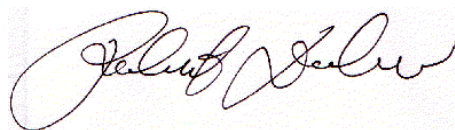
**Special Note from Marie Gabriel, Chair**

Dr Robert Dolan, our Chief Executive of 10 years, announced in January his intention to retire in June. As we present our achievements, performance and business management in this formal record of our year, to a large extent, we are also reflecting the ten year tenure of our astute chief executive. Dr Robert Dolan has led this organisation with intelligence, astounding financial knowledge, intellectual vigour and good humour. Truly, we would not be where we are today without the foundations he has put in place, the key decisions he has taken along the way which have shaped the organisation, and his wise counsel.

On behalf of the Trust and our local communities, I want acknowledge his incredible contribution to healthcare in East London and wish him a happy and peaceful retirement.



**Marie Gabriel. Chair**



**Dr Robert Dolan, CEO**

## ABOUT EAST LONDON NHS FOUNDATION TRUST

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

In February 2011, the Trust integrated with community health services in Newham making us now a trust that provides mental health and community health services. This was followed in June 2012 by joining with Richmond Borough Mind to provide The Richmond Wellbeing Service.

In April 2015, the Trust became the mental health provider for Bedfordshire and Luton. In May 2015, we took over the provision of specialist alcohol and drug services in Redbridge (R3) and on 1 September 2015, ELFT became the provider of Bedfordshire specialist addiction service (P2R) providing services to Bedford Borough and Central Bedfordshire

ELFT provides a wide range of community and inpatient services to children, young people, adults of working age, older adults and forensic services to the City of London, the London Boroughs of Hackney, Newham, Tower Hamlets, and to Bedfordshire and Luton. We provide psychological therapy services to the London Borough of Richmond, as well as Children and Young People's Speech and Language Therapy in Barnet.

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

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

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

The Trust provides local services to an East London population of 820,000 and to a Bedfordshire and Luton population of 630,000. We provide forensic services to a population of 1.5 million in North East London. East London is one of the most culturally diverse parts of the country but is also one of the most deprived areas. Bedfordshire is a predominantly rural area with some of the most affluent communities in the country living alongside some of the most low income and



deprived groups. Both areas therefore pose significant challenges for the provision of mental and community health services.

The Trust operates from over 100 community and inpatient sites, employs almost 5,000 permanent staff and has an annual income of £353m.

The main inpatient areas in our localities are:

**City and Hackney**

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

**Newham**

Newham Centre for Mental Health  
Glen Road  
London E13 8SP

**Tower Hamlets**

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

**Bedfordshire**

Weller Wing  
Bedford Hospital  
Amphill Road  
Bedfordshire  
MK42 9DJ

Oakley Court, Angel Close  
Luton  
Bedfordshire  
LU4 9WT

**Luton**

Luton and Central Bedfordshire Mental Health Unit  
Calnwood Road  
Luton  
LU4 0FB

**Community Health Newham**

East Ham Care Centre  
Shrewsbury Road  
London E7 8QP

**Forensic Services:**

John Howard Centre  
12 Kenworthy Road  
London E9 5TD

and

Wolfson House  
311-315 Green Lanes  
London N4 2ES

**Specialist Unit**

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

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

The Trust's postal address is:

Trust's Headquarters

9 Alie Street,  
London,  
E1 8DE

Switchboard Telephone Number: 020 7655 4000

Fax Number: 020 7655 4002

Website: [www.elft.nhs.uk](http://www.elft.nhs.uk)

## STRATEGIC OVERVIEW OF THE TRUST

This section sets out a summary of the Trust's strategic direction and priorities. More detailed information is set out in the Trust's Operational Plan which is submitted to NHS Improvement and available to the public on the Trust website [www.elft.nhs.uk](http://www.elft.nhs.uk) Information regarding the Trust's performance is set out in the remainder of this document.

### Vision, mission and values and strategic priorities

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

#### **Vision**

*To be making a positive difference to people's lives*

#### **Mission**

*To provide the highest quality mental health and community care*

#### **Values**

Our three core values are:

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

And the following values support us in achieving them:

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

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

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

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

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

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

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

### **Integrated Business Strategy**

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

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

### **Quality Improvement Strategy**

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

### **Business Strategy**

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

The Trust actively considers opportunities to expand our Forensic, adolescent inpatient unit, Mother and Baby inpatient service and Improving Access to

Psychological Therapy services and should consider any potential opportunities to provide aspects of its core business in other geographical areas.

### **Research Strategy**

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

### **Financial Strategy**

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

### **Organisational Development Strategy**

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

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

### **Workforce Strategy**

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

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

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

### **Clinical and service line strategy**

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

### **People Participation Strategy**

To support co-production within all trust services. To make sure that co-production, working together and recovery are a focus of delivering quality services to our communities. To support the individual development of our service users and carers by creating opportunities which foster self-confidence, self-esteem, up skilling or reskilling within the People Participation structures. To influence the direction of quality and development of Trust service delivery.

## FINANCIAL REVIEW

### Introduction

The accounts have been prepared in compliance with the accounting requirements of the 2015/16 NHS Foundation Trust Annual Reporting Manual (the ARM) agreed with HM Treasury and issued by the Foundation Trust regulator, Monitor.

### Overview

This section describes the financial performance for year ended March 2016; this is measured by the Risk assessment framework (RAF) developed by Monitor, our independent regulator, which compares key financial metrics consistently across all Foundation Trusts. The rating reflects the likelihood of a financial breach of the Trust's provider licence with a rating of 4 reflecting the lowest level of financial risk and a rating of 1, the highest. This is the eighth year as a Foundation Trust. During the course of the year, the Trust maintained a rating of 4 for all the four reporting quarters.

The national operating framework required the Trust to achieve a 3.5% cash releasing efficiency saving. This equated to approximately £13.3. The Trust achieved savings of £10.0m in year, and made up the shortfall through obtaining increased income and containing costs. The Trust implemented a number of strategies to minimise the impact on front line services as a result of the savings requirement including adopting a whole systems review approach in a number of service areas, cost reductions and negotiating better deals with our suppliers.

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

The table below summarises and contrasts our performance for 2015/16, including comparative information for 2014/15.

	2015/16 £000	2014/15 £000
Operating Income	353,365	268,758
Operating Expenditure	(347,274)	(258,133)
<b>Operating Surplus/ (Deficit)</b>	<b>6,091</b>	<b>10,625</b>
<b>Finance Costs</b>		
Interest Receivable	151	131
PFI and Finance lease interest payable	(2,240)	(2,271)
PDC Dividends payable	(5,535)	(4,194)
<b>Net Finance Costs</b>	<b>(7,624)</b>	<b>(6,334)</b>
<b>Surplus/(Deficit) for the year</b>	<b>(1,533)</b>	<b>4,291</b>
<b>Other comprehensive income</b>		
Gains/(Loss) arising from transfer by absorption	36,816	0
Revaluation gains / (losses) and impairment losses	16,714	10,786
Investment property gain	220	0
Re-measurements of net defined benefit pension scheme	(543)	0
<b>Total Comprehensive income / (Expense) for the year</b>	<b>51,675</b>	<b>15,077</b>

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

## Income

The Trust received £351m of income. The table below provides an analysis of the income as reported in the accounts with comparators for the previous financial year.

	2015/16 £000	2014/15 £000
<b>Income from Activities</b>		
Clinical Commissioning Groups and NHS England	311,030	241,606
Department of Health	-	27
Foundation Trusts	4,547	2,897
Local Authorities	16,617	9,294
NHS Trusts	2,308	1,567
Non-NHS: Overseas patients (chargeable to patient)	457	-
NHS Other	153	-
Public Health England	-	153
	<b>335,111</b>	<b>255,544</b>
<b>Other Operating Income</b>		
Education and Training	8,254	8,389
Research and Development	1,871	1,537
Reversal of Impairments	2,503	1,348
Receipt of capital grants and donations	155	-
Rental revenue from operating leases	195	-
Other Income	5,276	1,940
	<b>18,254</b>	<b>13,214</b>
<b>Total Operating Income from Continuing Operations</b>	<b>353,365</b>	<b>268,758</b>

The majority of the total income (90%) was from block contracts with the local East London Clinical Commissioning Groups and NHS England for Forensic and CAMHS tier IV services.

In addition, interest earned from cash held in interest bearing deposits was £151k.

## Expenditure Analysis

Analysis of the operating spend is shown in the table below with comparative figures for 2014/15. Staff pay cost account for 75% of the total operating spend. This is consistent with the nature services we provide and is comparable with other Trusts who provide similar services.



	2015/16		2014/15	
	£m	%	£m	%
Services from NHS Bodies	23,340	7%	17,680	7%
Services form Non NHS Bodies	7,086	2%	6,355	3%
Staff Salary	247,020	75%	180,710	72%
Establishment	4,662	1%	3,168	1%
Supplies and Services	11,244	3%	10,069	4%
Drugs	2,986	1%	3,063	1%
Premises and Transport	15,639	5%	10,114	4%
Other	15,664	5%	18,577	7%
<b>Sub-Total</b>	<b>327,641</b>	<b>100%</b>	<b>249,736</b>	<b>100%</b>
Depreciation	5,887		5,526	
Impairments	13,746		10,197	
<b>Sub-Total</b>	<b>19,633</b>		<b>15,723</b>	
<b>Total</b>	<b>347,274</b>		<b>265,459</b>	

## Capital

The Trust delivered a sizeable capital programme of £12.3m. The broad categories of spend are upgrades of clinical areas and buildings (£8.4m), plant and machinery (£0.4m), Information Technology and informatics improvements (£2.5m) and Furniture and Fittings (£1.0m)

## Monitor risk rating

Monitor's compliance framework assesses the Trust's financial risk against continuity of services risk rating (CoSRR). This identifies the level of risk to the on-going availability of key services. The financial risk rating is assessed on four rating categories ranging from 1, representing the most serious risk, to 4, representing the least risk. A low rating does not necessarily represent a breach of licence but the degree of financial concern the regulator will have and consequently the frequency with which we will monitor the Trust. The table below provides a fuller explanation of the risk ratings:

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

The Trust achieved an over rating of "4" for the year ended 2015/16.

## **Accounting Policies and Going Concern**

The Trust is required to comply with Monitor's NHS Foundation Trust Annual Reporting Manual. For 2015/16, the accounting policies contained in the manual follow the International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS Foundation Trusts.

As an NHS Foundation Trust, the Directors and the Trust's Auditors are aware of the need to review annual results in context of ensuring that the Trust has sufficient resources to run services in the foreseeable future. This provides an assurance for the going concern concept. The Directors have assessed future financial risk and have factored in such risks within the Trust's annual plan for 2015/16. The Directors are satisfied that the Trust has adequate resources to fund the operational performance in the foreseeable future and have therefore been able to sign off the going concern concept for 2015/16 accounts. The auditors have given an unqualified opinion on the financial statements.

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

## KEY ISSUES AND RISKS THAT COULD AFFECT THE FOUNDATION TRUST IN DELIVERING ITS OBJECTIVES

The Trust has a Board Assurance Framework in place which provides a structure for the effective and focused management of the principal risks to meeting the Trust's key objectives.

The Board Assurance Framework enables easy identification of the controls and assurances that exist in relation to the Trust's key objectives and the identification of significant risks.

The Board Assurance Framework is reported to the Board on a quarterly basis, and red rated risks are reported to each meeting.

The Trust's Board Assurance Framework (as of 31 March 2016) has four red rated risks:

- *Failure to transform district nursing services in order to meet the needs of the local health services and wider community*
- *It fails to meet standards for safety and quality as set out in the Health and Social Care Act 2009 and measured through the CQC's regulatory process.*
- *It fails to provide high quality services from premises that are secure, minimise risk, and are well-maintained*
- *It fails to recruit and retain high quality staff*

Action plans are in place against each risk, and progress is monitored by the relevant Board committee.

## GOING CONCERN

As an NHS Foundation Trust, the Directors and the Trust's Auditors are aware of the need to review annual results in context of ensuring that the Trust has sufficient resources to run services in the foreseeable future. This provides an assurance for the going concern concept. The Directors have assessed future financial risk and have factored in such risks within the Trust's annual plan for 2016/17. The Directors are satisfied that the Trust has adequate resources to fund the operational performance in the foreseeable future and have therefore been able to sign off the going concern concept for 2015/16 accounts. The auditors have given an unqualified opinion on the financial statements.

## PERFORMANCE ANALYSIS

### How the Trust measures performance

The key ways in which the Trust measures performance is as follows:

- NHS Improvement risk ratings
- Performance against national targets
- Performance in national staff and patient surveys
- Performance against contract targets, including CQUIN targets
- Quality measures under the domains of patient safety, clinical effectiveness and patient experience
- Outcomes of quality improvement projects, including progress against the Trust's key priorities of violence reduction, pressure ulcers, physical health and access
- Key financial and workforce targets
- Service user and carer experience
- Outcomes of Care Quality Commission inspections

Progress in these areas is monitored by the receipt and scrutiny of the following reports at directorate, executive, committee and Board level:

- Performance and Compliance Report
- Quality and Safety Report
- Finance Report
- Workforce Report
- Specific reports on national survey results and other periodic results

### Performance of the Trust in 2015/16

The overall performance of the Trust can be summarised as follows:

Category	Indicator	Performance
NHS Improvement	Finance risk rating (on a scale of 1-4, with 4 being the best)	4
NHS Improvement	Governance risk rating (on a scale from green to red, with green being the best)	Green
Care Quality Commission (CQC)	Number of standards that are assessed to be non-compliant following CQC inspections	Nil
National targets	National targets relevant to mental health and community services	Fully compliant
National staff survey	National ranking for overall staff engagement score	4 <sup>th</sup> equal; in the top 5 places for the

		past three years
National community patient survey	Overall national ranking	3 <sup>rd</sup> in 2015-16; in the top 5 places for the past three years

More detailed analysis of the Trust's performance can be found in the following sections of this report:

- Financial review
- Our Workforce
- Quality Accounts Report

Information about environmental matters and information about social, community and human rights issues including information about any trust policies is contained within the Public Interest Disclosures.

# **SECTION 2**

## **ACCOUNTABILITY REPORT**

# DIRECTORS' REPORT

## Board of Directors

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

The main role of the Board is to:

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

## Meet the Trust board

The descriptions below of each director's expertise and experience demonstrates the balance and relevance of the skills, knowledge and expertise that each of the directors bring to the Trust.

### Non-Executive Directors



**Marie Gabriel**  
**Trust Chair**

Appointed to the Trust Board in October 2012



## Background and Experience

- Chair of NHS East London and the City from March 2011 to March 2012 and then Chair of North East London and the City until October 2012
- Chair of NHS Newham from 2003-2011, previously Vice Chair of Newham University Hospital Trust
- Chair of Newham Community Health Council
- Over 20 years in senior roles within local government and the Third Sector
- Runs her own consultancy company specialising in action research, the delivery of regeneration projects and developing the not for profit sector
- Recognised by London Borough of Newham in 2010: awarded Honorary Freedom of the Borough
- Recognised on the Health Service Journal's inaugural 'Inspirational Women' list.

**Qualifications:** BA (Hons) DMS



**Nicola Bastin**  
**Senior Independent Director**

Appointed to the Trust Board in October 2006

## Background and Experience

- Nicola is now a Lay Panel Chair for Health Care Professions Council fitness to practice hearings
- Previously experienced in leading change, instrumental in the setting up and successful running of two new government agencies: Her Majesty's Courts Service and Jobcentre Plus; and governance
- Also a Human Resources (HR) professional (Fellow of Chartered Institute of Personnel and Development) - experienced in the public sector including Director of Diversity for DWP
- Various Non-Executive Director roles including now Newlon Housing Trust and also the Complementary and Natural Healthcare Council

**Qualifications:** BSc. (Hons), MCIPD

In her role of Senior Independent Director Nicola is available to Governors and members if they have concerns which they have not been able to resolve through the usual channels of the Chief Executive or the Chair



**Mary Elford**  
**Vice Chair**

Appointed to the Trust Board in February 2012

### **Background and Experience**

- Non-Executive Director Queen Mary Bioenterprises (from March 2014)
- Non-Executive Director Health Education England (from Sept 2013)
- Council member General Pharmaceutical Council (from April 2013)
- Non-Executive Director, Barts and the London NHS Trust (10 years)
- National Advisory Board for Clinical Excellence Awards (3 years)
- Lay Board Member, Camidoc (3 years)
- Trustee, The Camden Society for Learning Difficulties (11 years)
- Senior Manager, John Lewis Partnership (14 years)
- Lay Adviser, Department of Health and Kings Fund (4 years)
- Steering Group Member, King's Fund Board Leadership Programme
- Council Member, Queen Mary, University of London
- Foundation Director, London North East Community Foundation (2 years)
- Experience in healthcare education and healthcare regulation
- Mother of two children, one of whom has a learning difficulty.

**Qualifications:** BA (Hons) Oxford



**Jennifer Kay**  
**Non-Executive Director**

Appointed to the Trust Board in October 2014

### **Background and Experience**

- Jenny has had a long and fulfilling career in nursing, combining 15 years in front line clinical roles (culminating in her role as a children's ward sister at King's College Hospital) and thereafter 18 years in management, notably as Director of Nursing with Dartford and Gravesham NHS Trust (2001 – November 2012)
- Jenny also has experience at the Department of Health, and secondments to nursing and quality leadership roles in a strategic health authority (NHS South) and Merton Clinical Commissioning Group
- She has experience of delivering a wide range of quality improvements in clinical practice (infection control, skin care, falls prevention for example) as well as supporting the development of clinical staff, notably her work to strengthen the role of the ward sister.
- Jenny also has experience of Board level governance, participating in and chairing many committees and of supporting the work of Board level committees as lead Executive Director, including quality and safety, equality and diversity, safeguarding, patient experience, and patient involvement committees.

**Qualifications:** BA(Hons), RGN, RSCN, MBA



**Alan Palmer**  
**Non-Executive Director**

Appointed to the Trust Board in January 2010<sup>1</sup>

### **Background and Experience**

- Non-Executive Director of Moat Homes Ltd, a housing association, and Chair of its Audit Committee
- 7 years as Secretary of the Lord Chancellor's Strategic Investment Board, which advised the Ministry of Justice on the investment of funds held in court for vulnerable persons
- Extensive financial, insurance and banking experience in the City, including 13 years as Director of Commercial Union Investment Management Ltd
- 3 years as Non-Executive Director of Kent Reliance Building Society
- Chartered Accountant and Corporate Treasurer
- Trustee of the British Humanist Association
- Local resident of Tower Hamlets for 13 years.

**Qualifications:** FCA, FCT



**Kingsley Peter**  
**Non-Executive Director**

Appointed to the Trust Board in November 2006

### **Background and Experience**

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<sup>1</sup> Term ended December 2015

- Chartered Certified Accountant
- Executive Director of Finance and Corporate Services for the Adolescent and Children's Trust (TACT), the UK's largest national foster care services and adoption charity
- Company Secretary – TACT
- Formerly, Area Finance Controller for the South East Area (Engineering) of the National Grid
- Formerly, Non-Executive Director, Charitable Assurance and Regulatory Board, Places for People Group and Former Chair of Kush Housing Association
- Board Member-Consortium of Voluntary Adoption Agencies
- Extensive experience of financial management and business development.

**Qualifications:** FCCA, MBA



**Urmila (Millie) Banerjee CBE**  
**Non-Executive Director**

Appointed to the Trust Board in October 2014

**Background and Experience**

- Millie Banerjee has had a long and varied career in the private and public sectors
- Currently she is the Chair of the British Transport Police Authority a member of the Board of the College of Policing and of the Police ICT Board
- She also chairs Working Links a private sector company working with Government in supporting long term unemployed and disabled citizens. In her executive life she spent 25 years with BT in various senior roles including operations, large scale system implementation, product design and consumer service. Her last role in BT was as the Director responsible for BT's product portfolio and pricing strategy
- Following her career in BT she was the COO of a global mobile satellite company. She continued her association with the communications sector as a non-executive director of Ofcom for 9 years

- She has held several other non-executive appointments including a non-executive director of the Cabinet Office, Channel 4 TV, the Prisons Board, and the Peabody Trust
- Previously she was on the Board of Newham PCT and Barts Health



**Robert Taylor**  
**Non-Executive Director**

Appointed to the Trust Board in October 2013

### **Background and Experience**

- Former Chief Executive of Kleinwort Benson Bank
- Chair of the University for Creative Arts in Kent and Surrey
- Board member (formerly Chair) at the Whitechapel Gallery in east London
- Non-Executive Director of Truman's Brewery
- Head of Wealth Management & Private Banking Supervision at the Financial Conduct Authority
- Investor and adviser to companies involved in virtual data storage, on-line therapies, on-line investment management and multi-media publishing and digital gaming technology
- Public speaker at financial services conferences
- Outspoken supporter of LGBT career opportunities in the City.

**Qualifications:** MSJ Columbia University

### **Executive Directors**



**Dr Robert Dolan**  
**Chief Executive**

**Appointed September 2006**

### **Background and Experience**

- Medical Director from March 2003 and Consultant Forensic Psychiatrist in the Trust since September 2001
- Extensive psychiatry experience in London and Ireland
- Medical Director for West London Healthcare Trust and Ealing, Hammersmith and Fulham Mental Health NHS Trust
- Trainer of senior registrars in forensic and general psychiatry
- Policy Advisor in Forensic Psychiatry at the Department of Health
- Board Director Community and Mental Health Trust

**Qualifications: M.B, B.Ch, BAO, MRC Psych**



**John Wilkins**

**Deputy Chief Executive & Managing Director - Bedfordshire and Luton Mental Health and Wellbeing Services**

**Appointed July 2007**

### **Background and Experience**

- Over 30 years NHS experience in a variety of management, commissioning, public health and registered acute and mental health nursing posts
- He was previously Director of London-wide Programmes (Mental Health, Substance Misuse and Sexual Health) for the five former London Strategic Health Authorities
- He has also held three other Director posts with the Trust, i.e. Director of Modernisation, Director of Child and Adolescent Mental Health Services & Specialist Services and Foundation Trust Project Director

**Qualifications: MA. Dip Health Education**



**Dr Navina Evans**

**Director of Operations & Deputy Chief Executive**

**Appointed February 2015**

**Background and experience**

- Director for Mental Health, East London Foundation Trust
- Lead Clinician Newham CAMHS and then Clinical Director Child and Adolescent Mental Health Services East London Foundation Trust
- Involvement in Medical Education at Barts and The London Medical School as Honorary Senior Lecturer, Associate Dean, and Academic Year Tutor
- Clinical Experience in Psychiatry and Paediatrics

**Qualifications: MBBS, DCH, MRCPsych**



**Dr Kevin Cleary**

**Medical Director**

**Appointed June 2011**

**Background and Experience**

- Associate Medical Director (Safety) for the Trust in November 2010. Lead on the Trust's Safety and Clinical Risk Management programmes.
- Medical Director for the National Patient Safety Agency.
- Clinical background in Child and Adolescent Forensic Psychiatry
- Consultant Child and Adolescent Forensic Psychiatrist

**Qualifications: M.B. Ch.B. FRCPsych**





**Steven Course**  
**Director of Finance**  
**Appointed April 2015**

### **Background and Experience**

- Joined the NHS graduate national financial management training scheme in 2002 and now with over 12 years NHS experience in mental health, community, acute and strategic organisations including the Department of Health and a private sector audit firm.
- Gained local experience in East London having worked at a local council, Whipps Cross Hospital, North East London strategic health authority, a number of commissioning organisations and our Trust from 2006 -2008.
- Developed acute sector experience at Oxford University Hospitals NHS Trust before returning to ELFT in 2009 as Deputy Director of Finance leading a number of significant Trust initiatives.
- Member of both the London Currency Development Board and the NHS Shared Business Services Strategy and Development Group.

**Qualifications: Chartered Institute of Management Accounting (ACMA), Chartered Institute of Public Finance and Accountancy (CPFA), BA (Hons.)**



**Mason Fitzgerald**  
**Director of Corporate Affairs**  
**Appointed February 2014**

### **Background and experience**

- Qualified barrister, solicitor and company secretary (qualified in New Zealand and United States of America)
- Joined the Trust in 2002
- Appointed as Trust Secretary in 2005 and led the governance workstream of the Trust's application for Foundation Trust status, including establishment of the Trust's membership and the Council of Governors
- Appointed as Associate Director of Governance in 2009. Played a major role in the Trust's acquisition and integration of Newham Community Health Services, and ensuring full compliance with CQC requirements
- Appointed as Director of Governance & Corporate Planning in 2012. Successfully led the Trust's bid to become the first mental health and community Trust to achieve NHSLA Level 3
- Member of the NHS Improvement Panel for Advising Governors

**Qualifications: B.Comm; LLB; LLM; ICSA Chartered Secretary; Associate Member CIPD**



**Professor Jonathan Warren**  
**Director of Nursing**  
**Appointed July 2010**

#### **Background and experience**

- Graduate from Sussex University and trained as a nurse at The Lorna Delve and Banstead School of Nursing at Banstead Hospital qualifying in 1986
- Has worked in a range of specialities including adult and forensic mental health care  
 In 2003 he was appointed Interim Borough Director for City and Hackney
- In 2005 he became the Head of Healthcare at Pentonville Prison
- He was appointed Head of Nursing at East London NHS Foundation Trust in 2008 where he was instrumental in setting up the Institute of Mental Health Nursing in collaboration with City University Honorary Visiting Professor, City University

## Non-Executive Directors

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

The terms of office are as follows:

<b>Name:</b>	<b>Expiry of term:</b>
Marie Gabriel	30 September 2018
Nicola Bastin	31 October 2016
Kingsley Peter	31 October 2016
Alan Palmer	31 December 2015
Mary Elford	31 January 2018
Robert Taylor	30 September 2016
Millie Banerjee	31 October 2017
Jenny Kay	31 October 2017

## Attendance Record

During the course of the year, the Board of Directors has met six times. All meetings are held in public, and are preceded by a meeting held in closed session. The attendance record of meetings for the Board of Directors for the year ended 31 March 2016 is as follows:

<b>Trust Board Director</b>	<b>Number of meetings</b>	<b>Total number of attendances</b>
Marie Gabriel	6	5
Dr Robert Dolan	6	6
Nicola Bastin	6	6
Kingsley Peter	6	5
Alan Palmer	5	4
Mary Elford	6	6
Millie Banerjee	6	6
Jenny Kay	6	6
Dr Kevin Cleary	6	6
Dr Navina Evans	6	4
John Wilkins	6	5
Jonathan Warren	6	6
Mason Fitzgerald	6	6
Robert Taylor	6	3

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

## **Performance Evaluation**

The Trust has processes in place for an annual performance evaluation of the Board, its Directors and its committees in relation to their performance over the 2015/16 financial year. The main components of this are:

- The Chair conducts individual performance evaluations of the Non-Executive Directors and the Chief Executive, as well as Executive Directors, in relation to their duties as Board members
- The Senior Independent Director conducts a performance evaluation of the Chair
- The Chief Executive conducts performance evaluations of the Executive Directors.
- The Board has an ongoing development programme in place and held 5 sessions within the year.

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

## **Independence of the Non-Executive Directors**

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

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

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

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

## **Register of Directors’ Interests**

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

## **Chair’s significant commitments**

Marie Gabriel has no other significant commitments other than to the Trust. However, Marie Gabriel has declared involvement with the following:  
West Ham United Foundation  
East London Business Alliance and Foundation for Future London

### **Director's Remuneration**

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

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

## APPOINTMENTS AND REMUNERATION COMMITTEE

### Purpose

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

The Appointments and Remuneration committee terms of reference changed in early 2014. Membership was reduced and frequency changed to meet on a bimonthly rather than on an ad hoc basis. The Appointments and Remuneration committee will meet bi monthly and extra meetings may be called at the discretion of the chair.

The Committee met on 8 occasions in 2015/2016.

### Composition of the Appointments and Remuneration Sub-Committee

Committee member	Title	Total number of attendances
Nicola Bastin	Chair (Senior Independent Director)	8 meetings attended
Kingsley Peter	Non-Executive director	6 meetings attended
Robert Taylor	Non-Executive director	1 meeting attended
Marie Gabriel	Trust Chair	7 meetings attended
Robert Dolan	Chief Executive	8 meetings attended

Also in regular attendance at the meeting although not members were the following officers:

Mason Fitzgerald - Director of Corporate Affairs

Sandi Drewett - Director of Human Resources and Organisation Development (from October 2014)

Keisha Ehigie - Trust Secretary (minutes)

No fees or charges were paid to these individuals.

More information is set out in the Remuneration Report.

## AUDIT COMMITTEE

The Audit Committee is a non-executive committee of the Trust Board with delegated authority to review the establishment and maintenance of an effective system of integrated governance, risk management and financial and non-financial non-clinical internal controls, which supports the achievement of the Trust's objectives. The Audit Committee works in partnership with the other Board committees to fulfill these aims.

The principal purpose of the committee is to assist the Board in discharging its responsibilities for monitoring the integrity of the Trust's accounts. In addition it reviews the adequacy and effectiveness of the Trust's systems of risk management and internal controls and monitors the effectiveness, performance and objectivity of the Trust's external auditors, internal auditors and local counter fraud specialist.

The members of the Audit Committee are listed on page below and include three independent Non-Executive Directors, the Chair of which is a qualified accountant. Committee membership has been stable throughout the year.

### Composition of the Audit Committee

The members of the Audit Committee as at 31 March 2016 are as follows:

Alan Palmer	Chair (Until 31/12/2015)
Kingsley Peter	Non-Executive Director (Acting Chair for meeting of 19/01/2016)
Mary Elford	Non-Executive Director

### Attendance Record

During the course of the year, the Audit Committee met five times. The attendance record of meetings for the Audit Committee for the year ended 31 March 2016 is as follows:

Committee members	Number of meetings	Total number of attendances
Alan Palmer (Until 31/12/2015)	5	4
Kingsley Peter	5	4
Mary Elford	5	5

### Effectiveness of the committee

The Committee reviews and self-assesses its effectiveness annually, using criteria from the NHS Audit Committee Handbook and other best practice guidance, and ensures that any matters arising from this review are addressed.

The Committee also reviews the performance of its internal and external auditor's service against best practice criteria identified from the *NHS Audit Committee Handbook*.

The Committee has a secretary responsible for administrative support to its meeting. At each meeting the Committee received papers of good quality, provided in a timely fashion to allow due consideration of the content. Meetings were scheduled to allow sufficient time to enable a full and informed debate. Each meeting is minuted and reported to the Trust Board.

### **How the Audit Committee Discharges its Responsibilities**

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

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

### **Annual Accounts**

The Committee reviewed the Trust's accounts and Annual Governance Statement and how these are positioned within the wider Annual Report. To assist this review the Committee considered reports from management and from the internal and external auditors to assist our consideration of: the quality and acceptability of accounting policies, including their compliance with accounting standards;

- key judgements made in preparation of the financial statements;
- compliance with legal and regulatory requirements;
- the clarity of disclosures and their compliance with relevant reporting requirements;
- whether the Annual Report as a whole is fair, balanced and understandable and provides the information necessary to assess the Trust's performance and strategy.

The Committee has reviewed the content of the annual report and accounts and advised the Board that, in its view, taken as a whole:

- it is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's performance, business model and strategy;
- it is consistent with the draft Annual Governance Statement, Head of Internal Audit Opinion and feedback received from the external auditors.

### **Internal Audit**



The Trust's Internal Auditors for 2015/16 were RSM UK. Internal Audit provides an independent appraisal service to provide the Trust Board with assurance with regards to the Trust's systems of internal control.

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

### **External Audit**

The Trust's External Auditors for the period 1 April 2015 to 31 March 2016 were KPMG.

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

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

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

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

KPMG's remuneration for 2015/16 was £81,000 excluding VAT. Their audit and non-audit fees are set, monitored and reviewed throughout the year

The external auditors are in the fourth year of their appointment, a competitive tendering process took place during 2012 involving members of the Audit Committee and the Council of Governors. KPMG LLP were appointed for a five-year term (annually renewing) from 2012/13. There were no non-audit services provided during the year.

### **Auditor's Reporting Responsibilities**

KPMG reports to the Council of Governors through the Audit Committee. Their report on the Trust's financial statements is based on its examination conducted in accordance with International Financial Reporting Standards (IFRS) and NHS Improvement's Financial Reporting Manual. Their work includes a review of the Trust's internal control structure for the purposes of designing their audit procedures.

### **Counter Fraud and Bribery**

The Trust employs two Local Counter Fraud Specialists (LCFS). The role of the LCFS is to assist in creating an anti-fraud and bribery culture within the Trust; to deter, prevent and detect fraud and bribery; to investigate any suspicions that arise;

to seek to apply appropriate sanctions; and to seek redress in respect of monies obtained through fraud and bribery.

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

In 2014/2015 the Trust's Counter Fraud service received a rating Green (fully compliant) under NHS Protects self-review tool. As at the time of writing, the submission date for the 2015/2016 self-review tool has not yet been released by NHS Protect.

The Committee reviewed the levels of fraud reported and detected and the arrangements in place to prevent, minimise and detect fraud and bribery. No significant fraud was uncovered in the past year.

### **Relationship with the Council of Governors**

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

### **Significant financial judgments and reporting for 2015/16**

The Committee considered a number of areas where significant financial judgments were taken which have influenced the financial statements:

The Committee identified through discussion with both management and the external auditor the key risks of misstatement within the Trust's financial statements. These risks were discussed with management during the year and a paper was received from management in advance of the year end..

The following areas were considered by the Committee:

- **Land and Buildings Valuations:** We received confirmation from management which explained the basis of the desk top valuation for the most significant land and buildings, including the future life and rationale for carrying values. We also considered the auditors' views on the accounting treatment for these assets. We are satisfied that the valuation of these properties within the financial statements is consistent with management intention and is in line with accepted accounting standards.
- **Receipt of NHS Income:** we received a report from management confirming their application of a consistent methodology in the recording of income for the year. We also reviewed the outcomes from the Agreement of Balances exercise across the NHS as part of our consideration of the external auditor's report, to confirm that we had appropriately recognised income within the accounts.

### **Other areas reviewed**

In addition to the above areas of work the Committee has received reports on losses and special payment incurred by the Trust.

## **OTHER BOARD COMMITTEES**

### **Quality Assurance Committee**

Chaired by a Non-Executive Director, and attended by the Chair and two other Non-Executive Directors, and all executive directors, the Quality Assurance Committee scrutinises the Trust's quality improvement and quality assurance strategies and processes, and other related areas, including research, clinical audit and education.

### **Finance, Business and Investment Committee**

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

### **Quality Committee**

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

### **Mental Health Act Committee**

The Mental Health Act Sub-Committee is chaired by a Non-Executive Director and ensures that the statutory duties of the Trust Board under section 23 of the Mental Health Act 1983 and chapter 31 of the Code of Practice (chapter 38 from 1<sup>st</sup> April 2015) are exercised reasonably, fairly and lawfully.

### **People Participation Committee**

Membership includes the Trust Chair, a Non-Executive Director, service user representatives from across the Trust, a carer representative, governors and members of the Trust's Executive Team. This Committee discusses issues regarding patient experience and involvement, and gives service user and carer representatives a direct link to the Trust Board.

## COUNCIL OF GOVERNORS

### **Purpose**

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

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

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

### **Duties**

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

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

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

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

- Holding open board meetings
- Before holding a board meeting the board must send a copy of the agenda to the Council of Governors

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

#### Additional Duties:

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

### **How the Council of Governors and Board of Directors operate**

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

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

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

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

## Governors' attendance at Council of Governors' Meetings 2015/2016

	Term	Out of last 7 meetings unless otherwise stated
<b>Tower Hamlets</b>		
Roshan Ansari	2015 - 2018	2(2)
Nicholas Callaghan	2013 - 2016	4
Terry Cowley	2 <sup>nd</sup> term 2015 - 2018	5(6)
Belle Harris	Resigned 05/10/2015	3(4)
Gordon Joly	3 <sup>rd</sup> term <sup>2</sup> 2015 - 2016	6(6)
Ala Miah	2013 - 2015	0(4)
Robert Scott	Resigned 18/11/2015	1(4)
David Ssembajjo	2013 - 2016	7
<b>Newham</b>		
Muhammad N Butt	Resigned 31/08/2015	0(3)
Alyas A Hussain	Resigned 31/09/2015	0(4)
Shirley Biro	2015 - 2018	2(2)
Kevin Jenkins	Resigned 31/08/2015	0(3)
Ally Khodabocus	2013 - 2016	4
Peter Landman	Resigned 21/01/2016	4(5)
Carol Ann Leatherby	2 <sup>nd</sup> term 2013 - 2016	6
Ajith Lekshmanan	2012 - 2015	4(4)
Norbert Lieckfeldt	2 <sup>nd</sup> term 2015 - 2018	6(6)
Yvonne Sawyers	2013 - 2016	1
Ernell Diana Watson	2 <sup>nd</sup> term 2015 - 2018	5(6)
<b>Hackney</b>		
Eric Cato	2012 - 2015	4(4)
Susan Collinson	2015 - 2018	2(2)
Kofoworola David	Resigned 14/07/ 2015	2(2)
Gohar Ghouse	2015 - 2018	2(2)
Zara Hosany	2013 - 2016	7
Alex Kuye	2015 - 2018	2(2)
Ike Oze	2012 - 2015	2(4)

<sup>2</sup> One of the initial Governors whose terms were staggered i.e.2 years, 3 years then 1 year, rather than the standard two 3 year terms.

	Term	Out of last 7 meetings unless otherwise stated
Susan Wengrower	Resigned 12/01/2016	1(5)
<b>City of London</b>		
Gerald Hine	2 <sup>nd</sup> term 2013 - 2016	7
<b>Rest of England</b>		
Kemi Rosiji	2015 - 2018	2(2)
<b>Luton</b>		
Blessing Mamvura	2015 - 2018	1(2)
Mary Phillips	2015 - 2018	2(2)
Keith Williams	2015 - 2018	1(2)
<b>Bedford</b>		
David Bentley	Resigned 09/02/2016	1(1)
Rubina Shaikh	2015 - 2018	2(2)
<b>Central Bedfordshire</b>		
Susan Butterworth	Resigned 18/12/2015	0(0)
Richard James	Resigned 22/12/2015	0(0)
Larry Smith	2015 - 2018	2(2)
Jim Thakoordin	2015 - 2018	0(2)
<b>Staff</b>		
Sam Ali	2014 - 2017	3
Nicola Beaumont	2014 - 2017	4
Robin Bonner	2013 - 2016	6
Katherine Corbett	2 <sup>nd</sup> term 2015 - 2018	5(6)
Josephine Dolan	2012 - 2015	2(4)
Maria Eyres	2014 - 2017	6
Ferenkeh Jalloh	2013 - 2016	3
Irene Harding	2014 - 2017	2
Margaret Minoletti	2012 - 2015	4(4)
Olusola Ogbajie	2014 - 2017	4
Bisi Oshinbolu	2015 - 2018	1(2)
<b>Appointed (9)</b>		
Abdul Asad Tower Hamlets Local Authority	Dec 2014 – May 2015	0(2)
Neil Wilson, Newham Local Authority	23 May 2013 - May 2016	5
Dhruv Patel – City of London Local Authority	6 March 2014 – October 2016	4
Susan Fajana – Thomas Hackney Local Authority	Appointed 15 December 2014	6

	<b>Term</b>	<b>Out of last 7 meetings unless otherwise stated</b>
Abdul Malik The Forum for Health and Wellbeing Newham BME	2013 - 2015	<b>3(5)</b>
Amy Whitelock Gibbs – Tower Hamlets Local Authority	September 2015– 31 May 2016	<b>1(3)</b>

### **Governor Expenses**

There was a total of £826 (£416 in 2014/15) of expenses claimed for 2015/16 financial year by five governors (out of 36 currently in office). All expense claims are made and processed in line with Trust policy.

### **Register of Governors' Interests**

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



## MEMBERSHIP REPORT

### Membership Statistics

	Trust Members	percentage of total public membership in catchment area*	Population	Target percentage of population in the Trust's catchment area*
Bedford	337	4.00	164,572	10.72
Central Bedford	225	2.67	270,682	17.64
Luton	590	7.00	212,867	13.87
City of London	38	0.45	8,072	0.53
Hackney	1992	23.65	264,329	17.22
Newham	3,228	38.32	328,577	21.41
Tower Hamlets	2,014	23.91	285,787	18.62
Rest of England	1,266			
Out of Trust Areas	10			
<b>Total in catchment</b>	<b>8,424</b>		<b>1,534,886</b>	
<b>Total including Other Areas</b>	<b>9,700</b>			
<b>Staff Membership</b>	<b>4,989</b>			
<b>Total Trust Membership</b>	<b>14,689</b>			

\*The percentage of public members in the Trust's catchment area is determined by excluding members in 'Rest of England and Out of Trust Areas'

The Trust has a public membership base of 9,700 as at 31 March 2016.

### Eligibility requirements

The Trust has two main membership groups:

#### Public

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

#### Staff

All Trust staff are automatically part of the staff membership group provided they are on a permanent contract or on a fixed-term contract of at least 12 months duration.

Staff can opt out of membership if they wish. Trust bank staff and staff who are seconded from partner agencies and have been in post or are on contracts longer than 12 months were invited to sign up as members of the staff group.

## **Membership Strategy**

Members are similar to demographic proportions to the population served by the Trust. Whilst the Trust wishes to maintain a membership which adequately represents the local population, we also aim to support the continued development of our membership and its involvement and influence.

Our focus in 2015/16 has been on the effective engagement of our current membership and development of active members and to increase youth representation and involvement. The Trust will however continue to focus on membership recruitment in our new constituencies (Bedford, Central Bedfordshire and Luton) and in areas where there is under-representation. But significant membership growth is not our primary aim. Creating a more active and representative membership with increased engagement is our main aim, and to see an increased turnout at elections.

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

## **Membership Involvement**

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

A focus group of public members - the "Working Lunch Group" - continues to meet quarterly and is chaired on a rotation basis by a trust member. Of significance is this group's involvement in improving the format of these quarterly meetings for members and governors. We now start each meeting with Governors' Update which gives the governors an opportunity to inform the members about the meetings they attended and issues they raised on their behalf.

Members are also regularly asked to suggest topics they would like updates on. In 2015/16, guest speakers covered a range of topics, including mental health awareness training for GPs, implementation of the Care Act, Newham Talking Therapies, Governor Election Briefing and update on new contracts in Luton and Bedfordshire.

Trust members continue to receive the membership newsletter *TRUSTtalk* and regular bulletins about election briefing sessions and consultation events.

The membership team hold a stall at every staff induction to inform colleagues about what it means to have foundation trust status and how they can contribute to better

trust governance. Newly recruited Trust volunteers are also encouraged to show their support to the Trust and join as members.

### **Annual Members' Meeting**

Held at the Bishopsgate Institute on 22<sup>nd</sup> September 2015, this event drew a large number of members who received the Council of Governors Annual report and engaged in lively group discussions on a selection of topics. Dr Robert Dolan, Chief Executive, gave an update on the Trust's Annual Plan and explained how suggestions from Members at the Annual Plan Consultation Events held in February and March 2015 were implemented to improve and develop Trust services. Members and governors then participated in one of the following three sessions:

- Quality improvement initiatives at the Trust,
- Update on Bedfordshire and Luton services, and
- Governors' election briefing.

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

### **Annual Plan Consultation Events and Trust-Wide Annual Plan Meeting**

ELFT held five borough events and one Trust-wide Annual Plan Meeting as follows:

- Luton, Thursday 4<sup>th</sup> February 2016
- Bedfordshire, Friday 12<sup>th</sup> February 2016
- Newham, 15<sup>th</sup> February 2016
- Hackney, Tuesday 23<sup>rd</sup> 2016
- Tower Hamlets, Monday 29<sup>th</sup> February 2016
- Trust-wide Annual Plan Meeting, Thursday 3<sup>rd</sup> March 2016

In total over the six events, 246 members attended these annual consultation events. Key emerging themes will be used to inform the Trust's Annual Plan. Members had the opportunity to meet their governors, speak directly to Borough Directors and pose key questions to senior staff.

### **Other Membership/Governor Events 2015-2016**

ELFT Membership Office organised or attended a number of events between April 2015 and March 2016:

- Quarterly Working Lunch Meetings for members and governors
- Fresher's Fairs in four local colleges to recruit younger members who are under-represented in ELFT membership
- ASK's Mental Health Awareness and Wellbeing Event in Newham
- Annual Celebration Event for Governors
- Membership Information stalls at the Monthly Trust Staff Inductions
- Governor Open Forum Meetings
- Governor Quality Improvement Steering Group
- Bangladeshi Mental Health Awareness Day

- World Mental Health Awareness Day in Newham
- Student Nurse and Volunteer Inductions to encourage them to join as members.

### **How to contact Council of Governors**

Governors can be contacted via email, post or telephone through the Membership Office: Membership Office, 9 Alie Street, London, E1 8DE  
Freephone: 0800 032 7297 Email: [membership@elft.nhs.uk](mailto:membership@elft.nhs.uk)

Information about staff representatives and public representatives for each local area of the Trust is available on the Trust's website. Staff governor's details are also available to all staff on the staff intranet. Details of Council of Governor Meetings, which are open to the public, are also published on the Trust's website.

## NOMINATIONS AND CONDUCT COMMITTEE

### Purpose

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

### Composition of the Nominations and Conduct Committee

The members of the Nominations and Conduct Committee as at 31 March 2016 are as follows:

Marie Gabriel, Trust Chair (Committee Chair)  
Zara Hosany, Deputy Chair of the Council of Governors  
Ferenkeh Jalloh, Governor  
Neil Wilson, Governor

The Senior Independent Director, Nicola Bastin, is a non-voting member of the Committee in matters pertaining to Governor standards and a voting member in respect of its duties pertaining to the appointment and re-appointment of the Chair. The Director of Human Resources and the Trust Secretary attend Committee meetings as advisors.

### Attendance Record

During the course of the year, the Nominations and Conduct Committee met nine times. The attendance record of meetings for the Committee for the year ended 31 March 2016 is as follows:

Committee member	Number of meetings	Total number of attendances
Marie Gabriel	9	9
Ajith Lekshmanan <sup>3</sup>	7	6
Katherine Corbett <sup>4</sup>	7	6
Neil Wilson	9	9
Ferenkeh Jalloh	9	7
Nicola Bastin	7	7

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<sup>3</sup> Term ended November 2015

<sup>4</sup> Term ended November 2015

## **PUBLIC INTEREST DISCLOSURES**

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

### **Trust Policies Relating to the Environment**

The Trust has implemented numerous carbon reduction and sustainability measures in line with all government implemented carbon reduction commitment (CRC) targets and in line with the Trust's own up to date Energy and Sustainability Plan. The Trust has many more measures pending and these will be implemented over the next financial year. The Trust has an environmental risk register which is updated regularly and the Trusts board certified Waste Strategy also ties in with a number of environmental concerns and actions.

