Annual Report and Accounts

2017/18

NHS
Chelsea and Westminster Hospital
NHS Foundation Trust

Chelsea and Westminster Hospital NHS Foundation Trust

Annual Report and Accounts 2017/18

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

OVERVIEW OF PERFORMANCE

Statement from the Chief Executive

I am delighted to introduce the Chelsea and Westminster Hospital NHS Foundation Trust (the Trust) Annual Report for 2017/18. It has been an incredibly challenging year for the Trust. As we reflect on the past year, in which we have had to respond to three terrorist attacks, a major cyber-attack and the devastating fire at Grenfell Tower, as well as the ever-increasing demand for our services, I am struck by the resilience and spirit of our amazing staff, our colleagues in public services, and the community as a whole.

Despite these enormous challenges we can also look back on what has been a very successful year. We had our Care Quality Commission (CQC) inspection during December and January, and we were delighted to be rated 'Good' overall across both hospitals and in all the five main CQC domains—safe, effective, caring, responsive and well-led. We were also awarded an 'Outstanding' rating for 'Use of resources' by NHS Improvement (NHSI). These are fantastic results and a tribute to the hard work and dedication of our staff. They show the improvement journey we have been on together over the last few years.

It's a proud moment to be the first NHS Foundation Trust to gain 'Good' across all categories under the CQC's new framework and 'Outstanding' from NHSI. Looking back over the past year we have performed incredibly well, consistently delivering on our national access standards and ranking in the top 10 best performing trusts in the country.

Our values

The Trust values are now firmly embedded. They demonstrate the standard of care and experience our patients and members of the public should expect from any of our services. They are:

- Putting patients first
- Responsive to patients and staff
- Open and honest
- Unfailingly kind
- Determined to develop

Our strategic priorities

The year has also seen us focus on our three strategic priorities.

Strategic priority 1: Deliver high-quality, patient-centred care

We have spent much of this year preparing for the implementation of a Trustwide Electronic Patient Record (EPR). As part of a Global Digital Exemplar partnership with Imperial College Healthcare NHS Trust (ICHT), we will be using the same instance of Cerner Millennium that is already in use there. This has required a significant amount of infrastructure work and work to prepare our staff and develop our processes so that we can use the new system effectively. We are working alongside ICHT to optimise the system to best advantage for patients across North West London (NWL). We will be launching use of the patient administration system element at our West Middlesex site in Spring 2018, and taking the entire system live across the whole Trust in 2019.

This last year has also seen us take forward the second phase of our improvement journey. This has been characterised by increased 'grip' on quality and safety in order to provide greater assurance to the organisation and wider stakeholders that continuous improvements were being made in these domains. The ward accreditation system has been fully rolled out, with all 63 clinical areas being assessed in the first year, providing visibility to the organisation on the quality and safety of each clinical area.

We have continued to provide a strong focus on improvements to management processes and a leadership approach that seeks to be very visible and inclusive. This has involved regular senior management walkabouts and the *Perfect Day* programme, where non-clinical staff support their clinical colleagues in the delivery of frontline services for a day each month. We have also embedded a Senior Partner Programme, which sees an executive partner in every single clinical area, who visits that area regularly and assures the continuity and quality of care.

As part of our commitment to continuous improvement, we recruited a second cohort of Clinical Innovation and Improvement Fellows. This year, these junior doctors have been working on divisional and Trustwide projects to improve the quality of our care and enhance performance in priority areas. Two Fellows were appointed in partnership with local authorities and have worked on projects benefiting the whole health and social care system. One is focused upon improvement of dental health in our paediatric population, while the other is focused on reducing falls in our vulnerable elderly citizens.

Our innovation programme is embraced by our nursing and Allied Health Professional (AHP) staff. Of particular note is the mouth care improvement programme, which resulted in a noticeable reduction in hospital acquired pneumonia.

We have also shown intensive focus on our End of Life Care, which is so important to our patients and their families. This has seen a much improved pathway, underpinned by simulation training for staff, and investment, with the support of the Friends of Chelsea and Westminster Hospital, into six Butterfly Rooms.

The Trust continues to perform very well against the majority of NHSI indicators and is ahead of its peer group in London and one of the best nationally for the key national performance standards for 4-hour A&E access, 18-week elective access (Referral to Treatment (RTT) and cancer access times).

We have also taken a number of leadership roles in the Sustainability and Transformation Programme (STP) arrangements in NWL, including my lead role as the provider representative, and developing a series of partnerships in line with the national *New Models of Care Policy*. These have included the NWL Pathology Joint Venture, our joint Electronic Patient Record (EPR) programme with ICHT and the development of an accountable care partnership in Hammersmith and Fulham. The Trust met all its key objectives in 2017/18 on quality and sustainability as evidenced by its performance against the Sustainability and Transformation Fund (STF), including overachieving on our financial plan. The Trust continues to develop and grow its private patient offer, with a particular focus on women's health.

The quality of care and experience that patients receive continues to be our most important priority. Our five key quality priorities for next year are:

- 30% reduction in falls
- 90% reduction in serious incidents relating to invasive procedures
- NHS Resolution 10-point safety plan: Ensure the Trust is meeting the 10 safety actions set out by Clinical Negligence Scheme for Trusts (CNST) to improve patient safety for all those using our maternity services
- Work towards the reduction of *E.coli* infections by 50% by 2021
- Improving the quality, timeliness and learning from complaints

Strategic priority 2: Be the employer of choice

Last year we employed just under 6,000 staff, clinical and non-clinical, all of whom have contributed to providing high quality patient care in our hospitals and across the local community. The year has continued to be a significant time of change and challenge for all of our staff. We set ourselves some ambitious targets this year in being an outstanding employer. We were delighted to see some very significant progress in our staff survey, which revealed good overall staff engagement, motivation and a majority of our staff recommending us as a place to work and receive treatment. In fact, we are in the top 20% of acute trusts for these areas.

We have recognised the need to both attract and retain the best staff and we have approved a new attraction and on-boarding plan which includes international recruitment campaigns, better support for new starters and a more efficient recruitment process. The attraction and on-boarding plan has been part of a wider workforce strategy agreed by the Board which also focuses on retention of staff. Overall, we have made progress with both staff recruitment and retention, although we did not quite meet our stretch targets for both areas and this will remain a continued focus in to the next year.

Some of the largest improvements from last year's survey were in staff feeling able to contribute towards improvements, effective team working and better communication from our senior management. We have also seen a higher percentage of staff reporting errors and near misses, and there is more confidence in the processes around the recording of unsafe clinical practice.

There are, of course, areas where we can do better, and we are trying to reduce the pressures at work with effective planning and scheduling, regular appraisals and measures to help increase job satisfaction. We have also put in place initiatives to continue to improve everyone's health and wellbeing, with meetings such as our 'PROUD Action Group'.

The Trust is participating in the NHSI Retention Support Programme along with a number of other Trusts—an action plan has been submitted and focuses on improved training/development opportunities, improving support from managers, review and promotion of staff benefits.

The Trust has also been fortunate to be part of a national initiative, HelpForce, to design an ambitious volunteering strategy. We have made some good progress in increasing our volunteer numbers to 300 with the longer-term aim of getting to 900 by 2020. The Trust has also launched its bleep volunteering scheme. Staff across the organisation are able to bleep a volunteer during the day to help with tasks to support patient care. The early feedback from the scheme has been very positive and we fully anticipate this developing over time.

Strategic priority 3: Delivering better care at lower cost

Our aspiration is to provide locally-based and accessible services enhanced by world-class clinical expertise. Our excellent financial and operational performance is a source of great pride to us—it is nationally recognised and sees us simultaneously achieving our financial plan while continuing to be one of the best performers against the national access standards for A&E, Referral to Treatment (RTT) and Cancer.

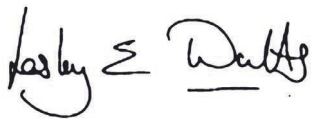
The Trust's use of resources was assessed by NHSI on 18 January 2018 and deemed to be 'Outstanding' with the report stating: '*The Trust has an excellent understanding of the practical, evidence-driven approach that is required to balance continuous improvement in clinical quality, operational performance and financial sustainability. The Trust has 'use of resources' as one of its three strategic priorities for improvement, and executives and managers were able to confidently demonstrate the drivers of performance across the three domains.*'

In addition, a number of areas of outstanding practice were highlighted, including our low level of external consultancy spend and our innovative approach to medical staffing, FlexiStaff+.

However, we are not complacent and do not underestimate the extent of the financial challenges that lie ahead. The Trust's 2018/19 plan is predicated on the delivery of a £25.1m cost improvement plan (CIP). There is a continued need to focus our efforts on sustaining operational efficiency and ensuring we continue to provide safe care and great experiences for our patients. The use of resources assessment highlighted a number of areas where further improvements in efficiency and productivity can be made and these areas form one of the key work strands towards delivering the cost improvement plan.

We continue to develop our already first-class clinical environment with the refurbishment of our maternity and Acute Assessment Unit facilities at Chelsea and Westminster and we extended our A&E facilities at West Middlesex. Work is underway on our £25m development of NICU and ICU facilities at the Chelsea site and we have commenced planning to improve both capacity and the overall environment for emergency patients treated at the West Middlesex site.

I take great pleasure in spending much of my working week visiting departments and talking to staff across our entire organisation. I continue to be greatly impressed with the positive culture and clinical leadership demonstrated by our frontline and support staff. I was delighted to see that this was reflected in the CQC feedback we received during their visit. We continue to be committed to ensuring that support for staff, aligned with progressive and developmental career opportunities, will allow us to remain a first-class employer as we look to deliver our clinical strategy.



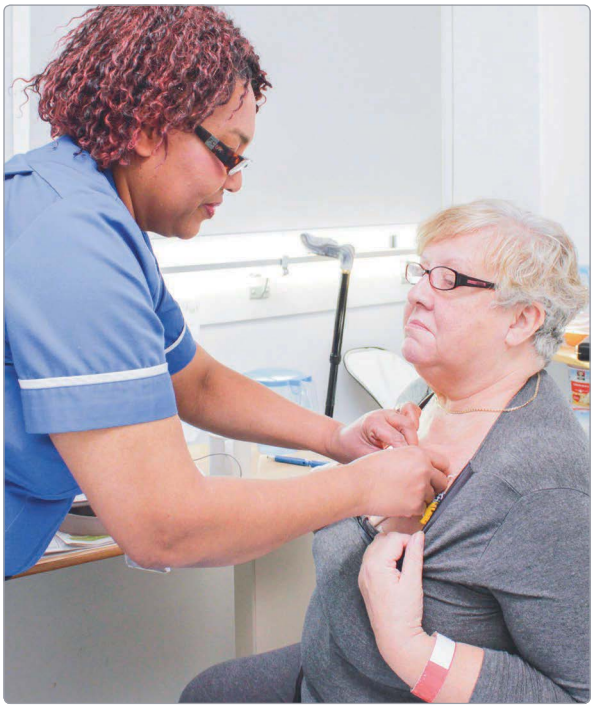
Lesley Watts
Chief Executive Officer

25 May 2018

The year in photos

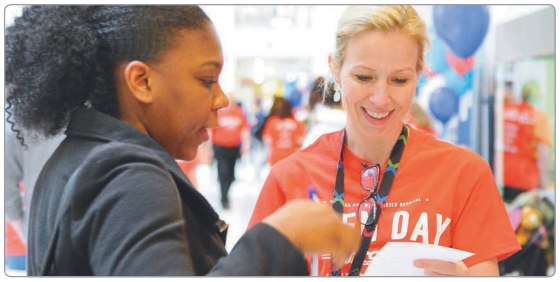
April 2017

Launch of quality programme to drive improvements for patients such as our ward accreditation programme



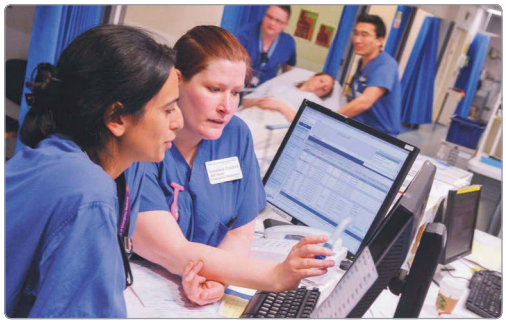
Turning smartphones into portable heart monitors

May 2017



Fantastic turnout at Chelsea and Westminster hospital Annual Open Day where we launched our Trust values

June 2017



Major incidents: Borough Market and Grenfell Tower tragedies

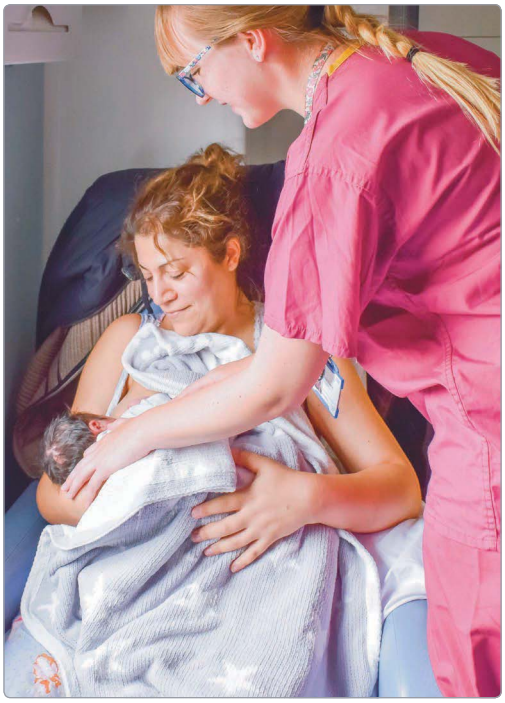
July 2017

Lewis Hamilton pops in to see young patients at Chelsea and Westminster Hospital

Transformational pledge received to help create new Intensive Care Unit at Chelsea and Westminster Hospital

August 2017

Cardiac centre at West Mid welcomes its 1,000th patient



West Middlesex University Hospital accredited as Baby Friendly by UNICEF UK

September 2017

Major Incident: Parsons Green bomb

Sun and Stars Appeal launches at West Mid

West Mid Open Day with our Occupational Therapy Team having some fun

October 2017

56 Dean Street announce 80% drop in new HIV diagnoses since 2015

Staff Awards—celebrating the achievements of our staff

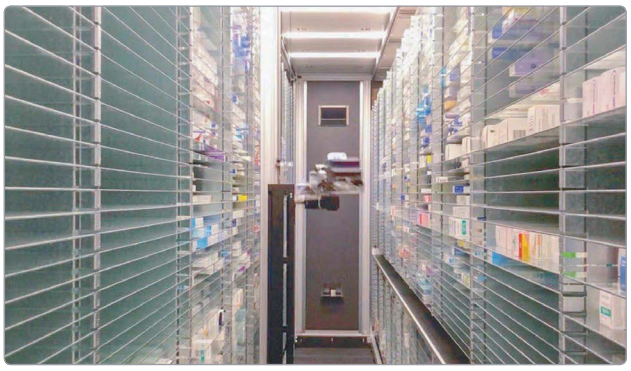
£3m gift received to help create new Neonatal Intensive Care Unit

November 2017

New hand therapy app, designed by staff

New service introduced: pets as therapy

New sepsis toolkit introduced



New pharmacy robot at Chelsea

December 2017

England Rugby Sevens squad pay a Christmas visit to West Mid Hospital

Chelsea footballers stopped by to see patients at Chelsea and Westminster over Christmas

Hitting all our national performance targets—number one in the country in October for Cancer 62-day referrals

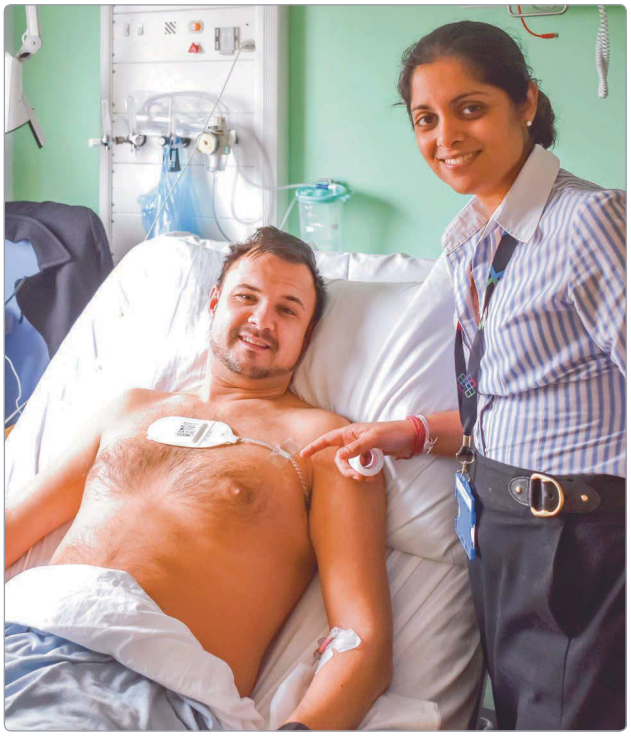
January 2018

Helping fight tooth decay—we launched *Big Bites and Pearly Whites* campaign with local authorities

100 days to the start of our electronic patient record, *CernerEPR,* system

February 2018

70% of our frontline staff vaccinated against flu



Introduction of wearable tech helps us monitor patients' vital signs

March 2018

Jeremy Hunt popped in to say thank you to our staff

Busiest ever day in A&E on 12 March—we saw more than 1,000 patients in just one day

April 2018

Our CQC result rating the Trust overall as ‘Good’ and ‘Outstanding’ for use of resources from NHS Improvement

History and statutory background of the Trust

Chelsea and Westminster Hospital NHS Foundation Trust (the Trust) was founded on 1 October 2006 under the Health and Social Care (Community Health and Standards) Act 2003 and is a statutory body. It acquired West Middlesex University Hospital NHS Trust on 1 September 2015 and now runs these two hospital sites.

Chelsea and Westminster Hospital (C&W) is a modern and attractive building which opened in 1993 on the site once occupied by St Stephen's Hospital, bringing together staff, services and equipment from five London hospitals:

- **Westminster Hospital:** Founded in 1719 as a voluntary hospital in a small house in Petty France, Pimlico, with just 10 beds
- **Westminster Children's Hospital:** Built in 1907 as the Infant's Hospital—originally in Vincent Square SW1, the hospital pioneered the treatment of malnutrition in infants
- **West London Hospital:** Opened in 1860, the hospital was known from the early 1970s for its women-centred maternity service
- **St Mary Abbots Hospital:** An infirmary occupied the site of what had been the Kensington work house—the hospital was founded in the late 19th century
- **St Stephen's Hospital:** A map of 1664 indicates on this site 'The hospital in Little Chelsea'—later there was a workhouse then an infirmary before St Stephen's was founded in the late 1800s

West Middlesex University Hospital (WMUH) also has a long history of pioneering, innovative healthcare. It opened in 1894 as the Brentford Workhouse Infirmary and became known as West Middlesex Hospital in about 1920. The main hospital building was redeveloped between 2001 and 2003, with substantive redevelopment continuing today. Both sites are at the hearts of their local communities—providing accessible and state-of-the-art facilities.

Purpose and activities of the Trust

The Trust delivers specialist and general hospital care at Chelsea and Westminster and West Middlesex University hospitals. Both hospitals have major A&E departments and the Trust provides the second largest maternity service in England.

Our specialist hospital care includes the burns service for London and the South East, children's inpatient and outpatient services, cardiology intervention services and specialist HIV care. We also manage a range of community-based services, including our award-winning sexual health clinics, which extend to outer London areas.

We are active partners in the development of STPs in both North West and South West London in order to drive improvements to care, and we are working innovatively with our partners to deliver accountable care in Hammersmith and Fulham.

The Trust serves a catchment area in excess of one million people. The Trust's main health commissioning and social care partnerships cover two STP footprints and the following areas:

- West London CCG (our statutory host)
- Hounslow CCG
- Hammersmith and Fulham CCG
- Central London CCG
- Ealing CCG
- Richmond CCG
- Wandsworth CCG
- NHS England (NHSE) for Specialised Services Commissioning

We also have a series of contractual, system management and other partnership arrangements with the respective local authorities. This includes membership and reporting arrangements to health and wellbeing boards, and overview and scrutiny committees.

We have established our partnership duties through a series of accountability and reporting mechanisms to local Healthwatch groups (the statutory patient representative organisation).

Key priorities, issues and risks for 2018/19

At the beginning of 2018/19, the Trust Board agreed the following high-level strategic priorities for the financial year to guide the work of the organisation:

- Deliver high-quality patient-centred care
- Be the employer of choice
- Deliver better care at lower cost

The above priorities are a continuation of the previous year's areas of focus. Each of these priorities will have two to three key performance indicators to measure the success of their delivery. Subsequently each of these priorities is broken down into a number of strategic objectives, and a range of measures through which assurance against delivery will be monitored.

The Trust Board has also endorsed two further strategic programmes which are added to the priorities:

- The delivery of the EPR programme
- The development of an estates strategy for West Middlesex

The Trust's operating plan for 2018/19 was submitted to NHSI in March 2018, in line with the national business planning timetable. As the underpinning planning and delivery support document it details the key issues and risks facing the Trust. Specifically, it identifies the key themes as:

- **Quality planning and assurance:** Continuing to implement our existing quality strategy and including the further focus on the existing quality priority areas.

- **Activity planning and capacity demand:** Including compliance with the key national performance standards for 4-hour A&E access, 18-week elective access (referral to treatment times) and cancer access times.

- **Workforce:** As part of our ambition to be the employer of choice in the local NHS, the Trust continues to focus on increasing the proportion of posts filled by permanent staff and to reduce the proportion of staff that leave the organisation each year. The past 12 months have seen improvements in both vacancy rates and staff turnover with the aim to make further improvements in the coming year.

- **Financial planning and use of resources:** Including risks to our forecasts for activity and supporting budgets, contracts, performance against key national efficiency programmes and the Trust's own cost improvement programme.

Clinical services strategy

The Trust's key strategic plan is its Clinical Services Strategy (2015–2018). At the heart of the strategy is our core aim *to deliver the best possible experience and outcomes for our patients* and this is supported by four key priorities:

- **Local acute and integrated care services** where our priorities are integrated urgent and emergency care, efficient planned care, and support for ageing well and those with multiple and chronic conditions

- **Specialised services** where our priorities are specialised women's and children's services delivered across all of North West London, and specialised sexual health and HIV services delivered across London and more widely

- **Innovation and research** where our priority is translating research 'from bench to bedside', bringing the best evidence to bear in respect of clinical care and patient experience

- **Education and training** where we focus on multiprofessional training to recruit and train the best staff to deliver our strategy.

This overarching framework is supported by enabling and support strategies such as:

- **Estates:** Ensuring that the sites and buildings solutions reflect the clinical vision

- **Clinical systems and IT:** Describing how the clinical and informatics systems and technology solutions enable the clinical services strategy to be delivered

- **People and organisational development:** Ensuring that the right people with the right skills, competences, values and behaviours are working within the right culture and structure

The clinical services strategy and supporting strategies are due to be refreshed in 2018.

Going concern

The Trust has set a plan for 2018/19 to generate a surplus of £22.7m with an adjusted financial surplus of £14.8m against an agreed control total of £14.8m.

The directors are confident that the surplus is realistic with a strong focus on the achievement of the delivery of £25.1m of cost improvement plans. Following a review of the Trust's plans and projections, including cashflows, liquidity and income base, as well as considering regulatory commitments, the directors have a reasonable expectation that the Trust has adequate plans and resources to continue in operational existence for the foreseeable future. For this reason, the Trust continues to adopt the going concern basis in preparing the accounts.

PERFORMANCE ANALYSIS

How the Trust measures performance

The Quality Committee and Trust Board receive a monthly integrated performance report comprising a number of key performance indicators (KPIs), with associated commentary to explain variances and actions in place to deliver improvement. The KPIs cover a range of contractual and internally determined metrics, providing a balanced scorecard for the Trust's performance across the four domains of regulatory compliance, quality, efficiency and workforce. Each KPI, where appropriate, has a target based on either the contractual performance standard, or an internally-set target based on benchmarking information from a peer group of other NHS organisations. The integrated performance report presents the KPIs for both hospital sites independently, as well as the combined Trust performance, and trend data is also provided for the last 12 months to enable the Trust Board to track progress over time. During 2017/18, to help provide context in terms of the Trust's relative performance, a national ranking was provided for the main access standards (A&E, RTT and Cancer). The Board also receives a summary of the Trust's financial performance, with more detailed information provided to and scrutinised by to the Finance and Investment Committee.

Performance at divisional level is scrutinised through monthly divisional performance review meetings, providing an opportunity for executive directors to have a more detailed discussion with divisional teams, to support performance improvement initiatives, and to challenge underperformance. Divisional performance reviews are supported with the relevant division's performance information against the Board-level KPIs, supplemented by additional performance information relevant to the priorities of the division concerned. A comprehensive programme of speciality-based deep dives have been introduced and rolled-out over the past year. These reviews are executive-led and held with the speciality multidisciplinary teams to review their quality, workforce and efficiency metrics.

Additionally, a weekly performance meeting led by the Chief Operating Officer (COO) is in place to monitor the key performance metrics across both sites and to monitor data quality.

As an additional layer of assurance, during 2017/18, the Trust invited NHSI and the National Intensive Support Team to review both A&E and RTT management and to suggest areas for improvement.

In order to support effective operational performance, the Trust employs a team of specialist information professionals who provide analytical support to all parts of the organisation and service all the Trust's internal and external reporting obligations.

Performance information is provided to the organisation routinely through a combination of desktop self-service tools, automated routine reports, refreshed periodical scorecards and ad hoc reporting on request. Trust performance is scrutinised and supported through a range of daily, weekly and monthly meetings, with the necessary information available for discussion.

Operational performance

During 2017/18, the Trust has performed very well against the key regulatory and contractual performance metrics, including quality and workforce KPIs. The start of the financial year was challenging in the delivery of all three regulatory standards but, during the year, compliance has shown continuous improvement. Of particular note is the Trust's

continued strong performance in delivering A&E, RTT and Cancer access standards, despite unprecedented demand during Quarter 3 and Quarter 4.

Throughout 2017/18, the RTT performance has been increasing and from November 2017, the aggregate performance has been compliant with the national 92% standard. Quarter 4 represented the best performance since the merger of the two sites in Sep 2015, which is significant given the challenges the organisation faced with non-elective demand. During 2017/18, there were no reportable patients waiting over 52 weeks to be treated on either site and this is expected to continue into 2018/19.

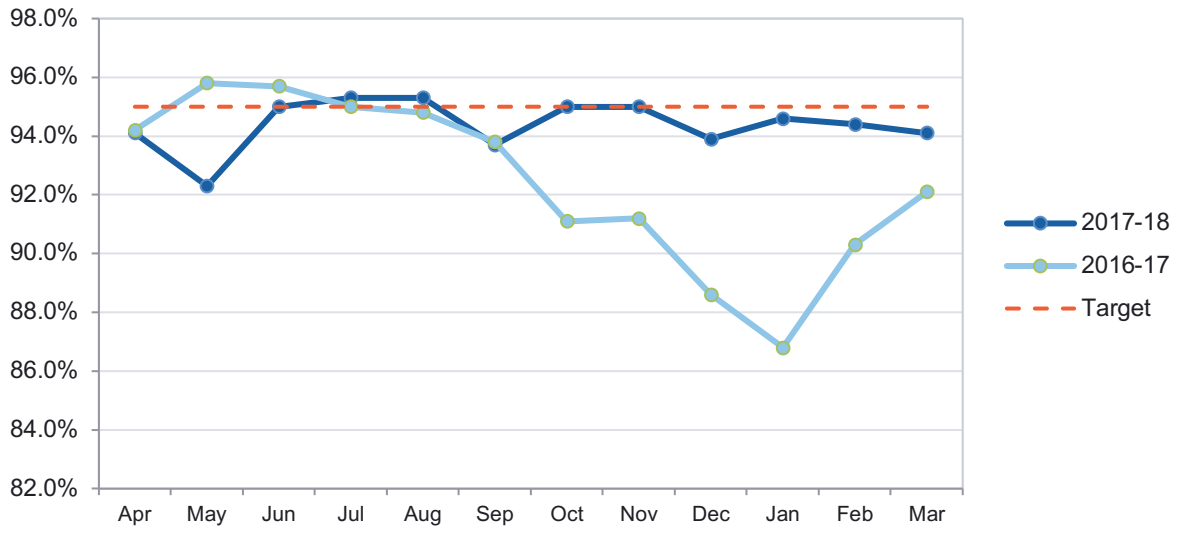
Performance against the A&E 95% standard has been particularly challenging during the year, most notably during Quarter 3 and Quarter 4 across both sites. The non-elective demand facing the NHS has been the subject of much national media scrutiny and, while the aggregate yearly performance for the Trust was just below the standard at 94.3%, this is in no way reflective of the efforts of our staff. Demand has increased by circa 9.4% compared to 2016/17, and the Trust is in is the upper decile nationally in terms of overall performance.

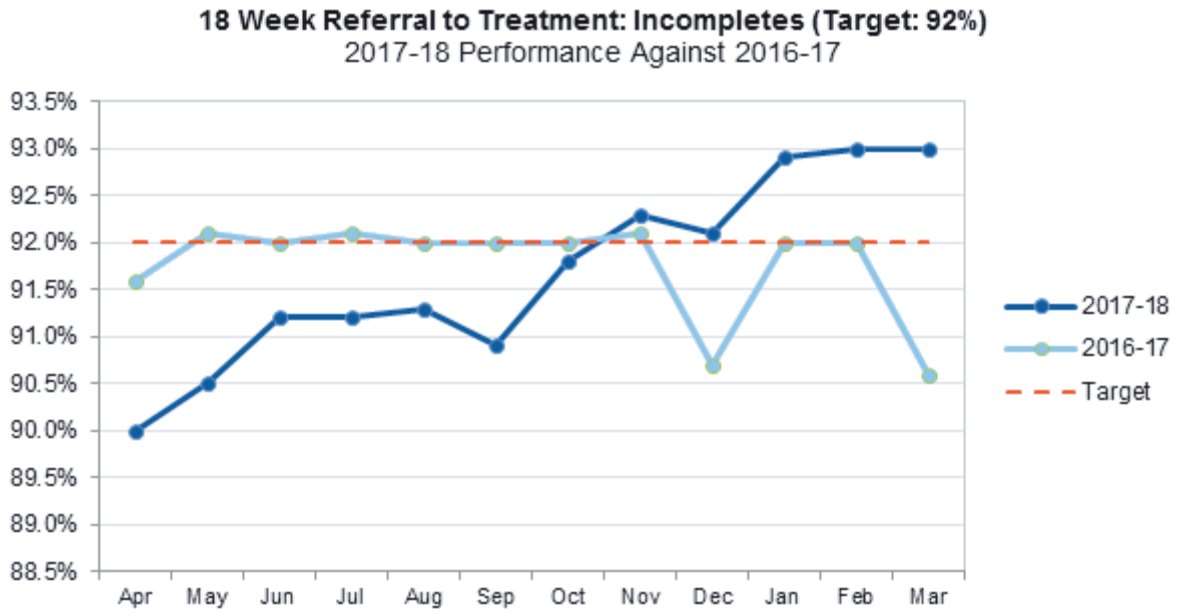
Our performance in relation to the 62-day cancer GP referrals to first treatment standard has been excellent during the year, with two months being the number one performing Trust in the UK (Nov 2017 and Jan 2018). Our compliance with the 2-week wait standard has also been excellent. Both of our sites have experienced significant growth in demand with increased referrals compared to 2016/17 yet the organisation has responded well to deliver timely care for our patients.

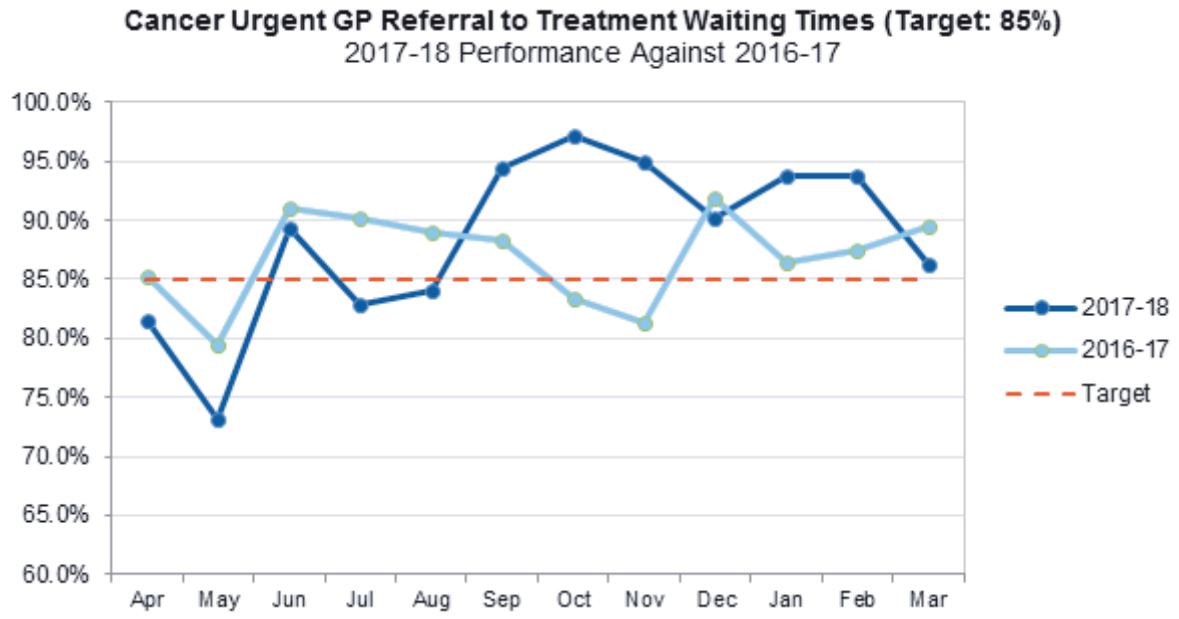
The diagnostic standard has been challenged with a range of issues during Q3 and Q4 including non-obstetric ultrasound, endoscopy and cardiology. Year-end performance was 98.17% against the 99% standard.

The following graphs illustrate the Trust's performance against each of the key national standards of A&E waits, RTT waits and 62-day cancer waits as noted above.

A&E 4 Hour Waiting Time—Type 1 and 3 (Target: 95%)
2017/18 performance against 2016/17







Financial performance

The Trust achieved a surplus of £38.4m for the year. After non-current asset adjustments and revaluations relating principally to land and buildings of £12.8m, the adjusted surplus was £25.6m. The Trust received sustainability and transformation funding of £27.7m—this was £13.6m higher than expected and consisted of £6.8m incentive funding, £2m bonus funding, £4.5m general distribution and £0.3m relating to 2016/17. After adjusting for non-recurrent items such as sustainability and transformation funding (STF), the Trust delivered an underlying deficit of £19.4m. The Trust delivered £25.9 of cost improvement programmes in the year.

The table below shows the 2017/18 financial outturn against the plan for 2017/18 under NHS Improvement's reporting definitions adjusted for the impact of revaluation:

	2017/18 outturn (£m)	2017/18 plan (£m)
Operating revenue	657.9	619.7
Employee expenses	(347.4)	(323.1)
Other operating expenses	(257.5)	(269.9)
Non-operating income /expenses	(14.8)	(14.7)
Net reversal of impairments and other non-current asset gains/(losses)	(12.3)	(4.9)
2016/17 STF funding received in 2017/18	(0.3)	-
Adjusted surplus/(deficit)	**25.6**	**7.1**
Net surplus/(deficit) %	3.9%	1.1%

Total operating revenue for EBITDA	657.8	614
Total operating expenses for EBITDA	(600.8)	(575)
EBITDA	**57**	**39**
EBITDA margin %	8.7%	6.4%

Year-end cash	**52.6**	**53.2**

Capital service rating	1	2
Liquidity rating	1	1
I&E margin rating	1	1
I&E variance from plan rating	1	n/a
Agency rating	2	1
Overall use of resources rating	1	Not included in plan

The Trust's use of resources was assessed by NHS Improvement on 18 January 2018 and deemed to be 'Outstanding' with the report stating: *'The Trust has an excellent understanding of the practical, evidence-driven approach that is required to balance continuous improvement in clinical quality, operational performance and financial sustainability. The Trust has 'use of resources' as one of its three strategic priorities for improvement, and executives and managers were able to confidently demonstrate the drivers of performance across the three domains.'*

The Trust is not complacent and does not underestimate the extent of the financial challenges that lie ahead. The Trust is planning a surplus for 2018/19 of £22.7m, which includes charitable donations of £7.9m in relation to the new intensive and neonatal care units. The Trust has accepted its control total of £14.8m which will include receipt of £19.8m sustainability and transformation funding (STF) (£14.4m 2017/18), and delivery of a £25.1m cost improvement programme (£25.6m 2017/18.

There is a continued need to focus the Trust's efforts on sustaining operational efficiency and ensuring we continue to provide safe care and great experiences for our patients. The use of resources assessment highlighted a number of areas where further improvements in efficiency and productivity can be made and these areas form one of the key work strands towards delivering the cost improvement plan.

During the year, the balance of cash and cash equivalents increased from £49.5m (31 March 2017) to £52.6m (31 March 2018). There were delays during the year in implementation of capital projects and a continued focus on improved debt collections.

Environmental and sustainability performance

The Trust is committed to long-term sustainability, both for the improved health of the community it serves, and to make a positive contribution to the wider economic and environmental community.

The Trust, for the last five years, has been implementing strategies to improve sustainability across the key delivery areas via a demanding STP. The savings identified within this report take into account both routine and non-routine adjustments such as those for extreme weather variance, occupancy changes and building use alterations.

This section summarises the Trust's actions to support its statutory and environmental commitments to ensure that the Trust is 'fit for the future' and is compliant with its statutory duties. In addition, the report covers the Trust's environmental impact and provides an interim update and high-level risk analysis for energy, waste and sustainability activity for the Trust and its offsite clinics.

This report aims to meet the minimum reporting requirements set out in the *HM Treasury—Public Sector Annual Report* and gives an update on the activity.

Greenhouse gas emissions (GHGs) (financial/environmental)

- **Target:** To reduce the Trust's carbon footprint by 20% by 2020
- **Target:** To reduce Trust energy consumption by 20% by 2020

The Trust has undertaken a number of initiatives in partnership with our service providers to help us achieve our targets. These include:

- New smart monitoring of all buildings
- Main block—lighting upgrade to LED and emergency lighting
- Marjory Warren Ward—lighting upgrade to LED and emergency lighting
- Combined heat and power (CHP) installation
- New air handling unit (AHU) controls
- New energy contracts
- Reduction of heating with weather demands
- LV/HV switchgear replacement
- Demand-side reduction on energy usage
- High energy filters
- Solar window screening
- Period demand reduction 80% of cost in 20% of consumption

Our carbon emissions are in the table below and take into account the following:

- Normalisation for significant weather variance
- Occupancy and usage changes
- Other necessary routine adjustments
- Non-routine building configuration changes
- Trust projects undertaken outside of the EPC

Carbon emissions	2014/15	2015/16	2016/17
C&W tCO_2—EU ETS	15,211.72	15,510.48	10,930.11
WMUH tCO_2—CRC	7,284	6,815	6,525
Trustwide tCO_2	**22,495.72**	**22,325.48**	**17,455.11**

Emissions reduction	Base year	-170.24	-5,040.61
		1%	**22%**

Waste (environmental/legislative)

- **Target:** To reduce Trust waste arisings per patient by 15% by 2020 (based on the 2014 baseline)

In association with ISS at C&W and Bouygues at WMUH, the Trust has improved staff knowledge of waste on both hospital sites, adopting the ideology *'The best waste is the waste that is not produced'*. In addition, the Trust's soft service provider on the C&W site has carried out the first Waste Academy Foundation-level training sessions. Workshops have also been designed to embed capability and empower healthcare staff to deliver sustainable waste management in their day-to-day jobs. This half-day programme is also accredited by Chartered Institute of Wastes Management (CIWM).

WMUH have partnered with Bouygues Energies and Services, and Eurotec Environmental Ltd, to deliver the industry-leading waste management behavioural change programme at West Middlesex University Hospital. This programme will be delivered by an organisation called SUST-N.

SUST-N will deploy a behavioural change team to work with Trust staff and service providers to help improve compliance, health and safety, and to help reduce our waste costs. Additionally, they will work with us to improve our waste segregation through a programme of audits, reporting and training.

There has been an overall average net reduction in waste of 10% which is in line with the targeted reduction of 15% by 2020.

	2017/18		
Field	**C&W**	**WMUH**	**Trustwide**
Clinical/incineration waste volume (tonnes)	740.16	400.96	1141.12
Landfill waste volume (tonnes)	372.61	94.21	466.82
Other (tonnes)	234.56	431.72	666.28

Water (environmental/legislative)

- **Target:** To reduce the Trust's water consumption by 15% by 2020 (based on the 2014 baseline)

Improving water efficiency will reduce the Trust's demand and subsequently may have an impact on water-related carbon emissions. One of the main aspects of a 'water strategy' is water efficiency, but it needs to be more encompassing, including the role of staff and water issues ranging from flooding to hygiene.

The Trust continues to support the national agenda to manage our use of water across the whole of our estate. Much of the activity demands a multidimensional approach to monitor and measure the water quality, and to improve the efficiency across all areas in which the Trust operates.

We have achieved a 9% reduction in the volume of water used, compared to our baseline figure which is in line with our targeted reduction of 15% by 2020.

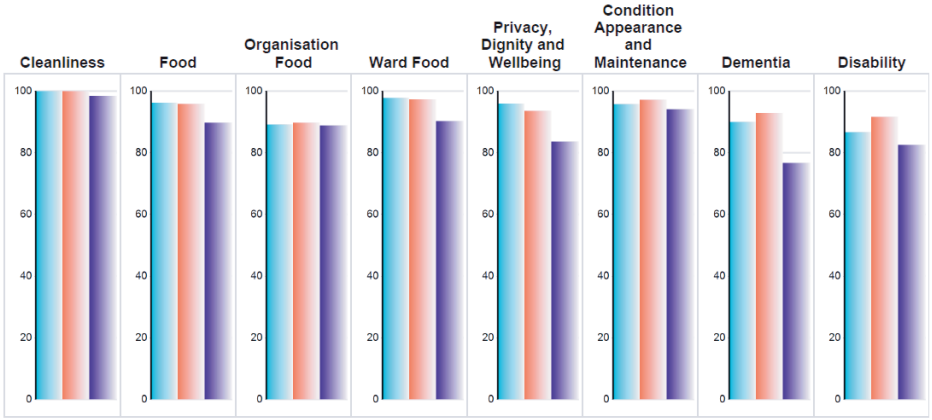
	2017/18		
Water consumption	**C&W**	**WMUH**	**Trustwide**
Water volume (m^3)	196,808	134,257	331,065

Patient-led assessments of the care environment (PLACE)

The Trust continues to ensure our service users are cared for with compassion and dignity in a clean and safe environment. We continue to monitor standards to ensure these are maintained above the national average by working in partnership with our subcontractors.

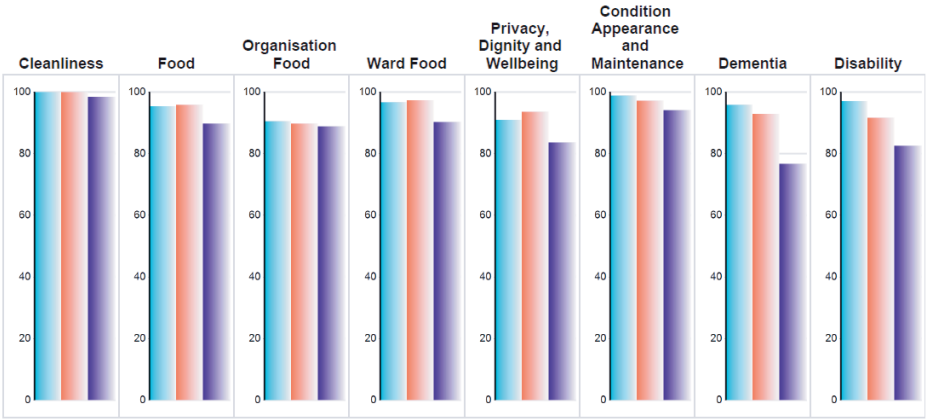
PLACE assessments are aimed at providing motivation for improvement by providing a clear message directly from patients about how the environment or services might be enhanced. A number of governors and patient representatives joined the assessments at both hospitals in April 2017 and the results were above average in all key areas (see below).

C&W PLACE results 2017



	Cleanliness	Food	Organisation Food	Ward Food	Privacy, Dignity and Wellbeing	Condition Appearance and Maintenance	Dementia	Disability
Achieved Score (Actual)	4196.0000	625.1047	103.9200	521.1847	527.9999	2006.0000	890.9663	580.4789
Available Score (Actual)	4198.0000	649.6635	116.5880	533.0755	550.0000	2096.0000	990.8571	670.3697
Site Score	99.95%	96.22%	89.13%	97.77%	96.00%	95.71%	89.92%	86.59%
Organisation Average	99.95%	95.82%	89.78%	97.24%	93.53%	97.22%	92.82%	91.69%
National Average	98.38%	89.68%	88.80%	90.19%	83.68%	94.02%	76.71%	82.56%

WMUH PLACE results 2017



	Cleanliness	Food	Organisation Food	Ward Food	Privacy, Dignity and Wellbeing	Condition Appearance and Maintenance	Dementia	Disability
Achieved Score (Actual)	3780.0000	521.3904	102.0292	419.3612	438.3333	1982.0000	888.5756	668.0882
Available Score (Actual)	3782.0000	546.5039	112.8065	433.6974	482.0000	2006.0000	927.0756	688.5882
Site Score	99.95%	95.40%	90.45%	96.69%	90.94%	98.80%	95.85%	97.02%
Organisation Average	99.95%	95.82%	89.78%	97.24%	93.53%	97.22%	92.82%	91.69%
National Average	98.38%	89.68%	88.80%	90.19%	83.68%	94.02%	76.71%	82.56%

Both hospitals maintained their 5-star food hygiene rating for patient, public and food service areas.

Capital works (environmental)

There are a number of ongoing projects to improve the patient environment. These include, but are not limited to, refurbishment of wards, wet rooms and bathroom facilities. The works are ongoing throughout both of the Trust's hospitals.

A five-year development plan is underway which will ensure that the Trust has state-of-the-art facilities to meet the needs of all its patients and to accommodate the changes set out by the NWL STP.

Plans include:

C&W site

- Redevelopment of NICU/ICU currently in progress with the enabling works for NICU complete by end of Mar 2018 (circa £25m and due to be complete in 2020)
- Replacement fire alarm and fire damper system works are currently underway with completion due in mid-2018 (circa £3.2m)
- Upgrade/modification to fire compartment doors to ensure compliance with current legislation (circa £800k)

WMUH site

- Emergency Department (A&E) part refurbishment and extension (circa £3.2m)
- Combined heat and powerplant, and other energy-saving schemes (circa £1.8m)
- Marjory Warren Ward refurbishment (circa £380k)
- Cardiac Catheter Unit (circa £1.5m)
- Lifecycle (Private Finance Initiative)

Social, community, anti-bribery and human rights issues

Good engagement with our patients and the wider community continues to be of upmost importance to the Trust, helping us understand what people need and expect from the services we provide. Annual open days are held at both main hospital sites as part of the Trust's community engagement activities. One particularly positive initiative has seen the Trust provide work experience opportunities for students at Queensmill School, a local school for children with autism. We also have proactive public engagement groups such as our Maternity Voices group with whom we have worked in partnership to codesign services.