### **Private Finance Initiative (PFI)**

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

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

### **Health and Safety at Work**

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

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

### **Equal Opportunities**

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

### **Consultation**

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

The Trust consulted with staff, the Council of Governors and membership regarding its Annual Plan for 2015/16. More information regarding this, and other public and patient involvement activities, is set out elsewhere in this Annual Report.

### **Compliance with the Better Payment Practice Code**

Details of compliance with the Better Practice Payment Code are set out in Note 13 of the Accounts.

### **Freedom of Information Act 2000**

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

### **Security of Data**

The Trust has continued to ensure that information provided by service users and staff is handled appropriately and kept safe and secure. The Trust is required to report any data related incidents that would be classed as Serious Untoward Incidents, such as the loss of paper or electronic files. The Trust has reported one data related incident during 2015/16 that would be classed as a Serious Untoward Incident.

### **Information governance risks**

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

### **Counter Fraud and Bribery**

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

### **Trust Auditors**

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

### **Political Donations**

The Trust made no political donations during 2015/16.

## **STATEMENT AS TO DISCLOSURE TO AUDITORS**

As far as the directors are aware, all relevant information has been made available to the auditors. The directors have also taken necessary steps in their capacity as directors and are unaware of any relevant information not being disclosed or brought to the attention of the auditors.



## ENHANCED REPORTING ON QUALITY GOVERNANCE

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

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

The Trust has maintained a green governance rating with NHS Improvement during the course of the year, and has had no compliance issues identified by the Care Quality Commission.

The Trust also commissioned a "well-led" review as required by NHS Improvement, in order to formally and independently test its compliance with the Quality Governance Framework. The Trust received a very positive report, with no significant areas of concern.

The Board is therefore assured that its quality governance arrangements are robust and working well in practice.

## **ACHIEVEMENTS AND IMPROVEMENTS - PATIENT CARE AND STAKEHOLDER RELATIONS**

### **BEDFORDSHIRE AND LUTON**

#### **Improvements to Inpatient Services**

A main focus in our first 9 months in Bedfordshire and Luton was to improve the environments where we provide inpatient care. Following a review, it was decided that the quickest way to expedite the changes needed without daily disruption would be to decant the wards to temporary accommodation to progress the work.

All wards have undergone extensive refurbishment and now provide a much improved setting for patient to receive treatment and begin their recovery.

Coral Ward in Luton has acquired a conservatory which is providing additional communal space for patients. And Oakley Court has been brought back into service to provide two new wards which will enable us to provide all inpatient care within the county without having to place patients far away. Keats Ward in the Weller Wing has been refurbished to provide single rooms for privacy and dignity.

The work we have done meant that the large number of patients who had to be treated out of the county are now able to receive care locally.

In one year, occupancy levels have reduced from 120% in April 2015 to 90-95%. Our aim is to reduce this further to 85%.

#### **Psychiatric Intensive Care Unit**

Jade Ward, on the Calnwood Road site in Luton, opened in October 2015 as our new Psychiatric Intensive Care Unit for patients in Bedfordshire and Luton. The new facility has nine beds and is an all-male service. It is called Jade Ward PICU.

Establishing this ward will ensure that patients with more complex needs can be treated within the county and not have to travel outside of Bedfordshire for this type of support. The unit offers a short, rapid intervention to help people regain a sense of control and order so they can move forward with their recovery.

#### **Additional Initiatives to Improve Inpatient Care**

A review of the Crisis Team capacity, practice and functioning took place and a number of actions were agreed to strengthen the care provided. Psychology assistants now provide psychological interventions for people in crisis.

Rapid Response Teams and Duty Senior Nurse arrangements are in place and all ward staff have attended workshops focussing on compassionate and high quality care.

A 10-day recovery training is in place for all ward staff, focusing on personalised care planning, in line with the 'This is Me' concept.

Care planning has been reviewed and reflective practice has been established on all wards and in staff meetings. A clinical leadership development programme is in place for Band 6 nurses and above.

A review of therapeutic activities, engagement and interventions has been undertaken on all wards with actions identified to inform leadership and training programmes.

### **Other Changes to Inpatient Services**

We have closed Chaucer Ward in the Weller Wing at Bedford Hospital and have moved the service to Fountains Court. It means that Fountains Court now provides a one-stop service to older people with dementia, a functional or organic mental illness and/or who require continuing care.

We have closed Whichellos Wharf in Leighton Buzzard for the time being as the patients who were cared for there have moved into alternative accommodation and in some cases to independent living.

### **Liaison Psychiatry Service Expansion**

The Liaison Psychiatry Service at Luton and Dunstable Hospital has been expanded to provide 24-hour care to patients. A 24 hour liaison psychiatry model service came into being on 1 November 2015 providing specialist care for patients aged 16 or older. Bedford Hospital Liaison Psychiatry received additional funding to enable us to expand it in line with national standards. This additional resource freed up clinical time, enabling the Crisis Resolution Home Treatment team to expand to provide a service to people over 65 too.

### **Bedfordshire (IAPT) Wellbeing Services**

The Bedfordshire Wellbeing Service is providing sessions in 80% of GP practices across the county. The service has now migrated on to IAPTUS, a national patient management software programme. This provides therapists with a much improved clinical record and reporting system.

There were 5,846 referrals between April and December 2015, 2,201 for Bedford Borough Council and 3,645 for Central Bedfordshire Council. Recovery rates for the service are slightly below the national target of 50% at 49%, the split between the two councils is 49% recovery rate for Bedford Borough Council and 51% for Central Bedfordshire Council.

Further work is being undertaken on access times and 60.8% of clients have been treated within 6 weeks and 84.6% within 18. The service is currently aiming to

achieve a locally agreed 11.5% against national target of 15% for population coverage.

*Inherited Waiting List:* The Trust inherited a waiting list of 1090 people and one of the first tasks was to contact all clients on the list. We received additional funding from NHS England and Bedfordshire CCG to employ additional staff to address the waiting list. Everyone on the inherited waiting list completed treatment by end of March 2016.

### **Redesign of Learning Disability Services**

The Learning Disability service model was required to change in line with new commissioning requirements to focus on recovery and reintegration, and integrating our services with local authority learning disability teams.

A clinical engagement and service review workshop took place and an implementation plan for service redesign has been developed and will be implemented over the coming months. Initial steps on integrated working have started with the two councils and will inform service redesign.

### **Bedfordshire Street Triage Plans**

Plans to develop a mental health street triage model were unveiled at the annual Bedfordshire Mental Health Crisis Care Concordat. The Concordat is made up of partner organisations across Bedfordshire and Luton who work together to improve the system of care and support for people in crisis.

Police, ambulance and the Trust are working together to develop a care pathway. The aim is for the team to be alerted by emergency service call handlers to situations involving potential mental health issues. They will attend, review the situation and identify the best action, care and pathway for the individual.

### **Helping Service Users Return to Work**

The Trust has partnered with the Centre for Mental Health to develop new employment services in both Bedfordshire and Luton to support service users who wish to return to work. Any service user open to Adult Community Mental Health teams in Bedfordshire and Luton is eligible for the service.

### **Young Service Users Recognised**

A group of young service users were awarded third place in the Young People of the Year award in Bedfordshire. The group is made up of young people who have accessed CAMHS and CHUMS services. They have done amazing work raising awareness of mental health issues in young people.

## **Recovery Services**

The Recovery Partnership Board has been established and meets regularly. A scoping exercise has been completed and patient focus groups started.

Bedford Borough and Central Bedfordshire Health watches have undertaken focus groups and service user interviews about the current recovery services and how these should be developed.

## **Older Adult Services**

Older people's inpatient services are now all based on one site at Fountains Court. This unit provides inpatient accommodation for older people with mental health problems and continues to provide dementia assessment and continuing care beds. The unit is also being redesigned to provide additional activity, recreational and staff accommodation.

## **Memory Services National Accreditation Programme**

The Luton Memory Assessment Service and South Beds Memory Assessment Service have received re-accreditation through the Royal College of Psychiatrists. Memory Services National Accreditation Programme (MSNAP) which recognises best practice and high quality care. The MSNAP programme is endorsed by the CQC and works with services to assure and improve the quality of services for people with memory problems/dementia and their carers. The results of the Bedford and Mid Bedfordshire reviews are expected in April 2016.

## **Duke of Edinburgh Scheme First**

ELFT became the first NHS trust in the country to run The Duke of Edinburgh's Award (DofE) scheme. The DofE programme will be used to support young clients using Bedfordshire and Luton Mental Health and Wellbeing Services to attain the prestigious award. The licence is for Bedfordshire and Luton Mental Health and Wellbeing Services but there are plans to see it rolled out within the Trust in London.

## **A SMOKE FREE TRUST**

People with mental health problems are more likely to smoke and to smoke more heavily than the general population. This means they have poorer physical health and a lower life expectancy than the general population. So we have a duty to protect and care for both the mental and physical health of our patients. A key initiative has been the decision to make all ELFT inpatient units smoke free.

By going smoke free, ELFT aims to reduce harm to patients, staff and everyone else who visits our sites. This includes supporting smokers to stop smoking. Stopping smoking in other Trusts has led to positive patient outcomes such as better engagement in therapy; reductions in medication, GP use and GP referrals;

reductions in violent incidents; improved sleep; and more money, so the Trust has been keen to pass on these benefits to people who use our services.

This hasn't happened overnight in the Trust, but is the culmination of a year of preparation. We have trained members of staff to be specialist Smoking Cessation advisers, refreshed policies to support ongoing management of smoking and trained staff to ask about people's smoking needs. We made sure staff and clients who smoke got the support they need to treat their nicotine dependency. By 1 April, all ELFT inpatient units in London were smokefree with further work underway in Bedfordshire and Luton.

## **SPREADING THE WORD**

### **Award Winning Services**

The Trust was shortlisted for 12 awards in the last year and won five. In July, the Trust was voted Trust of the Year in the HSJ Patient Safety Awards and two days later, was ranked the Best Place to Work for mental health and learning disabilities trusts in the HSJ annual awards.

We were winner of the Staff Engagement Award presented by the Health Service Journal, and one of our QI projects won a Nursing Times Care of Older People Award HSJ Annual Awards.

In the Stonewall 2015 Workplace Equality Index, we received an award for most improved organisation in health sector category.

We are proud to be leading the way in providing an exceptional environment to work in and for the care it provides to the local communities we serve.

### **Ministerial Visits**

We have welcomed The Rt Hon Alistair Burt, Minister of State for Community and Social Care, to the Trust on two occasions in the last 12 months. He visited the East London Mother and Baby Unit in Hackney in the summer of 2015, at the same time, helping us to launch Hackney's new 24 Hour Mental Health Crisis Helpline. Rehman Chishti MP for Gillingham and Rainham also visited the unit a few weeks later.

In January 2016, the Minister came to Bedfordshire to meet staff and service users involved in an Employment initiative to support people getting back to work after an episode of mental illness. He went on to visit the Child and Adolescent Mental Health Team in Bedford, spending time talking to a group of young people.

### **ELFT International Forum Experience Day**

In April, the Trust hosted an ELFT 'Experience Day' as a part of the International Forum on Quality and Safety in Healthcare. Over 60 people attended the event, with international guests from as far afield as Singapore, Qatar and Peru.

## **Civil Servants Swap Whitehall for ELFT Frontline**

Twenty-one senior civil servants from the Department of Health (DH) visited the Trust on a two day placement as part of an initiative to get civil servants to experience the front line NHS and understand the needs of patients and the pressures staff face. Feedback from the delegates has been positive with placements in ELFT becoming a popular choice. They are able to observe and shadow clinicians as they provide care to patients and often feedback that this is a 'humbling experience.'

## **CHALLENGING STIGMA**

### **Break the Stigma**

Ben Salmons, a service user from Bedfordshire, created the Break the Stigma initiative to combat the stigma attached to mental health issues, and help people understand more about the subject and to tackle common misconceptions.

The public are encouraged to write a message on a white board headed 'Let's be open about mental health to Break the Stigma'. Individuals are then pictured with their comment and the image is uploaded to the @LetsBreakStigma Twitter page and Let's Be Open About Mental Health Facebook page.

### **Wellbeing Games**

The Trust Wellbeing Games, a Trust wide sports day, delivered in partnership with Motivate East, took place in the Queen Elizabeth Olympic Park. The event brought together mental health and community health service users and their carers from Tower Hamlets, Hackney and Newham.

### **Recovery College**

A Recovery College has been established jointly with Bedfordshire University and a service user lead is advising the Board and is also organising the 'Tackle the Stigma Campaign'. The Centre for Mental Health is supporting the Partnership Board to facilitate the development of the new vision and plan.

### **#Personalpixels Photo Competition**

From February-April 2016, the Trust ran a photography competition, #Personalpixels, to encourage people to take photos and images which captured the essence of mental health and wellbeing. The theme was 'That feeling when...' A photograph which captured a moment, an emotion or a mood, with the aim of addressing discrimination around mental illness.

**Deputy Chief Executive, Dr Navina Evans said:** *"By acknowledging the good times and the difficult times we all face, it shows we have a connection and that we*

*all respond differently. But with support and understanding, we can help one another and challenge stigma.”*

### **National Obesity Awareness Week**

The Joyce Campbell Health Visiting Service visited a local nursery and gave out healthy lifestyle advice to families during National Obesity Awareness Week. The team gave out packs to 47 families containing information about helping children move and play, eating more fruit and vegetables, top tips for a healthy lifestyle and a sticker chart to reward healthy eating

### **Bedford Blogger**

Thomas Carr, an administrator at the Weller Wing in Bedford Hospital, was a one-time service user on the unit. His blog, A Piece of My Mind, started in February 2016 and charts the ups and downs of NHS life with all its fun times and challenging aspects.

*Thomas said, “The reaction to my first blog entry was been extraordinary. E-mails from colleagues I’ve never met, some of whom work in the capital, commending me on my journey. Senior management sent messages saying they found my words enlightening. Even an old school friend dropped me a line to say how she enjoyed the blog and to tell me she’s soon to be a happily married woman.”*

### **Culture and Leadership National Programme**

ELFT was chosen as one of three Trust’s nationally to be involved in a new pilot programme about culture and leadership in the NHS. NHS Improvement, the Care Quality Commission (CQC) and the King’s Fund are working on a two-year programme to help trusts develop a culture that enables and sustains safe, high quality and compassionate care

### **Domestic Violence & Abuse Training with Actors**

The Trust provided a skills-based domestic abuse and violence training to assist staff to ask service users key questions and respond to disclosure. The course was facilitated by Aftathought who use actors to recreate scenarios and situations that staff may find themselves in.

### **Careers Open Day**

The Trust organised a careers day in partnership with East London Business Alliance (ELBA) for local college students. Over 40 students attended and had the opportunity to interact with different departments from across the Trust, including Medical Staffing, Finance, Pharmacy, Psychology, Nursing and HR.

The students were able to engage with senior clinical staff from the ELFT Leadership Programme to find out about careers and progression within the NHS.



Feedback from the event was positive with students saying "The NHS is an employee-centred organisation" and "There's more to do in the NHS than be a doctor or nurse".

### **Nursing Strategy 2015-2018**

The Trust produced its Nursing Strategy which sets out the direction for nursing priorities over the next three years.

Nurses make up the largest staff group in the Trust and this strategy is the culmination of discussion, debate and reflection by nurses at all levels of the Trust, and will guide the work of both registered and unregistered care support workers in London, Bedfordshire and Luton

### **Care Act Guidance**

The Care Act (2014) came into force on 1 April 2015, introducing a number of reforms that affecting existing and new care users, their carers and families. The Act reforms the duties of local authorities in relation to adults in need and, for the first time, places carers on the same footing as service users in relation to rights to assessments and services.

### **Farewell to Services**

The Trust said farewell to services which have been re-commissioned and are now being provided differently or by another provider. City and Hackney Specialist Addiction Services Closed, the Newham Diabetic Retinal Screening team are now being managed by Homerton University Trust and the Urgent Care Centre was transferred to the management of Barts Health in March 2016.

Additionally, services based in Warehouse K in Newham moved to new locations throughout Newham.

## **TECHNOLOGY**

### **Text Messaging Solution**

The Trust has procured a text messaging service from EE to replace the NHS SMS service. The new system can be integrated with Trust email accounts and allow staff to send text messages via Microsoft Outlook.

### **Electronic Patient Records**

ELFT has focus its attention on implementing its RiO electronic patient record in Bedfordshire and Luton to ensure they are on the Trust system to standardise record management. This has involved scanning and uploading thousands of documents to the system and a massive training programme to equip staff to use the new system. It will mean that a record of all interventions will be recorded which will mean better

communication between professionals, less duplication, better use of time and more managed and consistent care for patients.

### **New Intranet**

The Trust launched a new Intranet for staff. This is similar to a website but visible only to staff. Extensive research took place to find out from staff what features they wanted from the new intranet. An easy search function was on the top of their wish list.

### **Redesigned Website**

The Trust changed the look of the website in the summer of 2015 to have technical flexibility to change the structure of webpages and ensure that service information is easy for the public to find. Further work will take place on the service directory section to make it even more responsive and useful to the public. A number of microsites, small websites for specific subjects or services, were also developed to provide information and guidance to the public.

### **New HQ Switchboard**

A new Switchboard at Trust Headquarters in Alie Street in Aldgate, informs callers where they are in the queue and, out of hours, signposts people to useful information in an emergency.

### **Summary Care Record Live! Now available from within RiO**

The Summary Care Record gives staff immediate access to the patient's GP clinical summary including prescribed medication. This is now available from within RiO, the Trust's electronic staff record. This means that staff can see at the touch of a button recent decisions made by GP, which improves safety and continuity of treatment and care.

## **RESEARCH**

Research is central to the Trust's work. Achieving excellence in our research is one of the Trust's objectives. It strengthens the Trust's profile and underpins its future development.

The main aim of our research is to contribute to the evidence base in our field leading to improvements of mental health care locally in East London and world-wide. Thus our research has to be of high quality and recognized on an international level. We are proud that we have been a centre of excellence for mental health research for many years.

For several years it has been guided by the Research Director (Prof Stefan Priebe) and supported by a Research Strategy Committee. A significant part of the research is conducted in international collaboration with a range of academic

partners, mainly but not exclusively in Europe. Our primary academic partners are Queen Mary University of London and The City University London.

The Trust supports a wide range of research activities spearheaded by four successful research Units:

- Mental Health Nursing, led by Professor Alan Simpson and
- Management of Long-Term Conditions, led by Dr Kathleen Mulligan
- Violence Prevention, led by Professor Jeremy Coid
- Social and Community Psychiatry, led by Professor Stefan Priebe.

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

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

Throughout the 2015/2016 year, the Trust has been involved in 97 studies; of which 58 were funded studies included on the NIHR Portfolio, 19 were unfunded explorations such as pilot studies, plus 20 student theses.

In terms of research with a direct relevance to service improvement, the outstanding event of the last year was the final publication of the results of a randomised controlled trial of the so-called DIALOG+ intervention for community patients with schizophrenia (Priebe et al., *Psychotherapy & Psychosomatics*, 2015). The publication of the overall findings was followed by another paper about the processes that make the intervention so effective (Omer et al., *PLoS One*, 2016).

The findings are the – preliminary – end point of 15 years of research in the Trust (and its predecessors). DIALOG+ was developed based on quality of life research, concepts of patient-centred communication, IT developments and solution-focused therapy. In the trial it was shown to improve patients' subjective quality of life and their objective social situation, to reduce symptoms and also to save treatment costs. The effect was at least as large as that of much more extensive and costly conventional psychological treatments. This was achieved because patients were empowered to tackle their problems and change important aspects of their life. The publications have led to a wide interest in DIALOG+ in NHS services across England. DIALOG+, for which ELFT holds the copyright, is available as an app, and there also is a web-based training module, both freely available.

## **INTEGRATED CARE ACROSS EAST LONDON**

The Trust is working closely with partner organisations in each of the east London boroughs to develop more integrated approaches to care and support, in line with the vision of the Five Year Forward View.

Integrated care is most commonly used to describe the arrangements health and social care partners can put in place to deliver more joined up person-centred coordinated care for people with complex health conditions and social circumstances

### **City and Hackney Devolution**

In City and Hackney, health and social care organisations have come together to be a 'devolution pilot.' This will open up new opportunities for the City and Hackney partnership to take local control of how services are commissioned and delivered.

### **Newham**

In Newham, the Trust has been working with Barts Health, Newham CCG, Newham Council and GP partners for several years to develop integrated care for people with complex health and social care conditions, as developed through the Waltham Forest and East London Pioneer Programme and the local Newham Integrated Care Board. As the provider of both community health services and mental health services in Newham, the Trust has been involved in developing and delivering more joined up care planning across services and organisations, improved care coordination, primary care based multi-disciplinary meetings, Rapid Response and Assessment, Interface and Discharge (RAID) team.

### **THIPP in Tower Hamlets**

The Trust has been working with the Tower Hamlets Integrated Provider Partnership (THIPP) for two years to develop an approach to integrated care for people with complex health and social care conditions. THIPP partners include the Trust, Tower Hamlets GP Care Group, Barts Health and Tower Hamlets Council. Earlier in 2015, THIPP successfully applied to become a Five Year Forward View 'Vanguard' site, becoming the only Vanguard site in London and placing the Trust and partners right at the forefront of developments in integrated care nationally. Vanguard status will allow THIPP partners to work closely to further develop integrated approaches to the care and support of adults and children. An Innovation Fund launched in February inviting staff to make suggestions on joint ways of working.

Richard Fradgley, Director of Integrated Care at ELFT said,

*"Integrated care can come across as complicated, but it is essentially about delivering joined up services around the person. We will need new models of care to genuinely deliver person centred co-ordinated NHS and social care which is completely seamless. There is no clear blueprint so this is really cutting edge. It's an opportunity to join up the way we deliver services across agencies but with the person/citizen in the decision-making chair."*

## **CITY AND HACKNEY**

### **Mother and Baby Units in the News**

A gripping EastEnders storyline about new mum Stacey being parted from her baby while admitted into a psychiatric unit, brought Mother and Baby Units to the fore. The

good news for families in East London is that the East London Mother and Baby Unit (MBU) is run by the Trust. This means that pregnant women and new mothers can get the mental health care they need and not be separated from their babies.

The MBU has undergone a full refurbishment this year and now has 12 large rooms, ten with ensuite facilities. All are fitted with nurse-call buttons should a mother require support or assistance. Uniquely, there is a specially designed room to support women with twins and spacious en-suite facilities for women with a physical disability, mobility needs and wheelchair users. A conservatory has been added as part of the redesign to provide bright additional space for mothers to spend time with their babies and family members.

### **24 Hour Crisis Support in City and Hackney**

A 24 hour mental health crisis response helpline for residents in Hackney and the City of London was launched in August 2015. The helpline is for people who already use mental health services who have a crisis, or individuals who find themselves in emotional distress in response to an incident or life event.

The helpline supports people with expert advice and guidance in times of mental health distress. The service is staffed by mental health professionals who can provide callers with confidential support, referrals to local services and aims to empower and encourage callers on their road to recovery.

This was followed in March 2015 with the opening of a Crisis Café and a Crisis Network to support people in the moment when they feel distress or in crisis, but also to help them to develop strategies to support them going forward.

The Crisis Service is available 24 hours a day including during weekends, bank holidays and out of office hours. If you or someone you know is in mental distress, contact the helpline on 020 8432 8020.

### **Ruth Seifert Ward Voted Placement of the Year by Students**

Ruth Seifert Ward was voted an outstanding place to learn and develop by students at City University. And Clinical Nurse Lead, Dwayne Barnaby, based on the ward at the time, won the award for Mentor of the Year.

### **COMMUNITY HEALTH NEWHAM**

#### **Newham Phlebotomy Service Open on Saturday**

With many people needing blood monitoring as a regular part of managing a health condition, the Newham Blood Testing service expanded its hours to fit in better with the lifestyles of Newham residents. Clinics are now available later and on Saturdays.

#### **Launch of Enerberi Continence Service**

In April 2015, the Newham Continence and Pelvic Rehabilitation Service were relaunched in honour of retired nurse Maureen Enerberi. The service was renamed

the 'Eneberi Clinic' after Maureen, the first specialist continence nurse in the borough who established the Newham Continence Service.

### **Trust Launches Film to Improve End of Life Care**

In May, the Trust launched a film to improve end of life care to coincide with Dying Matters Awareness Week which took place 18 - 24 May. Although this is a sensitive area, the aim is to help people talk more openly about dying, death and bereavement. 'You Matter' is a drama-based training film to help staff deliver and improve palliative care. Palliative care is the term used for the management of pain and other symptoms including psychological, social and spiritual support.

### **'Still Here' – Dementia Film Wins EVCOM Award**

The Trust was delighted to announce that 'Still Here,' a film commissioned by the Trust to raise awareness of Early Onset Dementia won an award at the EVCOM Screen Awards. The film was launched as a part of Dementia Awareness week in 2014 to raise awareness of the issues of dementia in younger people

### **Diabetes Advice Sessions for Safe Fasting in Ramadan**

The Newham Diabetes team held two education sessions in June 2015 for Newham residents with a diagnosis of diabetes or pre-diabetes who planned to fast during Ramadan. People with Diabetes need to carefully manage their diet and medication when not having their meals at the usual time.

### **Newham Diabetes Skype Pilot Increases Clinic Attendance**

A pilot scheme in Newham helping young people keep on top of their diabetes care rolled out Skype appointments to all patients as part of a successful four year trial.

Since its launch in 2011, the Diabetes Appointments via Webcam in Newham (DAWN) scheme, web-based follow up is used routinely for young people aged 16-25 years, and 480 webcam appointments have been carried out, reducing 'do not attends' (DNA's) from 30-50 per cent to 16 per cent.

The service was set up with the Health Foundation's SHINE award (£75,000) and is thought to increase productivity and patient throughput by 22% – 28%, saving approximately £27 per consultant appointment in clinician time.

The service is offered by the Diabetes team at Newham University Hospital, Barts Health and supported by East London NHS Foundation Trust and Newham Clinical Commissioning Group

### **Newham Sickle Cell and Thalassemia Conference**

On the 27 June 2015, over 250 people attended the Sickle Cell and Thalassemia conference. The event was organised by the Newham Sickle Cell and Thalassemia service. The conference raised awareness of these conditions, provided pain

management advice and medication guidance. Attendees enjoyed a range of presentations from specialist consultant haematologists, nurses and academics from across the UK and Germany

## **NEWHAM ADULT MENTAL HEALTH SERVICES**

### **Changes to Newham Community Services**

Work has been underway to redesign community services, bringing CMHT's together into two recovery teams to develop a new model for assessing and treating people with mental illness, and create a single point of entry for referrals.

From the 4 April 2016, three new teams will be up and running. The Assessment and Brief Treatment Team will receive all secondary mental health referrals and enquiries. They will assess individuals, develop a plan of care and provide initial treatment and interventions for up to 6 months.

There will be two new Recovery Teams who will provide care coordination and ongoing support and intervention for people with significant mental health support needs who require a longer term service. The expectation is that this intervention will be time limited and recovery focused.

### **Gill Williams, Borough Director for Adult Mental Health, said,**

*“These new teams mark a shift in our approach to mental health care in Newham to focus on addressing the immediate issues, but then working with the individual to put plans in place to improve their mental health wellbeing in the long term.*

*We hope people will be better supported at each stage of their recovery to attain their personal goals and get back on track with their lives.”*

### **Inpatient Programme Redesign**

Professions at the Newham Centre for Mental Health (NCMH) have been working hard at developing a new, shared multi-disciplinary interventions programme to support the needs of inpatients. The aim is to have a varied, well-organised and simple to understand programme, owned by the entire MDT that becomes a more central part of meeting the care plan goals of inpatients. The intention is to have this up and running in April 2016

### **Employment Support**

Both Newham Employment Specialists in Newham had a successful year meeting their targets for supporting ELFT service users into work during 2015. We are now working on re-organising their input in line with the changes to community services in the borough as discussing with commissioners what a more integrated approach with other stakeholders might look like.

## **This is My Ward Round Project**

Staff have been working to ensure that ward rounds meet the expectations and needs of service users. Key decision-making takes place in ward rounds. All inpatients have a 'This is my Ward Round' card to write down the date and time so they know when they will join the meeting and state what they want to get out of it. Satisfaction levels on the ward have increased since this new approach has been introduced.

## **The Big Healthy Breakfast**

Patients and staff at The Newham Centre for Mental Health enjoyed a variety of healthy breakfast options as a part of the Quality Improvement Weight Reduction Project. Research shows that people living with mental health difficulties have an increased risk of developing physical health problems. The project aims to improve the physical health of patients and address weight gain during admission and provide access to physical activities and food education classes.

## **TOWER HAMLETS**

### **Back on Track - DLR Project**

A joint initiative between KeolisAmey Docklands, the operator of the Docklands Light Railway, and the Trust aims to help people with mental health, social or psychological difficulties get more out of life and feel part of their local communities.

Many people find themselves limited when it comes to travel by feelings of anxiety, shyness, lack of confidence, confusion and can just feel overwhelmed and so avoid going beyond familiar areas. 'Back on Track' aims to address these issues and get people out and about in East London, enjoying the facilities and experiences around them.

The initiative has involved training of DLR staff to provide optimum support and guidance to people venturing onto the DLR

### **THEDS Microsite**

The Tower Hamlets Early Detection Service (THEDS) launched a new microsite to make information and advice easily accessible to young people in the borough. THEDS is an NHS service for young people aged 16 to 25 who may have concerns about their mental health. This can be a very disturbing and distressing time with young people having unusual thoughts and feelings, causing confusion and upset. The microsite can offer support and context to their feelings and suggest ways to get help and support.



## **Howard League Award**

The Trust has received an award in The Howard League for Penal Reform Annual Awards in the Liaison & Diversion Services category. The Howard League is a national charity that lobbies for penal reform, including safer communities, less crime and fewer prison sentences.

The Trust received the award in recognition of the Tower Hamlets Liaison and Diversion Service that is delivered in partnership with Together, BEHT and NELFT across London. The service was selected by judges out of six shortlisted projects and was recognised for identifying and tackling the underlying causes of offending.

## **Congratulations to Brick Lane Ward**

Brick Lane Ward at the Tower Hamlets Centre for Mental Health received an 'Excellent' accreditation in their AIMS assessment. The Accreditation for Inpatient Mental Health Service (AIMS) is a standards-based accreditation peer review programme run by the Royal College of Psychiatry. It is designed to improve the quality of care in inpatient mental health wards.

## **Tower Hamlets RAID Services**

The RAID team assess people who present in A&E with mental health issues, or who need mental health assessment when admitted with a physical need. The team have been successful in securing a bid for developing integrated care competencies for non-mental health staff. This is the first in the country and is a joint development with the Tower Hamlets Integrated Care team and Bournemouth University.

Additionally, the team are working on a QI project for identifying unmet mental health needs in a long stay population in an acute hospital.

The team conducted a joint service evaluation with Barts Health on the effectiveness of mental health awareness training for newly qualified nurses. The team have now trained 160 nurses in minimising stigma, increasing tolerance of mental health, recognising common mental health problems and risk assessment. The outcome is that 6 months post training 84% of staff reported a sustained increase in confidence and improvement in caring for people with mental health problems.

## **MENTAL HEALTH CARE OF OLDER PEOPLE**

### **Centralising Functional MHCOP Inpatient Care**

Inpatient services in City and Hackney and Tower Hamlets have come together to provide a single inpatient facility for older people with mental health issues. Prior to this, the two wards were separate and only 50% occupied most of the time. This development has brought together staff expertise and experience, and meant that there are more therapy interventions on the ward and additional community support when people return home.

## **Nursing Times Care of Older People Award**

Teams based in Newham and City and Hackney, won a Nursing Times Award for their work to reduce levels of physical violence. The Trust has been working in partnership with staff, service users and carers to test and implement ideas that can improve outcomes and experience of care. The winning project was aimed at reducing levels of violence and aggression on older people's wards in Hackney and Newham. The project involved testing and implementing a number of creative changes including a sensory room, increased activities, pet therapy and noise reduction.

The project succeeded in reducing violent incidents by 50% over the course of one year. Staff injuries were reduced by more than 60% and the Trust estimated reduced costs associated with a reduction of violence of close to £60,000.

## **Columbia Ward's 'Excellent' Accreditation**

Columbia Ward, the Trust wide in-patient dementia assessment unit for older people, achieved an 'Excellent' accreditation score. Columbia ward offers assessment to people who have advanced dementia and who require a period of hospital care to stabilise their condition.

## **Quality Improvement Results**

A QI project on reducing bed occupancy on Ivory Ward in Newham has been successful in keeping occupancy below 70%

Another QI project run by a pharmacist aimed to reduce the number of medication errors on MHCOP wards. The results were impressive and will be monitored via audits to ascertain if this is sustained. The training will be rolled out to community staff to reduce the number of medication errors in people's homes.

## **Coaching Skills for Carers**

The MHCOP People Participation Lead has developed a Coaching Skills for Carers programme in partnership with SLaM to aid carers in all aspects of their role. Work has also taken place to support and train carers to participate in interview panels, attending meetings at the Trust level and being involved in consultations, including the merger of the functional wards and the production of the information on the Mental Health tariff.

## **SPECIALIST ADDICTION SERVICES**

### **R3 – Launch of Redbridge Drug and Alcohol Service**

14 October saw the official launch of R3 (Redbridge Recovery and Reintegration), a new integrated drug and alcohol treatment service to support people whose lives are

affected by drug and alcohol use. It brings together the best of NHS care combined with the expertise of the voluntary sector. R3 offers a range of expertise and interventions in one place

### **Path to Recovery (P2R)**

#### **New Drug and Alcohol Service Bedford Town and Central Bedfordshire**

From September 2015, ELFT began providing drug and alcohol services to residents in Bedford Borough and Central Bedfordshire. The addition of this service means that we will be better able to support people with mental health issues and substance issues.

## **CHILDREN AND YOUNG PEOPLE'S SERVICES**

### **eRed Book Pilot**

The Trust was selected to pilot an exciting new project to transform the way parents track their child's health and development. Health Visitors in Newham joined a select number of Trusts to deliver the UK's first digital personal child health record in Newham.

The Redbook also known as the Personal Child Health Record (PCHR) is a national development record that is given to all parents at the point of a child's birth used by GPs and healthcare professionals to track developments such as weight, height and general health.

The eRedbook is an online version of the existing, paper-based Redbook that is created, updated and maintained by the parent and healthcare professionals. It will be a convenient way for parents to access their child's health records on the go, it is more secure than the paper version and is not at risk of getting lost or damaged.

### **CAMHS Radio Broadcast CAMHS**

City and Hackney Child and Adolescent Mental Health Services took over the airways this week at East London Radio. Listeners heard from a panel of CAMHS clinical staff, with service users, parent and carer testimonials discussing the mental health difficulties that affect children and young people

### **Young People Inspire Garden Development**

Staff and young people at the Coborn Centre for Adolescent Mental Health came together to develop a ward garden. The garden was co-developed with service users and staff following a consultation with the young people on how the Psychiatric Intensive Care Unit (PICU) ward could be improved.

The Coborn Centre is a hospital that provides person and family centred care for young people aged 12 to 18 with complex and severe mental illness. The Psychiatric

Intensive Care Unit (PICU) is small four bedded ward in the centre that did not previously have an outdoor area.

Together staff and service users developed a capital bid project and successfully won a grant of £140,000 from NHS England. The outdoor area now enables gardening groups, individual fitness sessions with the Coborn fitness instructor and other outdoor activities. It includes raised planting to grow fruit and vegetables, exercise equipment including, a cross fit machine, rowing machine and more. The space also has a basketball hoops and sport pitch flooring to enable group exercise such as football and cricket.

### **The Coborn Rated Excellent Again**

Congratulations to the team at the Coborn Centre for Adolescent Mental Health who have been accredited 'Excellent' by the QNIC at Royal College of Psychiatrists. The rating will be valid until July 2018. This is their second Excellent accreditation in row. Well done to the team for their work and dedication to the service

### **New Website for Child and Adolescent Mental Health Services**

The Trust has launched a new CAMHS website to support young people and their families. The website provides information about psychological and mental health support for children and young people. The website has separate web pages with bespoke information specifically for children and young people, for parents and for professionals.

### **Joe's Story - A Bedfordshire CAMHS film**

Joe's Story is film made by young people who have used CAMHS services and young actors from the Big Spirit Youth Theatre. It follows the life of a teenage boy as he struggles with his feelings and begins to isolate himself from his friends. The film was screened in local schools across Bedfordshire.

### **Tower Hamlets CAMHS and Schools Project**

Tower Hamlets successfully bid for central government funding to pilot joint training events for teachers and SENCOs working in twelve schools with specialist CAMHS staff in order to support schools to gain awareness about mental health and wellbeing issues and specialist CAMHS thresholds and services whilst fostering good links between the agencies. School nurses, education psychologists and voluntary sector colleagues were included in the training and a mapping exercise of secondary school mental health and wellbeing resources was carried out and future projects identified.

In addition, Tower Hamlets specialist CAMHS has set up a system of link workers for schools which ensures that every school in the borough has a named CAMHS colleague to take advice from.

## **Triage**

A new triage team has been established in Tower Hamlets CAMHS. It allows staff to make contact quickly with families in order to establish their concerns and identify the best support for them (either within CAMHS or by signposting them to a more relevant service). All new referrals to CAMHS are now offered either a telephone triage appointment or a welcome call to CAMHS within approximately one week of referral received reducing wait times for first assessment appointment to within 5 weeks of referral received.

## **Specialist CAMHS Conduct Team**

A Specialist CAMHS conduct team for young people aged 11-19 was formed with new monies from the CCG in September 2015. The team endeavours to provide a multi-agency oversight to young people with moderate to severe conduct disorder in Tower Hamlets. They offer parenting programmes, psycho-education programmes, group and individual cognitive adjustment/social skills programmes for children and young people with conduct disorders, psychiatric assessment and intervention where necessary, and consultation and training to educational establishments.

## **FORENSIC SERVICES**

### **The Computer Game Influencing Decision-Making and Behaviour**

Academics and students at City University London have developed an innovative computer game in collaboration with service users from ELFT to support patients preparing for discharge from forensic services. The game uses computer technology to re-enact real life situations that individuals may experience in the community. Patients can practice their skills in decision making, dealing with challenging situations and making better choices.

### **Dutch Medical Students Visit John Howard Centre**

In April 2015, staff at the John Howard Centre welcomed a visit by Professor Theo Doreleijers and medical students from the Vrije Universiteit Medical Centre in Amsterdam. The students spent the day at the John Howard Centre, meeting staff and patients

### **Electronic Monitoring**

Electronic Monitoring has been introduced in forensic services to monitor patients on escorted or unescorted community leave. This is to reduce the risk of patients absconding and causing harm to themselves or others. Staff have undergone training in the technology. Leave is an important part of rehabilitation and plays a role in integrating patient back into normal daily activities. All patients undergo a risk assessment prior to any leave and are now considered for monitoring.

## **Koestler Awards**

Service users from the John Howard Centre (JHC) and Wolfson House (WH) swept the board in the Koestler Award Scheme. Service users won a Silver Award, a high commendation and a commendation for artwork submitted. One also received a high commendation for music instrumental.

## **New Website and App for London Pathways Partnership**

The London Pathways Partnership (LPP) comprises of four NHS Trusts with recognised expertise in delivering effective psychological approaches to complex high risk offenders. They have developed a website: [www.lpp-pd.co.uk](http://www.lpp-pd.co.uk) and a fully downloadable LPP app that works on tablets and phones. This has information on LPP services, the LPP consortium partners, tools and materials for people working with PD and a service user area.

## **Hackney Metropolitan Police**

Over the last year the service has been closely working with the local Police. We have a dedicated NHS Intervention Officer who is working with us to reduce incidents of violence on the ward and assist in the pathway of patients through the criminal justice system. We are also closely working through our local MAPPA arrangements to minimise absconds from the service and how these are managed.

## **Primary Healthcare**

We have developed a pilot service at Wolfson House in collaboration with a local GP service. The aim of this is to improve patient's access to primary healthcare services to assist in prevention of disease and management of long term chronic conditions. The initial six months has had very positive feedback.

## **Transforming Care**

Over the last year we have continued to assist NHS England in carrying out the recommendations of the Winterbourne review report. We have provided clinicians to carry out Care and Treatment reviews across the country and also assisted in areas where there were difficulties.

## **Positive Behaviour Plans**

As part of Transforming Care we have gained funding from training in the development for Positive Behaviour Plans. This has been established on our learning disability secure service and has had notable good response from both staff and patients.

## **Restorative Approaches across the Forensic Directorate**

Restorative practice is used to prevent conflict and build positive relationships. When incidents of aggression occur this approach helps victims to meet with their harmer to explain the real impact of the harm. It can be used to prevent harm and conflict and also repair harm where conflicts have already arisen. Restorative approaches can be helpful when incidents of aggression occur on the wards. With careful consideration and preparation, this can be one of the tools to support the victim and help the harmer to understand the impact of their action, and help to reduce incidents and improve relationships onwards.

## Equality and Diversity

Progress on the Trust's equality priorities continued during 2015/16 and the actions contained in the Trust's Equality, Diversity and Human Rights Strategy 2014-2017 were subject to regular and honest appraisal and review by the EDHR Strategy steering group. The Strategy group oversees progress on implementation of the patient focussed and staff priorities; these priorities were developed following extensive consultation with service users, carers, Trust governors and members, local community and voluntary sector organisations and staff.

This system of honest appraisal and review actively helps to push forward our work on equalities by looking at how successful actions have been, do we need to consider alternatives and how can we go beyond our initial expectations and "stretch our goals". Examples include:

- Looking at reasons why the Trust's "LGBT Train the Trainer" sessions weren't as successful as had been hoped and considering other ways of achieving our goals in this area;
- Developing plans to train and use service users, carers and disabled staff to conduct "people led" evaluations of the accessibility of our buildings that goes beyond just technical compliance with disability legislation.

In the coming year we are also looking at implementing the NHS EDS2 system for recording and monitoring our progress on equality and diversity. To facilitate this, a number of Trust managers have already participated in training on the system and we are looking at how its implementation can support our process of honest appraisal and review.

We also recognise the need to have accessible information on how we are doing around equalities so that we can be held to account. Equality information concerning patients is available to members of the general public and staff in PDF format via the Trust's Website at <http://www.eastlondon.nhs.uk/About-Us/Equality--Diversity/Equality-and-Diversity.aspx>

The Annual Patient & Staff Equality & Diversity Report for 2015 can be found on the Trust's website under Equality & Diversity. This contains information on equality issues concerning staff and also highlights many of the actions (both big and small) that help embed equality into everything the Trust does on a daily basis and helps build towards our aim: **'To be an exemplar of best practice in advancing equality, diversity and human rights in England by 2018.'**

The Trust has three equality networks for staff who are more likely to experience discrimination at work - disabled staff, lesbian gay and bisexual (LGB) staff and Black and Minority Ethnic (BME) staff. The networks are supported by executive level champions with the aim of raising respective issues at a senior level to press for improvements in staff satisfaction at work.



In the last 12 months, the Trust has significantly improved its ranking in the Stonewall (LGB) Equality Index. Working with service users and staff, it has also developed policies on Transgender issues.

The Trust's Strategic Equalities Lead together with the Head of Spiritual and Cultural Care have continued to provide valued face to face equality and diversity training to enhance the skills of staff in delivering equitable services and ensuring equal opportunities . Staff can also access equality and diversity training on line and as part of the Trust's Learning Management System.

A wide range of projects are helping to actively advance our equality and diversity aims with regard to service delivery.

Just a few examples include –

An innovative partnership project between the Trust and Mind in Tower Hamlets and Newham aims to improve both the accessibility and acceptability of talking therapies for Bangladeshi men. By incorporating issues of religion, spirituality and Islamic ideas about mental wellbeing into the programme we are able to:

- Make talking therapies available to Bangladeshi men;
- Provide opportunities for participants to become involved in the promotion of talking therapies and in the delivery of future initiatives to their peers.

A life stories research project has been developed to capture the experience of Black Caribbean and Black African service users in relation to their accessing and experience of accessing mental health services. This is to enable the Trust to better understand the barriers that these communities may face, and will form the basis for more targeted interventions in the coming year.

Specific access to psychological therapies for older people (65+) has been developed in Richmond as part of a Quality Improvement project.

A new initiative has been developed using photo symbols to make information more accessible for people with learning difficulties. A page with details on how to use the symbols has been developed for the intranet.

Across the Trust there are many similar projects (large and small) that are all helping us to improve the service we deliver and promote equality and diversity.

## SOCIAL INCLUSION AND PARTNERSHIP WORKING

Social inclusion means fair access to services and opportunities, a decent standard of living and an opportunity to enjoy a diverse range of relationships. Social inclusion happens in the context of community and requires strong partnership working.

Over the last year the Trust has supported social inclusion through a range of new initiatives and the ELFT Social Inclusion and Recovery Group has maintained a continued focus on achieving social inclusion through employment by better supporting pathways to service user employment and by developing the Trust peer workforce.

Employment support and Individual Placement Support (IPS) for mental health service users is delivered by a range of organisations across East London including the Working Well Trust, Newham Workplace and Lee House Employment and Rehabilitation Centre in Hackney.

ELFT has addressed the challenge posed by staff and service users relating to so many different employment support initiatives across the East London area by holding a bimonthly Employment Coach Forum to support the strengthening of our existing partnerships, the sharing of good practice across boroughs and maximising the employment opportunities on offer in East London by sharing information about potential employers.

We have continued our partnership with ELBA (East London Business Alliance) (<http://www.elba-1.org.uk/>) through our membership of the ELBA Employment and Skills Training Board and ELFT has worked with ELBA Employment Works to match service users engaged with employment coaches from a range of voluntary sector organisations across East London with local job opportunities.

In Luton and Bedfordshire, ELFT has partnered with the Centre for Mental Health to run a DOH funded pilot to support adult services users with a mental health diagnosis to gain employment. This 18 month pilot runs until March 2017 and uses the internationally recognised Individual Placement and Support (IPS) Model which involves direct approaches to local employers to create employment opportunities and supporting service users in work for as long as they need. Overseen by a steering group comprising service users, commissioners, DWP representatives, clinical managers, advocacy, local authority representatives as well as senior managers initial results have been extremely encouraging and outcomes have bettered our targets.

Over the last year we have continued to create new opportunities for peer workers across ELFT to support social inclusion. These roles are based on people sharing a journey with other people with 'lived experience' who are a few steps on in a similar journey. We now have Band 3 Peer Support Workers employed in the Hackney Enhanced Primary Care Team, in the Newham Community Mental Health Teams and in services in Luton and Bedfordshire. We have developed a Peer Trainer pathway for peer tutors at the Tower Hamlets Recovery College Pilot and will deliver the pathway if we are successful in winning the 3 year contract for this service.

ELFT will continue to ensure that Peer Workers are a valued part of the workforce and central to initiatives to create statutory NHS services that promote recovery whilst continuing to be supported in their own recovery journey.

## PEOPLE PARTICIPATION

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

The team has expanded this year with the appointment of People Participation Leads for Luton, Bedford, Central Bedfordshire and CAMHS (East London).

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

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

The priorities decided by the Trust Wide Working Together Group were incorporated into the Trust's People Participation and Carer Strategies in 2014, along with clear implementation and action plans. This means that service user and carer determined priorities have now become the business of everyone within the Trust, and all service areas have developed action and implementation plans around these priorities.

For the People Participation Strategy these five priorities are:

- **Equality** – in decision making between service users, clinicians, and managers at all levels of the Trust.
- **Working Together** – quality services that are designed, introduced, managed and audited jointly by service users, carers, clinicians and managers on the basis of mutual agreement.
- **Providing Hope & Recovery for Service Users** – must be the basis for all of our services, the measure of success of all our services and the primary motivation for all our staff.
- **Responsibility & Accountability** – which rests with everyone, but that must mean we all also have an individual responsibility and accountability (as clinicians, managers and service users).
- **Recognition** - of the need for an independent voice within the organisation and a determination to hear it, listen to it and work constructively with it.

The People Participation Team provided a wide range of learning and development opportunities for service users, carers and community members to ensure they can participate effectively in the Trust, and also hold it to account.

In 2015/16 this included training around running effective meetings, Quality Improvement, undertaking surveys and audits, participating in recruitment interviews and staff appraisals and helping to deliver training. The outcome of this training, along the activities of the People Participation Team, was reflected in a number of key activities during this period. These included:

- The active involvement of service users in undertaking and administering the inpatient service user standards audit (SULSA)
- Working on the Trust Information Management and Technology (IM and T) Strategy to guide the development of new ways of accessing information and communication.
- Increasing service user and carer involvement in Quality Improvement projects
- Increased participation of service users and carers in the direct delivery of training for clinicians and other staff (including participation in all induction sessions);
- Establishment of a service user led research group;
- Inclusion of service users in the 360 degree feedback process which has now been rolled out in Luton
- Delivery of training for Docklands Light Railway employees on mental health issues by our service users (on a revenue generating basis);
- Delivery of training for Jobcentre staff on mental health issues by our service users;
- Joint working between service users and University of East London Psychology students to evaluate Peer Support;
- Expanded service user and carer involvement in recruitment interviewing for key posts;
- The continuing development of a Carer's Strategy with a clear focus on the identification of carers, assessment of potential needs, signposting to relevant support services and the special position of young carers;.
- Forensics service users working with staff to develop teaching materials;
- The introduction of pilot Peer Support Worker programmes.
- Have developed links with local universities to increase the opportunity for people with lived experience to raise awareness.

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

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

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

- Domain 6 - Working with young carers.

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

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

## VOLUNTEER REPORT

The Volunteer Programme continues to move forward with further interest and an increase in the number of volunteers taking part. Over 1000 individual volunteers have been active at some point in the in the past year, undertaking a number of very diverse and interesting roles. The volunteers are mainly recruited from within the Trust's geographical area, but we are also achieving good results from areas outside our region of operation that do not have such extensive volunteering programmes and are recommending that people approach us to become involved in mental health.

The volunteers who come forward are from a diverse group of people, reflecting the communities that we serve. We are also gaining volunteers from groups that nationally do not figure highly in volunteering; in particular males and those under the age of 25 years. We have a great number of volunteers who come forward for information on our various roles and at present approximately 60% of those who show an initial interest continue with the recruitment and training process. It is therefore essential that we provide a wider range of volunteering opportunities across the Trust which will give more choice for those who are interested.

To this end, a number of departments who have been working with volunteers for some time have increased their numbers and types of volunteer roles. The type of roles we now include are meet and greet, activities such as Mendhi hand painting, yoga, gardening, art and reading activities as well as a variety of sports and general befriending support. Areas that we are seeking to extend into in the coming year will involve more volunteering activities with East London CAMHS and in Luton & Bedfordshire

A major event this year has been the extension of Trust activities to Luton and Bedfordshire – this has meant a considerable increase in workload in order to ensure that Luton, Bedfordshire and East London can begin to operate under a cohesive system that still recognises the differences between service areas. The groundwork has been laid and we are well on the way to achieving this goal.

The recommendations contained in of Kate Lampard's report into the activities of Jimmy Savile has also meant an increase in workload, as the Trust has striven to ensure these recommendations are implemented as quickly as possible. Inevitably the recommendations centred around volunteering activities and the need to safeguard our service users from potential abuse. Fortunately, most of the proposed safeguards were either already in operation or could be quickly implemented in most areas.

Our 3 day compulsory training programme has been well received by the volunteers. Volunteers have also taken part in additional workshops that are not compulsory but give additional skills and knowledge and these have been very well attended showing how much volunteers value gaining a range of insights into the work the Trust undertakes. The commitment of the volunteers continues to surprise teams and the experience volunteers gain have helped many of them with continuing education and employability. We have now had a number of volunteers take up employment within the Trust via Bank, but also in permanent roles such as Social Therapists. A number of volunteers have also secured employment with other NHS Trusts and the feedback we have received is that other Trusts were impressed by the experience and knowledge the person had received via the whole volunteer programme.

Our recruitment and training of volunteers has shown a robust, safe process and is continually assessed and monitored especially with regard to any additional training volunteers may require to undertake their roles to fully enhance the service that is currently being provided by Trust staff.

For any further information about the Volunteer Programme please contact the Acting Trust Volunteer Coordinator via the email [eoin.golden@elft.nhs.uk](mailto:eoin.golden@elft.nhs.uk)

## REMUNERATION REPORT

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

### Trust Board Appointments and Remuneration Sub-Committee

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

### Annual Statement on Remuneration

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

Very Senior Manager pay is used in the trust to reward Executive Directors. This enables pay at higher rates than Agenda for Change pay rates and is the most common reward mechanism for senior staff in the NHS. An incremental scale for executive director posts on VSM was introduced in 2014/2015 as a more structured way of determining executive director pay, provide an incremental scale in line with other NHS reward schemes and simplify decision making on level of reward. Incremental advancement along the scale is dependent on the Committee being satisfied with executive director's performance based on the annual evaluation report submitted by the CEO.

In 2015/2016 the remuneration and appointment committee decided to freeze incremental advancement for executive directors paid on Very Senior Manager pay with one exception linked to outstanding performance.

### Senior Managers' Remuneration Policy

Future policy table

This is the current policy on senior managers remuneration and there are no plans to change this in the coming financial year

<b>Salary</b>	An incremental scale is available for senior managers on VSM.	Minimum £120,000	Maximum £135,000
<b>Additional annual leave</b>	Additional annual leave is available as an alternative to increase	1 day per annum	5 days per annum



	in salary.		
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Salary is the key remuneration component of the overall reward package for all staff and is designed to support the long term strategic objective of recruiting and retaining appropriately educated, trained and motivated staff.

Additional annual leave as an alternative to salary increase is available as part of the overall reward package for executive directors and is designed to support the strategic objective of ensuring our staff are engaged and empowered to deliver the highest quality of service. It recognises that non-financial reward provides an important mechanism to recognise performance.

Both these policies reflect policies available to all staff in the trust who are employed on incremental pay scales and have access to additional annual leave as a reward for near perfect attendance.

The primary performance measurement for awarding of incremental advancement is annual appraisal conducted by the CEO for the executive directors and by the Trust Chair for the CEO. Performance is assessed against individual objectives and the overall performance of the Trust.

The Appointments and Remuneration committee has the discretion to vary starting salary on Very Senior Manager pay in line with skills, experience and market conditions.

As a high performing Trust ELFT regularly reviews VSM and remuneration policies thoroughly through the remuneration and appointments committee. ELFT's policy is to successfully attract and recruit well qualified, experienced executives, including clinicians, into the most senior leadership positions. In order to do this and remain competitive some executive team members are paid on medical consultant pay scales with enhancements. ELFT has a strong track record of developing its own talent and has an executive remuneration policy that has enabled a flexible and autonomous approach with full accountability to the board.

There are no future policy decisions on pay planned.

### **Non-Executive Directors**

<b>Remuneration for non executive directors</b>	<b>Other fees payable</b>
£ 15150 -17675 per annum	No other fees are payable to non executive directors

### **Service contracts obligations**

### **Policy on payment for loss of office**

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

In the employment contract for executive directors there is discretion to terminate employment with immediate effect by paying a sum in lieu of notice equal to basic salary only subject to prior deductions for tax and national insurance contributions excluding any element in respect of holiday entitlement that would have accrued during the period for which the payment is made.

### **Salaries and Allowances**

The remuneration arrangements for both Executive and Non-Executive Directors including the Chair are set out in section X within the accounts section of this report. Pension information for executive directors is also provided in this section. Non executives remuneration is non-pensionable.

The remuneration of the Chair and Non-Executive Directors is reviewed by the Council of Governors Nominations Committee and set by the Council of Governors.

There was no compensation paid to any past or current members of the Board of Directors during the year.

### **Statement of Consideration of Employment Conditions elsewhere in the Foundation Trust**

Remuneration comparisons are undertaken on an annual basis with the other mental health trusts in London and across the Foundation Trust Network. This comparison is also used to benchmark salaries when new posts are recruited to.

When decisions about incremental advancement and remuneration for executive directors and non-executive directors are made information is provided about pay and conditions for staff employed on Agenda for Change contracts and medical and Dental Staff terms and conditions of service.

### **Annual Report on Remuneration**

#### **Service Contracts**

Non-Executive Directors are appointed for fixed terms as set out in the Director's report. The dates of executive director appointments are listed below:

<b>Name</b>	<b>Executive Director Post</b>	<b>Date of Appointment</b>	<b>Notice period</b>
Dr Robert Dolan	Chief Executive	11 September 2006	3 months
John Wilkins	Deputy Chief Executive/ Performance and	1 November 2007	3 months

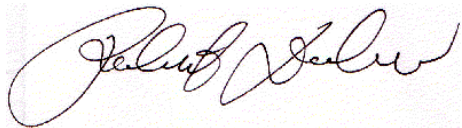
	Business Development		
Steven Course	Director of Finance	1 <sup>st</sup> June 2015	3 months
Jonathan Warren	Director of Nursing	1 August 2010	3 months
Dr Kevin Cleary	Medical Director	1 June 2011	3 months
Dr Navina Evans	Deputy Chief Executive/ Director of Operations	1 February 2012	3 months
Mason Fitzgerald	Director of Corporate Affairs	1 February 2014	3 months

Details of staff paid via off-payroll arrangements are set out in the accounts.

## Director Expenses

There was a total of £3,074 (£975 in 2014/15) of expenses claimed for 2015/16 financial year by 3 directors (out of 7 currently in office). All expense claims are made and processed in line with Trust policy.

Signed:

A handwritten signature in black ink, appearing to read 'Robert Dolan', is written over a light grey rectangular background.

Dr Robert Dolan  
Chief Executive

# Staff Report

## **The Trust's Workforce Strategy**

The Trust recognises that providing high quality inpatient and community-orientated health care to the communities that we serve requires a highly skilled and motivated workforce. The Trust recognises the link between high quality staff experience and the impact on patient care and is committed to ensuring that every member of staff is valued and able to contribute to the best of their ability. The Trust's Workforce Strategy reflects this commitment.

The Workforce Strategy will support the Trust's 3 main priorities:

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

This will be achieved by:

- Recruiting and retaining educated, trained and motivated staff who are competent in providing safe, clinically effective and patient focused care;
- Developing and facilitating new ways of working to ensure that the best use of highly trained professionals is being made;
- Providing a framework for improving workforce design and planning to ensure the right workforce capacity, which is aligned to the directorates and service users' needs;
- Ensuring our staff are engaged and empowered to deliver the highest quality of service; we are seen as an Employer of Choice;
- Ensuring that the leadership of ELFT is recruited, trained and evaluated against behaviours that support collective leadership;
- Maximising learning opportunities for all staff, provide high quality teaching and training, and remain a centre of excellence for research.

## **Recruitment, Selection and Retention**

The Trust has maintained an overall reduction in vacancy rates in most areas and turnover has stabilised to a level significantly below comparator Trusts. The focus remains on managing internal talent and building a recruitment pipeline for the medium and long term. Over the past year concentrated recruitment activity in Luton and Bedfordshire has seen vacancy rates reduce to a level that is comparative with directorates in East London and enabled new services to be staffed and delivered. All applicants who declare a disability and meet relevant aspects of the person specification for the role are guaranteed to be shortlisted for interview.

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

The Trust continues to recruit high quality applicants to posts and has used a number of different strategies to attract applicants to 'difficult to recruit' posts,

including building links with domestic and overseas students and joint selection processes with Local Authorities. Innovative selection processes have been further developed. A successful campaign to recruit over 100 health visitors was replicated for District Nurses in Newham.

### **Managing Change**

The Trust has successfully delivered a number of programmes to achieve efficiency savings over the past year, with changes made to: team structures, staffing structures and new ways of working introduced. The displaced staff were supported to find alternative roles through a comprehensive outplacement and redeployment process.

Significant transformative change has been undertaken in Luton and Bedfordshire to engage staff, enable them to develop in their roles and introduce new ways of working to improve the patient experience.

### **2015 NHS Staff Survey**

A summary of key findings from the 2015 staff survey can be found in the Quality Accounts.

### **Staff Recognition Initiatives**

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

The Trust also continued to reward exceptional employee achievements with its third Annual Staff Award, attended by over 800 people. It showcased excellent delivery of care which helped inspire others. Categories were:

Employee of the Year Award  
Leadership Award  
Team of the Year Award  
Improvement to Quality of Service Award  
Service User Award  
Equality, Diversity & Inclusion Award  
Support Services Award  
Unsung Hero(es) Award  
Chief Executive Award  
Chair Award  
Commissioners Award

### **Health and Well-being Initiatives**

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

- Promoted physical activities such as the Take 12 Challenge;

- Delivered workshops on work-life balance;
- Commissioned well-being workshops such as massage sessions;
- Delivered monthly wellbeing sessions during induction;
- Delivered wellbeing sessions available to all staff in Luton and Bedfordshire as part of the orientation for staff transferred to ELFT;
- Encouraged uptake of the Cycle to Work Scheme to promote physical activity;
- Continued subsidising of yoga/Pilates classes.
- Staff who become unwell or disabled during the course of their employment are supported through the sickness absence management policy to access training and support and redeployment where appropriate to enable them to continue working.

In addition to the above, the Trust has undertaken a health and wellbeing survey to enable it to accurately focus activity on areas that matter most to staff.

### **Stress Management**

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

### **Learning and Development**

The Trust continues to improve the access to our new learning management system, Oracle Learning Management, which has been introduced in order to support the Trust's blended learning initiatives. The second phase of this project has commenced and the Self-Service capacity (for both staff and managers) is being rolled out Trust-wide after being successfully piloted in Forensics Department.

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

- We have continued to review the TNA to streamline it with the Core Skills Training Framework and reduced the dependence on the DVDs, leaflets, and face-to-face training. The continuous monitoring and review exercise is being undertaken and any amendments to the TNA are agreed with the SMEs and communicated to staff.
- We have put measures in place to support our staff to familiarise themselves with the OLM platform (e.g. video tutorials, remote technical support, induction sessions for new starters, drop-in sessions, and face-to-face training) and to ensure staff gain confidence and proficiency in using the new platform.
- A Management Development Programme has been rolled out to Bands 3 and 5; and Apprenticeship Programme for Band 6 with 33 staff on each cohort. The feedback has been positive and staff are applying these skills in practice.

- The Trust has delivered Level 3 and 5 ILM Leadership Development Programme for 30 staff across the Trust to build upon management capabilities and to ensure access to accredited courses. The feedback has demonstrated improvements in experience and performance.
- We are building upon the blended learning approach with a mixture of content being delivered via OLM, MOOCs, in the classroom, and expansion of webinars is planned.
- Continuing to signpost staff to the NHS Leadership Academy and are utilizing the IT Skills Pathway via OLM for the NHS IT skills.
- We continue to maintain good working relationships with existing colleges and exploring alternative options (e.g. LSBU for Mentorship Courses) for delivery of the Trust's accredited courses.
- Rolling out the Trust-wide Soft Skills training programme to streamline all CPPD training requirements and ensure these are met via both 'bottom up' and 'top down' approaches.
- The first cohort of the Apprentice programme delivered over 35 apprentices across the Trust.
- A range of programmes (e.g. top-up degrees, Advanced Nursing Practice and PhDs) were commissioned via the indirect funding streams to ensure staff have access to accredited career development opportunities.
- A leadership conference was held which attracted over 150 participants on the subject of collective leadership.

## **Equality**

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

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

- Ensuring that the data we hold about staff is validated on an annual basis supported by a raising awareness campaign. This resulted in over 650 completed surveys being returned.
- The Trust has continued to work with local organisations such as East London Business Alliance (ELBA) as well as initiating new partnerships with organisations such as Bromley-By-Bow Community Centre to work particularly on the Trust apprenticeship scheme to improve the representation of the local workforce in our staff.
- Working in collaboration with ELBA, The Trust organised its first Careers Day event for 40 students from Newham Sixth Form College to encourage them to think about the multitude of different careers available in the NHS.
- In order to recruit from local communities who are underrepresented in our workforce regular Open days are run by the Trust recruitment Team regularly



organises Open Days for vacancies in various clinical and admin & clerical areas.

- Since its introduction in 2014, the Trust Apprenticeship Scheme has gone from strength to strength. It attracts applicants from the local area in particular from communities that are under-represented in our workforce. We currently have 46 apprentices (61% external and 39% internal). Out of these 46, 27 (59%) are from East London.
- The Trust launched its BME Mentorship programme which aims to provide mentorship opportunities to BME staff who are in Band 7 roles but wish to progress further into senior leadership positions.
- The Trust has been selected as one of 3 pilot sites to work with NHS Improvement (Monitor) and the Kings Fund to develop a collective leadership strategy.
- Collective leadership is based on the premise that leadership is the responsibility of all, anyone with expertise taking responsibility when it is appropriate (Kings Fund, 2014). Improving the representation of BME staff in senior leadership positions will be a key aim of the Trust's collective leadership strategy.
- The Trust is introducing a reverse mentoring programme to enhance the understanding of diversity issues within the organisation; encourage frank discussion of diversity related issues and to develop strategies to create a more inclusive work environment.
- In order to build leadership capacity amongst staff, there have been several leadership programmes that have been organised in the past few years. Since 2014, we have delivered leadership cohorts tailored to Clinical and also Consultants. Over 79 staff have successfully completed the leadership programmes.
- A Quality Improvement Project that specifically focuses on improving career progression opportunities for BME staff has been initiated.
- The Trust is currently working with Tavistock NHS Trust to deliver Unconscious Bias training for recruiting managers and managers involved in disciplinary processes.
- The Trust carries out the Stonewall Workplace Equality Index annually. Whilst the Trust's ranking has improved significantly, the aim is to be in the top 100 employers in the country. The Trust has developed an action plan to ensure the experiences of its workforce including LGBT staff are positive. As part of its action plan, the Trust launched the Straight Allies Programme to champion for workplace equality for LGBT staff.
- The 3 main networks, the BME network, Disability network and LGBT networks have continued work on Trust specific priorities. Similar networks are being established in Bedfordshire & Luton.
- Disability network uses the Disability Forum guidelines to implement initiatives to improve the working lives of disabled staff in the organization.
- 2015 NHS Staff Survey results indicate that the Trust has achieved high engagement scores across the board but in particular BME staff are more engaged as compared to staff from White ethnic backgrounds and also the national average.
- The Trust has also achieved high rates of job satisfaction and motivation and good communication with senior managers.

**Partnership working**

The Trust enjoys good partnership working with trade unions and staff side representatives through Trust Wide JNC and LNC committees, All organisational change proposals which affect staff are taken for discussion at one of these committees prior to consultation with staff. An annual awayday is also held with Management and Staff side representatives to enable them to raise concerns and plan a series of strategic discussions at JSC to enable joint working on issues likely to affect staff interests.

### Analysis of average staff numbers

	2015/16		2015/16		2014/15		2014/15		Maincode	Expected Sign		
	08K		08L		08N		08O				08P	
	2015/16		2015/16		2014/15		2014/15				2014/15	
	Total		Permanent		Other		Total		Permanent		Other	
	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number	Number
Medical and dental	363	363					305					
Ambulance staff	0						0					
Administration and estates	957	957					771					
Healthcare assistants and other support staff	0						0					
Nursing, midwifery and health visiting staff	2,288	2,288					1,747					
Nursing, midwifery and health visiting learners	0						0					
Scientific, therapeutic and technical staff	939	939					660					
Healthcare science staff	0						0					
Social care staff	0						0					
Agency and contract staff	443				443		235		235			
Bank staff	585				585		422		422			
Other	4	4					3		3			
<b>Total average numbers</b>	<b>5,579</b>	<b>4,551</b>	<b>1,028</b>	<b>4,143</b>	<b>3,486</b>	<b>657</b>						
Of which												
Number of employees (WTE) engaged on capital projects	0						0					

	2015/16		2014/15		2014/15		Maincode	Expected Sign
	08S		08U		08V			
	2015/16		2014/15		2014/15			
	£000	Number	£000	Number	Number	Number	Subcode	
<b>Note 4.3 Early retirements due to ill health</b>								

No of early retirements on the grounds of ill-health		8		8	100	+
Value of early retirements on the grounds of ill-health	400		328		105	+

**Table 4A Staff sickness absence**

	2015/16		2014/15		Expected Sign
	08WA	08WB	Maincode	Number	
	Number		Subcode		
Total days lost	38,408	42,508	320		+
Total staff years	4,278	3,554	330		+
<b>Average working days lost (per WTE)</b>	<b>9</b>	<b>12</b>	<b>340</b>		<b>+</b>

## Senior Managers by Gender

Senior Managers	Female	Male
Band 8a	192	95
Band 8b	67	24
Band 8c	34	19
Band 8d	12	8
Band 9	6	6
Directors	5	13
<b>Total</b>	<b>316</b>	<b>165</b>

## Equalities breakdown

Category	Staff 2015/16 (WTE)	%
<b>Age</b>		
17-25	375	7%
26-35	1294	26%
36-45	1312	26%
46-55	1398	28%
56-65	613	12%
66-75	51	1%
76-80	3	
<b>Ethnicity</b>		
Asian or Asian British	761	15%
Black or Black British	1437	29%
Mixed	209	4%
White	2439	48%
Chinese	22	1%
Any other ethnic group	55	1%
Not stated	121	2%
Undefined	2	
<b>Gender</b>		
Female	3590	71%
Male	1456	29%
Trans-Gender		
<b>Disabled</b>		
No	3515	70%
Yes	1313	26%
Undefined	218	4%
<b>Religious Belief</b>		
Atheism	768	15%
Buddhism	46	1%
Christianity	2073	41%

Hinduism	151	3%
I do not wish to disclose my religion/belief	1297	26%
Islam	400	8%
Jainism	3	
Judaism	52	1%
Other	201	4%
Sikhism	55	1%

### Going Forward:

In 2015/16 the Trust's Workforce Strategy will continue to aim to achieve the following:

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

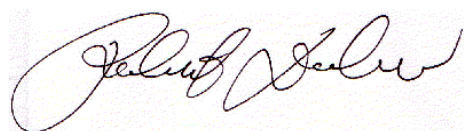
## STATEMENT OF COMPLIANCE WITH THE NHS FOUNDATION TRUST CODE OF GOVERNANCE

The NHS Foundation Trust Code of Governance was published by NHS Improvement on 29 September 2006 and updated on 1 April 2010, December 2013 and July 2014. The purpose of the Code is to assist NHS Foundation Trusts in improving their governance practices. It is issued as best practice advice, but imposes some disclosure requirements. This Annual Report includes all the disclosures required by the Code.

East London 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.

The Trust Board of Directors support and agree with the principles set out in the NHS Foundation Trust Code of Governance. The Trust is compliant with all provisions of the Code.

Signed:



Dr Robert Dolan  
Chief Executive

*The directors are responsible for preparing the annual report and accounts, and consider that the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the necessary information for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.*

## REGULATORY RATINGS REPORT

The Trust is assigned regulatory ratings by NHS Improvement, who make an assessment of risk based on the Trust's Operational Plan, and quarterly submissions.

The ratings are as follows:

- Continuity of services risk rating – based on a series of financial measures, and measured on a scale of 1-4, with 4 being the best (lowest risk)
- Governance risk rating – based on compliance with national targets and Care Quality Commission standards, and measured on a scale of green, amber-green, amber-red, red.

The ratings for the past two years are set out below. The Trust achieved the best ratings in all quarters of the past two years.

<b>2015/16</b>	<b>Operational Plan</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4 (TBC)</b>
<b>Continuity of service rating</b>	4	4	4	4	4
<b>Governance rating</b>	Green	Green	Green	Green	Green

<b>2014/15</b>	<b>Operational Plan</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
<b>Continuity of service rating</b>	4	4	4	4	4
<b>Governance rating</b>	Green	Green	Green	Green	Green



## STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTING OFFICER

The NHS Act 2006 states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS Improvement.

Under the NHS Act 2006, NHS Improvement has directed East London NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of East London NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

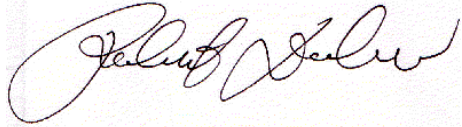
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and
- prepare the financial statements on a going concern basis.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in NHS Improvement's NHS Foundation Trust Accounting Officer Memorandum.

Signed:

A handwritten signature in black ink, appearing to read 'Robert Dolan', written over a light grey grid background.

Dr Robert Dolan  
Chief Executive

## ANNUAL GOVERNANCE STATEMENT

### 1. Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the *NHS Foundation Trust Accounting Officer Memorandum*.

### 2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks against the achievement of the organisation's policies, aims and objectives of East London NHS Foundation Trust, and to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in East London NHS Foundation Trust for the year ended 31 March 2016 and up to the date of approval of the annual report and accounts.

The Trust Board are accountable to the Independent Regulator (formally called Monitor, now NHS Improvement) for performance and control issues, and submits quarterly monitoring returns and exception reports to NHS Improvement in accordance with the Risk Assessment Framework.

### 3. Capacity to handle risk

The Trust has a Risk Management Strategy and operational policies approved by the Trust Board. Leadership is given to the risk management process through a number of measures, including designation of Executive and Non-Executive Directors to key committees within the Trust's Healthcare Governance Framework structure.

The Audit Committee has delegated responsibility for the Board Assurance Framework, and other board committees review risks relevant to their terms of reference. Directorate Management Team meetings review their directorate risk registers.

The Director of Corporate Affairs has delegated responsibility for ensuring the implementation of the Assurance Framework, and is assisted by the Assistant

Director of Assurance, who leads and manages the Trust's Assurance Department. All directors have responsibility to identify and manage risk within their specific areas of control, in line with the management and accountability arrangements in the Trust. Directorates have identified leads for risk management.

The Assurance Department provides support to directorates and departments on all aspects of effective risk assessment and management. The Department maintains the Trust's incident and risk reporting system, and risk registers. The Department also has a vital role in training, which is given to staff on induction and regular training opportunities are provided to staff at all levels, including root cause analysis training.

The Assurance Department is responsible for the dissemination of good practice and lessons learned from incidents or near misses. Good practice is disseminated within the Trust through information sharing, cascading of information via the groups and committees included in the Healthcare Governance Framework, maintenance of the incident register and consequent learning from such incidents.

#### **4. The risk and control framework**

##### **Key elements of the Risk Management Strategy**

Attitude to, and management of, risk is embedded within the Trust's Risk Management Strategy. The strategy and related procedures set risk management activities within a broad framework within which the Trust leads, directs and controls its key functions in order to achieve its corporate objectives, safety and quality of services, and in which it relates to patients, staff, the wider community and partner organisations. The Trust has a Board Assurance Framework in place which provides a structure for the effective and focused management of the principal risks to meeting the Trust's key objectives. Risks are assessed by using a 5x5 risk matrix where the total score is an indicator as to seriousness of the risk.

The Board Assurance Framework enables easy identification of the controls and assurances that exist in relation to the Trust's key objectives and the identification of significant risks. Risks are assessed and monitored by the Board and its sub-committees. Key issues emerging from this assessment and monitoring include a review of balance between absolute and acceptable risk, quantification of risks where these cannot be avoided, implementation of processes to minimise risks where these cannot be avoided and learning from incidents. These issues are cascaded throughout the Trust via directorate representative and multi-disciplinary attendance at committee and group meetings.

The Board Assurance Framework is reported to the Board on a quarterly basis, and red rated risks are reported to each meeting.

The Trust has quality governance arrangements in place. The Medical Director is the Board executive lead for quality. The Trust has a Quality Strategy and the Trust Board receives a regular report on quality issues. The quality of performance information is assessed through the Information Governance Toolkit and through the annual Quality Accounts audit. Assurance is obtained on compliance with CQC registration requirements through the role of the Quality Assurance Committee, the

performance framework, and from the Trust's own schedule of unannounced visits to services.

### **Embedding risk management in the activity of the organisation**

Risk management is embedded throughout the Trust's operational structures, with emphasis on ownership of risk within the directorates and a supporting role by the Assurance Department.

Directorates are responsible for maintaining their own risk register, which feed into the Trust's corporate risk register. The local risk registers are reviewed at Directorate performance meetings that are held on a quarterly basis. The Assurance Department receives risk registers from Directorates, as well as copies of committee and sub-group meetings throughout the Trust. Directorate representatives attend key committees of the Healthcare Governance Framework, ensuring formal channels of reporting, wide staff involvement, and sharing of learning. The implementation of incident and other risk related policies and procedures throughout the organisation ensure the involvement of all staff in risk management activity.

A key feature of embedding risk management in the organisation related to the acquisition of services in Bedfordshire and Luton on 1 April 2015. The Trust took a number of steps to manage risk, including installing a senior management team led by the Deputy Chief Executive, appointing an additional Deputy Chief Executive to cover East London services, continuing with a formal Project Board, enhancing the performance management framework, and using additional project management support to deliver the Year 1 plan. Formal risk management processes, such as directorate risk registers, use of Datix etc. were also implemented.

### **Involvement of public stakeholders**

Risks to public stakeholders are managed through formal review processes with the Independent Regulator (NHS Improvement) and the local commissioners through joint actions on specific issues such as emergency planning and learning from incidents, and through scrutiny meetings with Local Authorities' Health & Overview Scrutiny Committees. The Council of Governors represents the interests of members and has a role to hold the Board of Directors to account for the performance of the Trust.

### **Care Quality Commission**

The Trust is fully compliant with the registration requirements of the Care Quality Commission.

The Trust received an unannounced inspection to the Trust's Forensic Services in November 2015. The CQC assessed that the Trust was fully compliant with standards.

### **NHS Pension Scheme**

As an employer with staff entitled to membership of the NHS Pension Scheme control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance

with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

### **Equality & Diversity**

Control measures are also in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

### **Carbon Reduction**

The Trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

### **Foundation Trust governance**

As an NHS Foundation Trust, the Trust is required by its licence to apply relevant principles, systems and standards of good corporate governance. In order to discharge this responsibility, the Trust has a clear and effective board and committee structure, which is regularly reviewed. Responsibilities of the board and committees are set out in formal terms of reference, and responsibilities of directors and staff are set out in job descriptions. There are clear reporting lines and accountabilities throughout the organisation.

The Board receives regular reports that allow it to assess compliance with the Trust's licence, i.e. the Board receives monthly finance reports and quarterly performance & compliance reports. Individual reports address elements of risk, such as monthly reports on bed occupancy. This enables the Board to have clear oversight over the Trust's performance.

As part of its submission of the 2016/17 Operational Plan, the Trust submitted to NHS Improvement a Corporate Governance Statement that confirms that sufficient arrangements are in place in relation to quality, finance and governance. The Trust is assured of the validity of this statement through receipt of the reports set out above, and through regular review of governance developments as part of the Board development programme.

The Trust undertook a "Well Led" Review of its governance arrangements during 2015/16, which was led by Grant Thornton UK LLP. The review did not find any significant issues that required reporting to NHS Improvement.

## **5. Review of economy, efficiency and effectiveness of the use of resources**

As Accounting Officer, I have responsibility for ensuring economy, efficiency and effectiveness of the use of resources. Performance in this area is monitored by the Trust Board on a regular basis. The Trust Board discusses and approves the Trust's strategic and operational plans, taking into account the views of the Council of Governors. The operational plan includes the annual budgets. Throughout the year, the Trust Board receives regular finance and performance reports, which enable it to monitor progress in implementing the operational plan and the performance of the organisation, enabling the Board to take corrective action where necessary, and

ensure value for money is obtained. The in-year resource utilisation is monitored by the Board and its committees via a series of detailed reports covering finance, activity, capacity, human resource management and risk.

Performance review meetings assess each directorate's performance across a full range of financial and quality metrics which, in turn, forms the basis of the monthly performance and compliance report to the Service Delivery Board.

The key processes embedded within the Trust to ensure that resources are used economically, efficiently and effectively, centre around a robust budget setting and control system which includes activity related budgets and periodic reviews during the year which are considered by executive directors and the Board of Directors. The budgetary control system is complemented by Standing Financial Instructions, a Scheme of Delegation and Financial Approval Limits.

As Accounting Officer, I have overall accountability for delivery of the Annual Plan and I am supported by the executive directors with delegated accountability and responsibility for delivery of specific targets and performance objectives.

I am also supported by the work of internal audit, who, in carrying out a risk-based programme of work, provide reports on specific areas within the Trust and make recommendations where necessary. The work of Internal Audit, and the progress of implementing their recommendations, is overseen by the Trust's Audit Committee.

### **Information Governance**

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

There was one Level 2 confidentiality breach in the financial year 2015 – 16. This incident occurred in March 2016, and is still under investigation at the time of preparing this statement. Any opportunities for learning will be identified and addressed in a formal action plan.

## **6. Annual Quality Report**

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year. NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Medical Director is the executive director lead for the Quality Report, and work is coordinated by the Trust's Quality Committee, which reports to the Quality Assurance Committee.

The Quality Report contains two main areas of information; details of the Trust's quality priorities for 2016/17, and performance against quality indicators for 2015/16. The draft report is reviewed by the Board and stakeholders in order to ensure it represents a balanced view.

The Trust has a Quality Strategy which has been approved by the Trust Board. The quality priorities for 2016/17 have been developed in conjunction with senior clinicians and managers, the Council of Governors and user groups. They form part of the Trust's operational plan for 2016/17 which has been prepared in line with NHS Improvement requirements, and agreed by the Trust Board.

The Trust undertakes a major quality improvement programme, and is using an external partner, the Institute of Healthcare Innovation, to support the programme and build capacity of staff to deliver locally led quality improvement initiatives.

There are controls in place to ensure that the Quality Report is an accurate statement of the Trust's performance during the year. Information regarding the Trust's performance is produced by the Trust's performance management systems, and is regularly reported to the Board and performance management meetings throughout the year. The Trust's Performance Management Framework has been reviewed by Internal Audit and has received a substantial assurance opinion.

## **7. Review of effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of Internal Audit, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework.

I have drawn on the content of the quality report attached to this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and the Quality Assurance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Head of Internal Audit's opinion confirms that an Assurance Framework has been established which is designed and operating to meet the requirements of the 2015/16 Annual Governance Statement and provides substantial assurance that there is an effective system of internal control to manage the principal risks identified by the organisation.



The Head of Internal Audit opinion stated that “the organisation has an adequate and effective framework for risk management, governance and internal control. However our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective”.

The effectiveness of the system of internal control is guaranteed by ensuring clear duties and accountability are allocated to each part of the Healthcare Governance Framework, and to individuals within the framework.

The Board receives the Board Assurance Framework on a quarterly basis, and receives a report on red rated risks at each meeting, receives reports from the Quality Assurance Committee and from the Audit Committee, and notes minutes from key committees and groups within the framework. Reports submitted to the Board identify risk and are linked to the Board Assurance Framework, where relevant.

The Audit Committee is accountable to the Board for reviewing the establishment and maintenance of an effective system of internal control and risk management. It approves the annual audit plans for internal and external audit activities, receives regular progress reports and individual audit reports, and ensures that recommendations arising from audits are actioned by executive management. The Audit Committee receives the minutes of the Quality Assurance Committee.

The Trust has a Counter Fraud service in place, in line with the Secretary of State’s Directions on Fraud and Corruption and the Counter Fraud and Corruption Manual. The Audit Committee receives regular reports from Counter Fraud services.

The Audit Committee has delegated responsibility for the Board Assurance Framework, and other board committees review risks relevant to their terms of reference. There is shared membership between the Audit and Quality Assurance Committees via Internal Audit, the Director of Finance, the Director of Corporate Affairs and the Chair of the Assurance Committee. The Quality Assurance Committee receives the minutes of the Audit and Quality Committee.

The Quality Committee integrates the processes of clinical governance and risk management. It receives reports from working groups, and reviews risk with the chairs of such groups. It approved the clinical audit plan and receives and discusses individual clinical audit reports, ensuring that appropriate action is being taken to address areas of under-performance. Executive Directors chair committees, with managers from various disciplines and from various services participating in the groups. The Quality Committee reports to the Quality Assurance Committee, and also has links to the Service Delivery Board.

Internal Audit services are outsourced to RSM UK, who provide an objective and independent opinion on the degree to which risk management, control and governance support the achievement of the organisation’s agreed objectives. Individual audit reports include a management response and action plan. Internal Audit routinely follows up action with management to establish the level of compliance and the results are reported to the Audit Committee.

Directors ensure that key risks have been identified and monitored within their directorates and the necessary action taken to address them. Directors are also directly involved in producing and reviewing the Board Assurance Framework, and attend the Audit and Quality Assurance Committees to report on risk within their areas of control.

The interests of patients, clients and other stakeholders is given authority by inclusion of representatives on various groups of the Trust, as well as the role of the Council of Governors.

The Trust's regular reporting to NHS Improvement provides additional assurance with regard to the Trust's governance arrangements and compliance with the Terms of Authorisation.

The net result of these processes is that risk is assessed systematically, with internal reviews ensuring checks and balances, a local chain of reporting which ensures follow through of recommendations and actions, and wide staff involvement ensuring effective communication throughout the Trust.

### **Internal Control Issues**

The Trust's Internal Auditors have given two red rated reports:

- *Staff Appraisals* – the review highlighted that the Trust did not have adequate and consistent staff appraiser training arrangements in place. Furthermore, the Trust did not use a system to centrally record and monitor appraisals. Furthermore, we could not provide assurance over the quality of the appraisal completion rate reported to the Board as a variety of reporting mechanisms were in place within the different localities. There were cases where we did not receive staff appraisal forms, the quality of appraisals could have been improved and an up to date appraisal was not held on one file.
- *Temporary Staffing* - during the review internal audit were unable to obtain evidence that rosters were approved by the relevant Head Nurses four weeks in advance. We also noted that some sites were not required to submit Booking Forms when placing Bank staff on shifts, and wards were not yet managing shifts on Health Roster. We noted that the master Agency booking form spreadsheet, used for tracking the status on agency staff recruitment as well as managing agency staff bookings, was incomplete. We identified cases where timesheet authorisers were not found on the authorised signatories listing, agency shifts did not have corresponding timesheets attached to the invoices and bookings were not processed via the Agency Staffing team in Recruitment. We also found instances where, bank staff bookings were assigned in Health Roster after the shift had taken place and bank staff were assigned one day before the shift was due to take place.

In response to the audit of staff appraisals, a central recording system has been put in place with regular monitoring, and a data cleansing exercise has been undertaken. There is a Quality Improvement project that is currently testing changes to the appraisal documentation and process, and a generic training programme is

being developed. Quality audits have been undertaken in services to check both appraisal and supervision processes.

In relation to the audit on temporary staffing, there has been a strategic review of the Trust bank service, and a new structure is currently being implemented. Focus has been given to training and supervision of bank staff. A Quality Improvement project is testing changes to the agency process, and there is a refreshed plan to implement Healthroster across the Trust. Improved reporting of roster finalisation and approval and exception reporting has been introduced at directorate level and a reminder system implemented.

The Trust's Board Assurance Framework (as of 31 March 2016) has four red rated risks:

- *Failure to transform district nursing services in order to meet the needs of the local health services and wider community*
- *It fails to meet standards for safety and quality as set out in the Health and Social Care Act 2009 and measured through the CQC's regulatory process.*
- *It fails to provide high quality services from premises that are secure, minimise risk, and are well-maintained*
- *It fails to recruit and retain high quality staff*

Action plans are in place and are summarised in the Board Assurance Framework. These risks are regularly monitored by the relevant committees and the Trust Board.

### **Current priorities**

The Trust has two main priorities related to control issues for 2016/17.

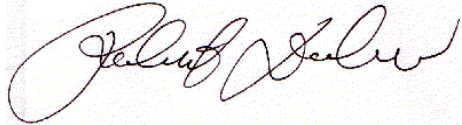
1. The Trust is preparing for a comprehensive inspection by the Care Quality Commission that will take place in June 2016. A project team, led by the Director of Nursing, is set up to review adherence to the standards, and progress is being reported to the Quality Assurance Committee.
2. The Trust is further reviewing, embedding and monitoring controls in Luton & Bedfordshire

## 8. Conclusion

The Trust has an effective system of internal control, and the specific internal control issues detailed above are being addressed through robust action plans.

The Audit Committee, Quality Assurance Committee and Trust Board will continue to monitor these areas closely and agree additional action as required.

Signed:

A handwritten signature in black ink, appearing to read 'Robert Dolan', written over a light grey rectangular background.

Dr Robert Dolan  
Chief Executive



**QUALITY ACCOUNTS**  
**2016**

**East London NHS Foundation Trust**



## Achievements

### Executive Summary

#### Part 1 – Statement on Quality

- 1.1 Statement on Quality from Dr Robert Dolan, Chief Executive
- 1.2 Statement on Quality from Dr Kevin Cleary, Medical Director

#### Part 2 – Priorities for Improvement

- 2.1 ELFT Quality Strategy
- 2.2 Quality Indicators & Priorities for 2015/16
- 2.3 Review of Services
- 2.4 Participation in Clinical Audits
- 2.5 Research
- 2.6 Goals Agreed with Commissioners
- 2.7 What Others Say about the Trust
- 2.8 Data Quality
  - 2.8.1 Information governance Toolkit attainment levels
  - 2.8.2 Clinical Coding Error Rate

If you require any further information about the 2015 Quality Accounts please contact: ELFT Communications Team on 0207 655 4000 or email [webadmin@elft.nhs.uk](mailto:webadmin@elft.nhs.uk)

#### Part 3. Review of Quality Performance 2014/15

- 3.1 Review of Priorities 2014/15
  - 3.1.1. Quality indicators for 2014/15
  - 3.1.2. Positive Stories
  - 3.1.3. Good Quality Care across the Trust
- 3.2 Patient Reported Experience Measures (PREM)
- 3.3 Staff Survey
- 3.4 Complaints and PALS Annual Report
- 3.5 An Explanation of Which Stakeholders Have Been Involved
- 3.6 Joint Statement from NHS Tower Hamlets, NHS Newham and NHS City and Hackney Clinical Commissioning Groups (CCGs)
- 3.7 Statement from Tower Hamlets Healthwatch
- 3.8 Statement from Tower Hamlets OSC
- 3.9 An Explanation of any changes made to Quality Accounts Report
- 3.10 Feedback
- 3.11 2014/15 Statement of Directors' Responsibilities

#### Glossary

#### Contact with the Trust





The Trust is proud of the achievements made over the last year, below is a summary (including links) of just a few:

- The Trust's film 'Still Here' has been shortlisted for an EVCOM award as a part of Dementia Awareness week in 2014 to raise awareness of dementia in young people. EVCOM, the Event and Visual Communication Associations screen award is Europe's largest and most prestigious celebration of corporate and public sector communication
- Ruth Seifert Ward at the City and Hackney Centre for Mental Health has been voted an outstanding place to learn and develop by nursing students from City University. It was awarded Placement of the Year by students who undertake placements in a range of NHS organisations in London
- 'Finalist Award' in the Healthcare People Management Association (HPMA) Awards. The HPMA is a long established awards programme that showcases and rewards excellence in human resource management and OD in healthcare. This year HPMA received over 200 entries
- Shortlisted in the Nursing Times Awards in the Care of Older People category, for violence reduction work across three wards resulting in over 50% reduction in violence and 40% reduction in staff sickness
- Voted Trust of the Year in the HSJ Patient Safety Awards, due to the harm reduction work within the quality improvement programme
- Ranked the best place to work across mental health and learning disabilities trusts in the HSJ annual awards
- Won "most improved award" in Stonewalls 2015 Workplace Equality index, health sector awards, moving up an impressive 117 places from 228 in 2014, to 111 in 2015
- Received an award in The Howard League for Penal Reform Annual Awards in the Liaison & Diversion Services category. The Howard League is a national charity that lobbies for penal reform, including safer communities, less crime and fewer prison sentences
- Director of Nursing, Professor Jonathan Warren and Head of Forensic Services, Dr Paul Gilluley joined seven other clinicians from across the UK as professional advisors in the upcoming national CQC inspections. They will work with the CQC to provide advice and leadership on how the CQC inspect and regulate mental health services across England
- Bevan Ward at the City and Hackney Centre for Mental was runner up in the 'Team of the year' award at the annual National Association of Psychiatric Intensive Care and Low secure services conference
- Shortlisted in the RCPsych Awards for Psychiatric Team of the Year in the Care of Older-Age Adults category. The awards run by The Royal College of Psychiatry showcase outstanding teams and individuals who are making a real difference to mental health services
- Shortlisted for four HSJ awards in the Provider Trust of the Year, Board Leadership, Staff Engagement and Workforce categories. Shortlisted for one HSJ Value in Healthcare award for quality improvement training
- Two clinicians have received prestigious global awards at the World Association of Cultural Psychiatry 4<sup>th</sup> World Congress in Mexico. Dr Ascoli and Professor Bhui were recognised for their services respectively to Cultural Psychiatry, and as a world leader in the field of Cultural

Psychiatry and mental health policy and practice. The WACP is the world's leading Scientific Society in Cultural Psychiatry

- Winner of the 'Care of Older People' Nursing Times Award 2015, for 'violence reduction on older adult mental health wards'.