Community

As a Foundation Trust, we invite our patients, local residents and staff to become members of the Trust. Membership affords people a direct communication channel with the Trust, allowing them to receive information about services we offer, our performance and future plans, and also an opportunity to share their experiences of the hospital. We also encourage active participation in the life of the Trust, holding a range of events during

the year including *Your Health* seminars related to health matters, *Meet a Governor* sessions, the Annual Members Meeting and open days at each hospital.

The Trust has a combined membership of 18,856 as at 31 March 2018 drawn from patient, public and staff constituencies. As part of efforts to drive up membership numbers and ensure our membership is representative of its local community demographic, we will continue to develop targeted communications and outreach activities in the coming year.

Further information about the membership can be found within the accountability report. If you would like to become a member you can apply at www.chelwest.nhs.uk/getinvolved or pick up a leaflet from the PALS offices at each hospital.

Equality and diversity

The Trust wholeheartedly supports the principle of equality and diversity and human rights in employment, service provision for patients, their families and carers, and is committed to compliance with the Equality Act 2010. A brief account of achievements and progress made in year is provided below:

- The Trust's work on embedding diversity and inclusion within the organisation has been developed further with an emphasis on inclusion.

- Improving the health of our local community and staff is of great importance to us and we actively plan local campaigns to support national campaigns. Over the past year, we ran a series of health education programmes, all of which directly impact patients with one or more of the protected characteristics—for example World Cancer Day, World AIDS Day and Hypo Awareness Week. The latter event encouraged patients with diabetes to manage night-time hypoglycaemic attacks more effectively. We have also recruited a consultant of public health who is proactively implementing the 'making every contact count' initiative of delivering public health messages to staff and patients across our services.

- The Trust has redesigned its services this year to embed Accessible Information Standard recommendations into practice and has standardised information for patients ensuring it is available in their chosen language.

- The Trust is also one of the first trusts in London to have a dedicated Changing Places facility to support patients with disabilities and their carers using our services.

- The Trust has trained more than 3,200 staff members in learning disabilities and runs an active learning disabilities steering group involving staff, the local authority, third-sector organisations, patients and carers.

Learning disabilities

- A new 'easy-read' version of our Patient Passport was launched in January 2017 and has been fully embedded to support people with learning disabilities who use our services. It gives staff important information about these patients, enabling them to provide a more personalised service, and also includes useful contacts for community learning disability teams.

- A standard discharge pathway for patients with learning disabilities has been embedded, in conjunction with colleagues from other acute providers and local community teams.

- The Trust is undertaking a project in partnership with the national scheme *Project SEARCH*, which is a one-year work preparation programme for young people with intellectual and development disabilities.

- The Trust has undertaken a 'getting to know your hospital' initiative for patients with learning disabilities and their careers to visit our hospitals and meet staff so they will be familiar with our hospitals if they need to use our services in future.

- The Trust has embedded the national recommendation that all patients with a learning disability who die in our care have a mortality review, and our lead nurse for learning disability is a trained reviewer for these cases.

Safeguarding

We work closely with a number of local partners to safeguard children and vulnerable adults. The Trust employs a team of substantive safeguarding child and adult leads who have expert knowledge in this field. There are named executive leads for both children's and adult safeguarding, with audit reports presented to the Board's quality committee throughout the year. We also have a team of independent domestic violence advisors to support victims of domestic violence and provide staff training.

Anti-bribery

The Trust does not tolerate any form of fraud, bribery or corruption by its employees, partners or third parties acting on its behalf. We investigate allegations fully and apply sanctions to those found to have committed a fraud, bribery or corruption offence.

The Internal Audit Agency (TIAA) was contracted by the Trust during 2017/18 to provide its local counter-fraud specialist (LCFS) services in accordance with Secretary of State Directions. The Board's Audit and Risk Committee formally approves the counter-fraud annual workplan and progress reports are provided to the committee at each of its meetings.

Volunteers

The Trust launched a new volunteering strategy in 2017/18 and has an ambitious plan to grow its volunteer workforce from 300 to 900 by 2020. The Trust was fortunate to be a Helpforce pilot site which has provided valuable national support and learning to achieve this plan. The Trust has launched its first new 'bleep volunteers' initiative which enables any patient in our hospital to bleep a volunteer to receive help and support. We also have plans for maternity and end-of-life care volunteer programmes to support patients.

The Trust has worked hard to review processes to ensure that our volunteers are an integral part of our care teams and are treated as part of our workforce. We aspire to be an exemplar in NHS volunteering and in so doing will improve the quality of patients' experiences, provide personally rewarding opportunities for volunteers, develop the transparency agenda and patient responsiveness, and strengthen its contribution and

reputation within the community. A three-way balance between the needs of the hospital, the needs of the volunteer and, most importantly, the benefit to patient experience must be struck in order to make best use of our volunteer workforce.

Charity matters—CW+

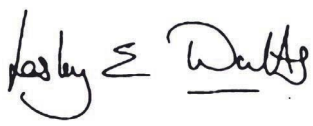
The Trust is privileged to be supported by a number of independent charities including CW+, with which the Trust has a memorandum of understanding (MOU). The MOU names CW+ as the official charity partner of the Trust and commits the Trust to actively promoting and supporting it. A number of directors of the Trust Board are trustees of CW+. During 2017/18 these included the Trust's CEO Lesley Watts, Medical Director Zoë Penn and two Trust non-executive directors. The MOU is designed to ensure clear alignment between the strategic priorities of the Trust and the charity. Two of the most significant areas of support provided to the Trust by CW+ during 2017/18 are summarised below.

Technology/digital programmes

The Trust is working closely with CW+ to bring the latest health innovations and technologies to the Trust. CW+'s grants and innovation programme supports staff to fund new innovative projects to advance the delivery of healthcare in our hospitals. In 2017, CW+ supported 19 health innovation projects for the Trust including wearable sensor technologies, augmented reality, telehealth and self-management, virtual clinics, smartphone apps and many more. CW+ also sources innovation through collaborations with third parties such as the DigitalHealth.London Accelerator, the NHS Accelerator and the Microsoft Accelerator to match the latest innovations from within the wider health ecosystem with realtime healthcare needs at the Trust.

Work on NICU/ICU and improvements to the environment

The increased number of emergency patients we are treating has had a direct impact on both the adult and neonatal intensive care units at Chelsea and Westminster Hospital. This lack of capacity is one of the most urgent challenges the C&W site is facing and we need to significantly expand and redevelop both units. Together with CW+, we are taking this opportunity to build a best-in-class critical care service. We will increase the capacity of our adult ICU, enabling us to care for an additional 500 patients every year. We will increase space in NICU, with dedicated areas for parents and families and installing extra cots to care for an additional 150 babies every year. Both units will incorporate the latest clinical and environmental design enhancements, evolving a model of care that will demonstrate improved clinical outcomes for our patients, a supportive environment for parents, cost reductions and improved efficiency. The full cost of this expansion and redevelopment will be approximately £25 million. The Trust has committed £12.5 million towards the project and CW+ is fundraising the remaining £12.5 million to enable these new facilities to be opened in 2020.



Lesley Watts
Chief Executive Officer

25 May 2018

SECTION 2

ACCOUNTABILITY REPORT

DIRECTORS' REPORT

Names of Trust directors during 2017/18

Name	Title	Period	Unexpired term
Sir Tom Hughes-Hallett	Chairman	1 Feb 2014 1 Feb 2017	1 year 10 months
Nilkunj Dodhia	Non-Executive Director	1 Jul 2014 (voting from 28 Nov 2015) 1 Jul 2016	1 year 3 months
Nick Gash	Non-Executive Director	1 Nov 2015	0 year 7 months
Stephen Gill	Non-Executive Director	1 Nov 2017	2 years 7 months
Eliza Hermann	Non-Executive Director	1 Jul 2014 (voting from 1 Nov 2014) 1 Jul 2017	2 years 3 months
Jeremy Jensen	Deputy Chair and Senior Independent Director	1 Jul 2014 1 Jul 2017	2 years 3 months
Dr Andrew Jones	Non-Executive Director	1 Jul 2014 (voting from 1 Nov 2014) 1 Jul 2017	2 years 3 months
Liz Shanahan	Non-Executive Director	1 Jul 2014 (voting from 28 Nov 2015) 1 Jul 2016	1 year 3 months
Gary Sims	Non-Executive Director	1 Nov 2017	2 years 7 months
Jeremy Loyd	Non-Executive Director	1 Jan 2011–31 Oct 2017	Term expired 31 Oct 2017
Lesley Watts	Chief Executive Officer	14 Sep 2015–present	n/a
Karl Munslow-Ong	Deputy Chief Executive	2 Mar 2015–present	n/a
Zoë Penn	Medical Director	1 Mar 2013–present	n/a
Pippa Nightingale	Chief Nurse	18 Jul 2016–present	n/a
Sandra Easton	Chief Financial Officer	7 Apr 2016–present	n/a
Robert Hodgkiss	Chief Operating Officer	7 Apr 2016–present	n/a
Keith Loveridge	Director of HR and Organisational Development	1 Aug 2016–31 Jan 2018	n/a

Register of interests

Board members are required to declare their interests annually and as they change, as well as to confirm they meet the fit and proper person condition as set out in Regulation 5 of the Health and Social Care Act 2008 (Regulated Activities) Regulation 2014.

Members of the public can view the register of directors' interests on the Trust website at www.chelwest.nhs.uk/bod, by emailing ftsecretary@chelwest.nhs.uk, or by making a request to the Board Governance Manager, Chelsea and Westminster Hospital NHS Foundation Trust, 369 Fulham Road, SW10 9NH.

Compliance with cost allocation and charging guidance

The Trust has complied with the cost allocation and charging guidance issued by HM Treasury.

Political donations

The Trust did not make any political donations during 2017/18.

Better Payment Practice Code

The Better Payment Practice Code requires the Trust to pay all valid invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later, unless other payment terms have been agreed with the supplier. The Trust's compliance with the code is set out below.

Measure of compliance	2017/18 n°	2017/18 £000
Non-NHS Payables		
Total non-NHS trade invoices paid within target	87,480	215,116
Total non-NHS trade invoices paid in the year	104,996	272,184
Percentage of non-NHS trade invoices paid within target	**83.32%**	**79.03%**

NHS Payables		
Total NHS trade invoices paid within target	2,767	21,694
Total NHS trade invoices paid in the year	4,311	39,137
Percentage of NHS trade invoices paid within target	**64.18%**	**55.43%**

Totals		
Total trade invoices paid within target	90,247	236,810
Total trade invoices paid in the year	109,307	311,321
Percentage of total trade invoices paid within target	**82.56%**	**76.07%**

Well-led framework

Ensuring that the Trust is well-led so that the service and care we provide is safe, high-quality and patient-centred is of paramount importance. The Trust was subject to a Care Quality Commission (CQC) well-led inspection in January 2018 and received a 'Good' rating for each hospital site and for the Trust overall. The Trust received no 'must do' recommendations and has developed a CQC improvement plan to monitor and track our progress in addressing the 57 'should do' recommendations arising from the inspection. This will support the Trust's continuous quality improvement journey and ongoing regulatory compliance.

An overview of the arrangements in place to govern service quality is included in the quality report and annual governance statement. The arrangements include a clear 'ward to board' assurance framework which delivers the well-led CQC framework. The Quality Committee seeks assurance on systems, processes and outcomes relating to quality (safety, clinical effectiveness and patient experience) on behalf of the Board.

To the best of the directors' knowledge, there are no known material inconsistencies between:

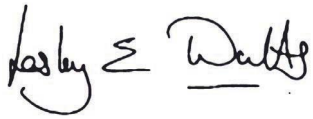
- The annual governance statement.
- The annual and quarterly statements required by the risk assessment framework, the corporate governance statement submitted with the annual plan, the quality report and the annual report.
- Reports arising from the CQC inspections and the Trust's consequent action plans.

Disclosure of information to Trust auditors

So far as the directors are aware, there is no relevant audit information of which the auditors are unaware. The directors have taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Income disclosures

The Trust has met the requirement of Section 43 (2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) in that its income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provisions of goods and services from other purposes. The impact of other income which the Trust has received has been invested in the provision of goods and services for the purposes of the health service in England.



Lesley Watts
Chief Executive Officer

25 May 2018

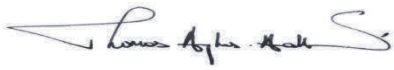
REMUNERATION REPORT

Annual statement on remuneration

The Nominations and Remuneration Committee is a committee of the Board which is appointed in accordance with the Constitution of the Trust to determine the remuneration, allowances, pensions and gratuities or terms of service of the executive directors, and rates for the reimbursement of travelling and other costs and expenses incurred by directors. In 2017/18, the committee met on three occasions.

The committee considered a number of matters within its terms of reference during the year including making decisions on the remuneration and terms of service for the Chief Executive and other executive directors. When making decisions on the salaries of executive directors, the committee considered benchmarking data for comparable posts, particularly to ensure that salaries remained appropriate where responsibilities attached to roles of senior managers were amended.

The Nominations and Remuneration Committee does not determine the terms and conditions of office of the chairman and non-executive directors—these are decided by the Council of Governors at a general meeting.



Sir Thomas Hughes-Hallett
Chair of Nominations and Remuneration Committee

25 May 2018

Senior managers' remuneration policy

The Nominations and Remuneration Committee sets pay and employment policy for the executive directors and other senior staff designated by the Board. The Trust's policy is for all executive directors to be on permanent Trust contracts with six months' notice.

Remuneration consists mainly of salaries (which are subject to satisfactory performance) and pension benefits in the form of contributions to the NHS Pension Fund. There were five senior managers whose pay exceeded £150,000 during 2017/18. The Nominations and Remuneration Committee provides objective scrutiny to salaries set in excess of the threshold. Remuneration is set with due regard to benchmarking information and survey data. Experience, performance and portfolio are also taken into account. Salaries are awarded on an individual basis, taking into account the skills and experience of the post-holder and comparable salaries for similar posts elsewhere.

Benchmarking for salary data is taken from other NHS organisations and other public sector bodies, as appropriate. Pay is also compared with that of other staff on nationally agreed Agenda for Change terms and conditions, and medical and dental staff terms and conditions.

Increases in pay can be withheld where it is considered, through the annual appraisal process, that individual or Trust performance does not warrant this. Increases can also be withheld subject to affordability and labour market conditions. There are provisions for

recovery of sums from directors in place should performance fall below the required standard.

Trust employees were not specifically consulted on the policy and procedure for determining the remuneration of directors, however the policy was developed with full consideration given to the terms and conditions of other staff groups within the Trust and also in accordance with national guidance. The policy is aligned in many ways to the terms and conditions of other staff groups.

The Council of Governors determines the terms of appointment for non-executive directors based on benchmarking data for similar posts elsewhere in the NHS. Typically, non-executive directors are appointed for three-year terms of office. They do not have access to the pension scheme.

Information on the salaries and pensions of directors is included within the senior manager remuneration table on page 48.

Future policy table

	Salary/fees	Taxable benefits	Annual performance related bonus	Long term related bonus	Pension related benefits
Support for the short and long-term strategic objectives of the Foundation Trust	Ensure the recruitment/retention of directors of sufficient calibre to deliver the Trust's objectives	none disclosed	n/a	n/a	Ensure the recruitment/retention of directors of sufficient calibre to deliver the Trust's objectives
How the component operates	Paid monthly	none disclosed	n/a	n/a	Contributions paid by both employee and employer, except for any employee who has opted out of the scheme
Maximum payment	As set out in the remuneration table—salaries are determined by the Trust's Nominations and Remuneration Committee	none disclosed	n/a	n/a	Contributions are made in accordance with the NHS Pension Scheme
Framework used to assess performance	Trust appraisal system	none disclosed	n/a	n/a	n/a
Performance measures	Based on individual objectives agreed with line manager	none disclosed	n/a	n/a	n/a
Performance period	Concurrent with the financial year	none disclosed	n/a	n/a	n/a
Amount paid for minimum level of performance and any further levels of performance	No performance-related payment arrangements	none disclosed	n/a	none paid	n/a
Explanation of whether there are any provisions for recovery of sums paid to directors, or provisions for withholding payments	Any sums paid in error may be recovered	none disclosed	Any sums paid in error may be recovered	none paid	n/a

Service contracts

Information relating to directors' service contracts is included within the table *Names of Trust directors during 2017/18* on page 41.

Policy on payments of loss of office

Payments for loss of office in a compulsory redundancy situation are made under the nationally negotiated compensation scheme. The Nominations and Remuneration Committee has the authority to consider compensation in relation to exit arrangements for directors. In the event of early termination, executive director contracts provide for compensation in line with the contractual notice period. There were no payments for loss of office made in 2017/18.

Nominations and Remuneration Committee

The committee is chaired by Sir Thomas Hughes-Hallett, Chairman, and its membership comprises all other non-executive directors. The chief executive may be invited to attend all or part of these committee meetings provided that they are not present when their executive role is subject to committee discussion/decision-making. The committee is supported by the company secretary.

Details of committee attendance in 2017/18, and the date of the Council of Governors meeting at which the salaries for the non-executive directors appointed in 2017/18 were agreed, may be found in the section *NHS Foundation Trust Code of Governance Disclosures* from page 69.

Disclosures required by Health and Social Care Act

The Trust is governed by a Board of Directors. At 31 March 2018, the Board comprised 9 non-executive directors (including the chairman) and 6 executive directors (including the chief executive). There are 30 governor positions (29 were in post as at year end) comprising:

- 8 patients (elected)—patients treated at the hospital in the last three years or their carers
- 13 public (elected)—two each from seven local boroughs except for one borough having one representative
- 6 staff (elected)—one each from six classes of the staff constituencies
- 3 appointed governors (appointed)—nominated from partnership organisations

Expenses paid to governors and directors are outlined in the table below:

	Total n° in post	N° receiving expenses	Total sum of expenses £000
2017/18			
Governors	33	3	0.34
Directors	17	9	3.66
2016/17			
Governors	27	3	0.25
Directors	20[1]	8	4.00

[1] Of which 16 were directors at 31 Mar 2017

Senior manager remuneration tables

Senior manager remuneration 2017/18

Name and title	Salary	Expense payments (taxable)	Performance related bonuses	All pension related benefits	Total	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 Mar 2018	Lump sum at pension age related to accrued pension at 31 Mar 2018	Cash equivalent transfer value at 1 Apr 2017	Real increase in cash equivalent transfer value	Cash equivalent transfer value at 31 Mar 2018
	Bands of £5,000	To nearest £100	Bands of £5,000	Bands of £2,500	Bands of £5,000	Bands of £2,500	Bands of £2,500	Bands of £5,000	Bands of £5,000	£000	£000	£000
Executive directors[2]												
Lesley Watts, Chief Executive[3]	225–230	0	0	195–197.5	425–430	7.5–10	27.5–30	75–80	235–240	0	0	0
Karl Munslow-Ong, Deputy Chief Executive	160–165	0	0	20–22.5	185–190	0–2.5	0–2.5	25–30	65–70	327	13	340
Zoë Penn, Medical Director[4]	190–195	0	0	65–67.5	255–260	2.5–5	0–2.5	80–85	150–155	1,248	132	1380
Robert Hodgkiss, Chief Operating Officer	160–165	0	0	50–55	215–220	2.5–5	5–7.5	25–30	70–75	343	83	427
Sandra Easton, Chief Financial Officer	160–165	0	0	n/a	160–165	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Keith Loveridge, Director of Human Resources and Organisational Development[5]	95–100	0	0	left	95–100	left	left	left	left	567	left	left
Pippa Nightingale[6]	130–135	0	0	130–132.5	260–265	5–7.5	12.5–15	30–35	85–90	395	96	491
Non-executive directors												
Sir Thomas Hughes-Hallett, Chairman	55–60	0	0	n/a	55–60	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nilkunj Dodhia, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a

2 The accounting officer has reviewed which officers act as 'senior managers' for the purposes of the remuneration report, and considers that for 2017/18, this only includes the chair and executive and non-executive directors of the Trust—the comparative information includes non-voting directors in line with the assessment in the prior year

3 Figures for the CETV are not available as the director is over the normal retirement age (NRA) in the existing scheme

4 The remuneration of the Medical Director includes £141,030 in respect of her clinical role

5 Left the Trust on 31 Jan 2018

6 Chief Nurse from 1 May 2017—previously Director of Midwifery/Acting Chief Nurse

Name and title	Salary	Expense payments (taxable)	Performance related bonuses	All pension related benefits	Total	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 Mar 2018	Lump sum at pension age related to accrued pension at 31 Mar 2018	Cash equivalent transfer value at 1 Apr 2017	Real increase in cash equivalent transfer value	Cash equivalent transfer value at 31 Mar 2018
	Bands of £5,000	To nearest £100	Bands of £5,000	Bands of £2,500	Bands of £5,000	Bands of £2,500	Bands of £2,500	Bands of £5,000	Bands of £5,000	£000	£000	£000
Nick Gash, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Steve Gill, Non-Executive Director[7]	0–5	0	0	n/a	0–5	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Eliza Hermann, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Jeremy Jensen, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dr Andrew Jones, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Jeremy Loyd, Non-Executive Director[8]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Liz Shanahan, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Gary Sims, Non-Executive Director[9]	0–5	0	0	n/a	0–5	n/a	n/a	n/a	n/a	n/a	n/a	n/a

7 Appointed to the Board on 1 Nov 2017
8 Left the Board on 31 Oct 2017
9 Appointed to the Board on 1 Nov 2017

Senior manager remuneration 2016/17

Name and title	Salary	Expense payments (taxable)	Performance related bonuses	All pension related benefits	Total[10]	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 Mar 2017	Lump sum at pension age related to accrued pension at 31 Mar 2017	Cash equivalent transfer value at 1 Apr 2016	Real increase in cash equivalent transfer value	Cash equivalent transfer value at 31 Mar 2017
	Bands of £5,000	To nearest £100	Bands of £5,000	Bands of £2,500	Bands of £5,000	Bands of £2,500	Bands of £2,500	Bands of £5,000	Bands of £5,000	£000	£000	£000
Executive directors												
Lesley Watts, Chief Executive[11]	215–220	0	0	290–292.5	505–510	12.5–15	40–42.5	65–70	205–210	1,233	0	0
Karl Munslow-Ong, Deputy Chief Executive	150–155	0	0	62.5–65	215–220	2.5–5	2.5–5	25–30	65–70	258	69	327
Zoë Penn, Medical Director[12]	180–185	0	0	102.5–105	285–290	5–7.5	5–7.5	75–80	145–150	1,120	128	1,248
Robert Hodgkiss, Chief Operating Officer[13]	125–130	0	0	n/a	125–130	n/a	n/a	25–30	65–70	n/a	n/a	343
Lorraine Bewes, Chief Financial Officer[14]	0–5	0	0	left	0–5	left	left	left	left	1,056	left	left
Sandra Easton, Chief Financial Officer	125–130	0	0	n/a	125–130	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Peta Hayward, Interim Director of Human Resources and Organisational Development[15]	5–10	0	0	left	5–10	left	left	left	left	409	left	left
Keith Loveridge, Director of Human Resources and Organisational Development[16]	75–80	0	0	n/a	75–80	n/a	n/a	25–30	85–90	n/a	n/a	567
Elizabeth McManus, Chief Nurse[17]	40–45	0	0	left	40–45	left	left	left	left	921	left	left
Pippa Nightingale, Director of Midwifery/Acting Chief Nurse[18]	70–75	0	0	not available	70–75	not available	not available	25–30	70–75	not available	not available	395

10 A contractually entitled exit payment has not been included in these disclosures in accordance with the terms of the exit agreement
11 Figures for CETV are not available as the Director is over the normal retirement age (NRA) in the existing scheme
12 The remuneration of the Medical Director includes £133,502 in respect of her clinical role
13 Appointed to the Board 1 Apr 2016
14 Left the Board on 7 Apr 2016
15 Left the Board on 1 May 2016
16 Appointed to the Board on 1 Aug 2016
17 Left the Board on 15 Jul 2016

Name and title	Salary	Expense payments (taxable)	Performance related bonuses	All pension related benefits	Total[10]	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 Mar 2017	Lump sum at pension age related to accrued pension at 31 Mar 2017	Cash equivalent transfer value at 1 Apr 2016	Real increase in cash equivalent transfer value	Cash equivalent transfer value at 31 Mar 2017
	Bands of £5,000	To nearest £100	Bands of £5,000	Bands of £2,500	Bands of £5,000	Bands of £2,500	Bands of £2,500	Bands of £5,000	Bands of £5,000	£000	£000	£000
Richard Collins, Interim Chief Information Officer[19, 20]	105–110	0	0	n/a	105–110	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Kevin Jarrold, Chief Information Officer[20]	50–55	0	0	n/a	50–55	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Non-executive directors												
Sir Thomas Hughes-Hallett, Chairman	55–60	0	0	n/a	55–60	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nilkunj Dodhia, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nick Gash, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Eliza Hermann, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Jeremy Jensen, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dr Andrew Jones, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Jeremy Loyd, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Elizabeth Shanahan, Non-Executive Director	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a

[18] Appointed to the Board on 18 Jul 2016
[19] Left the Board on 30 Sep 2016—salary represents amounts paid the recruitment agency and is inclusive of VAT
[20] Non-voting director

Fair pay multiple

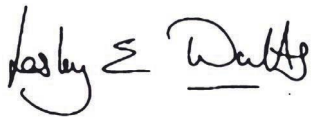
The banded remuneration of the highest paid director in the Trust in the 2017/18 financial year was £225,000–230,000 (2016/17 £215,000–220,000). This was 5.98 times the median remuneration of the workforce (2016/17 5.84 times), which was £38,035 (2016/17 £37,259).

In 2017/18 no employees received remuneration in excess of the highest paid director (2016/17 nil). Remuneration ranged from £12,000 to the highest paid director banded remuneration of £225,000–230,000 (2016/17 £12,000 to the highest paid director banded remuneration of £215,000–220,000)

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

Definition of 'senior managers'

The definition of 'senior managers' for the purpose of this 2017/18 report is those persons in voting executive director or non-executive director roles within the organisation.



Lesley Watts
Chief Executive Officer

25 May 2018

STAFF REPORT

Analysis of staff costs

Employee expenses	2017/18 total £000	2017/18 permanently employed total £000	2017/18 other total £000
Salaries and wages	270,696	235,654	35,042
Social security costs	28,969	26,142	2,827
Apprenticeship levy	1,290	1,290	0
Pension cost—defined contribution plans (employer's contributions to NHS pensions)	29,044	27,766	1,278
Pension cost—other	11	11	0
Temporary staff—agency/contract staff	23,388	0	23,388
Total staff costs	**353,398**	**290,863**	**62,535**

Analysis of average staff numbers

Average number of employees (WTE basis)

Employee	Substantive	Other	2017/18 total	2016/17 total
Medical and dental	1,078	120	**1,198**	1,109
Ambulance staff	0	0	**0**	0
Administration and estates	1,018	155	**1,173**	1,118
Healthcare assistants and other support staff	753	244	**997**	740
Nursing, midwifery and health visiting staff	1,944	465	**2,409**	2,281
Nursing, midwifery and health visiting learners	0	0	**0**	0
Scientific, therapeutic and technical staff	510	39	**549**	711
Healthcare science staff	0	0	**0**	0
Social care staff	0	0	**0**	0
Other	13	0	**13**	22
Total average numbers	**5,316**	**1,023**	**6,339**	**5,981**
Of which:				
Number of employees (WTE) engaged on capital projects	51	26	**77**	34

Breakdown of employees

The following chart provides information of the gender split between the different staff groups as at 31 March 2018:

	Female	Male	Total
Executive director	4	2	6
Non-executive director	2	7	9
Senior manager	77	53	130
Other	4,416	1,324	5,740
Total	**4,499**	**1,386**	**5,885**

Sickness absence

The chart below details the Trust's sickness absence data for the calendar years 2016 and 2017.

	2017 (n°)	2016 (n°)
Total days lost	31,823	28,742
Total staff years	5,225	5,123
Average working days lost per whole time equivalent	6.1	5.6

Trust employment and disability

The Trust's recruitment and selection policy ensures that all applicants with a disability who meet the essential criteria are offered an interview. Successful candidates are asked what adaptations they may require to carry out their role. The Trust is also recognised as a Disability Confident employer.

The Trust is committed to promoting equality of opportunity for all its employees as set out in our equality and diversity policy. We believe individuals should be treated fairly in all aspects of their employment, including training, career development and promotion, regardless of disability or any other protected characteristic. We aim to create a culture that respects and values individual differences and that encourages individuals to develop and maximise their true potential.

In accordance with the sickness absence policy and the equality and diversity policy, the occupational health department advises managers and staff on appropriate working arrangements, which may include making reasonable adjustments or modifications to working hours to accommodate a medical condition. Reasonable adjustments are specific to individuals and could include making adjustments to premises, duties, working hours or acquiring or modifying equipment (eg hearing loop). The Trust also seeks guidance from specialist external agencies, such as Access to Work, where necessary.

To help support members of staff who have a disability the Trust has held forums for staff with disabilities and managers of staff with disabilities in 2017/18. As a result of the feedback from these meetings, the Trust will shortly be introducing a new policy entitled *Maintaining the employment of staff with disabilities* to provide guidance for both staff and managers.

Actions taken to consult, involve and engage staff

Our workforce is our primary asset in determining the quality of experience and care we provide. Therefore, staff engagement is paramount in supporting the implementation of improvements so that we foster a more positive work environment.

A number of committees have been established to monitor the performance and delivery of the workforce priorities and consult with trade union colleagues:

- People and Organisational Development Committee
- Workforce Development Committee
- Partnership Forum
- Local Negotiating Committee (LNC)

Staff feedback is also obtained from the national staff survey, results of which are used to develop action plans for improvement. In addition, we communicate and engage in a range of ways, including:

- Monthly *All Staff Briefings* at all sites with a written briefing emailed to all staff
- Frequent all staff emails
- A monthly CEO newsletter
- A regularly updated intranet and website

- Social media accounts including Twitter, Facebook and Instagram feeds for our hospital sites and some of our key specialisms
- GP newsletters and clinical education events
- Annual open days at each hospital
- Working with journalists to shout about good news at our hospitals and being responsive to any press enquiries they may have

The Trust has introduced an exit survey and a joiner survey to understand what makes people leave and stay within the organisation, and the results of these are analysed and actions developed.

National NHS staff survey 2017

In autumn 2017, questionnaires were sent to 5,434 staff—1,736 staff took part in this survey, giving us a response rate of 32%.

Our results are summarised in 32 key findings which are compared to the results of other acute trusts in England.

	2016	2017	Trust change
Response rate	48%	32%	Decrease of 16% from previous year

Headlines

The overall indicator of staff engagement was 3.93 compared to an average score of 3.79 for acute trusts. This was an increase from the previous year and places us in the top 20% of acute trusts for levels of staff engagement. This overall indicator of staff engagement is a composite result based on responses to questions about staff members' ability to contribute to improvements at work, their willingness to recommend the Trust as a place to work or receive treatment, and the extent to which they feel motivated and engaged with their work.

Our top five ranking scores when compared with other English acute trusts were:

Top 5 ranking scores	2016 (Trust)	2017 (Trust)	2017 (benchmark)	Change
KF12 Quality of appraisals	3.29	3.36	3.11	0.07 improvement
KF29 Percentage of staff reporting errors, near misses or incidents witnessed in the last month	89%	93%	90%	4% improvement
KF24 Percentage of staff / colleagues reporting most recent experience of violence	72%	77%	66%	5% improvement
KF7 Percentage of staff able to contribute towards improvements at work	70%	75%	70%	5% improvement
KF31 Staff confidence and security in reporting unsafe clinical practice	3.68	3.78	3.65	0.10 improvement

Our bottom five ranking scores were:

Bottom 5 ranking scores	2016 (Trust)	2017 (Trust)	2017 (benchmark)	Change
KF25 Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months*	36%	34%	28%	2% improvement
KF20 Percentage of staff experiencing discrimination at work in the last 12 months*	19%	18%	12%	1% improvement
KF28 Percentage of staff witnessing potentially harmful errors, near misses or incidents in last month*	36%	35%	31%	1% improvement
KF23 Percentage of staff experiencing physical violence from staff in last 12 months*	3%	3%	2%	no change
KF21 Percentage of staff working extra hours*	80%	83%	85%	3% deterioration

* Lower scores are better

Based on the results of the 2016 staff survey, the Trust developed a two-year staff experience action plan focused on eight key areas with specific actions against each theme. This action plan was devised in conjunction with staff who were invited to a series of focus groups to discuss the survey results—the areas of focus are:

- Better information on staff engagement
- Dignity and respect in the workplace
- Promoting staff security
- Promoting equality and diversity
- Promoting health and wellbeing
- Promoting fair and reflective practices for reporting incidents and feedback
- Performance and development reviews (appraisals)
- Improving processes for recognition

It was agreed that the plan would be reviewed once the results of the 2017 survey were available, in order to see if the actions identified had made any difference and if further work was needed in relation to any of these areas or any new areas.

The Trust's 2017 results show improvements in all of the areas outlined above aside from staff security, performance development reviews, and health and wellbeing, where the results from the survey have remained the same. There are no areas in our staff experience plan where we have seen a decrease in our results. The results of the survey have been shared across the Trust and we are now arranging a working group to formally review and update the plan.

The staff experience plan is reviewed regularly at the Trust Workforce Development Committee, the People and Organisational Development Committee, and is a regular agenda item at the Partnership Forum, which is a bi-monthly meeting held with our staffside colleagues.

The full staff survey report is published at www.nhsstaffsurveys.com.

Workforce improvement activity

Performance and development review (PDR)

In 2017/18 we built on the development of the previous year with the launch of the new PDR process. 89% of staff have received a PDR in the past 12 months. Our PDR process is an essential step in the development of our performance culture, part of our recruitment and retention strategy, and key to supporting our staff in their development. We have linked performance ratings to the award of annual increments and we will use the new process drive discussions regarding career aspirations. Performance ratings will feed into our plans to roll out succession planning and talent management in 2018/19.

Leadership training

In 2017/18, we continued to deliver the Emerging and Established Leaders programmes, which remain very popular with our staff and competition for places remains high. Our Emerging Leaders Programme has been attended by 108 staff from multiple disciplines. Our Established Leaders Programme has been undertaken by more than 96 staff in senior roles, and we have seen transformation projects implemented, combined with learning around leadership principles. Both programmes have been reviewed over the year to meet the ever-changing needs of the Trust.

Other development

The Trust also supported intervention to support staff on teamwork and resilience, coaching skills, communication and customer service.

Clinical development

Clinical development programmes are run on both sites developing staff in their clinical skills and supporting them to undertake further development. The use of clinical skills teaching and simulation enhances staff learning. There are multiple opportunities offered for clinical learning, and students through to all levels of qualified staff have benefitted from the opportunity to learn in this way.

Recognition schemes

In the 2017/18, the Trust continued with the annual and monthly people recognition schemes which celebrate people who live our values through great work and commitment. In 2018/19, we are launching our length of service awards for staff who have worked for the organisation for 10 or more years. See *Awards and Achievements* from page 62.

Values

We continue to promote our PROUD to Care values:

- Putting patients first
- Responsive to patients and staff
- Open and honest
- Unfailingly kind
- Determined to develop

Apprenticeship

2017/18 has seen the launch of the government levy to support the development of staff through the Apprenticeship Scheme. The Trust is beginning to use this opportunity to develop staff in clinical, administrative and management skills.

Managing temporary staffing

The Trust has revised contractual and operational arrangements for the management of temporary staffing through a range of initiatives:

- In 2017/18, we established a master vendor contract for sourcing medical locums to ensure better management of agency usage and reduce spend for this staff group

- The Trust is working in partnership with a pan-NWL group and has introduced local London rates to realise cost reductions and improved value for money benefits in the utilisation of agency workers

- We completed the successful rollout of our junior doctors' bank called FlexiStaff+ across both C&W and WMUH sites which has significantly reduced our reliance on medical agency workers. To further enhance this function, we have introduced a new digital platform called LocumTap which supports the recruitment of new locums and enables locums to book shifts via an app. This has further increased our bank fill rates.

Recruitment

We have undertaken significant work to modernise and streamline our recruitment function to promote the Trust as an employer of choice. This has significantly improved the experience for candidates and reduced the time to hire. We reviewed our current staff benefits and introduced improved communications methods. We have undertaken a number of targeted recruitment campaigns for hard-to-recruit areas and further overseas recruitment is ongoing.

Health and safety and occupational health

The Trust's core health and safety and occupational health policies continue to be updated to ensure that such documents address both main hospital sites and satellite locations.

25 RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013) incidents were reported to the Health and Safety Executive (HSE) from April 2017–March 2018, of which 18 related to the C&W site and 7 to the WMUH site. Details and data relating to incidents, complaints, claims, risk registers and occupational health data is captured on Datix, a web-based, integrated reporting package introduced in May 2016. The Datix system is subject to further enhancements to include other patient safety topics such as patient experience and mortality reviews, and supports a robust reporting culture throughout the Trust to improve our safety practices.

The Trust's health and safety team works with clinical and corporate departments to establish a system of self-assessment and independent spot-checks. The areas to be subject to spot-checks are identified using a risk-based approach. The health and safety plan going forward is structured using the HSE model of *Plan, Do, Check, Act*.

Policies and procedures in respect of countering fraud and corruption

The Trust does not tolerate any form of fraud, bribery or corruption by its employees, partners or third parties acting on its behalf. We investigate allegations fully and apply sanctions to those found to have committed a fraud, bribery or corruption offence.

During 2017/18, The Internal Audit Agency (TIAA) was contracted by the Trust to provide its local counter-fraud specialist (LCFS) services in accordance with Secretary of State Directions. The Audit and Risk Committee formally approves the counter-fraud annual workplan and progress reports are provided to the committee at each of its meetings. The Trust has an approved counter-fraud and corruption policy.

Expenditure on consultancy

In 2017/18, the Trust incurred £1.28m (2016/17 £0.98m) on consultancy costs which included a review of payroll processes and implementation of ePay, finance system consultancy, support on PFI contract (Local Partnership LLP), support for the 'soft services' tender, VAT consultancy and other smaller projects across the Trust.

NHS bodies are required to disclose specific information about off-payroll engagements. The following tables show this information.

Off-payroll engagements as of 31 March 2018 for more than £245 per day and that last for longer than 6 months

	2017/18 n° of engagements
N° of existing engagements as of 31 Mar 2018	5
Of which:	
Number that have existed for less than one year at the time of reporting	3
Number that have existed for between one and two years at the time of reporting	2
Number that have existed for between two and three years at the time of reporting	0
Number that have existed for between three and four years at the time of reporting	0
Number that have existed for four or more years at the time of reporting	0

New off-payroll engagements, or those that reached 6 months in duration, between 1 April 2017 and 31 March 2018, for more than £245 per day and that last for longer than 6 months

	2017/18 n° of engagements
N° of new engagements or those that reached 6 months in duration between 1 Apr 2017 and 31 Mar 2018	10
Of which:	
N° assessed as within scope of IR35	10
N° assessed as not within scope of IR35	0
N° engaged directly (via PSC contracted to department) and are on the departmental payroll	0
N° of engagements reassessed for consistency/assurance purposes during the year	0
N° of engagements that saw a change to IR35 status following the consistency review	0

For any off-payroll engagements of Board members, and/or senior officials with significant financial responsibility, between 1 April 2017 and 31 March 2018

	2017/18 n° of engagements
Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the financial year	0
Total n° of individuals on payroll and off-payroll that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure must include both on payroll and off-payroll engagements.	17

Exit packages

Reporting of compensation schemes—exit packages 2017/18

Exit package cost band (including any special payment element)	N° of compulsory redundancies	N° of other departures agreed	Total n° of exit packages
<£10,000	–	9	9
£10,001–25,000	–	4	4
£25,001–50,000	1	–	1
£50,001–100,000	–	–	–
£100,001–150,000	–	1	1
£150,001–200,000	–	–	–
>£200,000	–	–	–
Total number of exit packages by type	**1**	**14**	**15**
Total resource cost (£)	47,000	224,000	271,000

Reporting of compensation schemes—exit packages 2016/17

Exit package cost band (including any special payment element)	N° of compulsory redundancies	N° of other departures agreed	Total n° of exit packages
<£10,000	1	–	1
£10,001–25,000	2	1	3
£25,001–50,000	1	2	3
£50,001–100,000	5	–	5
£100,001–150,000	3	–	3
£150,001–200,000	1	–	1
>£200,000	–	–	–
Total number of exit packages by type	**13**	**3**	
Total resource cost (£)	985,000	106,000	1,091,000

Exit packages—other (non-compulsory) departure payments

	2017/18		2016/17	
Exit package cost band (including any special payment element)	**N° of payments agreed**	**Total value of agreements (£000)**	**N° of payments agreed**	**Total value of agreements (£000)**
Voluntary redundancies including early retirement contractual costs	–	–	–	–
Mutually agreed resignations (MARS) contractual costs	–	–	1	31
Early retirements in the efficiency of the service contractual costs	–	–	–	–
Contractual payments in lieu of notice	13	103	2	50
Exit payments following employment tribunals or court orders	–	–	1	25
Non-contractual payments requiring HMT approval	1	121	–	–
Total	**14**	**224**	**4**	**106**
Of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	1	121	–	–

April 2017

The Critical Care Outreach Team accept their PROUD Award with the divisional leads

PROUD to Care

The CW+ PROUD Awards are sponsored by hour hospital charity CW+ and recognise individuals or teams which have exceeded expectations in carrying out their work for patients.

CW+ PROUD Awards

- **Cardiology Team** (Emergency and Integrated Care)
- **Dermatology Admin Teams** (Women, Children, Sexual Health and Dermatology)
- **Critical Care Outreach Team** (Planned Care)
- **Lord Wigram Ward** (Planned Care)
- **Security Team** (Corporate)

May 2017

External recognition

- **Paediatric Team**, *HSJ* Value in Healthcare Award for Acute Service Redesign
- **Cas Shotter Weetman**, Cardiology Specialist Nurse (WMUH), Professional Doctorate of Nursing from University of West London—her thesis focused on patient experience post-angioplasty, the journey from admission to discharge, and the development of a tool for effective communication on discharge

Council of Governors Quality Awards

- **Cara Taylor**, Staff Nurse, for introducing a *Bravery Box* on Neptune paediatric ward
- **Emily Ward**, Specialist Pharmacist, for establishing a process to support patients in managing their medicines when they return home from hospital
- **Darren Brown**, Physiotherapist, for the HIV physiotherapy service and Kobler Rehab Class
- **Dr Bobby Mann** and **Adult Care Bundle Implementation Team** for their Adult Asthma Care Bundle

Our Paediatric Team receive their *HSJ* Value in Healthcare Award at the official ceremony at Grosvenor House, London

CW+ PROUD Awards

- **Acute Medical Unit** (Emergency and Integrated Care)
- **Melanie Knight**, Maternity Support Worker (Women, Children, Sexual Health and Dermatology)
- **Therapies Admin Team** (Planned Care)
- **Porters** (Corporate)

June 2017

Dr Alina Grecu receives her PROUD Award

CW+ PROUD Awards

- **Dr Alina Grecu**, Paediatric Emergency Medicine (Emergency and Integrated Care)
- **Children's Surgery Team** (Women, Children, Sexual Health and Dermatology)
- **St Mary Abbots Ward** (Planned Care)
- **Alan Hardy**, Radio West Middlesex (Corporate)

July 2017

56 Dean Street takes home three Communiqué Awards for their PRIME service

External recognition

- **56 Dean Street**, three Communiqué Awards for their PRIME service—*Innovation in Healthcare Communications*, *Excellence in Engagement through Digital Channels*, and *Excellence in Content Management*
- **The Trust as part of the North West London Critical Care Network**, *HSJ* Patient Safety Award for Patient Safety in Critical Care and Trauma Patients—Patient Transfer Bag

CW+ PROUD Award

- **Lesley Anne-Marke**, Sister, David Erskine Ward (Emergency and Integrated Care)
- **Dr Nneka Nwokolo**, Consultant, 56 Dean Street (Women, Children, Sexual Health and Dermatology)
- **Jason Pyke** and **Melanie Davy**, Purchasing Coordinator and Acting Operational Manager, Pharmacy (Planned Care)
- **Rupinder Sarai**, eRostering Administrator, HR (Corporate)

Clincal Nurse Specialist Elaine Manderson with the *HSJ* Patient Safety Award

August 2017

External recognition

- **Queen Mary Maternity Unit (QMMU)**, UK Baby Friendly Initiative re-accreditation for high standards of care and support for breastfeeding mothers


Marisa Rodriguez receives her PROUD Award at West Mid from the divisional leads

School of Medicine Teaching Awards

- **Dr John Platt**, Consultant Lead, Care of the Elderly, Associate Dean Award
- **Dr Ashkan Sadighi**, Consultant in Acute Medicine, Teaching Excellence Award—Clinical Teachers
- **Glen Fernandes**, Undergraduate Teaching Coordinator, Supporting the Student Experience Award

CW+ PROUD Award

- **Marisa Rodriguez**, Clinical Site Manager (Emergency and Integrated Care)
- **Early Pregnancy Unit (EPU) Nurses**, (Women, Children, Sexual Health and Dermatology)
- **Sarkhell Radha**, Senior Registrar, Trauma and Orthopaedics (Planned Care)
- **Anthoula Kanari**, Housekeeper, Neptune Ward (Corporate)

September 2017

Staff on the Chelsea Site celebrate our special Kate Granger Award for our response to the major incidents in London

External recognition

- **Dr Abi Al-Hussani**, Cardiologist, Heart Hero Award, British Heart Foundation
- **The Trust**, Kate Granger Award, NHS England—special recognition for our exceptionally high standards of compassionate care following the major incidents in London

CW+ PROUD Awards

- **Tuberculosis Team** (Emergency and Integrated Care)
- **Matt Clegg**, Healthcare Assistant, Neptune Ward (Women, Children, Sexual Health and Dermatology)
- **Kiran Chokkar**, Medicines Management Pharmacist (Planned Care)
- **Tom Rafferty** and **Joe Donnelly**, Strategy Team (Corporate)

October 2017

Dr Sadia Khan receives her CW+ Special Award at our annual Staff Awards ceremony

Staff Awards

- **Robert Breen**, Charge Nurse, Acute Medical Unit/ Acute Assessment Unit, Nurse of the Year
- **Gregory Olemukor**, Healthcare Assistant, Ambulatory Emergency Care, Clinical Support Worker of the Year
- **Caroline Benson**, Physiotherapist, Inpatient Medical Rehab, Therapies Department, Allied Health Professional of the Year
- **Dr Sadia Khan**, Cardiologist, CW+ Special Award
- **Shalee Lassam**, Ward Manager, Acute Medical Unit, Inspiring Leadership Award
- **David Erskine Ward**, Nurse and Therapy Team, CEO Award
- **Crane Ward**, Nurse and Therapy Team, CEO Award
- **Hellie Hood**, Tissue Viability Nurse, Quality Improvement Award
- **Anne O'Sullivan**, Maternity Inpatient Ward Matron, Midwife of the Year
- **Nadia Yolova**, Housekeeper, Special Care Baby Unit, Support Service Employee of the Year
- **Elizabeth Suite**, Team of the Year
- **Melany-Jane Knight**, Midwife Support Worker, CW+ PROUD to Care Award
- **Nerissa Vardeio**, Senior Staff Nurse, ICU, Nurse of the Year
- **Sarkhell Radha**, Registrar, Trauma and Orthopaedics, Doctor of the Year
- **Anand Vadgama**, Anticoagulant Pharmacist, Pharmacist/Healthcare Scientist of the Year
- **Jason Tatlock**, ICU Data Manager, Adult Intensive Care, Corporate Employee of the Year
- **Annette Funai**, Clinical Imaging, CEO Award (posthumous)
- **Liz Barnshaw**, Clinical Support Analyst, Electronic Patient Record (EPR), Award for Lifetime Achievement/Service to the Trust
- **Barry Dew**, Volunteer, Volunteer of the Year

CW+ PROUD Awards

- **Hannah Balcombe**, Therapist (Emergency and Integrated Care)
- **Dawn Bishop**, Associate Practitioner, Contraception and Sexual Health (Women, Children, Sexual Health and Dermatology)
- **Charmaine Robinson**, Staff Nurse (Planned Care)
- **Carolyn Lye-La**, Receptionist (Planned Care)
- **Rajesh Thaplial**, Fracture Clinic (Planned Care)
- **Katie Allen**, Senior Communications Officer (Corporate)

Putting the spotlight on our staff

All the winners of the 2017 Staff Awards

The Staff Awards is our flagship annual event where we recognise and celebrate the very best examples of our teams going the extra mile to care for our patients.