## Executive Summary

The Quality Accounts Report is an important tool for strengthening accountability for quality within our organisation. In this report you will see how the Trust has worked hard to ensure that resources and energy are focused on improving the quality of the services we provide and ensuring they are sustained. The most significant element of this is the Quality Strategy which sets out our ambition to deliver the best possible mental health and community care to our patients, service users, carers and families.

We have made a commitment to quality of care being our foremost priority. This is embodied in our mission to provide the highest quality mental health and community care in England by 2020.

The report will present information in three parts. Part 1 contains the statements from the Chief executive and the Medical Director. Part 2 provides information regarding the 'Priorities for Improvement' and includes information across a range of areas such as the populations we serve the types of services we provide and information on our statutory responsibilities.

Of particular interest in this section is the on-going work of the Trust Quality Improvement Programme as this highlights how the Trust is using a structured methodology to improve the quality of care the trust provides aligned to two main priority areas: reducing harm and providing the right care in the right place, at the right time works.

Part 3 of the report provides a review of quality and performance in 2015/16 and presents information on across a large number of measures. Where possible we present the data together with comparative information so that you can see how well the Trust is doing against previous levels of performance and alongside our NHS colleagues.

## Part 1 – Statement on Quality

### 1.1 Statement on Quality from Dr Robert Dolan, Chief Executive



2015-16 has been an outstanding year and one during which the Trust has enjoyed considerable external recognition for improvement in quality.

We launched our QI programme almost three years ago to bring meaningful improvement to the quality of care we provide. We are now starting to see real positive changes as key interventions are embedded and become an everyday part of the way a service or team functions. It has been good to see the endeavours of our staff acknowledged by their inclusion on national awards shortlists and in winning key awards.

Although a key area of focus for us has been service user satisfaction, we know that increasing staff satisfaction and engagement is also instrumental in improving patient outcomes. So we were pleased that our Staff Survey scores were in the top five for the third year running; our staff engagement score remains well above the national average.

Our new Quality Strategy has been approved by the board in April 2016. It describes in detail the Trust's approach to quality control, assurance, and improvement. Our priority areas for quality improvement will be: reducing inpatient violence and reducing community acquired pressure ulcers which are two of our most common patient safety incidents. For our patients with severe mental illness, cardio vascular risk is the biggest cause of early death and we will be working to improve their physical health in partnership with primary care services. We recognise that prompt access to services and treatment is critically important and we will improving reduce waiting times across the whole organisation. Finally all of this work requires close working relationships with our service users, patients and carers and we will build on our achievements in patient engagement to ensure that they are shaping the development of our services using quality improvement methodology.

Alongside our quality improvement programme, we will also work to ensure we meet key local and national standards. This will include regular internal inspections, clinical and service-user led audit, utilising patient experience feedback to drive local improvement, and apply learning from serious incidents and complaints.

A key part of our work over the past 12 months has been integrating services in Bedfordshire and Luton into the organisation. We have had a lot to do very quickly in terms of providing the right environments to deliver safe, therapeutic treatment and care, and to provide clinical leadership, effective systems and processes, and all the necessary tools for staff to provide care to the standard we require. I believe that we have now have the necessary base to start a structured quality improvement process in our Luton and Bedfordshire services.

I am proud of the achievements and the determination of all our staff to maintain high standards and bring about sustained improvement. I would like to take this opportunity to thank all our staff for striving to provide the best for our local communities.

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

A handwritten signature in black ink, appearing to read 'Robert Dolan', written over a light grey grid background.

## 1.2 Statement on Quality from Dr Kevin Cleary, Medical Director and Director for Quality and Performance



It has been an exciting year for us as an organisation with a significant increase in the size and geography of our services, with the welcome addition of Bedfordshire and Luton. Each organisation has its own culture and we have been learning from them about their approach to quality and this has impacted on our thinking corporately about how we balance all the aspects of our quality work.

Our work around quality improvement has won many awards in the last year and we have tried wherever possible to celebrate the success of our staff and service users in their innovative approach to change and improvement. Our work, through our partnership with the Institute for Healthcare Improvement, has led to the development of a quality network in Mental Health which has true international reach. No matter where you are in the world, you face the same problems in delivering high quality healthcare and it is important to hear from others about their solutions to these problems.

There are many facets to quality: improvement, assurance, and control being the three big headings. A balance has to be achieved with all three facets being equally important if you are working towards our goal of highest quality care. Audits we undertake both internally and externally are vital for making sure that we are achieving the right standards. Benchmarking our performance against similar organisations helps us look critically at our outcome measures. Our structured Quality Improvement approach is essential for tackling difficult systemic problems e.g. waiting times, and violence and aggression; these have had significant successes. Quality control is our methodology for ensuring that gains we make are held onto and sustainable. In this triad, we strive to maintain an equilibrium that values innovation, standards and control in manner which is comprehensive and focussed on our patients and service users.

For the NHS there is a risk that the financial issues, which now appear to be a constant feature of any discussion about healthcare in England, become the defining characteristic which dominates the picture. How can we prevent this happening in our organisation? Firstly I think we need to acknowledge that whilst finances are important that our first concern needs to always be about the quality of care that we provide to our patients, service users, and their carers. High quality care that is effective, safe, and a good experience uses less financial resources than poor quality, ineffective care; get it right first time. Secondly our staff are our greatest resource and therefore need to be valued and supported in their work. Satisfied staff deliver higher quality care which provides obvious benefits for our patients.

Finally, culture trumps everything. It is very easy to say that you put patients at the centre of all that you do but to make that a reality you have to make the focus on high quality an integral part of the work you do every day. I believe that we are making progress in our goal to be a trust which is in a class of its own in quality terms but there is much more to achieve. A very big thanks to all of our staff, patients and service users that have helped us with all facets of our work on quality.



## Part 2 – Priorities for Improvement

### 2.1 ELFT Quality Strategy

The Trust Quality Strategy outlines our quality priorities and approach to quality over the next two years. The strategy focuses on three key functional areas of Quality: Assurance, Control and Improvement.

East London NHS Foundation Trust (ELFT) has made great progress against its Quality improvement strategy over the past two years, to embed a culture of continuous improvement at all levels of the organisation. The new quality strategy outlines our quality priorities and approach to quality over the next two years.

We will be focussing on changing our approach to quality assurance, developing quality control systems and building on our work on quality improvement; introducing this work to services in Bedfordshire and Luton.

The strategy outlines our work on all three strands of our quality work and reflects the changing healthcare environment that we are working in.

East London Foundation NHS Trust has committed to providing the highest quality mental health and community care in England by 2020. This is a demanding goal which requires a focused commitment from us as an organisation on all the components of quality.

Why are we doing this? Our patients, service users and carers deserve the very best care that we can provide for them. High quality care is not an accidental by-product of good intentions. We can only deliver the best care if we nurture our staff and ensure that they developed and are working in an environment that fosters positive attitudes and a desire to strive to improve.

We have been doing well recently do we really need to do anything differently? There is no doubt that we have made some good progress with our quality improvement programme and we have learnt so much but there is so much more that we could do. To really do our best we need to be flexible and responsive to our stakeholders and understand the local and national context. We need to get the right balance between quality assurance, improvement and control. Our framework for quality assurance needs to improve and change as we change as an organisation.

How can we focus on quality when we have other demands? Well quality is our first organising principle. It is not an add-on, it is what we do every day of the week. If we focus on what is important to our patients, service users and staff then we will be the best. We inevitably have targets that we need to meet for: waiting times, physical healthcare for patients with severe mental illness and access times for patients with first episode psychosis to name a few. These are all aspects of quality which are important in their own right. The most important thing for us is that we integrate this work into overall approach to quality and not view these as this year's targets. We need our success to be sustainable.

#### **Progress Quality Assurance and Improvement Since 2012**

The Trust has had a number of inspections by the Care Quality Commission since its inception in 2010, and full compliance has been awarded in all recent inspections. The Trust was the first mental health/community trust in the country to be awarded level 3 of the NHS Litigation Authority risk management standards in 2013. The Trust's quality assurance processes are also subject to regular

review by internal audit, and recent reviews into incident management and safeguarding have resulted in substantial assurance being awarded.

Recruited and developed a central QI team to coordinate the programme of work and support teams and directorates. Trained approximately 500 people through the 6-month Improvement Science in Action programme. Developed 30 QI coaches with deeper QI and coaching skills to provide close support to project teams. Supported the involvement and training of service users and carers in QI, with 60 service users and carers completing bespoke training.

150 active QI projects across the organisation as at January 2016, with 28 showing sustained improvement. Allowing flexibility for teams to choose what to work on, and then discuss locally how these align with directorate and Trust-wide priorities, has been key to making QI feel meaningful for staff and service users. Violence reduction – 23% reduction in rate of physical violence (number of violent incidents per 1000 occupied bed days) across the entire Trust

The Trust's vision, mission and values are based on the core values of the NHS. They have been developed through engagement and consultation with staff and key stakeholders.

**Vision** *To be making a positive difference to people's lives*

**Mission** *To provide the highest quality mental health and community care.*

**Values** Our three core values are:

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

And the following values support us in achieving them:

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

## **What Is Our Quality Strategy?**

It is the plan we have for delivering our commitment to our patients and service users to provide the highest quality mental health and community care in England by 2020. The strategy reflects our core values.

To deliver this we need to:

- Ensure that every day for every patient all of our staff have quality underpinning every decision.
- Listen effectively to our patients, carers and service users.
- Provide the safest care we can and learn lessons when things go wrong.
- Support our staff to deliver the highest quality care.
- Attract and retain the best staff and then develop them further.
- Work with our commissioners in a positive relationship to ensure that quality is their number one aim.
- Foster a culture of quality improvement that is an integral part of who we are.
- Maintain our financial viability.

## Quality Assurance

Over the next three years we will radically change the way that we approach quality assurance as an organization. We need to do this as we grow and the boundaries of the organisation change. As we become a more integrated care organisation with more complex governance arrangements the systems that have supported us will need to change.

A significant part of our assurance processes have an external locus of control. CQC, the healthcare quality regulator is completing its first complete wave of inspections using its framework of 5 key lines of inquiry:

- Safe
- Effective
- Caring
- Responsive
- Well Led

We have developed an internal inspection team to prepare for our CQC inspection. We will continue with a series of internal inspections using the CQC framework over the next three years and will visit each clinical area with an inspection team annually. This will be extended to our community services in Tower Hamlets in the next 12 months.

We have use the Royal College of Psychiatrists quality assessment process to accredit our services. This has provided valuable external validation of the quality assessment of our services. However the visits are triennial and services can change and deteriorate within that three year period. We will develop an internal accreditation process to certify the level of care being provided in our clinical services. This will be trialled in selected clinical areas and further developed for our other mental health and community services. We aim to integrate our inspection processes into our accreditation programme as part of our quality assurance process.

## Quality Assurance Work Programme Summary

- Design of new inspection/accreditation programme
- Service user involvement in assuring and improving services
- Listening and learning
- Compliance with NICE standards
- Developing quality and performance measurements
- Audit

## Quality Control

Over the next three years we will be developing our quality control processes to ensure that: the gains we have made in improving services are monitored and maintained, that we have more standardized processes in delivering healthcare and we are quickly alerted to abnormal variation and move to understand causes and take corrective action where necessary.

The work that our staff have undertaken to improve quality of care has been very impressive and within a healthcare context has been achieved at great speed. As this becomes part of our normal business this is no longer improvement work. The systems for monitoring improvement will no longer be used; integrated processes should not require the same intensity for monitoring. However experience has taught us that assuming that standards will be maintained after intensive focus has reduced is not reliable.

For areas where quality improvement has delivered definite improvements there are already quality monitoring processes which have been developed using statistical control charts. These should continue to be reported to the board and directorate management teams. In addition to ensure that the correct control is being maintained sampling audits will be undertaken and may be integrated into the accreditation/assurance work.

## **Guidelines and Standards**

NICE has over the last decade produced a number of “guidelines” in relation to best clinical practice which is evidence based. We believe that these guidelines should become the standard treatment offered to our patients and they represent the standards we expect our clinicians to adhere to. Work has commenced on the complete implementation of the guidelines for treatment of Schizophrenia. Where there are gaps in provision, particularly availability of psychological therapies these will be highlighted to commissioners but we will also where possible redistribute resources to cover gaps in treatment.

Areas of priority include:

- Treatment of schizophrenia and psychosis.
- Treatment of affective disorders
- Management of violence and aggression
- Antenatal and post-natal mental health
- Treatment of ADHD
- Diagnosis and treatment of autistic spectrum disorders
- Dementia Care
- Service User Experience

NICE have produced standards in addition to clinical guidelines, which have been primarily designed for commissioners to assess whether services are meeting the required standards. Where appropriate we will use the standards to assess our performance as part of our overall assurance processes.

The measurement of compliance with NICE standards has been a largely manual audit process which is time consuming and uses considerable human input into the process. We have had significant success with the development of more automatic processes for the production of statistical control charts to support the QI work. We will look to develop these processes to ensure that we can in real time monitor compliance with guidelines and standards.

## **Listening and Learning to Service Users, Patients and Carers**

A key part of our quality strategy is our engagement of service users, patients and carers. ELFT has made some significant progress with its work on engaging service users and their carers but there is also much that can be improved.

Service users and carers have a critical role to play in our quality assurance processes including:

- Recognizing and promoting good practice
- Identifying gaps in service provision
- Assisting with programmes of internal inspection/ accreditation
- Peer to peer assessments of adherence to standards
- Helping to develop systems to capture feedback
- Working the trust to develop effective listening forums
- Feeding back directly to the board about their story and experiences

The further development of systems to accurately capture patient reported experience and outcomes is necessary to ensure that we have an accurate patient focused picture of the quality of care that we are providing. We have undertaken some new and innovative work in this area including the use of dialog developed by Professor Priebe in his WHO Collaborating Centre in Newham. ELFT will work over the next three years on developing techniques to ensure that the feedback captured will be used to shape services provided. Whilst different tools will inevitably be used in different clinical areas the end result should always be responsive flexible services providing safe, effective care which are focused on the needs of the patient and service user.

Our patients with severe mental illness die on average 20 years before the general population. We have in the last year worked on improving the monitoring of physical health as part of a national quality improvement requirement. Patients are often the passive recipients of monitoring of various aspects of their healthcare. In the last year, we have started to develop a different paradigm in which

the patient is the person primarily responsible for the monitoring of their own health. This has proved to be much more effective at engaging our service users and has significantly improved the overall monitoring rates. We will over the next three years work to extend this model of patient involvement.

In the last two years, ELFT has developed a carer's strategy which covers 5 domains:

- Identifying and recognizing carers
- Communicating with carers
- Providing information for carers
- Working in Partnership with other agencies
- Working with young carers

All of these are quality issues for our patients and their carers and need to be integrated into our quality assurance processes. These domains will be included in our accreditation and assurance work so that they form part of the overall assessment of the quality of care that we are providing.



## 2.2 Quality Indicators & Priorities for 2015/16

### What are our Quality Priorities

Though we are concerned about the quality of all our services and need to be vigilant about all aspects we do have particular quality priorities that we want to focus on for the next three years.

These are:

- Inclusion, equity and equality
- Care Integration
- Listening and Learning
- Access to services
- Decreasing variance in Evidence Based Care
- Technology
- Our Quality Improvement work

We have arrived at this list by listening to: our service users and carers, thematic reviews of complaints and incidents, discussions with local and national commissioners, work with IHI, NHS Improvement, Monitor. Some of these are more aligned to one domain of quality than another e.g. listening and learning are aligned to quality assurance others cross domains e.g. Access to services covers assurance, improvement and control and therefore our work on these priorities will use a number of techniques including:

- Training and development
- Partnership working
- IM&T strategy
- Value based recruitment
- Quality Assurance Systems capturing feedback
- Commissioning for Quality and Innovation
- Health promotion
- Accreditation and inspection

### Quality Improvement

East London NHS Foundation Trust has a **mission** to:

**‘Provide the highest quality mental health and community care in England’**

We have two broad aims to help move us towards achieving our goal:

#### 1) Reduce harm by 30% each year, by tackling the ‘big safety issues’:

- Reduce physical violence
- Reduce falls
- Reduce restraints
- Reduce medication errors
- Reduce harm from pressure ulcers

#### 2) Right care, right place, right time

- Improve patient and carer experience
- Reduce delays and inefficiencies
- Improve reliability of evidence-based care
- Improve access to care at the right location

ELFT has made great progress with its work on QI and has developed a national reputation for its work on QI in mental health and community services. This has had a large impact on the developing culture of the organization and we need to hold the gains that we have made and to use the lessons learnt to develop the programme further and integrate it into operations so that it becomes work as usual. For services in Luton and Bedfordshire the work will start on training staff in late 2016.

## Quality Improvement Priorities



Teams have freedom to work on issues of quality that matter most to the staff in the team, the service users and carers that they serve, and the local priority areas for improvement. This facet of the programme is unusual for large-scale improvement programmes, but is critical to engaging staff and making QI feel relevant and meaningful.

The current four Trust-wide priority areas of QI work have been determined by this dual process of identifying common themes emerging from the frontline projects and identifying issues of strategic importance for the Trust.

The priority areas are approved by the Board on an annual basis.

Over the next two years, priority areas of QI work will include:

- 1) Scaling up and spreading the violence reduction work across other directorates
- 2) Re-energising the pressure ulcer work with more direct care staff involvement
- 3) Continuing the access learning system, which has only been in operation since April 2015 and will require another 6-9 months to see sustained improvement before considering scale-up and spread
- 4) Reducing cardiovascular risk for people with severe mental illness through supporting physical health work across the Trust on health promotion interventions

The Trust is focusing a wide range of quality indicators which align to the three overarching areas of patient safety, experience and clinical effectiveness. Details of the can be found on the Trist QI microsite: <https://qi.elft.nhs.uk/completed-qiprojects/>

Many of these areas of improvement involve the development of new or novel approaches and therefore comparative data are rarely available.

### Quality improvement work programme

Over the next two years, the quality improvement programme will focus on the following key areas of work, which both address current challenges we are facing and build on the progress already made so far:

- a) Introduce a new development programme for our team leaders.
- b) Focus on the systematic scaling up and spreading of interventions that have been shown to work in one setting and which are applicable to other settings
- c) Test different ways to deepen the involvement of service users and carers in our QI work
- d) Promote the wider application of QI within corporate services
- e) Continue to engage our commissioners with our QI approach.
- f) Redesign our information systems so that our staff have better access to the data they need to understand quality and performance, and to support their QI projects

- g) Redesign our HR and workforce processes, such as recruitment and selection, performance appraisal and internal training and development.
- h) Continue to build will and build improvement capability across the organisation, including the programme into Bedfordshire and Luton services
- i) Continue work on our four priority areas of QI work (violence reduction, pressure ulcers, physical health and access to services)

## Quality and cost improvement

In 2015, the finance team have begun to start evaluating the cost impact of some of our priority areas of QI work. Across the 145 projects, there are some clear areas where teams are demonstrating increasing efficiency and productivity, with some of these projects also suggesting possible cash savings.

Over the next two years, there will be a greater emphasis on quantifying the financial impact of QI projects. For many projects, this will be exhibited as cost avoidance, which is helpful in reducing our in-year financial pressures. A small number of projects may have the potential to demonstrate cost reduction, and our finance team will prioritise these for detailed evaluation.

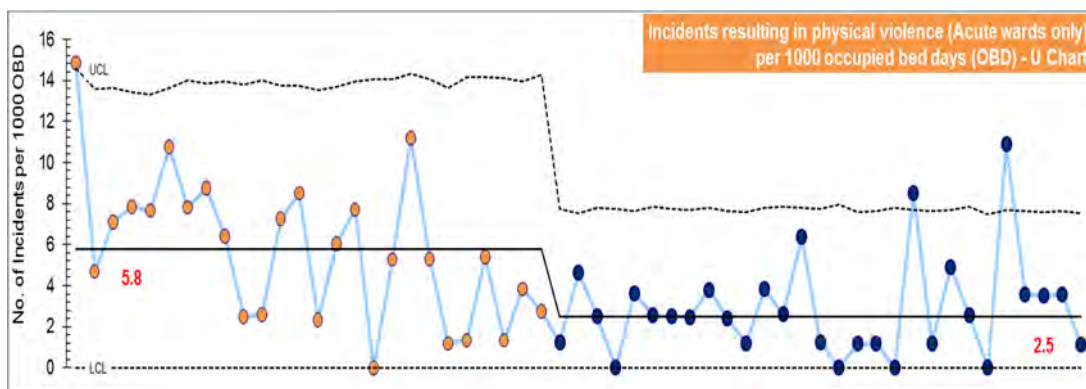
From the 2017-18 financial year, each directorate will be asked to identify a relatively small amount of their annual cost improvements (CRES) that they can use QI to help extract. It is anticipated that over the coming years, as our confidence with QI grows, the proportion of our annual cost efficiencies that can be projected to be released by QI can increase.

## Progress against last year's Priorities

### 1. Tower Hamlets Violence Reduction Collaborative

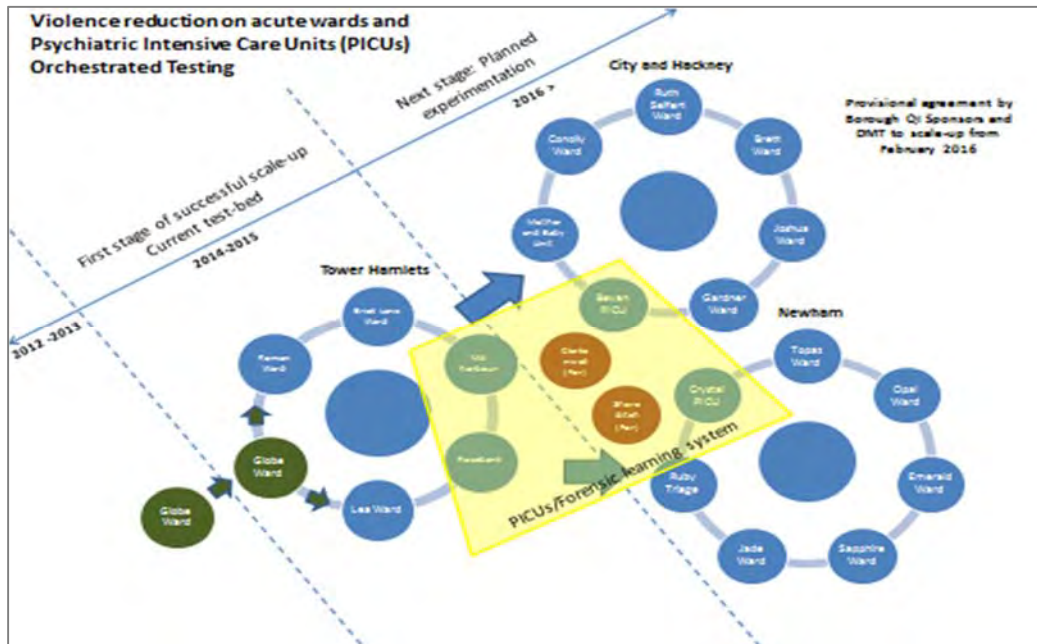
Following previous violence reduction work on Globe ward, where they successfully managed to reduce violence by in excess of 60% for over a year, we wanted to scale this work up to more wards within the Trust. The Tower Hamlets Violence Reduction Collaborative was launched with the main aim of transferring this work to 5 further wards, based at the Tower Hamlets Centre for Mental Health and seeing whether the change package tested on Globe ward would still be successful when applied in different ward environments.

As part of this learning system, all teams would come together to share and learn their progress on implementing key elements of our safety culture bundle, before then going away and applying this learning during action periods on their respective wards. This process was repeated on a 2 monthly basis during the course of the collaborative.



Across all 4 acute wards in Tower Hamlets we are now observing a 57% reduction in the rate of violence over the last year.

Over the course of the next year we will be scaling this work up again, this time starting to test in the adult mental health wards in City and Hackney and Newham, using an orchestrated testing method designed to increase our degree of belief further in the change bundle that we are testing.

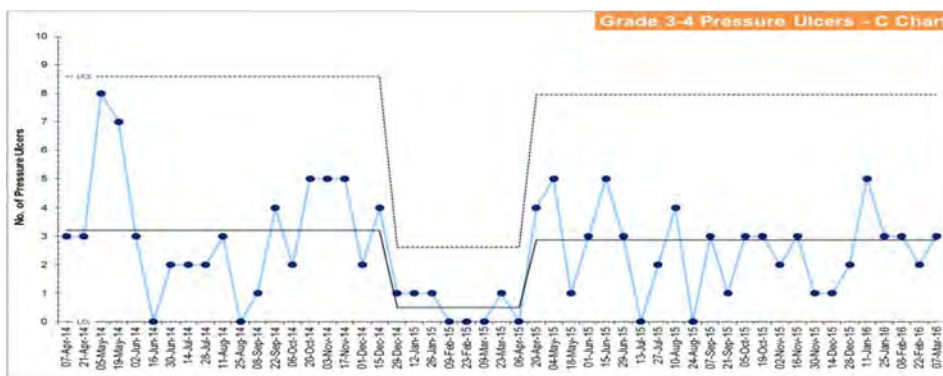


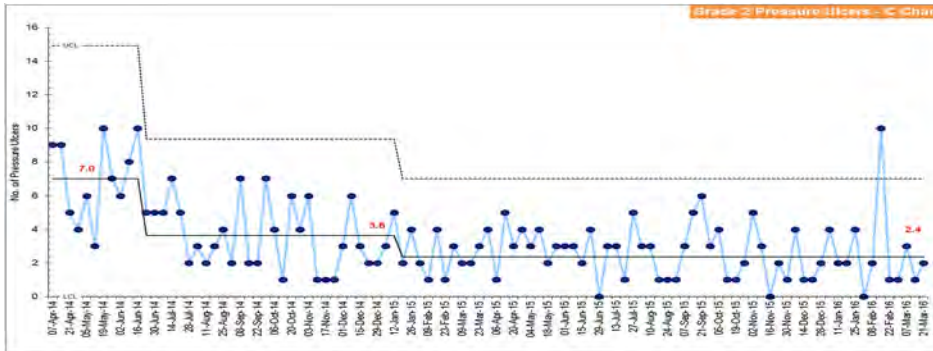
## 2. Extended Primary Care Team (EPCT) Pressure Ulcers Reduction Project

The EPCT continue to work on tackling this complex problem by reducing pressure ulcers acquired in their service. What is interesting about this project is that we are working with patients based in the community, who may only see a member of staff once or twice a week. Consequently, much of the care delivered to patients is via third party carers. This presents its own unique challenges as we tackle this important issue.

To date, the team have focused on increasing the reliability of Waterlow assessment (this has now increased from 57% to 96%), on ensuring that all patients who need it receive a SSKIN bundle preventative care package, on increasing training for staff and carers and focusing on staff retention and recruitment.

Currently we are observing a 66% reduction in grade 2 pressure ulcers since the project began in 2014 and a 10% reduction in grade 2-4 pressure ulcers.



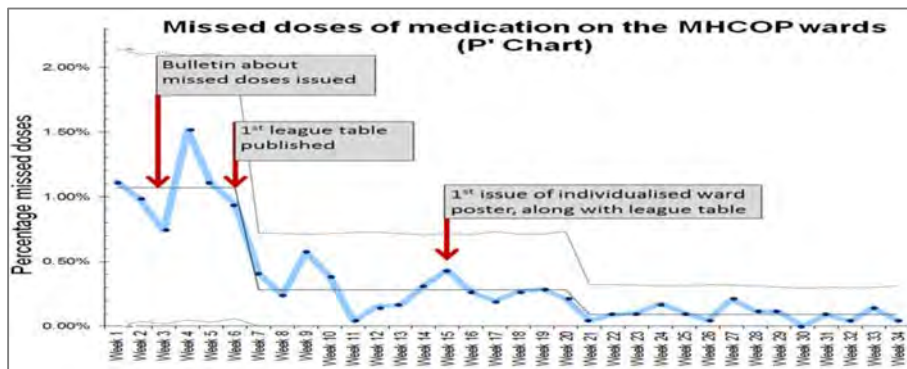


Over the coming year, the team will be looking to test new ways of working with higher risk groups of patients who are more likely to develop pressure ulcers.

### 3. Reducing missed doses of medication on Mental Healthcare of Older People's (MHCOP) Wards

We know from our own published research that missed doses of medication are the most common type of medication error in the Trust, representing almost 40% of all administration errors. Moreover, this is a national (and international) issue and has been estimated by the National Patient Safety Agency to have resulted in 27 deaths and 68 instances of severe harm between 2006-2009 in England.

The MHCOP team undertook a Quality improve project to tackle this work and tested change ideas that included issuing bulletins highlighting missed doses, publishing missed dose league tables on a fortnightly basis and publishing individualised ward posters on a fortnightly basis.



Through their work the team saw a 94% sustained reduction in the number of omitted doses of medication. Furthermore, the team estimated that in addition to having a beneficial effect for patients, there was also a cost saving of £38,402 on the basis of what it would have cost to treat adverse effects associated with missed doses of medication.

## 2.3 Review of Services

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

In February 2011, the Trust integrated with community health services in Newham making us now a trust that provides mental health and community health services. This was followed in June 2012 by joining with Richmond Borough Mind to provide The Richmond Wellbeing Service (Improving Access to Psychological Therapies service).

In April 2015, the Trust became the mental health provider for Bedfordshire and Luton. In May 2015, we took over the provision of specialist alcohol and drug services in Redbridge (R3) and on 1 September 2015, ELFT became the provider of Bedfordshire specialist addiction service (P2R) providing services to Bedford Borough and Central Bedfordshire

ELFT provides a wide range of community and inpatient services to children, young people, adults of working age, older adults and forensic services to the City of London, Hackney, Newham, Tower Hamlets, Bedfordshire and Luton. We provide psychological therapy services to the London Borough of Richmond, as well as Children and Young People's Speech and Language Therapy in Barnet. In addition, the Trust provides forensic services to the London Boroughs of Barking and Dagenham, Havering, Redbridge and Waltham Forest, and some specialist mental health services to North London, Hertfordshire and Essex.

The specialist Forensic Personality Disorder service serves North London and the specialist Chronic Fatigue Syndrome/ME adult outpatient service serves North London and the South of England. The Trust's specialist Mother and Baby Psychiatric Unit receives referrals from London and the South East of England.

The Trust provides local services to an East London population of 820,000 and to a Bedfordshire and Luton population of 630,000. We provide forensic services to a population of 1.5 million in North East London. East London is one of the most culturally diverse parts of the country but is also one of the most deprived areas. Bedfordshire is a predominantly rural area with some of the most affluent communities in the country living alongside some of the most low income and deprived groups. Both areas therefore pose significant challenges for the provision of mental and community health services. The Trust operates from over 100 community and inpatient sites, employs almost 5,000 permanent staff and has an annual income of £322m.

### **Integrated Care across East London**

The Trust is working closely with partner organisations in each of the east London boroughs to develop more integrated approaches to care and support, in line with the vision of the Five Year Forward View.

Integrated care is most commonly used to describe the arrangements health and social care partners can put in place to deliver more joined up person-centred coordinated care for people with complex health conditions and social circumstances

### **City and Hackney Devolution**

In City and Hackney, health and social care organisations have come together to be a 'devolution pilot.' This will open up new opportunities for the City and Hackney partnership to take local control of how services are commissioned and delivered.

### **Newham**

In Newham, the Trust has been working with Barts Health, Newham CCG, Newham Council and GP partners for several years to develop integrated care for people with complex health and social care conditions, as developed through the Waltham Forest and East London Pioneer Programme and the local Newham Integrated Care Board. As the provider of both community health services and mental health services in Newham, the Trust has been involved in developing and delivering more joined up care planning across services and organisations, improved care coordination, primary care based multi-disciplinary meetings, Rapid Response and Assessment, Interface and Discharge (RAID) team.

### **THIPP in Tower Hamlets**

The Trust has been working with the Tower Hamlets Integrated Provider Partnership (THIPP) for two years to develop an approach to integrated care for people with complex health and social care conditions. THIPP partners include the Trust, Tower Hamlets GP Care Group, Barts Health and Tower Hamlets Council. Earlier in 2015, THIPP successfully applied to become a Five Year Forward View 'Vanguard' site, becoming the only Vanguard site in London and placing the Trust and partners

right at the forefront of developments in integrated care nationally. Vanguard status will allow THIPP partners to work closely to further develop integrated approaches to the care and support of adults and children. An Innovation Fund launched in February inviting staff to make suggestions on joint ways of working.

## **Bedfordshire and Luton**

### **Improvements to Inpatient Services**

A main focus in our first nine months in Bedfordshire and Luton was to improve the environments where we provide inpatient care. Following a review, it was decided that the quickest way to expedite the changes needed without daily disruption would be to decant the wards to temporary accommodation to progress the work.

All wards have undergone extensive refurbishment and now provide a much improved setting for patient to receive treatment and begin their recovery.

### **Psychiatric Intensive Care Unit**

Jade Ward, on the Calnwood Road site in Luton, opened in October 2015 as our new Psychiatric Intensive Care Unit for patients in Bedfordshire and Luton. The new facility has nine beds and is an all-male service. It is called Jade Ward PICU.

Establishing this ward will ensure that patients with more complex needs can be treated within the county and not have to travel outside of Bedfordshire for this type of support. The unit offers a short, rapid intervention to help people regain a sense of control and order so they can move forward with their recovery.

### **Other Changes to Inpatient Services**

We have closed Chaucer Ward in the Weller Wing at Bedford Hospital and have moved the service to Fountains Court. It means that Fountains Court now provides a one-stop service to older people with dementia, a functional or organic mental illness and/or who require continuing care.

We have closed Whichellos Wharf in Leighton Buzzard for the time being as the patients who were cared for there have moved into alternative accommodation and in some cases to independent living.

### **Liaison Psychiatry Service Expansion**

The Liaison Psychiatry Service at Luton and Dunstable Hospital has been expanded to provide 24-hour care to patients. A 24 hour liaison psychiatry model service came into being on 1 November 2015 providing specialist care for patients aged 16 or older.

### **Redesign of Learning Disability Services**

The Learning Disability service model was required to change in line with new commissioning requirements to focus on recovery and reintegration, and integrating our services with local authority learning disability teams. The service will be undertaking a full review in 2016/17

### **Specialist Addiction Services**

#### **R3 – Launch of Redbridge Drug and Alcohol Service**

14 October saw the official launch of R3 (Redbridge Recovery and Reintegration), a new integrated drug and alcohol treatment service to support people whose lives are affected by drug and alcohol use. It brings together the best of NHS care combined with the expertise of the voluntary sector. R3 offers a range of expertise and interventions in one place

### **Path to Recovery (P2R)**

## New Drug and Alcohol Service Bedford Town and Central Bedfordshire

From September 2015, ELFT began providing drug and alcohol services to residents in Bedford Borough and Central Bedfordshire. The addition of this service means that we will be better able to support people with mental health issues and substance issues.

Category	Indicator	Performance
Monitor	Finance risk rating (on a scale of 1-4, with 4 being the best)	4
Monitor	Governance risk rating (on a scale from green to red, with green being the best)	Green
Care Quality Commission	Number of standards that are assessed to be non-compliant following CQC inspections	Nil
National targets	National targets relevant to mental health and community services	Fully compliant
National staff survey	National ranking for overall staff engagement score	= 4th
National community patient survey	Overall national ranking	3 <sup>rd</sup>

Top 5 for last 3 yrs.

The Trust is required to register with the Care Quality Commission and its current registration status is **compliant**. East London NHS Foundation Trust has no conditions **no** registration.

The Care Quality Commission has **not** taken enforcement action against East London NHS Foundation Trust during 2015/16.

East London NHS Foundation Trust was **not** subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission



## 2.4 Participation in Clinical Audits

The national clinical audits and national confidential enquiries that East London NHS Foundation Trust participated in, and for which data collection was completed during 2015/16, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

The reports of **two** national clinical audits and **one** national confidential enquiry were reviewed by the provider in 2015/16 and East London NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided. The Trust develops specific action plans for each audit which are managed through the Clinical Effectiveness Committee.

During that period the Trust participated in **60%** (three out of five) of national clinical audits and **100%** of national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that East London NHS Foundation Trust participated in during 2015/16 are as follows:

Description of National Audit	Submitted to
National Confidential Inquiry (NCISH) into Suicide and Homicide by People with Mental Illness	Centre for Suicide Prevention Psychiatry Research Group School of Community-Based Medicine University of Manchester 2nd Floor, Jean McFarlane Building Oxford Road Manchester M13 9PL
Early Intervention in Psychosis Audit (AEIP)	Royal College of Psychiatrists 21 Prescot Street London E1 8BB
Female Genital Mutilation (FGM) Enhanced Dataset	Health & Social Care Information Centre 1 Trevelyan Square Boar Lane Leeds LS1 6AE
National Confidential Enquiry into Patient Outcome and Death (NCEPOD)	NCEPOD Ground Floor Abbey House 74-76 St John Street London EC1M 4DZ
Learning Disability Census	Health & Social Care Information Centre 1 Trevelyan Square Boar Lane Leeds LS1 6AE
Prescribing Observatory for Mental Health (POHM UK)	Royal College of Psychiatrists 21 Prescot Street London E1 8BB

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

CCQI Programme	Participation by the Trust	% of cases submitted
<b>Service accreditation programme</b>		
Forensic mental health services	1 service	100
Inpatient child and adolescent units	1 unit	100
Learning Disability Inpatient Wards	1 ward	100

Mother and Baby Units	1 ward	100
Older people mental health wards	1 ward	25
Psychiatric intensive care units	2 PICUs	100
Psychiatric liaison teams	2 teams	100
Working age adult wards	13 wards	100
<b>Service quality improvement networks</b>		
Child and adolescent community mental health teams	3 teams	100
ECT clinics	1 ECT clinic	100
Memory services	7 services	100
Perinatal mental health inpatient units	3 teams	100
Psychiatric Liaison Teams	2 teams	100
<b>National Audit of psychological therapies (NAPT)</b>		
	<b>1 team</b>	<b>100</b>
<b>Multisource feedback for psychiatrists (ACP 360)</b>		
	<b>31 enrolments</b>	

TOPIC	TRUST PARTICIPATION		NATIONAL PARTICIPATION	
	Trust	Submissions	Teams	Submissions
QIP 13b: Prescribing for ADHD in children, adolescents and adults	8	208	359 Teams	6109 Submissions
QIP 15a: Prescribing for bipolar disorder	45	341	650 Teams	6705 Submissions
QIP 14b: Prescribing for substance misuse: Alcohol detoxification			TBC Teams	TBC Submissions

The reports of **nine** local clinical audits were reviewed by the provider in 2015/16 and East London NHS Foundation Trust intends to implement the recommendations to improve the quality of healthcare provided. The Trust develops specific action plans for each audit which are managed through the Clinical Effectiveness Committee.

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

## Service User Auditors Leading the Drive for Quality Improvement



The Trust's team of service user auditors are out and about on inpatient wards, gathering audit responses from current service users. The Quality Outcomes and Experience Team who co-ordinate the Trust's clinical audit programme support the auditors to gain confidence and skills by taking the lead with the audits.

The service user-led audits test compliance with standards covering areas such as welcome packs, inpatient food and ward rounds. These quarterly audits are a key way in which the Trust embeds service users at the heart of its drive for high quality services.

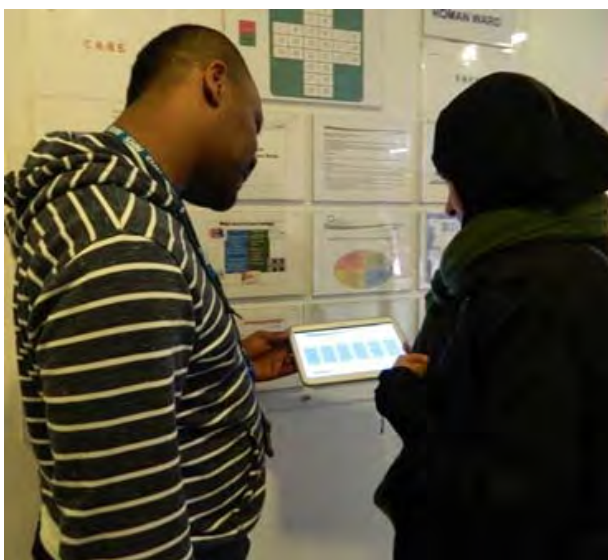
As well as helping the auditors gain useful skills, this innovative scheme is an excellent way to engage current service users and make them the initiators of change.

Auditor Baljit Singh Degun said: *"Before I start the audit, I introduce myself and I ask them how they're doing and they often start to open up. Finding out where they are at and how they're feeling helps to build a rapport."*

*"Audits are very important because they give the Trust an awareness of what's going on and we are here to improve services as much as possible."*

Teams of auditors will be heading out to inpatient wards in City & Hackney, Newham and Tower Hamlets this week and next, engaging service users with the audit process and collecting feedback via tablets. Feedback is also gathered on Forensic and MHCOP wards, and there are plans to extend the scheme to Luton and Bedfordshire. This feedback is then included in the audit results for each directorate and the directorates decide on changes they will make to their services as a result

Results from the Service User-Led Audits are published on the intranet and you can find the most recent results on the QOET intranet page. Service user feedback will also be added to the "You Said, We Did" display boards which are now going up around the Trust.



## 2.5 Research and Innovation

### **Fostering a research culture**

The Service User and Carer Research group is now well established, meeting monthly and developing ideas for recovery care research projects with support from Dr Domenico Giacco, senior researcher from the Academic Unit in Newham

A Clinical-Academic Group for Psychological Therapies meets bi-monthly, clinicians and researchers discuss service and research priorities and agendas and consider new projects in partnership

In order to foster the interface between research and quality improvement and to align their strategies a group of senior clinicians from within ELFT is now regularly scanning research evidence, examples of good practice and innovative ideas from other industries in order to gather ideas for QI that will be pitched at bi-annual events with Directors

### **Implementation of locally derived research findings into clinical practice;**

In cooperation with the strategic head and professional lead for arts therapies an implementation plan for the provision of body oriented psychological group therapies was developed so that from July 2016 these therapies will be available for all patients in East-London with chronic schizophrenia or depression

The structured needs assessment and therapeutic engagement tool DIALOG is now rolled out across ELFT and in RIO for the purpose of capturing Patient Reported outcomes (PROM) and the complex version "DIALOG-plus" (providing all care coordinators with solution-focused therapy skills) is going to be tested in local QI projects

ELFT and the three East-London CCGs successfully implemented Enhanced Primary Care Services for service users with stable severe mental illness, allowing for better integration of their care within their local communities and with clinical provided at primary care level. The results of the corresponding service evaluation for about 2000 service users have been analysed and will be published in partnership with our primary care colleagues and are now considered by other NHS organisations as a blue-print for integrated care pathways

### **Innovations and Service Development**

ELFT is currently reviewing all clinical processes and related clinical documentation forms relevant for assessment and care planning under the Care Programme Approach (CPA) in partnership with local authorities; the work-stream developed ideas for a highly innovative service user focused and recovery care oriented set up streamlined electronic documents for piloting within ELFT in autumn

The new Arts & Wellbeing Group is considering a wide range of innovative proposals to improve the therapeutic environment across ELFT; most recently the group considered models of "Milieu therapy", successfully implemented in Europe.

ELFT is piloting innovations to improve the supervision experience for all staff members, aiming to systematically relate and structure the supervision to capture staff concern and to relate to staff needs in respect of maximising the quality of work environments

The Acute Day Hospital in Newham is piloting new schemes for recovery care of patients who require acute psychiatric treatment: in order to help service users making the transition from intensive treatment back into the community the team set up "Recovery Stalls" three times per week at lunch time with input from a variety of third-sector/ voluntary care organisations

For patients with long-term, chronic and treatment resistant conditions, the Acute Day hospital offers now places for "elective admissions", a period of 4-8 weeks of intensive care review and psychosocial group therapy

## **Other**

ELFT developed a teaching and training tools web-platform for primary care mental health: [www.primary-mentalhealth-care.elft.nhs.uk](http://www.primary-mentalhealth-care.elft.nhs.uk) the website contains videos produced by service users to help practitioners understand their condition and their clinical needs: <https://vimeo.com/138186725>

ELFT has been awarded with a dissemination grant in relation to spreading findings from a local care pathway study, aiming to improve the mental health care for patients with somatic distress disorders; a one-day international symposium is organised for the 6<sup>th</sup> May: [www.mus.elft.nhs.uk](http://www.mus.elft.nhs.uk)

## **Participation in clinical research**

The number of participants from the East London NHS Foundation Trust recruited in 2015 to take part in research included on the National Institute of Health Research (NIHR) Portfolio was 1,063.

Throughout the 2015/2016 year, the Trust has been involved in 97 studies; of which 58 were funded studies included on the NIHR Portfolio, 19 were unfunded explorations such as pilot studies, plus 20 student theses.

During 2015, researchers associated with the trust have published over 75 articles in peer reviewed journals.

Further information regarding the research undertaken across the Trust, including a list of on-going and previous research is available: <https://www.elft.nhs.uk/Research>

## 2.6 Goals Agreed with Commissioners for 2015/16

### Use of the CQUIN Payment Framework

A proportion of East London NHS Foundation Trust's income in 2015/16 was conditional on achieving quality improvement and innovation goals agreed between the Trust and the local Clinical Commissioning Groups (CCG) for the provision of NHS services, through the Commissioning for Quality and Innovation payment framework. The CQUIN Scheme for Adult and Older Adult Mental Health Services constitutes £2.9 million.

In addition, ELFT delivers against CQUINs across all areas of provision specialist commissioning for ELFT forensic, mother and baby and inpatient CAMHS services, Newham community services and IAPT services. In 2015/16 this also includes Luton & Bedfordshire services.

Further details of the agreed goals for 2015/16 and for the following 12 month period are available electronically on the website: <http://www.eastlondon.nhs.uk/> or on request from the Trust secretary.

- The table below summarise the Trust's position on delivery of 2015/16 **East London Mental Health** CQUIN targets.