Nominations are open from staff, patients and members of the public, and reviewed by our leadership team. The winners are announced at a special event to celebrate their achievements.

November 2017

Our Maternity FGM team scoop up a nOSCARS for making a difference to minority communities

External recognition

- **Macmillan Acute Oncology Service**, *Nursing Times* Award for their Acute Diagnostic Oncology Clinic (ADOC), bringing about faster cancer diagnoses
- **The Trust and Imperial College London**, *HSJ* Award for Enhancing Care by Sharing Data and Information
- **Mike Elvey**, Trainee Hand Surgeon, Hand Trainees' Presentation Prize at the British Society of Surgery Awards
- **Estates and Facilities Team**, Green Apple Environment Award for their excellent recycling initiatives
- **Hospital charity CW+**, Best Collaborative Arts Project at Building Better Healthcare Awards

nOSCARS Awards

- **Maternity FGM Team**, nOSCARS Award for their FGM service
- **56 Dean Street**, nOSCARS Award for their exceptional work in sexual health and impact of this, including improved sexual health outcomes for BAME communities

Council of Governors Quality Awards

- **Specialist Palliative Care Team** for greatly improving the fast-track discharge process for end-of-life patients so they can be cared for in the setting of their choice
- **Dr Rashmi Kaushal** and **Endocrinology Team** for their outstanding work on a new online endocrine referrals system
- **Dr Dominika Dabrowska**, Consultant, Maternity for adapting and introducing the 'gentle' caesarean section protocol to the Trust

CW+ PROUD Awards

- **Sara Scarborough**, Associate Nurse (Emergency and Integrated Care)
- **Starlight Children's Ward** (Women, Children, Sexual Health and Dermatology)
- **Natasha Herman**, Clinical Practice Development Nurse (Planned Care)
- **Outpatients Clinic Nurses** and **Plaster Room Technicians** (Corporate)

December 2017

Our Syon 2 Ward team receive a special mention at the Christmas Cheer Awards alongside former professional footballer and Sky Sports TV presenter Paul Merson

Christmas Cheer Awards

- **Cristina Sagun**, Staff Nurse, David Erskine Ward
- **Gina Fernandes**, Receptionist, Medical Day Unit
- **Juliet Bance**, Healthcare Assistant, David Erskine Ward
- **Linda Date**, Receptionist, Medical Day Unit
- **Therapy Team**, Therapy Services
- **Jessica Wickens**, Occupational Therapist, Therapy Services
- **Naheed Ahmad**, Medical Secretary, Cardiology
- **Olivia Green**, Physiotherapist, Orthopaedics
- **Coronary Care Team**, Cardiology
- **Donna Omanjo-Dormer**, Staff Nurse, Ron Johnson Ward
- **Emily Hague**, Midwife, Antenatal Department
- **Sharon Aylott**, Play Specialist, Mars Ward
- **Shockema Roberts**, Healthcare Assistant, Ron Johnson Ward
- **Ron Johnson Ward**, Special Mention
- **Beverley Snee**, Senior Midwife, Labour Ward
- **Cristina Dalumpines**, Maternity Assistant, Queen Mary Maternity Unit
- **Linda Cobbing**, Patient Administrator, Gynaecology Outpatients
- **Sally Dauncey**, Practice Development Midwife, Queen Mary Maternity Unit
- **Tracy Armstrong**, Paediatrics Matron, Starlight Ward
- **Aleck Dalrymple**, Senior Operating Department Practitioner, Treatment Centre
- **Ian Barrow**, Ultrasonographer, Radiology
- **Syon 2 Ward**, Special Mention
- **Marie Courtney**, Deputy Director of Estates and Facilities
- **Irfan Mohammed**, Deputy Director, Finance
- **Catherine Sands**, Head of Emergency Preparedness
- **ISS Team**, Special Mention
- **Beau Honour**, Administrator, Estates and Facilities

CW+ PROUD Awards

- **Clinical Site Managers** (Emergency and Integrated Care)
- **Dr Mark Thomas**, Service Director, Paediatrics (Women, Children, Sexual Health and Dermatology)
- **Vivette Wallen-Mitchell**, Junior Sister, NICU, (Women, Children, Sexual Health and Dermatology)
- **Kelly Patston**, Paediatrics Matron (Women, Children, Sexual Health and Dermatology)
- **Sheryl Knauf**, Healthcare Assistant, Richmond Ward (Planned Care)
- **Jo Stones**, Senior Education Data Analyst, Organisational Learning and Development (Corporate)

Cheering on our staff at Christmas

The Christmas Cheer Awards are an opportunity for patients to recognise the contribution of an individual staff member or a team by nominating them for an award.

These annual awards aim to recognise staff and volunteers who bring a cheerful, positive attitude to their work.

The winners are presented their awards at our Christmas events at each hospital to publicly thank them for their contribution to the life of the Trust and patient care.

Deputy Director of Estates and Facilities Marie Courtney receives her Christmas Cheer Award

January 2018

Our Anaesthetist Dr Steve Yentis is awarded the Sir Ivan Magill Gold Medal

External recognition

- **Archana Dixit**, Consultant Obstetrician and Gynaecologist, nominated for an Asian Women of Achievement Award in the Gold Medal Category (winners to be announced on 9 May)
- **Dr Steve Yentis**, Anaesthetist, Sir Ivan Magill Gold Medal for his unique, outstanding and innovative contributions to the speciality of anaesthesia, particularly in the areas of research and publishing

CW+ PROUD Awards

- **Sunshine Noel**, Ward Sister, Marble Hill 1 Ward (Emergency and Integrated Care)
- **Cara Taylor**, Senior Staff Nurse (Women, Children, Sexual Health and Dermatology)
- **Dale Philips Guia**, Orthopaedic Practitioner (Planned Care)
- **Jasmeet Dhaliwal**, Administrator, Estates and Facilities (Corporate)

February 2018

56 Dean Street staff receive their *Boyz* magazine Award for Best Sexual Health Organisation or Clinic

Photo credit: Chris Jepson/*Boyz* magazine

External recognition

- **56 Dean Street**, Best Sexual Health Organisation or Clinic at the *Boyz* Awards 2018
- **Grace Watts** and **Claire Flower**, Senior Music Therapist and Clinical Specialist Music Therapist, Jessica Kingsley Publishers Poster Prize for their 'Music While You Wait' maternity project across the antenatal clinic, antenatal ward and post labour ward.

CW+ PROUD Awards

- **Avril Blenman**, Technician in Decontamination Services (Planned Care)
- **Aine Lennon**, Ward Manager, Lord Wigram Ward (Planned Care)
- **Rachel Sharkey**, Acute Oncology Clinical Nurse Specialist (Emergency and Integrated Care)
- **Jupiter Ward** (Women, Children, Sexual Health and Dermatology)
- **Vida Djelic**, Board Governance Manager (Corporate)
- **Barbara Kasprzyzk**, ISS Hostess, Acute Assessment Unit (Corporate)

Vida Djelic receives her PROUD Award, alongside our Company Secretary Julie Myers and Chairman Sir Tom Hughes-Hallett

March 2018

Richard Stubbs receives his PROUD Award from Chief Financial Officer Sandra Easton

CW+ PROUD Awards

- **Cancer MDT Coordinators Team** (Emergency and Integrated Care)
- **Ron Johnson Ward** (Women, Children, Sexual Health and Dermatology)
- **Michael Post**, Partnership Development Manager (Women, Children, Sexual Health and Dermatology)
- **Pauline Harwood**, Team Leader Outpatients 3 (Planned Care)
- **Richard Stubbs**, Accounts Payable Manager (Corporate)

April 2018

The Acute Assessment Unit team at Chelsea and Westminster celebrate our overall 'Good' rating from the CQC

CQC inspection

Finishing off the year on a high note, our Trust was rated 'Good' overall and across all of the five CQC categories—safe, effective, caring, responsive and well-led—and 'Outstanding' by NHS Improvement for use of resources. We are proud and grateful for the hard work of our staff and remain committed to continuing our improvement journey to ensure we give the highest quality of care to our patients day in and day out.

Our proud A&E team at West Mid with CEO Lesley Watts

The Finance Team at Harbour Yard show their 'Outstanding' rating from NHS Improvement for use of resources with CFO Sandra Easton

NHS FOUNDATION TRUST CODE OF GOVERNANCE DISCLOSURES

Code of Governance compliance statement

Chelsea and Westminster Hospital NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis, including membership of Board committees, their terms of reference, and Board performance assessments. 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 and was last updated in 2016.

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

For the year ending 31 March 2018 Chelsea and Westminster Hospital NHS Foundation Trust complied with all the provisions of the Code of Governance published by NHS Improvement (formerly known as Monitor).

Governance arrangements

The Trust is led by a Board of Directors. Its key responsibilities are to:

- Provide leadership to the Foundation Trust within a framework of processes, procedures and controls which enable risk to be assessed and managed
- Ensure the Foundation Trust complies with its licence, its Constitution, requirements set by NHSI, and relevant statutory and contractual obligations
- Set the Foundation Trust's vision, values and standards of conduct
- Set the Foundation Trust's strategic aims and ensure that the necessary human and financial resources are in place to deliver these
- Ensure the quality and safety of the healthcare services provided by the Foundation Trust
- Ensure the Foundation Trust exercises its functions effectively, efficiently and economically

The Board undertakes its responsibilities through a set business cycle which includes approving strategies and receiving monitoring reports on areas such as key risks, and financial, operational, and quality and safety performance.

The Board approves standing financial instructions, scheme of delegation and reservation of powers policies which outline the decisions that must be taken by the Board and the decisions that are delegated to the management of the hospital. These include contracts, tendering procedures, security of the Trust's property, monitoring and ensuring compliance with Department of Health and Social Care directions on fraud and corruption, delegated approval limits, budget submission, annual accounts and reports, banking arrangements, payroll, borrowing and investment, risk management and insurance arrangements.

The directors of the Board, collectively and individually, have a legal duty to promote the success of the Trust to maximise the benefits for the population that it serves. They also have a duty to avoid conflicts of interest, not to accept any benefits from third parties and declare interests in any transactions that involve the Trust.

Throughout the reporting period, the Nominations and Remuneration Committee have kept under review the overall size of the Board and the balance of skills, experience and expertise of Board members. In 2017/18, the Board commenced an integrated governance and risk review as a precursor to commissioning an independent external Board evaluation in 2018/19.

The Council of Governors represents the interests of the local community—patients, public and staff who are Foundation Trust members—and shares information about key decisions with Foundation Trust members. The Council of Governors is not responsible for the day-to-day management of the organisation, which is the responsibility of the Board of Directors. The role of the Council of Governors includes:

- Appointment or removal of the chairman and other non-executive directors
- Approving the appointment (by non-executive directors) of the chief executive
- Deciding the remuneration, allowances and other terms and conditions of office of non-executive directors
- Appointment or removal of the Foundation Trust's financial auditors
- Reviewing and developing the Trust's membership strategy

A formal procedure is in place should there be a dispute between the Board and Council of Governors. During 2017/18 no issues of dispute arose and the governors therefore did not exercise their power under paragraph 10 (c) of schedule 7, NHS Act 2006.

Board of Directors

As at 31 Mar 2018, the Board had 9 non-executive directors (including the chairman) and 6 executive directors (including the chief executive). The Board comprises 40% female and 60% male directors. The skills, expertise and experience of each director on the Board as at the end of Mar 2018 are detailed below. The Board has concluded that its composition is appropriate to meet the requirements of an NHS Foundation Trust.

Non-Executive Directors

Sir Thomas Hughes-Hallett (Chairman)

Sir Thomas is cofounder (with his friend Paul Marshall) and chair of the Marshall Institute within the London School of Economics and Political Science, and chair of Chelsea and Westminster Hospital NHS Foundation Trust. He is a trustee on the Board of the Westminster Abbey Foundation.

He has been appointed a professor in practice at the London School of Economics and adjunct professor at Imperial College's Institute for Global Heath Innovation. Thomas has served the Department of Health as a chair and member of a number of advisory boards. He has held senior leadership positions within investment banking and the voluntary sector, including chair of Michael Palin Centre for Stammering Children, English Churches Housing Group, chief executive of Marie Curie Cancer Care and the Institute of Global Health Innovation at Imperial College London, among others. He is an advisor to Larry Renfro, chair of Optum Ventures. He was on the Board of the King's Fund for 4 years.

Sir Thomas has chaired commissions both for the government and independently on healthcare broadly, end-of-life care and philanthropy. Most recently, in Sep 2016, Sir

Thomas founded and now chairs a new social enterprise called HelpForce, underpinning health and social care in England. In 2012 he was awarded a knighthood for his services to philanthropy, in 2013 a beacon fellowship for philanthropic advocacy, a US Ferrari lifetime lectureship by Houston Methodist Medical School and an honorary degree by Anglia Ruskin University. Thomas is married to Juliet, the founder and chair of the charity Smart Works, and his great passions are choral music and family life.

Nilkunj Dodhia

Nilkunj, a non-voting Board member since 1 Jul 2014, was appointed as a non-executive director on 27 Nov 2015. He has diverse experience as an executive and non-executive director with interests in telecommunications, healthcare and financial services. Nilkunj was previously with McKinsey & Company as the national lead for mental health and orthopaedics. He also served as the chairman of the South West London Elective Orthopaedic Centre (SWLEOC), one of the largest joint surgery hospitals, and as a non-executive director of Epsom and St Helier University Hospitals NHS Trust. Nilkunj has an MBA from INSEAD and is a fellow of the Institute of Chartered Accountants in England and Wales having trained with PwC. Nilkunj is a member of the Audit and Risk Committee and Finance and Investment Committee.

Nick Gash

Nick works as a consultant offering communications, policy and political advice and training to a wide range of clients. He is an associate director of public affairs company Interel Consulting UK. Nick was chairman at WMUH from Apr 2015 until the acquisition, having been a non-executive director and deputy chairman before that. He has other NHS interests, being a lay member of the North West London assessment panel for national clinical excellence awards and a lay chair and assessor for local and national medical recruitment and training progress reviews. Until 2004 Nick was the national director (CEO) of the National Union of Students having previously been director of development and training. Nick was for nine years chairman of the trustees of Watermans, a multicultural arts centre based in Brentford. Nick is currently a member of the Finance and Investment Committee and the Quality Committee. Nick is also a Trustee of hospital charity CW+.

Stephen Gill

Steve was appointed as a non-executive director on 1 Nov 2017 for a 3-year term. On 1 Feb 2018 he was appointed as chair of the People and Organisational Development Committee. Steve has had an international executive career in the IT Industry, including chief executive roles with Hewlett-Packard in the UK, Korea and China. He has held non-executive director roles advising the UK government on IT in education. Steve qualified as a chartered accountant with PwC in London and has extensive experience in mergers and acquisitions, strategic planning, talent and succession planning, organisational development, risk management and disaster recovery. Steve is chair of trustees of Age Concern, Windsor.

Eliza Hermann

Eliza was appointed as a non-executive director on 1 Jul 2014. She spent 25 years in the oil and gas industry working for Amoco and BP on projects all over the world. She held commercial and strategy development roles and, for the last decade of her career, she was a vice president of human resources at BP's headquarters in London. Over the past

15 years Eliza has served as a non-executive director on the boards of various private and public sector organisations. These include a NASDAQ-listed global logistics company, two UK arms-length public bodies, a charity, and NHS Hertfordshire which was at the time the second largest NHS commissioning body in England. She has chaired numerous board committees and is currently the chair of the Quality Committee and a member of the People and Organisational Development Committee.

Jeremy Jensen

Jeremy was reappointed as a non-executive director on 1 Jul 2017 for a further period of three years. Jeremy is an experienced financial and managerial trouble-shooter with a strong track record of success in rescuing and turning around large complex organisations with multiple stakeholder groups. He has comprehensive experience in both operational roles and as a non-executive director in a wide range of sectors. He is a chartered accountant and holds a degree in economics and economic history from the London School of Economics. In addition to chairing the Finance and Investment Committee, Jeremy is vice chairman of the Trust and its senior independent director.

Dr Andrew Jones

Dr Jones was appointed as a non-executive director on 1 Jul 2014. He is currently chief executive officer at Ramsay Health Care UK and a member of the Ramsay Global Executive Board. A GP by background, he was formerly chief operating officer, and prior to this managing director of the wellbeing division and medical director at Nuffield Health. Dr Jones has also been an independent advisor to the Department of Health and has a wide range of clinical and strategic executive experience. He studied medicine at Leeds and an MBA at Cambridge. Dr Jones is currently a member of the Quality Committee.

Liz Shanahan

Liz was appointed as a non-voting Board member on 1 Jul 2014 and appointed as a non-executive director on 27 Nov 2015. A medical education and communications professional by background, Liz has extensive experience in healthcare strategy and change consulting. Liz is chief executive of Santé Healthcare Consulting, a healthcare communications consultancy. Previously Liz was global head of healthcare and life sciences for FTI Consulting, where she was a member of the executive leadership forum. She joined FTI in 2007 when they acquired her company. She is also involved with a portfolio of businesses on investment, advisory and non-executive levels. She is a member of the Global Irish Network, ex-chair of the Irish International Business Network, a member of the British Council's Provocation Group and the Kerry Person of the Year 2017/18. Liz chaired the People and Organisational Development Committee until Mar 2018 and is a member of the Audit and Risk Committee. Liz is also is a trustee of CW+.

Gary Sims

Gary was appointed as a non-executive director on 1 Nov 2017. He qualified as a chartered accountant at KPMG and, following a period working in life assurance with Canada Life focusing on finance, change, risk management and integration, joined Santander in 2003 (then known as Abbey) as group financial reporting manager. Following the acquisition of Abbey by Santander, Gary played a lead role in the finance element of the roll-out of Santander's banking platform. Gary has since led various operational and change programmes including fraud operations and strategy, complaints and headed the

finance, IT and operations integration of Bradford and Bingley Building Society following the acquisition in 2009. Gary left Santander UK in Apr 2017 to pursue non-executive director appointments on a more full-time basis. Gary joined the Board of the Leicester-based Discovery Schools Academy Trust (DSAT), which has been through significant expansion, in 2015. He has subsequently added non-executive roles at the PTA nationally, the Parole Board and two Mears Group housing associations. He chairs the Audit and Risk Committees for DSAT, PTA and the Parole Board. Gary has a broad understanding of risk and governance in complex operating environments, underpinned by his core financial expertise. He understands technology and information governance systems, and operational processes, as well as financial best practice. Gary is chair of the Audit and Risk Committee.

Executive Directors

Lesley Watts, Chief Executive

Lesley became chief executive of Chelsea and Westminster Hospital NHS Foundation Trust on 14 Sep 2015. A nurse and midwife by training, Lesley has executive managerial experience at the highest level, having been a chair of an NHS Trust, a Foundation Trust governor and a director of nursing and operations at a major hospital.

Prior to her appointment as chief executive, Lesley was accountable officer (chief executive) for East & North Hertfordshire Clinical Commissioning Group, which was nominated for Health Education England Governing Body of the Year and the HSJ Patient Participation Award.

Karl Munslow-Ong, Deputy Chief Executive

Karl started at the Trust in Mar 2015 as chief operating officer (COO) and became deputy chief executive in Mar 2016. Karl leads on estates and facilities, strategy, corporate governance and is the senior information risk owner (SIRO). Karl is also an owner representative for North West London Pathology, a partnership between our Trust and Hillingdon and Imperial College Healthcare trusts and a director of Imperial College Health Partners. He was previously COO at Hillingdon Hospital and has extensive operational management experience across a number of acute London trusts. Karl started his career as a management consultant for PricewaterhouseCoopers before moving to work at the Strategic Health Authority.

Zoë Penn, Medical Director

Zoë Penn was appointed as Medical Director in Mar 2013. She was previously divisional medical director for Women, Neonatal, Children & Young People, HIV, GUM & Dermatology Services and is a consultant obstetrician by background. Miss Penn has been a consultant with the Trust since 1996, during which time she has held a number of positions including clinical lead for Gynaecology and clinical director for Women’s and Children's Services. She is also a member of the Independent Reconfiguration Panel of the Department of Health from May 2018.

Robert Hodgkiss, Chief Operating Officer

Rob was appointed as chief operating officer in Mar 2016. He joined the Trust in Apr 2012 as divisional director of operations for Women, Neonatal, Children & Young People, HIV,

GUM & Dermatology Services. Robert joined the NHS in 1992, initially working as a healthcare assistant before moving on to various junior, middle, senior management roles across London and the Midlands. Rob has a great deal of experience in understanding the complexities of the modern NHS including emergency planning and response, and is the organisation's accountable emergency officer.

Sandra Easton, Chief Financial Officer

Sandra Easton joined the Trust in Aug 2015 as director of finance before becoming chief financial officer in Apr 2016. Previously she was deputy director of finance at Imperial College Healthcare NHS Trust. Sandra started her NHS career in 2001 after finishing her degree in financial services and has a wealth of experience across acute, tertiary, community and mental health providers. Sandra is responsible for finance, procurement and contracts. She is an associate of the Chartered Institute of Management Accountants (AMCA) and a chartered public finance accountant (CPFA).

Pippa Nightingale, Chief Nurse

Pippa joined the NHS in 1994, originally working as a maternity support worker. She qualified in 1998 and worked clinically for 10 years in maternity and neonates. On completion of her MSc in advanced clinical practice in 2007 she undertook a clinical academic role at the University of Hertfordshire. Pippa entered back into the acute setting as a matron and then as a consultant midwife. She has undertaken numerous professional leadership roles including deputy director of midwifery at Imperial, and director of midwifery and clinical director at Chelsea and Westminster. Pippa has experience at leading large-scale, complex health system reorganisations and led the transition of maternity services in North West London—this ensured that safe care was delivered to 33,000 women by standardising maternity services across six acute providers. Pippa is committed to ensuring healthcare services provide high-quality, safe and personalised care to users and their families, and supports staff to develop and progress their careers. Pippa also has responsibility for quality, including our assurance systems and processes.

Directors and others in regular attendance at Board meetings 2017/18

- Roger Chinn, Deputy Medical Director
- Chis Chaney, Chief Executive, CW+
- Gillian Holmes, Director of Communications
- Kevin Jarrold, Chief Information Officer
- Martin Lupton, Associate Dean and Head of Undergraduate Medicine, Imperial College London
- Julie Myers, Company Secretary
- Sarah Ellington, Interim Board Secretary

Key responsibilities of non-executive directors

For all non-executive directors, key responsibilities include:

- Challenging and supporting the executive directors in decision-making and on the Trust's strategy
- Holding collective accountability with the executive directors for the exercise of their powers and for the performance of the Trust

Independence of non-executive directors

The Board has evaluated the circumstances and relationships of individual non-executive directors which are relevant to the determination of the presumption of independence. The Board determines all of its non-executive directors to be independent in character and judgement.

Key changes on the Board in 2017/18

Jeremy Loyd, Non-Executive Director, left the Board during 2017/18, when his second term of office came to an end on 31 Oct 2017. Two non-executive directors joined the Board on 1 Nov 2017—Stephen Gill and Gary Sims. Each was appointed for a term of three years.

Keith Loveridge, Director of HR and Organisational Development and an executive director of the Board, left the Board on 31 Jan 2018.

Performance evaluation of the Board

The annual appraisal of the chairman involves collaboration between the senior independent director and the lead governor of the Council of Governors. The views both of executive directors and governors are sought and contribute to the process. Executive directors have an annual appraisal with the chief executive. The performance of non-executive directors is evaluated annually by the chairman.

Board meetings

The Board meets on average no less than six times per year. Special meetings are organised as and when required. There were six public meetings in 2017/18. There was one extraordinary private Board meeting in 2017/18. Director attendance at Board meetings is detailed below.

	Ordinary Board Meeting attendance	Extraordinary Board Meeting attendance
Non-Executive Directors		
Sir Tom Hughes-Hallett	4/6	1/1
Nilkunj Dodhia	6/6	1/1
Nick Gash	6/6	1/1
Stephen Gill	3/3	n/a
Eliza Hermann	6/6	1/1
Jeremy Jensen	5/6	1/1
Dr Andrew Jones	5/6	1/1
Jeremy Loyd	3/3	1/1
Liz Shanahan	4/6	1/1
Gary Sims	2/3	n/a
Executive Directors		
Lesley Watts	6/6	1/1
Karl Munslow-Ong	6/6	1/1
Zoe Penn	3/6	1/1
Pippa Nightingale	6/6	0/1
Sandra Easton	6/6	1/1
Robert Hodgkiss	6/6	1/1
Keith Loveridge	4/5	1/1

Subcommittees of the Board of Directors

The Board committee structure is set out below. Terms of reference set out the responsibilities of each committee and this structure monitors and provides assurance to the Board on the delivery of our objectives and other key priorities.

Nominations and Remuneration Committee of the Board of Directors for the appointment of executive directors

The Nominations and Remuneration Committee is a committee of the Board of Directors. It is appointed in accordance with the Constitution of the Trust to decide the remuneration and allowances, and the other terms and conditions of office, of the chief executive and other executive directors. The committee comprises the chairman and all other non-executive directors.

The committee met on:

- **4 May 2017** to agree the appointment and remuneration of Pippa Nightingale, Executive Director of Nursing and Midwifery (Chief Nurse)
- **28 Jun 2017** to agree the approach to a settlement
- **15 Feb 2018** to approve remuneration of executive directors

Nominations and Remuneration Committee attendees	Attendance
Sir Tom Hughes-Hallett	1/3
Nilkunj Dodhia	2/3
Nick Gash	2/3
Stephen Gill[21]	1/1
Eliza Hermann	3/3
Jeremy Jensen	3/3
Dr Andrew Jones	0/3
Jeremy Loyd[22]	2/2
Liz Shanahan	2/3
Gary Sims[23]	1/1
In attendance	
Lesley Watts, Chief Executive	2/3
Keith Loveridge, Director of HR and Organisation Development[24]	2/2
Harbens Kaur, Acting Board Secretary	1/1
Sarah Ellington, Interim Board Secretary	1/1
Myers, Julie, Company Secretary[25]	1/1

[21] Joined the Board on 1 Nov 2017
[22] Retired from the Board on 31 Oct 2017
[23] Joined the Board on 1 Nov 2017
[24] Left the Trust on 31 Jan 2018
[25] Joined the Trust on 2 Jan 2018

Nominations and Remuneration Committee of the Council of Governors for the appointment of non-executive directors

A distinct Nominations and Remuneration Committee exists for the nomination, appointment and remuneration of the chairman and non-executive directors. This committee is a committee of the Council of Governors and its membership comprises the chairman, the lead governor and five public/patient elected governors.

Reappointments

The committee recommended to the Council of Governors that it approve the reappointment of Eliza Hermann, Jeremy Jensen and Dr Andrew Jones for further terms of three years. This recommendation was made at the 19 Jul 2017 meeting of the Nominations and Remuneration Committee and the decision was made at the 27 Jul 2017 Council of Governors meeting.

Appointments

The Nominations and Remuneration Committee met on 19 Jul 2017 to discuss the appointment of a search firm to assist with the recruitment of non-executive directors. A skills analysis was also undertaken. The committee met to undertake longlisting and shortlisting for the post of two non-executive directors on 25 Jul and 6 Sep 2017 respectively. These meetings were chaired by Sir Thomas Hughes-Hallett.

The Nominations Committee interview panel undertook a formal interview with the candidates on 20 Sep 2017. The panel was chaired by Sir Thomas Hughes-Hallett and other panel members comprised Susan Maxwell (Lead Governor), Tom Church (Patient Governor), Elaine Hutton (Public Governor), Philip Owen (Public Governor) and Simon Dyer (Patient Governor). Keith Loveridge (Director of HR and Organisational Development) and Sarah Ellington (Interim Board Secretary) were also in attendance.

The appointment and terms and conditions of appointment of non-executive directors Stephen Gill and Gary Sims were approved by the Council of Governors at its meeting on 28 Sep 2017.

Non-executive Nominations and Remuneration Committee attendees	Attendance
Sir Tom Hughes-Hallett, Chairman	3/3
Susan Maxwell (Lead Governor)	3/3
Tom Church (Patient Governor)	2/3
Elaine Hutton (Public Governor)	2/3
Philip Owen (Public Governor)	3/3
Simon Dyer (Patient Governor)	3/3
In attendance	
Keith Loveridge (Director of HR and OD)	3/3
Sarah Ellington, Interim Board Secretary	3/3

Finance and Investment Committee

The Finance and Investment Committee is responsible for seeking assurance as to the satisfactory management of the Trust's finances, cost improvement programme (CIP), cash management and capital programme. The committee also reviews and (and recommends to the Board for approval) business cases with high-level strategic significance.

People and Organisational Development Committee

The People and Organisational Development Committee is responsible for reviewing Trust performance on key workforce issues (turnover, mandatory training, appraisal rates) while also reviewing key workforce and organisational development strategies on behalf of the Board.

Quality Committee

The Quality Committee is mainly responsible for issues of quality and patient safety. It seeks assurance on systems, processes and outcomes relating to quality (safety, effectiveness of care, patient experience) and the environment, and monitors compliance with CQC standards.

Audit and Risk Committee

The Audit and Risk Committee assures the Board of Directors that probity and professional judgment are exercised in all financial matters. It advises the Board on the adequacy and effectiveness of the Trust's internal control systems, risk management arrangements, counter-fraud measures and governance processes, and on ways of maximising efficiency and effectiveness. In doing this, the audit committee primarily utilises the work of internal audit (provided by KPMG in 2017/18), external audit (provided by Deloitte in 2017/18) and other external bodies. The committee approves the annual work plans of internal and external audit as well as the local counter-fraud specialist (provided by TIAA in 2017/18).

The chief executive is the Trust's designated accounting officer who has the duty of preparing the accounts in accordance with the NHS Act 2006. The Audit and Risk Committee was chaired by Jeremy Loyd until 31 Oct 2017. Gary Sims has chaired the committee, which includes two other non-executive directors, since his appointment in Nov 2017. The committee met five times in 2017/18.

Attendance at Audit and Risk Committee

Non-executive directors	Attendance
Gary Sims	2/2
Nilkunj Dodhia	4/5
Liz Shanahan	5/5
Jeremy Loyd[26]	3/3

Significant issues considered by the Audit and Risk Committee in relation to the financial statements, operations and compliance

During the course of the year the Audit and Risk Committee received a number of reports from the internal auditors, KPMG. These covered a number of areas including IT disaster recovery and cyber security, risk incident reporting, information governance, education costing, partnership financial management, data quality, A&E redevelopment, recruitment, access and activity data, financial management, productivity and efficiency plans, eRostering, financial controls, IT operations, self-certifications, and statutory and mandatory training.

[26] Retired from the Board on 31 Oct 2017

During the year the Audit and Risk Committee considered the following high priority recommendations identified by external audit:

- Process and controls as regards RTT and A&E indicator data quality
- Data adequacy as regards the WHO checklist

Following the year end, the Audit and Risk Committee considered the draft Annual Report and Accounts 2017/18 and received the ISA 260 report from its external auditors.

During 2017/18, in addition to non-executive directors and those executive directors in attendance, the Trust's internal and external auditors and counter-fraud specialist attended Audit and Risk Committee meetings. Where relevant, other senior managers attended meetings to provide a deeper level of insight into certain key issues within their respective areas of expertise including all areas of significant risk.

The Audit and Risk Committee has engaged regularly with the external auditor over the course of the financial year, including in private sessions without executive attendance. External audit matters discussed have included consideration of the external audit plan, matters arising from the audit of the Trust's financial statements, the review of the Trust's quality reports and any recommendations on control and accounting matters proposed by the auditor.

Policy for safeguarding the external auditors' independence

The Trust carried out an OJEU tender for statutory audit services in Oct 2016 and reappointed Deloitte LLP on a three-year contract with an option to extend for a further two years. As part of the procurement process, the independence of applicants was assessed. The external auditor has not provided non-audit services in the year.

Internal audit

The Trust's internal audit service during 2017/18 was provided by KPMG LLP under a five-year contract which was awarded in 2011/12. The contract was extended for a further year until Mar 2018. The internal auditors work to a risk-based audit annual plan which was agreed by the committee at its meeting in May 2017. The internal audit plan covered the Trust's risk management, governance and internal control processes, both financial and non-financial across the Trust. Through detailed examination, evaluation and testing of the Trust's systems, internal audit plays a key role in the Trust's assurance processes. The Audit and Risk Committee reviews the findings of internal audit's work against the annual plan at each of its meetings. The head of internal audit reports to the committee and is managed by the chief financial officer. The head of internal audit has a right of direct access to committee members.

From Apr 2018, following a competitive tender, the Trust has awarded the contract to provide internal audit and counter-fraud services to KPMG on a three-year contract.

Council of Governors

The role, powers and composition of the Council of Governors is outlined earlier in this report and is also set out within the Trust's constitution. The Council of Governors meets at least quarterly and held five meetings in 2017/18. Executive and non-executive directors of

the Board are invited to attend. Both elected and appointed governors normally hold office for a period of three years and are eligible for re-election or reappointment at the end of that period. The details of the governors holding office as at Mar 2018 are provided within the table below:

Last name	First name	Constituency	Organisation	Date elected or appointed	Term	Attendance at Council meetings 2017/18
Anderson	Julia	University	Imperial College	Oct 2015	first	5/5
Anderson	Nowell	Public	Hounslow	Nov 2015	first	4/5
Ballerand	Richard	Public	Kensington and Chelsea	Nov 2017	first	2/2
Bauer	Juliet	Patient	–	Nov 2015	first	3/5
Bryant	Ian	Staff	Management	Nov 2015	first	2/5
Church	Tom	Patient	–	Nov 2013 Nov 2015	second	1/5
Davies	Nigel	Public	Ealing	Nov 2015	first	3/5
Digby-Bell	Christopher	Patient	–	Nov 2017	first	0/2
Dyer[27]	Simon	Patient	–	Nov 2015	first	5/5
Faulks	Cllr Catherine	Local Authority	Kensington and Chelsea	Jun 2014 Aug 2017		2/5
Grinham	Jodiene	Staff	Contracted	Nov 2017	first	1/2
Harrington	Paul	Public	Richmond upon Thames	Nov 2015 (resigned Nov 2017)	n/a	2/3
Henderson	Angela	Public	Hammersmith and Fulham	Dec 2013 Nov 2015	second	4/5
Hodson-Pressinger	Anna	Patient	–	Nov 2011 Nov 2014 Nov 2015	third	5/5
Hutton	Elaine	Public	Wandsworth	Nov 2015	first	1/5
Kanodia	Kush	Patient	–	Nov 2015	first	4/5
Kitchener	Paul	Public	Kensington and Chelsea	Nov 2016	first	5/5
Lewis	Martin	Public	Westminster	Nov 2017	first	1/2
Maxwell	Susan	Patient	–	Nov 2009 Nov 2012 (retired Nov 2017)	n/a	2/2
Mayerhofer	Johanna	Public	Richmond upon Thames	Jan 2018	first	1/1
McDonald	Chisha	Staff	Allied Health Professionals, Scientific and Technical	Nov 2016	first	4/5
McEvoy	Lynne	Staff	Nursing and Midwifery	Nov 2015	first	4/5
Nelson	Prof Mark	Staff	Medical and Dental	Nov 2017	first	1/2
O'Farrell	Fiona	Public	Richmond upon Thames	Jan 2018	first	1/1
Owen	Philip	Public	Kensington and Chelsea	Nov 2011 Nov 2014 (retired Nov 2017)	n/a	2/2
Pascoe	Guy	Public	Hammersmith and Fulham	Nov 2016	first	5/5
Petre-Goncalves	Andreea	Patient	–	Nov 2015	first	3/5
Phillips	David	Patient	–	Nov 2015	first	5/5
Pollak	Tom	Public	Wandsworth	Dec 2013 Nov 2016	second	3/5
Samuels	Sonia	Public	Westminster	Nov 2016	first	4/5
Shotliff	Matthew	Staff	Support, Administrative and Clerical	Nov 2016	first	4/5
Walker	Nicholas	Public	Westminster	Nov 2016	n/a	0/1
Wareing	Laura	Public	Hounslow	Nov 2015	first	1/5

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

[27] Susan Maxwell retired in Nov 2017 and subsequently Simon Dyer was elected as the Lead Governor

Director attendance at Council of Governors

Non-executive directors	Attendance
Sir Tom Hughes-Hallett	5/5
Nilkunj Dodhia	3/5
Nick Gash	5/5
Stephen Gill	1/2
Eliza Hermann	5/5
Jeremy Jensen	5/5
Dr Andrew Jones	2/5
Jeremy Loyd[28]	2/3
Liz Shanahan	5/5
Gary Sims	1/2

Executive directors	Attendance
Lesley Watts	5/5
Sandra Easton	3/5
Robert Hodgkiss	2/5
Keith Loveridge[29]	1/5
Karl Munslow-Ong	4/5
Pippa Nightingale	3/5
Zoë Penn	1/5

Council of Governors elections held during 2017/18

An election was held in Nov 2017 to fill vacant seats in the patient, public and staff constituencies. The results were as follows:

- **Patient:** Christopher Digby-Bell (elected)
- **Public: City of Westminster:** Martin Lewis (elected)
- **Public: Royal Borough of Kensington and Chelsea:** Richard Melville Ballerand (elected)
- **Staff: Contracted Class:** Jodiene Esme Grinham (elected)
- **Staff: Medical and Dental Class:** Mark Richard Nelson (elected)

An additional election was to be held in February 2018 to fill vacant seats in the public constituency. The results were as follows:

- **Public: London Borough of Richmond upon Thames:** Johanna Mayerhofer (elected unopposed)
- **Public: London Borough of Richmond upon Thames:** Fiona O'Farrell (elected unopposed)

Council of Governors' register of interests

Governors are required to sign a code of conduct and declare any interests that are relevant annually, and to confirm they meet the fit and proper person condition as set out in Regulation 5 of the Health and Social Care Act 2008 (Regulated Activities) Regulation 2014. The register of Governors' interests is published annually—a copy can be requested by emailing ftsecretary@chelwest.nhs.uk, calling 020 3315 6716 and can be found on the Trust website www.chelwest.nhs.uk/cog or by making a request to the or writing to the Board Governance Manager, Chelsea and Westminster Hospital NHS Foundation Trust, 369 Fulham Road, London, SW10 9NH.

[28] Term of office expired on 31 Oct 2017
[29] Left the Trust on 31 Jan 2018

Contacting the governors

Governors welcome the views and suggestions of members and the wider public. Governors' details and biographies are available on the Trust website at www.chelwest.nhs.uk/cog. If you would like to contact any of the governors, please call 020 3315 6716 or email ftsecretary@chelwest.nhs.uk.

How the Board of Directors and Council of Governors have acted to understand the views of governors and Foundation Trust members

The Board of Directors interacts regularly with the Council of Governors to ensure that it understands their views and those of members. Governors are able to attend public Board meetings. Non-executive directors and governors also meet twice a year to discuss a range of topics in an open and informal manner. A rolling programme of non-executive director chairs of Board committees presenting at each Council of Governors meeting takes place to allow governors to hold the non-executive directors to account.

Foundation Trust membership

As a Foundation Trust we are accountable to our local community, patients and staff, who all have the right to become members. Trust members play an active role in helping us to understand the views and needs of the population we serve. Membership is open to anyone over the age of 16. The membership has three constituencies—patient, public and staff—as defined in the Trust Constitution and summarised below:

Patient membership: Anyone who has attended any of the Trust's hospitals as either a patient or as the carer of a patient within the last three years

Public membership: Any member of the public over the age of 16 who lives in the area the Trust serves, divided into 6 constituencies based on local government boundaries:

- Royal Borough of Kensington and Chelsea
- City of Westminster
- London Borough of Hammersmith and Fulham
- London Borough of Wandsworth
- London Borough of Hounslow
- London Borough of Richmond upon Thames
- London Borough of Ealing

The Staff membership: Individuals employed by the Trust under a contract of employment with the Trust, divided into 6 classes:

- Support, Administrative and Clerical Staff
- Allied Health Professionals, Scientific and Technical Staff
- Contracted Staff
- Medical and Dental Staff
- Nursing and Midwifery Staff
- Management Staff

All staff automatically became members unless they choose to opt out of membership.

Membership engagement and strategy

The Trust's membership strategy focuses on recruitment, communication and engagement with members. In 2017/18, the focus has been on developing the communication and engagement with members and the general public. This has included open days and Christmas events at both C&W and WMUH sites, the annual members' meeting, *Your Health* seminars, and regular 'Meet a Governor' sessions in the hospitals and the community. Governors participated in all public and member engagement events organised by the Trust and ran member recruitment sessions within the hospital and across the community throughout the year.

Our overall membership increased from 17,193 to 18,841 in 2017/18. Demographic information provided by members shows our membership is broadly representative of the population we serve.

As at 31 Jan 2018 the membership profile was as follows:

	Public	Patient	Staff	Total
Age	**7,045**	**5,760**	**6,036**	**18,841**
0-16	4	0	0	4
17-21	179	16	44	239
22+	6,188	3,876	5,992	16,056
Not stated	674	1,868	0	2,542
Age 22+	**6,188**	**3,876**	**5,992**	**16,056**
22-29	400	117	1,372	1,889
30-39	729	509	1,692	2,930
40-49	1,094	905	1,461	3,460
50-59	1,224	880	1,067	3,171
60-74	1,449	890	390	2,729
75+	1,292	575	10	1,877
Gender	**7,045**	**5,760**	**6,036**	**18,841**
Unspecified	88	52	0	140
Male	2,537	2,169	1,496	6,202
Female	4,420	3,539	4,540	12,499
Transgender	0	0	0	0
Ethnicity	**7,045**	**5,760**	**6,036**	**18,841**
White—English, Welsh, Scottish, Northern Irish, British	3,514	2,235	2,154	7,903
White—Irish	189	119	205	513
White—Gypsy or Irish Traveller	0	0	0	0
White—Other	850	536	692	2,078
Mixed—White and Black Caribbean	101	56	41	198
Mixed—White and Black African	22	11	36	69
Mixed—White and Asian	54	24	45	123
Mixed—Other Mixed	92	70	89	251
Asian or Asian British—Indian	310	135	500	945
Asian or Asian British—Pakistani	119	54	93	266
Asian or Asian British—Bangladeshi	50	36	43	129
Asian or Asian British—Chinese	41	31	77	149
Asian or Asian British—Other Asian	216	137	454	807
Black or Black British—African	305	224	503	1,032
Black or Black British—Caribbean	127	85	249	461
Black or Black British—Other Black	66	38	65	169
Other Ethnic Group—Arab	6	0	0	6
Other Ethnic Group—Any Other Ethnic Group	74	53	273	400
Not stated	909	1,916	517	3,342
Total membership	**7,045**	**5,760**	**6,036**	**18,841**

Directors' responsibilities for preparing the accounts

The directors have undertaken their responsibility for preparing the accounts under directions issued by NHS Improvement, the independent regulator of Foundation Trusts under the National Health Service Act 2006, and as detailed in the Statement of Accounting Officers Responsibilities section from page 89.

The Foundation Trust has ensured that the annual accounts of the organisation have met the accounting requirements of the NHS Improvement *Annual Reporting Manual*, Department of Health *Group Accounting Manual* and HM Treasury *Financial Reporting Manual*. The accounting policies contained in both manuals fall within the remit of the Financial Reporting Advisory Board (FRAB) to the extent that they are meaningful and appropriate to the NHS.

The directors consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.

REGULATORY RATINGS

Single oversight framework

The NHSI single oversight framework provides the framework for overseeing providers and identifying potential support needs. The framework looks at five themes:

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability (well-led)

Based on information from these themes, providers are segmented from 1–4, where '4 reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

The single oversight framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's risk assessment framework (RAF) was in place. Information for the prior year and first two quarters relating to the RAF has not been presented as the basis of accountability was different. This is in line with NHS Improvement's guidance for annual reports.

Segmentation

The Trust has been placed into segment 1. This segmentation information is the Trust's position as at 1 May 2018.

Current segmentation information for NHS trusts and foundation trusts is published on the NHSI website www.improvement.nhs.uk.

Finance and use of resources

The finance and use of resources theme is based on scoring five measures from '1' to '4', where '1' reflects the strongest performance. These scores are then weighted to give an overall score. Given that finance and use of resources is only one of the five themes feeding into the Single Oversight Framework, the segmentation of the Trust disclosed above might not be the same as the overall finance score here.

		2017/18 scores				2016/17 scores	
Area	**Metric**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**
Financial sustainability	Capital Service Capacity	1	2	3	3	2	2
	Liquidity	1	1	1	1	1	1
Financial efficiency	I&E Margin	1	1	2	4	1	1
Financial controls	Distance from financial plan	1	1	1	1	1	1
	Agency spend	2	2	2	2	4	3
Overall scoring		**1**	**1**	**2**	**3**	**3**	**2**

The Trust's use of resources was assessed by NHS Improvement on 18 Jan 2018 and deemed to be 'Outstanding'. Further details on the report can be found on page 27.

The report identified a number of areas of outstanding practice including our low level of external consultancy spend and our innovative approach to medical staffing, FlexiStaff+.

Although the Trust scored a '1' overall, we recognise that agency spend has not reduced in line with the target set by NHSI. The Trust spent £20.6m on agency staff, £2.6m above the agency ceiling set by NHSI. The Trust continues to undertake a number of actions and revised contractual and operational arrangements for the management of temporary staffing through a range of initiatives:

- Agreed attraction and on-boarding plan which includes international recruitment campaigns, better support for new starters and a more efficient recruitment process. The attraction and on-boarding plan is part of a wider workforce strategy agreed by the Board which focuses on retention of staff.

- The Trust is participating in the NHSI Retention Support Programme—an action plan has been submitted and focuses on improved training/development opportunities, improving support from managers, review and promotion of staff benefits.

- The Trust is continuing its fundamental review of how the temporary staffing team operates which will significantly increase the rota gaps being filled by bank workers. This piece of work involves the better application of technology through employee online and text services.

- The Trust is planning a number of recruitment campaigns to attract more people to work on the bank to replace agency workers with bank workers.

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Statement of the Chief Executive's responsibilities as the accounting officer of Chelsea and Westminster Hospital NHS Foundation Trust

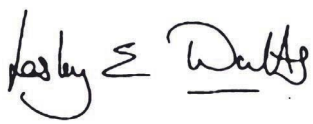
The NHS Act 2006 states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Chelsea and Westminster Hospital NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Chelsea and Westminster Hospital NHS Foundation Trust and of its income and expenditure, total recognised gains and losses, and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care's *Group Accounting 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* (and the Department of Health and Social Care *Group Accounting 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
- 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 requirement 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 the *NHS Foundation Trust Accounting Officer Memorandum*.



Lesley Watts
Chief Executive Officer

25 May 2018

ANNUAL GOVERNANCE STATEMENT

Scope of responsibility

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

Purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Chelsea and Westminster Hospital NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Chelsea and Westminster Hospital NHS Foundation Trust for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Trust is committed to a comprehensive, integrated Trustwide approach to the management of risk, based upon the support and leadership offered by the Board of Directors, the Audit and Risk Committee, the Quality Committee, the Finance and Investment Committee and the Trust Board. The Trust is committed to an open and transparent risk management culture, embodied in the approach the Trust takes to the reporting of incidents and risk. The Trust's risk management culture is also embodied in the Trust's approach to high-level strategic decision-making, with 'equality-impact' and 'quality-impact' assessments being undertaken, where relevant, in relation to significant strategic decisions.

Throughout 2017/18, the Board has had regular oversight of the Trustwide risk assurance framework (RAF), which maps the organisation's aims and objectives against all aspects of risk—clinical, financial, service, reputational and legal. The RAF is scrutinised by the following committees:

- **Board of Directors:** Reviewed full RAF twice per annum
- **Executive Board:** Reviewed the full RAF at each meeting on a monthly basis
- **Audit and Risk Committee:** Reviewed the full RAF at each meeting on a quarterly basis

Each risk listed within the RAF has a single executive 'owner' to ensure accountability for risk management/mitigation.

Board members continue to receive annual risk management training and all staff receive training sessions on various aspects of risk (eg information governance, fire, health and safety) as part of the Trust's general induction programme. Thereafter, risk management training is explicitly included in the mandatory training 'refresher' courses provided by the Trust, which all staff (including Board members and senior managers) undertake, the frequency of which varies depending on the subject matter. The Learning and Development department keeps a record of attendance for each training session. Any member of staff overdue risk management training is identified by the Learning and Development department and followed up with the individual's direct line manager. The Trust risk management policy is accessible to all staff via the Trust intranet and aims to provide guidance on the conduct of risk assessments and the escalation of risk, as appropriate for each staff member's level of authority and duties.

An essential aspect of the Trust's risk management approach is the need to learn and share the lessons arising from realised risks, incidents and near misses. This helps to ensure ongoing systems of improvement and safeguards patient care and business safety. This is achieved through the regular aggregation of claims, complaints, incidents, inquests and clinical audit data for the purpose of identifying key themes, trends and best practice. The Trust also ensures learning from nationally recognised good practice, seeking to comply with the national standards set by the CQC, National Institute for Health and Care Excellence (NICE), the Health and Safety Executive (HSE) and NHS Improvement among others. Where best practice is identified, either through internal analysis or as a result of the publication of national guidance, it is incorporated into Trust policy on the particular subject matter and shared with all staff via the Trust intranet system.

Risk and control framework

It is inherent within good risk management practice that identified risk is analysed, evaluated, treated and followed up at a later stage for the purposes of monitoring and review to further improve.

Identification of risk

There are four principal methods of risk identification which the Trust uses:

- Known ongoing inherent risks of which the Trust is aware, which are controlled and managed
- Foreseeable local risks which are inherent and identified proactively by competent persons
- Strategic risks identified by the Board (including the risks associated with complying with the Trust's Foundation Trust licence)
- 'Retrospectively realised' risks from risk sources

As per the fourth method of risk identification detailed above, risks can be identified from a number of sources, including but not restricted to:

- Risks/recommendations from incident investigations and themes/trends arising from cumulative analysis of incident data

- Clinical risk assessments
- Non-clinical risk assessments (security, health and safety, health and wellbeing etc)
- Risks arising as a result of an external review or inspections
- Recommendations from internal audit reports or other internal or external monitoring reviews, audits, assessments or reports
- Patient surveys
- Staff surveys
- PALS and complaints key themes
- Risk shared by other NHS organisations and/or other stakeholders/duty holders or authorities

In some cases, through the processes described above, the Board may identify complex risks that affect or involve external organisations, such as local stakeholders within the local healthcare community (local authorities, CCGs).

Where this is the case, the Trust adopts a collaborative approach to its risk mitigation plans, ensuring a transparent and 'joined-up' approach to managing risk, recognising that in some cases the Trust will be limited in the degree of risk mitigation it can achieve as an individual organisation.

Risk assessment

The purpose of undertaking risk assessments is to effectively manage and control significant risks which are/have been identified/inherited or which are foreseeable in nature, as required by health and safety legislation. Risks are evaluated in order to determine the level of exposure and provide input to decisions on where responses to reduce, accept or avoid risks are necessary/acceptable or likely to be worthwhile.

The evaluation of the risk assessment will involve the analysis of the individual risk to identify the consequences/severity and likelihood of the risk being realised. Within the Trust, the severity and likelihood of risk is given a numeric score based on the following matrix:

Likelihood	Consequence				
	Negligible 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
1 (rare)	1 (Low)	2 (Low)	3 (Low)	4 (Medium)	5 (Medium)
2 (unlikely)	2 (Low)	4 (Medium)	6 (Medium)	8 (High)	10 (High)
3 (possible)	3 (Low)	6 (Medium)	9 (High)	12 (High)	15 (Extreme)
4 (likely)	4 (Medium)	8 (High)	12 (High)	16 (Extreme)	20 (Extreme)
5 (almost certain)	5 (Medium)	10 (High)	15 (Extreme)	20 (Extreme)	25 (Extreme)

In addition, the RAF process involves a set of risk metrics pertaining to risk impact and likelihood which helps to improve the robustness of the calculation of risk assessments taking place within the Trust:

Impact level	Descriptor	Risk type			
		Injury	Service delivery	Financial	Reputation/ publicity
1	Negligible	No injuries or injury requiring no treatment or intervention	Service disruption that does not affect patient care	Less than £10,000	Rumours
2	Minor	Minor injury or illness requiring minor intervention <3 days off work if staff	Short disruption to services affecting patient care or intermittent breach of key target	Loss of between £10,000 and £100,000	Local media coverage
3	Moderate	Moderate injury requiring professional intervention RIDDOR reportable incident	Sustained period of disruption to services/ sustained breach of key target	Loss of between £100,001 and £500,000	Local media coverage with reduction in public confidence
4	Major	Major injury leading to long-term incapacity requiring significant increased length of stay	Intermittent failures in a critical service Significant underperformance of a range of key targets	Loss of between £500,001 and £5m	National media coverage and increased level of political/public scrutiny, total loss of public confidence
5	Extreme	Incident leading to death Serious incident involving a large number of patients	Permanent closure/ loss of a service	Loss of >£5m	Long term or repeated adverse national publicity Removal of chair/ CEO or executive team

Likelihood Level	Descriptor	Range
5	Almost certain	More than 90%
4	Likely	31% to 90%
3	Possible	11% to 30%
2	Unlikely	3% to 10%
1	Rare	Less than 3%

Alongside the general risk assessment process the Trust employs, there are also patient- and staff-specific risk assessment forms used at ward/department level in relation to particular risks, for example:

- Falls
- Pressure ulcers
- Moving and handling
- Venous thromboembolism
- Nutritional
- Workstation assessment

The RAF template is structured in a way that requires the recording of a ‘current risk rating’ and a ‘residual risk rating’. This allows the Trust to track changes in risk, from risk recognition through to an assessment of the risk post-mitigating actions. In each case, the Trust’s risk ‘appetite’ is determined by the residual risk rating which effectively operates as a target rating—ie once the mitigating actions have been implemented successfully and the risk has reduced to the target, the Trust accepts the residual level of risk. However, each time a risk is reviewed and updated, the determination of the Trust’s risk appetite is also reviewed, particularly after new mitigating actions have been identified.

Principal risks

As of March 2018, the principal risks affecting the attainment of the Trust's corporate objectives (including significant clinical risks, risks to foundation trust licence condition four, in-year and future risks, how the risk will be managed and mitigated, and how outcomes will be assessed) are as detailed below:

Failure to successfully implement the new Electronic Patient Record (EPR) system

The implementation of the new EPR system is reliant upon organisational engagement, supplier delivery on time and programme deliverables, which could have an impact upon patient administrative and clinical systems, and data quality. There are mitigating and control factors in place which are overseen by the chief operating officer. There are clearly-defined criteria to be met before the system is taken into live operation. A detailed plan is in place to provide pre- and post-go-live support including a familiarisation and training programme for staff and floorwalkers to help end users adapt to the new system. This includes a set of key performance indicators (KPIs) to track data quality and enable management action to address any emerging problems.

Growth in non-elective demand above plan

The Trust is responsible for providing care to an ageing local patient population with non-elective activity levels increasing in excess of commissioning projections. In addition, there continues to be an increase in the presentation of complex patients with multiple comorbidities brought about by demographic changes. The Trust is working with local commissioners on admission avoidance and early supported discharge strategies to ensure the appropriate use of acute inpatient beds. The Trust is continuing to roll out ambulatory care services to redirect appropriate non-elective patients and has invested in its A&E departments on both sites to accommodate current and future demand growth. This risk will be monitored directly by the Board.

Staffing capacity

Across the Trust, there are areas of high vacancy rates as a result of high staff turnover and the inability to recruit to all vacant posts. This has an adverse impact upon service provision and increases the Trust's reliance on agency staff which attracts premium rates.

The Trust is undertaking a further review of its establishment panel process for roles and has restructured its HR and corporate nursing directorates to bring greater senior input to these issues. The Trust has also developed a refreshed recruitment and retention strategy. This work is being overseen by the People and Organisational Development Committee.

Risks to data security

Management of the IT infrastructure is delivered by Systems Powering Healthcare (SPHERE), a joint venture established between the Trust and the Royal Marsden NHS Foundation Trust.

The Trust operates Windows, Linux and Unix operating systems at its Chelsea and Westminster site. Some of these are no longer supported and there is currently a rolling

programme of work to update both PCs and operating systems. The Trust is also currently reviewing its approach to patching as this has historically been inconsistent due in part to the operational challenges of taking systems down to undertake the work and therefore impacting clinical services. It is expected that all operating systems will be updated to conform to best practice standards and a systematic approach to patching will be developed.

The Trust adheres to the NHS information technology network N3 data security policy. Security measures apply to all systems and users connected to the Trust's network as per the information security policy. Following the acquisition of WMUH, communication between the two sites is via a private network connection which ensures data security. The relevant information security and data protection policies have been updated to reflect these changes.

Additionally, the Trust has policies and procedures for risk and privacy impact assessments. Procedures for reporting and management of incidents are updated and published on the Trust's intranet. These, together with supporting annexes, identify managerial and staff responsibilities, actions and baseline information, and data security management measures.

The Trust manages its risks to data security through a number of different approaches. The Trust has a Board-level senior information risk owner (SIRO). The SIRO chairs an information governance steering group (IGSG) which is responsible for setting the framework for information governance standards in the Trust and ensuring delivery of action plans to improve compliance. The Trust's Caldicott Guardian is a member of the IGSG.

The IGSG supports and drives the broader information governance agenda and provides the Audit and Risk Committee (via the Executive Management Board) with assurance that effective best practice mechanisms are in place within the Trust. A key part of the IGSG's work is to review compliance against the information governance toolkit. The Audit and Risk Committee receives an annual update on information governance and assures the Board on its effectiveness through the reports to the Board.

Risks to data security realised in year are detailed in the 'information governance' section.

Information governance toolkit attainment levels

Information governance is the way organisations process or handle information. It covers information relating to patients and staff, as well as corporate information, and helps ensure the information is handled appropriately and securely.

The information governance toolkit is an online self-assessment tool that enables NHS organisations and their partnering bodies to measure how well they are complying with Department of Health standards on the correct and secure handling of data, and how well they are protecting data from unauthorised access, loss, and damage.

The attainment level assessed within the information governance toolkit provides an overall measure of the quality of data systems, standards and processes across six main areas, which are highlighted in the table below.

The toolkit sets out specific criteria that enable performance to be assessed based on submitted evidence, resulting in a score between 0 and 3 for each of the 45 requirements for acute trusts. Level 2 for all 45 requirements needs to be achieved to get to 'satisfactory' status.

The Trust information governance assessment report overall score for 2017/18 was 71% and was graded green (satisfactory). The Trust's 2016/17 assessment for the toolkit was confirmed as satisfactory with improvement plan following audit. For more information about the information governance toolkit please visit www.igt.hscic.gov.uk.

IG toolkit v14.1 assessment scores 2017/18

Assessment	Level 0	Level 1	Level 2	Level 3	Total Req'ts	Overall Score	Self-assessed Grade
Information governance management	0	0	3	2	5	80%	Satisfactory
Confidentiality and data protection assurance	0	0	9	0	9	66%	Satisfactory
Information security assurance	0	0	15	0	15	66%	Satisfactory
Clinical information assurance	0	0	4	1	5	73%	Satisfactory
Secondary use assurance	0	0	5	3	8	79%	Satisfactory
Corporate information assurance	0	0	3	0	3	66%	Satisfactory
Version 14.1 (2017/18)—overall	0	0	39	6	45	71%	Satisfactory

Compliance with freedom of information drastically improved this year. We achieved the newly raised target of 90% compliance with the 20-day response rate for calendar year 2017 (91.1%) and to end of February 2018 (93.8%).

ICO audit

Early in 2017 the ICO asked the Trust whether we would like them to perform a data protection audit. In light of the Dean Street incident of 2015 the Trust decided to accept.

ICO audit scope

The ICO audit covered three main areas:

- **Training and awareness:** The provision and monitoring of staff data protection training and the awareness of data protection requirements relating to their roles and responsibilities

- **Subject access requests:** The procedures in operation for recognising and responding to individuals' requests for access to their personal data

- **Data sharing:** The design and operation of controls to ensure the sharing of personal data complies with the principles of the Data Protection Act 1998 and the good practice recommendations set out in the Information Commissioner's *Data Sharing Code of Practice*

The ICO Audit took place from 19–21 Sep 2017 with the final audit report and ICO audit action plan received 30 Nov 2017. The overall result of the ICO findings was *"There is a limited level of assurance that processes and procedures are in place and delivering data protection compliance. The audit has identified considerable scope for improvement in existing arrangements to reduce the risk of non-compliance with the DPA".*

The findings by area are in the table below:

Scope	Findings
Training and awareness	Reasonable assurance
Subject access requests	Limited assurance
Data sharing	Limited assurance
Overall rating	Limited assurance

There were no urgent recommendations. For context, of the five hospitals with the most recent ICO audits, four also had limited assurance and one had reasonable assurance despite having one urgent recommendation.

The recommendations from the ICO audit have been incorporated in our General Data Protection Regulation (GDPR) preparation.

General Data Protection Regulation (GDPR)

The GDPR comes into force on 25 May 2018 with the UK interpretation of this legislation coming out in the Data Protection Bill around the same time.

Work on the IG toolkit has been feeding the preparations for this new legislation, and the Trust appointed a GDPR project manager in March to lead the project on the Trust's approach to GDPR compliance. An awareness campaign has already started.

Quality governance and performance

The Foundation Trust's quality governance structure, set out below, enables the organisation to maintain and continually improve quality from 'board to ward'.

This assurance framework delivers the well-led CQC framework and provides clear assurance from wards upwards, and from the Board to the clinical areas.

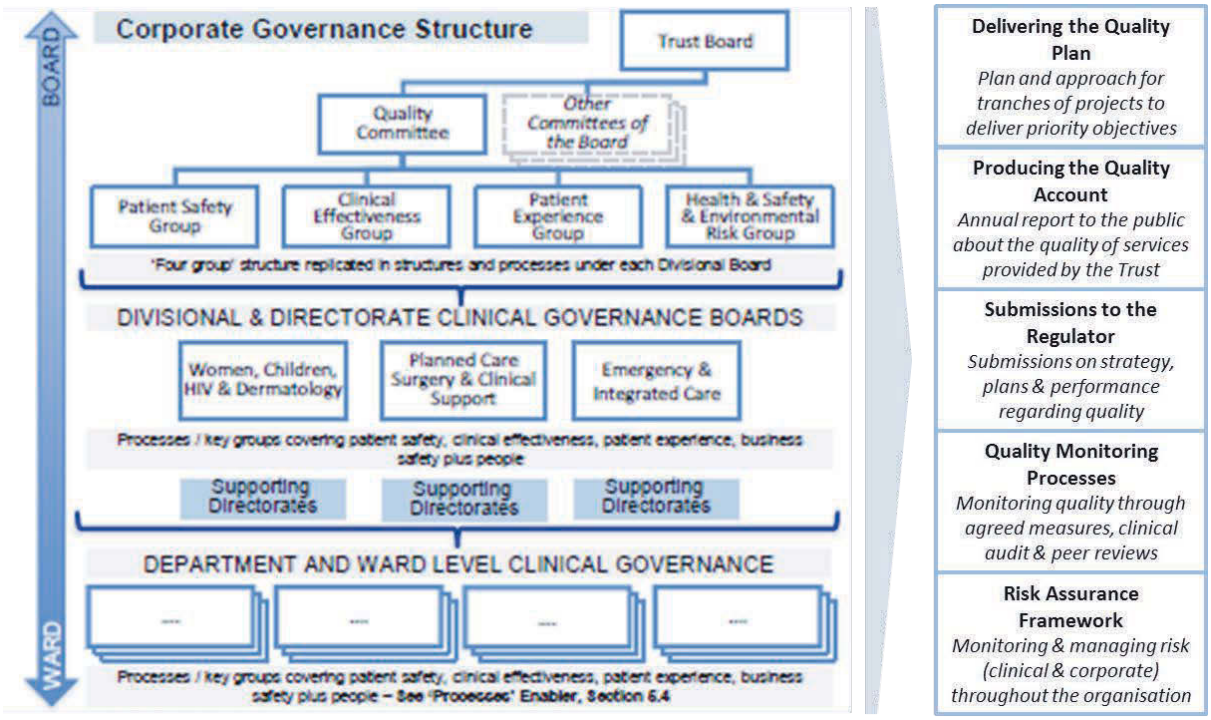
The process has been audited by our external partners and seen as effective. It is led by the Quality Committee, which reports into the Board and is chaired by a non-executive director with the chief nurse as executive lead, and supported by the medical director.

Divisional medical directors chair the divisional clinical governance boards, supported by the clinical governance team. Together, this framework monitors quality performance and risk, including serious incidents, complaints and investigations, and is responsible for overseeing delivery against our four special quality projects for 2015–18.

These projects were identified from an analysis of the themes and key risks arising from reporting through the Quality Committee.

Our governance and decision-making

Ward to Board assurance to quality, workforce development and use of resources



The Trust also recognises that it is on a continuous improvement journey which was set out during the acquisition of West Middlesex University Hospital NHS Trust.

The Improvement Journey

- Reading the strategic landscape set a powerful case for change
- The 2014 inspections set the Trust on a journey to bring the 2 organisations together in such a way that improved the care we deliver to our patients

Drivers for Change:

Increasing Quality expectations

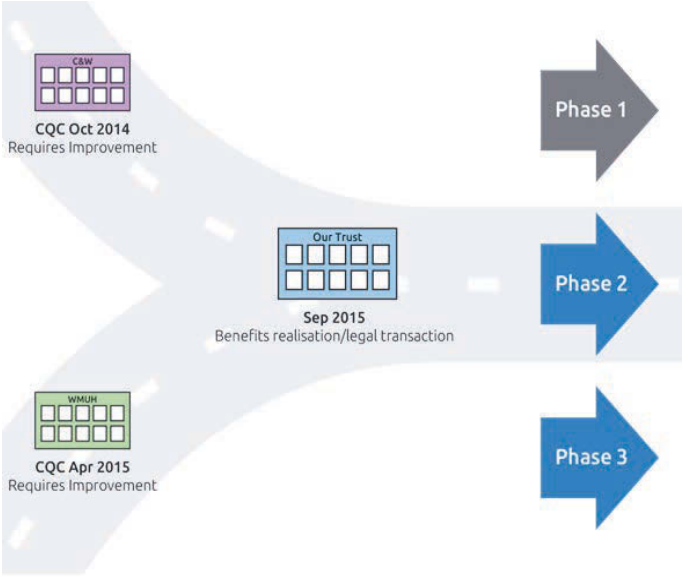
Ability to attract and retain high calibre workforce

Doubts over sustainability of smaller Trusts

Demographic pressures and increased demand

National austerity and financial pressures

National & Local policy: reconfiguration plans, integrated care; and shared care (inc digital/HIE)



Standardisation

- Values
- Structures
- Systems and processes

Implementation

- Quality focus
- Grip
- Identifying opportunities

Sustainability

- Alignment with quality strategy and quality priorities
- To consider quality
- priority delivery and any carry over to future years

The Trust has been successful delivering this plan within a well-established improvement framework. Ward accreditation quality assessments are well-embedded—with all 63 clinical areas inspected last year, this programme continues. Within ward accreditation, the overall performance of each ward is evaluated against a framework in a similar style to a CQC assessment, resulting in a rating of gold, silver, bronze or white. The framework incorporates observation of practice, engagement with staff and patients, and a review of key quality indicators—and helps wards to take action to improve the quality of care that they provide to patients.

During the year, mock CQC assessments were also undertaken in partnership with external peers such as NHSI, CCGs and other trusts to provide external scrutiny to intensify areas of improvement. These findings all fed into an overall improvement plan which was led by our care quality programme (CQP) team.

Further ward to board assurance was provided with weekly visits from the executive team to their link areas to engage with staff and assess progress with their local improvements.

This comprehensive assurance framework prepared the organisation for a CQC inspection and was instrumental in delivering the positive CQC improvement with the Trust rated 'Good' overall.

Data assurance

The Trust assures the quality and accuracy of elective waiting times data through a combination of regular daily and weekly meetings and review and sign-off procedures for performance data. The sign-off and review process includes review at the elective access group, Trust executive team meetings, Quality Committee and Board.

We have an advanced feed from the patient administration system (PAS) which is available throughout the Trust and updated daily. Divisional staff and the information team regularly review a suite of reports including more advanced information for elective waiting times and patient level information. The Trust will establish a minimum frequency requirement for completing refresher training on data entry into the PAS.

A manual data validation process is undertaken by the information team to review the information entered into the PAS and to investigate the data that underlies reported performance. Identified data issues are logged by the performance team, then investigated and corrected. Recurring issues are subject to root cause analysis, from which corrective action plans are developed to support the relevant services to improve the quality of inputted and reported data.

We have invested significantly at WMUH in data quality improvement via the EPR programme and will soon start work at the C&W site. The Trust has had a number of external bodies auditing our data quality performance which has outlined that we are in line with our peers. We anticipate that the new EPR solution will ultimately lead to much greater depth and quality of data to support clinical care.

A Trustwide data quality group is in place, chaired by the deputy chief executive. This group provides oversight of data quality policies, strategies and reviews. The data quality group will report in to the Executive Management Board to enable prompt escalation of emerging issues to the Board when required.

During 2017/18 there were no serious information governance (IG) incidents reportable to the Information Commissioner's Office (ICO). The Trust actively monitors incidents using both Datix and the IG toolkit incident reporting tool.

All Trust sites use the Datix database system for reporting incidents, which provides a unified approach to aid the review of the IG incident management process. IG incidents are summarised and reported to the information governance steering group. The IG team assists IG incident investigations as required and advise on lessons learned from these incidents at departmental meetings and/or via Trustwide communication tools.

Corporate governance

Details of the corporate governance structure can be found within the accountability report from page 39. It is a fundamental part of the governance structure that all material issues and risks pass through the executive Board before reaching any of the Board-level committees.

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

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.

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

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

Review of economy, efficiency and effectiveness of the use of resources

The Board on a monthly basis keeps under review the Trust's use of resources through the integrated performance report referred to on page 27 but also with regard to the monthly finance report which allows the Board to obtain a 'grip' on financial performance and cost-effectiveness.

During 2017/18 the Trust has increasingly used various benchmarking sources to identify efficiency opportunities. These include Model Hospital, Getting it Right First time (GIRFT) and Carter. Where the Board identifies key risks and issues in relation to the Trust's use of resources, it will instruct the finance and investment committee to undertake 'deep dive' reviews of such concerns to ensure that a sufficient degree of assurance can be obtained.

The oversight roles of the Board and Finance and Investment Committee are supplemented by the annual internal audit programme which includes a comprehensive review of the Trust's financial systems and controls.

The governance structure below the Executive Management Board provides opportunities through the divisional board meetings for specific divisions to be challenged on their use of resources within the respective clinical services they provide. This is further supplemented by specialty deep dives and is in addition to the internal audit work undertaken throughout 2017/18. The detail of the key actions of the internal audit programme can be found in the *Review of effectiveness* section below.

Annual quality report

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

We have followed this guidance in compiling our quality report as part of the 2017/18 annual report and in refreshing our clinical priorities for 2018/19. This process included engaging with internal stakeholders such as the Board of Directors, Quality Committee, Council of Governors, and key external stakeholders such as local Healthwatch organisations, local commissioners, and overview and scrutiny committees. The breadth of this engagement helps to ensure that the content of the quality report is balanced and in alignment with the needs of the Trust's patient population.

The Trust's annual quality report is set out in Section 3 from page 105.

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 the internal auditors, clinical audit, and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit and Risk Committee and the Quality Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The clinical audit programme also supports my review of the effectiveness of the system of internal control. A full internal review of each clinical audit is undertaken and actions taken to address any identified risks and improve the quality of healthcare that is provided.

The role of the Board, Audit and Risk Committee, Quality Committee, and Finance and Investment Committee in maintaining and reviewing the Trust's systems of internal control is described above. The internal audit programme provides a further mechanism for doing

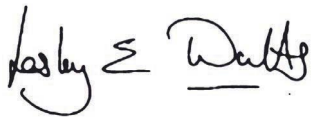
this. KPMG, the Trust's internal auditors, identify high, medium and low priority recommendations within their audit reports, which are monitored in an internal audit recommendations tracker and which is reviewed frequently by the executive team.

One internal audit report was received in 2017/18 which contained a high-priority recommendation, and this related to statutory and mandatory training.

The Trust is taking action to address these recommendations.

Conclusion

In conclusion, to the best of my knowledge, no significant internal control issues have been identified within 2017/18.



Lesley Watts
Chief Executive Officer

25 May 2018

SECTION 3

QUALITY REPORT

2017/18

Part 1: Statement on quality from the Chief Executive

Introduction

The aim of the Quality Report is to review the quality of the care and services that we provide at Chelsea and Westminster Hospital NHS Foundation Trust (the Trust). This document complies with the Trust's statutory duty under the Health Act 2009 and is a formal record of the steps we have taken over the past year and will be taking over the coming year to ensure we maintain a strong focus on improving quality across the board.

Welcome by the Chief Executive

I'm pleased to introduce our Quality Report for 2017/18, and report on the excellent progress made after the merger of Chelsea and Westminster and West Middlesex University hospitals in September 2015.

It has been an extraordinary year. Our Trust has dealt with several headline-hitting major incidents, faced one of the toughest winters on record with constant high levels of demand, and managed our first CQC inspection since the merger. Against this challenging background we have regularly met our national targets and have been one of the top 10 best performing Trusts in the country. The dedication of our staff to high-quality care has underpinned our success. The 2017 NHS National Staff Survey results showed we are in the top 20% for staff feeling able to contribute to improvements, engagement and for recommending us as a place to work and receive treatment.

The hard work and commitment by everyone across the Trust has ensured we have consistently delivered the highest levels of quality and care in our services, and I was delighted to see this recognised by our latest CQC result. We were rated as 'Good' overall, receiving a 'Good' rating for both hospitals and in all of the five main domains—safe, effective, caring, responsive and well-led. NHS Improvement awarded us an 'Outstanding' rating for 'use of resources', making us the first NHS Foundation Trust to gain 'Good' across all categories under the CQC's new framework and 'Outstanding' from NHSI.

Our key achievements against our quality priority areas this year have been:

- Significant reduction in falls and a Trustwide launch of a new falls risk assessment and care plan
- Implementation of new sepsis guidelines and screening tool across both sites
- Sustained and significant reduction in pressure ulcers
- New WHO standardised safety checklist now in use, and online WHO audit collection tool set up to improve data collection and analysis
- A stillbirth rate which is lower than the national average
- Introduction of ward accreditation to monitor and improve quality and accountability
- Review and implementation of a new complaints policy
- Increased recognition of our dedicated staff delivering high-quality work both internally and nationally

We are extremely proud of our progress in the quality of our care and remain committed to achieving further improvements over the next year. We have set the following quality priorities for 2018/19:

Priority 1: Reduction in falls

- **Target:** To reduce falls by 30% and to be consistent with national best practice

Priority 2: National Safety Standards for Invasive Procedures (NatSSIPs) (admitted surgical care)

- **Target:** 90% reduction in serious incidents relating to invasive procedures and to implement a robust audit cycle

Priority 3: NHS Resolution 10-point safety plan

- Ensure the Trust is meeting 10 safety actions set out by Clinical Negligence Scheme for Trusts (CNST) to improve patient safety for all those using our maternity services

Priority 4: Reduction in *E.coli* infections

- To reduce infection caused by *E.coli* by 50% by 2021

Priority 5: Complaints Management

- Complaints acknowledgement within 48 hours and provide a response within 25 working days

We have already made a strong start to 2018. In May we successfully implemented the first stage our electronic patient record system (CernerEPR) at WMUH, in partnership with ICHT. Both organisations will share one digital platform and will be able to access patient records seamlessly, allowing clinical staff to have access to relevant patient information securely and quickly irrespective of where it was received. This will not only improve coordination of patient care but also lead to better and more efficient care for all patients. The introduction of CernerEPR is scheduled at C&W in 2019.

We have an ambitious plan to grow our volunteer workforce from 300 to 900 by 2020. We are fortunate to be a Helpforce pilot site, which has provided valuable national support and learning to achieve this plan. We have launched our first new volunteering initiative ‘bleep volunteers’ which enables any patient in our hospital to bleep a volunteer to receive help and support. We also have plans for maternity and end-of-life care volunteer programmes to support patients.

In June we will be starting work on our new, state-of-the art adult and neonatal intensive care units at C&W. The charity, CW+, has already raised more than £10 million towards the cost of this programme, which will enable us to provide the very latest and best quality care for more critically ill adults and children each year.

We will continue to work on our three strategic priorities:

- Deliver high-quality, patient-centred care
- Be the employer of choice
- Deliver better care at lower cost

And we will focus on our improvement journey from ‘Good’ to ‘Outstanding’.

I would like to take this opportunity to thank all of our 6,000 staff who have shown they are proud to care for their patients and colleagues. I know that they will continue to go above and beyond for the patients and communities we serve, and I look forward to the year ahead as the Trust goes from strength to strength.

Core services

Our core services include:

- Full emergency department (A&E) services for medical emergencies, major and minor accidents and trauma on both sites. The departments are supported by separate onsite Urgent Care Centres (UCC) and comprehensive Ambulatory Emergency Care (AEC) services.

- Emergency assessment and treatment services including critical care and a Surgical Assessment Unit (SAU) at WMUH. The Trust is a designated trauma unit and stroke unit.

- Acute and elective surgery and medical treatments, such as day and inpatient surgery and endoscopy, outpatients, services for older people, acute stroke care and cancer services.

- Comprehensive maternity services including consultant-led care, a midwifery-led natural birth centre, community midwifery support, antenatal care, postnatal care and home births. There is also a specialist neonatal intensive care unit (NICU) at C&W, special care baby unit (SCBU) at WMUH and a specialist fetal medicine service. We also have a private maternity service.

- Children’s services including emergency assessment, a 24/7 paediatric assessment unit (PAU), and inpatient and outpatient care.

- HIV and sexual health services.

- Diagnostic services including pathology and imaging services. In 2016/17 a cardiac catheterisation laboratory was opened at the WMUH site.

- A wide range of therapy services including physiotherapy and occupational therapy.

- Education, training and research.

- Corporate and support services.

Clinical services are also provided in the community and we have a range of visiting specialist clinicians from tertiary centres that provide care locally for our patients. For a number of highly specialised services, patients may have to travel to other trusts.

Key facts and figures for the past three years

	2017/18	2016/17	2015/16
Outpatient attendances	**776,287**	767,330	743,230
Total A&E attendances	**306,048**	282,157	187,538
Total urgent care centre attendances	**98,933**	87,683	83,716
Inpatient admissions	**141,476**	136,837	135,116
Babies delivered	**10,644**	10,682	10,504
Patients operated on in our theatres	**36,140**	33,683	33,517
X-rays, scans and procedures carried out by clinical imaging	**468,154**	391,609	348,476
Number of staff including our partners (Trust + ISS and Bouygues)	**5,879+722**	5,981+369	5,745+729

Our vision and values

The Trust is committed to consistently delivering the very highest quality of care and outcomes for our patients. Our ambition is to be one of the leading Foundation Trusts in the country by providing innovative, efficient and fully integrated healthcare pathways. It's our vision to be giving outstanding, accessible, effective and safe care across all our services and for all our patients.

The Board has set the following strategic objectives for 2018/19, which are to:

- Deliver high-quality, patient-centred care
- Be the employer of choice
- Deliver better care at lower cost

Our PROUD values underpin everything we do at our Trust, and have helped deliver even higher quality care as well as unite our staff and services at both hospitals and our clinics throughout London. They were developed in consultation and engagement with staff, governors, directors and non-executive directors, and have now been fully accepted and embedded within our culture. The values are:

- Putting patients first
- Responsive to patients and staff
- Open and honest
- Unfailingly kind
- Determined to develop

Quality strategy and plan 2015–18

The quality strategy and plan (QSP) launched in 2015/16 set out a three-year journey for how we will work to continuously improve the quality of the services provided by the Trust. This strategy and plan was rolled out over both hospitals during 2016/17.

The QSP was developed against a backdrop of the local and national context, including the recommendations of the Care Quality Commission (CQC) review of both hospitals in 2014. We have considered quality based on these four components:

- Patient and staff experience
- Patient safety
- Clinical effectiveness
- Patient access and operational performance

Under these components, we have set ambitions, supporting priorities and governance structures to manage each agenda—these all feed into an overarching Quality Committee.

We will continue to deliver our ambitions for quality through the tranches of focused projects focusing on priority areas that have been identified through engagement to date on the development of the QSP. The projects will continue to focus on frailty, admitted surgical care, sepsis and maternity. The quality priorities that were identified for Chelsea and Westminster for 2017/18 link to these overarching plans.

Declaration

It is important to note, as in previous years, that there are a number of inherent limitations in the preparation of quality reports which may impact the reliability or accuracy of the data reported.

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

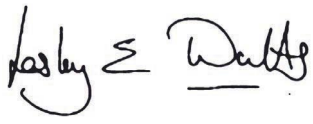
- Data is collected by a large number of teams across the Trust alongside their main responsibilities, which may lead to differences in how policies are applied or interpreted.

- In many cases, data reported reflects clinical judgement about individual cases, where another clinician might have reasonably classified a case differently.

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

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

Notwithstanding these inherent limitations, to the best of my knowledge the information in this report is accurate.



Lesley Watts
Chief Executive Officer

25 May 2018

Part 2: Our priorities

Priorities for improvement 2017/18

This section of the report reviews how we performed in 2017/18 in relation to the priorities set in our Quality Report 2016/17. Each of the priorities will have an outline of what we set out achieve, what we did during the year to improve our patient care, the results we achieved and what we will do going forward in 2018/19.

Chelsea and Westminster Hospital NHS Foundation Trust set the following priorities for 2017/18:

Patient safety

- **Priority 1:** Reduction in falls (Frailty Quality Plan)
- **Priority 2:** Antibiotic administration in sepsis (Sepsis Plan)
- **Priority 3:** National Early Warning Score (NEWS) (Sepsis Plan)
- **Priority 4:** National Safety Standards for Invasive Procedures (NatSSIPs) (Planned Care Plan)

Clinical Effectiveness

- **Priority 5:** Reduction in stillbirths (Maternity Plan)

Patient experience

- **Priority 6:** Focus on complaints and demonstrate learning from complaints
- **Priority 7:** FFT improvements with new FFT provider

How we did in 2017/18

During 2017/18 a quarterly progress report for all seven priorities was provided to the Quality Committee, the dashboard below was used to give an overarching view of progress.

Quality priorities dashboard 2017/2018

Patient safety

QP n°	Description of goal	Responsible executive (role)	Actual			
			Q1	Q2	Q3	Q4
1	Reduction in falls (Frailty Quality Plan)	Director of Nursing				
2	Antibiotic administration in sepsis (Sepsis Plan)	Medical Director				
3	National Early Warning Score (NEWS) (Sepsis Plan)	Medical Director				
4	National Safety Standards for Invasive Procedures (NatSSIPs) (Planned Care Plan)	Divisional Medical Director				

Clinical effectiveness

QP n°	Description of goal	Responsible executive (role)	Actual Q1	Q2	Q3	Q4
5	Reduction in stillbirths (Maternity Plan)	Director of Midwifery				

Patient experience

QP n°	Description of goal	Responsible executive (role)	Actual Q1	Q2	Q3	Q4
6	Focus on complaints and demonstrate learning from complaints	Director of Midwifery				
7	Friends and Family Test (FFT) improvements with new FFT provider	Director of Midwifery				

Throughout the report the Red/Amber/Green (RAG) rating relates to:

- Green—fully achieved
- Amber—partially achieved
- Red—not achieved

The priorities rated as amber are subject to ongoing improvement efforts and will continue through the clinical divisions' regular activity.

Patient safety

Priority 1: Reduction in falls (Frailty)

What we set out to achieve during 2017/18
To see a reduction in all falls, reduction in falls with moderate and severe harm, reduction in externally reported falls—targets for 2017/18:

- 25% reduction in externally reportable fall incidents
- 40% reduction in falls resulting in moderate harm
- 20% reduction in falls resulting in no or low harm

What we did during the year to improve patient care
- Trustwide launch of new falls risk assessment and care plan
- Launch week held for falls prevention and awareness 19 Mar 2018 with Trustwide and external communications support
- Falls strategy was revised and is being monitored through falls steering group
- Started equipment audit with a view to application for funding to support meeting equipment needs by end Q4
- Clinical fellow working with West London Clinical Commissioning Group (CCG) and Triborough Public Health to map community falls services, monitor long-term outcomes and improve integration of falls prevention across sector

What we achieved
There has been a 38% reduction in falls with severe harm and an overall reduction in falls per 100 bed days, however falls resulting in moderate, low or no harm have increased slightly. This may be due to increased reporting.

Falls metrics	Q1	Q2	Q3	Q4	Total
Externally reported serious incident (severe harm)					
2016/17	4	2	2	5	13
2017/18	0	1	4	3	8
% change	**-100%**	**-50%**	**+100%**	**-40%**	**-38%**
Moderate harm					
2016/17	6	5	3	2	16
2017/18	2	4	6	4	16
% change	**-67%**	**-20%**	**+100%**	**+100%**	**–**
No harm/low harm					
2016/17	286	266	299	362	1,213
2017/18	284	293	328	326	1,231
% change	**-1%**	**+10%**	**+10%**	**-10%**	**+1.5%**
Falls per 1,000 bed days					
2016/17					3.7
2017/18					3.6

What we plan to do going forward

Falls will continue to be a quality priority—see *Priorities for improvement 2018/19* on p118.

Priority 2: Antibiotic administration in sepsis (Sepsis)

What we set out to achieve during 2017/18

All recognised sepsis patients to have antibiotics administered within an hour of prescribing.

What we did during the year to improve patient care

- Agreement of Trustwide sepsis clinical guideline and screening tool for adult inpatient wards and emergency departments
- Implementation of new guideline and screening tool across both sites
- Training programme to be rolled out from Apr/May 2018
- Agreement for 0.5 whole time equivalent (WTE) Band 7 sepsis nurse to support audits and improvement cross-site. This has been increased to 1.0 WTE for 2018/19
- Audits show improvements in screening and treatment
- Engagement with CernerEPR development to understand sepsis flags and algorithm, and how it will fit with new clinical guidelines and screening
- Cross-site sepsis working group meeting monthly with good representation

What we achieved

Target	Baseline Q4 2016/17	Q1	Q2	Q3	Q4
>90% Observations recorded on EWS Chart [CQUIN 2a: Timely identification of sepsis in emergency departments and acute inpatient settings]	ED – 61% (Inpatients - CW 100% WM not collected)	70.2% (ED and Inpatient – WM inpatient not collected)	54.5% (ED and Inpatient – WM inpatient not collected)	56.3% (ED and Inpatient – WM inpatient not collected)	56% (ED and Inpatient – WM inpatient not collected)
>90% Antibiotics administered by year end (ED and Inpatients) [CQUIN 2b. Timely treatment of sepsis in emergency depts and acute inpatient settings]	92.9% (ED) 90.3% (Inpatients)	56.8% (117 eligible patients)	56.7% (213 eligible patients)	63.55% (213 eligible patients)	85.44% 199 eligible patients)
>90% Antibiotics started for sepsis will have documented review within 24–72 hours by year end [CQUIN 2c. Review of Antimicrobial Prescribing for Sepsis within 24–72 hours]	Data not collected	93% (Target >25%) - Evidence of review of antimicrobials documented in 28 of 30 reviewed patients	93% (Target >50%)	100% (Target >75%)	93% (Target >90%)
Training Metrics to be developed following agreement of Clinical Guideline and training programme					

What we plan to do going forward
The ongoing work to improve diagnosis and treatment of patients with sepsis will continue through the clinical divisions' regular activity.

Priority 3: National Early Warning Score (Sepsis)

What we set out to achieve during 2017/18
All inpatients will have clinical observations taken, recorded and scored as per clinical policy and charted on an early warning score (EWS) chart.

This is linked to Priority 2: Antibiotic administration in Sepsis (Sepsis) and reported above.

Priority 4: National Safety Standards for Invasive Procedures (NatSSIPs) (Admitted Surgical Care)

What we set out to achieve during 2017/18
WHO safety check list to be completed on all patients having surgery to prevent never events

What we did during the year to improve patient care
- Quality priorities bi-weekly meeting embedded leads—Theatre, Anaesthetics, Surgery and Radiology in attendance
- New WHO standardised safety checklist now in use in planned care division, awaiting further roll-out in Women's Services and Emergency and Integrated Care (EIC)
- New online WHO audit collection tool set up to improve data collection and analysis
- Drafting of 32 Local Safety Standards for Invasive Procedures (LocSSIPs**)** completed—under consultation with surgeons for final sign-off
- National Safety Standards for Invasive Procedures (NatSSIPs) intranet webpage under development with Communications team
- Video of how to use WHO safety checklist and LoCSIPPs under development with Communications team

What results were achieved?
The following indicators were chosen as they are a measure of safety within areas where invasive procedures are being undertaken:

- Supportive teamworking is enhanced by the use of simulation and the use of the WHO checklist. With this in mind, low vacancy levels are a key indicator of staff who feel supported.
- Reporting of incidents is an indication of a positive safety culture.
- This measure allows a review of cancellations related to the use of the WHO checklist.
- Recording the number of LocSSIPS allows the clinical team to monitor the number being written and left to write.

KPI	Base-line	Q1			Q2			Q3			Q4		
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
1. WHO Compliance	See following tables												
2. Vacancy Levels (variance) – Trust (12%)	–	11.89%	8.21%	8.21%	10.43%	10.48%	12.78%	10.48%	11.58%	12.10%	13.32%	12.4%	11.6%
3. Total incidents reported on Datix (theatres)	–	40	50	61	25	28	33	44	50	38	32	19	23
4. Datix Reporting – Serious Incidents (Internal & External) (Theatres)	–	0%	4.00%	1.64%	4%	7%	3.03%	2.27%	0%	0%	0%	5%	0%
5. On the day cancelled operations (non-clinical) as % total of elective admissions (Trustwide)	<0.80%	0.78%	0.78%	0.49%	0.35%	0.55%	0.81%	0.42%	0.47%	0.36%	0.39%	0.44%	0.77%
6. Total Number of LocSSIPs completed	–	–	–	–	–	–	–	–	4	8	20	61	79

WHO documentation check compliance C&W

Month	Sign in	Time in	Sign out	Overall compliance
Apr 2017	97.2%	97.2%	99%	97.8%
May 2017	99%	98%	97%	98%
Jun 2017	100%	80%	99%	93%
Jul 2017	93%	99%	100%	98%
Aug 2017	91%	100%	99%	99%
Sep 2017	92%	100%	100%	99%
Oct 2017	100%	100%	100%	100%
Nov 2017	100%	95%	100%	98.4%
Dec 2017	94%	98%	98%	97%
Jan 2018	92%	97%	97%	95%
Feb 2018	89%	95%	94%	93%
Mar 2018	95%	94%	93%	94%

WHO documentation check compliance WMUH

	Documentation check—sign in, time out, sign out		
Month	Yes	No	Overall compliance
Apr 2017	9,898	64	99%
May 2017	12,391	291	97.65%
Jun 2017	11,500	179	98.44%
Jul 2017	11,770	11	99.9%
Aug 2017	11,305	0	100%
Sep 2017	11,741	6	99.9%
Oct 2017	13,292	19	99.9%
Nov 2017	14,113	133	99.1%
Dec 2017	11,769	131	98.9%
Jan 2018	10,658	273	97.4%
Feb 2018	11,469	74	99.4%
Mar 2018	11,415	94	99.2%

What we plan to do going forward

The continued implementation and audit of NaTSIPS/LoCSIPS will continue as a quality priority—see section on priorities for improvement 2018/19 on page 118.

Clinical Effectiveness

Priority 5: Reduction in still births (Maternity)

What we set out to achieve during 2017/18
Achieve a stillbirth rate which is lower than the national average.

What we did during the year to improve patient care
- Implementation of the growth assessment protocol at WMUH
- Implementation of K2 central fetal monitoring and documentation system at WMUH
- Training data on CTG assessment—compliance >90%
- Implementation of cross-site intrapartum fetal monitoring guidance incorporating NICE 2017 guidance

What results were achieved?
- 94% compliance with training on CTG assessment was achieved
- Cross-site intrapartum fetal monitoring guidance is in final draft

The table below shows the number of stillbirths per 1,000 births >24 weeks gestation by site compared to the national average. The Trust is 1.14 below the national average of 4.2 stillbirths per 1,000 births at year-end.

Period	C&W site	WMUH site	National average	Trust	RAG rating against local target
Quarter 1	3.77	6.31	4.2	4.90	
Quarter 2	1.78	3.93	4.2	2.70	
Quarter 3	1.82	3.90	4.2	2.75	
Quarter 4	2.57	0.88	4.2	1.86	
Total for year	2.47	3.84	4.2	3.06	Target < 3.3

RAG rating		
<4 per 1,000 births	4–4.2 per 1,000 births	>4.2 per 1,000 births

What we plan to do going forward
This will become business as usual and reported at divisional level.