*East London Mental Health CQUINs and performance*

Goal Number	Goal Name	Description of Goal	Trust Performance
1	Improving Physical health to reduce premature mortality in people with Severe Mental Illness.	a. To demonstrate full implementation of appropriate processes for assessing, documenting and acting on cardio metabolic risk factors in inpatients with psychoses and community patients in Early Intervention psychosis teams.	ACHIEVED
		b. 90% of patients should have either an updated CPA i.e. a care programme approach care plan or a comprehensive discharge summary shared with the GP. A local audit of communications should be completed.	ACHIEVED
2	Improve the physical health of users of mental health services by providing smoking cessation support	a. Provider to implement a comprehensive programme of training in smoking cessation for staff so that at least a third of professional staff have been trained in a recognised brief intervention protocol.	PART PAYMENT
		b. Nicotine smoking status of service users recorded in at least 75% of electronic patient records.	ACHIEVED
		c. At least 2% of service users are involved in agreeing and adopting a care plan intervention for smoking cessation.	ACHIEVED
3	Improving physical health to reduce premature mortality in people with Mental Illness in ASOTs and CTOs	a. This indicator enhances the national indicators 1a and 1b to deal specifically with patients in AOTs and on CTOs.	ACHIEVED
		b. 90% of patients should have either an updated CPA i.e. a care programme approach care plan or a comprehensive discharge summary shared with the GP. A local audit of communications should be completed.	ACHIEVED

4	Complete package of lifestyle care for all initiations of antipsychotics	Provider to improve the identification of lifestyle care needs of patients and work with existing other providers, for example, in facilitating external providers use of ELFT services.	ACHIEVED
5	Staff training and improvement in the utilisation of the Lester Tool	a. Improve the levels of staff trained to use the Lester Tool	ACHIEVED
		b. In conjunction with the above indicator, the Lester Tool is to be visible and accessible to patients and staff in all consultation rooms and clinical areas of trust owned sites where patients are assessed.	ACHIEVED
6	Smoke Free Wards	Implement smoke free wards across the trust – Two Year CQUIN	ACHIEVED
7	Reduction in Staff Smoking	Two Year Indicator to assist a reduction of the percentage of staff that smoke	ACHIEVED
8	City & Hackney – Access and Waiting Time to Early Intervention in Psychosis	That, by 1 April 2016, 75% of people experiencing a first episode of psychosis will be assessed by a trained member of the EIS team within two weeks of referral.	ACHIEVED

- The table below summarise the Trust's position on delivery of 2015/16 **Luton Mental Health** CQUIN targets.

*Luton Mental Health CQUINs and performance*

Goal Number	Goal Name	Description of Goal	Trust Performance
1	Improving Physical health to reduce premature mortality in people with Severe Mental Illness.	a. To demonstrate full implementation of appropriate processes for assessing, documenting and acting on cardio metabolic risk factors in inpatients with psychoses and community patients in Early Intervention psychosis teams.	ACHIEVED
		b. 90% of patients should have either an updated CPA i.e. a care programme approach care plan or a comprehensive discharge summary shared with the GP. A local audit of communications should be completed.	ACHIEVED
2	Psychiatric Liaison Service	A process of joint working and development work between ELFT and L&D Hospital. Key items of work included ELFT rolling out a training programme throughout the year to A&E Clinical Staff at all levels and setting up shared access to electronic systems. The overall objective of this CQUIN was to integrate the two services and reduce Mental Health related re-attendance at A&E.	<b>PART PAYMENT</b>
3	Awareness of Community Psychiatry in Black and Minority Ethnic Populations		ACHIEVED
4	360 Feedback use in Nurse Appraisals		ACHIEVED

- The table below summarise the Trust's position on delivery of 2015/16 **Bedfordshire Mental Health CQUIN** targets.

*Bedfordshire Mental Health CQUINs and performance*

<b>Goal Number</b>	<b>Goal Name</b>	<b>Description of Goal</b>	<b>Trust Performance</b>
1	<i>Improving Physical health to reduce premature mortality in people with Severe Mental Illness.</i>	a. <i>To demonstrate full implementation of appropriate processes for assessing, documenting and acting on cardio metabolic risk factors in inpatients with psychoses and community patients in Early Intervention psychosis teams.</i>	ACHIEVED
		b. <i>90% of patients should have either an updated CPA i.e. a care programme approach care plan or a comprehensive discharge summary shared with the GP. A local audit of communications should be completed.</i>	ACHIEVED
2	<i>IAPT</i>	<i>Development of access strategy to include a marketing programme and specific focus on BME and Over 65s populations</i>	ACHIEVED
3	<i>Transformation Plan</i>	<i>This CQUIN reported against the wholesale transformation of services following the acquisition of the contract</i>	ACHIEVED

The full report for Forensic Services, Child and Adolescent Mental Health Services, Newham Talking Therapies and Community Health Newham are available upon request from the Trust secretary.



## 2.7 What Others Say about the Trust

### Care Quality Commission inspection of Forensic Services Directorate - John Howard Centre

The CQC last inspected forensic wards provided by ELFT at the John Howard Centre in December 2012. The CQC carried out that inspection under our previous inspection regime. Consequently, the CQC did not rate the service. The service complied with all the regulations checked at that time.

The CQC will rate forensic wards at our next comprehensive inspection of East London Mental Health Foundation Trust.

The CQC carried out this focused inspection on 11 November 2015 in response to information we had received about the safety of the service. Some patients had gone absent from the service without leave. Additionally, in July 2015, there was a serious disturbance on Westferry ward.

#### The inspection was focused on checking whether the service was meeting the required standards in relation to:

- How staff managed risks to ensure the service was safe.
- Patient involvement in planning their care and treatment.
- Patient access to activities.

#### The inspection found:

- The service robustly assessed and managed risks. The service obtained information about each patient prior to their admission. This included detailed information on risk. Ward staff developed plans to manage risks to the patient and others which were put into practice as soon as the patient was admitted. The multi-disciplinary team (MDT) on each ward regularly reviewed risks and amended management plans to ensure they were effective.
- The MDT kept patient leave arrangements under constant review. Patients were only granted leave when staff had followed trust procedures and made the appropriate safety checks.
- The trust had undertaken detailed investigations when patients had gone absent from the service and after the disturbance on Westferry. The trust had ensured the learning from these investigations had been shared with staff to improve the security of the service.
- Staff safely administered patients' medicines.
- The MDT assessed each patient's needs and developed a comprehensive care plan. Patients' mental and physical health needs were effectively met.
- Staff had the appropriate skills and knowledge in relation to working with patients in a forensic service.
- Staff supported patients to plan and review their care.
- Staff treated patients with dignity and respect.
- Patients reported that they were able to participate in a range of activities.

The Trust is committed to welcoming and learning from the expertise and guidance from the Care Quality Commission through the identification of both good practice and that which can be improved upon following visits and inspections.

**The CQC will undertake a full inspection of East London NHS Foundation Trust in June 2016**

## 2.8 Data Quality

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

Information Quality Assurance:

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

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

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

East London NHS Foundation Trust submitted records during 2015/16 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data taken from local RiO data as of 31<sup>st</sup> March 2016 which included:

	Inpatient Mental Health	Community Mental Health	Inpatient CAMHS	Community CAMHS	CHN	Addiction Services
Patient's valid NHS number ELC	97.8%	99.5%	100.0%	100.0%	99.4%	94.0%
Bedfordshire	99.6%	100.0%				
Luton	99.4%	100.0%				
Patient's valid General Medical Practice Code ELC	94.4%	98.0%	100.0%	99.0%	88.5%	97.7%
Bedfordshire	96.9%	99.6%				
Luton	93.6%	99.0%				

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

- Deployment of 'Open RiO' across mental health services
- Monthly performance management meetings
- Expansion of RiO community systems
- Migration of CAMHS legacy system to RiO
- Major initiatives to embed captured Mental Health Tariff clusters.

## 2.8.1 Information Governance Toolkit attainment levels

East London NHS Foundation Trust's national Information Governance Toolkit assessment compliance rating for 2015/16 was **74%**. The Trust achieved Level 2 or above for all Requirements except one (112 information governance training) resulting in an overall 'Not Satisfactory' rating'.

## 2.8.2 Clinical coding error rate

East London NHS Foundation Trust was recently audited for Clinical Coding by D&A Consulting. The audit evaluated the standard of coding using the NHS Health and Social Care Information Centre (HSCIC) Clinical Coding Audit Methodology Version 8.0 and was undertaken by accredited clinical coders who are registered NHS approved Clinical Coding Auditors.

The sample taken for the audit at the East London NHS Foundation Trust amounted to 50 finished consultant episodes (FCEs) and covered the Adult Mental Illness, Old Age Psychiatry and Child and Adolescent specialties following National Clinical Coding Standards. The results should not be extrapolated further than the actual sample audited; the details of which services were reviewed within the sample are set out above. The Audit Results summary is as follows:

IG Audit	Primary diagnosis correct %	Secondary diagnosis correct %	Primary procedure correct %	Secondary procedures correct %	Unsafe to Audit %
2012/13	94.00%	83.65%	N/A	N/A	0
2013/14	98.00%	96.24%	N/A	N/A	0
2014/15	96.00%	89.58%	N/A	N/A	0
2015/16	94.00%	89.50%	N/A	N/A	0

The results of the audit demonstrate an excellent standard of diagnostic coding accuracy in the classification of both primary and secondary diagnosis coding, with both areas exceeding Information Governance requirements for Level 3.

### Duty of Candour

Secondary care providers in England registered with the CQC are now subject to a statutory Duty of Candour. Although clinicians already have an ethical responsibility to be open and honest, the Duty of Candour is an organisational responsibility. This new regulatory requirement was introduced in November 2014 in response to the findings of the Francis Inquiry and the Berwick Review which recommended the enforcement of fundamental standards to prevent problems like those at Mid Staffordshire and Winterbourne.

The Duty of Candour applies when moderate or severe harm occurs as a result of a notifiable safety incident. It also applies to the death of an individual where the death relates to the incident rather than a natural cause or underlying condition. The Trust uses the harm fields on Datix to identify incidents falling within the scope of the Duty of Candour.

The Duty of Candour means we should be open and honest with patients or their representatives when something goes wrong that causes, or has the potential to cause moderate or severe harm, or distress. In your professional capacity you have an important role to play in making sure patients or their relatives receive a full and open explanation, an apology and appropriate support.

*What is the Duty of Candour?*

- A new legal duty on Trusts to inform and apologise to patients and / or their family if there have been mistakes in care that have led to moderate or severe harm, or death
- Having truthful, accurate and open discussions with the patient or their family when things go wrong to help them understand what has happened
- Apologising – verbally as soon as the incident happens and then in writing, clearly stating we are sorry for the suffering and distress caused
- Following up with the patient or their family as investigations evolve
- Documenting those communications

*What the Duty of Candour is not*

- An apology or explanation is not an admission of liability
- It is not about being defensive
- It is not speculation – Candour is about facts. Never speculate - agree to provide the information later

*What is harm?*

- Some incidents have an obvious ‘harm’ threshold – death including suicides and homicides, Grade 3 and 4 pressure ulcers
- Some are less obvious – medication incidents, violence and aggression
- When you complete an incident form you decide whether or not harm has occurred and complete the ‘harm’ dropdown box appropriately –the Help function on Datix provides guidance

*Who should say sorry?*

- A senior member of the team where the harm occurred should speak to the patient or their family as soon as possible and follow this up in writing
- The apology should include a dedicated contact in case patients or their family want to get in touch. If necessary include an explanation about next steps
- If there is a subsequent serious incident investigation, the lead SI reviewer will contact the patient or their family when the investigation commences

*Where should you record your apology?*


- Record the dates of your verbal and written apologies in the ‘Additional information’ box on Datix and on the patient’s clinical record
- If it hasn’t been possible to give an apology record the reason why in the ‘Additional information’ box
- Attach your written apology to Datix and in the patient’s clinical record

**ELFT’s commitment to the five ‘Sign up to Safety’ pledges**



- 1. Putting safety first.** Commit to reduce avoidable harm in the NHS by half and make public our locally developed goals and plans
- 2. Continually learn.** Make our organisation more resilient to risks, by acting on the feedback from patients and staff and by constantly measuring and monitoring how safe our services are
- 3. Being honest.** Be transparent with people about our progress to tackle patient safety issues and support staff to be candid with patients and their families if something goes wrong
- 4. Collaborating.** Take a lead role in supporting local collaborative learning, so that improvements are made across all of the local services that patients use
- 5. Being supportive.** Help people understand why things go wrong and how to put them right. Give staff the time and support to improve and celebrate progress.

The Trust signed up to the campaign in July 2014. The trust has embraced the relevant components of this work by ensuring that safety are key priorities of the Quality Improvement work, for example, reduction in pressure ulcers and reducing violence on wards: <https://qi.elft.nhs.uk/current-qi-projects/>



## PART 3 – Review of Quality Performance 2015/16

### 3.1 Review of Priorities for 2015/16

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

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

This quality report will detail the key achievements and a summary of progress across indicators. Each indicator is described in respect of improvements achieved during the year, and the identification of further improvements required during 2016/17.

#### 3.1.1 Quality Indicators for 2015/16

The quality indicators set out below were developed in partnership with our key stakeholders, such as service users, carers and representative groups across the four boroughs and cover those three main domains. By focusing our time and resources on these priorities, the Trust has been able to achieve each of the targets. This is why we have chosen to maintain this focus for 2016/17.

#### The Quality Indicator priorities 2015/16

Quality Indicator	Area	Rationale	Status
1 Development of Quality and Safety Dashboards at ward/team level	Right Care (Clinical Effectiveness)	Being led by ELFT Informatics Team. This work will provide Trust, Borough and team level data across a range of domains to facilitate greater understanding of the key areas of improvement and whether any changes which are being implemented are resulting in measurable change. A vital tool in the 'plan, do, study, act' methodology.	Directorate level views available for all directorates. The new software is now fully integrated with the data warehouse which will support ward and team-level views.
2 Implementation of real-time PREM data collection methods in 50% of trust services	Right Care (Patient Satisfaction)	Patients and carers are at the heart of everything we do. Without up-to-date and reliable information from the people who use our services will be unable to know whether the changes are leading to improved levels of service satisfaction.	The trust has successfully implemented real-time Patient Reported Experience Measures (PREM) across ALL East London inpatient mental health services and ALL community health services in Newham. Roll-out across East London community mental health services as well as mental health services in Luton and Bedfordshire will be complete by June 2016. Web-based options for feedback are also available for all trust services

3	<p>A. To eliminate grade 3 and 4 pressure ulcers acquired in our care by December 2014</p> <p>B. Reduce grade 2 pressure ulcers acquired in our care by 30% by December 2014</p>	Reducing Harm (Patient Safety)	Stretch aims to be achieved through use of IHI Model for Improvement though iterative PDSA cycles. The pressure ulcer team are focussing on reliably implementing the SSKIN bundle of care throughout the entire organisation.	Currently we are observing a 66% reduction in grade 2 pressure ulcers since the project began in 2014 and a 10% reduction in grade 2-4 pressure ulcers.
4	To reduce violent incidents in the Trust by 30%.	Reducing Harm (Patient Safety)	Stretch aims to be achieved through use of IHI Model for Improvement though iterative PDSA cycles. The violence reduction team are focussing on implementing a bundle of care that includes use of the Brosset Violence Checklist throughout the organisation.	Across all 4 acute wards in Tower Hamlets we are now observing a 57% reduction in the rate of violence over the last year.
5	200 staff to be trained face to face in Quality Improvement methodology.	Staff engagement	Sequencing and timing to be determined following input from our newly appointed strategic partners.	Pocket QI commenced in Oct 15 and aims to have 200 people trained by Dec 16. 480 people have completed the ISiA. 29 QI Coaches have been trained.

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

### 3.1.2 A selection of positive stories from across the Trust

- **Bedfordshire and Luton Mental Health & Wellbeing Services**

Commissioned by Bedfordshire and Luton CCGs the Trust has provided these services since April 2015. They are managed by a dedicated Senior Team and two integrated Directorate Management Teams to facilitate closer relationships and pathways between Child and Adolescent, Adults, Older Adults, Recovery and Learning Disability.

By putting the Trust's values at the heart of day-to-day working the Senior Team learn from local good practice to deliver quality improvements, for example:

- More adult acute beds and a new male Psychiatric Intensive Care Unit, reducing out of area placements and improving the experience of service users, their carers and families
- Improved inpatient care through 'this is me' care planning, ward BME focus groups and service user feedback sessions
- Access to psychological treatments for Bedfordshire residents from our new Wellbeing Service (IAPT) and treating all people on the waiting list we inherited
- Improved access to Child and Adolescent Mental Health Services and significant reductions in waiting times
- Greater service user and carer co-production with the introduction of People Participation plans, supported by dedicated full-time leads
- An electronic patient record by deploying RiO across all sites

- Reducing vacancies and reliance on bank and agency staff by recruiting over 550 new staff
- More training and development opportunities for our staff

Building on these in 2016/17, the Trust will continue to improve services by using the Quality Improvement Programme. This will include on-going refurbishment of our buildings, particularly community venues, to provide high quality environments. Not only enhancing the everyday experience we believe this strengthens engagement with our staff and service users to continue the transformation of community services and primary care liaison, fostering our One Trust approach.

- **Newham Transitional Practice (NTP) – A General Practice with a Difference**

NTP operates general practice services at two sites in Newham delivering holistic, empathetic non-judgemental healthcare to mainly disadvantaged and vulnerable groups: refugees, asylum seekers, new entrants, migrants, homeless, sex workers, probationers, and drug & alcohol misusers. Many patients have very limited English language and therefore many appointments take place with an interpreter.

NTP are the only practices in Newham which do not require proof of I.D. and address in order to register, thus facilitating access to healthcare for many people who otherwise could not access a GP and would present instead at A&E.

NTP has 4800 patients - improved case finding has increased the prevalence of several diseases as follows:

	2013	2015
<b>Type 2 diabetes</b>	135	264
<b>Hypertension</b>	212	437
<b>Mental health</b>	41	77
<b>COPD</b>	11	21

Early detection of these illnesses will greatly improve both the quality of life and life expectancy.

NTP also provides GP consultations to mental health adult in-patients in Newham, Tower Hamlets and City & Hackney. Mental health staff are able to discuss any physical health concerns with a GP in person or over the telephone. All new in-patients are booked to see the GP for a health check where any health problems can be identified and treatment started.

The Team consists of GPs, Practice Nurses, a Health Care Assistant, a Nurse for the Homeless, TB screening nurses, Receptionists and a Service Manager. The clinicians have expertise in mental health, substance misuse and in particular how to work best with these vulnerable groups. The service offers flexible appointments to help people with chaotic lifestyles e.g. the nurse for the homeless can bring a patient along to see the GP at the end of surgery without an appointment if necessary.

The Nurse for the Homeless provides outreach clinics to various hostels and day centres. The Nurse can deal with dressings, suture removal and checks that patients are taking their chronic disease medication. She also facilitates registration with the GP and has accompanied patients to hospital appointments to give them some confidence to attend.

NTP works closely with voluntary groups such as Refugee and Advice Project, Anchor House, church groups and Doctors of the World.

The health inclusion nurses provide TB screening and BCG vaccination for 5 –16 year olds who may have missed out on this screening as it is not routinely carried out in all borough and countries. This important intervention ensures 'herd immunity' and protects children.

NTP have worked with the Prison Service and probationers to effect a smooth transition from prison healthcare to general practice. Previously clients would turn up to NTP with no medical summary or medication history. The GP would be unable to prescribe certain medications without some history and this could lead to confrontation and patient dissatisfaction. Now the transition is much improved

with nurse consultations and registration taking place at the hostel and the GP having advanced sight of a medical summary.

The NTP model works on the basis of access and equality of healthcare to all irrespective of their background. The culture of staff development has seen many nurses develop their skills to become prescribers and nurse practitioners. Receptionists have been inspired to become nurses themselves. The Team are committed and dedicated which has resulted in the long term existence of the service that has adapted to the ever changing demographic in Newham

- **CHN Health visiting**

The service has implemented an additional two contacts (at 2 weeks following the existing new birth visit and at 6-8 weeks). These are proving beneficial to parents as extra support and help to both build a relationship with families and show good outcomes for children.

The introduction of specialist health visitors in several areas in the wider Children's Service (e.g. Child Development Service for disabled children, the Sickle Cell and Thalassaemia Service, an HIV specialist and specialists in perinatal mental health) ensure that families in those teams have one health care key worker.

The specialist health visitors have an educational as well as a care co-ordinating role in relation to families affected by these conditions.

The service implemented a Saturday clinic to improve accessibility during week-ends.

The service operates to a set of procedures and policies. It has a preceptorship programme and offers health visitors the opportunity to become part of an action learning set.

The increase in the workforce (as part of *Call to Action*) has increased staff capacity in the service.

The service has full corporate membership of the Institute of Health Visiting which allows staff free access to learning materials online.

Below are examples of patient feedback collected on the tablet devices:

- *"The health visitor is very knowledgeable and supportive and made us feel very comfortable and valued*
- *"The health visitor was reassuring and listened to my concerns*
- *"The health visitor was very friendly and provided all the information I needed. She always took interest in me as well not just the baby, she made me feel welcome and someone to easily talk too*
- *"Father of child - I find HV useful information. HV advised us on diets and nutrition now seen at Altmore Children Centre, HV advice was good*

The service has implemented the ASQ3 (Ages and Stages Questionnaire) and updated RiO to allow recording of the scores. In February the health visiting service implemented the 2 year health review assessment. The service continues to offer the 2 ½ year review assessment, with the aim of completing the catch up programme over the next six months, at which point the universal offer will be at 2 years with the scope for further follow ups before the child reaches 2 ½ years.

In the next year the service will re-design its model to integrate fully with other early years services commissioned and provided by the local authority. The model will require further provision of services from Children's Centres as well as a continuation of the existing home visiting and clinic based model.

The service aims to implement the eRedBook (a parent held child health record) on a pilot basis to, initially, complement the paper version of the RedBook. The service is already one of the national pilot development sites for the eRedBook.



The service will work closely with the London Borough of Newham to join up the health visiting two year development check with that provided by schools as an integrated review.

Specialist health visitors for perinatal and infant mental health will train all health visitors to use the Edinburgh Postnatal Depression Score (EPDS) assessment tool and implement it across the service.

An infant feeding coordinator will lead on breastfeeding training with the aim of increasing breastfeeding initiation and sustainability rates.

The service will introduce a guide for managing minor illnesses.

- **Official launch of new Mental Health Academy**

The official launch of a new Mental Health Academy and Recovery College for Bedfordshire and Luton has been held at the University of Bedfordshire to celebrate the academy project it is running in partnership with the Trust.



The scheme will see existing ties between the two organisations strengthened through a formal partnership that will reinforce a culture of best practice, academic research and shared knowledge.

It will also see free Recovery College courses run from locations across Bedfordshire and Luton promoting wellbeing and offering relevant, real-life help and support for everyone. They will be delivered by service users, University staff, University students and staff from the Trust which delivers mental health services across the county as Bedfordshire and Luton Mental Health and Wellbeing Services.

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

## 3.1.3 Good Quality Care across the Trust

### Monitor Assurance

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

The figures below show the trust has exceeded all national targets. As set-out in section 2.8 the Trust considers that this data is as described for the following reasons; the trust has data quality arrangements in place which ensure the Trust's Commissioners, Trust Board and Information Governance Steering Group receive regular reports on data quality/completion rates against agreed targets. The IG Steering group receive and review performance on data quality benchmarked across London and nationally – including the use of the national data quality dashboard.

Monitor Target	1. CPA inpatient discharges followed up within 7 days (face to face and telephone)	2. Patients occupying beds with delayed transfer of care - Adult and Older Adult	3. Admissions to inpatient services had access to crisis resolution home treatment team
<b>Target 2015/16</b>	95%	7.5%	95%
<b>Q1</b>	97.3%	1.9%	99.4%
<b>Q2</b>	98.6%	2.4%	99.9%
<b>Q3</b>	97.8%	3.1%	99.9%
<b>Q4</b>	96.5%	3.5%	99.7%
<b>2015/16 YTD to Q4</b>	97.5%	2.8%	99.9%

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

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

The Trust has successfully reached all monitor targets for 2015/16. The data presented above is in line with national averages, for example, national CPA inpatient discharges followed up within 7 days data are 97.0%, 96.8%, 96.9% and 97.2% for Quarters 1 to 4 respectively. The average occupancy rate for general and acute beds in England open overnight was 91.2% in Quarter 4 2015/16 compared with 89.1% in Quarter 3 2015/16. It should be noted, to calculate the figure for 7 Day follow-up, the Trust excludes Older Adult, Forensic and Rehabilitation services due to the clinical nature of the patient population and the structure of the services.

### Patient Safety

The number of 'patient safety incidents' indicator is reliant on staff reporting incidents and there is a degree of clinical judgement regarding the classification of harm associated with any incident. The Trust undertakes regular reviews of these data. As such the figures presented here may vary from those currently held by the NRLS. The trust benchmarks itself against other trusts in order to review and improve reporting practice.

The total number of patient safety incidents, including the percentage of such incidents that resulted in severe harm or death	2014/15	2013/14	2012/13
<ul style="list-style-type: none"> <li>Total incidents reported</li> </ul>	<ul style="list-style-type: none"> <li>8981</li> </ul>	<ul style="list-style-type: none"> <li>8774</li> </ul>	<ul style="list-style-type: none"> <li>8064</li> </ul>
<ul style="list-style-type: none"> <li>Incidents identified as 'patient safety incidents' (as per NPSA definition)</li> </ul>	<ul style="list-style-type: none"> <li>4043</li> </ul>	<ul style="list-style-type: none"> <li>4119</li> </ul>	<ul style="list-style-type: none"> <li>2631</li> </ul>
<ul style="list-style-type: none"> <li>Of which resulted in severe harm or death</li> </ul>	<ul style="list-style-type: none"> <li>28* (0.69%)</li> </ul>	<ul style="list-style-type: none"> <li>27 (0.65%)</li> </ul>	<ul style="list-style-type: none"> <li>7 (0.3%)</li> </ul>

\*Plus three homicides

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

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

The table below details each of the Trust's Monitor Indicators for the last two reporting periods. The data are presented as Quarter 4 figures.

Monitor Target	Target 2015/16	Actual 2015/16 (Q3)	Actual 2015/16 (Q4)	Actual 2015/16 (Q4)
Mental Health Patients occupying beds with delayed transfer of care - Adult & Older Adult (Only CAMHS excluded)	7.5%	3.1%	3.5%	
Admissions made via Crisis Resolution Teams (end of period)	95.0%	99.9%	99.7%	
Number of adult CPA patients meeting with care-coordinator in past 12 months	95.0%	87.4%	93.3%	
Access to healthcare for people with a learning disability – report compliance to CQC	Self-Assessment Completion	19	19	
Newly diagnosed cases of first episode psychosis receiving Early Intervention Services	236	479	508	This is not Monitor Target but SDB and target have increase due to L&B
Completeness of Mental Health Minimum data set – PART ONE	97.0%	98.6%	99.5%	
Completeness of Mental Health Minimum data set – PART TWO	50.0%	89.3%	83.1%	
Referral to treatment time within 18 weeks (non-admitted patients)	95.0%	100.0%	100.0%	
Maximum time of 18 weeks from point of referral to treatment (patients on incomplete pathways)	92.0%	N/A	N/A	Removed from Monitor for 2015/16
A&E Clinical Quality - Waiting time in A&E	95.0%	96.2%	N/A	UCC no longer managed by ELFT from March 16
MRSA bloodstream infections - reported instances	0	N/A	N/A	Removed from Monitor for 2015/16
Reduction in Clostridium Difficile - reported instances	0	1	1	This is a YTD figure
<b>Monitor Targets - Community Information Data Set (CIDS - Data Completeness)</b>				
Community Referral to treatment information	50%	100.0%	100.0%	
Referral information	50%	66.1%	66.7%	
Activity information	50%	82.2%	84.4%	
Meeting commitment to serve new psychosis cases by early intervention teams NEW measure (Scored from Q4 2015/16)	50%		84.9%	New for 2015/16

Improving Access to Psychological Therapies - Patients referred with 6 weeks NEW measure (scored from Q3 2015/16)	75%	84.0%	76.0%	New for 2015/16
Improving Access to Psychological Therapies - Patients referred with 18 weeks NEW measure (scored from Q3 2015/16)	95%	94.0%	92.0%	New for 2015/16

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

## 28 Day Re-admission rates

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

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

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

### Total discharges

Period	Number of Clients (0 to 14)	%age of Clients (0 to 14)	Number of Clients (15 or Over)	%age of Clients (15 or Over)	Discharges
2011/12	0	0	270	8.1	3332
2012/13	1	7.1	262	7.6	3468
2013/14	0	0	238	6.5	3650
2014/15	0	0	185	5.1	3603
2015/16 (YTD)	0	0	444	7.9	5648

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

### Based on Cohort Age (0 to 14)

Period	Number of Clients (0 to 14)	Discharges	%age of Clients (0 to 14)
2011/12	0	16	0
2012/13	1	14	7.1%
2013/14	0	21	0%
2014/15	0	20	0%
2015/16 (YTD)	0	17	0%

### Based on Cohort Age (15 and Over)

Period	Number of Clients (15 Over)	Discharges	%age of Clients (15 and Over)
2011/12	270	3316	8.1%
2012/13	262	3454	7.6%
2013/14	238	3629	6.5%
2014/15	185	2583	5.1%
2015/16 (YTD)	444	5648	7.9%

## Care Programme Approach (CPA)

The CPA is the framework through which care and treatment is delivered for a large proportion of the Trust's service users. The table below containing Quarter 4 data shows that for the vast majority of services users on CPA their care plans are kept up to date. However, the proportion of service users on CPA who are seen every month is below the level we would hope to achieve. Increasing contact time is one of the Trust's priorities for the year ahead. The Trust is also implementing new ways of working using a more recovery focused approach. This will include closer collaborative working with service users and carers, and include a formal review of CPA patients every twelve months.

Indicator	Target	Actual Performance
CPA patients – care plans in date (documents 12 months old)	95%	85.1%
CPA patients – care plans in date (documents 6 months old)	N/A	76.9%
% CPA patients seen per month – face to face only	85%	88.7%

Trust figures for CPA are down on 2014/15 levels, however, this is due to the integration of Luton & Bedfordshire services and caseload.

### Safeguarding Adults and Children

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

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

#### CPA Audit Tool – Safeguarding Children Standards

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

#### 'Safeguarding Children Level 1' training compliance

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

#### Safeguarding Children Level 1

Total	Number of staff	Number of staff attended	% compliance
2011/12	3,592	3,404	94.8%
2012/13	3,653	3,454	94.6%
2013/14	3,502	3,383	96.6%
2014/15	3,324	3,198	96.4%
2015/16	988	956	96.8%

#### 'Safeguarding Adults' training compliance

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

Total	Number of staff	Number of staff attended	% compliance
2011/12	3,592	2,913	81.1%
2012/13	3,580	2,978	83.2%
2013/14	3,502	2,831	81.7%
2014/15	3,449	2,523	73.2%
2015/16	4,521	3,953	87.4%

#### **‘Health and Safety’ training compliance**

Total	Number of staff	Number of staff attended	% compliance
2011/12	3,592	2,969	82.7%
2012/13	3,653	2,627	71.9%
2013/14	3,482	2,619	75.2%
2014/15	3,464	2,685	77.5%
2015/16	4,530	4,182	92.3%

#### **‘Manual Handling’ training compliance**

Total	Number of staff	Number of staff attended	% compliance
2011/12	2,901	2,684	92.5%
2012/13	3,653	3,451	94.5%
2013/14	2,808	2,603	92.7%
2014/15	2,711	2,202	81.2%
2015/16	3,677	3,401	92.5%

#### **‘Fire Safety (including fire marshal)’ training compliance**

Total	Number of staff	Number of staff attended	% compliance
2011/12	3,592	2,665	74.2%
2012/13	3,653	2,434	66.6%
2013/14	3,479	2,278	65.5%
2014/15	2,393	1,640	68.5%
2015/16	1,301	913	70.2%

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

#### **Incident data**

	Prescribing error	Dispensing error	Administration error	Chart not signed	Medication availability	Other	Total
<b>2013/14</b>	44	41	180	0	11	55	329
<b>2014/15</b>	44	75	178	0	29	19	345

<b>2015/16</b>	65	128	225	0	29	35	482
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Dispensing errors have increased in number but have decreased as a percentage of the total number of items dispensed. The dispensing activity has increased by 30% in the last year, and the increase in number of dispensing errors is reflected in this. Medicines incidents continued to be reported via the Trust DATIX system and discussed at local Medicines Safety Groups. Measures then are taken to minimise risk and repetition of incidents.

### Training Compliance

All non-mental health nursing staff and pharmacy staff are to receive medicines safety training. This increases awareness of how to minimise risks around the prescribing, dispensing and administration of medicines.

### Medicines Safety

	% compliance
Total	88.7%

The Trust uses an e-learning programme to provide this training, as such we have seen significant increases in compliance rates.

### Medicines Reconciliation

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

The Trust reviewed and updated the Medicine Reconciliation policy in 2015/16. Staff can access this via the intranet.

Medicines Reconciliation 2015/16		
Directorate	Complete (%)	comments
City and Hackney	96.7%	
MHCOP	99.0%	(with Luton MHCOP removed from reporter data)
Newham	98.6 %	
Tower Hamlets	98.1%	
Forensics	100%	
<b>Trust Total</b>	98.5%	

## Meeting the Needs of People with a Learning Disability

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

Ref	Standards	Trust Score 2014
A	Does the NHS foundation trust have a mechanism in place to identify and flag patients with learning disabilities and protocols that ensure that pathways of care are reasonably adjusted to meet the health needs of these patients?	4
B	Does the NHS foundation trust provide readily available and comprehensible information to patients with learning disabilities about the following criteria? <ul style="list-style-type: none"> <li>• Treatment options;</li> <li>• Complaints procedures; and</li> <li>• Appointments.</li> </ul>	3
C	Does the NHS foundation trust have protocols in place to provide suitable support for family carers who support patients with learning disabilities?	3
D	Does the NHS foundation trust have protocols in place to routinely include training on providing healthcare to patients with learning disabilities for all staff?	3
E	Does the NHS foundation trust have protocols in place to encourage representation of people with learning disabilities and their family carers?	3
F	Does the NHS foundation trust have protocols in place to regularly audit its practices for patients with learning disabilities and to demonstrate the findings in routine public reports?	3
<b>TOTAL SCORE (Max 24)</b>		<b>19</b>

### NOTES

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

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

For question b) the scoring is as follows:

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

## 3.2 Patient Feedback

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

The Trust collects service user and carer feedback using a variety of methods and measures. The primary measure is the Friends and Family Test (FFT) which is collected alongside appropriate Patient Reported Experience Measures (PREM) from all inpatient and community services across East London, Luton and Bedfordshire.

These data are typically collected using electronic devices such as 'tablets' or kiosks, however, it is also possible for service users and carers to complete identical feedback questions via the Trust

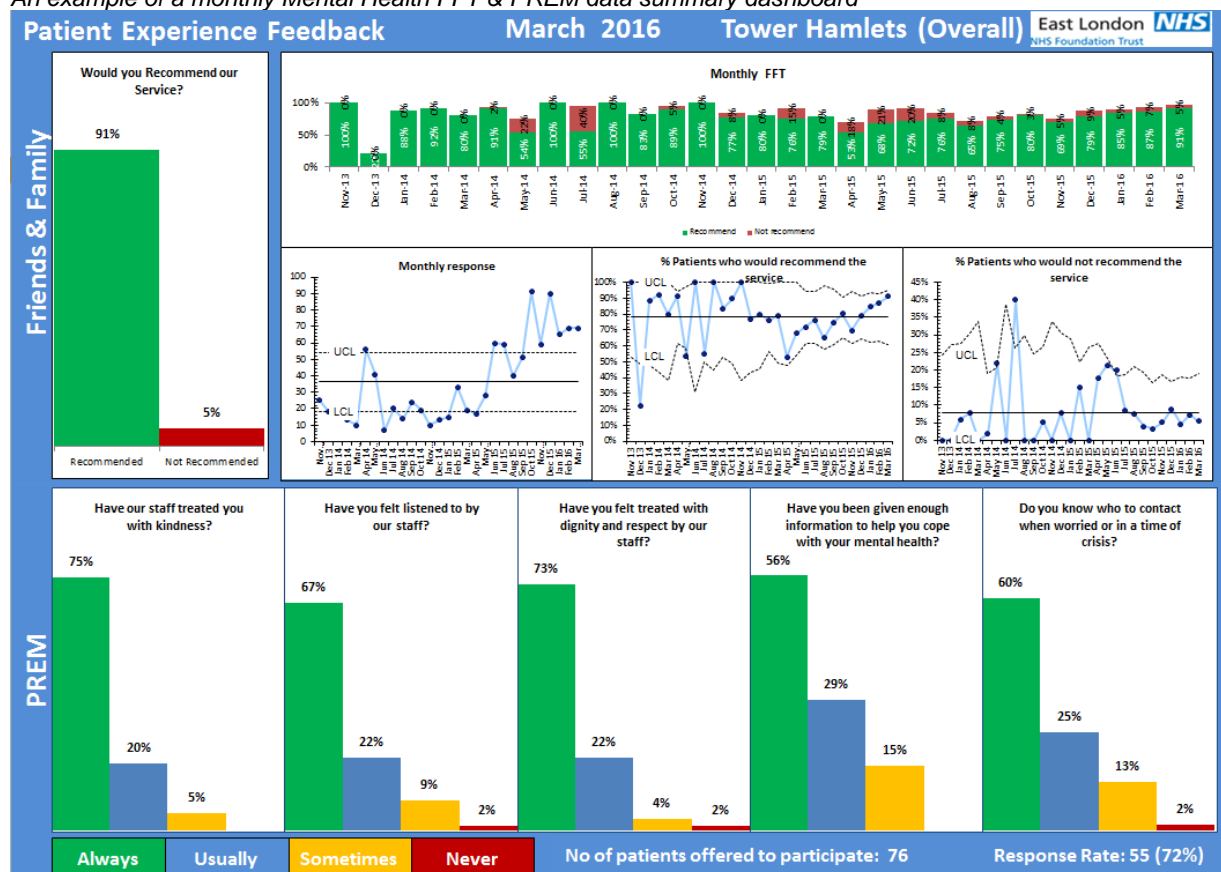


website. All questions are available in easy-read versions to ensure that all people are able to provide feedback.

The FFT and PREM data which are collected as part of an on-going process (any time, any day) are available to view by clinical and operational staff within 24hrs of collection. Presented below is a cover page from a monthly summary report which is used by staff to monitor feedback and identify changes to improve the quality of the service. All FFT data are uploaded and published Friends and Family Test scores via NHS England website.

Each ward or team gets a separate report with their specific data which includes the qualitative feedback (comments) and the actions the team are undertaking as a result of the feedback. The reports are subsequently printed and displayed in communal areas of the service.

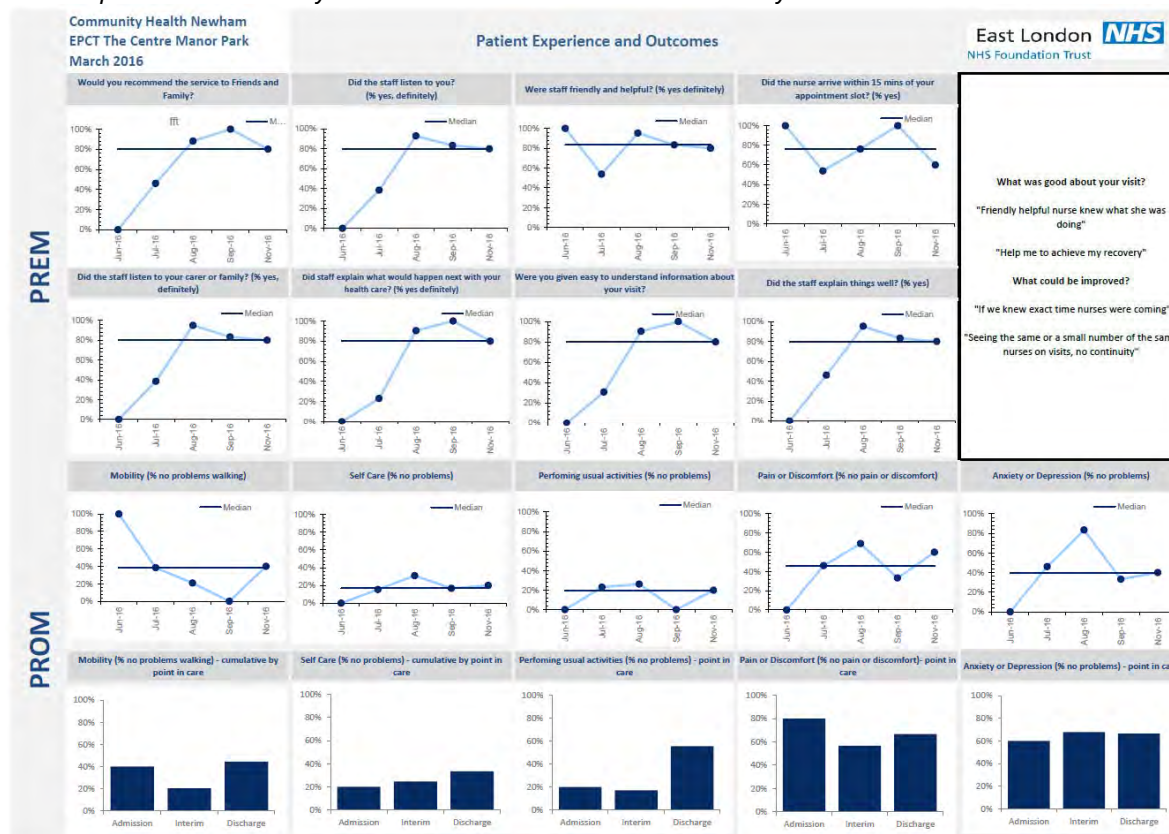
An example of a monthly Mental Health FFT & PREM data summary dashboard



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

Services across Community Health Newham (CHN) collect patient experience data, using the Department of Health Patient Experience questions (PREMs) which includes the Friends and Family Test (FFT) and the national EQ-5D tool (PROMs). A number of CHN services have included bespoke questions to the PROM tool, in order to refine the information obtained. Some areas such as Children’s services and Learning Disabilities are in the process of agreeing bespoke PROM questions.

An example of the Community Health Newham PREM & PROM summary dashboard



All services collect data via tablet devices, touchscreens and via the trust website. Results from PROMs and PREMs are circulated to teams and monitored by the CHN Quality Assurance Group.

### Mental Health – Inpatient Service User-Led Standards Audit (SULSA)

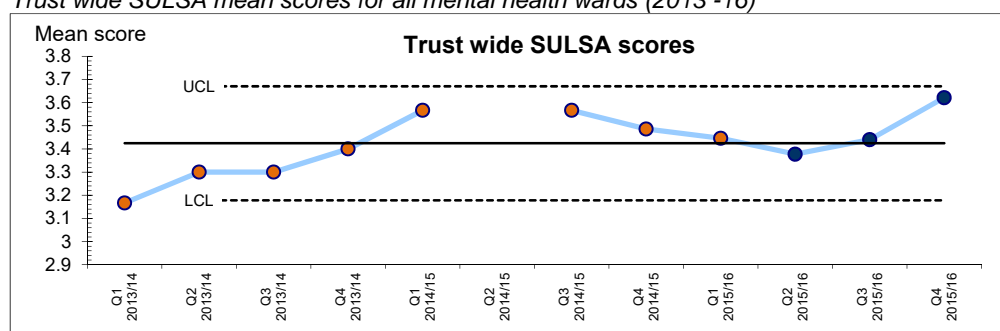
The Trust also collects patient feedback via a quarterly audit. The Service User-Led Standards Audit (SULSA) collects data across ten service user defined standards using 20 service user developed questions (two per standard).

The data are collected by current and former service users and carers using electronic 'tablet' devices from all inpatient wards. These auditors are part of the trust Quality Outcomes and Experience Team and are trained and supported to undertake this, and many other audits throughout the Trust.

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

The data presented below are 'mean scores' for each directorate against the standards listed below (rated 1-very poor to 5-excellent).

Trust wide SULSA mean scores for all mental health wards (2013 -16)



### CQC – Survey of people's experiences of community mental health services (2015)

The Trust also participates in the CQC National Community Mental Health Patient Survey. Although the response rate for this is relatively low, the feedback is often very positive. At the start of 2015, questionnaires were posted to 850 people who received community mental health services. Responses were received from 205 service users. The Trust's scores are compared against scores from other trusts nationally. This takes into account the number of respondents from each trust as well as the scores for all other trusts, and makes it possible to identify which scores we can confidently say are 'better' or 'worse' than the majority of other trusts.

CQC summary table of ELFT data compared to all other trust and data from the previous year

Patient survey	Patient responses	Compared with other trusts	Change since (2014/15)
Health and social care workers	7.6/10	About the same	-
Organising Care	8.7/10	About the same	- 0.1
Planning Care	7.2/10	About the same	- 0.2
Reviewing Care	7.7/10	About the same	- 0.1
Changes in who people see	7.1/10	About the same	- 0.4
Crisis Care	6.9/10	About the same	- 0.1
Treatments	7.5/10	About the same	- 0.4
Other areas of life	5.7/10	Better	+ 0.1
Overall views and experiences	7.4/10	About the same	-

Detailed data are available on the CQC website: <http://www.cqc.org.uk/provider/RWK/survey/6#undefined>

ELFT service user ratings are similar to last year across most domains. The areas where ratings have reduced, ELFT scores are still 'about the same' as most other mental health trust scores. It is noticeable that the gains made in last years (2014) survey were maintained in 2015. The Trust ratings are 'about the same' as national averages in eight of the nine domains and 'better' in one. The overall rating (6.8) is slightly down on last year's score.

### 3.3 ELFT 2015 NHS Staff Survey

The 2015 NHS Staff Survey results are encouraging with staff reporting high rates of job satisfaction and motivation, a strong sense of team working, a high level of support from line managers and good communication with senior managers.



Our score places us in the top five in the country for mental health and community trusts. Our staff engagement score remains high with a summary score of 3.93, well above the national average when compared with trusts of a similar type which is 3.81.

There are some excellent scores, and in some cases, the Trust has some of the best scores in the sector. For example, on staff looking forward to going to work, quality of appraisals, learning and development, and communication with senior management.

It is, however, a mixed picture as our lowest scores reflect that staff do not always feel there is the opportunity for career progression and consider there to be discrimination in the Trust. We also registered high scores for incidents of harassment, bullying and abuse. This area will be a particular focus of our action plan.

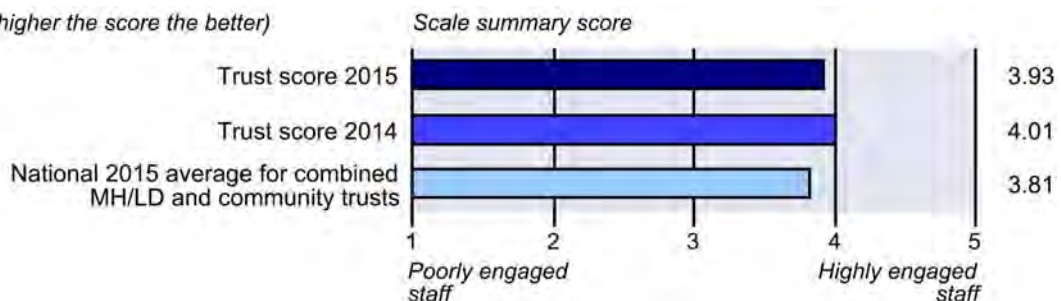
Our Quality Improvement Programme has supported staff throughout the Trust to really engage in making improvements in the workplace and I feel it has raised awareness and help us all to focus on tangible changes that add value to patient care and to our working lives.