Patient experience

Priority 6: Focus on complaints and demonstrate learning from complaints

What we set out to achieve during 2017/18
Achieve a 1% reduction in informal complaints with 90% of all complaints responded to in compliance with the Trust policy of within 25 working days and all complainants receiving acknowledgement of a complaint within 48 hours. Actions and learning from complaints to be entered onto Datix following the risk process.

What we did during the year to improve patient care
- Central complaints team phoning and sending acknowledgement letters within 48 hours from first working day received
- Weekly complaints meeting with divisions to track progress with the management of complaints on Datix

- Monitoring of a complaints dashboard in the patient experience committee, and for oversight and scrutiny at divisional board
- Review and implement a new complaints policy in line with national recommendation
- CEO reviews and signs all complaints letters personally

The table below shows the total numbers and percent responded to within 25 days.

Formal complaints

	Q1			Q2			Q3			Q4			
2017/18	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Total**
Corporate	0	0	3	1	0	1	6	4	4	4	4	2	**29**
%	0	0	33	100	0	100	15	75	75	100	0	0	
EIC	11	15	17	13	25	19	33	27	16	25	22	21	**244**
%	36	40	12	38	28	42	59	48	56	60	55	14	
PC	17	13	18	16	18	23	28	34	17	27	31	27	**269**
%	17	15	16	25	38	35	46	18	35	44	58	30	
WCHGDPP	16	15	21	11	21	20	15	19	13	26	23	35	**235**
%	43	40	48	72	62	35	53	37	38	54	30	11	
Total	**44**	**43**	**59**	**41**	**64**	**63**	**82**	**84**	**50**	**82**	**80**	**85**	**777**
Ack <2 days	43	42	48	36	61	60	78	76	41	78	79	69	**711**
%	98	98	81	88	95	95	95	90	82	95	99	81	92
Res <25 days	14	14	16	17	23	15	43	29	23	44	37	15	**290**
%	32	33	27	41	36	24	52	35	46	54	46	18	37

EIC – Emergency and Integrated Care Division
PC – Planned Care Division
WCHGDPP – Women, Children, HIV, GUM, Dermatology and Private Patients Division

Although consistent improvement in the acknowledgement by the complaints team in 2 working days has led to this target being achieved, there is more focus required on the response rate in all divisions which has not been achieved.

What are we going to do going forward?
Complaints will continue as a quality priority for 2018/19—see *Priorities for improvement 2018/19* on page 118.

Priority 7: Friends and Family Test (FFT) improvements in 'recommend' scores

What we set out to achieve during 2017/18
All clinical areas to have a 'recommend' score of over 90%.

What we did during the year to improve patient care
- Individual ward accountability for improvement action plans
- New method for data collection includes tablets in all ward areas in addition to the existing text- and paper-based collections.
- 'You said, we did' boards visible on all wards
- Behaviour insights study undertaken to identify additional methods of improving outcomes
- Development of PREMs (Patient Reported Experience) for use across the organisation

The results we achieved—Friends and Family Test

		Q1			Q2			Q3			Q4			
2017/18	**Target**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Average**
F&FT response rate														
Inpatients	30	31	36	32	33	32	32	32	33	36	33			**33**
ED	15	19	19	16	15	16	16	16	16	15				**16**
Birth	18	24	22	22	19	16	16	18	16	n/a				**19**
Day Case	14	19	15	16	17	16	16	16	16	18				**16**
Outpatients	13	13	13	13	13	13	11	10	10	12				**12**
Paediatrics	12	12	12	11	12	14	15	13	13	13				**13**
GUM		23	28	27	24	22	24	16	22	21	18			**23**
F&FT 'recomends'														
Inpatients	90	90	90	90	92	90	90	90	90	90	90			**90**
ED		88	83	83	84	83	82	89	87	88	90			**86**
Birth		97	95	97	96	98	96	93	91	97	n/a			**96**
Day Case		93	92	95	93	93	95	93	93	91	90			**93**
Outpatients		90	89	90	89	91	90	90	90	90	91			**90**
Paediatrics		92	90	90	90	92	92	91	91	91	92			**91**
GUM		95	96	95	97	96	95	95	95	97	96			**96**

Overall the Trust achieved the >90% recommendation score, although ED was below at 86%. The response rate has achieved the target of 30% in inpatient areas, though work is needed to improve this in other areas.

What we are going to do going forward
There is a review of the FFT underway. This will become business as usual and will be reported as a local quality indictor going forward.

Priorities for improvement 2018/19

This section of the report sets out the Trust's quality improvement priorities for 2018/19. The plan for 2018/19 is to continue to link the quality priorities to the Quality Strategy and Plan 2015/18 as we did last year. In each case we have aligned the priority to one of the three quality domains (patient safety, clinical effectiveness and patient experience). However, we recognise that in reality each priority is likely to impact on multiple domains—in particular patient experience, which we are focusing on as an overarching objective of our Quality Strategy.

In 2018/19 priorities were, as in previous years, identified through engagement across a number of areas which have endorsed the chosen priorities:

- Engagement and feedback from our Council of Governors Quality Subcommittee that includes external stakeholders (for example, commissioners and Healthwatch)
- Engagement and feedback from our Board's Quality Committee
- The development of the Quality Strategy and Plan 2015–2018
- Divisional review of incident reporting and feedback from complaints

Our ambition for 2018/19 is to continue a supportive process with all these projects aimed at ensuring teams continue to develop transferrable and sustainable knowledge and skills in order to carry on the journeys of improvement within the organisation and across wider healthcare. These continue to be critical skills for the future and for working with patients and colleagues across the sectors.

Quality consists of four areas which are crucial to the delivery of high quality services:

- Patient safety—how safe the care provided is
- Clinical effectiveness—how well the care provided works
- Patient experience—how patients experience the care they receive
- Patient access and operational performance—how easily patients can access services, and how long they wait

We have set the following priorities for 2018/19 which have been agreed with the Council of Governors. Details of each of these priorities, including the actions planned and how we will monitor our progress throughout the year, are presented below. A quarterly report will be provided to the relevant subgroup—ie Clinical Effectiveness Group, Patient Safety Group or Patient Experience Group and, subsequently, to the Quality Committee.

The quality priorities for 2018/19 are outlined below:

Patient Safety

Priority 1: Reduction in falls

What we aim to achieve during 2018/19
Target to reduce falls by 30% to be consistent with national best practice—2.62 falls per 1,000 bed days based on Q3 2017/18

What we will do during the year to improve patient care
- Falls steering group will meet monthly to review project progress
- New Trust falls strategy launched in Mar 2018
- Ongoing community pathway work with Public Health England and the Royal Borough of Kensington and Chelsea

How we will measure our success
- Number of falls per 1,000 bed days

Priority 2: National Safety Standards for Invasive Procedures (NatSSIPs) (Admitted Surgical Care)

What we aim to achieve during 2018/19
- 90% reduction in serious incidents relating to invasive procedures
- To implement a robust audit cycle

What we will do during the year to improve patient care
- Standardisation of the WHO safety check list Trustwide
- The WHO safety check list will be completed on all patients having surgery, with the effective process preventing never events
- All invasive procedures to have Local Safety Standards for Invasive Procedures (LocSSIPs) developed
- Implementation and embedding of LocSSIPs in practice

How we will measure our success
- Number of serious incidents relating to invasive procedures
- Compliance with local audit plan

Priority 3: NHS Resolution 10-point safety plan

What we aim to achieve during 2018/19
Trust is meeting 10 safety actions set out by the Clinical Negligence Scheme for Trusts (CNST) to improve patient safety for all those using our maternity services.

What we will do during the year to improve patient care
The 10 points in the safety plan are:

- Use of the national perinatal mortality review tool to review perinatal deaths
- Use of the maternity services data set to the required standard
- Transitional care facilities in place and operational to support the implementation of avoiding term admissions into neonatal units (ATAIN programme)
- Effective system of medical workforce planning
- Effective system of midwifery workforce planning
- Compliance with all elements of the saving babies' lives (SBL) care bundle
- Demonstrate that there is an effective use of the maternity voices partnership forum, a forum which encourages patient engagement, and that the service acts on feedback
- 90% of staff have attended 'in-house' multiprofessional maternity emergencies training
- Local safety champions (obstetric and midwifery) meet bi-monthly with Trust-level safety champions via the patient safety group to escalate locally identified issues
- 100% of qualifying 2017/18 incidents are reported under the NHS Resolution's early notification scheme

How we will measure our success
- Conduct a baseline audit of the 10-point plan during Apr 2018 and report quarterly thereafter
- Report to the Trust Board Jun 2018

Clinical Effectiveness

Priority 4: Reduction in *E.coli* infections

What have we set out to achieve during 2018/19
The Trust aims to reduce infection caused by *E.coli* by 50% by 2021. This is in line with a national ambition to reduce healthcare associated gram-negative bloodstream infections (healthcare associated GNBSIs) by 50% by Mar 2021, with the initial focus on infections caused by *E.coli*.

What we will do during the year to improve patient care
- Monthly reporting to Public Health England of bloodstream infections caused by *E.coli*, *Pseudomonas aeruginosa* and *Klebsiella species.*

- Monthly review of reported infections by the infection prevention and control group.

- Review Trust data to understand risk groups and factors which could be modified, eg:
    - urinary tract infections (UTIs)
    - catheter related UTIs
    - skin or soft tissue conditions, including ulcers or cellulitis
    - intravascular access associated
    - surgical interventions

- Review Trust data on PHE Fingertips portal to benchmark against similar organisations.

- Patients treated for gram-negative sepsis will be prescribed an antimicrobial by responsible medical team in line with local guidelines/microbiology and antimicrobial treatment reviewed by responsible medical team within 48–72 hours to optimise therapy.

How we will measure our success
- 1% reduction from baseline of 14.9%

Patient Experience

Priority 5: Complaints management

What have we set out to achieve during 2018/19
- Complaints acknowledgement within 48 hours
- Complaints response within 25 working days
- Individual complaints action assurance
- System of learning from complaints

What we will do during the year to improve patient care
- A new complaints policy and structure will support the divisional teams more robustly in the delivery of the Trust-agreed targets and will be in place by end of May 2018
- The policy will contain an internal escalation process for non-compliance of complaints response
- Patients will receive a timely and appropriate response
- Ensuring learning from complaints will help to improve the overall patient experience

How we will measure our success
Baseline position is to be agreed in Apr 2018 so improvement and progress can be tracked quarterly.

- 90% of complaints will be acknowledged within 2 working days
- 90% of complaints will be responded to within 25 working days
- Action trackers to be in place for all actions arising from complaints responses, monitored through divisional quality board
- Development of a Trustwide system which demonstrates learning from complaints

Review of services

During 2017/18 the Trust provided and/or subcontracted 87 relevant health services. The Trust has reviewed all available data on the quality of care in all of these relevant health services.

The income generated by the relevant health services reviewed in 2017/18 represents 100% of the total income generated from the provision of relevant health services by the Trust for 2017/18.

Participation in clinical audit

During 2017/18, 41 national clinical audits and 13 national confidential enquiries covered relevant health services that the Trust provides. During this period the Trust participated in 90.2% of national clinical audits and 100% of national confidential enquiries that it was eligible to participate in.

The national clinical audits and national confidential enquiries that the Trust was eligible for and participated in, and for which data collection was completed during 2017/18, 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.

Table 1: National clinical audit project participation

National clinical audit title	Trust eligible	Trust participated	% submitted
Adult Cardiac Surgery	no	not eligible	n/a
BAUS Urology Audit: Female Stress Urinary Incontinence Audit	yes	no	n/a
BAUS Urology Audit: Radical Prostatectomy Audit	no	not eligible	n/a
BAUS Urology Audit: Cystectomy	no	not eligible	n/a
BAUS Urology Audit: Nephrectomy audit	no	not eligible	n/a
BAUS Urology Audit: Percutaneous Nephrolithotomy (PCNL)	yes	yes	ongoing
BAUS Urology Audit: Urethroplasty Audit	no	not eligible	n/a
Cardiac Rhythm Management (CRM)	yes	yes	ongoing
Case Mix Programme (CMP)	yes	yes	ongoing
Elective Surgery (National PROMs Programme)	yes	yes	ongoing
Endocrine and Thyroid National Audit	no	not eligible	n/a
Falls and Fragility Fractures Audit programme (FFFAP): Fracture Liaison Service Database	no	not eligible	n/a
Falls and Fragility Fractures Audit programme (FFFAP): Inpatient Falls	yes	yes	100%
Falls and Fragility Fractures Audit programme (FFFAP): National Hip Fracture Database	yes	yes	ongoing
Fractured Neck of Femur (care in emergency departments)	yes	yes	100%
Head and Neck Cancer Audit	no	not eligible	n/a
Inflammatory Bowel Disease (IBD) Registry, Biological Therapies Audit.	yes	no	n/a
Major Trauma Audit	yes	yes	ongoing
Myocardial Ischaemia National Audit Project (MINAP)	yes	yes	ongoing
National Audit of Breast Cancer in Older People (NABCOP)	yes	yes	ongoing
National Audit of Dementia (in General Hospitals): Dementia care in general hospitals	yes	yes	100%
National Audit of Intermediate Care (NAIC)	no	not eligible	n/a
National Audit of Percutaneous Coronary Interventions (PCI) (Coronary Angioplasty)	yes	yes	tbc
National Audit of Pulmonary Hypertension	no	not eligible	n/a
National Bariatric Surgery Registry (NBSR)	yes	yes	tbc
National Bowel Cancer Audit (NBOCA)	yes	yes	ongoing
National Cardiac Arrest Audit (NCAA)	yes	yes	ongoing
National Chronic Obstructive Pulmonary Disease (COPD) Audit programme: Pulmonary rehabilitation	no	not eligible	n/a
National Chronic Obstructive Pulmonary Disease (COPD) Audit programme: Secondary Care	yes	yes	100%
National Chronic Obstructive Pulmonary Disease (COPD) Audit programme: Primary Care (Wales)	no	not eligible	n/a
National Clinical Audit for Rheumatoid and Early Inflammatory Arthritis (NCAREIA)	yes	no	n/a
National Clinical Audit of Psychosis: Core audit	no	not eligible	n/a

National clinical audit title	Trust eligible	Trust participated	% submitted
National Clinical Audit of Specialist Rehabilitation for Patients with Complex Needs following Major Injury (NCASRI): Specialist rehabilitation level 1 and 2	no	not eligible	n/a
National Comparative Audit of Blood Transfusion programme: Re-audit of the 2016 audit of red cell and platelet transfusion in adult haematology patients	yes	yes	100%
National Comparative Audit of Blood Transfusion programme: 2017 National Comparative Audit of Transfusion Associated Circulatory Overload (TACO)	yes	yes	100%
National Congenital Heart Disease (CHD): Paediatric, Adult	no	not eligible	n/a
National Diabetes Audit – Adults: National Diabetes Foot Care Audit	yes	yes	ongoing
National Diabetes Audit – Adults: National Diabetes Inpatient Audit (NaDia) -reporting data on services in England and Wales	yes	yes	100%
National Diabetes Audit – Adults: National Core Diabetes Audit	yes	yes	100%
National Diabetes Audit – Adults: National Pregnancy in Diabetes Audit	yes	yes	100%
National Emergency Laparotomy Audit (NELA)	yes	yes	ongoing
National Heart Failure Audit	yes	yes	100%
National Joint Registry (NJR)	yes	yes	85%
National Lung Cancer Audit (NLCA)	yes	yes	ongoing
National Maternity and Perinatal Audit (NMPA)	yes	yes	100%
National Neonatal Audit Programme - Neonatal Intensive and Special Care (NNAP)	yes	yes	ongoing
National Oesophago-gastric Cancer (NAOGC)	yes	yes	ongoing
National Ophthalmology Audit: Adult Cataract surgery	yes	no	n/a
National Paediatric Diabetes Audit (NPDA)	yes	yes	ongoing
National Prostate Cancer Audit	yes	yes	ongoing
National Vascular Registry	yes	yes	yes
Neurosurgical National Audit Programme	no	not eligible	n/a
Paediatric Intensive Care Audit Network (PICANet)	no	not eligible	n/a
Pain in Children (care in emergency departments)	yes	yes	100%
Prescribing Observatory for Mental Health (POMH-UK): Use of depot/LA antipsychotics for relapse prevention	no	not eligible	n/a
Prescribing Observatory for Mental Health (POMH-UK): Prescribing for bipolar disorder (use of sodium valproate)	no	not eligible	n/a
Prescribing Observatory for Mental Health (POMH-UK): Rapid tranquilisation	no	not eligible	n/a
Prescribing Observatory for Mental Health (POMH-UK): Prescribing high-dose and combined antipsychotics on adult psychiatric wards	no	not eligible	n/a
Procedural Sedation in Adults (care in emergency departments)	yes	yes	CW 72% WM: 0 cases submitted
Sentinel Stroke National Audit programme (SSNAP)	yes	yes	100%
Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme	yes	yes	ongoing
UK Parkinson's Audit: (incorporating Occupational Therapy: Speech and Language Therapy, Physiotherapy Elderly care and neurology)	yes	yes	100%

Table 2: Confidential enquiries project participation

Confidential Enquiry Project Title	Trust eligible	Trust participated	Trust submission
Child Health Clinical Outcome Review Programme (NCEPOD): Chronic Neurodisability	yes	yes	1
Child Health Clinical Outcome Review Programme (NCEPOD): Young People's Mental Health	yes	yes	3
Learning Disability Mortality Review Programme (LeDeR)	yes	yes	ongoing
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK): Perinatal Mortality Surveillance	yes	yes	ongoing
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK): Perinatal Confidential Enquiry	yes	yes	ongoing
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK): Confidential Enquiry into Maternal Deaths and Morbidity	yes	yes	ongoing
Medical and Surgical Clinical Outcome Review Programme (NCEPOD): Acute Heart Failure	yes	yes	8
Medical and Surgical Clinical Outcome Review Programme (NCEPOD): Pulmonary embolism	yes	yes	ongoing
Medical and Surgical Clinical Outcome Review Programme: Cancer in Children, Teens and Young Adults	yes	yes	ongoing
Medical and Surgical Clinical Outcome Review Programme (NCEPOD): Perioperative diabetes	yes	yes	ongoing
Medical and Surgical Clinical Outcome Review Programme (NCEPOD): Mental health in general hospitals	yes	yes	6
Medical and Surgical Clinical Outcome Review Programme (NCEPOD): Non-invasive ventilation	yes	yes	2
Mental Health Outcome Review Programme (NCISH)	no	Not eligible but the Trust reviews NCISH recommendations	

National clinical audit projects reviewed by the Trust

The reports of 36 national clinical audits on each site were reviewed by the provider in 2017/18. The Trust intends to take actions to improve the quality of healthcare provided and review the remaining national clinical audits relating to 2017/18 to identify and collate actions to be taken to improve the quality of healthcare provided.

Table 3 provides a summary of some of the actions we intend to take to improve quality, safety and clinical effectiveness arising from participation in national clinical audit. It is not intended to be a comprehensive reflection of the action plans. Actions are ongoing and are monitored via Clinical Effectiveness Group.

Table 3: National clinical audit actions

National clinical audit	Department leading review	Summary and agreed actions arising from national clinical audits
Diabetes (Paediatric) (NPDA)	Paediatrics Diabetes Service	The national report for the audit of Paediatrics Diabetes was reviewed by the Paediatrics Diabetes Team and the Trust Clinical Effectiveness Group. Most of the recommendations are already in place. An action plan is in place to improve: • coding of diabetes related admissions • develop a structured education for paediatric self-management during inter-current illness and episodes of hypoglycaemia for this patient group.
National Emergency Laparotomy Audit	General Surgery	The Trust participated in the National Emergency Laparotomy Audit (NELA). Both sites performed above national average for most indicators, this is a key achievement when compared to previous audit results. However, the Trust needs to improve on case ascertainment in line with national average and reporting of CT scan before surgery by a consultant radiologist. These were the lowest scoring indicators.

National clinical audit	Department leading review	Summary and agreed actions arising from national clinical audits
National Oesophago-Gastric Cancer Audit (NOGCA)	Cancer Services	The National Oesophago-Gastric Cancer Audit (NOGCA) was reviewed by the Trust Multidisciplinary teams. The overall results for key data are in line with national average.
Falls and Fragility Fractures Audit programme (FFFAP)	Falls Steering Group	The National Falls Report was reviewed by the Trust Falls Steering Group. Most of the national recommendations were met. The following improvements were made to meet those recommendation that were partially met: • Falls risk assessment tool (FRAT) has been updated in line with NICE Guidelines. • New falls care plan to include continence management, regular spot checks audits to assess whether mobility aids and call bell are within the patient's reach and visual impairment.
National Audit of Dementia	Dementia Team	The Trust performance has been mixed across both sites. WMUH site scored above national average for most of the audit criteria including clinical assessment for delirium (90%, national average 85%). CWH scored below average for most of the clinical criteria including clinical assessment for delirium (39%, national average 85%). The Trust intends to take the following actions to meet the national recommendations: • Review the system in place to ensure that all staff in the ward or care area are aware of the person's dementia or condition. • Develop training and knowledge framework or strategy that identifies necessary skill for working with and caring for people with dementia • Review the care pathways for people with dementia and delirium to include falls, fractured hips, UTIs, chest infections and stroke.
Sentinel Stroke National Audit programme (SSNAP)	Stroke Service	The Trust performance for the National Stroke Audit was reviewed by the Stroke Service. The Trust is partially compliant with six out of eight applicable recommendations. An action plan to achieve the following compliance is in place: • Review discharges to ensure patients with stroke are offered a structured health and social care review at 6 months and annually as per NICE Quality Standards and National Stroke Strategy. • Review staffing and recruit for a stroke specialist psychologist and stroke physician.
Bowel Cancer (NBOCAP)	Cancer Services	The National Bowel Cancer report was reviewed by the Cancer Services. The overall results for key data are in line with national average.
National Heart Failure Audit (NICOR)	Cardiology	A total of 514 patient data was submitted for both sites, the audit results are mostly above or in line with national average. Achievement for patients admitted with heart failure receiving an echocardiogram is above the national average. (99%- CWH and 96%-WMUH). A lower than national average score for WMUH for an input from a heart failure specialist, (62%, national average 79%). Both sites scored below national average for referral to cardiac rehabilitation and to heart failure nurse follow up. An action plan is in place to ensure: • Referral for cardiac rehabilitation, and an appointment to see a member of the Heart Failure team within 2 weeks, is made before the patient leaves hospital. • An introduction of a new heart failure discharge clinic on both sites. • Staffing review for specialist care including recruitment of a heart failure cardiologist and nurse.
National Diabetes Transition Audit Report	Diabetes Service	The Trust National Diabetes audit report was reviewed by the Diabetes Service and the Trust Clinical Effectiveness Group. The National audit was carried out to measure the care of young people with diabetes during the transition from paediatric diabetes services to adult diabetes services. The report covers young people with Type 1 diabetes. The least variation in care process was found where transition occurred between the age of 16 and 19 years. There is a decrease in the achievement of targets post-transition compared to pre-transition for blood pressure and serum cholesterol, along with checking for early evidence of kidney damage. The Trust has met most of the recommendations from this audit and an action plan is in place to meet those that are partially compliant.

National clinical audit	Department leading review	Summary and agreed actions arising from national clinical audits
Asthma (paediatric and adult) care in emergency departments		The Trust is compliant with 2/5 recommendations, the results was presented to clinical staff at the Trustwide Clinical Governance half day meeting. The Trust has an action plan for the following service improvement as a result of the audit recommendation: • Create a patient leaflet to include inhaler type/technique/steroids and follow up. • Create proforma to improve documentation and act as an aide memoir for assessment. • Schedule weekly NEWS audit continues to demonstrate excellent compliance with vital sign recording
Myocardial Ischaemia National Audit Project (MINAP)		The trust is fully compliant with 9/10 of the national audit recommendations. An action plan is in place to ensure that patients have access to timely angiography within 72 hours of admission to hospital.

Local clinical audit projects reviewed by the Trust

The reports of a random selection of 12 of 315 local clinical audits were reviewed by the provider in 2017/18. The Trust intends to take the following actions to improve the quality of healthcare provided. Below are examples from across the Trust that demonstrate some of the ongoing actions taken to improve the safety and effectiveness of our services.

Table 4: Local clinical audit summary

Local Clinical Audits	Summary and agreed actions arising from local clinical audits
Evaluating the completion and documentation of both a postural blood pressure reading and a Glasgow-Blatchford score in patients with a suspected Upper GI Bleed (UGIB) presenting to West Middlesex Hospital Accident & Emergency.	The audit revealed that 5% of cases attending Accident and emergency for UGIB had a documented Glasgow-Blatchford score and were referred to general medicine with a significant UGIB. A significant proportion of patients who were discharged did not have a Glasgow-Blatchford score documented. A postural Blood Pressure was not routinely documented as a standard component of the clinical assessment for a patient with a suspected UGIB. A recommendation to ensure that full documentation for postural blood pressure and Glasgow-Blatchford score should be completed for all patients presenting to the Emergency Department with UGIB.
Audit of implant-based breast reconstructions in breast cancer patients at West Middlesex University Hospital	Sixty-six patients underwent immediate implant-based breast reconstruction. The age ranged from 34 to 73 years. • 52 (78.8%) patients had unilateral reconstructions • 4 (21.8%) had bilateral reconstructions • 18 (27.3%) patients received neo adjuvant chemotherapy and 22 (33.3%) patients had adjuvant chemotherapy. • 29 (44%) patients had adjuvant radiotherapy. Prophylactic antibiotics were administered in all patients during induction, but accurate antibiotic usage data in the post-operative period was unavailable. Complications were noted in 24 (36.4%) patients, infection / cellulitis – 12 (50%), seroma – 10 (42%), wound breakdown – 2 (8%). The implants could not be salvaged in 13 patients (19.7%) of whom 2 were bilateral. There has been a total of 15 implant losses (18.75%) which is significantly higher than the BAPRAS guidelines of 5% at 3 months. The recommendations from this audit is to introduce a protocol for patient selection, antibiotic usage and a post-operative treatment.
Management of allergic reactions in paediatric oncology patients receiving blood products and chemotherapy	A total of 31 paediatric shared care oncology notes were audited. The results revealed that only 12 patients received chemotherapy, blood products, immunoglobulins and albumin. 6(50%) of these patients had allergies reactions recorded. One patient had anaphylaxis order set pre-prescribed. Recommendations from this audit includes ensuring: • anaphylaxis order sets should be prescribed for all paediatric oncology patients receiving blood products and chemotherapy • introduce an additional tick box at the bottom of the chemotherapy proforma • educate doctors in the department • check compliance by re-auditing

Local Clinical Audits	Summary and agreed actions arising from local clinical audits
An audit of Adult Total Parenteral Nutrition (TPN) use at Chelsea and Westminster Hospital site	The audit revealed a decrease in inappropriate TPN prescriptions and the number of patients on TPN for 5 days or less. The introduction of a gastroenterology consultant on the TPN ward round has improved TPN prescription, by rationalising indications for TPN use, and the phasing out of the out of hours TPN initiation.
Audit of Presentations of neutropenic sepsis	The audit revealed that 40% of patient presented with fever met the criteria for neutropenic sepsis with most attending the Emergency Department out of hours. Assessment and Risk stratification were not completed for all patients meeting the criteria at 0 hour and 48 hours. 70% of the case received IV antibiotics within 1-2 hours as per guideline. Recommendations from this audit is to raise awareness of assessing patients that meets the neutropenic sepsis at 0 and 48 hours and to ensure all relevant patients received IV antibiotics within 1-2 hours. The introduction of a newly designed proforma to ensure adherence to the guidelines is now in place and a re-audit is planned to assess compliance.
Sedation & MRI Audit	A retrospective audit of 23 paediatrics notes who underwent MRI. The audit revealed that 66% had no documented clinical examination/history or medication history recorded. 78% had no physical examination recorded. 15% had no fasting documentation 25% had no record of consent. 100% had allergies recorded. 45% had no documentation of O2 saturations during MRI. The outcome of this audit has resulted in the introduction of a Paediatrics Sedation Guideline. Awareness raised with all clinical staff regarding the documentation of all clinical assessments and monitoring after a sedated MRI.
Audit of Tuberculosis (TB) screening process in children	Seventy-seven cases were audited, a total 64 patients were referred due to TB contact and the remainder for pulmonary contact. 4 patients had not received the Bacillus Calmette–Guérin (BCG) vaccine. The overall screening process was in line with NICE guidelines and patients were seen in a timely manner. The recommendation is for a re-audit after local TB policy is reviewed and updated to reflect the changes in the latest updates of the NICE TB Guidelines.
Audit of Induction of Labour (IOL)	The number of inductions for a three months audit period was 27.6% Birth outcome data: SVB 46.5%, Kiwi/Vent 13.5%, Forceps 11% and EMCS 29%. The audit revealed that the community midwives are almost consistently documenting their discussion regarding IOL and the appropriate Indications for IOL most of the time. Inductions were performed at recommended gestations. Recommendations includes the review of antenatal pathway for IOL. To improve documentation of discussion in patient notes by all healthcare professionals and review and update the IOL guidelines including booking process.
An audit of the process of consent in chronic groin pain after inguinal hernia repair	The outcome of this audit resulted in the implementation of leaflets explaining the risks of procedure during the consent process. An education session on chronic groin pain was held for clinical staff and to raise awareness of documenting the management of post-operative pain after inguinal hernia repair. Re-audit of notes to re assess implementation and effect.
Improving length of stay for elective total hip replacement patients	Following implementation of the action plan from the previous audit. A period of re-audit was undertaken to include all elective total hip replacement patients listed for a period of 4 months. Key improvements were noted in the mean length of stay (reduce from 4.6 to 3.8) and number of patients stay less than 3 days rose from 42.6% to 65.2%. A recommendation to maintain the improvements and to consider updating the Trust's enhanced recovery programme.
An Audit Investigating the Completion of 'Do Not Attempt Cardio-Pulmonary Resuscitation'(DNACPR) Orders at West Middlesex University Hospital	The audit of DNACPR forms was carried out across several wards. The majority were completed appropriately, documenting patient and family involvement. This included decisions to withdraw or cancel DNACPRs. The incomplete forms were mainly due to the patient's consultant not countersigning the form in a timely manner and mental capacity assessments not fully documented. The audit results were disseminated to all clinical staff to raise awareness of the importance of fully completing all sections of the form and a re-audit is planned.
Audit of Outcomes for Bilateral Tubal Ligation (BTL)	Forty-four sets of patient notes were audited, the audit revealed that some patients were not being sufficiently counselled regarding other options, failure rate of BTL and given sufficient time to make decision. The audit highlighted some inconsistencies in consent process and not all risks quoted in line with guidance. Recommendations are to develop a local guideline to include patient information leaflet. A re-audit is planned after implementation of local guideline to assess compliance.

Commitment to research as a driver for improving the quality of care and patient experience

6,595 patients receiving relevant health services provided or sub-contracted by the Trust in 2017/18 were recruited during that period to participate in research approved by a research ethics committee.

Participation in clinical research demonstrates the Trust's commitment to improving the quality of care we offer and to making our contribution to wider health improvement. Our clinical staff staying abreast of the latest treatment possibilities and active participation in research leads to successful patient outcomes.

The Trust was involved in conducting 290 research studies in 2017/18 in A&E, anaesthesia, critical care, diabetes, ENT (ear, nose and throat), maternity, ophthalmology, surgery, metabolic and endocrine, sexual health, genetics, neurology, neonatology, infection, urology, cancer, gastroenterology, paediatric, haematology, respiratory, cardiology, rheumatology, dermatology and stroke. The improvement in patient health outcomes demonstrates the Trust's commitment to clinical research which leads to better treatments for patients.

120 Trust staff members participated in research as principal investigators for research studies approved by a research ethics committee at the Trust during 2017/18.

In the last three years, our involvement in research and audits has resulted in 1,082 publications, which shows our commitment to transparency and our desire to improve patient outcomes and experience across the NHS.

Our engagement with clinical research also demonstrates the Trust's commitment to testing and offering the latest medical treatments and techniques.

Commissioning for quality and innovation (CQUIN) payment framework

Every year the Trust agrees a number of quality indicators with its commissioners. The indicators cover areas of patient safety, patient experience and clinical effectiveness.

A proportion of the Trust's income in 2016/17 was conditional on achieving quality improvement and innovation goals agreed between the Trust and any person or body with whom we entered into a contract, agreement or arrangement for the provision of relevant health services through the commissioning for quality and innovation (CQUIN) payment framework.

Further details of the agreed goals for 2016/17 and for the following 12-month period will be published on the Trust's website www.chelwest.nhs.uk.

The tables on the following pages detail the payment received by the Trust for the achievement against each of the indicators for 2017/18 and sets out the goals for 2018/19. Q4 milestones are yet to be signed off by commissioners and therefore the numbers in the table are based on the Trust's forecasts.

Description of CQUIN	Quality priorities	Forecast achievement %	Forecast achievement £000	Total value allocated to each CQUIN £000	Comments
Nationally Agreed CQUIN Indicators					
Provision of Staff Wellbeing Initiatives	Patient safety, clinical effectiveness and patient experience	63%	£477	£763	Q1-3 achieved in full, risk on Q4 milestones.
Promotion of Healthy Eating to staff, patients and visitors	Patient safety, clinical effectiveness and patient experience	60%	£458	£763	Q1-3 achieved in full, risk on Q4 milestones.
Staff Influenza Vaccination	Patient safety, clinical effectiveness and patient experience	100%	£763	£763	Forecast to be achieved in full
Sepsis (screening & antibiotic administration & Review) - Emergency Department	Patient safety, clinical effectiveness and patient experience	80%	£305	£382	Partial compliance against target for sepsis screening
Sepsis (screening & antibiotic administration & Review) - Inpatients	Patient safety, clinical effectiveness and patient experience	80%	£305	£382	Partial compliance against target for sepsis screening
Anti-microbial Resistance - reduction in antibiotic usage	Patient safety, clinical effectiveness and patient experience	50%	£191	£382	Forecast partial compliance against target for reduction in antibiotic usage
Anti-microbial Resistance - empiric review of prescribing	Patient safety, clinical effectiveness and patient experience	88%	£334	£382	Q1-3 achieved in full, risk on Q4 milestones.
Implementation of Clinical Utilisation Review systems	Patient safety, clinical effectiveness and patient experience	0%	£0	£286	Non-achievement, as the Trust has chosen not to pursue this CQUIN scheme
Enhanced Supportive Care for Care Patients	Patient safety, clinical effectiveness and patient experience	100%	£143	£143	Forecast to be achieved in full
Chemotherapy Dose Banding	Patient safety, clinical effectiveness and patient experience	100%	£143	£143	Forecast to be achieved in full
Regionally Agreed CQUIN Indicators					
NW London IT & IG Strategy & Governance	Patient safety, clinical effectiveness and patient experience	100%	£191	£191	Forecast to be achieved in full
Sharing of Integrated Care Plans	Patient safety, clinical effectiveness and patient experience	100%	£382	£382	Forecast to be achieved in full
Improve Communication method for GP follow ups to Trust Clinical Services	Patient safety, clinical effectiveness and patient experience	93%	£1,765	£1,908	Q1-3 achieved in full, risk on Q4 milestones.
Electronic Clinical Correspondence	Patient safety, clinical effectiveness and patient experience	88%	£334	£382	Q1-3 achieved in full, risk on Q4 milestones.
NW London Data Quality	Patient safety, clinical effectiveness and patient experience	100%	£191	£191	Forecast to be achieved in full
Dental Schemes—recording of data, participation in referral management & participation in networks	Patient safety, clinical effectiveness and patient experience	100%	£110	£110	Forecast to be achieved in full
Locally Agreed CQUIN Indicators					
Blueteq Implementation for High Cost Drugs Approvals	Patient safety, clinical effectiveness and patient experience	93%	£672	£763	Q1-3 achieved in full, risk on Q4 milestones, due to tougher year-end target.
Richmond OBC Engagement	Clinical effectiveness and patient experience	100%	£100	£100	Forecast to be achieved in full
Timely Discharge Communication with Wandsworth CAHS	Patient safety, clinical effectiveness and patient experience	100%	£287	£287	Forecast to be achieved in full
Developing Telemedicine	Patient safety, clinical effectiveness and patient experience	100%	£206	£206	Forecast to be achieved in full
ARV Switch for HIV patients	Clinical effectiveness	100%	£326	£326	Forecast to be achieved in full
Reducing Ventilator Associated Pneumonia	Patient safety, clinical effectiveness and patient experience	100%	£40	£40	Forecast to be achieved in full
Total Forecast Achievement		**83.3%**	**£7,723**	**£9,274**	
Total achieved by CWFT for 2015/16 was 93.9%, £2.2m out of a maximum of £2.3m. In 2015/16 CQUIN only applied to West Middlesex, but in 2016/17 it applies to both sites.					

For 2017–19, 12 CQUINS have been agreed—7 national and 5 for specialised commissioning.

National	Description
Improving staff health and wellbeing	To Improve the support available to NHS Staff to help promote their health and wellbeing in order for them to remain healthy and well.
Reducing the impact of serious infections (Antimicrobial Resistance and Sepsis)	Timely identification and treatment for sepsis and a reduction of clinically inappropriate antibiotic prescription and consumption.
Improving services for people with mental health needs who present to A&E	Ensuring that people presenting at A&E with mental health needs have these met more effectively through an improved, integrated service, reducing their future attendances at A&E.
Offering Advice and guidance	Improvement in access for GPs to consultant advice prior to referring patients in to secondary care.
NHS eReferrals (2017/18 scheme only)	All providers to publish all of their services and make all first outpatient appointment slots available on e-referral service by 31 Mar 2018.
Supporting safe and proactive discharge	Enabling patients to get back to their usual place of residence in a timely and safe way.
Preventing ill health by risky behaviours (2018/19 scheme only)	To support people to change their behaviour to reduce the risk to their health from alcohol and tobacco.

Specialised commissioning	Description
Enhanced supportive care	The scheme seeks to ensure patients with advanced cancer are, where appropriate, referred to a supportive care team, to secure better outcomes and avoidance of inappropriate aggressive treatments.
Nationally standardised dose banding for adult intravenous anticancer therapy	A national incentive to standardise the doses of SACT in all units across England in order to increase safety, to increase efficiency and to support the parity of care across all NHS providers of SACT in England. A set of dose-banding principles and dosage tables have been developed by a small team of Pharmacists supported by the Medicines Optimisation CRG.
Optimising palliative chemotherapy decision-making	Provision of optimal care for by employing SACT to review the full effect of treatment for patients with advanced cancer, starting or continuing chemotherapy by ensuring direct consultation with peers and the shared decision with the patient.
Hospital medicines optimisation	Improvement in productivity and performance in related medicines, by unifying hospital pharmacy transformation programme (HPTP) plans and commissioning intentions to determine best practice and effective remedial interventions.
Neonatal community outreach	Ensure that neonatal units are running at safe levels by improving utilisation of intensive care and high dependency capacity, through early discharge and community support, with an impact on patient flows and improvement in service provision.

Registration with the Care Quality Commission (CQC)

The CQC is the independent regulator of health and adult social care in England. They register, and therefore license, providers of care services if they meet essential standards of quality and safety. They monitor licensed organisations on a regular basis to ensure that they continue to meet these standards.

The Trust is required to register with the CQC and its current registration status is ‘fully registered’. The Trust has ‘no conditions’ on registration. The CQC has not taken enforcement action against the Trust during 2017/18. To find out more about the CQC visit www.cqc.org.uk.

The Trust has not participated in any special reviews or investigations by the CQC during 2017/18.

Secondary Uses Service (SUS) information

The Trust submitted 1,426,879 records during Apr 2017–Mar 2018 to the SUS for inclusion in hospital episode statistics which are included in the latest published data. We are not able to obtain best/worst figures for 'NHS number completeness' and 'GMC practice code completeness'. We have the national mean, which is the most important reference point.

Valid NHS number

	2017/18	2016/17	National Performance		
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust	Worst	Best	Mean
A&E	97.4%	91.6%	–	–	96.7%
Outpatients	97.2%	94.0%	–	–	99.5%
Admitted patient care	96.8%	97.0%	–	–	99.3%

General medical practice code

	2017/18	2016/17	National Performance		
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust	Worst	Best	Mean
A&E	97.1%	99.8%	–	–	99.0%
Outpatients	99.9%	99.9%	–	–	99.8%
Admitted patient care	99.4%	99.9%	–	–	99.9%

Information governance toolkit attainment levels

Information governance concerns the way organisations process or handle information. It covers information relating to patients and staff as well as corporate information and helps ensure the information is handled appropriately and securely.

The information governance toolkit is an online self-assessment tool that enables NHS organisations and their partnering bodies to measure how well they are complying with Department of Health standards on the correct and secure handling of data, and how well they are protecting data from unauthorised access, loss, and damage. The attainment level assessed within the information governance toolkit provides an overall measure of the quality of data systems, standards and processes across six main areas (see table below).

The toolkit sets out specific criteria that enable performance to be assessed based on submitted evidence, resulting in a score between 0 and 3 for each of the 45 requirements for acute trusts. Level 2 for all 45 requirements needs to be achieved to get to 'satisfactory' status.

The Trust information governance assessment report overall score for 2017/18 was 71% and was graded green (satisfactory). Last year's assessment for the toolkit was changed to satisfactory with improvement plan following audit. For more information about the information governance toolkit please visit www.igt.hscic.gov.uk.

IG Toolkit v14.1 Assessment scores 2017/18

Assessment	Level 0	Level 1	Level 2	Level 3	Total Req'ts	Overall Score	Self-assessed grade
Information Governance Management	0	0	3	2	5	80%	Satisfactory
Confidentiality and Data Protection Assurance	0	0	9	0	9	66%	Satisfactory
Information Security Assurance	0	0	15	0	15	66%	Satisfactory
Clinical Information Assurance	0	0	4	1	5	73%	Satisfactory
Secondary Use Assurance	0	0	5	3	8	79%	Satisfactory
Corporate Information Assurance	0	0	3	0	3	66%	Satisfactory
Version14.1 (2017/18)—Overall	0	0	39	6	45	71%	Satisfactory

Clinical coding error rate

The Chelsea and Westminster Hospital site was not subject to the payment by results clinical coding audit during 2017/18. The West Middlesex University Hospital site was not subject to the payment by results clinical coding audit during 2017/18.

Data quality

The Trust has been/will be taking the following action to improve data quality:

- External audits from KPMG, NHSI and a review from Deloitte. Key themes and actions from these audits are fed in to the data quality steering group for ongoing monitoring and oversight and form a key part of the 2018/19 work plan.
- Validation of RTT data is undertaken by the performance team at C&W and the RTT validation team at WMUH.
- Establishment of a data quality team is underway (deputy CEO as the executive lead).
- Data quality steering group will be reviewing and republishing the data quality policy.
- A data quality dashboard has been procured to monitor and enforce correct system usage at both sites. Where retraining is required, this will be highlighted to the relevant line manager. This is especially key for the EPR go-lives.
- Known data quality issues should be logged by the performance team/data quality team and, for recurring issues, a root cause analysis should be completed to understand the cause. A corrective action plan will be developed to support the relevant service to improve the quality of data input and reported. Data quality issues that are chronic will be tackled by ad hoc temporary staff as to not impact operational activities.

Learning from deaths

During 2017/18, 1,329 patients died at the Trust. This comprised the following number of deaths in each quarter of that reporting period:

- 289 in Q1
- 294 in Q2
- 352 in Q3
- 395 in Q4

By 12 Apr 2018, 777 case record reviews and 16 investigations have been carried out in relation to the 1,329 deaths.

In 16 cases, a death was subjected to both a case record review and an investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 236 in Q1
- 219 in Q2
- 201 in Q3
- 121 in Q4

0 representing 0% of the patient deaths during the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient. In relation to each quarter, this consisted of:

- 0 representing 0% for Q1
- 0 representing 0% for Q2
- 0 representing 0% for Q3
- 0 representing 0% for Q4

These numbers have been estimated following case record review (777 cases) and root cause analysis (16 investigations). The impact of problems in care provision is graded using the classification system initially developed within the Confidential Enquiry into Stillbirth and Deaths in Infancy (CESDI).

CESDI outcome grading system:

- **Grade 0:** Unavoidable death, no suboptimal care
- **Grade 1:** Unavoidable death, suboptimal care, but different management would not have made a difference to the outcome
- **Grade 2:** Suboptimal care, but different care *might* have affected the outcome (possibly avoidable death)
- **Grade 3:** Suboptimal care, different care *would reasonably be expected* to have affected the outcome (probable avoidable death)

No deaths within this reporting period were categorised as CESDI grade 3.

Excellent clinical care is provided to the majority of patients who die at the Trust, however areas for improvement are identified via the case record review process. Key themes for improvement identified via this route include:

- The recognition, escalation and response to deteriorating patients
- The establishment of, and ongoing, communication with patients and their families regarding ceilings of care
- The timely transportation of patients between Trust sites and other organisations

Where case record review or investigation identified potential areas for improvement individual actions plans are developed to support monitor change delivery. Learning from case record review is scrutinised by the organisations mortality surveillance group (MSG).

During this reporting period the MSG has initiated the following organisation-wide actions to support learning and improve outcomes:

- Triangulated learning from mortality review and incident investigation
- Examined timeframes (days/hours) where provision of care has been concluded to be less than optimal for dying patients—information used to support review of service provision
- Expanded provision of specialist palliative care services
- Expanded provision of clinical site management and senior house officers
- Revised handover arrangement
- Introduced safety huddles within maternity
- Developed guidance to support transfer between the special care baby unit and paediatric ward
- Reviewed and relaunched the early warning score policy
- Initiated multiple channels of communication to cascade learning from deaths to all staff

The following actions are proposed for 2018/19:

- Thematic review of cases involving the availability of interventional radiology
- Thematic review of hospital transfers and audit of the organisations transfer policy

The impact of the case record review process and the associated improvement actions can be assessed using the Hospital Standardised Mortality Ratio (HSMR). On 6 Apr 2018 the relative risk of mortality at the Trust between Jan 2017 and Dec 2017 was 79.1 (74.7–83.6)—this is below the expected range. 10 consecutive months of low relative risk, where the upper confidence limit fell below the national benchmark, have been experienced between Mar 2017 and Dec 2017. This represents a step change improvement in the relative risk of mortality within the Trust.

290 case record reviews and 9 investigations completed after 1 Apr 2017 which related to deaths which took place before the start of the reporting period.

1 case review/investigation (representing 0.08% of total deaths in 2016/17) was judged to be more likely than not to have been due to problems in the care provided to the patient. This number has been estimated following case record review (290 deaths occurring in 2016/17 but care record reviews completed within 2017/18) and root cases analysis (9 deaths occurring in 2016/17 but root cause analysis investigation completed within 2017/18).

3 deaths representing 0.24% of the patient deaths (during the previous reporting period) are judged to be more likely than not to have been due to problems in the care provided to the patient.

Reporting against core indicators

The following data outlines the Trust performance on a selected core set of Indicators. Comparative data shown is sourced from the Health and Social Care Information Centre (HSCIC) where available. Where the data is not available from the HSCIC then other sources, as indicated, have been used. Where data has not been published this is indicated as ‘dnp’ (data not published).

Core indicators

Summary hospital level mortality indicator (SHMI)

	2016/17	2017/18	National Performance		
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust	Worst	Best	Mean
Summary hospital level mortality indicator ("SHMI")	0.8 (better than expected)	0.8 (better than expected)	1.2	0.7	1.0

(The SHMI reporting period for 2017/18 Jul 2016–Jun 2017)

The Trust considers that this data is as described for the following reason:

- The Trust maintains good performance with regards to mortality and has seen a sustained steady improvement in the key national indicators which compares performance with peers—HSMR and SHMI.

The Trust intends to take the following actions to improve this indicator, and so the quality of its services, by:

- Mortality surveillance and assurance is provided through scrutiny and analysis of information both from internal mortality reviews and Serious Incidents and from external data and potential alerts from HES, NHS Digital, SHMI and Dr Foster.

- A dedicated bespoke mortality review module has been developed within the Datix Safety System and feeds information to clinical teams to prompt specialty mortality reviews and learning.

- Learning system—the module supports and provides a single repository for all inpatient deaths providing a platform for the recording and analysis of consultant led-reviews, and any adverse findings trigger further action plans/learning and more in-depth reviews if required.

- Trends or themes identified at the mortality surveillance group are listed for further investigation or review within the Trust mortality management plan.

Percentage of patient deaths with palliative care coded at either diagnosis or specialty level

	2016/17	2017/18	National Performance		
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust	Worst	Best	Mean
Percentage of patient deaths with palliative care coded	31.5%	32.0%	11.5	59.8	31.6

(National figures are for Oct 2016–Sep 2017)

The Trust considers that this data is as described for the following reason:

- The ongoing increase in recorded palliative care activity compared to the previous years is noted. This is reassuring and compares well with the national pattern of specialist palliative care service delivery.

The Trust has taken the following actions to improve this percentage, and so the quality of its services, by:

- Better-established palliative care teams on both sites
- Recording palliative care team contact in the health record

Patient-related outcome measures (PROMs)

Patients undergoing elective inpatient surgery for four common elective procedures (hip and knee replacement, varicose vein surgery and groin hernia surgery) funded by the English NHS are asked to complete questionnaires before and after their operations to assess improvement in health as perceived by the patients themselves. PROMs data can be used to inform changes in service delivery. The scores reported are adjusted health gain as per national definition. The national performance is taken from the most recent nationally published data which is for the period Apr 2016–Sep 2017. National scores have not been published for this period at the time of writing the report. For 2017/18 there are insufficient responses from C&W and WMUH to enable national reporting and no data is available locally.

Readmission rate (28 days)—0–15 Age

There are no longer published national statistics on readmissions within 28 days, so we have no national comparators to include.

	2016/17	2017/18	National Performance		
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust	Worst	Best	Mean
Readmission (28 days) (0–15) (P00902)	1.7%	2.3%	–	–	–

The Trust considers that this data is as described for the following reason:

- The readmission rate on both sites, although showing a slight increase for 2017/18, has remained at a relatively low level. The indicators are reviewed as part of standard governance procedures in place within the Trust and any anomalies investigated.

The Trust has taken the following actions to improve this percentage, and so the quality of its services, by:

- Both hospital sites have senior paediatric medical cover in line with the RCPCH guidelines from 8am–10pm, 7 days a week, aiding in both the assessment of children presenting for treatment and those who are deemed fit for discharge.

- A Paediatric Assessment Unit (PAU) model was introduced at the WMUH site in 2015/16 and this had a positive impact on the readmission rate during 2016/17. The pathway has since been further refined and the introduction of paediatric consultants in emergency medicine to the A&E Department has also had a significant positive impact on the acute pathway.

- On both sites there are protected rapid access slots in outpatients which enable ongoing care to be accessed quickly, without an inpatient admission.

Readmission rate (28 days)—16+ Age

There are no longer published national statistics on readmissions within 28 days, so we have no national comparators to include.

	2016/17	2017/18	National Performance		
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust	Worst	Best	Mean
Readmission (28 days) (16+) (P00902)	6.1%	7.2%	–	–	–

The Trust considers that this data is as described for the following reason:

- The indicators are reviewed as part of the bed productivity meeting within the Trust and any anomalies investigated and actions identified to address them

The Trust intends to take the following actions to improve this percentage, and so the quality of its services, by focusing on:

- **Readmissions audit:** An audit was undertaken looking at sample of patient cases where a readmission had occurred within 30 days. The findings showed that about 40% of the sample were readmitted with a different medical reason and were seemingly unavoidable. Around 10% were already known to social services and this has prompted further consideration of how we can improve pathways with social services and community partners for this cohort of patients—for example, the Red Bag Scheme for care home residents. There was also a cohort of patients, around 10–15% of the audit, where the readmission related to a transfer or care, or where the patient returned to an acute observation area. This has prompted discussions with commissioners about how these attendances and transfers are recorded.

- **Patient flow and discharge initiatives:** There are a number of initiatives which have been coordinated via the Bed Productivity programme board which have aimed to improve readmission rates:

    - **Red to green days:** The initiative is now fully rolled out across our main downstream wards (medical and surgical). It provides daily identification of issues causing delays to care delivery and discharge, allowing action to be taken by the ward multidisciplinary team or to be escalated for support.
    - **Ambulatory care:** For 2018/19 there will be a continued focus on enhancing the ambulatory care services.
    - **7-day therapies:** Following successful pilots, 7-day therapies provision for medical rehabilitation teams has commenced on both sites. This enables timelier therapies intervention and discharges across a 7-day period, enabling earlier discharges and reducing the time to be seen by the therapies team.
    - **Home first:** The aim of this project is to discharge patients when medically fit allowing for therapies and social care/reablement assessments to take place in the patient's home using a discharge to assess pathway. The benefits are length of stay reduction, and reduction in the care needs once assessed in the patient's own environment. It is hoped that this will impact on readmission rates.
    - **Expansion of the discharge team:** This includes the introduction of a 2 before 12 (2B412) discharge assistant role assigned to wards to support discharge planning and ensure timely discharges.

Responsiveness to personal needs

	2016/17	2017/18	National Performance		
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust	Worst	Best	Mean
Response to personal needs (P01779)	65.7%	DNP	60%%	85.2%	68.1%

The table includes results from the national patient survey 2016/17 which was published in August 2017. The results for 2017/18 are not yet available. There are a number of actions underway to improve survey results.

This indicator forms part of the national patient safety survey and is reviewed alongside the Friends and Family Test (FFT), complaints and incidents and not in isolation.

The Trust has taken the following actions to improve this indicator, and so the quality of its services, by:

- Patient experience is a priority for the organisation. The 2016/17 inpatient survey has shown some improvements from the previous year yet highlights room for improvements regarding care and treatment, which fits with 'response to personal needs'.

- An inpatient action plan for 2018/19 is in development with staff which will be continuously monitored alongside the FFT and will incorporate any recommendations from the CQC report.

- The patient experience group reviews the survey results along with other key metrics. Divisional leads are responsible for taking forward actions within their areas and reporting back to the Trust patient experience group.

- Divisional patient experience metrics are in place and there is emphasis on staff engagement to share good practice and also improve on the negative themes from results.

Staff recommending our Trust

	2016/17	2017/18	National Performance
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust	
Staff recommend Trust	73%	78%	71%

The Trust considers that this data is as described for the following reason:

- The indicators are reviewed as part of workforce reporting within the Trust and any anomalies investigated.

The Trust has taken the following actions to improve this percentage, and so the quality of its services, by:

- As a result of the findings of the 2016 staff survey, the Trust implemented a two-year staff experience action plan which was devised in conjunction with staff who were invited to a series of focus groups. This plan is broken down into eight areas of focus, with a number of specific actions within each of these.

- In 2017 we have seen an increase in staff response to the questions relating to staff recommending the organisation as a place to work or receive treatment. For these questions there has been an increase of 5% meaning that 69% of staff would now recommend the Trust as a place to work (against a national average of 61%), and 78% of staff would recommend the Trust as a place to be treated (against a national average of 71%).

Venous thromboembolism assessment

	2016/17	2017/18	National Performance		
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust	Worst	Best	Mean
% of admitted patients risk assessed for VTE	93.0%	86.1%	76.1%	100%	95.3

(National figures are Oct–Dec 2017)

The Trust considers that this data is as described for the following reasons:

- The national target (≥95%) of adult patients with completed VTE risk assessments on admission to hospital was not achieved at both hospital sites for 2017/18, however audit demonstrates that patients are receiving appropriate prophylaxis.

- At WMUH, VTE risk assessment performance is unlikely to improve due to the current IT infrastructure which does not support VTE risk assessment processes

- There is monitoring of VTE risk assessment completion rates with circulation of performance reports to divisions to address and target areas to improve performance

- Audits on whether patients at risk of VTE are prescribed appropriate pharmacological and mechanical thromboprophylaxis (if indicated), unless contraindicated, are performed on a quarterly basis by pharmacy staff. More than 90% of patients at risk of VTE are prescribed appropriate thromboprophylaxis. Feedback on appropriate pharmacological and mechanical thromboprophylaxis is disseminated to divisions and clinical leads.

The Trust has taken the following additional actions to improve performance and quality of its services by:

C&W site

- Weekly and monthly monitoring of VTE risk assessment performance, with circulation of reports to divisions, and support to those departments not meeting target

WMUH site

- The VTE steering group explored changes to the VTE risk assessment on RealTime with a full review and options appraisal, however this was deemed not feasible as resources were allocated to CernerEPR project

- VTE risk assessment performance is unlikely to improve until CernerEPR implementation as the current IT infrastructure does not support VTE risk assessment processes

- Collaboration with the information team to introduce VTE risk assessment performance reports (by division and ward) to feed back on completion rates in a timely manner for divisions to address performance

- Introduction of a pathway for hospital associated VTE events (identification and reporting) and root cause analysis investigation via radiology alerts and Datix system. Learning from VTE/anticoagulation incidents and hospital associated VTE events is shared among staff/departments.

VTE effectiveness at both sites

- The Thrombosis and Thromboprophylaxis Group is delivering the local VTE prevention programme across both sites.

- The Trust passed the revalidation process and retained 'VTE Exemplar Centre' status by the NHS VTE Exemplar Centre Network, via NHS England, for its delivery of the local VTE prevention programme at both hospital sites. There are 28 VTE Exemplar Centres in England and Wales, of which the Trust is one of four London trusts with 'VTE Exemplar Centre' status. As part of the VTE Exemplar Network, the Trust has been recognised for the provision of quality VTE prevention measures, working with the patient safety collaboratives to drive improvement, and contribution to the national VTE prevention programme working to reduce avoidable harm and improve outcomes for patients.

- Harmonisation of cross-site anticoagulation/VTE guidelines (more than 20 clinical guidelines) including bespoke anticoagulation pocket guides covering VTE prevention and treatment.

- Introduction, harmonisation and standardisation of VTE pathways in clinical settings.

- Delivery of a local strategy to manage the global shortage of Clexane® (low molecular weight heparin) affecting adult patients who require VTE prevention or treatment.

- Anticoagulation incidents are reviewed for both sites with education provided to departments and any changes to practice to prevent future recurrence.

- Ongoing VTE awareness and education provided to medical, nursing/midwifery and pharmacy staff.

- Ongoing developments to standardise VTE mandatory training for junior medical staff across both sites.

- VTE training standardised for nursing/midwifery and pharmacy staff across both sites.

- VTE audits performed to assess clinical practice with feedback to relevant stakeholders/departments, with improvement action plans in place.

- Haematology/pharmacy staff continue to work across both sites to standardise VTE services, and deliver the VTE agenda via Thrombosis and Thromboprophylaxis Group.

C.difficile occurrence

The nationally published data on *C.difficile* is in terms of absolute number, not in terms of per 100,000 bed days.

	2016/17	2017/18	National Performance		
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust	Worst	Best	Mean
C.difficile occurrence per 100k bed days (P01792)	4.2	1.2	147.5	1.7	36.7

(National data 2016/17)

The Trust considers that this data is as described for the following reason:

- The numbers of cases of *C.difficile* infection (CDI) and the rate per 100,000 bed days has fallen year-on-year between 2007/08 and 2017/18.

The Trust has taken the following actions to improve this indicator, and the quality of its services, by:

- Harmonising the Trust policy on the management of diarrhoea across both hospital sites

- Proactive antimicrobial stewardship programme

- Patients to be isolated in a side room within 2 hours of onset of diarrhoeal symptoms with enhanced daily cleaning

- Staff to adhere to strict handwashing with soap and water, rather than the use of alcohol hand rub, when attending cases of diarrhoea

- Availability of handwipes for patients prior to meals along with educating patients, carers and visitors to wash their hands and, in the case of visitors, not to visit their relatives if they have symptoms of diarrhoea and vomiting

- Ongoing training of staff and auditing of practice as set out in the Department of Health high impact interventions

- A root cause analysis (RCA) of each case is undertaken by senior medical and nursing staff caring for the patient, and development of an action plan to address lessons learned which are monitored at the quality and risk meetings

- The outcomes of RCAs are reviewed by the infection prevention and control group

- The use of *C.difficile* packs at both sites to aid early medical review and reduce the number of inappropriate specimens sent

NHS Improvement has set the CDI case objective for 2018/19 as **15**, and the CDI rate objective for 2018/19 of **4.9**, compared with an annual objective of 16 cases in 2017/18.

Number of patient safety incidents that resulted in severe harm or death

The data for this indicator is taken from the National Reporting and Learning System (NRLS).

The figures for lowest and highest scoring hospitals enable comparison with other acute non-specialist NHS Trusts and demonstrate the wide range of incident reporting across the NHS acute sector.

Number and rate of patient safety incidents		Trust	Lowest scoring hospital	Highest scoring hospital
Oct 2016–Mar 2017	Number	4,507	1,301	14,506
	Rate per 1000 bed days	29.18	23.13	68.97
Apr–Sep 2017	Number	4,361	1,133	15,228
	Rate per 1000 bed days	29.16	23.47	111.69

Number and % of patient safety incidents that result in severe harm or death		Trust	Lowest scoring hospital	Highest scoring hospital
Oct 2016–Mar 2017	Number	19	92	1
	%	0.42	1.1	0.02
Apr–Sep 2017	Number	7	121	0
	%	0.16	1.97	0

The Trust considers this data is as described for the following reasons:

- All staff at the Trust are reminded through a number of different channels (for example, induction, safety meetings) that all incidents must be reported on the local incident management system, Datix.

- All incidents reported on Datix are investigated by the clinical team and then quality-checked and reviewed by the quality and clinical governance department prior to upload to the NRLS.

- All patient safety incidents are uploaded to NRLS within the required timeframe.

The Trust has taken/will be taking the following actions to improve this rate and so the quality of its services by:

- Efforts to embed the Datix incident reporting system throughout the organisation continue with an ongoing programme of training and raising awareness. Clinical governance present at meetings—this includes senior nursing and midwifery quality rounds, all staff briefings, divisional away days and quality boards.

- Patient safety incidents continue to be reviewed on a daily basis by the quality and clinical governance department who escalate or take appropriate action when necessary.

- Serious incidents are investigated and the findings used to inform learning and quality improvement.

- Investigation reports continue to be reviewed at local-level through morbidity and mortality meetings or quality meetings, and at Board-level via the monthly serious incident report which is also disseminated widely throughout the organisation.

- The divisional quality boards include incident reporting as a standing item on the agenda as part of the ongoing work to continually improve reporting rates.

- A quarterly incident report summarises incident investigations, pulls out themes and learning and also identifies any trends in incidents. This report is disseminated throughout the organisation.

Part 3: Other information

Performance indicators

During 2017/18, the Trust has performed very well against the key regulatory and contractual performance metrics, including quality and workforce KPIs. The start of the financial year was challenging in the delivery of all three regulatory standards but during the year compliance has shown continuous improvement. Of particular note is the Trust's continued strong performance in delivering A&E, RTT and Cancer access standards, despite unprecedented demand during Q3 and Q4. Below is a summary of some of our key performance indicators for 2017/18. However, this should be read in conjunction with the main narrative of the annual report for a better understanding of the context of these performance measures. You can find details of our current performance, updated on a monthly basis, on our website www.chelwest.nhs.uk.

NHS Improvement risk assurance framework

The table below summarises the performance indicators for the Trust.

	Target 2017/18 combined C&W and WMUH	Performance 2017/18 combined year-end position
Incidents of *Clostridium difficile*	16	4
All cancers: 31-day wait from diagnosis to first treatment	96%	99.0%
All cancers: 31-day wait for second or subsequent treatment: surgery	94%	100.0%
All cancers: 31-day wait for second or subsequent treatment: anti-cancer drug treatments	98%	100.0%
All cancers: 62-day (urgent GP referral to treatment) wait for first treatment	85%	88.8%
Cancer: two week wait from referral to date first seen comprising all cancers	93%	93.9%
Referral to treatment waiting times <18 weeks—incompletes	>92%	91.7%
A&E: Total time in A&E ≤4hrs	95%	94.4%
Self-certification against compliance with requirements regarding access to healthcare for people with a learning disability	yes	yes

Seven-day services

The Trust is implementing the priority clinical standards for seven-day hospitals by focusing on delivering best value for patients and the system.

The Trust has complied with the national requirements to audit seven-day services. We have seen a large improvement in the patients in downstream wards receiving appropriate review, and we have consistently performed well on:

- Initial review and ongoing review in high dependency areas
- Acute medicine consultants provide twice daily ward rounds
- Working closely with our colleagues across North West London, we tested new models of care with a focus on delivering better flow and the four national priority clinical standards for seven-day services
- The Trust has acted as an exemplar across North West London and, as part of the seven-day services programme we have been engaging in pilot studies in:

Frailty

- Dedicated unit for frail patients
- Specialist frailty team for patients at risk of functional deterioration

Therapy

- Additional therapy resource at weekends to reduce functional deterioration, improve patient outcomes and minimise delays in treatment and thereby discharge
- Evidence generated from pilots was subsequently used to inform implementation

Local quality indicators

The local quality indicators are the same as last year. This provides us with an opportunity to review the key indicators that are important to us and the quality of patient care that our patients receive. The indicators chosen are important not just to the Trust, but to North West London as a whole. In determining the indicators, we have focused on where we can embed and sustain improvements and share learning from the wider NHS. In addition, falls and complaints have been reported as a quality priority. Falls and pressure ulcers are linked to the Trust's *Quality Strategy and Plans 2015–18*. Having the same local quality indicators allows us to compare performance year on year. The nine indicators chosen span the domains of patient safety, clinical effectiveness and patient experience with some covering more than one domain.

Patient safety

Pressure ulcers

Prevention of hospital acquired pressure ulcers is crucial to the prevention of harm agenda and has remained a focus for the Trust in 2017/18. The table below provides an overview of the number of incidents reported on the Trust's incident reporting system on both sites during 2017/18 compared to data from the previous two years. This data shows that there has been sustained improvement with a further decrease in the volume of grade 3 and 4 pressure ulcers reported in 2017/18. There has been a further 20% reduction in grade 2 hospital acquired pressure ulcers. The focus in 2018/19 will be to continue to ensure timely accurate reporting. The Trust continues to be engaged in work with NHS Improvement on the prevention and reduction of pressure ulcers across hospital and community.

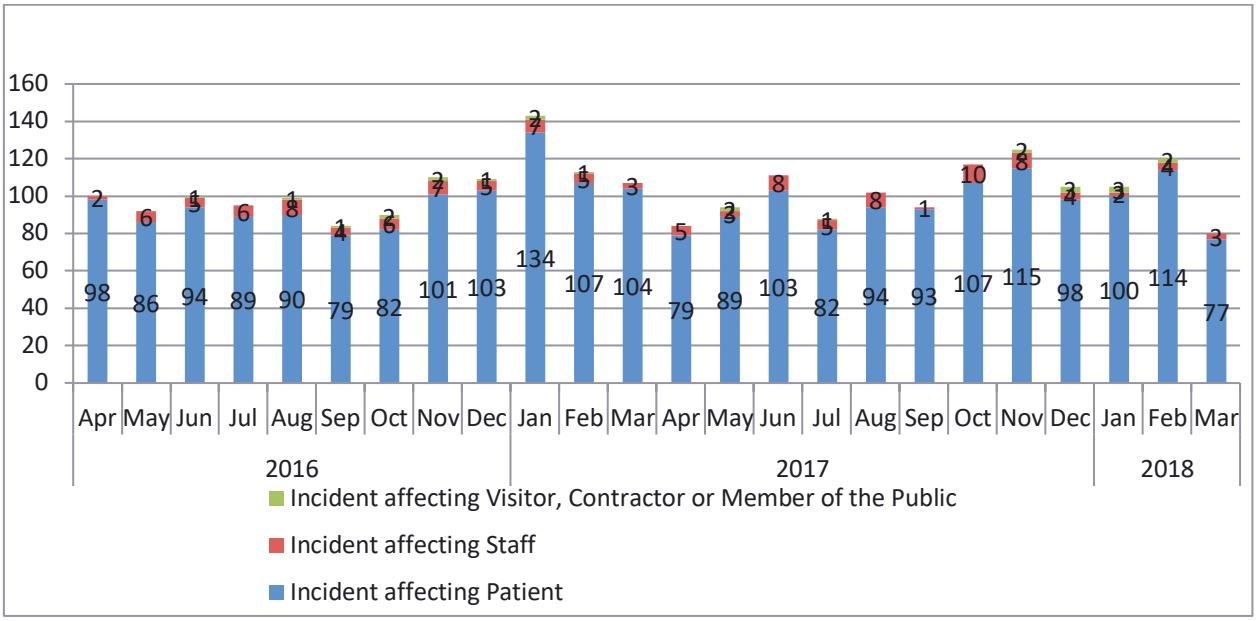
	2016/17	2017/18
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust
Grade 3 & 4 reported as serious incidents	21	13
Pressure ulcers (grades 2,3 & 4)	291	229
Pressure ulcers (grades 2,3 & 4 including community-acquired)	1,770	1,160

Falls

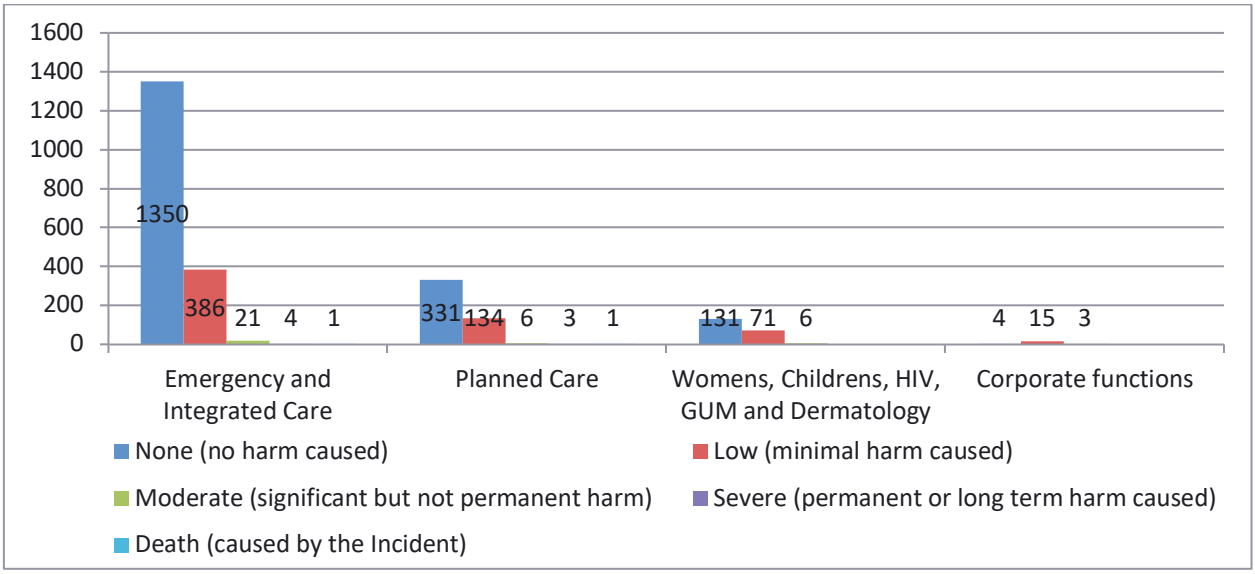
Falls are another indicator covered by the prevention of harm agenda and as such were a quality priority for 2017/18 and will continue to be for 2018/19. Progress on agreed metrics is reported under the section on quality priorities. The prevention of avoidable falls remains a high priority for the Trust. Graphs 1 and 2 provide an overview of the falls reported on

the Trust's incident reporting system. The Trust continues to be below the national average for falls with harm, however there are too many preventable falls occurring. Graph 3, which is taken from the safety thermometer data, shows the national median is 1.68— the median at the Trust is 1.37 below the national position. The work on falls prevention is reported quarterly to the patient safety group and to the three divisional quality and governance meetings. Details of the objectives and plans for 2018/19 are detailed in the *Priorities for improvement* section from page 118.

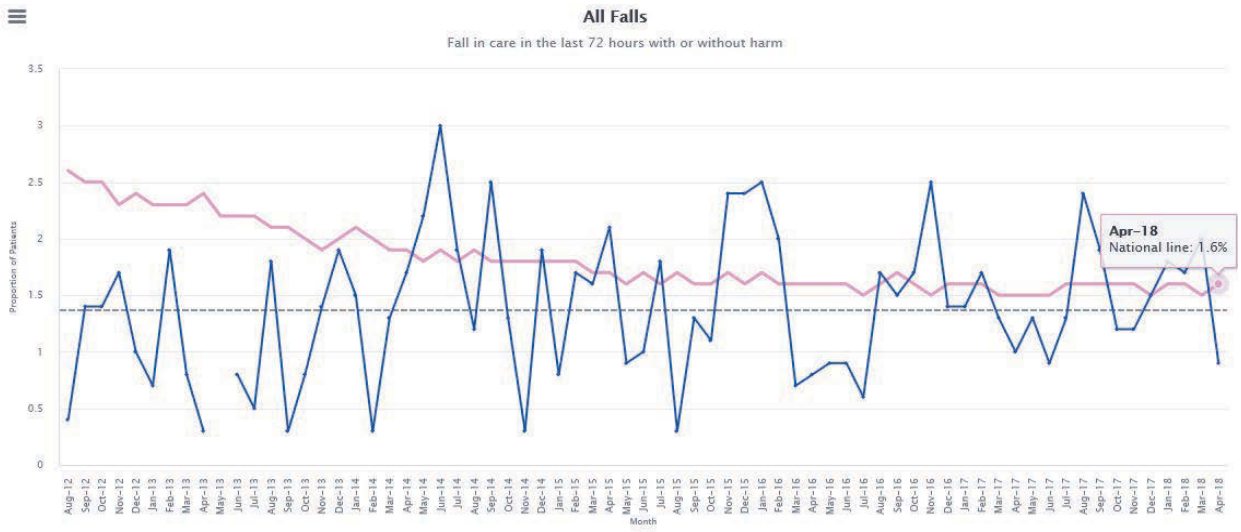
Graph 1: Total falls at the Trust



Graph 2: Degree of harm by division 2016–18



Graph 3: Safety thermometer, total falls at the Trust compared to national average



Note: Data not submitted in May 2013

Clinical effectiveness and patient experience

A&E performance

Performance against the A&E 95% standard has been particularly challenging during the year, most notably during Q3 and Q4 across both sites. The non-elective demand facing the NHS has been the subject of much national media scrutiny and while the aggregate yearly performance for the Trust only met 94.3%, this is in no way reflective of the efforts of our staff. Demand has increased by about 9.4% compared to 2016/17 and the Trust is in the upper decile nationally in terms of overall performance.

	2016/17	2017/18	National Performance		
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust	Worst	Best	Mean
A&E/UCC Patient stay in A&E less than 4 hours, all types	92.4%	94.3%	–	–	88.4

Referral to treatment (RTT)

Throughout 2017/18, the RTT performance has been increasing and, from Nov 2017, the aggregate performance has been compliant with the national 92% standard. Q4 represented the best performance since the merger of the two sites in Sep 2015, which is significant given the challenges the organisation faced with non-elective demand. During 2017/18, there were no reportable patients waiting more than 52 weeks to be treated on either site and this is expected to continue into 2018/19.

Our performance in relation to the 62-day cancer GP referrals to first treatment standard has been excellent during the year, with two months being the number one performing Trust in the UK (Nov 2017 and Jan 2018). Our compliance with the 2-week wait standard has also been excellent. Both of our sites have experienced significant growth in demand with increased referrals compared to 2016/17, yet the organisation has responded well to deliver timely care for our patients.

	2016/17	2017/18	National Performance		
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust	Worst	Best	Mean (Q3 YTD)
18 Week RTT	91.80%	91.70%	–	–	89.50%
Cancer 2 week waits	92.00%	93.90%	–	–	94.20%
Cancer 31 days diagnosis to treatment	99.00%	99.00%	–	–	97.60%
Cancer 62 days referral to treatment	87.10%	88.80%	–	–	82.10%

Patient experience

The inpatient CQC survey is not included in this report as it is not due for publication until Jun 2018—the Trust has the initial high-level data which it has used in this report.

Complaints and safeguarding training

Complaints and FFT have been reported on in the Quality Priorities section.

Safeguarding training remains a key quality indicator for the Trust. Despite challenges of high turnover and IT issues which led to difficulties in accessing online training, Adult Safeguarding Level 1 has achieved 90% compliance. Children's Safeguarding Training Level 1 is currently at 88% but was at 90% for most of the last quarter. Both adult and children's training content is reviewed at least annually to ensure it is relevant, up-to-date and in line with national and pan-London guidance. We are awaiting the publication of the final collegiate document for adult safeguarding. Following a deep dive into both adult's and children's safeguarding in Q3 2016/17 we have continued to work through our action plan with our CCG partners and designated professionals. Our policy and training incorporate domestic abuse, child sexual exploitation and modern slavery and exploitation, as well as PREVENT.

	2016/17	2017/18
	Chelsea and Westminster Hospital NHS Foundation Trust	Chelsea and Westminster Hospital NHS Foundation Trust
Complaints responded to within 25 working days	32.0%	38.4%
Maternity Friends and Family Test (Post Natal response rate)	20.5%	18.7%
Safeguarding adults training	87.3%	90%
Safeguarding children's training	90.8%	88%

Other quality improvement indicators

Care Quality Programme

The Care Quality Programme (CQP) commenced as a Trust workstream in Feb 2017 and established a structure for continuous quality improvement in the Trust. Part of the programme was to ensure the Trust was prepared for the Care Quality Commission (CQC) inspection in 2017 and early 2018 using an embedded programme.

The programme is governed by a:

- Core team which determines the direction of the project, reporting to the Quality Committee and led by the chief nurse

- A steering group that includes, directors, managers and clinical leads who provide oversight and leadership to the introduction of the CQP programme

- A reference group leading local initiatives supporting the operational objectives of the project in clinical areas

From Jan 2018 the CQP is continuing to lead quality improvement to maintain a dynamic quality programme to enhance patient care and staff experience in the Trust. The objectives of this programme are in line with the Trust's strategic and quality priorities.

Ward and department accreditation

The Trust started a process of peer review, led by the chief nurse using an assessment tool similar to the CQC framework. From summer 2016 to Dec 2017 the Trust undertook the first accreditation cycle and a new system of peer reviews in 66 clinical areas. The grading awarded is now displayed on the quality board in each clinical area. The final results for the first year of accreditation were:

Rating	N° of areas
Gold	2
Silver	31
Bronze	28
White	1

A further 4 areas had been reviewed with a similar peer review process aligned with the accreditation scheme and these graded in a different mode. The gradings ranged from white to gold as outlined in the table below:

Rating	Meaning
Gold	Achieving highest standards with embedded evidence in data
Silver	Achieving minimum standards and above with evidence in improvement data
Bronze	Achieving minimum standards with some improvement work underway
White	Not achieving minimum standards and no evidence of active improvement work

Any actions requiring quality improvement during the accreditation visit are documented into the accreditation report to inform the work programmes of clinical teams. The actions are documented by priority in relation to staff and patient safety.

Over the next year further clinical areas have been added to the accreditation programme. The tool and process have been reviewed by staff members and has been updated to align closely with the CQC's framework for inspection.

Care Quality Commission (CQC) ratings

Prior to the integration in Sep 2015, the C&W and WMUH sites were inspected separately by the CQC and both awarded gradings of 'Requires Improvement'. The sites both achieved 'Good' in the 'Caring' domain. HIV and sexual health services at the C&W site achieved an overall CQC rating of 'Outstanding'.

As part of the CQP, a workstream was developed to prepare the Trust for the first comprehensive CQC inspection since integration. This included inviting external partners from other hospitals, regulators, non-executive directors and governors to join our own hospital staff teams in reviewing the quality of care across the Trust.

These peer review visits used an assessment tool aligned to the CQCs fundamental standards of care. During 2017 and 2018, 4 cycles of these peer reviews were held across the Trust and the outcomes embedded in current live workstreams. As part of inspection preparations, the Trust has also engaged with NHS Improvement (NHSI) on key workstreams to address national challenges—for example, workforce, emergency care and planned care.

The CQP also launched a CQP partner link programme to support staff engagement and provide staff with regular opportunities to talk to senior leaders of the Trust. Every department in the Trust has been assigned a senior leader who visits the clinical teams on a regular basis.

Senior nurses, midwives and allied health professionals have also continued to meet weekly together to audit different areas of quality known as 'quality rounds'. These offer staff educational sessions from subject matter experts in addition to protected time to review practice in clinical areas.

Topics addressed during 2017/18 include quality for pressure ulcers, falls, monitoring deteriorating patients, safeguarding, medicines management, incident management and education and development issues.

The CQC completed a comprehensive inspection of the 'safe', 'effective', 'caring', 'responsive' and 'well-led' domains across key services during Dec 2017 and a 'well-led' inspection of senior leadership in the Trust in Jan 2018. This also included a review by NHSI inspection of the Trust Use of Resources. The Trust has been rated as 'Outstanding' for 'use of resources'.

The specialties inspected at this time were urgent and emergency services, medical care including older people's care, surgery, services for children and young people, end-of-life care, neonatal and outpatients.

The overall result provided at the end of the inspections was that the CQC's ratings of the services in the Trust rose from 'Requires Improvement' to 'Good.'

The final report was published on 10 Apr 2018 and the following ratings awarded from the CQC 2017/18 inspections can be seen in the following tables:

Overall results for Chelsea and Westminster Hospital NHS Foundation Trust

	Safe	Effective	Caring	Responsive	Well-led	Overall
Chelsea and Westminster Hospital	Good ↑ Mar 2018	Good ↑ Mar 2018	Outstanding ↑ Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018
West Middlesex Hospital	Requires improvement →← Mar 2018	Good ↑ Mar 2018	Good →← Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018
Overall trust	Good ↑ Mar 2018	Good ↑ Mar 2018	Good →← Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018

Ratings for Chelsea and Westminster Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Good ↑ Mar 2018	Good Mar 2018	Outstanding ↑ Mar 2018	Good ↑ Mar 2018	Good → ← Mar 2018	Good ↑ Mar 2018
Medical care (including older people's care)	Good ↑ Mar 2018	Good → ← Mar 2018	Good → ← Mar 2018	Good → ← Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018
Surgery	Good ↑ Mar 2018	Good ↑ Mar 2018	Good → ← Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018
Critical care	Good Jul 2014	Good Jul 2014	Good Jul 2014	Good Jul 2014	Good Jul 2014	Good Jul 2014
Maternity	Good Jul 2014	Good Jul 2014	Good Jul 2014	Good Jul 2014	Good Jul 2014	Good Jul 2014
Services for children and young people	Good ↑ Mar 2018	Good ↑ Mar 2018	Outstanding ↑ Mar 2018	Good → ← Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018
End of life care	Good ↑ Mar 2018	Good → ← Mar 2018	Good → ← Mar 2018	Good ↑ Mar 2018	Good → ← Mar 2018	Good ↑ Mar 2018
Outpatients	Good Mar 2018	Good Mar 2018	Good Mar 2018	Good Mar 2018	Requires improvement Mar 2018	Good Mar 2018
Diagnostic imaging	Not rated	Not rated	Not rated	Not rated	Not rated	Not rated
HIV and Sexual Health Services	Good Jul 2014	Not rated	Outstanding Jul 2014	Outstanding Jul 2014	Outstanding Jul 2014	Outstanding Jul 2014
Overall	Good ↑ Mar 2018	Good ↑ Mar 2018	Outstanding ↑ Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018

Ratings for West Middlesex University Hospital

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Good ↑ Mar 2018	Requires improvement Mar 2018	Good → ← Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018
Medical care (including older people's care)	Requires improvement ↓ Mar 2018	Good ↑ Mar 2018	Good → ← Mar 2018	Good → ← Mar 2018	Good → ← Mar 2018	Good → ← Mar 2018
Surgery	Requires improvement → ← Mar 2018	Good ↑ Mar 2018	Good → ← Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018
Critical care	Good Nov 2015	Good Nov 2015	Good Nov 2015	Good Nov 2015	Good Nov 2015	Good Nov 2015
Maternity	Requires improvement Nov 2015	Good Nov 2015	Good Nov 2015	Good Nov 2015	Good Nov 2015	Good Nov 2015
Services for children and young people	Good ↑ Mar 2018	Good ↑ Mar 2018	Good → ← Mar 2018	Good → ← Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018

	Safe	Effective	Caring	Responsive	Well-led	Overall
End of life care	Good ↑ Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018	Good →← Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018
Outpatients	Good Mar 2018	Good Mar 2018	Good Mar 2018	Good Mar 2018	Requires improvement Mar 2018	Good Mar 2018
Diagnostic imaging	Not rated	Not rated	Not rated	Not rated	Not rated	Not rated
Overall	Requires improvement →← Mar 2018	Good ↑ Mar 2018	Good →← Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018	Good ↑ Mar 2018

Improvements in medicines management

Medicines optimisation vs medicines management

Medicines optimisation differs from *medicines management* in that it focuses on outcomes for patients rather than processes and systems, putting the patient at the centre of all we do. However, underpinning systems for *medicines management* are required to make medicines use as safe as possible.

The Trust has approved a *medicines optimisation* strategy for 2017–20 which provides assurance to the Trust Board that the principles of *medicines optimisation* are embedded within the Trust, not just within the policies and procedures relating to *medicines management* but in the ethos of how we deliver the best possible care to our patients, according to the Trust's PROUD values.

The four guiding principles of *medicines optimisation* are:

- **Principle 1:** Aim to understand the patient's experience
- **Principle 2:** Evidence-based choice of medicines
- **Principle 3:** Ensure medicines use is a safe as possible (medicines management)
- **Principle 4:** Make medicines optimisation part of routine practice.

Aspiration	Implementation
To provide patients and/or their carers with the information they need to take their medicines safely and so that they understand when to seek further advice about side effects of medicines	• Clinical pharmacists and medicines management technicians counsel patents on how to take their medicines safely, with special attention on high risk medicines such as anticoagulants, antimicrobials, antiretrovirals or immune suppressants that require specialist monitoring • Trust medicines helpline
To effect the safe transfer of care	• Pharmacists work with medical teams to ensure that there is communication to GPs and Community Pharmacists about medication changes
To provide Board assurance that all medicines related duties and responsibilities (medicines management requirements) are embedded within the Trust policies and procedures and are discharged	• Trust medicines policy audit • Trust controlled drug accountable officer monitoring • Medication safety officer role • Medicines optimisation training at induction and update for staff who handle medicines • Trust medicines safety group—review medication related incidents to identify trends and prevent reoccurrence • Trust homecare medicines group monitors the safety of homecare medicines via key performance indicators (KPIs)

Examples of measurement and monitoring:

- Trust medicines policy audit 2017
- Senior nurse and midwifery quality rounds—safe storage of medicines audits

Trust medicines policy audit 2017

Every two years an audit is undertaken to assess compliance with medicines policy standards for the safe and effective use of medicines. This is essential to demonstrate that the standards for medicines management are being maintained in practice. The audit was undertaken during Jul/Aug 2017 at both hospital sites.

Chelsea and Westminster Hospital site
Overall, the results show that there is very good compliance with the Trust medicines policy for the majority of standards that were assessed in this audit.

- Of the 21 (out of 22) standards where it was possible to undertake an assessment of compliance, 90% (n=19) scored 90% or greater compliance and 76% (n=16) scored 100% compliance.

- Of the 20 standards where variance in compliance from the 2015 audit could be assessed, the compliance for 85% (n=17) either improved or remained static. Where the compliance remained static, 82% (n=9) of these standards continued to have 100% compliance.

Compliance to one of the prescribing standards—related to units being written in full—decreased (eg writing ‘puffs’ for inhalers, ‘drops’ for eye drops and ‘tablets’ where the oral dose is routinely prescribed as number of tablets, such as senna) compared to the 2015 audit. This standard scored 100% when compliance was determined using electronic medication charts only. The result was lower when the score for paper charts was incorporated in the overall results, demonstrating a very high level of compliance when electronic prescribing is in operation.

West Middlesex University Hospital site
Overall, the results show that there is good compliance with most of the aspects of the Trust medicines policy for the majority of standards that were assessed in this audit.

- Of the 21 (out of 22) standards, where it was possible to undertake an assessment of compliance, 90% (n=19) scored 80% or greater compliance and 43% (n=9) scored 100% compliance.

- It was not possible to assess the improvement in compliance compared to 2015 for any of the standards, as this was the first time compliance to the chosen set of 22 audit standards was assessed across the WMUH site.

Results from this audit were collated using paper medication charts. The scores for compliance with the prescribing standards were lower in comparison to the C&W site, demonstrating the positive impact that electronic prescribing has had on prescribing accuracy and ensuring it is in line with policy.

Cross-site
One standard—related to documentation of indication and target INR (international normalised ratio) for warfarin prescriptions—scored less than 80% compliance. INR is a laboratory measurement of how long it takes blood to form a clot. It is used to determine the effects of oral anticoagulants on the clotting system.

Additional quality highlights

Council of Governors quality awards

During the year a number of quality awards were presented by our Council of Governors. The seven highlighted below are examples of the awards presented.

Dr Rashmi Kaushal and team
The award was received for the team's outstanding work on a new, online endocrine referrals system, which has resulted in much improved, quicker patient referrals and reviews.

Dr Dominika Dabrowska—individual award
The award was received for adapting and introducing the 'gentle' Caesarean section protocol to the Trust.

Specialist palliative care team
The award was received for greatly improving the fast-track discharge process of patients at the end of life.

Cara Taylor—individual award
The award was received for the successful introduction of a 'bravery box' on Neptune paediatric ward, which will now be rolled out to all paediatric areas in the Trust.

Emily Ward—individual award
The award was received for her pilot work in engaging stakeholders in referrals for the reviewing of medication in older people. We now identify older patients for review who need further intervention once back home in the community.

Darren Brown—individual award
The award was received for creating and leading a specialised physiotherapy supervised group rehabilitation intervention for people living with HIV, providing an individualised exercise and HIV-specific educational 'self-management programme'. Darren invented and developed an HIV-specific app called BeYou+ to support self-management strategies of people living with HIV, using a goal-oriented rehabilitative framework. This app was released on iOS and Android devices in 2016.

Dr Bobby Mann and the adult care bundle implementation team
The award was received for the development and ongoing implementation of an adult asthma care bundle. Clinical leaders (medical and nursing) of the UCC, A&E, AMU and respiratory ward are working together to improve care for a vulnerable patient group:

- Patient information material is now available to all services and used where appropriate
- Continuous audit has shown that where the bundle is used, more patients get more of the recommended interventions

Additional quality improvement highlights

End-of-life care

This has been an incredibly active year for the Trust in terms of palliative and end-of-life (EOL) care:

- We have welcomed new medical and nursing staff to the palliative care teams on both sites and we now have EOL facilitators on both sites
- The seven-day specialist palliative care service at C&W was extended to WMUH
- We have achieved 100% of our targets in a national quality improvement CQUIN project to provide earlier palliative care to more patients with advanced cancer, which retained £142,000 for the Trust
- We have benchmarked our EOL services against national standards
- The Trust medical director now chairs the EOL steering group
- We have started a survey of all bereaved relatives on both sites
- We have delivered EOL training at induction and updates in simulation training with actors and pop-up training on the wards
- We have implemented individualised care plans for dying patients on both sites and audited their use
- We have reviewed the rapid discharge process for patients at the end of life and reduced the time by 30%—a quality improvement project that was awarded a Council of Governors Quality Award
- We have put forward two wards for accreditation in the nationally recognised gold standards framework programme
- Working with the Friends charity we have completed two new butterfly rooms on Nell Gwynne and Edgar Horne wards, with a further three rooms funded across both sites of the Trust—each butterfly room is designed to provide an enhanced environment for dying patients and their families

Mouth care on Kew Ward

This project was commended as being outstanding practice in the CQC report. The Kew Ward team have developed an innovative mouth care project following feedback from patients and relatives and a review of patient outcomes.

The aim of the project was to develop a Trustwide oral care protocol and policy, to improve standards of care for all patients who are nil-by-mouth or who require assistance with maintaining oral hygiene.

The benefits are that every patient will have a mouth care assessment and oral care plan, improved patient experience, improved nutrition and reduction in antibiotics usage, improved end-of-life care and reduction in hospital acquired pneumonia.

Since implementation of new mouth care practice within Kew Ward, there have been higher compliance rates with oral hygiene and care has significantly improved, with increased patient comfort, positive feedback from patients and a reduction in the number of hospital acquired pneumonia cases.

Clinical innovation and improvement

Initiatives to improve quality frequently involve frontline staff, including junior doctors. The Trust, as part of the improvement and transformation programme, has engaged junior doctors by the continuation of the roles of clinical innovation and improvement fellows introduced in 2016/17.

These unique roles allow the fellows to bring their clinical knowledge into the managerial arena and to develop their understanding of the inner workings of a hospital.

In addition to supporting the quality priority improvement projects, the fellows are working on an additional wide range of improvement projects:

- **PredictED** is a 'model for ED demand' at the WMUH site including expected admissions, breaches and diagnosis. This can then link to staffing and availability of ambulatory pathways.

- **Healthcare at home** is a project which aims to improve clinical oversight for ambulatory patients and to maximise the use of the most appropriate ambulatory pathway.

- **Big bites and pearly whites** is a children's oral health initiative which aims to raise awareness and improve the oral health of children attending C&W and to reduce the number of hospital admissions for dental caries by 2020.

- **Postnatal pathways—presumed sepsis** is a project relating to clinically well neonates with presumed sepsis, the aim being to align practice with NICE guidance and reducing length of stay.

- **Discharge summary and clinical coding support** is a project which aims to provide accurate, complete, timely coded clinical information to support coding teams. Discharge summaries will be provided for all patients being discharged from the postnatal ward.

- **MRSA targeted rescreening** is a project which aims to implement new guidance relating to MRSA targeted rescreening:
    - All patients continue to have universal screens on admission
    - MRSA screen valid for 12 months
    - Repeat screening only mandatory for high-risk patients (as per DoH guidance) within 12 months (surgical, renal and ICU patients)

Annex 1: Council of Governors statement

Governors' comments on the Quality Report

The governors have read the Trust Quality Report 2017/18 with great interest. We remain impressed by the continued commitment of the Trust's staff in working towards the continued improvement to the quality of care across the Trust.

The governors have endorsed the reduction in falls as the as Priority 1 for 2017/18. It was noted that the Trustwide launch of new falls risk assessment and care plan and the revision of the falls strategy and its monitoring through the falls steering group has seen a decrease in externally reported falls, but there is much work to be done to reduce those of moderate harm and we welcome the maintenance of this quality priority in 2018/19. We will watch with interest the launch of the new Trust falls strategy and note the aim to reduce falls by 30% to be consistent with national best practice.