#### Overall indicator of staff engagement for East London NHS Foundation Trust

The figure below shows how East London NHS Foundation Trust compares with other combined mental health / learning disability and community trusts on an overall indicator of staff engagement. Possible scores range from 1 to 5, with 1 indicating that staff are poorly engaged (with their work, their team and their trust) and 5 indicating that staff are highly engaged. The trust's score of 3.93 was **above (better than) average** when compared with trusts of a similar type.

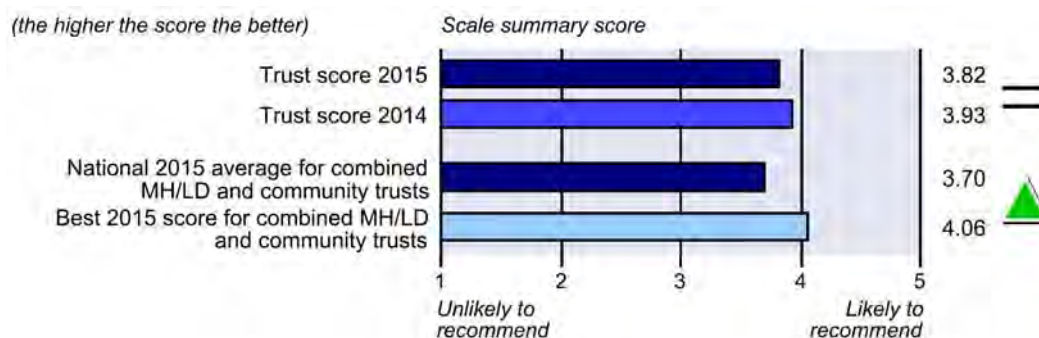
#### OVERALL STAFF ENGAGEMENT

(the higher the score the better)

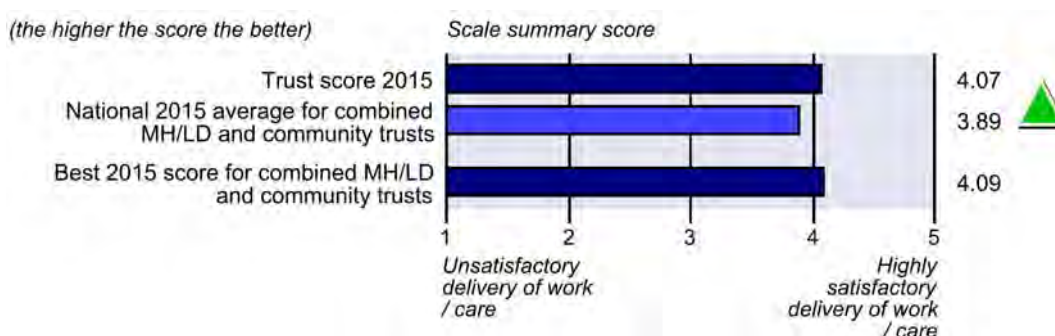


The table overleaf shows how the Trust compares with other mental health/learning disability trusts on each of the sub-dimensions of staff engagement, and whether there has been a change since the 2013 survey.

## Staff recommendation of the organisation as a place to work or receive treatment:



## Staff satisfaction with the quality of the work and patients care they are able to deliver:



### ELFT Staff Survey data compared to 2014 and other trusts

	Change since 2014 survey	Ranking, compared with all mental health/LD and community trusts
<b>OVERALL STAFF ENGAGEMENT</b>	• No change	✓ Above (better than) average
<b>KF1. Staff recommendation of the trust as a place to work or receive treatment</b> <i>(the extent to which staff think care of patients/service users is the Trust's top priority, would recommend their Trust to others as a place to work, and would be happy with the standard of care provided by the Trust if a friend or relative needed treatment.)</i>	• No change	✓ Above (better than) average
<b>KF4. Staff motivation at work</b> <i>(the extent to which they look forward to going to work, and are enthusiastic about and absorbed in their jobs.)</i>	• No change	✓ Above (better than) average
<b>KF7. Staff ability to contribute towards improvements at work</b> <i>(the extent to which staff are able to make suggestions to improve the work of their team, have frequent opportunities to show initiative in their role, and are able to make improvements at work.)</i>	• No change	✓ Above (better than) average
<b>KF25. % experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 mths</b>	• No change	! Above (worse than) average
<b>KF21. % believing the organisation provides equal opportunities for career progression / promotion</b>	• No change	! Below (worse than) average

## Summary of 2015 Key Findings for East London NHS Foundation Trust

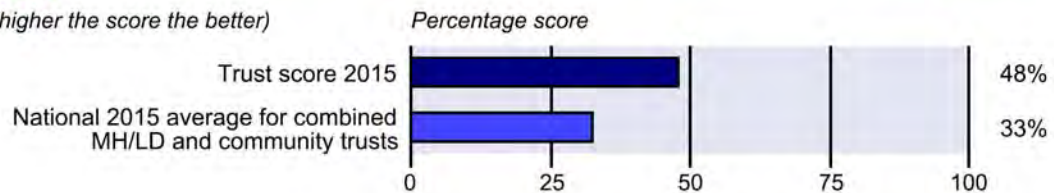
### Top and Bottom Ranking Scores

This page highlights the five Key Findings for which East London NHS Foundation Trust compares most favourably with other mental health/learning disability and community trusts in England.

#### TOP FIVE RANKING SCORES

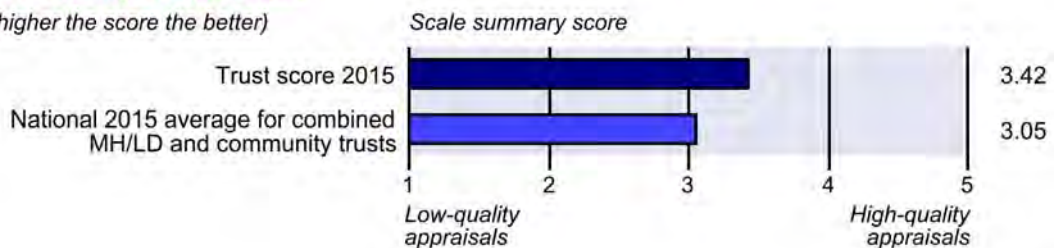
##### ✓ KF6. Percentage of staff reporting good communication between senior management and staff

(the higher the score the better)



##### ✓ KF12. Quality of appraisals

(the higher the score the better)



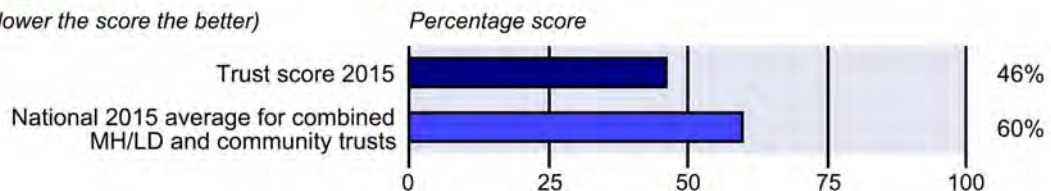
##### ✓ KF13. Quality of non-mandatory training, learning or development

(the higher the score the better)



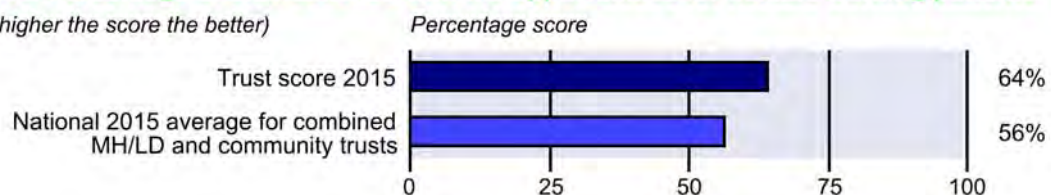
##### ✓ KF18. Percentage of staff feeling pressure in the last 3 months to attend work when feeling unwell

(the lower the score the better)



##### ✓ KF15. Percentage of staff satisfied with the opportunities for flexible working patterns

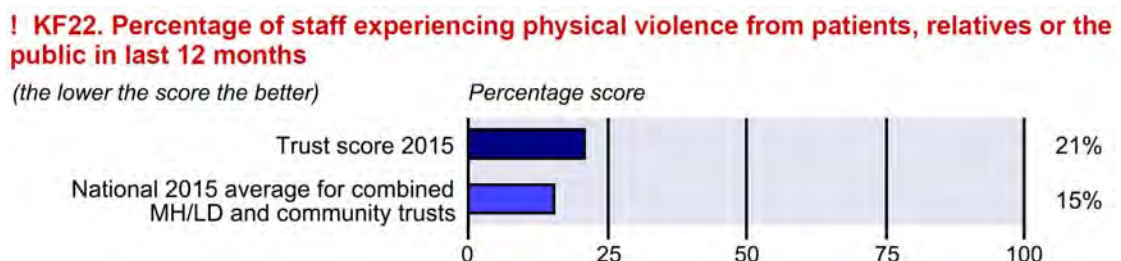
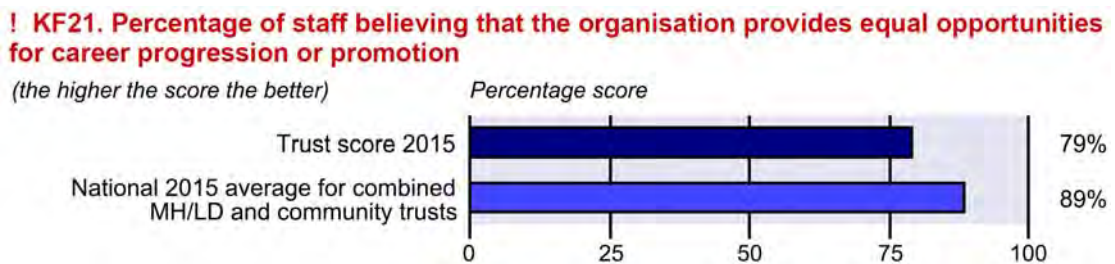
(the higher the score the better)



These data highlight the five Key Findings for which East London NHS Foundation Trust compares least favourably with other mental health/learning disability trusts in England. It is suggested that these areas might be seen as a starting point for local action to improve as an employer.

## BOTTOM FIVE RANKING SCORES

### BOTTOM FIVE RANKING SCORES



### Largest Local Changes since the 2014 Survey

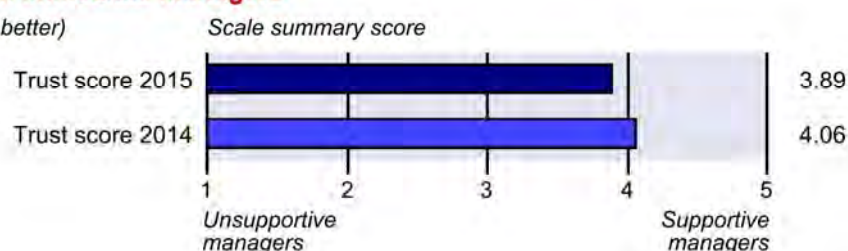
The following finding indicates where the trust has deteriorated most since the 2014 survey. It is suggested that this might be seen as a starting point for local action to improve as an employer.

However, when compared with other combined mental health / learning disability and community trusts in England, the score for Key finding KF10 is better than average.

### WHERE STAFF EXPERIENCE HAS DETERIORATED

#### ! KF10. Support from immediate managers

(the higher the score the better)



This feedback is extremely important in helping shape the actions we will take in the future to create a work environment that is not only productive but also rewarding for all our employees. Whilst the overall results indicate that the Trust's performance on various key factors is very positive, there are certain areas where the Trust can further improve.

We have worked closely with a cross section of corporate and clinical staff to discuss the priorities that we should focus on in the coming year. We have collated a Trustwide action plan which addresses the key tasks under each of these areas. Whilst the majority of the actions will be delivered in the forthcoming year, some of the actions are long term objectives. There will be an overlap of priorities that will be delivered locally in each of the Directorates and across the entire organisation.

We now have a dedicated area on the intranet for the NHS Staff Survey where you will find the Trustwide action plan for 2015/16. This page will be updated on a regular basis and will include links to all related topics. You can also give your comments on the web page.

We have already been working on delivering some of the priorities as per the action plan. There are four main themes that the Trust is concentrating on for the forthcoming year. These themes include Valuing Staff, Communication, Team Working and Fair Treatment. Some of the key actions include; developing a Reward and Recognition Strategy, improving communication channels for staff to engage with senior directors, driving forward the Leadership Strategy to focus on promoting the collective leadership model and continue delivering the priorities around Workforce Equalities Strategy. [Please visit the intranet to access the detailed action plan, click here.](#)

You can find the Trust's results here:

[http://www.nhsstaffsurveys.com/Caches/Files/NHS\\_staff\\_survey\\_2015\\_RWK\\_full.pdf](http://www.nhsstaffsurveys.com/Caches/Files/NHS_staff_survey_2015_RWK_full.pdf)

### ELFT Internal Staff feedback 2015/16

The Trust rolled out the fourth quarter of the 2015/16 NHS Staff Friends and Family Test (FFT) in March 2016. The survey includes two mandatory questions along with a few local questions. A quarter of our workforce was randomly selected to take part in this survey:

#### 1. How likely are you to recommend the Trust to friends and family as a place to work?

FFT Survey	Quarter 1 %	Quarter 2 %	Quarter 3 %	Quarter 4 %
Recommend	68%	71%	68%	75%
Not Recommend	12%	18%	11%	9%

#### 2. How likely are you to recommend the Trust to friends and family if they needed care or treatment?

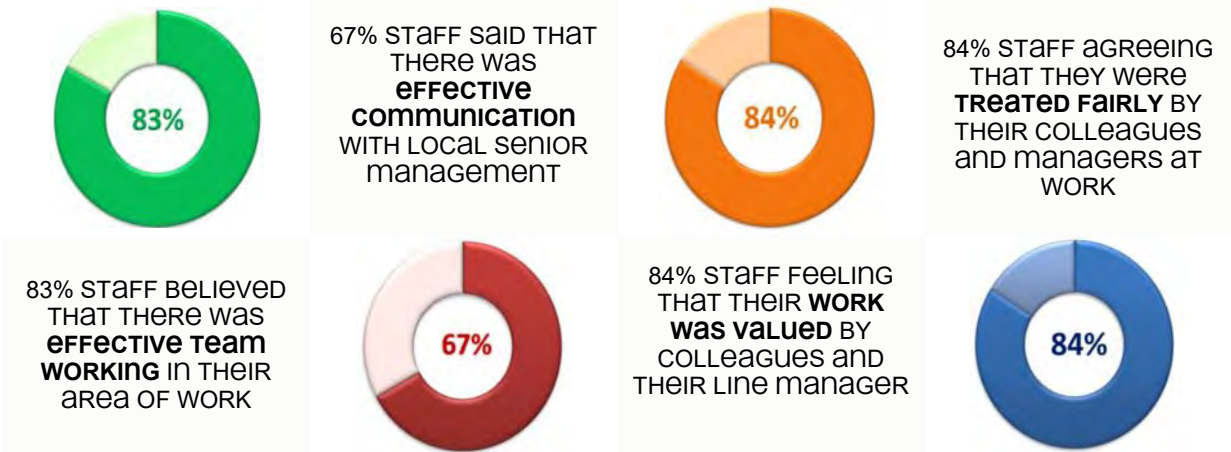
FFT Survey	Quarter 1 %	Quarter 2 %	Quarter 3 %	Quarter 4 %
------------	-------------	-------------	-------------	-------------



Extremely Likely	73%	69%	65%	79%
Extremely Unlikely	4%	8%	8%	7%

### Additional Local Questions

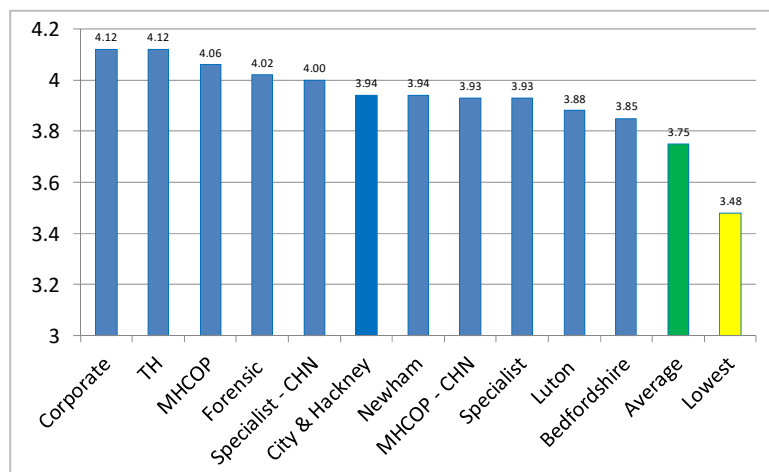
In addition to the above mentioned mandatory questions, staff provided feedback on the following areas



The Trust maintained its generally high scores. The Trust's score for the overall staff engagement indicator was 3.93, which places it 4<sup>th</sup>= across mental health/community trusts (n=58). The Trust's ranking over the least three years is therefore as follows:

Year:	National ranking:
2013	4 <sup>th</sup>
2014	1 <sup>st</sup> =
2015	4 <sup>th</sup> =

The Trust's overall staff engagement score, and a number of other indicators, were lower than 2014. This is mainly due to the inclusion of Luton & Bedfordshire services in this year's survey. The graph below shows the scores in relation to other directorates (and compared to the national average and lowest score nationally):



Although lower than other directorates, scores in Luton & Bedfordshire are well above the national average, and have increased since 2014 (as shown below) This is positive given the short time that the Trust had managed the services at the time of the survey (6 months), and the amount of organisational change that the services are undergoing.

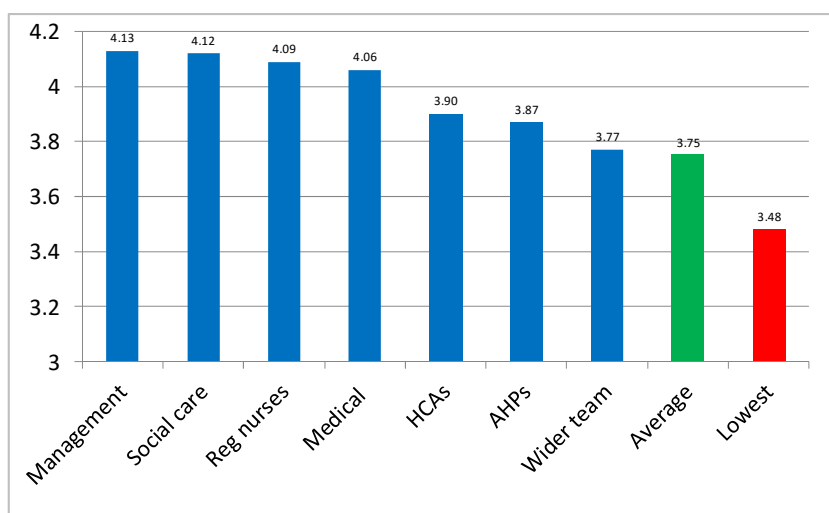
	2014 (combined score)	2015
<b>Luton</b>	3.81	3.88
<b>Bedfordshire</b>	3.81	3.85

The Trust was still able to gain a number of scores that were the best in its category (mental health and community providers), i.e.:

- Communication with senior management
- Quality of appraisals
- Quality of non-mandatory training, learning or development
- Pressure to attend work when unwell
- Flexible working

As the Trust's overall scores are less useful as a comparison to previous years, due to both the changed composition of the Trust workforce, and changes to key findings, focus has been on analysing raw scores at question level for each directorate.

Scores are also broken down by profession, which also shows variation, although all groups are above the national average. Action plans are in place for each staff group, and are being refreshed.



### The Trust's approach to improvement

The Trust's approach to improving staff experience and engagement can be summarised as follows:

- Improvement action to focus on a small number issues most relevant to staff satisfaction, rather than a "deficit model" approach of trying to improve all indicators that are low and/or below the national average.
- To link with existing work streams/quality improvement project where appropriate, in order to avoid duplication of effort and maximise impact
- Wide dissemination and consideration of results, so that improvement can also be planned and owned at a local level (directorate and sub-directorate, professional group and equalities).
- As a result of the above, the Trust has a small number (4) of areas as a framework for action:
  - valuing staff
  - communication
  - team working
  - fair treatment

The 2015 results have been widely distributed in the Trust, and presented to the Trust Board, Service Delivery Board, Directorate Management Teams, professional groups and the Joint Staff Committee. Presentations will also be made to the staff equalities networks and other relevant forums.

## Improvement plan

As stated above, the 2015 results have been widely distributed, and each directorate and professional group have been asked to consider the results and develop an improvement plan, in line with the framework set out above. This work is being monitored by the Service Delivery Board.

A Trust-wide improvement plan was developed last year, and has been refreshed. This is a detailed project plan that pulls together many areas of work relevant to staff experience, and links to the Quality Improvement programme and other related work streams. The plan seeks to balance the need to continue improvement in areas that are most relevant to staff experience, regardless of whether the Trust's score is above or below the national average.

A high-level summary of key areas of focus is set out below. This includes a mixture of initiatives already in place and working well and new developments.

Theme:	Action:	Timescale:
<b>Valuing staff</b>	The Trust will continue to run its staff recognition programme, through monthly directorate employee/team awards and the annual staff awards.	On-going. Annual staff awards ceremony in November 2016.
	A Reward and Recognition Strategy will be developed, which will capture the range of initiatives used across the Trust, and promote more consistent use of best practice. This will include a new scheme for recognising long service.	July 2016
<b>Communication</b>	All directorates to review their two-way communication channels in order to provide a consistent standard across the Trust	June 2016
	Increase the opportunities for executive directors to meet groups of staff, with focus on areas where staff experience is less positive	May 2016 and on-going
	Further development of the new staff intranet in order to improve electronic communication and two-way engagement with staff	July 2016
<b>Team working</b>	The Trust continues to develop and implement a Leadership Strategy based on the collective leadership model.	On-going
	Team "away days" and reflective practice sessions for teams will continue to be rolled out across the Trust. General guidance on format and content to be developed.	On-going
	OD interventions and support to be made available for teams	September 2016
<b>Fair treatment</b>	The Trust continues to deliver the Workforce Equalities Strategy, which incorporates actions in relation to the Workforce Race Equality Standards (standards which measure the difference of experience between BME and white staff in particular areas)	On-going.
	Additional support to be provided to Disability, LGBT	May 2016

and BME networks in order to produce recommendations for action

Increased range of training and development opportunities (i.e. BME mentoring, reverse mentoring, unconscious bias training) In place and on-going

Actions have also been developed for the Trust's bottom five ranking scores (although it should be noted that the Trust's scores are similar to the average for London mental health trusts, as shown below).

Indicator:	Trust score:	London MHT average:	Analysis:	Action:
<b>Physical violence from patients, relatives or the public</b>	21%	19%	Spikes experienced in Hackney and Luton & Bedfordshire during the time of the survey	QI Violence collaborative currently being spread to Newham and Hackney.
<b>Harassment, bullying or abuse from managers/staff</b>	25%	24%	75% of staff report experiencing 1-2 incidents in the last year. High scores in areas with operational challenges, and in certain staff groups (healthcare assistants, admin, female and disabled staff). There is a strong correlation with the view of general support provided by line management.	Leadership strategy and first line managers development programme to focus on inclusive leadership  Develop a framework for learning from Bullying & Harassment cases and provide input into management development programmes
<b>Discrimination at work (from patients, relatives, public or other staff)</b>	19%	18%	Decreases seen in areas where QI violence programmes have been successful  High scores in areas with operational challenges, and in certain staff groups (healthcare assistants, admin, female and disabled staff)  Mainly reported to be on the grounds of race (9%), gender (5%) and age (4%), although research shows the biggest area nationally is disability.	QI Violence collaborative currently being spread to Newham and Hackney.  Leadership strategy and first line managers development programme to focus on inclusive leadership  Specific initiatives about various aspects of discrimination reported (i.e. secondment process, sickness management for disabled staff)
<b>Equal opportunities for career progression or promotion</b>	79%	80%	Significantly lower scores for BME staff	QI project to improve BME career progression  BME mentorship and reverse mentorship programmes commenced
<b>Working hours extra</b>	78%	76%	Includes both paid and unpaid hours.  From 2014, there has been an increase in staff working additional paid hours (+8%) and a decrease in	Further research as to the causes of staff working additional unpaid hours and joint working with staff representatives to

### 3.4 Complaints & Patient Advice and Liaison Service's Annual Report 2015/16

East London NHS Foundation Trust is a learning organisation that is committed to listening to the views of its services users, their carers and families and continually improving the quality of care and services we provide.

Concerns and complaints were dealt with by both the Patient Advice & Liaison Service (PALS) and Complaints functions. We want the process to be fair, flexible and conciliatory and PALS staff work with patients who wish to have a speedy and informal resolution to their concerns. Between 1 April 2015 and 31 March 2016, PALS received 730 contacts and the service assisted on 385 occasions when individuals had concerns and sought resolution. This was a substantial increase on the number of contacts received in 2014/15 (426), reflecting the additional work generated since taking over services in Luton and Bedfordshire.

Individuals who contacted PALS for assistance in resolving concerns, most commonly raised issues relating to Communication (11%), Medication (8%) and Support in the Community (8%). In 50% of cases, PALS was able to resolve the issue to the satisfaction of the individual. Of the remaining cases, 47% of issues were either passed to the local teams to undertake further work with the service users, or the Trust considered there was nothing further that could be done to resolve the issues. In 3% of cases, concerns could not be resolved informally and were escalated for formal investigation under the Trust's complaints procedure. In only 2% of cases did concerns raised remain unresolved.

During the same period, the Trust received 570 complaints, including 54 informal complaints. This is an increase of over 50% compared to the previous year 2014/15, when 329 formal and 43 informal complaints were received. This increase again reflects the increase in work since the Trust expanded to manage services in Luton and Bedfordshire. Of the complaints received, complainants raised concerns relating to 1097 subjects. This reflects the multi-faceted nature of many complaints which typically involve one or more issue. The top subject for the year 2015/16 was Attitude of Staff, accounting for 23% of all subjects raised, followed by Communication (17%) and Clinical Management (Mental Health) (11%).

The Trust aimed to acknowledge 90% of complaints within 3 working days and 95% of complaints received were acknowledged within this timeframe. The Trust aimed to respond to a minimum of 85% of complaints within 25 working days or an agreed extension. At the time of writing, the Trust has replied to 65% of complaints within this timescale, with 13% of complaints still under investigation.

The majority of complaints are made by service users who account for 339 of complainants. However, 254 complaints were made by relatives and / or carers, or friends or advocates on behalf of service users. In addition, in 12 cases MPs raised issues on behalf of their constituents. In some of these cases, issues may have already been raised by either the service users themselves, or their supporters.

The service continues to prioritise ensuring that staff who are tasked with investigating complaints have the necessary skills and training to undertake good quality, robust and timely investigations. We have continued to hold training sessions throughout the year, especially in Luton and Bedfordshire, so that staff could familiarise themselves with our

complaints process and embed our ethos and approach to complaints. Over 100 members of staff have been trained during the course of 2015/16.

As a learning organisation, there continues to be an emphasis on ensuring that we learn from complaints and that recommended changes to our systems and practice, are implemented. This is all the more important given that many of the complaints which are investigated reveal shortcomings in the delivery of care or in our services. Of the cases which have been investigated and closed to date, 41% were either upheld in part or fully upheld.

The service has a system to regularly check that recommendations from complaints are implemented and learning disseminated. In addition, a 'Learning from Complaints Committee' has been in existence since 2014 which seeks to develop further how we can learn from the complaints we investigate, by identifying best practice and evidence to support improvement work on the themes emerging from complaints. Over the course of the last year, the Committee has continued to analyse themes arising in complaints to help better understand particular issues raised and any variation between services and teams.

At local level, through local initiatives and QI Projects, staff have been reviewing our current practice and developing new models to help produce speedier, more effective outcomes for our service users. One such initiative in Community Health Newham/ MHCOP is the subject of a QI Project which aims to reduce the number of formal complaint investigations by expanding and improving upon the local resolution process. This has resulted in 23 of the service's users withdrawing their complaints, feeling that their concerns have been heard and resolved by staff in the locality. The Complaints Service will promote the use of such initiatives in other Directorates, in the expectation that this provides a more satisfactory resolution for many of our service users.

As a direct result of investigations into complaints, recommendations are made and action taken to identify shortcomings. During 2015/16, these actions included:

An investigation upheld a complaint about unduly long waiting times at a Phlebotomy Clinic. As a result of the investigation, senior managers are to discuss potential changes to opening times and staffing levels in the clinic. In addition, it was noted that the manager was working with the Patient Participation Lead to set up a meeting with users of the service to elicit feedback on their experience of the service and the complainant was encouraged to contribute to this. **CHN/MHCOP**

A complaint about the Memory Service identified shortcomings in the way that staff had communicated with the family of a service user whose first language was not English, causing anxiety and stress. As a result of the investigation, the service is to arrange for an introductory letter about the service to be translated into different languages and provided to families at the first visit. The service is also to produce guidance regarding the use of interpreters for visits being held at short notice. **CHN/MHCOP**

An investigation upheld a service user's complaint that they had experienced difficulty getting through to their key worker to cancel an appointment. It was found that as the building was shared with, and managed by an external provider, staff were constrained in terms of what could be done to improve the telephone system. As a result of the complaint, the service has purchased 4 mobile phones for its staff. **Specialist Services**

As a result of a complaint about the therapy a service user had been offered, it was recommended that referral guidelines are produced for the various services available, including CMHT Psychology, TCOS, Institute of Psychotrauma and the Primary Care. **City & Hackney**

A parent complained that staff had been intent on taking her teenage daughter into care. Although the complaint was not upheld, the investigation identified that practitioners were not consistently using the 'Permission to Share Information' form and as a result, a review is to be carried out to monitor its use. In addition, the service is to produce a leaflet and information on its website about the services provided by the Paediatric Liaison Team at the Royal London Hospital where service users may be referred. **Specialist Services**

An investigation into an alleged delay in a clinician providing a patient's death certificate to a family member who was also the chosen sole Executor in the will, highlighted the need for the Trust to review whether clinical teams are best placed to issue death certificates; if so, it is recommended that training on issuing death certification is provided for those tasked with this work. **CHN/MHCOP**

A complaint from a patient who had been declined support to the Foot Health Clinic concluded that the decision had been soundly based. An information leaflet is to be produced setting out the referral criteria, including an explicit statement about how the service assesses risk which will be distributed to GPs and any other services which may refer patients. In addition, the Service is to collate information about alternative chiropody services for patients who have been discharged from its specialist service. **CHN/MHCOP**

An employed service user complained that staff persisted in making appointments when he was not available, having made that clear to staff. The findings concluded that the use of physical diaries had contributed to the confusion and recommended that in future, staff should enter information on RiO only which was widely accessible. **City & Hackney**

The complainant, who is the partner of the service user, raised a concern that as the joint owner of the property, they should have been consulted about adaptations to it. The investigation identified the need for the OT service and Local Authority staff to jointly agree a protocol to ensure that consent is obtained from any joint owners when recommending adaptations. **Newham Mental Health**

An investigation highlighted the need for staff to make adequate adjustments when communicating with relatives and carers with hearing impairments, stressing how contact should be made in writing, either by letter, email or text message. **Tower Hamlets Mental Health**

An investigation into an alleged delay in a family being contacted after their relative suffered a fall on the ward, highlighted the need for a standard protocol to be produced to standardise care for patients who are transferred from an inpatient psychiatric unit to a general hospital for medical or surgical reasons. This would include the need for staff in the psychiatric unit to alert the RAID team based in the general hospital, to admissions. **CHN/MHCOP**

A complaints investigation into the circumstances when a patient suffered three falls on a ward with differing degrees of severity, concluded that on occasion, the patient had been left alone and unobserved by staff in a Day area. As a result of the

investigation, a laptop is to be purchased so that staff can work in the Day area while continuing to observe patients. **CHN/MHCOP**

A complaint that a service user had been propositioned by a female member of staff, was not upheld. However, the investigation highlighted the lack of Mental Capacity Act training available to ward staff, as well as the lack of any induction or support forums for new members of staff and these are to be instigated. **Bedfordshire**

A series of serious incidents on a ward prompted a ward review which was carried out to better understand issues which may have influenced the events, and the results were fed back to a complainant under the complaints process. The review recommended the need for a robust preceptorship process; preceptorship nurses are to meet with Lead Nurses and / or the Head of Nursing for the first six months for support and supervision. The review also identified the need for incidents on the ward to be reviewed monthly to help identify risk factors, highlight ward themes or particular matters of concern. **Forensics**

A service user complained that his responsible clinician did not treat him fairly, was overly reliant on medication and was not prepared to discuss alternative treatment, such as talking therapies. Although the complaint was not upheld, the investigation identified the need for ward staff to incorporate other professionals into patients' psychoeducation, particularly ward pharmacy staff. **City & Hackney Mental Health**

In a complaint about a service user who had a history of absconding, and who had managed during a recent admission to abscond from the ward on two occasions, the investigation highlighted the need for staff to formulate 'personal security plans' where there was a significant risk history. **Newham Mental Health**

An investigation into a complaint about property which had gone missing on a ward, highlighted good practice. It was noted that on admission to the PICU ward, staff photographed a patient's personal belongings as part of the admission process and logging of their property. **Tower Hamlets Mental Health**

In a complaint involving the psychotherapy service about an alleged breach of confidentiality, it was recommended that such reports must be reported as a Datix incident so that it can be investigated and acted on. The complaint also identified that staff should consider communicating with service users by email if that is their preferred option. **City & Hackney Mental Health**

A complainant expressed concern that there was a lack of DBT therapy in their locality because the service lacked suitably qualified staff to run the programme. The investigation concluded that DBT had previously been available, but had stopped when a staff member left the group. As a result of the investigation, the Trust is to consider the option of service users within this Directorate accessing DBT therapy in another locality in cases where there are strong grounds that the service user would benefit from this particular therapy. **City & Hackney Mental Health**

A complaints investigation noted that Reception staff had been wearing coats while on duty which contributed to the service user's impression of the service as unwelcoming. The way that the air conditioning system and the temperature is controlled is to be reviewed to ensure that it is appropriate for a working environment. The same investigation found shortcomings in the way that the registration process was communicated to service users. A review of information,



including signage and posters, is to be undertaken and any changes implemented are to be reviewed in three months' time. **CHN/MHCOP**

A complaint about a patient's experience during an inpatient admission, was not upheld. However, the investigation identified the need for greater psychology input on wards to engage patients who have experienced a major relapse. This ensures patients are able to explore challenges faced during the recovery process, traumatic experiences they have endured and why certain interventions were employed. **Luton Mental Health**

An investigation into a complaint about overcrowding on the ward, welcomed the service user's views for changes to it to create a more therapeutic environment. The investigation moreover recommended that the management team ensure that at least one permanent member of staff is on duty at all times, especially when the ward is fully occupied and there are challenging patient dynamics. **City & Hackney Mental Health**

A patient had experienced difficulties setting up appointments after the service was restructured and their consultant change and the investigation into this, revealed continuing structural administrative issues within the Directorate. These will be reviewed by the new head of administration and should include the need to ensure there is a robust process for administrative staff to access consultants' diaries; a robust backup process for noting and following up on arrangements for appointments that cannot be dealt with at the time of the phone call itself and a system that ensures service user preference can be taken into account in the allocation of appointment slots. **City & Hackney Mental Health**

A complaints investigation from a service user who was aggrieved they had been unable to take agreed leave over several days, noted that information regarding leave, including its frequency, is documented in a variety of paper and electronic records, including RIO, progress notes, Section 17 Leave form, plan the day notes and signing out book. They recommended that a systematic review is carried out to determine the most effective way of documenting this information electronically. **Tower Hamlets Mental Health**

A service user's family expressed their strong concern that their brother who has a history of self-harm, had managed to self-harm himself whilst an inpatient on our ward. The complaint was not upheld. However, the investigation highlighted the need for clear documentation about the rationale for decreasing enhanced levels of observation. **Newham Mental Health**

The family of a service user expressed concern about a service user's lack of active management of their father who was unkempt and living in poor conditions. The investigation identified the need for the Memory Clinic and Old Age Psychiatry Community Mental Health Team to hold a session to review its policy in light of the complaint to clarify what should happen in cases when there is continued significant alcohol consumption.

It is expected that this will help inform practice within the team, going forward. **Luton Mental Health**

A complaint about the care of an inpatient on a mental health ward, highlighted shortcomings in the management of the patient's physical care. As a result, staff are to undergo training on common physical health parameters, including the potential

use of MEWS score on the ward, so that staff are able to monitor patients' physical health more closely. Staff will reinforce the need for active communication between the physical and mental health teams. **Luton Mental Health**

A former patient expressed how he had felt uncared for and under-valued by staff during his admission. The investigation established the work of ELFT in actively reviewing all aspects of the care provided and identifying ways to provide a more caring and therapeutic environment for patients, their relatives and carers. It was noted that this included an Arts Project which aims to work collaboratively with service users on the ward to create images and pieces of art that will be displayed on the walls and that weekly Clinical Improvement Groups, attended by various members of the Multi-Disciplinary Team including Doctors, Occupational Therapists and Psychologists, are being held on the ward. **Luton Mental Health**

A complaint about alleged bullying on the ward, identified work being carried out to address this issue on wards in the service, including an Anti-Bullying Awareness Day. In addition, ward staff had been working with the Restorative Justice Team and a Clinical Psychologist had attended a ward community meeting to talk about the restorative justice approach and how this aims to address issues of conflict.

#### **Forensics**

A transgender patient raised concerns about the derogatory and abusive way that another service user had spoken to them on the ward. The investigating officers noted there is no current policy with regards to the issue of gender identity within the ward and recommended the Trust put in place a policy addressing the placement and management of individuals who are transgendered or have gender identify issues. They advocated within this policy, the need for staff and service users to be trained and educated around the Stonewall principles, and lesbian, gay, bisexual and transgender (LGBT) rights. **Forensics**

A family complained that they had not been invited to their father's first ward round. As a result of the complaint, a list of core duties for administrative staff has been created, which includes communication with families. This will help guide the work of temporary administrative staff. **MHCOP/ CHN**

The Trust recognises that following an investigation, people may still have further enquiries and we are always willing to undertake further work to resolve any outstanding issues or concerns. In such cases we review our response, carry out further investigations and also hold meetings with the complainant in order to resolve their outstanding concerns. Despite that, sometimes the Trust does not prove successful in resolving a complaint and complainants refer their cases to the Parliamentary & Health Service Ombudsman for their complaint to be independently reviewed. 14 complaints received during 2015/16 were referred to the Ombudsman. In one of these cases, following investigation, the complaint was not upheld. In the remaining cases, the outcome of the cases is not yet known. In addition, the Ombudsman reviewed further cases relating to complaints which the Trust responded to before 1 April 2015. Five of these cases were concluded during 2015/16; in two of these cases, the Ombudsman did not uphold the complaint. In the remaining cases, although the Ombudsman concluded that the substantive care and treatment had been appropriate, it upheld other aspects of the complaint regarding our communication with service users and their relatives and shortcomings in our processes. These cases have provided further learning in terms of improving our services.

### **3.5 An Explanation of Which Stakeholders Have Been Involved**

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

### **3.6 Joint Statement from NHS Tower Hamlets, NHS Newham and NHS City and Hackney Clinical Commissioning Groups (CCGs)**

NHS City and Hackney Clinical Commissioning Group (CCG) is responsible for the commissioning of Mental Health services from East London NHS Foundation Trust (ELFT) as part of a Consortium arrangement with NHS Tower Hamlets and NHS Newham CCGs. NHS Newham CCG is the sole commissioner for Community services.

The three CCGs work collaboratively with ELFT to ensure that the services they provide meet the contractual requirements for Quality and that they are working to continuously improve the Quality of care provided across all three London boroughs. The Consortium welcome the opportunity to provide this statement on the Trust's 2015/16 Quality Account.

Commissioners are pleased to see that the Trust has maintained its focus on improving Quality within the four key areas identified last year as part of the Trust's Quality strategy and that these cover all the domains of Quality. The CCGs look forward to Quality assuring the Trust Cash Releasing Efficiency Savings (CRES) Plans for their Mental and Community Health services for 2016/2017.

Priorities include the scale and spread of the work on violence reduction, community acquired pressure ulcer reduction, access and improving physical health. These indicators will support the necessary focus required to build on the good work already underway, whilst spreading this to other areas of the service across all boroughs.

The Trust describes good outcomes during 2015/16 on pressure ulcer reduction and further improvement in reducing physical violence on wards as well as successful training of large groups of staff in Quality Improvement methodologies, however the Review of Quality Performance during 2015/16 overall was difficult to understand and the relationship between indicators set and achievements was unclear. Commissioners would have liked to see a clearer description of achievements against priorities set.

During the review of the Accounts we were pleased to see that the Trust has included a statement regarding their legal obligation on implementing the NHS Duty of Candour. We were also pleased to see the inclusion of the Sign up to Safety pledges and the description the Trust have given regarding the review of their assurance framework.

The Trust has been working to deliver the Commissioning for Quality and Innovation (CQUIN) interventions focusing on physical health. This work will support achievement of the Trust's priorities within their Quality strategy and the national work to ensure those with serious mental illnesses are having their physical health appropriately monitored and maintained, if not improved. We welcome the Trust's approach to this work: supporting patient's to take control of their own physical health and wellbeing. Commissioners would like to see more measurable outcomes for patients during 2016/17, including improved communications to General Practitioners.

We fully endorse the Trust's approach to Quality Improvement (QI) and continue to support their work in this area. We congratulate the Trust on their impressive Quality Improvement programme and the enthusiasm and commitment this has generated to improve the Quality of care by staff, patients and stakeholders. Consortium members are pleased that the Trust has worked collaboratively to include them in training events and national workshops. We agree with priority areas identified for their QI work over the next 2 years and Newham CCG

welcome the addition of re-energising the pressure ulcer work with more direct care staff involvement.

The Trust's approach to building improvement capability from the ground up is exemplary and we are confident that this will contribute to the achievement of their Quality priorities. We aim to support the Trust over the coming year to develop this further and are keen to be a partner in this work. We welcome the news that the Trust is extending its service user involvement to include service user led auditors to drive improvements across all three boroughs.

We congratulate the Trust on their national and local position with the NHS staff survey and recognise the achievement of this work, given the efficiencies being made within community teams. Commissioners would like to see the Trust focus on areas where poor areas of performance were highlighted and will be working with Trust leads to understand the improvements required for enhanced staff training and support.

We note that the Trust has exceeded their reporting targets to Monitor and recognise this sustained performance, particularly around bed occupancy. We believe that there is further work required, particularly in the area of CPA, 7 day follow up, care coordination and care plans and will be supporting the Trust to focus improvements in these areas.

Commissioners are aware that the Trust is to receive its scheduled inspection from the Care Quality Commission during June 2016 and are fully committed to supporting the organisation pre and post inspection. The Consortium recognise the huge amount of work that has taken place to further improve clinical services and the Trust has undertaken some exemplary pieces of work for which they have received national and international recognition. We welcome the Trust's proposal to develop an internal accreditation process as a means of developing robust Quality assurances processes. While the Trust has many improvement projects across the organisation through its QI methodology, we would like to see performance being maintained. We welcome the new focus on scale, spread and sustainability.

We were disappointed to note that the Trust received an overall rating of "not satisfactory" on their Information governance Toolkit. We are somewhat disappointed that the Trust only managed to participate in two of the three national audits but encouraged by the range of research the Trust participated in and led.

Commissioners are disappointed to see that some of the admission and DNA rates still remain high across the service, given a number of support mechanisms that have now been put in place to prevent these.

Whilst Commissioners acknowledge the percentage compliance for Trust wide Adult Safeguarding training and Children's Safeguarding training, we don't understand how the staff number cohort for 2015/2016 has been derived. Furthermore, Newham CCG has reported their concerns to the Trust about the challenges they faced during 2015/2016 in attaining the threshold percentages for Adults and Children's Safeguarding training across Community Services.

The development and roll-out, at pace, of IT systems to support improved communications and therefore better patient outcomes are also critical to the development of patient safety across the Trust and are required to support the ongoing improvement initiatives, across both Mental Health and Community Services.

We confirm that we have reviewed the information contained within the Account and checked this against data sources where this is available to us as part of existing Quality and performance monitoring discussions and that it is accurate in relation to the services provided. Overall we welcome the 2016 Quality Account and look forward to working in partnership with the Trust to improve the Quality of Mental Health and Community Services across East London.

NHS City and Hackney, NHS Newham and NHS Tower Hamlets Clinical Commissioning Groups



**Dr Prakash Chandra**  
Chair – Newham CCG



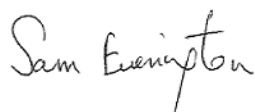
**Steve Gilvin**  
Chief Officer - Newham CCG



**Dr Clare Highton**  
Chair - City and Hackney CCG



**Chief Officer - City and Hackney CCG**



**Sir Sam Everington**  
Chair – Tower Hamlets CCG



**Jane Milligan**  
Chief Officer – Tower Hamlets CCG

### 3.7 Statement from Tower Hamlets Healthwatch



This Quality Account was considered by members of Healthwatch Tower Hamlets, and in their opinion it is a fair reflection of the range and the quality of healthcare services provided by the Trust.

We would specifically like to recognise the help and support that our Mental Health Task Group received from the outgoing Tower Hamlets Borough Director (Paul James). He listened to feedback, responded to information requests, ensured that managers acted on recommendations made in our Enter and View visit reports and also kindly supported room bookings for the Task Group meetings. We would hope that this supportive relationship continues with the new Borough Director.

We also recognise the major contribution that the new Quality Improvement (QI) programme has had in improving the services that users receive from the Trust. We look forward to a continuing growth in involvement of users within the programme.

Healthwatch undertook five Enter and View visits to ELFT services (CMHT, inpatient wards) in 15/16. During the Enter and View process we felt that ELFT management supported the visits well and have responded to recommendations positively. We are pleased to say that they have endeavoured to listen to our feedback as there have been some specific short-medium term service improvements within the services we visited.

Although we feel that we have a good relationship with ELFT in Tower Hamlets and that their service user engagement is good, we would like to see further development of a 'co-production' approach to service design and delivery. In order for this to happen the Trust needs to bring service users and the community into discussions at a much earlier point in the decision making process and allow sufficient time for genuine involvement in identifying solutions. For example, recently we were informed that the staffing levels in the adult community mental health service is likely to be reduced (as part of efficiency savings), however we felt that no efforts were made to acquire service user feedback on the impact on the reduction of staffing levels.