The governors fully approved the choice of the Friends and Family Test as a priority yet again, since there is still scope for improvement in the number of patients completing these, with inpatients being the only area where the response rate has achieved the 30% target. The FFT is a key measurement of patient satisfaction with the quality of care provided, so the fact that we are continually just under the response rate target continues to disappoint. Although, it is noted that achievement in all areas is around or above the 90% recommendation score. Governors will be keen to see if the review of the FFT, which is underway, and the move to business as usual will improve response rates.

The governors are pleased to see the ongoing steady recruitment of patients to participate in clinical research, approved by a research ethics committee. Together with the numbers of Trust staff members participating in research as Principal Investigator, and the numbers of publications resulting from the research, this demonstrates the Trust's commitment to testing and offering the latest medical treatments and techniques. This provides patients with access to novel and ground-breaking therapies, which goes a long way to improving the quality of care.

The care quality programme (CQP) introduced to establish a structure for continuous quality improvement and to ensure the Trust was prepared for the Care Quality Commission (CQC) inspection stood the Trust in good stead for that inspection. The ward accreditation scheme introduced in the summer of 2016 also proved a very successful preparation for the CQC Inspection. The governors were delighted to learn that this system will continue and will be extended to cover up to 70 different areas of Trust business and will be assisted by suitably trained governors.

The governors commend all the hard work carried out across the Trust under the care quality programme, which has resulted in the overall rating provided at the end of the CQC inspections moving up from 'Requires Improvement' to 'Good', and welcome the rating of 'Outstanding' for 'use of resources'.

The governors would also like to thank the Friends charity for their support in completing new butterfly rooms on Nell Gwynne and Edgar Horne wards. Their commitment to a further three rooms across both sites of the Trust is much appreciated.

The governors continue to provide quality awards for innovations which improve the patient experience, or which improve the working procedures or environment of the hospital staff, particularly where an idea which saves money can be rolled out cross-site. We are continually impressed by the standard of the applications we receive, and these are highlighted in the Quality Report.

There continue to be disappointing complaints about the appointment system, especially where hospital letters are concerned. The governors are continuing to keep an eye on the number of complaints and look forward to the promised improvements this coming year as the administration programme is rolled out.

The governors would like to thank the staff of both sites for the hard work and dedication that goes into making us one of the top trusts. We governors are aware that it is only through your continual efforts that we achieve high ratings in many areas. We want staff throughout the Trust to know how appreciated you are. Thank you all.

Simon Dyer
Lead Governor

17 May 2018

Annex 2: NHS Central West London, Hammersmith & Fulham, Hounslow and Ealing Clinical Commissioning Group (CWHHE CCGs): Commissioners' Statement

Chelsea and Westminster Hospital NHS Foundation Trust (CWFT) Quality Account 2017/2018: Commissioners' Statement

NHS West London Clinical Commissioning Group (WLCCG) is the Lead Commissioner for Chelsea and Westminster Hospital NHS Foundation Trust (CWFT). This function is jointly delivered with NHS Hounslow CCG on behalf of a number of Clinical Commissioning Groups (CCGs) across London. Both CCGs monitor the quality and performance of services across both sites (Chelsea and Westminster and West Middlesex Hospitals sites).

We have triangulated the accuracy of the information presented in this Quality Account against data and information which is available to us as part of existing monthly quality, contract and performance monitoring meetings, visits to services and continuous dialogue with the Trust. These processes informed our opinions about the quality of services provided. The Quality Account has been shared with CCGs and this narrative is a collective response.

As Clinical Commissioners we are pleased that the Trust was awarded 'Good' across all domains in the Care Quality commission's 'Well Led' Inspection and 'Outstanding' by the NHS Improvement inspection for 'Use of Resources' during December 2017 and January 2018 and that this places the Trust in the top tier of Trust in London. We are also pleased that the Trust has fully achieved against 1) Reduction in falls and 5) Reduction in Stillbirths; two of the 7 priorities which it highlighted for focus last year and has partially achieved on the other 5 priorities.

Commissioners welcome and support the Trust's commitment to continue work on 1) Reduction in Falls, 2) National Safety Standards for Invasive procedures and especially 3) Improving complaints management and agree with the other 2 new priorities.

As Clinical Commissioners we receive feedback from other Stakeholders including Patients and General Practitioners and we take their feedback into consideration in the development of the Commissioners' statement; some have been positive and others less than ideal.

Some feedback of note includes:

- There has been a steady decline in the reporting of Serious Incidents (this is not unique to CWFT). Commissioners remain committed to working with CWFT to understand the reasons for this and to seek assurance that reporting cultures and internal governance processes are being reviewed and action taken if required.

- We would have preferred that Friends and Family Test remained as a priority. We however recognise that the Trust has reflected that work will continue in this area, especially as it forms part of the Trust's overarching Quality Strategy for 2015–2018. Commissioners will continue to monitor and support improvements in this area by working with the Trust through the Clinical Quality Group and other avenues.

- We are particularly pleased that the Trust has kept its focus on complaints and learning from complaints as a priority; as this area of patient experience has been and continues to be of concern.

- We look forward to the Trust working the recommendation arising from areas the audits it has carried out including those for Falls and Frailty, Dementia and Asthma care in Emergency Departments.

Overall we welcome the vision described within the Quality Account, agree the priority areas and shall continue to work collaboratively with the Trust to realise its stated vision and values. We shall also continue to support the Trust in the areas identified as priorities as well as those areas that have been and continue to be a challenge.

We remain committed to working with the Trust to learn lessons and continually improve the quality of services provided to patients.

Louise Proctor
Managing Director
NHS West London CCG

Mary Clegg
Managing Director
NHS Hounslow CCG

Annex 3: Royal Borough of Kensington and Chelsea statement

Royal Borough of Kensington and Chelsea's response to Chelsea and Westminster Hospital NHS Foundation Trust Quality Report 2017/18

Introduction and inspection

We welcome the opportunity to comment on the Chelsea and Westminster Hospital NHS Foundation Trust's (CWFT's) Quality Report 2017/18.

In preparing our response we have had regard to the Care Quality Commission (CQC) inspection report published on 10 April.

The Care Quality Commission has rated Chelsea and Westminster Hospital as 'Good' overall and the Trust was rated 'Good' in all five domains that CQC rates: for being safe, effective, caring, responsive and well-led. We note that the CQC inspection report stated that the Trust had merged the two former trusts, Chelsea and Westminster and West Middlesex, sensitively to ensure cohesion and acknowledging and adopting the best practice from both.

Conclusion

We congratulate CWFT on their significantly improved rating and this achievement.

We look forward to continuing our strong working relationship with CWFT in 2018/19.

Councillor Catherine Faulks
Chairman

Adult Social Care and Health Scrutiny Committee
Royal Borough of Kensington and Chelsea

17 May 2018

Annex 4: London Borough of Richmond upon Thames' Health Services Scrutiny Committee response

Richmond upon Thames' Health Services Scrutiny Committee response to Chelsea and Westminster Hospital NHS Foundation Trust Quality Report 2017/18

Following on from the meeting held on Mon 23 Apr 2017 to discuss Chelsea and Westminster Hospital NHS Foundation Trust Quality Report (hereinafter 'QR'), we welcome the opportunity to provide additional input, as the London Borough of Richmond upon Thames (hereinafter 'LBRuT') is determined to champion the interests of its residents by playing a full and positive role in ensuring that the people living and working in the LBRuT have access to the best possible healthcare and enjoy the best possible health.

While we appreciate that the version provided is a draft and the final version is yet to be approved we have a number of points we wish to raise and a number of suggestions we wish to proffer. We would like to take this opportunity to commend the Trust on a well written report. We were pleased to hear the progress that has been made against the Trust's priorities, particularly:

- The material improvements in the Trust performance which was evidenced from the 2017/18 CQC's inspection. We were particularly pleased to note that the overall rating of the services rose from 'Requires Improvement' to 'Good' and that 'end-of-life care' was nearing outstanding.

- The work to modernise the Trust's estate.

- The improvements to maternity services on both sites since the previous inspection.

- Workforce challenges were being addressed and that staff vacancies were being recruited to.

- The collaborative work across other Trust sites to ensure patients are offered a coherence of service. This is particularly welcome for residents in LBRuT who'll be accessing services in Kingston and West Middlesex.

- The earlier resolution of complaints to resolve to avoid more formal routes and the emphasis on learning from them to sustain continuous improvement.

As well as these achievements, we also noted:

Official

- There are still some challenges the Trust faces in terms of its recruitment and retention and that a contributory factor is that West Middlesex staff receive less London weighting. We noted measures such as overseas recruitment and the building of staff accommodation on the West Middlesex premises to provide more local and affordable provision for staff on site.

- Your suggestion that LBRuT as a local authority could help to support the ‘out of hospital’ model of care where appropriate and help patients to navigate the health and care system accordingly and make the best use of assets available.

Conclusion

Our aim is to ensure that your Quality Report reflects the local priorities and concerns voiced by our constituents as our overall concern is for the best outcomes for our residents. Overall, we are happy with the QR, agree with your priorities and feel that it meets the objectives of a QR—to review performance over the previous year, identify areas for improvement, and publish that information, along with a commitment about how those improvements will be made and monitored over the next year.

We hope that our views and the suggestions offered are taken on board and acted upon. We wish to be kept informed of your progress throughout and thereafter.

London Borough of Richmond upon Thames Health Scrutiny Committee

8 May 2018

Annex 5: London Borough of Hounslow Health and Adults Care Scrutiny Panel statement

On behalf of the London Borough of Hounslow Health and Adults Care Scrutiny Panel, please find below our response statement for inclusion in the Chelsea and Westminster Hospital NHS Foundation Trust Quality Report 2017/18 final report

London Borough of Hounslow Health and Adults Care Scrutiny Panel response

The London Borough of Hounslow Health and Adults Care Scrutiny Panel ('Scrutiny Panel') welcomes the opportunity to provide a response to the Chelsea and Westminster Hospital NHS Foundation Trust ('the Trust') Quality Report 2017/18 which seeks to provide a draft report on progress made and identifies the future priorities.

The Scrutiny Panel was pleased to receive a progress report from the Trust in the Dec 2017 Scrutiny Panel meeting and a subsequent written report in Feb 2018 detailing responses to questions raised by the chair and panel members. The panel discussed readmission rates, A&E demand, current and future bed capacity, parking option analysis, staff satisfaction and working conditions as well as the patient experience and this report provides further detail of some of the performance across these areas.

CQC rating: 'Good'

The Scrutiny Panel would like to make special mention of the outcome of the recent Care Quality Commission (CQC) inspection, which rated the Trust as 'Good' across both hospitals and all five CQC domains. This is a significant and welcomed improvement and the Trust should be congratulated on their work in addressing the areas of concern since the last inspection rating of 'Requires Improvement'.

However, the Scrutiny Panel would also like to note and raise concern over the 'Requires Improvement' ratings for some domains of West Middlesex Hospital's performance, particularly the 'safe' domain for medical care, surgery and maternity care.

Accessibility of the report

The detail of the draft report is helpful, however a shorter summary of performance progress in an executive summary would make it more accessible to the public and might enable greater feedback.

The report would also benefit from a breakdown of performance indicators by hospital. Providing data on the last 1–2 years' performance indicators would also assist readers in understanding the trends and enable comparisons to previous years' data. This would further assist the Trust in your duty to involve the public.

It should be noted that the timing of the request for comment is not ideal given this was distributed 8 working days before the May local council elections. Panel members noted that this did not provide them with sufficient time to engage with the report. Additionally, the draft as circulated contained missing pieces of information and data, making it less accessible for comment. Democratically-elected councils represent their communities. We have much to contribute when it comes to the success of the local health economy—

something we all want to see. We encourage the circulation of a more finalised version for feedback.

Priorities 2018/19

Overall, the Scrutiny Panel welcomes and supports the priorities for 2018/19 as these accord with the London Borough of Hounslow 2014–19 corporate priority of building active and healthy communities by promoting lifestyles that improve people's wellbeing with less need for health and social care.

Performance on 2017/18 priorities

The positive progress on targets for all three priorities for 2017/18 is commended.

Patient safety

The Scrutiny Panel would like to mention the Trust's progress on its falls prevention work. This is in line with our 2014–19 corporate priority of reducing falls in people aged 65 and over[30]. Despite positive progress, the Scrutiny Panel raises concern over the number of falls which still remain high.

The Scrutiny Panel notes the target for adult patients with completed Venous Thromboembolism (VTE) risk assessments on admission to hospital was not achieved for 2017/18, or last year[31]. We raise significant concern over the poor likelihood of VTE risk assessment performance improving due to current IT infrastructure at WMUH not supporting assessment processes. However, we note and support the Trust's efforts in exploring changes to the process to facilitate improvements and reaching the national target.

It is always worrying to note the number of serious incidents. We note that these are investigated and the findings used to inform learning and quality improvement, however we would welcome further detail in the report on the nature of these incidents.

Clinical effectiveness

The Scrutiny Panel commends the Trust's improvements in A&E performance from last year but notes the percentage of patients staying in A&E less than 4 hours remains slightly below the national target. We understand the demand has increased from last year. This was an area of discussion by the Scrutiny Panel in its meeting and correspondence with the Trust and we hope to receive further updates on this in future meetings.

We raise concerns over the increase in readmission rates from 2016/17 to 2017/18 and the lack of national comparison points. However, we note and encourage the various actions the Trust is undertaking to reduce readmissions including Home First and enhancing ambulatory care services.

We also note and encourage the Trust's intended actions to meet national recommendations arising from the National Audit of Dementia. We hope to receive more

[30] Ibid, pg 13
[31] Chelsea and Westminster NHS Foundation Trust Annual Report and Accounts 2016/17, pg 150

information about the Trust's performance on dementia services at future meetings. This is a key area of focus for the panel due to the increasing rates of dementia.

Patient experience

The percentage of complaints responded to within 25 days has reduced significantly since 2015/16 (approximately 60%)[32] to 38.4% in 2017/18. The Scrutiny Panel notes this as a significant concern, and recommends the table on page 117 [page 51 of the draft] report include 2015/16 data for more accurate comparison.

The Scrutiny Panel also raises concerns over the decrease in staff recommendations in favour of the Trust, as presented in the last year's report and current draft report. However, we support the Trust's work to improve this percentage through the two-year staff experience action plan.

Sustainability and Transformation Plan (STP)

The draft report is largely silent on the anticipated impacts of the STP. The Scrutiny Panel recommends some clear articulation of approaches the Trust intends to use in addressing challenges and opportunities arising from the STP.

On behalf of the Scrutiny Panel, I thank the Trust for sharing the Quality Report for comment and attendance at our meetings to discuss identified topics. We hope to continue this positive engagement going forward into the new year.

Yours sincerely

Councillor Lily Bath
Chair of the Health and Adults Care Scrutiny Panel
London Borough of Hounslow

2 May 2018

[32] Ibid, pg 151

Annex 6: Healthwatch Central West London Statement

Statement on the Chelsea and Westminster Hospital NHS Foundation Trust Quality Report 2017/18

Healthwatch Central West London (Healthwatch CWL) welcomes the opportunity to comment on the Chelsea and Westminster Hospital NHS Foundation Trust (the Trust) draft Quality Report (QR) 2017/18. We will be commenting on the information in relation to the Chelsea and Westminster site as this is where our members mainly receive care.

Our members are pleased to see that the Trust's overall CQC rating is now 'Good', a significant change from 'Requires Improvement'; we acknowledge the work that has gone into making this change happen.

Comments on 2017/18 priorities

Priority 1: Reduction in falls (Frailty)
Our members welcomed one of the Trust's key priorities being the reduction in falls and therefore increasing patient safety. It was pleasing to see this reduction in Q1. However, there were concerns that the number of falls increased in Q2, Q3 and Q4 with 4 falls causing moderate harm in Q4. We would welcome and encourage the Trust to outline the key steps that will be taken to reduce falls in 2018/19 following this data, as well as on page 111.

Priority 2: Antibiotic administration in sepsis (Sepsis Plan) and
Priority 3: National Early Warning Score (NEWS) (Sepsis Plan)
Our members welcomed that Band 7 sepsis nurse has been increased to 1.0 WTE for 2018/19 and Q3 audits have shown improvements in screening and treatment. In order for our members to understand this priority more clearly, it would be helpful for the Trust to explain the tabled data perhaps through colour and provide some analysis.

Priority 4: National Safety Standards for Invasive Procedures (NatSSIPs) and
Priority 5: Reduction in still births
Our members would be keen to see more information to explain the data in both priority 4 and 5 to understand the reasons behind certain results.

Priority 6: Focus on complaints and demonstrate learning from complaints
Our members welcomed the focus on complaints as part of improving patient experience. Members liked that the CEO reviewed and signed all complaints letters personally. In order to make this part more accessible to any patient, we would recommend explaining the acronyms in the table. For example, EIC as Emergency and Integrated Care division and ensuring that it is clear that it was measured as a percentage. It would also be useful to have more information and analysis to explain the table and to identify key themes that emerged from complaints to gain a better understanding of the patient experience, additionally more specific, robust and detailed actions to improve this next year would be useful.

Priority 7: Friends and Family Test (FFT)
Our members were pleased that the Trust met its FFT target of 90% recommendation score for most of the departments. In order for our members to understand the overall patient experience more clearly, it would useful if complaints were broken down to identify

common themes. The response rate of 30% was good for inpatient areas and the Quality Report acknowledges that work is needed to improve this in other areas. It would be helpful to show what actions will take place in other departments to bring it up to target.

Comments on the rest of the QR

National clinical audit projects reviewed by the Trust (page 122): In table 3, in the National Audit of Dementia, members were concerned that CWH scored below average for most of the clinical criteria including clinical assessment for delirium at 39%, when the national average is 85%. We encourage the actions that the Trust will take to improve this including reviewing systems and training for staff and our members would like to be updated and involved in this development.

Audit of Outcomes for Bilateral Tubal Ligation (BTL) (page 128): Members wanted to highlight that some patients were not being sufficiently counselled regarding other options and that there were some inconsistencies in the consent process. This needs to be addressed to ensure that patient choice and consent is consistent across the board.

Pressure ulcers (page 145): Pressure ulcers have continued to be a safety risk for number of years now and have been prioritised by the Trust in previous Quality Reports. Members are pleased to see that there has been a sustained improvement with a decrease in volume of grade 3 and 4 pressure ulcers and a further 20% reduction in grade 2 hospital acquired pressure ulcers. The Trust has committed to continue to be engaged with work with NHS Improvement on the prevention and reduction of pressure ulcers across hospital and community, and it would be great if pressure ulcers including community acquired could be reduced further in 2018/19.

Falls (page 145): Following the priority of reduction in falls, the Trust comments that there are too many preventable falls occurring and our members would be looking for the Trust to take more action to ensure that this does not continue. In Graph 2, the numbers presented in the bar chart could be presented in a different way to make it easier to read.

Care Quality Commission (CQC) ratings (page 149): Members welcome the CQC ratings in the table.

Conclusion

In conclusion, our members welcome the Trusts efforts to provide an easy to read QR.

Our members would like to see more evidence following data to highlight what progress has been made on certain priorities and to understand the reasons behind certain results in this Quality Report.

We look forward to continuing to work with Chelsea and Westminster Hospital NHS Foundation Trust in improving the care and support of patients.

Healthwatch Central West London
info@healthwatchcentralwestlondon.org

18 May 2018

Annex 7: Healthwatch Hounslow statement

Statement on the Chelsea and Westminster Hospital NHS Foundation Trust Quality Report 2017/18

Healthwatch Hounslow is pleased to be able to respond to the Chelsea and Westminster Hospitals NHS Foundation Trust Quality Report for 2017/18.

Feedback from patients and carers about the Trust's services

During 2017/18, Healthwatch Hounslow collected feedback from local people about 1,168 experiences of services provided by Chelsea and Westminster Hospital NHS Foundation Trust, largely services provided at West Middlesex Hospital. It is encouraging that 71% of the reviews we received were positive (5 or 4 stars).

The areas most highly rated by patients were the treatment and care they received and the attitude and approach of the Trust's staff, and the areas most poorly rated were waiting times and facilities.

We think it would be helpful if the Quality Report included more information about how the Trust collects and uses the feedback that it receives from patients and carers and how that influences service delivery.

It would also be interesting to see how patients and carers are involved in the work on the quality priority areas and whether their input has contributed to progress made against the targets set.

Our comments on progress with Quality Priorities for 2017/18

We were pleased to see the progress that has been made to improve quality in the priority areas for 2017/18.

However, we see that in a number of areas, the targets for 2017/18 have not been reached, and it would be helpful to have some more analysis in the document of why this is and what could have been done differently, particularly for those priorities that have been carried forward to 2018/19 or will be continued as 'business as usual'.

We are particularly interested in progress that has been made with improving the complaints process, and welcome the improvements that have been made during the year. It is good to see that progress is being reported to the Patient Experience Committee and that there is oversight and scrutiny at Board level.

Our comments on the Quality Priorities for 2018/19

We note that some of the priority areas are the same as in 2017/18 and new targets have been set. We are not able to comment on the choice of priority areas as these are not amongst the topics reported to us by patients and carers. It would be helpful to have some background information in document about why these priority areas have been chosen for 2018/19.

Patient Experience is identified as one of the four areas ‘crucial to the delivery of high quality services’ and we are pleased to see that there is a continued commitment to improving the complaints process, especially the learning that can be disseminated and the changes that can be made as a result of complaints.

We know that for many people a key motivation for making a complaint is to prevent other people having a similar experience and we would be interested to be involved in looking at how the learning from complaints can be rolled out across the Trust and how that is communicated to patients and carers.

11 May 2018

Annex 8: Statement of directors' responsibilities for the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare quality reports 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) and on the arrangements that NHS 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 2017/18* and supporting guidance.

- The content of the Quality Report is not inconsistent with internal and external sources of information including:

    - board minutes and papers for the period Apr 2017–March 2018
    - papers relating to quality reported to the board over the period Apr 2017–March 2018
    - feedback from commissioners dated 22 May 2018
    - feedback from governors dated 17 May 2018
    - feedback from local Healthwatch organisations dated 11 and 18 May 2018
    - feedback from Overview and Scrutiny Committees dated 2 and 8 May 2018
    - the latest national patient survey dated August 2017
    - the latest national staff survey dated 6 March 2018
    - the head of internal audit's annual opinion of the Trust's control environment dated 24 May 2018
    - CQC inspection report dated April 2018

- 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.

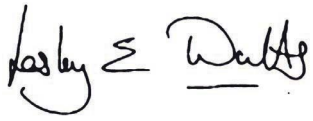
- The Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

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

By order of the board:

Sir Thomas Hughes-Hallett
Chairman

25 May 2018



Lesley Watts
Chief Executive Officer

25 May 2018

Annex 9: Independent auditor's report to the council of governors of Chelsea and Westminster Hospital NHS Foundation Trust on the quality report

We have been engaged by the council of governors of Chelsea and Westminster Hospital NHS Foundation Trust to perform an independent assurance engagement in respect of Chelsea and Westminster Hospital NHS Foundation Trust's quality report for the year ended 31 March 2018 (the 'quality report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the council of governors of Chelsea and Westminster Hospital NHS Foundation Trust as a body, to assist the council of governors in reporting Chelsea and Westminster Hospital NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2018, to enable the council of governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the council of governors as a body and Chelsea and Westminster Hospital NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Scope and subject matter

The indicators for the year ended 31 March 2018 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement:

- Maximum time of 18 weeks from point of referral to treatment in aggregate—patients on an incomplete pathway; and
- Percentage of patients with total time in Accident and Emergency (A&E) of four hours or less from arrival to admission, transfer or discharge.

We refer to these national priority indicators collectively as the 'indicators'.

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the 'NHS foundation trust annual reporting manual' issued by NHS Improvement.

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' and supporting guidance;
- the quality report is not consistent in all material respects with the sources specified in section 2.1 of the NHS Improvement Detailed Guidance for External Assurance on Quality Reports 2017/18; and

- the indicators in the quality report identified as having been the subject of limited assurance in the quality report are not reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports'.

We read the quality report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual' and supporting guidance, 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 2017 to May 2018;
- papers relating to quality reported to the board over the period April 2017 to May 2018;
- feedback from Commissioners, dated May 2018;
- feedback from governors, dated May 2018;
- feedback from local Healthwatch organisations, dated May 2018;
- feedback from Overview and Scrutiny Committee, dated May 2018;
- the latest national patient survey;
- the latest national staff survey;
- the Head of Internal Audit's annual opinion over the trust's control environment, dated 23 May 2018; and
- the CQC inspection report dated April 2018.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively the 'documents'). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised)—'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- testing key management controls;
- reviewing the process flow of the indicator with management;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the 'NHS foundation trust annual reporting manual' to the categories reported in the quality report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the 'NHS foundation trust annual reporting manual'.

The scope of our assurance work has not included testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

Basis for qualified conclusion

Maximum time of 18 weeks from point of referral to treatment in aggregate—patients on an incomplete pathway

The "maximum time of 18 weeks from point of referral to treatment in aggregate—patients on an incomplete pathway" indicator requires that the NHS Foundation Trust accurately record the start and end dates of each patient's treatment pathway, in accordance with detailed requirements set out in the national guidance. This is calculated as an average based on the percentage of incomplete pathways which are incomplete at each month end, where the patient has been waiting less than the 18 week target.

Our procedures included testing a risk based and so the error rates identified from that sample should not be directly extrapolated to the population as a whole .

Issues identified through testing included:

- Instances where supporting documentation was not available to substantiate the start and/or stop date
- Instances where the waiting time was calculated incorrectly and have affected breach status from non-breach to breach
- Instances where patients were incorrectly included on the pathway.

As a result of the issues identified, we have concluded that there are errors in the calculation of the "maximum time of 18 weeks from point of referral to treatment in aggregate—patients on an incomplete pathway" indicator for the year ended 31 March 2018. We are unable to quantify the effect of these errors on the reported indicator.

The “Data Quality” section on page 132 of the NHS Foundation Trust’s Annual Report details the actions that the NHS Foundation Trust is taking to resolve the issues identified in its processes.

Percentage of patients with total time in Accident and Emergency (A&E) of four hours or less from arrival to admission, transfer or discharge

The annualised A&E four-hour wait indicator is calculated as a percentage of the total number of unplanned attendances at A&E for which patients’ total time in A&E from arrival is four hours or less until discharge, transfer, or admission as an inpatient. Our procedures included testing a risk based sample and so the error rates identified from that sample should not be directly extrapolated to the population as a whole.

As was the case in prior year, our testing identified that the Trust does not retain an audit trail for adjustments made following validation of apparent breaches. Documentation is not available to evidence the rationale for amending individual A&E attendance durations.

As a result there is a limitation in the scope of our procedures which means we are unable to complete our testing and are unable to determine whether the indicator has been prepared in accordance with the criteria for reporting A&E 4 hour waiting times for the year ended 31 March 2018.

The “Data Quality” section on page 132 of the NHS Foundation Trust’s Quality Report details the actions that the NHS Foundation Trust is taking to resolve the issues identified in its processes.

Qualified conclusion

Based on the results of our procedures, except for the matters set out in the basis for qualified conclusion section of our report, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2018:

- 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 2.1 of the NHS Improvement Detailed requirements for external assurance for quality reports 2017/18; and
- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the ‘NHS Foundation Trust Annual Reporting Manual’ and supporting guidance.

Deloitte LLP

St Albans, United Kingdom
25 May 2018

Epilogue

About the Trust website

The maintenance and integrity of the Trust's website is the responsibility of the directors. The work carried out by the assurance providers does not involve consideration of these matters and, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported performance indicators or criteria since they were initially presented on the website.

Your comments are welcome

We hope that you have found our Quality Report interesting and easy to read. We would like to hear what you thought of it, so please let us have your comments by using the contact details below. Please also let us know if you would like to get involved in helping us to decide our priorities for improving quality.

Would you like to stay in touch with the hospital by becoming a member? If so, please contact us—your details will not be shared with anyone else.

Online

You can register to become a member at www.chelwest.nhs.uk/getinvolved.

Write to

Head of Communications
Chelsea and Westminster Hospital NHS Foundation Trust
369 Fulham Road
London
SW10 9NH

E: communications@chelwest.nhs.uk

SECTION 4

AUDITOR'S REPORT

Independent auditor's report to the board of governors and board of directors of Chelsea and Westminster Hospital NHS Foundation Trust

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Chelsea and Westminster Hospital NHS Foundation Trust (the 'foundation trust'):

- give a true and fair view of the state of the foundation trust's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the accounting policies directed by NHS Improvement—Independent Regulator of NHS Foundation Trusts; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 29.

The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by NHS Improvement—Independent Regulator of NHS Foundation Trusts.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the foundation trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • Revenue Recognition • Management Override of Controls • Valuation of Land and Buildings • Accounting for Capital Expenditure Within this report, any new key audit matters are identified with ⏫ and any key audit matters which are the same as the prior year identified with ⏩.
Materiality	The materiality that we used for the current year was £9m which was determined on the basis of 1.5% materiality.
Scoping	The foundation trust is a single entity with no subsidiaries. Audit work was performed at the foundation trust's operational sites at the Chelsea and Westminster Hospital and West Middlesex University Hospital, as well as at the foundation trust's finance function's offices, directly by the audit engagement team. The foundation trust's joint venture and investments were out of scope of our audit engagement team. The foundation trust's joint venture and investments were out of scope of our audit.
Significant changes in our approach	We have identified an additional key risk for 2017/18 in respect of accounting for capital expenditure, reflecting the increased level of expenditure this year.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the accounting officer's use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the accounting officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the foundation trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

NHS revenue and provisions	
Key audit matter description	As described in note 1, Accounting Policies and note 1.6, Critical Accounting Judgements and Key Sources of Estimation Uncertainty, there are significant judgements in recognition of revenue from care of NHS patients and in provisioning for disputes with commissioners due to: • the complexity of the Payment by Results regime, in particular in determining the level of overperformance and Commissioning for Quality and Innovation ("CQUIN") revenue to recognise; • the judgemental nature of provisions for disputes, including in respect of outstanding overperformance income for quarters 3 and 4; and • the risk of revenue not being recognised at fair value due to adjustments agreed in settling current year disputes. In particular there is a risk that NHS revenue recognised in the year but yet to be settled by Commissioners is over or under provisioned. This includes accrued income, over-performance, and other unconfirmed revenue or open areas of dispute/challenge. Details of the foundation trust's income, including £494.5m of income from NHS England and Clinical Commissioning Groups (2016/17: £468.8m) are shown in note 2.2 to the financial statements. NHS debtors and related amounts within the overall accrued income balance are shown in note 15. The overall revision for impaired receivables of £16.0m and contractual disputes provision of £6.3m are shown in notes 15 and 19 respectively. (2016/17: £10.1m and £12.2m respectively) The Trust also recognised £16.4m of transaction support funding and Sustainability and Transformation Funding (STF) of £27.7m from the Department of Health during 2017/18 (2016/17: £21.6m and £18.5m respectively). The foundation trust earns revenue from a wide range of commissioners, increasing the complexity of agreeing a final year-end position. The settlement of income with Clinical Commissioning Groups continues to present challenges, leading to disputes and delays in the agreement of year end positions.
How the scope of our audit responded to the key audit matter	We evaluated the design and implementation of controls over recognition of income. We performed detailed substantive testing on a sample basis of the recoverability of unsettled overperformance income and the adequacy of provision for underperformance, and evaluated the results of the agreement of balances exercise. We challenged key judgements around specific areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted. In doing so, we considered the historical accuracy of provisions for disputes and reviewed correspondence with commissioners.
Key observations	We are satisfied that the foundation trust's revenue is not materially misstated. Although within an acceptable range, the level of provisioning for bad debts and contractual disputes is relatively conservative.

Property valuation

Key audit matter description	The foundation trust holds property assets within Property, Plant and Equipment at a modern equivalent use valuation of £378.5m (2016/17: £348.3m). The valuations are by nature significant estimates which are based on specialist and management assumptions (including the floor and land areas for a Modern Equivalent Asset, the basis for calculating build costs, the level of allowances for professional fees and contingency, and the remaining life of the assets) and which can be subject to material changes in value. As detailed in note 1.6, there are a number of key assumptions reflected in the valuation, including valuing land on an “alternative site” basis, and reducing assumed land and buildings areas on a Modern Equivalent Asset basis. The net valuation movement on the Trust’s estate shown in note 12 is an upwards revaluation of £29.6m (2016/17: net impairment of £4.1m). Further details on the associated estimates are included in notes 1.6 and 12 to the financial statements.
How the scope of our audit responded to the key audit matter	We evaluated the design and implementation of controls over property valuations, and tested the accuracy and completeness of data provided by the foundation trust to the valuer. We used Deloitte internal valuation specialists to review and challenge the appropriateness of the key assumptions used in the valuation of the foundation trust’s properties, including in respect of Modern Equivalent Asset areas and alternative sites. We have reviewed the disclosures in notes 1.6 and 12 and evaluated whether these provide sufficient explanation of the basis of the valuation and the judgements made in preparing the valuation. We assessed whether the valuation was compliant with the relevant accounting standards.
Key observations	The Trust’s valuation is based on a number of judgemental assumptions, including build costs, MEA space assumptions, PFI treatment and land location. We are satisfied that the Trust assumptions and valuation methodology are appropriate and are not indicative of management override or manipulation to achieve a preferred outcome.

Accounting for Capital Expenditure

Key audit matter description	The Trust has an extensive capital programme and additions in 2017/18 amounted to £37.9m across intangible and tangible fixed assets. This reflects a variety of projects, including the Cerner Electronic Patient Record project. Determining whether expenditure should be capitalised can involve significant judgement as to whether the costs meet the accounting standards criteria for capitalisation. Further information is provided in notes, 1.7, 11 and 12 of the financial statements.

How the scope of our audit responded to the key audit matter 	We evaluated the design and implementation of controls around the capitalisation of costs. We obtained an understanding of key projects, including Cerner, the new EPR system and challenged the appropriateness of accounting for significant transactions in connection with the project. We have assessed whether additions represent valid capital expenditure and have been recognised in the correct period. We have challenged management's assessment whether any impairment arises in respect of newly capitalised expenditure.
Key observations 	We are satisfied that accounting for capital expenditure is in line with the relevant accounting standards.

Management override of controls 

Key audit matter description 	We consider that there is a heightened risk across the NHS that management may override controls to fraudulently manipulate the financial statements or accounting judgements or estimates. This is due to the increasingly tight financial circumstances of the NHS and close scrutiny of the reported financial performance of individual organisations. The foundation trust had been allocated £14.1m of the Sustainability and Transformation Fund (2016/17: £14.8m), which had been contingent on achieving financial and operational targets for the year. The foundation trust has also been allocated additional funding of £1 of “incentive” payments for each £1 the Trust achieves above the control total, of £6.8m (2016/17: £2.2m), and “bonus” and “general distribution” amounts of £6.6m (2016/17: £1.5m). All NHS Trusts and Foundation Trusts were requested by NHS Improvement in 2016 to consider a series of “technical” accounting areas and assess both whether their current accounting approach meets the requirements of International Financial Reporting Standards, and to remove “excess prudence” to support the overall NHS reported financial position. The areas of accounting estimate highlighted included accruals, deferred income, injury cost recovery debtors, partially completed patient spells, bad debt provisions, property valuations, and useful economic lives of assets. Details of critical accounting judgements and key sources of estimation uncertainty are included in note 1.6.

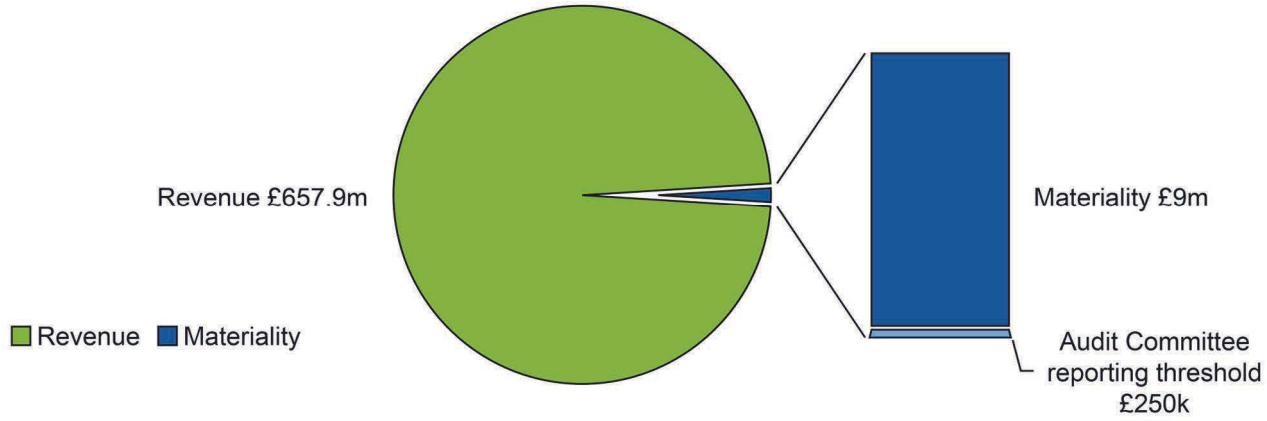
How the scope of our audit responded to the key audit matter 	**Manipulation of accounting estimates** Our work on accounting estimates included considering each of the areas of judgement identified by NHS Improvement and other areas identified through our understanding of the sector. In testing each of the relevant accounting estimates, we considered their findings in the context of the identified fraud risk. Where relevant, the recognition and valuation criteria used were compared to the specific requirements of IFRS. We tested accounting estimates (including in respect of NHS revenue and provisions and property valuations discussed above), focusing on the areas of greatest judgement and value. Our procedures included comparing amounts recorded or inputs to estimates to relevant supporting information from third party sources. We evaluated the rationale for recognising or not recognising balances in the financial statements and the estimation techniques used in calculations, and considered whether these were in accordance with accounting requirements and were appropriate in the circumstances of the foundation trust. **Manipulation of journal entries** We used data analytic techniques to select journals for testing with characteristics indicative of potential manipulation of reporting focusing in particular upon manual journals. We traced the journals to supporting documentation, considered whether they had been appropriately approved, and evaluated the accounting rationale for the posting. We evaluated individually and in aggregate whether the journals tested were indicative of fraud or bias. We tested the year-end adjustments made outside of the accounting system between the general ledger and the financial statements. **Accounting for significant or unusual transactions** We considered whether any transactions identified in the year required specific consideration and did not identify any requiring additional procedures to address this key audit matter.
Key observations 	We have not identified any significant bias in the key judgements made by management. We continue to consider the level of provisioning to be prudent, however, judgements fall within the acceptable range. We note that prudence is overall reduced from the previous year.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality	£9m (2016/17: £9m)
Basis for determining materiality	1.4% of revenue (operating income from patient care activities and other operating income) (2016/17: 1.4% of revenue)
Rationale for the benchmark applied	Revenue was chosen as a benchmark as the Trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements.



We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £250k (2017: £180k), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work was performed at the Trust's operational sites at the Chelsea and Westminster Hospital and West Middlesex University Hospital, as well as at the Trust's finance function's offices, directly by the audit engagement team, led by the audit partner.

The audit team included integrated Deloitte specialists bringing specific skills and experience in property valuations and Information Technology systems.

Data analytic techniques were used as part of audit testing, to support identification of items of audit interest and in particular journal testing.

Other information

The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

We have nothing to report in respect of these matters.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of accounting officer

As explained more fully in the accounting officer's responsibilities statement, the accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the foundation trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the foundation trust or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the parts of the Directors' Remuneration Report and Staff Report to be audited have been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Annual Governance Statement, use of resources, and compilation of financial statements

We have nothing to report in respect of these matters.

Under the Code of Audit Practice, we are required to report to you if, in our opinion:

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit;
- the NHS Foundation Trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- proper practices have not been observed in the compilation of the financial statements.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

Reports in the public interest or to the regulator

We have nothing to report in respect of these matters.

Under the Code of Audit Practice, we are also required to report to you if:

- 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; or
- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the foundation trust, or a director or officer of the foundation trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

This report is made solely to the Board of Governors and Board of Directors ("the Boards") of Chelsea and Westminster Hospital NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the foundation trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.

Craig Wisdom ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
St Albans, United Kingdom

25 May 2018

SECTION 5

FINANCE

ANNUAL ACCOUNTS 2017/18

Chelsea and Westminster Hospital NHS Foundation Trust

Annual accounts for the year ended 31 March 2018

Foreword to the accounts

Chelsea and Westminster Hospital NHS Foundation Trust

These accounts, for the year ended 31 March 2018, have been prepared by Chelsea and Westminster Hospital NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed 

Name **Lesley Watts**
Job title **Chief Executive**
Date **25 May 2018**

Chelsea and Westminster Hospital NHS Foundation Trust
Annual Financial Statements 2017/18

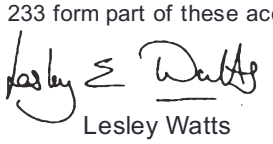
Statement of Comprehensive Income

	Note	2017/18 £000	2016/17 £000
Operating income from patient care activities	2	549,309	517,492
Other operating income	2.4	108,608	107,476
Operating expenses	3 & 5	(604,895)	(595,361)
Operating surplus from continuing operations		**53,022**	**29,607**
Finance income	8	251	107
Finance expenses	9	(5,371)	(5,410)
PDC dividends payable		(9,716)	(8,537)
Net finance costs		**(14,836)**	**(13,840)**
Other gains / (losses)	10	13	(807)
Share of profit of associates / joint arrangements	13	229	357
Surplus for the year from continuing operations		**38,428**	**15,317**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	4	16,130	(11,289)
Total comprehensive income for the period		**54,558**	**4,028**

Statement of Financial Position

	Note	31 March 2018 £000	31 March 2017 £000
Non-current assets			
Intangible assets	11	26,626	11,774
Property, plant and equipment	12	410,857	376,517
Investments in associates and joint ventures	13	872	643
Total non-current assets		**438,355**	**388,934**
Current assets			
Inventories	14	7,133	6,463
Trade and other receivables	15	87,801	81,243
Cash and cash equivalents	16	52,593	49,453
Total current assets		**147,527**	**137,159**
Current liabilities			
Trade and other payables	17	(74,769)	(84,506)
Borrowings	17.2	(4,846)	(4,421)
Provisions	19	(14,778)	(19,330)
Other liabilities	17.1	(11,688)	(7,590)
Total current liabilities		**(106,081)**	**(115,847)**
Total assets less current liabilities		**479,801**	**410,246**
Non-current liabilities			
Borrowings	17.2	(86,593)	(89,537)
Provisions	19	(2,169)	(2,770)
Total non-current liabilities		**(88,762)**	**(92,307)**
Total assets employed		**391,039**	**317,939**
Financed by			
Public dividend capital		244,608	226,066
Revaluation reserve		87,028	71,181
Income and expenditure reserve		59,403	20,692
Total taxpayers' equity		**391,039**	**317,939**

The notes on pages 200 to 233 form part of these accounts.



Name Lesley Watts
Position Chief Executive
Date 25 May 2018

Statement of Changes in Equity for the year ended 31 March 2018

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' equity at 1 April 2017 - brought forward	**226,066**	**71,181**	**20,692**	**317,939**
At start of period for new FTs	**-**	**-**	**-**	**-**
Surplus for the year	-	-	38,428	**38,428**
Other transfers between reserves	-	(283)	283	**-**
Impairments	-	16,130	-	**16,130**
Public dividend capital received	18,542	-	-	**18,542**
Taxpayers' equity at 31 March 2018	**244,608**	**87,028**	**59,403**	**391,039**

Statement of Changes in Equity for the year ended 31 March 2017

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' equity at 1 April 2016 - brought forward	**223,956**	**83,375**	**4,470**	**311,801**
Surplus for the year	-	-	15,317	**15,317**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	(905)	905	**-**
Other transfers between reserves	-	-	-	**-**
Impairments	-	(11,289)	-	**(11,289)**
Public dividend capital received	2,110	-	-	**2,110**
Taxpayers' equity at 31 March 2017	**226,066**	**71,181**	**20,692**	**317,939**

Information on reserves

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

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

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

Statement of Cash Flows

	Note	2017/18 £000	2016/17 £000
Cash flows from operating activities			
Operating surplus		53,022	29,607
Non-cash income and expense:			
Depreciation and amortisation	3	16,991	19,150
Net impairments	4	(12,833)	(5,608)
Income recognised in respect of capital donations	2.4	(137)	(744)
Increase in receivables and other assets		(6,927)	(9,309)
(Increase) / decrease in inventories		(670)	767
Decrease in payables and other liabilties		(9,215)	(3,492)
Increase / (decrease) in provisions		(5,160)	10,337
Net cash generated from operating activities		**35,071**	**40,708**
Cash flows from investing activities			
Interest received		237	98
Purchase of intangible assets		(13,774)	(3,447)
Purchase of property, plant, equipment and investment property		(20,503)	(21,923)
Sales of property, plant, equipment and investment property		643	30
Receipt of cash donations to purchase capital assets		137	256
Net cash generated used in investing activities		**(33,260)**	**(24,986)**
Cash flows from financing activities			
Public dividend capital received		18,542	2,110
Movement on loans from the Department of Health and Social Care		(1,532)	3,250
Movement on other loans		(100)	(63)
Capital element of finance lease rental payments		(162)	(152)
Capital element of PFI, LIFT and other service concession payments		(726)	(1,004)
Interest paid on finance lease liabilities		(46)	(56)
Interest paid on PFI, LIFT and other service concession obligations		(4,279)	(4,359)
Other interest paid		(1,035)	(958)
PDC dividend paid		(9,333)	(6,914)
Net cash generated from / (used in) financing activities		**1,329**	**(8,146)**
Increase in cash and cash equivalents		**3,140**	**7,576**
Cash and cash equivalents at 1 April - brought forward		**49,453**	**41,877**
Cash and cash equivalents at 31 March	16	**52,593**	**49,453**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the NHS foundation trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2017/18 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the NHS foundation trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

These accounts have been prepared under the historical cost convention, modified by the revaluation of properties, and, where material, current asset investments and inventories to fair value as determined by the relevant accounting standard.

Going concern

The Trust has set a plan for 2018/19 to generate a surplus of £22.7m with an adjusted financial surplus of £14.8m.

The Directors are confident that the surplus is realistic with a strong focus on the achievement of the CIPs target of £25.1m. Following a review of the Trust's plans and projections, including cash flows, liquidity and income base, as well as considering regulatory commitments, the Directors have a reasonable expectation that the Trust has adequate plans and resources to continue in operational existence for the foreseeable future. For this reason, the Trust continues to adopt the going concern basis in preparing the accounts.

Note 1.2 Interests in other entities

Where the Trust has invested in an entity in which it has joint control with another party and has the rights to the assets, and obligations for the liabilities, relating to the arrangement, it is treated as an investment in a joint operation. The Trust includes within its financial statements its share of the profits after tax.

Note 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 health care services.

Where income is received for a specific activity which is to be delivered in a subsequent financial year, that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract. In accordance with IAS 18, income relating to those spells which are partially completed at the financial year end is apportioned across the financial years on a pro rata basis.

Note 1.3.1 Revenue grants and other contributions to expenditure

Government grants are grants from government bodies other than income from commissioners or 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.

The value of the benefit received when accessing funds from the the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.4 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the schemes are accounted for as though they are defined contribution schemes.

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 the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

Note 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 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimates, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Accounting Judgements

Property Valuations
Montagu Evans were instructed to carry out a revaluation of all land and buildings at the Chelsea and West Middlesex sites as at 31 December 2017. The valuation was prepared under the requirements of the Annual Reporting Manual and Royal Institute of Chartered Surveyors valuation guidance. Specialised assets such as hospitals for which no market exists are valued at depreciated replacement cost (DRC) for a Modern Equivalent Asset. Other assets are valued at Existing Use Value (EUV) or Market Value (MV).

A majority of the buildings owned by the Trust are specialised assets which have been valued on a Modern Equivalent Asset basis. This requires assumptions to be made about the design of a modern asset with equivalent service potential to the existing asset:
- reviewing the Useful Economic Life of the asset and the residual value at the end of that life;
- revising the areas excluded from the valuation of the Chelsea site (as used by Imperial College rather than the Trust) to reflect current usage, and reassessing the overall layout and height of an equivalent modern asset
- excluding recoverable VAT when revaluing PFI buildings on the West Middlesex site reflecting the cost at which the service potential would be replaced by the PFI operator; and
- adopting an "alternative site" basis of valuation for the West Middlesex site.

Non-specialised assets and land have been valued on an Existing Use Value basis with the Trust's residential staff accommodation assessed in line with the principle of Existing Use Value for Social Housing.

Accounting Estimates

Disputes with Commissioners
As set out in note 19, Management has made an assessment of the potential liability of the Trust from contractual disputes with commissioners. Provisions for the disputes are £6.2m at 31st March 2018 (31st March 2017 £12.2m). The disputes relate to challenges on pricing, activity recording or charging that it has not been possible to settle by reference to the contract, under which the Trust has been entitled to the income. The Trust has recognised the income in relation to the disputes in its Statement of Comprehensive Income. The Trust has determined the level of provision on a basis that reflects settlement of the issue for the financial year in which the issue was raised and any subsequent years.

Recoverability of NHS and Local Authority Debt
The Trust has £63.3m of debt with NHS bodies at 31 March 2018 (2017 £55.7m) and £5.7m of debt with Local Authorities (2017 £6.9m). Management has considered the recoverability of this debt as at 31 March 2018 and has established a level of bad debt provision which is felt adequate to cover the risk of non-recovery.

Note 1.7 Property, plant and equipment

Recognition
Property, plant and equipment is capitalised where:

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

Measurement
Valuation
All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. Properties in the course of construction are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value.

All assets are measured subsequently at fair value as follows:
(a) Land and non-specialised buildings – existing use value
(b) Specialised buildings – depreciated replacement cost
(c) Non-property assets - depreciated historic cost
(d) Residential Accommodation – Existing Use value for social housing.
The carrying values of property, plant and equipment are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be fully recoverable.
All land and buildings are restated to fair value in accordance with IAS 16 and NHSI guidance, using professional valuations at least every five years to ensure that fair values are not materially different from the carrying amounts. Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual based on modern equivalent asset values using the alternative site approach where appropriate. The last valuation was carried out by Montagu Evans (Independent Chartered Surveyors, Registration number OC312072) as at 31 December 2017.
An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be a realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset

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.

Revaluation gains and losses
Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments
In accordance with the *DH GAM*, impairments that arise from a clear consumption of economic benefits or of 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 that arises from a clear consumption of economic benefit or of 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 expenditure 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.

Derecognition
Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

• the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
• the sale must be highly probable 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 and 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.

Useful economic lives of property, plant and equipment

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. Non-current assets are depreciated on a straight line methodology. The range of useful economic lives are shown in the table below:

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	4	60
Dwellings	40	40
Plant & machinery	5	15
Transport equipment	5	5
Information technology	3	10
Furniture & fittings	5	10

Finance-leased assets (including land) are depreciated over the shorter of the useful economic life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.7.1 Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12 - Service Concession Arrangements. The Trust therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a) Payment for the fair value of services received;
b) Payment for the PFI asset, including finance costs; and
c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

PFI asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value 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 - Property, Plant & Equipment.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17 - Leases.

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.

Note 1.8 Intangible assets

Recognition

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

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.

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 current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

For all categories of intangible assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be a realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Useful economic lives of intangible assets

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. Intangible assets are amortised on a straight line methodology. The range of useful economic lives are shown in the table below:

	Min life Years	Max life Years
Intangible assets - internally generated		
Information technology	2	10
Intangible assets - purchased		
Software licences	3	10
Licences & trademarks	3	10

Note 1.9 Inventories
Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

Note 1.10 Cash and cash equivalents
Cash and cash equivalents comprise of cash on hand and demand deposits and other short term highly liquid investments. These balances are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Monies held in the Trust's bank account belonging to patients are excluded from cash and cash equivalents (see "third party assets" below).
Account balances are only set off where a formal agreement has been made with the bank to do so. In all other cases overdrafts are disclosed within payables. Interest earned on bank accounts and interest charged on overdrafts is recorded respectively as "finance income" and "finance cost" in the periods to which it relates. Bank charges are recorded as operating expense in the periods to which they relate.

Note 1.11 Financial instruments and financial liabilities
Financial instruments are defined as contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Trust will commonly have the following financial assets and liabilities: trade receivables (but not prepayments), cash and cash equivalents, trade payables (but not deferred income), finance lease obligations, borrowings.

Recognition
Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.
Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.
Regular way purchases or sales are recognised and de-recognised, as applicable, using the trade date.
All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

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 classified into the following specified categories:
• Financial assets 'at fair value through Income and Expenditure'; or
• 'Loans and receivables'; or
• 'available-for-sale' financial assets.
Financial liabilities are classified as either:
• Financial liabilities 'at fair value through Income and Expenditure'; or
• 'Other financial liabilities'.

The Trust has no financial assets classified as 'at fair value through Income and Expenditure' or 'available for sale'. There are also no financial liabilities classified as 'at fair value through income and expenditure'.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.
The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and 'other receivables'.
Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.
Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets
At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses are recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset. Evidence is gathered via formal communication between the Trust and the counterparties.
For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the use of bad debt provision. The bad debt provision is charged to operating expenses.

Note 1.12 Leases
Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The trust as lessee
Finance leases
Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The 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
Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

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.

Note 1.13 Provisions
The 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
NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the trust. The total value of clinical negligence provisions carried by NHS resolution on behalf of the trust is disclosed at note 19.1 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 NHS Resolution 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.

Note 1.14 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 20 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in note 20, 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.

Note 1.15 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for
(i) donated assets (including lottery funded assets),
(ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility,
(iii) any PDC dividend balance receivable or payable, and
(iv) the receivable associated with the STF incentive and STF bonus fund.

In accordance with the requirements laid down by the Department of Health and Social Care (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.

Note 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.

Note 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.

Note 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 a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

Note 1.19 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the trust 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.

Note 1.20 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2017/18.

Note 1.21 Standards, amendments and interpretations in issue but not yet effective or adopted

HM Treasury FReM does not require the following Standards and Interpretations to be applied in 2017-18:
• IFRS 9 Financial Instruments - Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is therefore not permitted
• IFRS 14 Regulatory Deferral Accounts - Not yet EU endorsed. Applies to first time adopters of IFRS after 1 January 2016, therefore not applicable to DH group bodies
• IFRS 15 Revenue from Contracts with Customers - Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by FReM: early adoption is therefore not permitted
• IFRS 16 Leases - Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is therefore not permitted
• IFRS 17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.
• IFRIC 22 Foreign Currency Transactions and Advance Consideration - Application required for accounting periods beginning on or after 1 January 2018.
• IFRIC 23 Uncertainty over Income Tax Treatments - Application required for accounting periods beginning on or after 1 January 2019.

Following the release of the 2018/19 Department of Health and Social Care Group Accounting Manual (GAM) in May 2018, the Trust is assessing the likely impact of IFRS 9 and IFRS 15 (and the adaptations included in the GAM). The Trust does not expect any material adjustments but will consider the implications for non-contracted income and when it is recognised in the Trust's Financial Statements.

Note 2 Operating income from patient care activities

Note 2.1 Income from patient care activities (by nature)	2017/18 £000	2016/17 £000
Acute services		
Elective income	70,972	69,845
Non elective income	153,641	128,429
First outpatient income	31,422	45,419
Follow up outpatient income	69,065	61,746
A & E income	27,542	23,737
Other NHS clinical income	145,250	137,508
Community services		
Community services income from CCGs and NHS England	2,748	2,154
All services		
Private patient income	16,856	15,759
Other clinical income	31,813	32,895
Total income from activities	**549,309**	**517,492**

Other Clinical Income in 2017/18 principally relates to GUM services to Local Authorities.

Note 2.2 Income from patient care activities (by source)

Income from patient care activities received from:	2017/18 £000	2016/17 £000
NHS England	141,567	141,009
Clinical commissioning groups	352,964	327,829
Department of Health and Social Care	10	-
Other NHS providers	3,203	1,357
NHS other	259	-
Local authorities	27,921	28,621
Non-NHS: private patients	16,856	15,759
Non-NHS: overseas patients (chargeable to patient)	2,712	2,228
NHS injury scheme	1,536	8
Non NHS: other	2,281	681
Total income from activities	**549,309**	**517,492**
Of which:		
Related to continuing operations	549,309	517,492

Prior year figures include some reclassifications between headings to ensure consistency between financial years

Note 2.3 Overseas visitors (relating to patients charged directly by the NHS foundation trust)

	2017/18	2016/17
	£000	£000
Income recognised this year	2,712	2,228
Cash payments received in-year	1,091	826
Amounts added to provision for impairment of receivables	688	617
Amounts written off in-year	134	92

Note 2.4 Other operating income

	2017/18	2016/17
	£000	£000
Research and development	4,380	4,576
Education and training	28,255	31,017
Receipt of capital grants and donations	137	744
Charitable and other contributions to expenditure	203	553
Non-patient care services to other bodies	2,648	-
Support from the Department of Health and Social Care for mergers	16,366	21,600
Sustainability and transformation fund income	27,695	18,493
Rental revenue from operating leases	637	674
Income in respect of staff costs where accounted on gross basis	8,124	7,067
Other income	20,163	22,752
Total other operating income	**108,608**	**107,476**
Of which:		
Related to continuing operations	108,608	107,476

Prior year figures include some reclassifications between headings to ensure consistency between financial years

Other income of £20.2m (2016/17 £22.8m) includes maternity lease funding £3m (2016/17 £2.8m), transitional merger funding support £1.25m (2016/17 £1.5m), car parking income £1.8m (2016/17 £2.0m), external estates recharges £1.3m (2016/17 £2.0m) and staff accomodation rental £1.8m (2016/17 £1.1m).

Sustainability and Transformation Fund (STF) income is made up of £14.122m core funding initially agreed (2016/17 £14.8m), incentive STF (£ for £) of £6.750m (2016/17 £2.174m) and bonus and general distribution STF of £6.555m (2016/17 £1.519m). In addition the 2017/18 figure includes £0.268m 2016/17 post accounts allocation.

Note 2.5 Income from activities arising from commissioner requested services

Under the terms of its provider licence, 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:

	2017/18	2016/17
	£000	£000
Income from services designated as commissioner requested services	494,531	468,838
Income from services not designated as commissioner requested services	54,778	48,654
Total	**549,309**	517,492

Note 3 Operating expenses

	2017/18 £000	2016/17 £000
Purchase of healthcare from NHS and DHSC bodies	3,116	6,185
Purchase of healthcare from non-NHS and non-DHSC bodies	7,693	8,355
Staff and executive directors costs	345,766	330,911
Remuneration of non-executive directors	150	155
Supplies and services - clinical (excluding drugs costs)	63,593	60,351
Supplies and services - general	25,967	18,621
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	86,297	85,411
Inventories written down	224	483
Consultancy costs	1,275	982
Establishment	2,826	3,881
Premises	13,945	13,807
Transport (including patient travel)	2,800	3,227
Depreciation on property, plant and equipment	14,504	16,348
Amortisation on intangible assets	2,487	2,802
Net impairments	(12,833)	(5,608)
Increase in provision for impairment of receivables	7,431	500
Increase in other provisions	1,012	14,768
Change in provisions discount rate	21	80
Audit fees payable to the external auditor		
audit services- statutory audit	172	180
other auditor remuneration (external auditor only)	18	30
Internal audit costs	190	199
Clinical negligence	16,684	11,949
Legal fees	256	524
Insurance	95	122
Research and development	1,632	1,639
Education and training	1,366	1,715
Rentals under operating leases	4,644	5,164
Redundancy	63	220
Charges to operating expenditure for on-SoFP IFRIC 12 PFI scheme on IFRS basis	11,652	11,118
Car parking & security	966	1,029
Hospitality	85	47
Losses, ex gratia & special payments	263	381
Other services, eg external payroll	379	328
Other	156	(543)
Total	**604,895**	**595,361**
Of which:		
Related to continuing operations	604,895	595,361

Prior year figures include some reclassifications between headings to ensure consistency between financial years

Note 3.1 Other auditor remuneration

	2017/18 £000	2016/17 £000
Other auditor remuneration paid to the external auditor:		
Audit-related assurance services	18	30
Total	**18**	**30**

Note 3.2 Limitation on auditor's liability

There is no limitation on auditor's liability for external audit work carried out for the financial years 2017/18 or 2016/17.

Note 4 Impairment of assets

	2017/18 £000	2016/17 £000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	(12,833)	(7,167)
Other	-	1,559
Total net impairments charged to operating surplus	**(12,833)**	**(5,608)**
Impairments charged to the revaluation reserve	(16,130)	11,289
Total net impairments	**(28,963)**	**5,681**

The Trust instructed Montagu Evans to carry out a revaluation of its property portfolio as at 31st December 2017. The revaluation was predominantly based on modern equivalent asset values using the alternative site approach where appropriate. This exercise resulted in an increase in the value of the relative assets of £28.96m which has been accounted for initially against the Income and Expenditure Account as a reversal of prior year impairments of £(12.83m) and thereafter as a net increase in revaluation reserve of £(16.13m) in accordance with the Trust's accounting policies and NHS Improvement guidance.

Note 5 Employee benefits

	2017/18 Total £000	2016/17 Total £000
Salaries and wages	270,696	252,263
Social security costs	28,969	26,529
Apprenticeship levy	1,290	-
Employer's contributions to NHS pensions	29,044	27,509
Pension cost - other	11	19
Temporary staff (including agency)	23,388	28,160
Total gross staff costs	**353,398**	**334,480**
Recoveries in respect of seconded staff	-	-
Total staff costs	**353,398**	**334,480**
Of which		
Costs capitalised as part of assets	6,000	1,987

Note 5.1 Retirements due to ill-health

During 2017/18 there were 2 retirements from the trust agreed on the grounds of ill-health (1 in the year ended 31 March 2017). The estimated additional pension liabilities of these ill-health retirements is £180k (£28k in 2016/17).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 5.2 Salary and pension entitlements of senior manager

In 2017/18 Directors' remuneration (including Non-Executive Directors) was £1,563k (2016/17 £1,641k) of which £0 (2016/17 £40k) is included for redundancy. Remuneration includes employer contributions to the pension scheme of £109k (2016/17 £126k).

Further details of directors' remuneration can be found in the remuneration report.

Note 6 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 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 report of the scheme actuary, which forms part of the annual NHS Pension Scheme 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
Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

The next actuarial valuation is to be carried out as at 31 March 2016 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

c) National Employment Savings Scheme (NEST) pension
NEST is the workplace pension set up by the Government. The Trust offers employees the NEST pension scheme alongside the two NHS Pension Schemes. NEST is a a defined contribution workplace pension scheme backed by the UK Government.
Staff are automatically enrolled into the NHS pension scheme or the NEST scheme unless staff opt out.

Note 7 Operating leases

Note 7.1 Chelsea and Westminster Hospital NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where Chelsea and Westminster Hospital NHS Foundation Trust is the lessor.

	2017/18	2016/17
	£000	£000
Operating lease revenue		
Minimum lease receipts	637	674
Other	-	-
Total	**637**	**674**

	31 March 2018	31 March 2017
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	637	674
Total	**637**	**674**

The Trust has three lessor agreements on Trust buildings and land. Imperial College lease the Renal Unit and charges are made with regard to actual costs associated with the premises. Alliance Medical lease land for their MRI unit and a contract has been agreed in respect of lease charges that takes into consideration charges from the company to the Trust for MRI scans. Hounslow and Richmond Community Healthcare NHS Trust lease land and building for the Urgent Care Centre (UCC).

Note 7.2 Chelsea and Westminster Hospital NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Chelsea and Westminster Hospital NHS Foundation Trust is the lessee.

	Buildings	Other	Buildings	Other
	2017/18	2017/18	2016/17	2016/17
	£000	£000	£000	£000
Operating lease expense				
Minimum lease payments	4,403	631	4,873	635
Less sublease payments received	(390)	-	(344)	-
Total	**4,013**	**631**	**4,529**	**635**

	Buildings	Other	Buildings	Other
	31 March 2018	31 March 2018	31 March 2017	31 March 2017
	£000	£000	£000	£000
Future minimum lease payments due:				
- not later than one year;	4,549	635	3,797	635
- later than one year and not later than five years;	5,228	682	5,178	1,023
- later than five years.	3,151	-	8,134	-
Total	**12,928**	**1,317**	**17,109**	**1,658**
Future minimum sublease payments to be received	-	-	-	-

West Middlesex Site:
The site has an existing operating lease for the rental of the Maternity Theatres and Natural Birthing Unit, which commenced in 2009 and is for a nine year duration. In 2014-15, the Trust increased the number of leased units to include four more blocks, the contract commenced on 9th June 2014 and is for a duration of three years. The Trust continues to lease the buildings on a rolling monthly basis as it reviews options for the longer term building provision.

Chelsea Site:
The site has a number of property operating leases to run its operations. These include leased properties predominantly from private companies but also from NHS Property Services. The rent reviews are either at a five year or other agreed intervals.

Note 8 Finance income

Finance income represents interest received on assets and investments in the period.

	2017/18	2016/17
	£000	£000
Interest on bank accounts	148	107
Other	103	-
Total	**251**	**107**

Note 9 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money.

	2017/18	2016/17
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	1,030	968
Finance leases	47	56
Interest on late payment of commercial debt	8	1
Main finance costs on PFI and LIFT schemes obligations	2,631	2,698
Contingent finance costs on PFI and LIFT scheme obligations	1,648	1,661
Total interest expense	**5,364**	**5,384**
Unwinding of discount on provisions	7	26
Total finance costs	**5,371**	**5,410**

Note 9.1 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

	2017/18	2016/17
	£000	£000
Amounts included within interest payable arising from claims made under this legislation	8	1

Note 10 Other gains / (losses)

	2017/18	2016/17
	£000	£000
Gains on disposal of assets	13	-
Losses on disposal of assets	-	(807)
Total gains / (losses) on disposal of assets	**13**	**(807)**

Note 11 Intangible assets - 2017/18

	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2017 - brought forward	**4,563**	**18,604**	**2,556**	**25,723**
Transfers by absorption	-	-	-	**-**
Additions	-	-	17,339	**17,339**
Reclassifications	28	994	(1,022)	**-**
Disposals / derecognition	-	(342)	-	**(342)**
Gross cost at 31 March 2018	**4,591**	**19,256**	**18,873**	**42,720**
Amortisation at 1 April 2017 - brought forward	**2,010**	**11,939**	**-**	**13,949**
Provided during the year	521	1,966	-	**2,487**
Disposals / derecognition	**-**	**(342)**	**-**	**(342)**
Amortisation at 31 March 2018	**2,531**	**13,563**	**-**	**16,094**
Net book value at 31 March 2018	**2,060**	**5,693**	**18,873**	**26,626**
Net book value at 1 April 2017	**2,553**	**6,665**	**2,556**	**11,774**

Note 11.1 Intangible assets - 2016/17

	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2016 - brought forward	**3,943**	**14,881**	**3,221**	**22,045**
Additions	-	-	4,466	**4,466**
Reclassifications	685	3,723	(5,131)	**(723)**
Disposals / derecognition	(65)	-	-	**(65)**
Valuation / gross cost at 31 March 2017	**4,563**	**18,604**	**2,556**	**25,723**
Amortisation at 1 April 2016 - brought forward	**1,581**	**9,566**	**-**	**11,147**
Provided during the year	**429**	**2,373**	**-**	**2,802**
Disposals / derecognition	-	-	-	**-**
Amortisation at 31 March 2017	**2,010**	**11,939**	**-**	**13,949**
Net book value at 31 March 2017	**2,553**	**6,665**	**2,556**	**11,774**
Net book value at 1 April 2016	**2,362**	**5,315**	**3,221**	**10,898**

Note 12 Property, plant and equipment - 2017/18

	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
Valuation/gross cost at 1 April 2017 - brought forward	**80,377**	**260,102**	**12,488**	**5,254**	**67,991**	**121**	**20,225**	**3,603**	**450,161**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Additions	-	15	-	20,374	122	-	-	-	**20,511**
Impairments	-	(684)	-	-	-	-	-	-	**(684)**
Reversals of impairments	2,121	26,543	983	-	-	-	-	-	**29,647**
Revaluations	-	(7,582)	-	-	-	-	-	-	**(7,582)**
Reclassifications	-	9,640	1	(13,745)	3,880	-	155	69	**-**
Disposals / derecognition	-	-	-	-	(559)	-	(5,821)	-	**(6,380)**
Valuation/gross cost at 31 March 2018	**82,498**	**288,034**	**13,472**	**11,883**	**71,434**	**121**	**14,559**	**3,672**	**485,673**
Accumulated depreciation at 1 April 2017 - brought forward	**-**	**4,587**	**78**	**-**	**49,221**	**121**	**17,098**	**2,539**	**73,644**
Provided during the year	**-**	**8,056**	**331**	**-**	**4,835**	**-**	**1,040**	**242**	**14,504**
Revaluations	-	(7,582)	-	-	-	-	-	-	**(7,582)**
Disposals / derecognition	-	-	-	-	(559)	-	(5,191)	-	**(5,750)**
Accumulated depreciation at 31 March 2018	**-**	**5,061**	**409**	**-**	**53,497**	**121**	**12,947**	**2,781**	**74,816**
Net book value at 31 March 2018	**82,498**	**282,973**	**13,063**	**11,883**	**17,937**	**-**	**1,612**	**891**	**410,857**
Net book value at 1 April 2017	**80,377**	**255,515**	**12,410**	**5,254**	**18,770**	**-**	**3,127**	**1,064**	**376,517**

Note 12.1 Property, plant and equipment - 2016/17

	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
Valuation / gross cost at 1 April 2016 - brought forward	**79,810**	**250,895**	**12,486**	**6,553**	**64,705**	**121**	**18,505**	**3,302**	**436,377**
Transfers by absorption	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Additions	-	624	-	23,725	66	-	-	-	**24,415**
Impairments	(127)	(24,428)	-	-	-	-	-	-	**(24,555)**
Reversals of impairments	694	19,574	165	-	-	-	-	-	**20,433**
Revaluations	-	(5,212)	(234)	-	-	-	-	-	**(5,446)**
Reclassifications	-	18,649	71	(25,024)	4,270	-	2,456	301	**723**
Disposals / derecognition	-	-	-	-	(1,050)	-	(736)	-	**(1,786)**
Valuation/gross cost at 31 March 2017	**80,377**	**260,102**	**12,488**	**5,254**	**67,991**	**121**	**20,225**	**3,603**	**450,161**
Accumulated depreciation at 1 April 2016 - brought forward	**-**	**2,362**	**-**	**-**	**43,451**	**121**	**15,599**	**2,223**	**63,756**
Provided during the year	**-**	**7,437**	**312**	**-**	**6,784**	**-**	**1,499**	**316**	**16,348**
Revaluations	-	(5,212)	(234)	-	-	-	-	-	**(5,446)**
Disposals/ derecognition	-	-	-	-	(1,014)	-	-	-	**(1,014)**
Accumulated depreciation at 31 March 2017	**-**	**4,587**	**78**	**-**	**49,221**	**121**	**17,098**	**2,539**	**73,644**
Net book value at 31 March 2017	**80,377**	**255,515**	**12,410**	**5,254**	**18,770**	**-**	**3,127**	**1,064**	**376,517**
Net book value at 1 April 2016	**79,810**	**248,533**	**12,486**	**6,553**	**21,254**	**-**	**2,906**	**1,079**	**372,621**

Note 12.2 Property, plant and equipment financing - 2017/18

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2018								
Owned - purchased	82,498	225,716	13,063	11,883	17,097	1,612	891	**352,760**
Finance leased	-	2,795	-	-	-	-	-	**2,795**
On-SoFP PFI contracts and other service concession arrangements	-	47,291	-	-	-	-	-	**47,291**
Owned - government granted	-	1,369	-	-	27	-	-	**1,396**
Owned - donated	-	5,802	-	-	813	-	-	**6,615**
NBV total at 31 March 2018	**82,498**	**282,973**	**13,063**	**11,883**	**17,937**	**1,612**	**891**	**410,857**

Note 12.3 Property, plant and equipment financing - 2016/17

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2017								
Owned - purchased	80,377	206,199	12,410	5,200	17,859	3,127	1,064	**326,236**
Finance leased	-	-	-	-	-	-	-	**-**
On-SoFP PFI contracts and other service concession arrangements	-	42,536	-	-	-	-	-	**42,536**
Owned - government granted	-	1,261	-	-	21	-	-	**1,282**
Owned - donated	-	5,519	-	54	890	-	-	**6,463**
NBV total at 31 March 2017	**80,377**	**255,515**	**12,410**	**5,254**	**18,770**	**3,127**	**1,064**	**376,517**

Note 12.4 Revaluations of property, plant and equipment

The Trust instructed Montagu Evans to carry out a revaluation of its property portfolio as at 31st December 2017. The revaluation was predominantly based on modern equivalent asset values using the alternative site approach where appropriate. This exercise resulted in an increase in the value of the relative assets of £28.96m which has been accounted for initially against the Income and Expenditure Account as a reversal of prior year impairments of £(12.83m) and thereafter as a net increase in revaluation reserve of £(16.13m) in accordance with the Trust's accounting policies and NHS Improvement guidance.

Note 13 Investments in associates and joint ventures

	2017/18 £000	2016/17 £000
Carrying value at 1 April - brought forward	**643**	**1,845**
Share of profit / (loss)	229	357
Impairments	-	(1,559)
Carrying value at 31 March	**872**	**643**

The Trust holds a 50% share in Systems Powering Healthcare Limited ("Sphere"), an IT shared services company set up as a joint venture with the Royal Marsden Hospital Foundation Trust and receives a 58% share of profit or loss. Sphere is a United Kingdom company which commenced operations in April 2015. The Trust accounts for its share of Sphere's gains and losses using the equity method.

Note 14 Inventories

	31 March 2018 £000	31 March 2017 £000
Drugs	3,167	3,025
Consumables	3,738	3,235
Energy	175	150
Other	53	53
Total inventories	**7,133**	**6,463**

Inventories recognised in expenses for the year were £81,032k (2016/17: £81,192k). Write-down of inventories recognised as expenses for the year were £224k (2016/17: £483k).

Note 15 Trade receivables and other receivables

	31 March 2018 £000	31 March 2017 £000
Current		
Trade receivables	56,039	51,236
Capital receivables (including accrued capital related income)	-	-
Accrued income	29,651	14,513
Provision for impaired receivables	(16,059)	(10,059)
Prepayments (non-PFI)	12,725	11,317
PFI prepayments - capital contributions	-	-
Interest receivable	23	9
PDC dividend receivable	284	667
VAT receivable	1,889	3,024
Other receivables	3,249	10,536
Total current trade and other receivables	**87,801**	**81,243**

Prior year figures include some reclassifications between headings to ensure consistency between financial years

Of which receivables from NHS and DHSC group bodies:		
Current	63,336	55,728

Note 15.1 Provision for impairment of receivables

	2017/18 £000	2016/17 £000
At 1 April as previously stated	**10,059**	**13,512**
Increase in provision	8,696	2,525
Amounts utilised	(1,431)	(3,953)
Unused amounts reversed	(1,265)	(2,025)
At 31 March	**16,059**	**10,059**

Note 15.2 Credit quality of financial assets

	31 March 2018 Trade and other receivables £000	31 March 2017 Trade and other receivables £000
Ageing of impaired financial assets		
0 - 30 days	863	55
30-60 Days	861	383
60-90 days	644	382
90- 180 days	2,242	1,747
Over 180 days	11,449	7,492
Total	**16,059**	**10,059**
Ageing of non-impaired financial assets past their due date		
0 - 30 days	21,076	18,355
30-60 Days	6,991	4,181
60-90 days	4,716	6,682
90- 180 days	6,676	4,941
Over 180 days	14,670	17,198
Total	**54,129**	**51,357**

Note 16 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.

	2017/18	2016/17
	£000	£000
At 1 April	**49,453**	**41,877**
Net change in year	3,140	7,576
At 31 March	**52,593**	**49,453**
Broken down into:		
Cash at commercial banks and in hand	67	1,408
Cash with the Government Banking Service	52,526	48,045
Total cash and cash equivalents as in SoFP	**52,593**	**49,453**

Note 16.1 Third party assets held by the trust

The Trust held cash and cash equivalents of £21k (2016/17 £21k) which relate to monies held by the the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2018	31 March 2017
	£000	£000
Bank balances	21	21
Total third party assets	**21**	**21**

Note 17 Trade and other payables

	31 March 2018 £000	31 March 2017 £000
Current		
Trade payables	10,054	17,834
Capital payables	12,611	9,038
Accruals	50,307	44,852
Social security costs	125	3,817
Other taxes payable	254	3,214
Accrued interest on loans	111	108
Other payables	1,307	5,643
Total current trade and other payables	**74,769**	**84,506**
Of which payables from NHS and DHSC group bodies:		
Current	10,993	9,576

Prior year figures include some reclassifications between headings to ensure consistency between financial years

Note 17.1 Other liabilities

	31 March 2018 £000	31 March 2017 £000
Current		
Deferred income	11,688	6,966
Deferred grants	-	624
Total other current liabilities	**11,688**	**7,590**

Note 17.2 Borrowings

	31 March 2018	31 March 2017
Current	**£000**	**£000**
Loans from the Department of Health and Scoial Care	3,618	3,531
Obligations under finance leases	172	163
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	1,056	727
Total current borrowings	**4,846**	**4,421**
Non-current		
Loans from the Department of Health and Scoial Care	54,307	55,924
Other loans	-	100
Obligations under finance leases	455	627
Obligations under PFI, LIFT or other service concession contracts	31,831	32,886
Total non-current borrowings	**86,593**	**89,537**

The Trust has three loans outstanding at the end of the financial year. Three loans are from the Department of Health and comprise of one working capital loan and two separate capital investment loans. The working capital loan balance at the end of the year is £37.9m with an interest rate of 1.8%. The capital investment loans have balances of £11.8m, with an interest rate of 1.46%, and £8.2m, with an interest rate of 2.2%.

Note 18 Finance leases

as a lessee

The Trust had two finance lease arrangements during 2017/18:
1. MRI building. The outstanding period for this lease is 10 years.
2. MRI scanner (classified as "other"). The outstanding period for the lease is 2 years.

Obligations under finance leases where Chelsea and Westminster Hospital NHS Foundation Trust is the lessee are as follows:

	Buildings			Other			Total		
31 March 2018	***Minimum Lease Payments £'000***	***Interest £'000***	***Present Value £'000***	***Minimum Lease Payments £'000***	***Interest £'000***	***Present Value £'000***	***Minimum Lease Payments £'000***	***Interest £'000***	***Present Value £'000***
Not later than one year	45	20	25	164	18	146	209	38	171
Later than one year and not later than five years	180	63	117	162	9	153	342	72	270
Later than five years	221	35	186	-	-	-	221	35	186
	446	**118**	**328**	**326**	**27**	**299**	**772**	**145**	**627**
Current Liabilities			25			146			171
Non Current Liabilities			303			153			456

	Buildings			Other			Total		
31 March 2017	***Minimum Lease Payments £'000***	***Interest £'000***	***Present Value £'000***	***Minimum Lease Payments £'000***	***Interest £'000***	***Present Value £'000***	***Minimum Lease Payments £'000***	***Interest £'000***	***Present Value £'000***
	45	21	24	165	26	139	210	47	163
	180	69	111	326	27	299	506	96	410
	265	48	217	-	-	-	265	48	217
	490	**138**	**352**	**491**	**53**	**438**	**981**	**191**	**790**
Current Liabilities			24			139			163
Non Current Liabilities			328			299			627

Note 19 Provisions for liabilities and charges analysis

	Pensions - early departure costs	Legal claims	Contractual Disputes	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2017	**1,963**	**219**	**12,212**	**-**	**7,706**	**22,100**
Change in the discount rate	10	-	-	-	11	**21**
Arising during the year	-	85	5,905	696	4,257	**10,943**
Utilised during the year	(188)	(16)	(4,782)	(121)	(1,137)	**(6,244)**
Reversed unused	(264)	(165)	(7,053)	-	(2,398)	**(9,880)**
Unwinding of discount	5	-	-	-	2	**7**
At 31 March 2018	**1,526**	**123**	**6,282**	**575**	**8,441**	**16,947**
Expected timing of cash flows:						
- not later than one year;	181	123	6,282	575	7,617	**14,778**
- later than one year and not later than five years;	719	-	-	-	239	**958**
- later than five years.	626	-	-	-	585	**1,211**
Total	**1,526**	**123**	**6,282**	**575**	**8,441**	**16,947**

Contractual disputes relate to challenges from Commissioners on pricing, charging and penalties. Other provisions include dilapidations £1,095k (2016/17 £1,122k), injury benefit £881k (2016/17 £1,058k), contractual pay claims £2,143k (2016/17 £786k) and other contractual claims £4,005k (2016/17 £2,407k)

Note 19.1 Clinical negligence liabilities

At 31 March 2018, £303,080k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Chelsea and Westminster NHS Foundation Trust (31 March 2017: £204,781k).

Note 20 Contingent assets and liabilities

	31 March 2018 £000	31 March 2017 £000
Value of contingent liabilities		
NHS Resolution legal claims	(50)	(48)
Gross value of contingent liabilities	**(50)**	**(48)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(50)**	**(48)**
Net value of contingent assets	-	-

Note 21 Contractual capital commitments

	31 March 2018 £000	31 March 2017 £000
Property, plant and equipment	920	6,304
Intangible assets	8,757	20,147
Total	**9,677**	**26,451**

Intangible capital commitments include £8.8m regarding the contract with Cerner for electronic patient record

Note 22 On-SoFP PFI, LIFT or other service concession arrangements

Note 22.1 Imputed finance lease obligations

Chelsea and Westminster Hospital NHS Foundation Trust has the following obligations in respect of the finance lease element of on-Statement of Financial Position PFI and LIFT schemes:

	31 March 2018 £000	31 March 2017 £000
Gross PFI, LIFT or other service concession liabilities	**61,895**	**65,253**
Of which liabilities are due		
- not later than one year;	3,624	3,358
- later than one year and not later than five years;	14,348	14,505
- later than five years.	43,923	47,390
Finance charges allocated to future periods	(29,008)	(31,640)
Net PFI, LIFT or other service concession arrangement obligation	**32,887**	**33,613**
- not later than one year;	1,056	727
- later than one year and not later than five years;	4,957	4,748
- later than five years.	26,874	28,138

Note 22.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future obligations under these on-SoFP schemes are as follows:

	31 March 2018 £000	31 March 2017 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	295,421	308,631
Of which liabilities are due:		
- not later than one year;	17,379	16,951
- later than one year and not later than five years;	69,516	69,258
- later than five years.	208,526	222,422

Note 22.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the trust's payments in 2017/18:

	2017/18 £000	2016/17 £000
Unitary payment payable to service concession operator	17,485	17,264
Consisting of:		
- Interest charge	2,631	2,698
- Repayment of finance lease liability	726	993
- Service element and other charges to operating expenditure	11,652	11,118
- Capital lifecycle maintenance	828	794
- Revenue lifecycle maintenance	-	-
- Contingent rent	1,648	1,661
- Addition to lifecycle prepayment	-	-
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment	-	-
Total amount paid to service concession operator	**17,485**	**17,264**

The Trust has a PFI scheme with Bywest Limited for a 33 year period which commenced in 2004. At the end of this period the Trust takes possession of the buildings and equipment funded and maintained by Bywest over the duration of the scheme. The Trust makes an annual unitary payment to cover liabilities management, lifecycle maintenance and finance costs. Unitary payments may vary in the future and are dependent on the Retail Price Index. Facilities management services are subject to market testing every five years. The market testing and formal tender of these services was last carried out in 2012/13. A new provider for soft facilities management services commenced in June 2013, including bulding cleaning and ground & site maintenance. The PFI scheme transferred to the Trust on 1 September 2015 following the merger with West Middlex University Hospital NHS Trust.

Under IFRIC 12 the asset is treated as an asset of the Trust. The substance of the contract is that the Trust has finance lease and payments comprise imputed finance lease charges and service charges.

Note 23 Financial instruments

Note 23.1 Financial risk management

IAS 32 (Financial Instruments: Disclosure and Presentation), IAS 39 (Financial Instrument Recognition and Measurement) and IFRS 7 (Financial Instruments: Disclosures) require disclosure of the role that financial instruments have had during the year in creating or changing the risks an entity faces in undertaking its activities. The Trust does not have any complex financial instruments and does not hold or issue financial instruments for speculative trading purposes. Because of the continuing service provider relationship the Trust has with healthcare commissioners and the way those healthcare commissioners are financed, the Trust is not exposed to the degree of financial risk faced by non NHS business entities.

The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

23.2 Liquidity risk

The Trust's net operating costs are mainly incurred under legally binding contracts with commissioners, which are financed from resources voted annually by Parliament. This provides a reliable source of funding stream which significantly reduces the Trust's exposure to liquidity risk.

The Trust also manages liquidity risk by maintaining banking facilities and loan facilities to meet its short and long term capital requirements through continuous monitoring of forecast and actual cash flows.

In addition to internally generated resources the Trust finances its capital programme through agreed loan facilities with the Independent Trust Financing Facility. The Trust has a working capital facility as at 31 March 2018 but has not drawn down against it.

23.3 Credit risk

Credit risk exists where the Trust can suffer financial loss through default of contractual obligations by a customer of counterparty.

The Trust's policy on bad and doubtful debt has been reviewed and significantly updated during the year. The policy reflects the position on the causes of debt, the implications of compliance and the need to identify trading counterparties correctly and the varied level of risk associated with them along with the requirement to maintain an adequate bad debt provision. The Trust maintains a bad debt provision rule set which is flexible and reflects the monthly movements on the sales ledger, however it also requires that a line by line review of items to be provided is carried out regularly.

Trade debtors consist of high value transaction with NHS England and CCG commissioners under contractual terms that require settlement of obligation within a time frame established generally by the Department of Health and local authorities under contractual terms although these are subject to individual negotiation. Other trade debtors include private and overseas patients, spread across diverse geographical areas.

Credit risk exposures of monetary financial assets are managed through the Trust's treasury policy which limits the value that can be placed with each approved counterparty to minimise the risk of loss. The counterparties are limited to the approved financial institutions with high credit ratings. Limits are reviewed regularly by senior management.

The maximum exposure of the Trust to credit risk is equal to the total trade and other receivables within Note 15.

23.4 Interest rate risk

The Trust's borrowings comprise fixed rate loans or interest free loans; the Trust is not therefore exposed to interest rate risk.

Note 23.5 Carrying values of financial assets

	Loans and receivables £000	Assets at fair value £000	Held to maturity at £000	Available-for-sale £000	Total book value £000
Assets as per SoFP as at 31 March 2018					
Embedded derivatives	-	-	-	-	**-**
Trade and other receivables excluding non financial assets	70,885	-	-	-	**70,885**
Cash and cash equivalents at bank and in hand	52,593	-	-	-	**52,593**
Total at 31 March 2018	**123,478**	**-**	**-**	**-**	**123,478**

	Loans and receivables £000	Assets at fair value through the I&E £000	Held to maturity £000	Available-for-sale £000	Total book value £000
Assets as per SoFP as at 31 March 2017					
Trade and other receivables excluding non financial assets	66,226	-	-	-	**66,226**
Cash and cash equivalents at bank and in hand	49,453	-	-	-	**49,453**
Total at 31 March 2017	**115,679**	**-**	**-**	**-**	**115,679**

Note 23.6 Carrying value of financial liabilities

	Other financial liabilities £000	Liabilities at fair value through the I&E £000	Total book value £000
Liabilities as per SoFP as at 31 March 2018			
Borrowings excluding finance lease and PFI liabilities	57,925	-	**57,925**
Obligations under finance leases	627	-	**627**
Obligations under PFI, LIFT and other service concession contracts	32,887	-	**32,887**
Trade and other payables excluding non financial liabilities	74,237	-	**74,237**
Provisions under contract	14,437	-	**14,437**
Total at 31 March 2018	**180,113**	**-**	**180,113**

	Other financial liabilities £000	Liabilities at fair value through the I&E £000	Total book value £000
Liabilities as per SoFP as at 31 March 2017			
Borrowings excluding finance lease and PFI liabilities	59,555	-	**59,555**
Obligations under finance leases	790	-	**790**
Obligations under PFI, LIFT and other service concession contracts	33,613	-	**33,613**
Trade and other payables excluding non financial liabilities	77,267	-	**77,267**
Provisions under contract	16,528	-	**16,528**
Total at 31 March 2017	**187,753**	**-**	**187,753**

Note 23.7 Maturity of financial liabilities

	31 March 2018 £000	31 March 2017 £000
In one year or less	93,520	98,217
In more than one year but not more than two years	4,921	4,758
In more than two years but not more than five years	14,777	14,523
In more than five years	66,895	70,255
Total	**180,113**	**187,753**

Note 24 Losses and special payments

	2017/18 Total number of cases Number	2017/18 Total value of cases £000	2016/17 Total number of cases Number	2016/17 Total value of cases £000
Losses				
Cash losses	90	58	81	190
Bad debts and claims abandoned	1,192	515	1,369	1,144
Stores losses and damage to property	12	208	12	282
Total losses	**1,294**	**781**	**1,462**	**1,616**
Special payments				
Compensation under court order or legally binding arbitration award	4	31	1	25
Ex-gratia payments	63	152	43	73
Special severence payments	1	121	-	-
Total special payments	**68**	**304**	**44**	**98**
Total losses and special payments	**1,362**	**1,085**	**1,506**	**1,714**
Compensation payments received		132		142

The amounts reported as losses and special payments are on an accruals basis, excluding provision for future losses

There were no individual cases over £300,000 in the year (2016/17 None)

Note 25 Operating segments

The Board of Directors is of the opinion that the Trust's operating activities fall under the single heading of healthcare for the purpose of operating segments disclosure. IFRS 8 requirements were considered and the Trust has determined that the Chief Operating Decision Maker is the Trust Board of Chelsea and Westminster Hospital NHS Foundation Trust. It is the responsibility of the Trust Board to formulate financial strategy and approve budgets. Significant operating segments that are reported internally are the ones that are required to be disclosed in the financial statements. There is no segmental reporting for revenue, assets or liabilities to the Trust Board. Expenditure is reported by segment to the Trust Board, however, those segments fully satisfy the aggregation criteria to be one reportable segment as per IFRS 8. Therefore all activities of the Trust are considered to be one segment, 'Healthcare', and there are no individual reportable segments on which to make disclosures.

Note 26 Academic Health Partnership

The Trust has continued to be a partner in Imperial College Healthcare Partners Limited, a company limited by guarantee, in the year, with Imperial College and a number of other local trusts. The company provides central services for the Imperial Academic Health Science Partnership, in which the Trust participates. The Trust's initial investment was £1, and the Trust's contribution to the costs of the company for the year was £65k (2016/17 £50k).

Note 27 North West London Pathalogy

In 2017/18 the Chelsea and Westminster Hospital NHS Foundation Trust (CW), Imperial College Healthcare NHS Trust (ICHT) and The Hillingdon Hospitals NHS Foundation Trust (THH) entered into an agreement to restructure their pathology services by establishing North West London Pathology (NWLP). NWLP is jointly governed by the 3 organisations ICHT (61.2%), CW (19.92%) and THH (18.88%).

NWLP, hosted by Imperial College Healthcare NHS Trust, is defined as a joint operation, per IFRS 11, and each Trust accounts for its share of the operating costs based on activity and hosting costs apportioned on the relative percentage of ownership. The Trust’s initial contribution is reflected as a working capital loan and is included in other current receivables.

Note 28 Events after the reporting date

There are no events after the reporting date requiring disclosure

Note 29 Related parties

Note 29.1 Related Party Relationships

Chelsea and Westminster Hospital NHS Foundation Trust is a public benefit corporation established by the order of the Secretary of State for Health.

Government departments and their agencies are considered by HM Treasury as being related parties.

Note 29.2 Related Party Balances

	Receivables		Payables	
	31 March 2018 £000s	31 March 2017 £000s	31 March 2018 £000s	31 March 2017 £000s
Imperial College Healthcare NHS Trust	2,405	1,879	5,044	2,628
NHS Central London (Westminster) CCG	1,844	0	258	838
NHS Ealing CCG	1,367	2,785	444	471
NHS Hammersmith and Fulham CCG	1,505	117	445	494
NHS Hounslow CCG	5,297	5,073	2,200	1,988
NHS Richmond CCG	2,971	3,471	442	421
NHS Wandsworth CCG	892	2,578	645	682
NHS West London (K&C & Qpp) CCG	7,344	10,289	1,447	1,087
NHS England (statutory entity - populated by completing table of sub-entities below)	30,091	18,024	4	18
Health Education England	0	171	267	2
NHS Resolution (formerly NHS Litigation Authority)	0	0	0	0
Department of Health and Social Care	1,381	0	0	0
Other Government Departments and central bodies:				
HM Revenue & Customs	0	3,024	380	7,031
NHS Pension Scheme	0	0	30	3,946

In addition to the above, in 2017/18 the Trust had receivables of £756k (2016/17 £546k) and payables of £1,591k (2016/17 £484k) relating to Sphere

Note 29.3 Related Party Balances

	Income		Expenditure	
	31 March 2018 £000s	31 March 2017 £000s	31 March 2018 £000s	31 March 2017 £000s
Imperial College Healthcare NHS Trust	6,117	3,733	26,911	20,065
NHS Central London (Westminster) CCG	18,234	17,598	140	56
NHS Ealing CCG	24,678	23,876	0	0
NHS Hammersmith and Fulham CCG	38,137	34,684	0	0
NHS Hounslow CCG	117,869	109,996	0	0
NHS Richmond CCG	35,980	34,610	0	0
NHS Wandsworth CCG	32,139	29,680	0	0
NHS West London (K&C & Qpp) CCG	55,842	58,897	0	52
NHS England	172,448	159,502	4	18
Health Education England	27,812	29,872	0	12
NHS Resolution (formerly NHS Litigation Authority)	0	0	16,684	11,989
Department of Health and Social Care	18,859	23,137	5	0
Other Government Departments and central bodies:				
HM Revenue & Customs	0	0	30,259	26,529
NHS Pension Scheme	0	0	29,044	27,509

In addition to the above, in 2017/18 the Trust had income of £461k (2016/17 £367k) and £4,987 expenditure of (2016/17 £4,042k) relating to Sphere

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