With the increasing focus on integrated and person centred care we look forward to seeing more service user experience on whether they feel that services work well together to support their wellbeing.

The information in this year's Quality Account raises a number of questions for us and we would like to be more informed of the following:

1. The level of staff satisfaction is reported to be high, but 24% dissatisfaction seems worrying. The dissatisfaction seems particularly high amongst BME staff; we would like to be informed of action plans to overcome this at a future HWTH Mental Task Group meeting.
2. The Quality Account has included a number of positive service user involvement opportunities (e.g. Service User Auditors), that contributes to service development. We feel that it is important for the Trust to highlight some of the 'You said, We did' examples in the Quality Account reporting, but more importantly we would like the Trust management to

attend our Mental Task Group meeting every six months to provide us with an update on the work of the Service User Auditors and to discuss the service improvements as a result of this work.

3. We are not familiar with the entire 'patient/carer engagement' process at ELFT (page 12), we would like the Trust management to attend our Mental Health Task Group to explain the process with examples of how service users have been involved within the highlighted patient engagement areas.

In previous years the Quality Account statement we have written on behalf of local Healthwatch have included a number of requests for further information or recommendations, however we have never received a response from ELFT management. We would like to highlight that if we make any specific requests a response from ELFT after the formal publication process would be appreciated.

We congratulate the Trust for producing this comprehensive Quality Account. It is however difficult to follow as a narrative and it would help if there could be a clear user focused summary about: what's working well and should be continued or expanded and; what isn't working well and the plan to rectify it.



### **3.8 Statement from Tower Hamlets Overview and Scrutiny Panel**

The Trust has always worked closely with the Overview and Scrutiny Committee in the development of the Quality Accounts Report. Unfortunately, no response to the request for feedback regarding this year's report was received prior to the submission date.

## 3.9 An Explanation of any Changes Made

General updates and minor corrections to information were made in response to feedback from stakeholders. Stakeholders, in general, support the Trust's quality priorities and so no additional priorities were included in the Quality Account.

## 3.10 Feedback

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

A copy of the Quality Accounts Report is available via:

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

### 3.11 2015/16 Statement of Directors' Responsibilities in Respect of the Quality Report

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

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

- the content of the Quality Report meets the requirements set out in the *NHS Foundation Trust Annual Reporting Manual*;
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
  - Board minutes for the period April 2015 – April 2016
  - Papers relating to Quality reported to the Board over the period; April 2015 – April 2016
  - Feedback from governors dated; March 2016
  - Complaints & PALS Annual Report 2015/16
  - Mental Health Community Survey 2015 service users survey, issued in September 2015
  - National NHS staff survey 2015, issued in February 2016
  - Care Quality Commission Intelligent Monitoring Report, dated February 2016
  - the Head of Internal Audit's annual opinion over the trust's control environment, dated April 2016.
  - Statement from Tower Hamlets Healthwatch received 20 May 2016
  - Joint Statement from NHS Tower Hamlets, NHS Newham and NHS City and Hackney Clinical Commissioning Groups (CCGs) received 25 May 2016
  - Statement from Luton CCG received 25 May 2016
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered;
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at [www.monitor-nhsft.gov.uk/annualreportingmanual](http://www.monitor-nhsft.gov.uk/annualreportingmanual)) as well as the standards to support data quality for the preparation of the Quality Report (available at [www.monitor-nhsft.gov.uk/annualreportingmanual](http://www.monitor-nhsft.gov.uk/annualreportingmanual))).

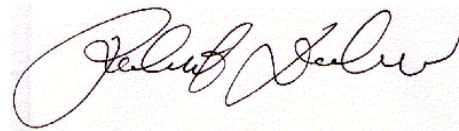
The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

By order of the Board



26 May 2016

.....Date.....Chair



26 May 2016

.....Date.....Chief Executive

## Glossary

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

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

**SECTION 4**

**AUDITED ANNUAL ACCOUNTS**

## INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF EAST LONDON NHS FOUNDATION TRUST ON THE QUALITY REPORT

We have been engaged by the Council of Governors of East London NHS Foundation Trust to perform an independent assurance engagement in respect of East London NHS Foundation Trust's Quality Report for the year ended 31 March 2016 (the 'Quality Report') and certain performance indicators contained therein.

### Scope and subject matter

The indicators for the year ended 31 March 2016 subject to limited assurance consist of the following two national priority indicators (the indicators):

- 100% enhanced Care Programme Approach patients receiving follow-up contact within seven days of discharge from hospital;
- admissions to inpatient services had access to crisis resolution home treatment teams;

### 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 Detailed Guidance for External Assurance on Quality Reports 2015/16 ('the Guidance'); and
- the indicator 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 Guidance.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes for the period April 2015 – April 2016
- Papers relating to Quality reported to the Board over the period; April 2015 – April 2016
- Feedback from governors dated; March 2016
- Complaints & PALS Annual Report 2015/16
- Mental Health Community Survey 2015 service users survey, issued in September 2015
- National NHS staff survey 2015, issued in February 2016
- Care Quality Commission Intelligent Monitoring Report, dated March 2016



- the Head of Internal Audit's annual opinion over the trust's control environment, dated April 2016.
- Statement from Tower Hamlets Healthwatch received 20 May 2016
- Joint Statement from NHS Tower Hamlets, NHS Newham and NHS City and Hackney Clinical Commissioning Groups (CCGs) received 25 May 2016

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the 'documents'). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of East London NHS Foundation Trust as a body, to assist the Council of Governors in reporting the 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 2016, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicator. 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 East London NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

#### Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicator;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content 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.

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 governance over quality or the non-mandated indicator, which was determined locally by East London NHS Foundation Trust.

#### Conclusion

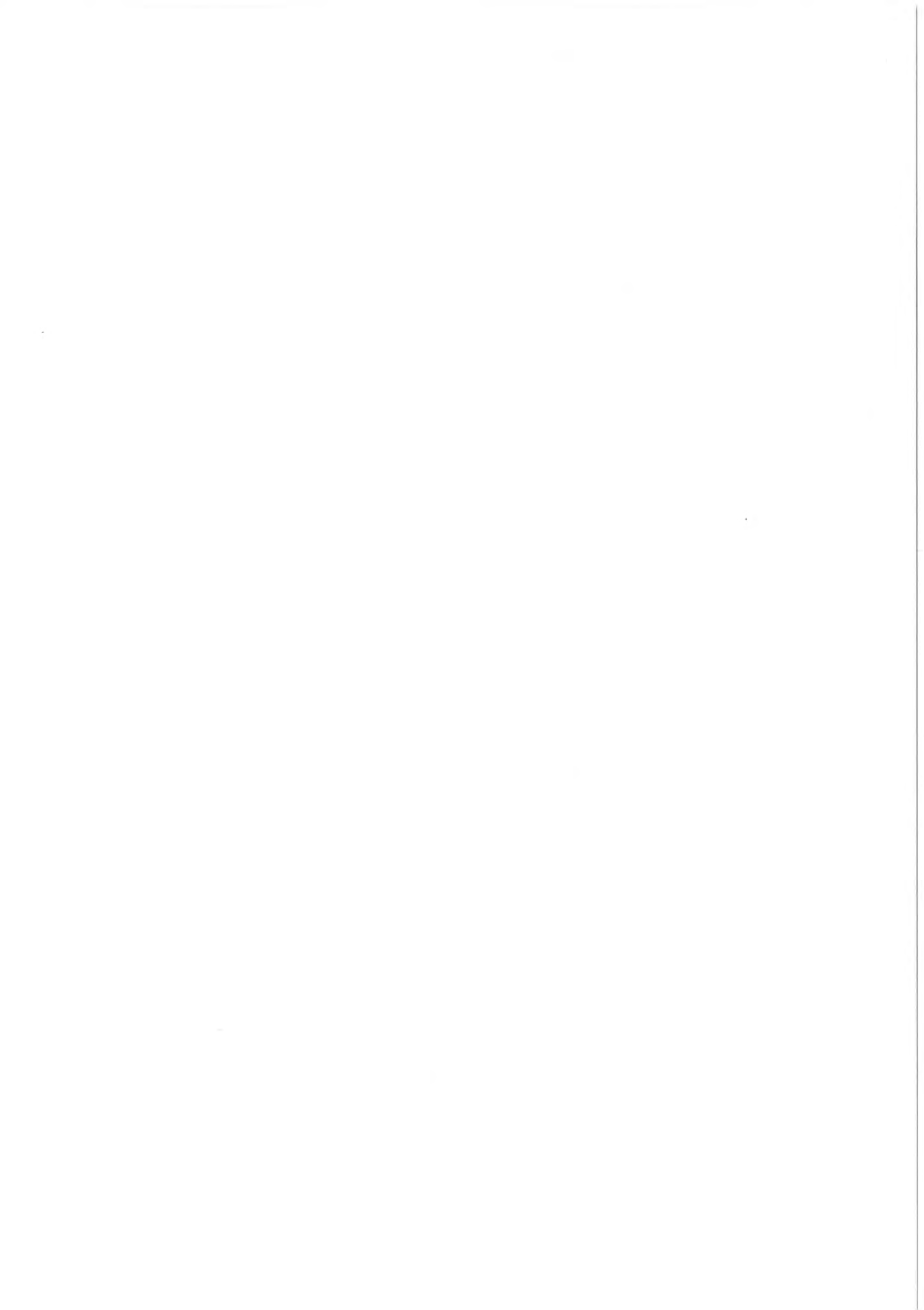
Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2016:

- 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 subject to limited assurance has not been 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 Guidance.

KPMG LLP

Chartered Accountants  
15 Canada Square  
London  
E14 5GL

26 May 2016



East London NHS Foundation Trust

Audited Annual Accounts  
for the year ended 31 March 2016



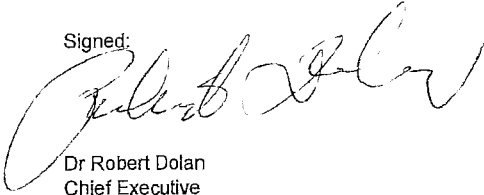
Audited Annual Accounts  
for the year ended 31 March 2016

East London   
NHS Foundation Trust

**FOREWORD TO THE ACCOUNTS**

These accounts, for the year ended 31 March 2016, have been prepared by East London NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 to the NHS Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.

Signed:



Dr Robert Dolan  
Chief Executive

Date: 26 May 2016



## ANNUAL GOVERNANCE STATEMENT 2015/16

### 1 Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

### 2 The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks against the achievement of the organisation's policies, aims and objectives of East London NHS Foundation Trust, and to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in East London NHS Foundation Trust for the year ended 31 March 2016 and up to the date of approval of the annual report and accounts.

The Trust Board are accountable to the Independent Regulator (formerly called Monitor, now NHS Improvement) for performance and control issues, and submits quarterly monitoring returns and exception reports to NHS Improvement in accordance with the Risk Assessment Framework.

### 3 Capacity to handle risk

The Trust has a Risk Management Strategy and operational policies approved by the Trust Board. Leadership is given to the risk management process through a number of measures, including designation of Executive and Non-Executive Directors to key committees within the Trust's Healthcare Governance Framework structure.

The Audit Committee has delegated responsibility for the Board Assurance Framework, and other board committees review risks relevant to their terms of reference. Directorate Management Team meetings review their directorate risk registers.

The Director of Corporate Affairs has delegated responsibility for ensuring the implementation of the Assurance Framework, and is assisted by the Assistant Director of Assurance, who leads and manages the Trust's Assurance Department. All directors have responsibility to identify and manage risk within their specific areas of control, in line with the management and accountability arrangements in the Trust. Directorates have identified leads for risk management.

The Assurance Department provides support to directorates and departments on all aspects of effective risk assessment and management. The Department maintains the Trust's incident and risk reporting system, and risk registers. The Department also has a vital role in training, which is given to staff on induction and regular training opportunities are provided to staff at all levels, including root cause analysis training.

The Assurance Department is responsible for the dissemination of good practice and lessons learned from incidents or near misses. Good practice is disseminated within the Trust through information sharing, cascading of information via the groups and committees included in the Healthcare Governance Framework, maintenance of the incident register and consequent learning from such incidents.

### 4 The risk and control framework

#### Key elements of the Risk Management Strategy

Attitude to, and management of, risk is embedded within the Trust's Risk Management Strategy. The strategy and related procedures set risk management activities within a broad framework within which the Trust leads, directs and controls its key functions in order to achieve its corporate objectives, safety and quality of services, and in which it relates to patients, staff, the wider community and partner organisations. The Trust has a Board Assurance Framework in place which provides a structure for the effective and focused management of the principal risks to meeting the Trust's key objectives. Risks are assessed by using a 5x5 risk matrix where the total score is an indicator as to seriousness of the risk.

The Board Assurance Framework enables easy identification of the controls and assurances that exist in relation to the Trust's key objectives and the identification of significant risks. Risks are assessed and monitored by the Board and its sub-committees. Key issues emerging from this assessment and monitoring include a review of balance between absolute and acceptable risk, quantification of risks where these cannot be avoided, implementation of processes to minimise risks where these cannot be avoided and learning from incidents. These issues are cascaded throughout the Trust via directorate representative and multi-disciplinary attendance at committee and group meetings.

The Board Assurance Framework is reported to the Board on a quarterly basis, and red rated risks are reported to each meeting.

The Trust has quality governance arrangements in place. The Medical Director is the Board executive lead for quality. The Trust has a Quality Strategy and the Trust Board receives a regular report on quality issues. The quality of performance information is assessed through the Information Governance Toolkit and through the annual Quality Accounts audit. Assurance is obtained on compliance with CQC registration requirements through the role of the Quality Assurance Committee, the performance framework, and from the Trust's own schedule of unannounced visits to services.

#### Embedding risk management in the activity of the organisation

Risk management is embedded throughout the Trust's operational structures, with emphasis on ownership of risk within the directorates and a supporting role by the Assurance Department.

Directorates are responsible for maintaining their own risk register, which feed into the Trust's corporate risk register. The local risk registers are reviewed at Directorate performance meetings that are held on a quarterly basis. The Assurance Department receives risk registers from Directorates, as well as copies of committee and sub-group meetings throughout the Trust. Directorate representatives attend key committees of the Healthcare Governance Framework, ensuring formal channels of reporting, wide staff involvement, and sharing of learning. The implementation of incident and other risk related policies and procedures throughout the organisation ensure the involvement of all staff in risk management activity.



## ANNUAL GOVERNANCE STATEMENT 2015/16 (continued)

### 4 The risk and control framework (continued)

A key feature of embedding risk management in the organisation related to the acquisition of services in Bedfordshire and Luton on 1 April 2015. The Trust took a number of steps to manage risk, including installing a senior management team led by the Deputy Chief Executive, appointing an additional Deputy Chief Executive to cover East London services, continuing with a formal Project Board, enhancing the performance management framework, and using additional project management support to deliver the Year 1 plan. Formal risk management processes, such as directorate risk registers, use of Datix etc. were also implemented.

#### Involvement of public stakeholders

Risks to public stakeholders are managed through formal review processes with the Independent Regulator (NHS Improvement) and the local commissioners through joint actions on specific issues such as emergency planning and learning from incidents, and through scrutiny meetings with Local Authorities' Health & Overview Scrutiny Committees. The Council of Governors represents the interests of members and has a role to hold the Board of Directors to account for the performance of the Trust.

#### Care Quality Commission

The Trust is fully compliant with the registration requirements of the Care Quality Commission.

The Trust received an unannounced inspection to the Trust's Forensic Services in November 2015. The CQC assessed that the Trust was fully compliant with standards.

#### NHS Pension Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

#### Equality & Diversity

Control measures are also in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

#### Carbon Reduction

The Trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

#### Foundation Trust governance

As an NHS Foundation Trust, the Trust is required by its licence to apply relevant principles, systems and standards of good corporate governance. In order to discharge this responsibility, the Trust has a clear and effective board and committee structure, which is regularly reviewed. Responsibilities of the board and committees are set out in formal terms of reference, and responsibilities of directors and staff are set out in job descriptions. There are clear reporting lines and accountabilities throughout the organisation.

The Board receives regular reports that allow it to assess compliance with the Trust's licence, i.e. the Board receives monthly finance reports and quarterly performance & compliance reports. Individual reports address elements of risk, such as monthly reports on bed occupancy. This enables the Board to have clear oversight over the Trust's performance.

As part of its submission of the 2016/17 Operational Plan, the Trust submitted to NHS Improvement a Corporate Governance Statement that confirms that sufficient arrangements are in place in relation to quality, finance and governance. The Trust is assured of the validity of this statement through receipt of the reports set out above, and through regular review of governance developments as part of the Board development programme.

The Trust undertook a "Well Led" Review of its governance arrangements during 2015/16, which was led by Grant Thornton UK LLP. The review did not find any significant issues that required reporting to NHS Improvement.

### 5 Review of economy, efficiency and effectiveness of the use of resources

As Accounting Officer, I have responsibility for ensuring economy, efficiency and effectiveness of the use of resources. Performance in this area is monitored by the Trust Board on a regular basis. The Trust Board discusses and approves the Trust's strategic and operational plans, taking into account the views of the Council of Governors. The operational plan includes the annual budgets. Throughout the year, the Trust Board receives regular finance and performance reports, which enable it to monitor progress in implementing the operational plan and the performance of the organisation, enabling the Board to take corrective action where necessary, and ensure value for money is obtained. The in-year resource utilisation is monitored by the Board and its committees via a series of detailed reports covering finance, activity, capacity, human resource management and risk.

Performance review meetings assess each directorate's performance across a full range of financial and quality metrics which, in turn, forms the basis of the monthly performance and compliance report to the Service Delivery Board.

The key processes embedded within the Trust to ensure that resources are used economically, efficiently and effectively, centre around a robust budget setting and control system which includes activity related budgets and periodic reviews during the year which are considered by executive directors and the Board of Directors. The budgetary control system is complemented by Standing Financial Instructions, a Scheme of Delegation and Financial Approval Limits.

As Accounting Officer, I have overall accountability for delivery of the Annual Plan and I am supported by the executive directors with delegated accountability and responsibility for delivery of specific targets and performance objectives.

I am also supported by the work of internal audit, who, in carrying out a risk-based programme of work, provide reports on specific areas within the Trust and make recommendations where necessary. The work of Internal Audit, and the progress of implementing their recommendations, is overseen by the Trust's Audit Committee.

## ANNUAL GOVERNANCE STATEMENT 2015/16 (continued)

### Information Governance

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

There was one Level 2 confidentiality breach in the financial year 2015 – 16. This incident occurred in March 2016, and is still under investigation at the time of preparing this statement. Any opportunities for learning will be identified and addressed in a formal action plan.

### 6 Annual Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year. NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Medical Director is the executive director lead for the Quality Report, and work is coordinated by the Trust's Quality Committee, which reports to the Quality Assurance Committee.

The Quality Report contains two main areas of information; details of the Trust's quality priorities for 2016/17, and performance against quality indicators for 2015/16. The draft report is reviewed by the Board and stakeholders in order to ensure it represents a balanced view.

The Trust has a Quality Strategy which has been approved by the Trust Board. The quality priorities for 2016/17 have been developed in conjunction with senior clinicians and managers, the Council of Governors and user groups. They form part of the Trust's operational plan for 2016/17 which has been prepared in line with NHS Improvement requirements, and agreed by the Trust Board.

The Trust undertakes a major quality improvement programme, and is using an external partner, the Institute of Healthcare Innovation, to support the programme and build capacity of staff to deliver locally led quality improvement initiatives.

There are controls in place to ensure that the Quality Report is an accurate statement of the Trust's performance during the year. Information regarding the Trust's performance is produced by the Trust's performance management systems, and is regularly reported to the Board and performance management meetings throughout the year. The Trust's Performance Management Framework has been reviewed by Internal Audit and has received a substantial assurance opinion.

### 7 Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of Internal Audit, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework.

I have drawn on the content of the quality report attached to this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and the Quality Assurance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Head of Internal Audit's opinion confirms that an Assurance Framework has been established which is designed and operating to meet the requirements of the 2015/16 Annual Governance Statement and provides substantial assurance that there is an effective system of internal control to manage the principal risks identified by the organisation.

The Head of Internal Audit's opinion stated that "the organisation has an adequate and effective framework for risk management, governance and internal control. However our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective".

The effectiveness of the system of internal control is guaranteed by ensuring clear duties and accountability are allocated to each part of the Healthcare Governance Framework, and to individuals within the framework.

The Board receives the Board Assurance Framework on a quarterly basis, and receives a report on red rated risks at each meeting, receives reports from the Quality Assurance Committee and from the Audit Committee, and notes minutes from key committees and groups within the framework. Reports submitted to the Board identify risk and are linked to the Board Assurance Framework, where relevant.

The Audit Committee is accountable to the Board for reviewing the establishment and maintenance of an effective system of internal control and risk management. It approves the annual audit plans for internal and external audit activities, receives regular progress reports and individual audit reports, and ensures that recommendations arising from audits are actioned by executive management. The Audit Committee receives the minutes of the Quality Assurance Committee.

The Trust has a Counter Fraud service in place, in line with the Secretary of State's Directions on Fraud and Corruption and the Counter Fraud and Corruption Manual. The Audit Committee receives regular reports from Counter Fraud services.

## ANNUAL GOVERNANCE STATEMENT 2015/16 (continued)

### 7 Review of effectiveness (continued)

The Audit Committee has delegated responsibility for the Board Assurance Framework, and other board committees review risks relevant to their terms of reference. There is shared membership between the Audit and Quality Assurance Committees via Internal Audit, the Director of Finance, the Director of Corporate Affairs and the Chair of the Assurance Committee. The Quality Assurance Committee receives the minutes of the Audit and Quality Committee.

The Quality Committee integrates the processes of clinical governance and risk management. It receives reports from working groups, and reviews risk with the chairs of such groups. It approved the clinical audit plan and receives and discusses individual clinical audit reports, ensuring that appropriate action is being taken to address areas of under-performance. Executive Directors chair committees, with managers from various disciplines and from various services participating in the groups. The Quality Committee reports to the Quality Assurance Committee, and also has links to the Service Delivery Board.

Internal Audit services are outsourced to RSM UK, who provide an objective and independent opinion on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives. Individual audit reports include a management response and action plan. Internal Audit routinely follows up action with management to establish the level of compliance and the results are reported to the Audit Committee.

Directors ensure that key risks have been identified and monitored within their directorates and the necessary action taken to address them. Directors are also directly involved in producing and reviewing the Board Assurance Framework, and attend the Audit and Quality Assurance Committees to report on risk within their areas of control.

The interests of patients, clients and other stakeholders is given authority by inclusion of representatives on various groups of the Trust, as well as the role of the Council of Governors.

The Trust's regular reporting to NHS Improvement provides additional assurance with regard to the Trust's governance arrangements and compliance with the Terms of Authorisation.

The net result of these processes is that risk is assessed systematically, with internal reviews ensuring checks and balances, a local chain of reporting which ensures follow through of recommendations and actions, and wide staff involvement ensuring effective communication throughout the Trust.

### Internal Control Issues

The Trust's Internal Auditors have given two red rated reports:

- Staff Appraisals – the review highlighted that the Trust did not have adequate and consistent staff appraiser training arrangements in place. Furthermore, the Trust did not use a system to centrally record and monitor appraisals. Furthermore, we could not provide assurance over the quality of the appraisal completion rate reported to the Board as a variety of reporting mechanisms were in place within the different localities. There were cases where we did not receive staff appraisal forms, the quality of appraisals could have been improved and an up to date appraisal was not held on one file; and
- Temporary Staffing - during the review internal audit were unable to obtain evidence that rosters were approved by the relevant Head Nurses four weeks in advance. We also noted that some sites were not required to submit Booking Forms when placing Bank staff on shifts, and wards were not yet managing shifts on Health Roster. We noted that the master Agency booking form spreadsheet, used for tracking the status on agency staff recruitment as well as managing agency staff bookings, was incomplete. We identified cases where timesheet authorisers were not found on the authorised signatories listing, agency shifts did not have corresponding timesheets attached to the invoices and bookings were not processed via the Agency Staffing team in Recruitment. We also found instances where, bank staff bookings were assigned in Health Roster after the shift had taken place and bank staff were assigned one day before the shift was due to take place.

In response to the audit of staff appraisals, a central recording system has been put in place with regular monitoring, and a data cleansing exercise has been undertaken. There is a Quality Improvement project that is currently testing changes to the appraisal documentation and process, and a generic training programme is being developed. Quality audits have been undertaken in services to check both appraisal and supervision processes.

In relation to the audit on temporary staffing, there has been a strategic review of the Trust bank service, and a new structure is currently being implemented. Focus has been given to training and supervision of bank staff. A Quality Improvement project is testing changes to the agency process, and there is a refreshed plan to implement Healthroster across the Trust. Improved reporting of roster finalisation and approval and exception reporting has been introduced at directorate level and a reminder system implemented.

The Trust's Board Assurance Framework (as of 31 March 2016) has four red rated risks:

- Failure to transform district nursing services in order to meet the needs of the local health services and wider community;
- It fails to meet standards for safety and quality as set out in the Health and Social Care Act 2009 and measured through the CQC's regulatory process;
- It fails to provide high quality services from premises that are secure, minimise risk, and are well-maintained; and
- It fails to recruit and retain high quality staff.

Action plans are in place and are summarised in the Board Assurance Framework. These risks are regularly monitored by the relevant committees and the Trust Board.

**ANNUAL GOVERNANCE STATEMENT 2015/16 (continued)**

**Current priorities**

The Trust has two main priorities related to control issues for 2016/17:

- The Trust is preparing for a comprehensive inspection by the Care Quality Commission that will take place in June 2016. A project team, led by the Director of Nursing, is set up to review adherence to the standards, and progress is being reported to the Quality Assurance Committee; and
- The Trust is further reviewing, embedding and monitoring controls in Luton & Bedfordshire.

**8 Conclusion**

The Trust has an effective system of internal control, and the specific internal control issues detailed above are being addressed through robust action plans.

The Audit Committee, Quality Assurance Committee and Trust Board will continue to monitor these areas closely and agree additional action as required.

Signed:



Dr Robert Dolan  
Chief Executive

Date: 26 May 2016



# INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF EAST LONDON NHS FOUNDATION TRUST ONLY

Opinions and conclusions arising from our audit

## 1 Our opinion on the financial statements is unmodified

We have audited the financial statements of East London NHS Foundation Trust for the year ended 31 March 2016 set out on pages 11 to 57. In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2016 and of the Trust's income and expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16.

## 2 Our assessment of risks of material misstatement

In arriving at our audit opinion above on the financial statements the risks of material misstatement that had the greatest effect on our audit were as follows:

*Valuation of Land and Buildings (excluding dwellings) – land £32.8 million (2014/15: £36.6 million) and Buildings excluding dwellings £184.6 million (2014/15: £133.2 million) risk level is → (consistent) year on year.*

Refer to pages 17 to 19 (accounting policy) and pages 42 to 44 (financial disclosures).

*The risk:* Land and buildings (excluding dwellings) are required to be maintained at up to date estimates of year-end market value in existing use (EUV) for non-specialised property assets in operational use, and, for specialised assets where no market value is readily ascertainable, the depreciated replacement cost of a modern equivalent asset that has the same service potential as the existing property (DRC). The Trust operates from 46 locations that it either owns or holds a long leasehold over with a land value of £32.8 million and building value excluding dwellings of £184.6 million.

For 2015/16, a desktop revaluation was carried out by expert valuers (Montague Evans) of all land and buildings held by the Trust. This included a site visit for land and buildings (excluding dwellings) which transferred to the Trust as part of the commencement of service provision in Luton and Bedfordshire, with a transfer value of £36.8 million. Significant judgment is involved in determining the appropriate basis (EUV or DRC) for each asset according to the degree of specialisation as well as over the assumptions made in arriving at the valuation. In particular the DRC basis requires an assumption as to whether the replacement asset would be situated on the existing site or, if more appropriate, on an alternative site, with a potentially significant effect on the valuation. In 2015/16 the assets valuations have resulted in a negative revaluation of £26.9 million across these categories of asset

*Our response:* in this area our audit procedures included:

- Assessing the competence, capability, objectivity and independence of the Trust's external valuers and considering the terms of engagement of, and the instructions issued to, the valuers for consistency with the requirements of the NHS Foundation Trust Annual Reporting Manual.
- Reviewing the listing of assets provided to the external valuers and reconciling this to the fixed asset register to assess completeness of the valuation and accuracy of data provided to the valuers; and
- Undertaking appropriate work to understand the basis upon which any impairments to land and buildings were calculated and posted to the financial statements; and
- Checking that land and buildings were disclosed in line with the requirements of the NHS Foundation Trust Annual reporting Manual.

*NHS and non-NHS patient care income recognition - £335.1 million (2014/15: £255.6 million) risk level is → (consistent) year on year but also includes non-NHS patient care income as well as NHS patient care income this year.*

Refer to page 16 (accounting policy) and pages 26 to 27 (financial disclosures).

*The risk:* The main source of income for the Trust is the provision of healthcare services to the public under contracts with NHS Clinical Commissioning Groups, NHS England and Local Authorities, which make up 94.0% of income from continuing operations. As a result of the Trust taking on the provision of mental health and community services in Luton and Bedfordshire on 1 April 2015 the Trust's income has increased by £66.4 million in 2015/16.

For the NHS related element of this income, which totals £318.0 million, the Trust participates in the Agreement of Balances (AoB) exercise for the purpose of ensuring that intra-NHS balances are eliminated on the consolidation of the Department of Health's resource accounts. This exercise identifies mismatches between income and expenditure and receivable and payable balances recognised by the Trust and its counter-parties. Mismatches can occur for a number of reasons, but the most significant risk to this Trust relates to disagreements over services provided but not covered clearly in contracts with commissioners. Where there is a lack of agreement, mismatches can also be classified as formal disputes and referred to NHS England Area Teams for resolution.

For the Local Authority element of income (£16.6 million) the Trust has contracts and amounts are billed throughout the year. At the year end the majority of this income has been collected by the Trust, although disputes or disagreement are subject to resolution between the contracting parties.

We do not consider patient care income to be at high risk of significant misstatement, or to be subject to a significant level of judgement. However, due to its materiality in the context of the financial statements as a whole, patient care income is considered to be one of the areas which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.

*Our response:* In this area our audit procedures included:

- Reconciling the income recorded in the financial statements to signed contracts with material counter parties and challenging material variations supported by explanations from the Trust;
- Confirming whether the Trust was in formal dispute or arbitration in relation to any material income balances and examining the supporting correspondence, including - if appropriate - any legal advice, for consistency with the treatment of these balances within the financial statements;
- Challenging all mismatches over £250,000 highlighted through the Agreement of Balances exercise with the Trust to confirm the basis of the figures reported by the Trust; and
- Agreement of a sample non NHS income in the financial statements back to invoices received from third parties and cash received

*Commencement of services provision within Luton and Bedfordshire – transfer of £36.8 million gain as a result of absorption risk level is ↑ (increased) year on year*

Refer to page 24 (accounting policy) and page 57 (financial disclosures).

*The risk:* The Trust was successful in its bid to provide mental health and community services to the residents of Luton and Bedfordshire. The contract commenced on 1 April 2015. The result of this is the transfer by absorption of £36.8 million of assets, inventory and working capital balances to the Trust at the start of the year. The annual value of the income for these services is in excess of £66 million. The costs of the provision of these services has been reflected throughout relevant line items within the notes to the financial statements. The transaction also involved the TUPE of 866 WTE staff to the Trust, some of whom are members of the NHS Pension Scheme while 47 are members of the Local Government Pension Scheme.

The Trust undertook due diligence prior to the transaction taking place to understand the financial risks and costs associated with the services transferring. To manage the completeness, existence and accuracy of routine receivable and payable transaction it has incorporate these within its existing systems from 1 April 2015.

Work on our previous risks has focused on the entire operations of the Trust (including those services provided in Luton and Bedfordshire). While we do not consider there is an additional significant risk in relation to the service transfer it has had a pervasive effect on our audit work.

*Our response:* In this area our audit procedures included:

- Reviewing the accounting treatment of the transfer of assets, reserves and other balances;
- Determining whether the accounting treatment at 31 March 2016 of employees who are in a Local Government Pension Scheme complied with relevant accounting standards;
- Reviewing the controls in place at the start of the year to determine that only invoices the Trust were responsible for were paid;
- Confirming the completeness of any income received; and
- Reviewing the adequacy of disclosures

### **3 Our application of materiality and an overview of the scope of our audit**

The materiality for the financial statements was set at £5.0 million (2014/15: £5.0 million), determined with reference to a benchmark of income from operations (of which it represents 1.5%). We consider income from operations to be more stable than a surplus related benchmark.

We report to the audit committee any corrected and uncorrected identified misstatements exceeding £250,000 (2014/15: £250,000), in addition to other identified misstatements that warrant reporting on qualitative grounds.

### **4 Our opinion on other matters prescribed by the Code of Audit Practice is unmodified**

In our opinion:

- the parts of the Remuneration and Staff Reports to be audited have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **5 We have nothing to report in respect of the matters on which we are required to report by exception**

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the Annual Report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In particular, we are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our audit and the directors' statement that they consider that the Annual Report and Accounts taken as a whole is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy; or
- the Audit Committee section of the Annual Report does not appropriately address matters communicated by us to the Audit Committee.

Under the Code of Audit Practice we are required to report to you if in our opinion:

- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2015/16, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.
- the Trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.



In addition we are required to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.
- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

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

#### **Certificate of audit completion**

We certify that we have completed the audit of the accounts of East London NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.

#### **Respective responsibilities of the accounting officer and auditor**

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

#### **Scope of an audit of financial statements performed in accordance with ISAs (UK and Ireland)**

A description of the scope of an audit of financial statements is provided on our website at [www.kpmg.com/uk/auditscopeother2014](http://www.kpmg.com/uk/auditscopeother2014). This report is made subject to important explanations regarding our responsibilities, as published on that website, which are incorporated into this report as if set out in full and should be read to provide an understanding of the purpose of this report, the work we have undertaken and the basis of our opinions.

#### **Respective responsibilities of the Trust and auditor in respect of arrangements for securing economy, efficiency and effectiveness in the use of resources**

The Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

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

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General (C&AG), as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The C&AG determined this criterion as necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2016.

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

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.



Neil Thomas  
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants  
15 Canada Square  
London  
E14 5GL

26 May 2016

# Audited Annual Accounts for the year ended 31 March 2016

## STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTING OFFICER

The NHS Act 2006 states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS Improvement.

Under the NHS Act 2006, NHS Improvement has directed East London NHS Foundation Trust to prepare for each financial year, a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of East London NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

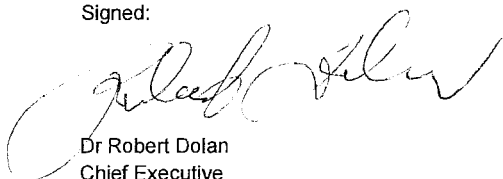
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and
- prepare the financial statements on a going concern basis.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in NHS Improvement's NHS Foundation Trust Accounting Officer Memorandum.

Signed:



Dr Robert Dolan  
Chief Executive

Date: 26 May 2016

Audited Annual Accounts  
for the year ended 31 March 2016

**Statement of Comprehensive Income  
for the year ended 31 March 2016**

		2015/16	2014/15
	Note	£000	£000
Operating income from patient care activities	3	335,111	255,636
Other operating income	4	21,293	13,122
<b>Total operating income from continuing operations</b>		<b>356,404</b>	<b>268,758</b>
Operating expenses	5	(343,888)	(258,133)
<b>Operating surplus/(deficit) from continuing operations</b>		<b>12,516</b>	<b>10,625</b>
Finance income	11	321	132
Finance expenses	12	(2,457)	(2,271)
PDC dividends payable		(5,535)	(4,194)
<b>Net finance costs</b>		<b>(7,671)</b>	<b>(6,333)</b>
Gains/(losses) arising from transfers by absorption	36	36,816	-
Movement in the fair value of investment property and other investments		(220)	-
<b>Surplus/(deficit) for the year from continuing operations</b>		<b>41,441</b>	<b>4,292</b>
Surplus/(deficit) on discontinued operations and the gain/(loss) on disposal of discontinued operations		-	-
<b>Surplus/(deficit) for the year</b>		<b>41,441</b>	<b>4,292</b>
<b>Other comprehensive income</b>			
<b>Will not be reclassified to income and expenditure:</b>			
Impairments charged to revaluation reserve	6	(16,631)	-
Revaluation gains charged to revaluation reserve	15	27,376	10,785
Remeasurements of the net defined benefit pension scheme liability/asset		(542)	-
<b>Total comprehensive income/(expense) for the year</b>		<b>51,644</b>	<b>15,077</b>

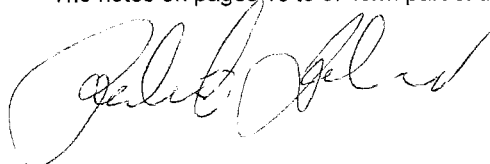
The notes on pages 16 to 57 form part of these accounts.

Audited Annual Accounts  
for the year ended 31 March 2016

**Statement of Financial Position  
as at 31 March 2016**

	Note	31 March 2016 £000	31 March 2015 £000
<b>Non-current assets</b>			
Intangible assets	14	582	702
Property, plant and equipment	15	228,018	178,970
Investment property	16	230	-
<b>Total non-current assets</b>		<b>228,830</b>	<b>179,672</b>
<b>Current assets</b>			
Inventories	17	306	191
Trade and other receivables	18	15,230	16,664
Cash and cash equivalents	20	52,172	42,600
<b>Total current assets</b>		<b>67,708</b>	<b>59,455</b>
<b>Current liabilities</b>			
Trade and other payables	22	(45,475)	(41,288)
Borrowings	24	(362)	(327)
Provisions	26	(5,199)	(1,814)
Other liabilities	23	(2,166)	(4,369)
<b>Total current liabilities</b>		<b>(53,202)</b>	<b>(47,798)</b>
<b>Total assets less current liabilities</b>		<b>243,336</b>	<b>191,329</b>
<b>Non-current liabilities</b>			
Borrowings	24	(19,678)	(20,040)
Provisions	26	(258)	(285)
Other liabilities	23	(751)	-
<b>Total non-current liabilities</b>		<b>(20,687)</b>	<b>(20,325)</b>
<b>Total assets employed</b>		<b>222,648</b>	<b>171,004</b>
<b>Financed by</b>			
Public dividend capital		77,271	77,271
Revaluation reserve		68,449	43,239
Retained earnings		76,928	50,494
<b>Total taxpayers' equity</b>		<b>222,648</b>	<b>171,004</b>

The notes on pages 16 to 57 form part of these accounts.



Dr Robert Dolan  
Chief Executive

Date: 26 May 2016

Audited Annual Accounts  
for the year ended 31 March 2016



East London  
NHS Foundation Trust

Statement of Changes in Equity for the year ended 31 March 2016

	Public dividend capital £000	Revaluation reserve £000	Available for sale investment reserve £000	Other reserves £000	Merger reserve £000	Retained Earnings £000	Total £000
<b>Taxpayers' equity at 1 April 2015 - brought forward</b>	77,271	43,239				50,494	171,004
Surplus/(deficit) for the year		14,739				41,441	41,441
Transfers by absorption: transfers between reserves		10,745				(14,739)	-
Revaluations							10,745
Remeasurements of the defined net benefit pension scheme liability/asset		(274)				(542)	(542)
Transfer of excess depreciation over historic cost depreciation						274	-
<b>Taxpayers' equity at 31 March 2016</b>	<b>77,271</b>	<b>68,449</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76,928</b>	<b>222,648</b>

Audited Annual Accounts  
for the year ended 31 March 2016

Statement of Changes in Equity for the year ended 31 March 2015

	Public dividend capital £000	Revaluation reserve £000	Available for sale investment reserve £000	Other reserves £000	Merger reserve £000	Retained Earnings £000	Total £000
Taxpayers' equity at 1 April 2014 - brought forward	77,271	32,514	-	-	-	46,142	155,927
Prior period adjustment	-	-	-	-	-	-	-
Taxpayers' and others' equity at 1 April 2014 - restated	77,271	32,514	-	-	-	46,142	155,927
At start of period for new FTs	-	-	-	-	-	-	-
Surplus/(deficit) for the year	-	10,785	-	-	-	4,292	4,292
Revaluations	-	(60)	-	-	-	60	10,785
Transfer of excess depreciation over historic cost depreciation	-	-	-	-	-	-	-
<b>Taxpayers' equity at 31 March 2015</b>	<b>77,271</b>	<b>43,239</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,494</b>	<b>171,004</b>

Audited Annual Accounts  
for the year ended 31 March 2016

**Statement of Cash Flows**  
**for the year ended 31 March 2016**

	2015/16	2014/15
Note	£000	£000
<b>Cash flows from operating activities</b>		
Operating surplus/(deficit)	12,516	10,625
<b>Non-cash income and expense:</b>		
Depreciation and amortisation	5,887	6,332
Impairments and reversals of impairments	4,833	457
Non-cash donations/grants credited to income	(155)	-
Non-cash movements in on-SoFP pension liability	209	-
(Increase)/decrease in receivables and other assets	1,633	(3,104)
(Increase)/decrease in inventories	(115)	(8)
Increase/(decrease) in payables and other liabilities	1,077	3,604
Increase/(decrease) in provisions	3,358	(1,091)
Other movements in operating cash flows	(46)	-
<b>Net cash generated from/(used in) operating activities</b>	<b>29,197</b>	<b>16,815</b>
<b>Cash flows from investing activities</b>		
Interest received	151	130
Purchase of intangible assets	(88)	(570)
Purchase of property, plant, equipment and investment property	(11,487)	(6,513)
<b>Net cash generated from/(used in) investing activities</b>	<b>(11,424)</b>	<b>(6,953)</b>
<b>Cash flows from financing activities</b>		
Capital element of finance lease rental payments	-	(75)
Capital element of PFI, LIFT and other service concession payments	(328)	(297)
Interest paid on PFI, LIFT and other service concession obligations	(2,240)	(2,271)
PDC dividend paid	(5,688)	(3,804)
<b>Net cash generated from/(used in) financing activities</b>	<b>(8,256)</b>	<b>(6,447)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>9,517</b>	<b>3,415</b>
<b>Cash and cash equivalents at 1 April</b>	<b>42,600</b>	<b>39,185</b>
Cash and cash equivalents transferred under absorption accounting	55	-
<b>Cash and cash equivalents at 31 March</b>	<b>52,172</b>	<b>42,600</b>



## Notes to the Accounts

### Accounting Policies and Other Information

#### 1 Accounting policies

NHS Improvement 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 2015/16 issued by NHS Improvement. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS foundation trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

##### 1.1 Accounting convention

These accounts have been prepared on a going concern basis under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities at their value to the business by reference to their current costs. NHS Foundation Trusts, in compliance with HM Treasury's Financial Reporting Manual, are not required to comply with the requirements to report "earnings per share" or historical profits and losses. After making enquiries, the directors have a reasonable expectation that East London NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Accounts.

##### 1.2 Critical accounting judgements and key sources of estimation uncertainty

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

The judgements and key sources of estimation uncertainty that have a significant effect on the material amounts recognised in the Accounts are detailed below:

- Asset valuations are provided by independent, qualified valuers. Valuations are subject to general price changes in property values across the UK. Asset values might vary from their real market value when assets are disposed of. Refer to Note 15.
- Determination of useful lives for property, plant and equipment - estimated useful lives for the Trust's assets are based on common, widely used assumptions for each asset type except where specialist information is available from professional bodies. The Trust reviews these lives on a regular basis as part of the process to assess whether assets have been impaired. Refer to Note 15.
- Provisions for pension and legal liabilities are based on the information provided from NHS Pension Agency, Bedfordshire Pension Fund, NHS Litigation Authority and the Trust's own sources. Pension provision is based on the life expectancy of the individual pensioner as stated in the UK Actuarial Department's most recent life tables which change annually. All provisions are estimates of the actual costs of future cash flows and are dependent on future events. Any differences between expectations and the actual future liability will be accounted for in the period when such determination is made. Refer to Note 26.
- Accruals are based on estimates and judgements of historical trends and anticipated outcomes. At the end of each accounting period, management review items that are outstanding and estimate the amount to be accrued in the closing financial statements of the Trust. Any variation between the estimate and the actual is recorded under the relevant heading within the accounts in the subsequent financial period. Refer to Note 22.

##### 1.3 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services.

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

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

##### 1.4 Expenditure on employee benefits

###### Short-term employee benefits

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

###### Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: employer's pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to expenditure at the time the Trust commits itself to the retirement, regardless of the method of payment.

## Notes to the Accounts

### 1.4 Expenditure on employee benefits (continued)

#### Local Government Pension Scheme

Some employees are members of the Local Government Pension Scheme which is a defined benefit pension scheme. The scheme assets and liabilities attributable to these employees can be identified and are recognised in the trust's accounts. The assets are measured at fair value, and the liabilities at the present value of future obligations.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The net interest cost during the year arising from the unwinding of the discount on the net scheme liabilities is recognised within finance costs. Remeasurements of the defined benefit plan are recognised in the income and expenditure reserve and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

### 1.5 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

### 1.6 Property, plant and equipment

#### Recognition

Property, plant and equipment is capitalised if:

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

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

#### Measurement

##### Valuation

All property, plant and equipment is measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at fair value.

Land and buildings used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- a) Land and non-specialised buildings – market value for existing use
- b) Specialised buildings – depreciated replacement cost

Until 31 March 2008, the depreciated replacement cost of specialised buildings has been estimated for an exact replacement of the asset in its present location. From 1 April 2008, HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. The Trust commissioned independent valuers, Montagu Evans, to carry out a full valuation of land and buildings using the modern equivalent asset methodology at 31 March 2016.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008 indexation ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

#### Revaluation gains and losses

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

## Notes to the Accounts

### 1.6 Property, plant and equipment (continued)

#### Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably.

Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

#### Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

#### Impairments

In accordance with NHS Improvement's 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 is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

#### De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- a) the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- b) the sale must be highly probable ie:
  - management are committed to a plan to sell the asset;
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price;
  - the sale is expected to be completed within 12 months of the date of classification as "Held for Sale"; and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their "fair value less costs to sell". Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as "Held for Sale" and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

#### Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

#### Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's Financial Reporting Manual, are accounted for as "on-Statement of Financial Position" by the Trust. In accordance with IAS 17, the underlying assets are recognised as property, plant and equipment at their fair value, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services.

The service charge is recognised in operating expenses and the finance cost is charged to Finance Costs in the Statement of Comprehensive Income.

## Notes to the Accounts

### 1.6 Property, plant and equipment (continued)

#### PFI asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

#### PFI liability

A PFI liability is recognised at the same time as the PFI asset is recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

#### Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

#### Assets contributed by the Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

#### Other assets contributed by the Trust to the operator

Assets contributed (e.g. cash payments, surplus property) by the Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

### 1.7 Intangible assets

#### Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only when:

- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust; and
- the cost of the asset can be measured reliably; and
- the cost is at least £5,000.

#### Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits, eg, the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

## Notes to the Accounts

### 1.7 Intangible assets (continued)

#### Software

Software which is integral to the operation of hardware, eg, an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg, application software, is capitalised as an intangible asset.

#### Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at fair value. Revaluations gains and losses and impairments are treated in the same manner as for Property, Plant and Equipment.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

#### Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

### 1.8 Revenue government and other grants

Government grants are grants from Government bodies other than income from CCGs or NHS Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

### 1.9 Leases

#### Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the NHS Foundation Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

#### Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

#### Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

### 1.10 Inventories

Inventories are valued at the lower of cost and net realisable value using the weighted average cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

### 1.11 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management.

### 1.12 Provisions

The NHS Foundation Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

#### Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at Note 26 but is not recognised in the Trust's accounts.

## Notes to the Accounts

### 1.12 Provisions (continued)

#### Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at Note 26 but is not recognised in the Trust's accounts.

#### Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

### 1.13 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in Note 25 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in Note 25, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

### 1.14 Financial instruments and financial liabilities

#### Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described above.

Regular way purchases or sales are recognised and de-recognised, as applicable, using the settlement date.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

#### De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

#### Classification and measurement

Financial assets are categorised as "fair value through income and expenditure", loans and receivables or "available-for-sale financial assets".

Financial liabilities are classified as "fair value through income and expenditure" or as "other financial liabilities".

#### Financial assets and financial liabilities at "fair value through income and expenditure"

Financial assets and financial liabilities at "fair value through income and expenditure" are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Derivatives which are embedded in other contracts but which are not "closely-related" to those contracts are separated-out from those contracts and measured in this category. Assets and liabilities in this category are classified as current assets and current liabilities.

These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains or losses in the Statement of Comprehensive Income.

## Notes to the Accounts

### 1.14 Financial instruments and financial liabilities (continued)

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. 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 transactions 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.

#### Other financial liabilities

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

#### Impairment of financial assets

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at "fair value through income and expenditure" are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced.

### 1.15 Corporation tax

The Trust's activities relate to the provision of goods and services relating to healthcare authorised under s519A Income and Corporation Taxes Act (ICTA) 1988. On this basis the Trust is not liable for corporation tax.

### 1.16 Value added tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### 1.17 Foreign exchange

The functional and presentational currencies of the Trust are sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at "fair value through income and expenditure") are translated at the spot exchange rate on 31 March;
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

### 1.18 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in Note 18.1 in accordance with the requirements of HM Treasury's Financial Reporting Manual.

## Notes to the Accounts

### 1.19 Public Dividend Capital (PDC) and PDC dividend

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by the NHS Foundation Trust, is payable as PDC dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS Foundation Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) 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 the audit of the annual accounts.

### 1.20 Private patient income

The statutory limitation on private patient income in section 44 of the 2006 Act was repealed with effect from 1 October 2012 by the Health and Social Care Act 2012. The 2012 Act now obliges Foundation Trusts to ensure that the income they receive from providing goods and services for the NHS (their principal purpose) is greater than their income from other sources. The Trust did not receive any private patient income in the current period.

### 1.21 Limitation of auditor's liability

In line with guidance from the Financial Reporting Council, the auditors have limited their liability in respect of their audit (or any other work undertaken for the Trust). The engagement letter dated 17 September 2012, states that the liability of KPMG, its members, partners and staff (whether in contract, negligence or otherwise) shall in no circumstances exceed £1.0m in aggregate in respect of all services.

### 1.22 Accounting standards issued that have not yet been adopted

The following accounting standards have been issued but have not yet been adopted. NHS bodies cannot adopt new standards unless they have been adopted in the HM Treasury FReM. The HM Treasury FReM generally does not adopt international standard until it has been endorsed by the European Union for use by listed companies.

In some cases, the standards may be interpreted in the HM Treasury FReM and therefore may not be adopted in their original form. The analysis below describes the anticipated timetable for implementation and the likely impact on the assumption that no interpretations are applied by the HM Treasury FReM.

Change published	Published by IASB	Financial year for which the change first applies
IFRS 11 (amendment) – acquisition of an interest in a joint operation	May 2014	Not yet EU adopted. Expected to be effective from 2016/17
IAS 16 (amendment) and IAS 38 (amendment) – depreciation and amortisation	May 2014	Not yet EU adopted. Expected to be effective from 2016/17
IAS 16 (amendment) and IAS 41 (amendment) – bearer plants	June 2014	Not yet EU adopted. Expected to be effective from 2016/17
IAS 27 (amendment) – equity method in separate financial statements	August 2014	Not yet EU adopted. Expected to be effective from 2016/17
IFRS 10 (amendment) and IAS 28 (amendment) – sale or contribution of assets	September 2014	Not yet EU adopted. Expected to be effective from 2016/17
IFRS 10 (amendment) and IAS 28 (amendment) – investment entities applying the consolidation exception	December 2014	Not yet EU adopted. Expected to be effective from 2016/17
IAS 1 (amendment) – disclosure initiative	December 2014	Not yet EU adopted. Expected to be effective from 2016/17
IFRS 15 Revenue from contracts with customers	May 2014	Not yet EU adopted. Expected to be effective from 2017/18.
Annual improvements to IFRS: 2012-15 cycle	September 2014	Not yet EU adopted. Expected to be effective from 2017/18.
IFRS 9 Financial Instruments	July 2014	Not yet EU adopted. Expected to be effective from 2018/19.

### 1.23 Accounting standards issued that have been adopted early

HM Treasury directs that the public sector does not adopt accounting standards early. The Trust has not early adopted any new accounting standards, amendments or interpretations.



## Notes to the Accounts

### 1.24 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS Foundation Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

### 1.25 Transfers of functions from other NHS bodies

Mental health services in Luton and Bedfordshire transferred to the Trust from South Essex Partnership NHS Foundation Trust on 1 April 2015. Assets and liabilities relating to the transfer have been recognised in the accounts as a Transfer by Absorption.

For functions that have transferred to the Trust from another NHS body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain corresponding to the net assets transferred is recognised within income, but not within operating activities.

For property plant and equipment assets and intangible assets, the cost and accumulated depreciation / amortisation balances from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

# Audited Annual Accounts for the year ended 31 March 2016

## Notes to the Accounts

### 2 Segmental analysis

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

The directors consider that the Trust's activities constitute a single segment since they are provided wholly in the UK, are subject to similar risks and rewards and all assets are managed as one central pool.

Audited Annual Accounts  
for the year ended 31 March 2016

**Note 3 Operating income from patient care activities**

**Note 3.1 Income from patient care activities (by nature)**

	2015/16	2014/15
	£000	£000
<b>Mental health services</b>		
Cost and volume contract income	8,373	2,796
Block contract income	303,670	238,050
Other clinical income from mandatory services	23,067	14,790
<b>Total income from activities</b>	<b>335,111</b>	<b>255,636</b>

**Note 3.2 Income from patient care activities (by source)**

<b>Income from patient care activities received from:</b>	2015/16	2014/15
	£000	£000
CCGs and NHS England	311,030	241,606
Local authorities	16,617	9,294
Department of Health	-	27
NHS foundation trusts	4,547	2,897
NHS trusts	2,308	1,567
NHS other	153	153
Non-NHS: overseas patients (chargeable to patient)	457	92
<b>Total income from activities</b>	<b>335,111</b>	<b>255,636</b>
<b>Of which:</b>		
Related to continuing operations	335,111	255,636

# Audited Annual Accounts for the year ended 31 March 2016

## Note 3.3 Overseas visitors (relating to patients charged directly by the NHS foundation trust)

	2015/16	2014/15
	£000	£000
Income recognised this year	457	92

## Note 4 Other operating income

	2015/16	2014/15
	£000	£000
Research and development	1,871	1,537
Education and training	8,254	8,389
Receipt of capital grants and donations	155	-
Reversal of impairments	5,542	1,348
Rental revenue from operating leases	195	-
Other income	5,276	1,848
<b>Total other operating income</b>	<b>21,293</b>	<b>13,122</b>
<b>Of which:</b>		
Related to continuing operations	21,293	13,122

## Note 4.1 Income from activities arising from commissioner requested services

Under the terms of its Provider License, the Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider license and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2015/16	2014/15
	£000	£000
Income from services designated (or grandfathered) as commissioner requested services	335,111	255,636
Income from services not designated as commissioner requested services	21,293	13,122
<b>Total</b>	<b>356,404</b>	<b>268,758</b>

The Trust is working with its commissioners to determine the level of commissioner requested services currently provided. Within the 2015/16 financial statements, management has taken the view to define the following as commissioner requested services:

- Adult Community Health
- Adult Mental Health Services
- CAMHS & Addiction
- Children & Young People Community Health
- Forensic (low & medium secure) Services
- Older People's Mental Health Services
- Specialist Services
- Improving Access to Psychological Therapies (IAPT)

# Audited Annual Accounts for the year ended 31 March 2016

## Note 5 Operating expenses

	2015/16	2014/15
	£000	£000
Services from NHS foundation trusts	11,004	4,038
Services from NHS trusts	5,315	3,848
Services from CCGs and NHS England	-	60
Services from other NHS bodies	7,021	7,867
Purchase of healthcare from non NHS bodies	7,086	4,270
Employee expenses - executive directors	1,313	1,332
Employee expenses - non-executive directors	171	181
Employee expenses - staff	245,807	189,648
Supplies and services - clinical	3,389	2,515
Supplies and services - general	7,855	6,986
Establishment	4,667	3,620
Research and development	2,060	2,118
Transport	2,081	997
Premises	13,553	10,122
Increase/(decrease) in provision for impairment of receivables	(20)	(1,355)
Drug costs	1,269	395
Inventories consumed	2,986	2,268
Rentals under operating leases	1,153	629
Depreciation on property, plant and equipment	5,524	6,034
Amortisation on intangible assets	363	298
Impairments	10,375	1,805
Audit fees payable to the external auditor		
audit services- statutory audit	69	52
other auditor remuneration (external auditor only)	12	9
Internal audit costs	84	77
Clinical negligence	565	548
Legal fees	283	596
Consultancy costs	1,473	2,375
Training, courses and conferences	1,916	2,028
Patient travel	405	265
Redundancy	681	1,291
Hospitality	81	66
Insurance	107	106
Other services, eg external payroll	1,116	875
Losses, ex gratia & special payments	112	137
Other	4,012	2,032
<b>Total</b>	<b>343,888</b>	<b>258,133</b>
<b>Of which:</b>		
Related to continuing operations	343,888	258,133

# Audited Annual Accounts for the year ended 31 March 2016

## Note 5.1 Other auditor remuneration

Remuneration of £12k (£9k in 2014/15) was paid to the external auditors for audit-related assurance services on the Quality Accounts.

## Note 5.2 Limitation on auditor's liability

The limitation on auditors' liability for external audit work is £1m (£1m in 2014/15).

## Note 6 Impairment of assets

	2015/16 £000	2014/15 £000
<b>Net impairments charged to operating surplus / deficit resulting from:</b>		
Changes in market price	4,833	457
<b>Total net impairments charged to operating surplus / deficit</b>	<b>4,833</b>	<b>457</b>
Impairments charged to the revaluation reserve	16,631	-
<b>Total net impairments</b>	<b>21,464</b>	<b>457</b>

Audited Annual Accounts  
for the year ended 31 March 2016

Note 7 Salary and pension entitlements of senior managers

Note 7.1 Remuneration

Name and Title	2015/16			2014/15		
	Salary* (Bands of £5,000) £000	Other Remuneration* (Bands of £5,000) £000	Bonus** (Bands of £5,000) £000	Salary* (Bands of £5,000) £000	Other Remuneration* (Bands of £5,000) £000	Bonus** (Bands of £5,000) £000
Marie Gabriel - Chair	50-55	-	-	50-55	-	-
Dr Robert Dolan - Chief Executive	195-200	-	-	195-200	-	-
John Wilkins - Deputy Chief Executive and Director of Performance & Business Development	130-135	-	-	130-135	-	-
Steven Course - Director of Finance (from 1 June 2015)	115-120	-	-	-	-	-
Dr Navina Evans - Director of Operations	165-170	15-20	45-50	165-170	15-20	40-45
Dr Kevin Cleary - Medical Director	185-190	-	45-50	180-185	-	40-45
Professor Jonathan Warren - Director of Nursing & Quality	125-130	-	-	125-130	-	-
Mason Fitzgerald - Director of Corporate Affairs	115-120	-	-	120-125	-	-
Mary Elford - Vice Chair	15-20	-	-	15-20	-	-
Nicola Baslin - Senior Independent Non Executive Director	15-20	-	-	15-20	-	-
Alan Palmer - Non Executive Director (to 31 December 2015)	10-15	-	-	15-20	-	-
Kingsley Peter - Non Executive Director	15-20	-	-	15-20	-	-
Robert Taylor - Non Executive Director	15-20	-	-	15-20	-	-
Urmila Barnerjee - Non Executive Director	15-20	-	-	5-10	-	-
Jennifer Mary Kay - Non Executive Director	15-20	-	-	5-10	-	-
	Band of highest-paid director	195-200		195-200		
	Median total remuneration	32,508.00		34,154.04		
	Ratio	6.0		5.7		

Total remuneration paid to directors for the year ended 31 March 2016 (in their capacity as directors) totalled £1,065,690 (£1,086,691 in 2014/15). No other remuneration was paid to Directors in their capacity as directors. There were no advances or guarantees entered into on behalf of directors by the Trust. Employer contributions to the NHS Pension Scheme for Executive Directors for the year ended 31 March 2016 totalled £113,114 (£110,502 in 2014/15). The total number of directors to whom benefits are accruing under the NHS defined benefit scheme (the NHS Pension Scheme) was six (six in 2014/15).

\*Salary and Other Remuneration are inclusive of Bonus

\*\*Bonus refers to Clinical Excellence Awards, which are given to recognise and reward the exceptional contribution of NHS consultants, over and above that normally expected in a job, to the values and goals of the NHS and to patient care. There were no payments for golden hellos, compensation for loss of office, benefits in kind or performance related bonuses for any of the senior managers.

See also note 8.5

Signed: 

Dr Robert Dolan  
Chief Executive

Date: 26 May 2016

Note 7 Salary and pension entitlements of senior managers (continued)

Note 7.2 Pension benefits

Name and title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at age 60 (bands of £5,000)	Total accrued pension at age 60 at 31 March 2016 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2016 (bands of £5,000)	Cash Equivalent Transfer value at 31 March 2016	Cash Equivalent Transfer value at 31 March 2015	Real increase in Cash Equivalent Transfer Value
	£000	£000	£000	£000	£000	£000	£000
Steven Course - Director of Finance (With Effect 01/06/2015, Interim Director of Finance 01/04/2015 - 31/05/2015)	5.0 - 7.5	15 - 17.5	20 - 25	65 - 70	308	221	85
Dr Kevin Cleary - Medical Director	5 - 7.5	15 - 17.5	50 - 55	160 - 165	1072	949	112
Dr Navina Evans - Director of Operations	20 - 22.5	62.5 - 65	70 - 75	210 - 215	1377	946	419
Mr Mason Fitzgerald - Director of Corporate Affairs	0 - 2.5	0 - 2.5	15 - 20	40 - 45	208	192	13
Professor Jonathan Warren - Director of Nursing & Quality	2.5 - 5.0	7.5 - 1.0	40 - 45	130 - 135	797	737	51
John Wilkins - Deputy Chief Executive and Director of Performance & Business Development	0 - 2.5	5.0 - 7.5	40 - 45	120 - 125	912	864	38

Pension benefits apply to Executive Directors only as Non-Executive Directors do not receive any pensionable remuneration.

The Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accumulated by a member at a particular point in time. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The Government Actuary Department factors for the calculation of Cash Equivalent Transfer Value assume that benefits are indexed in line with CPI, which are expected to be lower than RPI that was used previously.



Audited Annual Accounts  
for the year ended 31 March 2016

**Note 7 Salary and pension entitlements of senior managers (continued)**

**Note 7.3 Reporting related to the review of Tax Arrangements of Public Sector Appointees (unaudited)**

The tables below report the number of off-payroll engagements in place as at 31 March 2016 (Table 1) and the number of new engagements in 2015/16 which exceeded £220 per day and lasted longer than six months (Table 2). In 2015/16 the Trust did not enter into any off-payroll engagements with Board Members or senior officers with significant financial responsibility.

**Table 1: For all off-payroll engagements as at 31 March 2016, which exceed £220 per day and that have lasted for longer than six months:**

No. of existing engagements as at 31 March 2016:	7
of which...	
No. that have existed for less than one year at time of reporting.	0
No. that have existed for between one and two years at time of reporting.	2
No. that have existed for between two and three years at time of reporting.	3
No. that have existed for between three and four years at time of reporting.	2
No. that have existed for four or more years at time of reporting.	0

**Table 2: For all new off-payroll engagements, or those that reached six months in duration, in 2015/16, which exceed £220 per day and that have lasted for longer than six months:**

No. of new engagements or those that reached six months in duration in 2015/16:	0
No. of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and National Insurance obligations	0
No. for whom assurance has been requested	0
of which...	
No. for whom assurance has been received	0
No. for whom assurance has not been received	0
No. that have been terminated as a result of assurance not being received.	0

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

# Audited Annual Accounts for the year ended 31 March 2016

## Note 8 Employee benefits

			2015/16	2014/15
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	171,665	17,772	189,437	151,010
Social security costs	16,138	-	16,138	13,082
Employer's contributions to NHS pensions	22,417	-	22,417	17,682
Pension cost - other	406	-	406	-
Agency/contract staff	-	18,722	18,722	9,206
<b>Total staff costs</b>	<b>210,626</b>	<b>36,494</b>	<b>247,120</b>	<b>190,980</b>

## Note 8.1 Average number of employees (WTE basis)

			2015/16	2014/15
	Permanent	Other	Total	Total
	Number	Number	Number	Number
Medical and dental	363	-	363	305
Administration and estates	957	-	957	771
Nursing, midwifery and health visiting staff	2,288	-	2,288	1,747
Scientific, therapeutic and technical staff	939	-	939	660
Agency and contract staff	-	443	443	235
Bank staff	-	585	585	422
Other	4	-	4	3
<b>Total average numbers</b>	<b>4,551</b>	<b>1,028</b>	<b>5,579</b>	<b>4,143</b>

## Note 8.2 Retirements due to ill-health

During 2015/16 there were 8 early retirements from the trust agreed on the grounds of ill-health (8 in 2014/15). The estimated additional pension liabilities of these ill-health retirements is £400k (£328k in 2014/15).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

**Note 8.3 Reporting of compensation schemes - exit packages 2015/16**

Exit package cost band (including any special payment element)	Number of compulsory redundancies Number	Number of other departures agreed Number	Total number of exit packages Number
<£10,000	1	-	1
£10,001 - £25,000	6	-	6
£25,001 - £50,000	5	-	5
£50,001 - £100,000	2	-	2
£100,001 - £150,000	-	-	-
£150,001 - £200,000	1	-	1
<b>Total number of exit packages by type</b>	<b>15</b>	<b>-</b>	<b>15</b>
Total resource cost (£)	£681,122	£0	£681,122

**Note 8.4 Reporting of compensation schemes - exit packages 2014/15**

Exit package cost band (including any special payment element)	Number of compulsory redundancies Number	Number of other departures agreed Number	Total number of exit packages Number
<£10,000	19	-	19
£10,001 - £25,000	7	-	7
£25,001 - £50,000	11	-	11
£50,001 - £100,000	6	-	6
£100,001 - £150,000	1	-	1
£150,001 - £200,000	1	-	1
<b>Total number of exit packages by type</b>	<b>45</b>	<b>-</b>	<b>45</b>
Total resource cost (£)	£1,291,000	£0	£1,291,000

**Note 8.5 Directors' remuneration**

The aggregate amounts payable to directors were:

	2015/16 £000	2014/15 £000
Salary	1,066	1,087
Employer's pension contributions	113	111
<b>Total</b>	<b>1,179</b>	<b>1,198</b>

Further details of directors' remuneration can be found in the remuneration report.

## Notes to the Accounts

### 9 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

#### a) Accounting Valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2016, is based on valuation data as 31 March 2015, updated to 31 March 2016 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

#### b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

#### Local Government Pension Scheme (LGPS)

The Trust also has a number of employees who are members of a LGPS - the Bedfordshire Pension Fund. The Funds comprising the LGPS are multi-employer schemes, and each employer's share of the underlying assets and liabilities can be identified. Hence a defined benefit approach is followed. The scheme has a full actuarial valuation at intervals not exceeding three years. In between the full actuarial valuations, the assets and liabilities are updated using the principle actuarial assumptions at the balance sheet date. Any material changes in liabilities associated with these claims would be recoverable through the pool, which is negotiated every three years. The scheme assets and liabilities attributable to these employees can be identified and are recognised in the Trust's accounts. The assets are measured at fair value, and the liabilities at the present value of future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs. Actuarial gains and losses during the year are recognised in the income and expenditure reserve and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

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**Note 10 Operating leases**

**Note 10.1 East London NHS Foundation Trust as a lessor**

	2015/16 £000	2014/15 £000
<b>Operating lease revenue</b>		
Minimum lease receipts	195	-
<b>Total</b>	<u>195</u>	<u>-</u>
	<b>31 March 2016 £000</b>	<b>31 March 2015 £000</b>
<b>Future minimum lease receipts due:</b>		
- not later than one year	260	-
- later than one year and not later than five years	1,042	-
- later than five years	1,042	-
<b>Total</b>	<u>2,344</u>	<u>-</u>

**Note 10.2 East London NHS Foundation Trust as a lessee**

	2015/16 £000	2014/15 £000
<b>Operating lease expense</b>		
Minimum lease payments	1,153	629
<b>Total</b>	<u>1,153</u>	<u>629</u>
	<b>31 March 2016 £000</b>	<b>31 March 2015 £000</b>
<b>Future minimum lease payments due:</b>		
- not later than one year;	1,153	604
- later than one year and not later than five years;	2,149	1,688
- later than five years.	942	1,285
<b>Total</b>	<u>4,244</u>	<u>3,577</u>

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**Note 11 Finance income**

	2015/16	2014/15
	£000	£000
Interest on bank accounts	150	132
Interest income on employee pension fund assets	171	-
<b>Total</b>	<b>321</b>	<b>132</b>

**Note 12 Finance expenditure**

	2015/16	2014/15
	£000	£000
<b>Interest expense:</b>		
Interest on employee pension fund obligations	217	-
Main finance costs on PFI and LIFT schemes obligations	2,240	2,271
<b>Total</b>	<b>2,457</b>	<b>2,271</b>

**Note 13.1 Better Payment Practice Code - measure of compliance**

	2015/16 Number	2015/16 £000
Total Non-NHS trade invoices paid in the year	49,956	99,831
Total Non-NHS trade invoices paid within target	46,020	97,825
Percentage of Non-NHS trade invoices paid within target	92%	98%
Total NHS trade invoices paid in the year	1,414	22,951
Total NHS trade invoices paid within target	1,354	22,772
Percentage of NHS trade invoices paid within target	96%	99%
	2014/15 Number	2014/15 £000
Total Non-NHS trade invoices paid in the year	37,127	68,171
Total Non-NHS trade invoices paid within target	34,368	62,792
Percentage of Non-NHS trade invoices paid within target	93%	92%
Total NHS trade invoices paid in the year	1,173	19,455
Total NHS trade invoices paid within target	1,128	19,090
Percentage of NHS trade invoices paid within target	96%	98%

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

**Note 13.2 Late Payment of Commercial Debts (Interest) Act 1998**

There are no amounts included within other interest payable arising from claims made under this legislation

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**Note 14.1 Intangible assets - 2015/16**

	Software licences £000	Total £000
Valuation/gross cost at 1 April 2015 - brought forward	1,864	1,864
Additions	243	243
<b>Gross cost at 31 March 2016</b>	<b>2,107</b>	<b>2,107</b>
Amortisation at 1 April 2015 - brought forward	1,162	1,162
Provided during the year	363	363
<b>Amortisation at 31 March 2016</b>	<b>1,525</b>	<b>1,525</b>
Net book value at 31 March 2016	582	582
Net book value at 1 April 2015	702	702
<b>Useful economic life</b>		
- Minimum useful economic life	3	
- Maximum useful economic life	5	



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**Note 14.2 Intangible assets - 2014/15**

	Software licences £000	Total £000
<b>Valuation/gross cost at 1 April 2014 - brought forward</b>	1,294	1,294
Additions	570	570
<b>Valuation/gross cost at 31 March 2015</b>	<u>1,864</u>	<u>1,864</u>
<b>Amortisation at 1 April 2014 - brought forward</b>	864	864
Provided during the year	298	298
<b>Amortisation at 31 March 2015</b>	<u>1,162</u>	<u>1,162</u>
<b>Net book value at 31 March 2015</b>	702	702
<b>Net book value at 1 April 2014</b>	430	430
<b>Useful economic life</b>		
- Minimum useful economic life	3	
- Maximum useful economic life	3	



**Note 14.3 Intangible assets financing 2015/16**

	Software licences £000	Total £000
<b>Net book value at 31 March 2016</b>		
Purchased	479	479
Donated and government grant funded	103	103
<b>NBV total at 31 March 2016</b>	<b>582</b>	<b>582</b>

**Note 14.4 Intangible assets financing 2014/15**

	Software licences £000	Total £000
<b>Net book value 31 March 2015</b>		
Purchased	702	702
<b>NBV total at 31 March 2015</b>	<b>702</b>	<b>702</b>

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Note 15.1 Property, plant and equipment - 2015/16

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
<b>Valuation/gross cost at 1 April 2015 - brought forward</b>	<b>36,600</b>	<b>134,849</b>	-	<b>872</b>	<b>5,620</b>	<b>82</b>	<b>10,841</b>	<b>5,170</b>	<b>194,034</b>
Transfers by absorption	9,776	26,300	121	-	223	-	-	-	36,420
Additions	-	8,487	-	-	411	-	2,453	942	12,293
Impairments charged to revaluation reserve	(10,298)	(6,333)	-	-	-	-	-	-	(16,631)
Reclassifications	-	-	-	(872)	-	-	872	-	-
Revaluation gains charged to revaluation reserve	2,677	24,650	49	-	-	-	-	-	27,376
Revaluation Surpluses	(5,936)	(1,540)	(2)	-	-	-	-	-	(7,478)
Disposals / derecognition	-	-	-	-	(948)	(17)	(3,018)	(3,003)	(6,986)
<b>Valuation/gross cost at 31 March 2016</b>	<b>32,819</b>	<b>186,413</b>	<b>168</b>	<b>-</b>	<b>5,306</b>	<b>65</b>	<b>11,148</b>	<b>3,109</b>	<b>239,028</b>
<b>Accumulated depreciation at 1 April 2015 - brought forward</b>	<b>-</b>	<b>1,644</b>	<b>-</b>	<b>-</b>	<b>2,714</b>	<b>38</b>	<b>6,342</b>	<b>4,326</b>	<b>15,064</b>
Transfers by absorption	-	-	-	-	53	-	-	-	53
Provided during the year	-	2,741	2	-	695	13	1,769	304	5,524
Impairments recognised in operating expenses	6,117	4,258	-	-	-	-	-	-	10,375
Reversals of impairments recognised in operating income	(181)	(5,361)	-	-	-	-	-	-	(5,542)
Revaluation Surpluses	(5,936)	(1,540)	(2)	-	-	-	-	-	(7,478)
Disposals/ derecognition	-	-	-	-	(948)	(17)	(3,018)	(3,003)	(6,986)
<b>Accumulated depreciation at 31 March 2016</b>	<b>-</b>	<b>1,742</b>	<b>-</b>	<b>-</b>	<b>2,514</b>	<b>34</b>	<b>5,093</b>	<b>1,627</b>	<b>11,010</b>
<b>Net book value at 31 March 2016</b>	<b>32,819</b>	<b>184,671</b>	<b>168</b>	<b>-</b>	<b>2,792</b>	<b>31</b>	<b>6,055</b>	<b>1,482</b>	<b>228,018</b>
<b>Net book value at 1 April 2015</b>	<b>36,600</b>	<b>133,205</b>	<b>-</b>	<b>872</b>	<b>2,906</b>	<b>44</b>	<b>4,499</b>	<b>844</b>	<b>178,970</b>
<b>Useful economic life</b>									
- Minimum useful economic life		60	60		3	5	5	3	
- Maximum useful economic life		60	60		15	5	10	12	

**Note 15.2 Property, plant and equipment - 2014/15**

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
<b>Valuation/gross cost at 1 April 2014 - brought forward</b>	31,746	122,183	8,439	5,059	82	10,107	4,935	182,551
Additions - purchased/ leased/ grants/ donations	-	2,952	791	561	18	1,882	235	6,439
Reclassifications	5,176	2,999	(8,358)	-	-	183	-	-
Revaluation gains/(losses) charged to revaluation reserve	(126)	10,911	-	-	-	-	-	10,785
Revaluation Surpluses	(196)	(4,196)	-	-	-	-	-	(4,392)
Disposals / derecognition	-	-	-	-	(18)	(1,331)	-	(1,349)
<b>Valuation/gross cost at 31 March 2015</b>	<b>36,600</b>	<b>134,849</b>	<b>872</b>	<b>5,620</b>	<b>82</b>	<b>10,841</b>	<b>5,170</b>	<b>194,034</b>
<b>Accumulated depreciation at 1 April 2014 - brought forward</b>	-	2,121	-	2,033	44	6,121	3,995	14,314
Provided during the year	-	3,458	-	681	12	1,552	331	6,034
Impairments recognised in operating expenses	218	1,587	-	-	-	-	-	1,805
Reversals of impairments recognised in operating income	(22)	(1,326)	-	-	-	-	-	(1,348)
Revaluation Surpluses	(196)	(4,196)	-	-	-	-	-	(4,392)
Disposals / derecognition	-	-	-	-	(18)	(1,331)	-	(1,349)
<b>Accumulated depreciation at 31 March 2015</b>	<b>-</b>	<b>1,644</b>	<b>-</b>	<b>2,714</b>	<b>38</b>	<b>6,342</b>	<b>4,326</b>	<b>15,064</b>
<b>Net book value at 31 March 2015</b>	<b>36,600</b>	<b>133,205</b>	<b>872</b>	<b>2,906</b>	<b>44</b>	<b>4,499</b>	<b>844</b>	<b>178,970</b>
<b>Net book value at 1 April 2014</b>	<b>31,746</b>	<b>120,062</b>	<b>8,439</b>	<b>3,026</b>	<b>38</b>	<b>3,986</b>	<b>940</b>	<b>168,237</b>

Useful economic life  
- Minimum useful economic life 30  
- Maximum useful economic life 90

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## Note 15.3 Property, plant and equipment financing - 2015/16

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Owned	32,819	143,718	168	-	2,792	31	6,055	1,482	187,065
On-SoFP PFI contracts and other service concession arrangements	-	36,094	-	-	-	-	-	-	36,094
Donated	-	4,859	-	-	-	-	-	-	4,859
<b>NBV total at 31 March 2016</b>	<b>32,819</b>	<b>184,671</b>	<b>168</b>	<b>-</b>	<b>2,792</b>	<b>31</b>	<b>6,055</b>	<b>1,482</b>	<b>228,018</b>

## Note 15.4 Property, plant and equipment financing - 2014/15

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Owned	36,600	98,340	-	872	2,906	44	4,499	844	144,105
On-SoFP PFI contracts and other service concession arrangements	-	32,287	-	-	-	-	-	-	32,287
Donated	-	2,578	-	-	-	-	-	-	2,578
<b>NBV total at 31 March 2015</b>	<b>36,600</b>	<b>133,205</b>	<b>-</b>	<b>872</b>	<b>2,906</b>	<b>44</b>	<b>4,499</b>	<b>844</b>	<b>178,970</b>

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**Note 16 Investment property**

	31 March 2016 £000	31 March 2015 £000
At 1 April	-	-
Transfers by absorption	450	-
Gain/(loss) from fair value adjustments	(220)	-
<b>At 31 March</b>	<b>230</b>	<b>-</b>

**Note 17 Inventories**

	31 March 2016 £000	31 March 2015 £000
Drugs	306	191
<b>Total inventories</b>	<b>306</b>	<b>191</b>

The total value of inventories recognised in expenses for the year was £2,986k (£2,268k in 2014/15).

**Note 18 Trade and other receivables**

	31 March 2016 £000	31 March 2015 £000
<b>Current</b>		
NHS trade receivables	11,638	13,277
Provision for impaired receivables	(2,707)	(4,629)
Prepayments (non-PFI)	1,110	532
Accrued income	178	1,498
VAT receivable	1,177	889
Other receivables	3,834	5,097
<b>Total current trade and other receivables</b>	<b>15,230</b>	<b>16,664</b>

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**Note 19.1 Provision for impairment of receivables**

	2015/16	2014/15
	£000	£000
<b>At 1 April brought forward</b>	<b>4,629</b>	<b>6,332</b>
Increase in provision	872	2,369
Amounts utilised	(1,902)	(348)
Unused amounts reversed	(892)	(3,724)
<b>At 31 March</b>	<b>2,707</b>	<b>4,629</b>

**Note 19.2 Analysis of trade receivables**

	31 March	31 March
	2016	2015
	£000	£000
<b>Ageing of impaired trade receivables</b>		
0 - 30 days	117	593
30-60 Days	389	201
60-90 days	50	37
90- 180 days	15	1,458
Over 180 days	2,136	2,340
<b>Total</b>	<b>2,707</b>	<b>4,629</b>
<b>Ageing of non-impaired trade receivables</b>		
0 - 30 days	7,580	5,876
30-60 Days	1,827	2,397
60-90 days	1,023	649
90- 180 days	498	2,481
Over 180 days	1,817	6,224
<b>Total</b>	<b>12,745</b>	<b>17,627</b>

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**Note 20 Cash and cash equivalents movements**

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2015/16 £000	2014/15 £000
<b>At 1 April</b>	<b>42,600</b>	<b>39,185</b>
Transfers by absorption	55	-
Net change in year	9,517	3,415
<b>At 31 March</b>	<b><u>52,172</u></b>	<b><u>42,600</u></b>
<b>Broken down into:</b>		
Cash at commercial banks and in hand	140	165
Cash with the Government Banking Service	<u>52,032</u>	<u>42,435</u>
<b>Total cash and cash equivalents as in SoFP</b>	<b><u>52,172</u></b>	<b><u>42,600</u></b>
<b>Total cash and cash equivalents as in SoCF</b>	<b><u>52,172</u></b>	<b><u>42,600</u></b>

**Note 21 Third party assets held by the NHS Foundation Trust**

East London NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Foundation Trust on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2016 £000	31 March 2015 £000
Bank balances	534	395
Monies on deposit	533	588
<b>Total third party assets</b>	<b><u>1,067</u></b>	<b><u>983</u></b>



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**Note 22 Trade and other payables**

	31 March 2016 £000	31 March 2015 £000
<b>Current</b>		
NHS trade payables	9,850	6,677
Other trade payables	8,697	11,721
Capital payables	1,916	1,110
Other taxes payable	4,754	3,932
Other payables	3,483	2,885
Accruals	16,459	14,494
PDC dividend payable	316	469
<b>Total current trade and other payables</b>	<b>45,475</b>	<b>41,288</b>

**Note 23 Other liabilities**

	31 March 2016 £000	31 March 2015 £000
<b>Current</b>		
Other deferred income	2,166	4,369
<b>Total other current liabilities</b>	<b>2,166</b>	<b>4,369</b>
<b>Non-current</b>		
Net pension scheme liability (Bedfordshire Pension Fund)	751	-
<b>Total other non-current liabilities</b>	<b>751</b>	<b>-</b>

**Note 24 Borrowings**

	31 March 2016 £000	31 March 2015 £000
<b>Current</b>		
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	362	327
<b>Total current borrowings</b>	<b>362</b>	<b>327</b>
<b>Non-current</b>		
Obligations under PFI, LIFT or other service concession contracts	19,678	20,040
<b>Total non-current borrowings</b>	<b>19,678</b>	<b>20,040</b>

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## Note 25 Employee retirement benefit obligations

The Trust has a number of employees in Luton and Bedfordshire who are members of a Local Government Pension Scheme, the Bedfordshire Pension Fund. A defined benefit approach is followed and has been included in the Accounts as set out in Notes 25.1 & 25.2.

### Note 25.1 Amounts recognised in the Statement of Financial Position

	31 March 2016 £000	31 March 2015 £000
<b>Change in benefit obligation during period</b>		
Defined benefit obligation as at 1 April	-	-
Current service cost	(406)	-
Interest on pension obligations	(217)	-
Member contributions	(89)	-
Remeasurements recognised in other comprehensive income	(5,436)	-
<b>Defined benefit obligation as at 31 March</b>	<b>(6,148)</b>	-
<b>Change in fair value of plan assets during period</b>		
Fair value of plan assets as at 1 April	-	-
Interest income on plan assets	171	-
Expected return on plan assets (excluding interest income)	4,894	-
Employer contributions	243	-
Member contributions	89	-
<b>Fair value of plan assets as at 31 March</b>	<b>5,397</b>	-
<b>Net asset/(liability) as at 31 March</b>	<b>(751)</b>	-

### Note 25.2 Amounts recognised in the Statement of Comprehensive Income

	31 March 2016 £000	31 March 2015 £000
Current service cost	(406)	-
Interest on pension obligations (note 12)	(217)	-
Interest income on plan assets (note 11)	171	-
Employer contributions	243	-
<b>Total pension cost recognised</b>	<b>(209)</b>	-

### Note 25.3 Principal actuarial assumptions

The sensitivity regarding the principle assumptions used to measure the scheme liabilities are set out below.

	2016 % p.a.	2015 % p.a.
Pension increase rate	2.2%	-
Salary increase rate	3.2%	-
Discount rate	3.6%	-

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Note 26 Provisions for liabilities and charges analysis

	Pensions - other staff £000	Other legal claims £000	Other £000	Total £000
<b>At 1 April 2015</b>	311	126	1,662	2,099
Arising during the year	-	82	5,091	5,173
Utilised during the year	(27)	(126)	(1,662)	(1,815)
<b>At 31 March 2016</b>	<b>284</b>	<b>82</b>	<b>5,091</b>	<b>5,457</b>
<b>Expected timing of cash flows:</b>				
- not later than one year	26	82	5,091	5,199
- later than one year and not later than five years	104	-	-	104
- later than five years	154	-	-	154
<b>Total</b>	<b>284</b>	<b>82</b>	<b>5,091</b>	<b>5,457</b>

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**Note 27 Clinical negligence liabilities**

At 31 March 2016, £11,541k was included in provisions of the NHS Litigation Authority in respect of clinical negligence liabilities of the Trust (£5,597k at 31 March 2015).

**Note 28 Contingent assets and liabilities**

	31 March 2016 £000	31 March 2015 £000
<b>Value of contingent liabilities</b>		
NHS Litigation Authority legal claims	76	72
<b>Gross value of contingent liabilities</b>	<u>76</u>	<u>72</u>
<b>Net value of contingent liabilities</b>	<u>76</u>	<u>72</u>

**Note 29 Contractual capital commitments**

	31 March 2016 £000	31 March 2015 £000
Property, plant and equipment	1,313	700
<b>Total</b>	<u>1,313</u>	<u>700</u>

**Note 30 Subsequent events**

There are no subsequent events that require recognition or disclosure in the Accounts.

**Note 31 On-SoFP PFI, LIFT or other service concession arrangements**

**Note 31.1 Imputed finance lease obligations**

	31 March 2016 £000	31 March 2015 £000
<b>Gross PFI, LIFT or other service concession liabilities</b>	<b>49,149</b>	<b>51,716</b>
<b>Of which liabilities are due</b>		
- not later than one year	2,568	2,568
- later than one year and not later than five years	10,273	10,273
- later than five years	36,308	38,875
Finance charges allocated to future periods	(29,109)	(31,349)
<b>Net PFI, LIFT or other service concession arrangement obligation</b>	<b>20,040</b>	<b>20,367</b>
- not later than one year	362	327
- later than one year and not later than five years	1,867	1,690
- later than five years	17,811	18,350

**Note 31.2 Payments committed in respect of the service element**

	31 March 2016 £000	31 March 2015 £000
Charge in respect of the service element of the PFI, LIFT or other service concession arrangement for the period	3,045	2,808
Commitments in respect of the service element of the PFI, LIFT or other service concession arrangement:		
- not later than one year	3,238	3,045
- later than one year and not later than five years	14,441	13,838
- later than five years	73,648	77,488
<b>Total</b>	<b>91,327</b>	<b>94,371</b>

**Note 31.3 Analysis of amounts payable to service concession operator**

	31 March 2016 £000	31 March 2015 £000
Unitary payment payable to service concession operator (total of all schemes)	5,613	5,376
Consisting of:		
- Interest charge	2,240	2,271
- Repayment of finance lease liability	328	297
- Service element	3,045	2,808
<b>Total</b>	<b>5,613</b>	<b>5,376</b>

### **Note 32 Financial risk management**

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with CCGs and the way those CCGs are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

#### **Currency Risk**

The Trust is a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

#### **Interest Rate Risk**

All of the Trust's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest. The Trust is not, therefore, exposed to significant interest rate risk.

#### **Credit Risk**

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The most significant exposure to credit risk is in receivables from customers, as disclosed in Trade and other receivables (note 15).

#### **Liquidity risk**

The Trust's operating costs are incurred under contracts with clinical commissioning groups, which are financed from resources voted annually by Parliament. The Trust also largely finances its capital expenditure from internally generated funds. The Trust is not, therefore, exposed to significant liquidity risks.

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**Note 33.1 Financial assets**

	Assets at fair value Loans and receivables £000	through the I&E £000	Total £000
<b>Assets as per SoFP as at 31 March 2016</b>			
Trade and other receivables excluding non financial assets	13,942	-	13,942
Cash and cash equivalents at bank and in hand	52,172	-	52,172
<b>Total at 31 March 2016</b>	<b>66,114</b>	<b>-</b>	<b>66,114</b>

	Assets at fair value Loans and receivables £000	through the I&E £000	Total £000
<b>Assets as per SoFP as at 31 March 2015</b>			
Trade and other receivables excluding non financial assets	14,634	-	14,634
Cash and cash equivalents at bank and in hand	42,600	-	42,600
<b>Total at 31 March 2015</b>	<b>57,234</b>	<b>-</b>	<b>57,234</b>

**Note 33.2 Financial liabilities**

	Liabilities at fair value Other financial liabilities £000	through the I&E £000	Total £000
<b>Liabilities as per SoFP as at 31 March 2016</b>			
Obligations under PFI, LIFT and other service concession contracts	20,040	-	20,040
Trade and other payables excluding non financial liabilities	23,946	-	23,946
Other financial liabilities	16,459	-	16,459
<b>Total at 31 March 2016</b>	<b>60,445</b>	<b>-</b>	<b>60,445</b>

	Liabilities at fair value Other financial liabilities £000	through the I&E £000	Total £000
<b>Liabilities as per SoFP as at 31 March 2015</b>			
Obligations under PFI, LIFT and other service concession contracts	20,367	-	20,367
Trade and other payables excluding non financial liabilities	19,710	-	19,710
Other financial liabilities	14,494	-	14,494
<b>Total at 31 March 2015</b>	<b>54,571</b>	<b>-</b>	<b>54,571</b>

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**Note 33.3 Maturity of financial liabilities**

	31 March 2016 £000	31 March 2015 £000
In one year or less	40,824	34,586
In more than one year but not more than two years	724	654
In more than two years but not more than five years	1,086	981
In more than five years	17,811	18,350
<b>Total</b>	<b>60,445</b>	<b>54,571</b>

**Note 34 Losses and special payments**

	2015/16		2014/15	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
<b>Special payments</b>				
Compensation payments	11	101	20	128
Ex-gratia payments	39	11	43	9
<b>Total special payments</b>	<b>50</b>	<b>112</b>	<b>63</b>	<b>137</b>
<b>Total losses and special payments</b>	<b>50</b>	<b>112</b>	<b>63</b>	<b>137</b>



**Note 35 Related party transactions**

During the period none of the Trust Board members or members of the key management staff or parties related to them has undertaken any material transactions with the Trust.

None of the Trust Board members or members of the key management staff received any form of short-term employee benefits, post-employment benefits, other long term benefits, termination benefits or share-based payments.

Ms Mary Elford, Non Executive Director, is a Council Member at Queen Mary University of London. The Trust received £100k income for services provided and expended £221k for services received. Ms Mary Elford is also a Non Executive Director at Health Education England, The Trust received £8,407k income for services provided and expended £3k for services received.

The Trust is an independent body not controlled by the Secretary of State. It is therefore considered that Government departments and agencies are not related parties. However, the Trust has material dealings with the following NHS bodies:

	<b>Income</b>	<b>Expenditure</b>	<b>Receivable</b>	<b>Payable</b>
	<b>2015/16</b>	<b>2015/16</b>	<b>2015/16</b>	<b>2015/16</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
NHS England	53,794	9	992	46
NHS City & Hackney CCG	43,316	-	1,707	-
NHS Newham CCG	88,890	8	1,922	3
NHS Tower Hamlets CCG	41,756	-	1,091	-
Homerton University Hospital NHS Foundation Trust	515	4,941	64	143
Barts Health NHS Trust	1,817	7,473	1,867	3,770
NHS Richmond CCG	2,570	-	37	-
NHS Luton CCG	27,108	-	-	247
NHS Bedfordshire CCG	47,144	-	1,553	-

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have been with Newham, Hackney and Tower Hamlets Local Authorities in respect of joint enterprises.

The Trust has not received revenue or capital payments from any charitable sources.

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**Note 36 Transfers by absorption**

Mental health services in Luton and Bedfordshire transferred to the Trust from South Essex Partnership NHS Foundation Trust on 1 April 2015. Assets and liabilities relating to the transfer have been recognised in the accounts as a Transfer by Absorption.

	31 March 2016 £000	31 March 2015 £000
<b>Assets and liabilities transferred</b>		
Value of property, plant & equipment transferred	37,028	-
Value of liabilities transferred	(254)	-
Cash (paid)/received to transfer working capital	42	-
<b>Gains/(losses) arising from transfers by absorption</b>	<u>36,816</u>	<u>-</u>



## Contact us



### The Trust's postal address is:

Trust Headquarters  
9 Alie Street  
London  
E1 8DE

**Switchboard Telephone Number:** 020 7655 4000

**Fax Number:** 020 7655 4002

**Email:** [communications@elft.nhs.uk](mailto:communications@elft.nhs.uk)



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